

The message from Downing Street this morning is 'bring ...

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I [have already discussed](#) the Treasury's callous proposal to increase taxes on the wealthy without compensating tax cuts for those on lower incomes that features in some, right-wing, newspaper this morning, obviously as a result of carefully placed leaks. The net effect will be to increase unemployment when we are going to face record levels of unemployment, very soon.

But there is another dimension to this. [As the Telegraph notes](#):

[T]he proposals [from the Treasury] have been met with fierce opposition in No. 10, with senior figures said to be instinctively opposed, and expressing frustration that officials are failing to present other options, such as cutbacks to Whitehall departments' current spending budgets.

While Downing Street has indicated it could live with a few billion pounds worth of tax rises, especially the elimination of perceived loopholes for the wealthiest in the areas of capital gains and pensions, Boris Johnson's aides fear conducting a major tax raid on Middle England in the midst of the pandemic risks derailing the economic recovery.

Instead, they favour introducing cuts to current spending, but are said to be highly frustrated at the failure of officials across government to identify unnecessary spending.

The message from Downing Street this morning is, in that case, 'bring back austerity'.

It is as if the lessons of George Osborne's failure have not been learned.

And it is as if we are living in a country with such bounteous government services that of course they are sitting there waiting to be cut.

The reality was that Osborne's austerity failed. It imposed untold harm. It hit the weakest in society by far the hardest. It left countless at risk. Many children were made vulnerable. People died as a result of health care cuts. We were unable to face a pandemic and the consequence has been obvious. And the reason why officials cannot

find anything to cut is that they know that to cut will simply create harm. That should be obvious to No. 10 too.

But it's also economically illiterate to think of cuts now. We are going to face massive unemployment in the UK. Official forecasts are only 3 million, or so. I think they are wildly optimistic. But whoever is right, and we do not know as yet, the number looking for work will be as big as any I have known in my lifetime. Most will never have seen anything like this. And every single government spending cut will make this worse. Every cut will cost another job. And there will be no private sector ones to replace them as that part of the economy is weighed down by the shackles of government-backed debt imposed on it to survive 2020.

So, what No. 10 really want is mass unemployment. And I fear that they will not be happy until they get it.