

People think they're better off, and that's the biggest...

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As a blog I have just [posted based on new work by Howard Reed for the TUC shows](#), the vast majority of people in the UK face being worse off in the next five years as a result of government policy. And that is before the risks we face based on the global economic situation and the consequences of Brexit. People should be worried.

The [ONS well being survey](#), published yesterday, shows they are not. This table is particularly telling:

You can see why people got angry in 2008: they had thought things were particularly good. In fact, perceptions in 2006 and 2007 were better than at any time since. And it turned out there was a nasty shock in store. It was the shock that annoyed people, I suspect.

Then note that people think that things have been improving progressively since 2011. In that one trend is the explanation for the election result in 2015.

What changes electoral prospects? Nothing, I suggest, unless expectations prove to be wrong. Then people blame whoever sold the misplaced hope.

Why then might things go wrong for George Osborne? First because of the massively unfair impact of tax and spending changes over the next five years. [I repeat Howard Reed's chart on this:](#)

And if the economy really does have as rough a time as looks to be possible, despite recent stock market recoveries and continuing low oil prices then this will be compounded.

People do not like their expectations being dashed. Their expectations are rising right now. If George Osborne cannot deliver on his promises - which are big and appear to be

falling apart at present - then change can happen.

But if against expectation he does what he says he will do - and most especially if he does what he says and the world economy does not slump - then he might well win the 2020 election.

Political economy is not quite as simple as meeting people's expectations, but that has a great deal to do with it.