

View from Westminster

It is perhaps the political underestimation of the millennium to conclude that the Russian invasion of Ukraine is not going quite to the Kremlin masterplan. Unless the plan was to unify hitherto divided western nations, turbocharge the deviation away from Russian fossil fuel power, and make a military force a laughingstock of diplomatic dinner tables. Of course, nothing should detract from the harsh brutality of war and the tragedy of casualties on all sides. However, even in darkness, watching a supposed military superpower having its tanks stolen by brave Ukrainian farmers can raise a wry smile.

Yet despite the obvious Russian setbacks, the emergence of the Churchillian Zelensky, the historically punitive sanctions against the Kremlin, and the billions of military hardware and humanitarian aid being received by Kiev, little has really changed since the outbreak of hostilities. Russia still seems intent of annexing eastern parts of Ukraine, while establishing the supranational neutrality of Kiev. Zelensky looks to have calculated that he might need to accept that or face continuous and inexorable aerial bombardment and loss of life. My suspicion is concerns in Kiev will not centre around the demands from Moscow, as unpalatable as they are, but around whether Western forces will this time provide better insurance against future Kremlin occupants with Tsar complexes...

Back in Albion, the biggest news story of the month concerns the previously iconic P&O Ferries. A lot of multinational companies invest thousands into an army of lobbyists (sorry, public affairs professionals) to help them navigate Westminster and Whitehall. An important part of that is Select Committee preparation. Even the most confident communicators can crumble on the committee corridors. Often, the goal is factual presentation and escape without embarrassment. It is a goal the Chief Executive of P&O failed spectacularly to accomplish.

As a strategy, it's not a great idea to turn up to Parliament and tell a committee of lawmakers that you deliberately and willingly broke the law. It's also advisable not to tell a staunch supporter of trade unionism that your lawbreaking was motivated by assumptions that your proposals were so controversial, there was no point in telling the trade unions about them. And, if that wasn't enough, it's poor form to try and defend a £5.50ph salary when you're on £325,000 a year (minus bonuses). The consequences of this 60-minute *bete noire* will probably be a wholesale review of seafarers' pay and conditions, and an examination of whether P&O's parent company, DP World, are the best recipients of two freeport contracts under the governments flagship Brexit policy. As for the Chief Executive.... probably be man overboard before too long.

Rishi Sunak emerged from the submarine he had disappeared into throughout Partygate to deliver the Spring Statement. He did so with the bleakest of forecasts from the OBR ringing in his ears. Inflation is predicted to top out in Q4 2022 at around 9%, energy bills are rising so fast even Martin Lewis has run out of answers, and interest rates are heading northwards to the

dismay of those with mortgages to pay. Chuck in geopolitical uncertainty around oil, gas, food ingredient supplies, and COVID-19 recovery complexities and it's fair to say Rishi wasn't delivering his fiscal update from the sunlit uplands.

In fairness to the Chancellor, the Spring Statement isn't a budget and therefore expectations of it should be tempered accordingly. He has also laid the fiscal foundations for historic tax cuts just in time for the 2024 General Election. The level of support offered for struggling families around energy prices caused real concern, some business investment incentives were put in place and a splash of R&D investment rounded off proceedings. Labour, for its part, continues to call for a windfall tax on oil and gas companies. It's an easy win and an obvious, economic policy position that at least puts them back in the moderate political space. For Starmer, who continues to lead in the polls as this economic crisis commences, that'll do...for now.