

# The Telegraph

## Politicians are hopeless at delivering big ideas – we need small solutions instead

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An election's end provides merciful relief from politicians' claims that they will "transform" our lives and our economy. Whether it be pledges to turn around failing regions, deliver rapid decarbonisation, or plant hundreds of millions of trees per year, this particular campaign was littered with promises that we know, in our hearts, would not or could not be delivered.

Commentators worry about the breakdown of trust in politics and politicians. Nothing does more to accentuate it than unmeetable political commitments that subsequently have to be junked or downgraded when reality hits. Yet many pundits still use "radical" or "bold" as synonyms for "good" when describing election manifestos.

The Conservatives' offering this time around, for example, was criticised for its supposed absence of ambition. The "lack of significant policy action is remarkable," concluded the Institute for Fiscal Studies' Paul Johnson. Surely, big challenges – weak productivity growth, an aging population, climate change – require radical rethinks about policy?

In the past, I might have echoed such reasoning. Yet recent history surely shows the opposite: British politics suffers from a deficit of interest in modest, marginal improvements in government policy, not "big ideas". Major overhauls of public services or welfare have proven either a waste of time or a disaster, while many headline-catching promises continually fall by the wayside.

Think about major policy change over the past decade. Universal Credit, though well intentioned, has seen vast resource and political capital invested in attempting to roll six working-age benefits into a single credit.

Near constant problems of delivery have beset it, with significant numbers suffering its teething problems. And all for a relatively small economic improvement in some recipients' work incentives.

Andrew Lansley's major reorganisation of the NHS saw a bitter passage through the House of Commons and cost billions to implement. Yet in the dying days of the last Parliament, a reversal of some of its key features was already underway. The director of the Nuffield Trust, Nigel Edwards, says that in future we will regard the Lansley reforms as "one of the most major public policy failures" of all time.

Then there's the ongoing farce of our main grand transport project today – HS2. Its projected costs have now spiralled from £62bn to between £81bn and £88bn, all to deliver a much smaller projected “bang for the buck” than other minor transport projects elsewhere.

Rather than these bungled attempts to completely overhaul our welfare and health systems, imagine what might have been achieved with modest pro-work reform of tax credits or small-scale NHS experiments with automation. Instead of spending gargantuan sums for a prestige project to get marginally faster travel times between the midlands and London, think how many localised transport bottlenecks could have been relieved, easing commute times for thousand of families.

True, much smaller projects would not have generated the sexy headlines, but they would have almost certainly delivered better outcomes.

Now consider instead some policy areas that have gone well in recent years. Unemployment has fallen to extremely low levels, after a big post-recession spike. Most agree this reflects in part the more flexible labour market delivered by Thatcher's liberalising agenda. But it also comes from welfare reforms and active labour market policies honed and refined under both political parties over decades.

In other words, gradual, incremental change has produced a jobs market that, while vulnerable to sharp shocks in recessions, is structurally strong.

Though it benefited both parties to exaggerate the differences, the seemingly successful Conservative school reforms under Michael Gove really built on the academies of New Labour too. Yes, other very targeted changes in how children are taught in certain areas have been rolled out – not least a mandatory focus on phonics in teaching reading. But these were well-evidenced, and not just delivered on a whim.

In an election campaign, of course, it's too much to ask for politicians to really get into the weeds discussing small ideas. Big promises help them show they care about a particular issue and are determined to change it. But the arms race we've seen on planting trees, decarbonisation targets, or government investment levels are exactly the sorts of promises that ultimately lead voters to lose faith with politicians.

Trust requires delivering what you say you will. It's why Boris Johnson is right that Parliament's inability to deliver Brexit, more than anything else, has profoundly worsened the disconnect between electors and politicians.

Grand projects or major structural policy overhauls invariably disappoint. Not only do they bring large, unforeseen downsides that create political anger; they are high cost to reverse if they prove a dud. With Brexit already enough of a major disruption for the coming years, politicians should heed the lesson.

It would be much better to have some relatively stability in other areas, with gradual reforms that can try to improve things where current policies clearly fail.

No doubt, Britain does face major economic challenges. But not every big challenge requires a radical new solution. Just a generation ago, we understood that having a robust and growing economy, for example, required getting the conditions right in individual sectors. It meant

making the necessary changes to taxes, regulations, or entry barriers to foster a competitive environment conducive to innovation.

Nowadays we hear less interest about how changes to incentives or structural conditions could deliver better outcomes in specific markets, instead obsessing over the supposed macroeconomic benefits of more spending.

History suggests that in delivery of outcomes, a top-down agenda will disappoint. If politicians are really interested in delivering those outcomes, they should focus less on the grandiose projects, and more on small scale reforms that could make markets and public services work better.

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