

As the Bank of England relentlessly seeks to drive the ...

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Liz Truss and Rishi Sunak both ruled out support for energy price caps during the Tory leadership hustings last night.

As I have discussed, there are problems with any such cap. Labour's plan does not go far enough. I suspect the industry's plan might include hostages to fortune. But, the proposals have, according to opinion polling, proved to be immensely popular with the public, which is a rare PR success for Starmer. Tory rejection of the idea is certainly not going to help their cause as the autumn progresses.

Nor are the explanations for refusing help credible. Truss says help must come via tax cuts, but even Sunak is now issuing commentary suggesting almost all her support goes to better off households and not those in most need. As an exercise in wholly missing the target whilst wasting resources Truss's plan is spectacular.

Sunak is no better though. He says there is no money available and that to create more would max the country's credit card, which he won't do. Ignoring the economic nonsense that this claim represents, he says that to borrow is not apparently the Conservative way even though borrowing to fund the failed £37 billion track and trace system apparently was, and he oversaw it.

The message at present is clear. As the Bank of England relentlessly seeks to drive the economy towards recession Sunak and Truss think the government should sit on the sidelines and watch the disaster unfold. We are in very deep trouble.