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Britain heads further down the Brexit rabbit-hole

Despite petrol shortages and empty shelves, the Labour Party is adrift — and Johnson may press the Northern Ireland protocol nuclear button

At my local petrol station a cadre of young men have suddenly appeared, in high-visibility jackets, to instruct car drivers in the fine art of the jammed-nose-to-tail refill. Each pump has three nozzles, for diesel and petrol — with some careful driving, and shouted instructions, two cars can use one at the same time.

That doesn't stop the queue backing up 30 metres into the roadway, hazard lights flashing. After a while the jacketed men flip the makeshift sign, from 'no petrol cans' to 'no petrol', and the commotion ends. This is what happens when a country runs short of 100,000 truck and tanker drivers and the government says 'don't panic'.

In the supermarket next door there are rows of empty shelves. Fresh vegetables are a problem, fruit is a bigger problem, and the remaining flowers look sad and wilted. The primary cause of the food shortage is said to be the absence of carbon dioxide for processing — itself a side-effect of the soaring price of natural gas.

But the absence of 100,000 trained heavy-good-vehicle drivers is not helping. Anecdotally — everything becomes anecdotal in a crisis such as this — major trucking firms are hiking pay for drivers to the equivalent of a senior teacher and headhunting entire departments full of refuse-lorry drivers from local government. Meanwhile, in every other shop or pub a scribbled notice is taped to the window: 'we are hiring'.

Acute impact

How did Britain find itself at the wrong end of an energy-security crisis and a labour shortage at the same time? Before uttering the one-word answer we must, in the name of objectivity, concede the global

contributing factors.

There is a surge of demand driven by recovery from the pandemic — a recovery in which central banks have refused to stop stimulating prices and funding government spending. That has driven global supply shortages in goods as varied as silicon chips and natural gas. Meanwhile the spot price for shipping a 40-foot container from Shanghai to Rotterdam has risen by 535 per cent in a year.

But the acute impact of these trends on Britain is down primarily to 'Brexit' — with government insouciance and decades of deregulation thrown in.

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In the past week we have seen retail energy suppliers with a customer base numbering millions go bust. Their customers are transferred to bigger, more expensive suppliers and as the winter fuel spend begins this alone will drive inflation. So will the pay rises employers are throwing at anyone who can drive a truck, which in turn will trigger rises among the precariously-employed young workforce who can suddenly pick and choose their jobs.

Not a normal country

In a normal country, the government's popularity would take a hit. But not in Britain. The crisis is being touted gleefully by Tory MPs as the outcome of ending 'cheap foreign labour'. The subtext: stick it out, resist the temptation to issue unlimited visas to skilled European workers and there will be a permanent hike in wage rates across the semi-skilled economy. As for the gas, food, petrol and manufactured-goods shortages, these — as always with Boris Johnson — are somebody else's fault.

The polls tell a story of rising discontent with the perfomance of Johnson's government. Yet this is allied to a stubborn refusal to break with the Conservatives, particularly among their 'C2DE' (lower-middle-class and manual-worker) supporters, for whom Brexit was supposed to solve everything.

Among less well-off and less-educated voters surveyed by YouGov, for example, general discontent with Johnson's government is now running at 47 per cent, compared with just 27 per cent approval — similar to where it was before the 'vaccine bounce' equalised the numbers at 36 per cent in May.

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Significantly, 52 per cent of the same voters now think the Tories are handling Brexit itself badly. And Johnson's approval rating has been deeply negative since the middle of 2020, when a series of screw-ups and scandals over the management of the pandemic began to take their toll.

But voter intention still puts the Conservatives way ahead of Labour. Even though Tory electoral support has waned over the summer, they are still on 40 per cent, compared with Labour's 34 per cent and a combined 21 per cent for the overtly anti-Brexit Liberal Democrats and Greens and Scottish and Welsh nationalists.

Opportunity missed

Britain retains a large, suburban, conservative middle class, with elderly, property-owning, private-pension recipients the core of Tory support. So long as the elderly, property-owning state pensioners of ex-industrial working-class towns continue to form a bloc with them, they can deliver a solid 40 per cent support base for Conservatism. This is distributed across all constituencies, unlike that for Labour and other progressive voters, who are concentrated in the cities but outvoted in the towns under the UK's first-past-the-post electoral system.

For Labour, this is already an opportunity that has come and gone. The gas crisis is clearly the result of Britain's departure from Europe's integrated energy market, as well as neglect of domestic storage capacity. The driver shortage is a direct outcome of the Brexit abandonment of freedom of movement.

Yet the Labour leader, Keir Starmer, used his party's annual conference in Brighton last week publicly to renege on his pledge to nationalise energy, water, rail, and postal services. This, he said, would only be done if it represented 'value for money'.

His frontbenchers have meanwhile studiously avoided linking the crisis to Brexit, fearing they would alienate the elderly, social-conservative voters they need to switch back to Labour. As for freedom of movement, it is dead as a Labour commitment for the same reason.

Throwing money at problems

But Brexit is, if not the root cause, then the accelerator that has focused all aspects of the global supply-chain crisis on the UK economy. How

long will it take before the politics changes?

At present, the government solves all problems by throwing money at them. A £32bn black hole in health and social care is to be stopped by a sudden, hypothecated tax. The collapse of a major railway franchise was met by instant, temporary nationalisation. After a week of prevarication, the armed forces will now be used to drive petrol tankers to the beleaguered filling stations.

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But at a certain point, the racism, xenophobia, and anti-'woke' rhetoric that binds Johnson to his plebeian base won't fill the petrol tank, won't put sandwiches in the children's lunchbox, and won't stop hundreds of small businesses folding under the pressure of rising wage and input costs.

It feels like a matter of time. Crisis management can have two outcomes: wrestling the crisis dynamic into submission or making the whole thing worse — crises are rarely simply stabilised. If, by the end of October, we are still facing rolling shortages, from fuel to food to labour, and the government's popularity goes on sliding, a cathartic break must come.

Diplomatic crisis

I fear Johnson's chosen response, long trailed, will be unilaterally to withdraw the UK from the Brexit Northern Ireland protocol, triggering a major diplomatic crisis with both the European Union and the United States (where it is linked to concern about the survival of the Belfast agreement). To the rationalists and technocrats watching it all in horror from the other side of the English Channel that will look crazy, but it would follow the logic of everything else Johnson has done since gaining the Tory leadership.

The then Labour prime minister, Jim Callaghan, flying back to similar domestic conditions in the 1978-9 'winter of discontent', was said to have responded: 'Crisis? What crisis?' (In fact, this was a hostile newspaper headline.) Johnson is a politician who can only survive through crisis and indeed revels in it. His motto might be 'Crisis? More crisis!'



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