

# The Telegraph

## Daniel Hannan

Daniel Hannan is a writer and journalist, and has been Conservative MEP for South East England since 1999. He speaks French and Spanish and loves Europe, but believes that the European Union is making its constituent nations poorer, less democratic and less free.

## How to cut government spending (part two)

By [Daniel Hannan](#) **Politics** Last updated: February 23rd, 2011

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Dan Mitchell of Cato looks at Canada, Ireland, Slovakia and New Zealand. Once again, we see how it is possible to shrink the state *inrelative* terms by allowing the private sector to grow faster than the public sector. Of the four countries surveyed, only New Zealand cut nominal spending. All the others achieved success by holding spending steady, or allowing it to increase only very slightly.

Our own government says it wants to do something similar. So far, though, contrary to almost universal belief, [it has not started](#). Spending is up by seven per cent on last year, the state is growing faster than the private sector and our deficit and debt are both higher now than under Gordon Brown.

**Tags:** [Canada](#), [Cato Institute](#), [Dan Mitchell](#), [debt](#), [deficit](#), [New Zealand](#), [Spending cuts](#)