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Brexiteers must stop bashing economists if they want to defeat Corbyn

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One of the things I'm most uncomfortable about as a supporter of Brexit is my fellow travellers dismissing economists' pronouncements out of hand. On everything from the impact of potential GDP benefits of non-EU trade deals, to immigration, right through to the short-term impact of voting to leave, Brexiteers have downplayed economic reports that are politically inconvenient.

To be clear, many have been worthy of challenge and critical analysis. Professions can be prone to groupthink, and on Brexit economists have not covered themselves in glory.

They were right to state that the uncertainty of voting to leave would prove a drag on economic growth. But they were hopelessly wrong in implying the effect would be so large it would result in recession and rising unemployment.

They are correct that net additional trade barriers would make the economy less productive. Yet the most dire long-term scenario analysis is often predicated on assumptions that EU exit only has costs and no gross benefits. This an absurd proposition given what we know about certain EU regulations and tariffs, as well as future global growth patterns.

So, yes, highlighting poor assumptions, or suggesting revisions to modeling methods, is perfectly legitimate. Let's have those debates. It is reasonable too to use historical examples – such as the fact that the majority of UK academic economists favored joining the euro – to dismiss pure appeals to the authority of the majority.

But rather than doing this, my pro-Brexit comrades sometimes slip into a lazy “wrong then, wrong now” meme. The implication being that all uncomfortable economic opinions can be disregarded on the basis that a majority of economists once called something else incorrectly.

This is obviously absurd as a matter of logic. Economists, including Her Majesty's Treasury, are regularly accused of “crying wolf” about the short-term economic impact of voting leave on the labour market, for example. But the political lesson of Aesop's “Boy Who Cried Wolf” fable is not just that those who lie or mistakenly warn of impending danger are less likely to be trusted. The moral of the story comes from the fact that in the end the wolf turns up when the villagers no longer have faith in the boy's warnings. There's no happy ending: the sheep are eaten.

The lessons to heed are two-fold. First, government institutions and professional economists have a duty not to fall prey to motivated reasoning, or to “sex up” the likely outcomes of policies

to assist a political narrative. The perception that many wanted the UK to join the euro for non-economic reasons, merely using economic warnings as a veil, undermined faith in the profession.

When bodies such as the International Monetary Fund can flip-flop so easily on key issues such as deficit reduction – shifting, as it did, from pro-austerity to anti-austerity messaging just as the economy began growing robustly – it gives the sense that these bodies are more political than dispassionate. Certainly, the Treasury's analysis on the effects of voting leave seemed too convenient to be true. Economists must sort the objective from the subjective, and the hard-headed economics from political judgments, lest their own reputation be spoilt.

But the fable comes embedded with a warning here for Brexiteers too. Creating the public perception that economists are all no-nothing charlatans or worse, lying “wolf” criers, will dampen the value of their analysis and pronouncements in areas where Conservatives might be grateful of intellectual ammunition.

Two words should suffice here to make the point: Jeremy Corbyn. A host of Labour's policies and ideas are anathema to economists. On everything from shelling out taxpayer money towards specific industries, right through to plans for rent controls in the private rented sector, the dismal science points against Labour's preferences. Economists will play a crucial role too in analysing how the red team will finance their spending proposals, and the macroeconomic wisdom or otherwise of likely higher government borrowing given prevailing economic conditions at the next election.

It should be obvious, but needs saying: dragging economists' reputations so far through the mud on Brexit will backfire on Leaver Conservatives if the public then heavily discount their interventions on these matters. If “wrong then, wrong now” reasoning can be applied on two issues as unrelated as membership of the single currency and trading within a single market, why not on warnings about re-nationalisation, workers on boards or a whole host of labour market regulation?

During and after Margaret Thatcher's leadership, the Conservative party put economic analysis at the core of its policy thinking. It was downplayed under David Cameron initially in 2005, when to their shame the Tory leadership largely considered major economic debates settled. From 2010, it only returned as a result of necessity in dealing with the aftermath of the financial crash. With Corbyn and the spectre of socialism on the horizon, being able to rely on economic analysis in the coming battle of ideas is perhaps more important than ever.

Yet the Tories risk heading into that battle with vast swathes of Conservatives having rubbished the same institutions on which they will lean on for credible assessment of Corbyn's policies.

My plea to our Brexiteer bretheren for 2019 then is to engage in good faith with the economics profession. Yes, the Brexit debate has seen many economists making questionable political assumptions and judgments, and giving skewed results. But this does not diminish the power of economic analysis or insights per se.

Do not dismiss evidence, but consider it and ask where it comes from. Doing so may sharpen your own ideas for minimising risks and maximising the opportunities from leaving.

But even if you feel you have little to learn, then understand your own self-interest: sullyng the worth of economic analysis is a dangerous game in the age of Corbyn.

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