

Why Osborne will not be delivering post referendum budg...

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The [Guardian reports this morning](#):

George Osborne will warn that he would have to fill the £30bn black hole in public finances triggered by a vote to leave the [European Union](#) by hiking income tax, alcohol and petrol duties and making massive cuts to the NHS, schools and defence.

In a sign of the panic gripping the remain campaign, the chancellor plans to say that the hit to the economy will be so large that he will have little choice but to tear apart Conservative manifesto promises in an emergency budget delivered within weeks of an out vote.

It's an interesting claim. It's also wrong.

First, Osborne will not be Chancellor to deliver another budget. If Leave win he and Cameron will have to go.

And as I will argue in a blog that may see the light of day this morning depending on whether or not I finish it before I get to Kings Cross, if Remain win he has little chance of staying either because the margin of victory is likely to be so small that this will also require that he and Cameron go.

In other words, this is Osborne in political fantasy land.

Second, this is not true because he will not know the consequence within a weeks, and so would be most unwise to react hastily.

Third, it may be that running a bigger deficit funded by QE (which will be much easier outside the EU) is a completely viable option post a vote for Leave and he might actually realise that and change his absurd adherence to the demands of a balanced budget.

Fourth, his forecasting record is so bad why believe him?

In other words, these are the last gasps of a desperate man clinging to the last vestiges of the power that he once thought he enjoyed and which he now knows is moving beyond his grasp whatever happens in this desperately ill advised referendum for which he carries much of the responsibility. It would be wise to read it that way, however, serious the economic consequences of leaving might be.