

Whilst I was out yesterday, the [Bank of England](#) offered its opinion on the economy.

Inflation is not as low as they would desire. The same is true everywhere. No action they can take will change this in that case. This should, therefore, have no influence on interest rate policy.

Growth is low and getting worse. Action they could take would change this. If only they would cut rates significantly, the UK economy would get a significant boost as many imperilled households would have the confidence to spend again. They must know that. Doing so, they delivered a feeble cut in their base interest rate of just 0.25%, leaving our rate massively out of line with the eurozone and far too high.

As has been the case for some years, the Bank of England has seriously misread the economy and what is required of the Bank as a result. In the context of the threat from Trump, a world economy that is lacking confidence, and domestic pressure precisely because interest rates are far too high, the Bank got things even more wildly wrong than usual yesterday.

My message is one with which many will be familiar from their school days. They could try harder.

It does, however, seem that they have no inclination to do so. The argument for the abolition of their supposed independence, which status has been so destructive since Covid, grows by the day.