

This Budget will fail a basic ethical test

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John Healey has said, in advance of the Budget, that his plan is to help the UK through what he describes as a “difficult moment”. His plan is to help businesses, entrepreneurs and households.

He has already announced measures he says will help with the cost of living, including removing tariffs on some foodstuffs, which, it is suggested, could save the average household around £20 a year. If there is one thing that today is going to prove, it is that John Healey is a man who sweats the small stuff.

He has, however, no choice but to do that because he has already said his approach will “do all this responsibly, sticking with tight fiscal rules.”

The word “responsibly” is doing a lot of work in that sentence. To define responsibility, you have to know your priorities. In this case, by linking the word with fiscal rules, John Healey gives the clearest possible indication of those to whom he thinks he is responsible. And unambiguously, that is the City of London and the bond market.

The fact that, as I demonstrate [in this morning's video](#) using data from the supermarket chain Asda and the Centre for Economics and Business Research, 20% of the UK's population is living in poverty, unable to meet their basic needs, and another 40% of the population have very little spare income to offer very much flexibility in life, suggests quite clearly how wrong his definition of responsibility is.

When at least half the UK population is struggling, maintaining the fiscal rules and patterns of behaviour that keep this situation intact represents gross irresponsibility.

It also reveals a fundamental misunderstanding of the relationships of power in the UK. If more than half our population struggle to afford the lifestyle which they are told by our advertising industry that they should aspire to, without any prospect of doing so, with the consequent resentment that follows from that, and at least 40% of our population struggle to simply make ends meet, the responsibility of any Chancellor is to these people above all else.

In this situation, a Chancellor has no duty to the wealthy. Nor do they owe a duty to the bond markets, where the wealthy deposit funds with the government that they have no use for at present. Instead, they have a duty to those without funds, without enough income, and without hope.

I know John Healey will fail today, and he will do so simply because he cannot work out to whom he is responsible. This basic ethical test is apparently beyond a Labour Chancellor of the Exchequer's ability to answer correctly.

If you want to know how far the neoliberal economics of austerity have corroded this country's politics, that simple fact provides all the evidence you need.

It is time for an economics of hope that puts government on the side of the people who need its help to achieve what would otherwise be impossible in their lives.