

# It's the economy stupid

Labour would be well advised to take Bill Clinton's advice. A party's popularity has much to do with the state of the economy and with their own record at economic management. Labour's decision in these latest elections to launch a constant barrage of allegations about Conservative Ministers instead of setting out what they would like to do misjudged the mood and meant their candidates were associated with negative stories and carping attitudes.

The misjudgement probably goes back to Labour's persistent wish to impose a false view of electoral history on the country. Their belief is Tony Blair beat John Major after running a three and a half year campaign about alleged Tory sleaze. Much of it was cases of individuals sleeping in the wrong beds, with Labour claiming this was relevant thanks to a misinterpretation of John Major's Back to Basics speech in October 1993. Once Labour got in to power they decided to prevent any attempt to turn the campaign against them by claiming that in future these were all private lives matters that should not be part of politics.

If you look at the opinion polls you see that Conservative fortunes plunged from September 6 1992 when the UK fell out of the European Exchange Rate Mechanism and had to acknowledge its economic policies had failed and we were in a nasty recession. Until the ERM disaster the Conservatives had been around 40% and ahead of Labour. On 5 September despite obvious pressures against the policy in currency markets Conservatives still had a 4% lead with a 39% Vote share. By the summer of 1993, before the sleaze campaign began Conservative polls had settled down at around 31% and Labour were well ahead. By 7 May 1994 for example Labour had a 15% lead at 44% to 29%. Between 1993 and the 1997 General election little changed, and the final result was Conservative 31% and Labour 44%, a landslide win. No-one looking at these polls can come to any conclusion other than the destruction of the European Economic policy and the collateral damage it did lost the Conservatives around 10% of support which they never regained. The sleaze campaign did not shift the dial.

Similarly Labour lost in 2010 not because of the expenses scandal but because they presided over the Great recession. They did not stop the excess credit build up they were warned about prior to 2008, and then decided to blame and trash the banking system instead of injecting liquidity and organising a work out of the problems. That is what they have to address in their thinking. People do not think Labour have a vision to back a recovery. All they hear is Labour running the country down and carping that Brexit was a wrong call. Many voters want the wins from Brexit. Why should Brexit UK vote in a Remain party who would then wish to prove their negative view of Brexit by following policies that were damaging instead of making the changes to deliver more freedom and prosperity?