

Rishi Sunak, then and now. Who was right?

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As a newly elected MP Rishi Sunak [spoke in the budget debate of 2015, saying:](#)

That to me suggests a simple conclusion: in normal times, public spending should not exceed 37% of GDP.

And he added:

Whether one is a Thatcherite or a Trotskyite, the rules of budgeting are the same: one cannot sustainably spend more than one earns. I commend the Chancellor for acting on that principle and ensuring that Britain's finances will once again be back in the black.

Yesterday [he said:](#)

...we're going to change the whole mindset of Government.

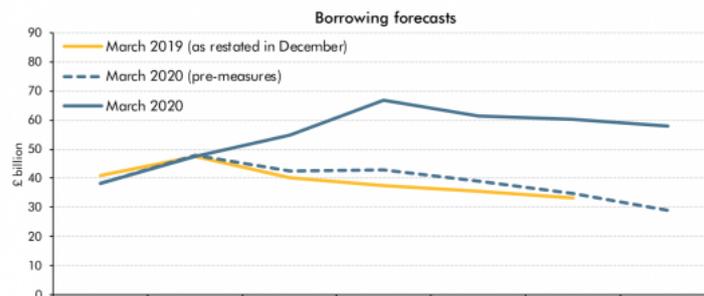
To make sure economic decision-making reflects the economic geography of the country...

As a result the [Red Book said:](#)

Government spending is now set to be 40.7% of GDP in 2024-25.

And as the [OBR noted](#), borrowing is going to rise under Sunak:

Chart 1.1: Public sector borrowing: March 2020 versus restated March 2019



So was Sunak wrong in 2015?

Has he seen the light?

And will his new fiscal rules reflect that fact that borrowing is now to be embraced?

I wish t would. But I rather strongly suspect that this man still thinks the country is like a household, and that we will all pay the price for that.

Hat tip: David Lowry