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DEBATE PACK

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Trade, Exports, Innovation and Productivity

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Summary

This debate pack has been produced in advance of the Opposition Day debate on **Trade, Exports, Innovation and Productivity** which will take place in the Commons Chamber on Wednesday 13 January 2016

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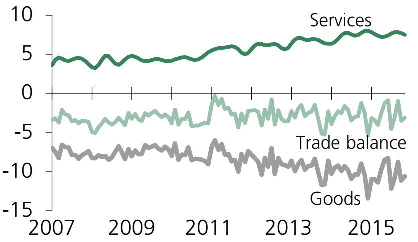
The House of Commons Library prepares a briefing in hard copy and/or online for most non-legislative debates in the Chamber and Westminster Hall other than half-hour debates. Debate Packs are produced quickly after the announcement of parliamentary business. They are intended to provide a summary or overview of the issue being debated and identify relevant briefings and useful documents, including press and parliamentary material. More detailed briefing can be prepared for Members on request to the Library.

1. Background

1.1 Trade

In 2014, the UK's exports of goods and services totalled £513 billion and imports totalled £548 billion. The EU accounted for 45% of exports of goods and services in 2014 and 53% of imports.

Balance of trade, goods and services
£ billion, monthly data



Overall, the UK imports more than it exports meaning that it runs a trade deficit. A surplus on trade in services is more than offset by a deficit on trade in goods.

In 2014, the trade deficit was £34.0 billion (1.9% of GDP). The surplus on trade in services was £89.1 billion and the deficit on trade in goods was £123.1 billion.

The trade deficit in Q3 2015 was £8.7 billion (Q2: £4.7 billion).

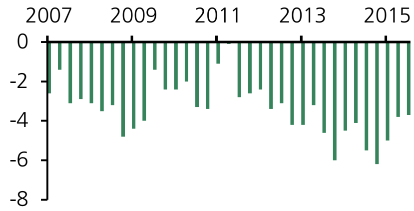
Goods & Services and Current Account Balances
Seasonally adjusted

	Goods and Services (£bn)			Current Account	
	Exports	Imports	Balance	£bn	% GDP
2013	521.0	555.3	-34.2	-77.9	-4.5%
2014	513.5	547.5	-34.0	-92.5	-5.1%
2014 Q3	127.4	139.9	-9.5	-25.3	-5.5%
Q4	130.3	139.7	-9.3	-28.5	-6.2%
2015 Q1	127.9	138.6	-10.7	-23.3	-5.0%
Q2	130.6	135.3	-4.7	-17.5	-3.8%
Q3	127.7	136.4	-8.7	-17.5	-3.7%

Source: ONS, series: IKBH, IKBI, IKBJ, HBOP, AA6H

The current account, which includes investment income and transfers as well as trade, saw a deficit of £92.5 billion in 2014, up from £77.9 billion in 2013.

Current Account Balance
% of GDP



This is an increase from 4.5% to 5.1% of GDP. The 2014 deficit is a record high. The 2013 deficit is the second highest on record.

The current account deficit was £17.5 billion in Q3 2015, unchanged from Q2 2015, but down sharply from £23.3 billion in Q1 2015.

1.2 Components of GDP

GDP can be analysed in terms of the output produced of different industries of the economy and by expenditure on goods and services made by households, businesses and the government.

Overall, GDP increased by 0.4% in real terms in Q3 2015 compared with the previous quarter.

GDP by Industry

In 2014, the service sector accounted for around 78% of economic output, the production sector for 15% and the construction sector for 6%.

In Q3 2015, service sector output increased by 0.7% in real terms compared with Q2 2015. Manufacturing output fell by 0.4% (but overall the production sector increased by 0.2%). Output in the construction sector decreased by 2.2%.

GDP by Expenditure

Household consumption is the largest element of expenditure, accounting for 62% of the total in 2014. Government consumption accounted for 20% and investment for 17%.

In Q3 2015, household consumption grew by 0.9% in real terms compared with Q2 2015. Government consumption was up 0.6% and investment was up 0.7%.

Exports fell by 0.3% while imports increased by 2.7%.

GDP by expenditure
% change on previous quarter (real terms)

		Household consumption	Government consumption	Investment	Exports	Imports	GDP
2013	*	1.9	0.5	2.6	1.2	2.8	2.2
2014	*	2.6	2.5	7.3	1.2	2.4	2.9
2014	Q3	0.6	0.3	1.8	0.4	2.0	0.7
	Q4	0.6	-0.3	0.1	3.8	2.8	0.7
2015	Q1	0.7	0.5	0.9	0.0	3.0	0.4
	Q2	0.8	1.0	1.6	2.8	-2.2	0.5
	Q3	0.9	0.6	0.7	-0.3	2.7	0.4

Source: ONS series ABJR, NMRY, NPQT, IKBK, IKBL and ABMI

Note: * annual % change

1.3 Public finances

	Net borrowing		Net debt	
	£ bn	% GDP	£ bn	% GDP
2009/10	153	10.2	960	62.3
2010/11	135	8.6	1,103	68.8
2011/12	114	7.0	1,192	72.1
2012/13	120	7.1	1,300	75.8
2013/14	101	5.7	1,403	78.0
2014/15	89	4.9	1,487	80.0
2015/16	74	3.9	1,599	82.5
2016/17	50	2.5	1,652	81.7
2017/18	25	1.2	1,685	79.9
2018/19	5	0.2	1,702	77.3
2019/20	-10	-0.5	1,708	74.3
2020/21	-15	-0.6	1,715	71.3

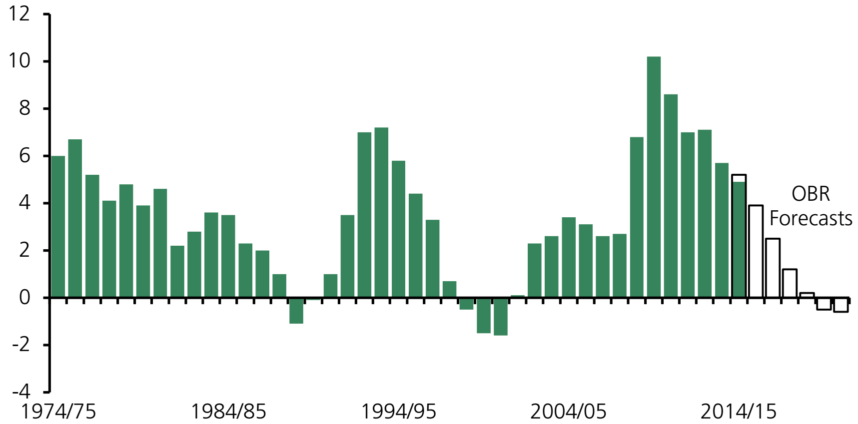
Sources: ONS, OBR. Excludes public sector banks

Net borrowing was 8.9% lower in the first 8 months of 2015/16 compared to the same period in 2014/15. The OBR expects borrowing to fall by around 22% in 2015/16.

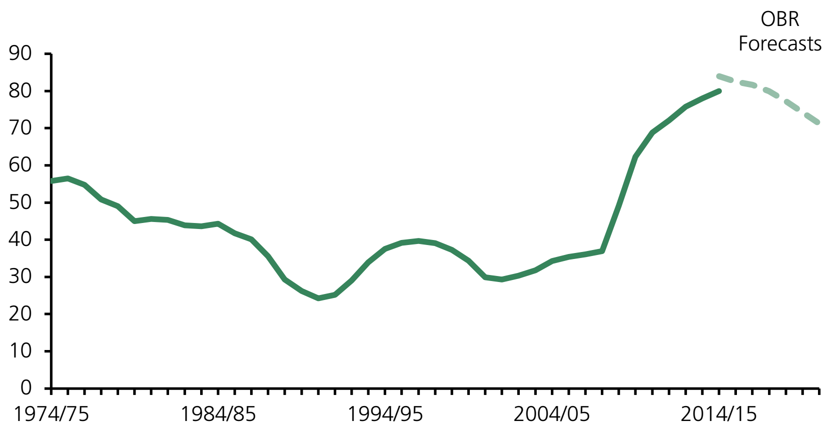
The OBR expect net debt to fall, as a % of GDP, in each year of this Parliament. The fiscal watchdog expects debt to fall from over 80% of GDP in 2015/16 to around 71% by 2020/21.

The OBR's forecasts from November 2015 include the ONS's decision to reclassify housing associations from the private sector to the public sector. The ONS will backdate the reclassification to actual figures early in 2016. Until this is done forecasts shown here are not comparable to past actual figures.

Public sector net borrowing
% of GDP



Public sector net debt
% of GDP



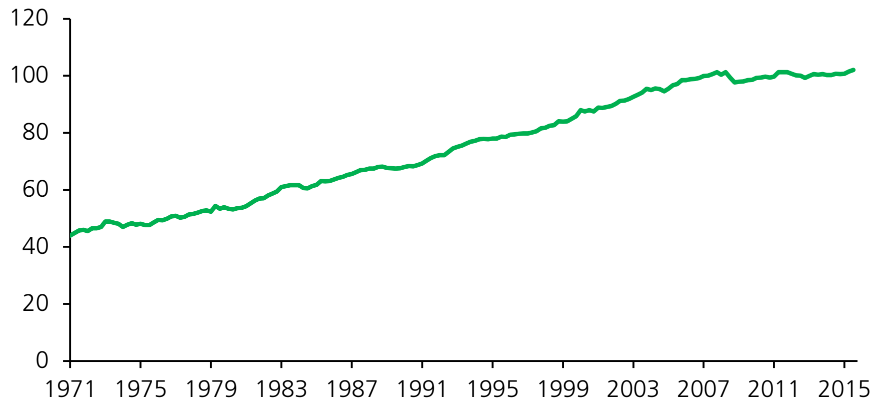
1.4 Productivity

Productivity – how much is produced for a given input (such as an hour's work) – is directly linked to living standards, with a country's ability to improve its standard of living over time almost entirely dependent on productivity growth.

Productivity is also crucial in determining long-term growth rates of an economy. In other words, stronger productivity growth leads to stronger GDP growth. This, in turn, increases tax revenues and lowers government budget deficits. Of course, lower productivity growth results in the opposite: lower GDP growth and higher budget deficits.

Historically, UK labour productivity has grown by around 2% per year but since the 2008/2009 recession it has stagnated. In the third quarter of 2015 productivity was just 0.7% above the level of over seven years earlier (the pre-recession peak level). The Office for National Statistics has called this lengthy period of stagnation in productivity "unprecedented in the post-war period".

UK productivity levels, index where 2012 = 100
Output per hour worked (quarterly data)

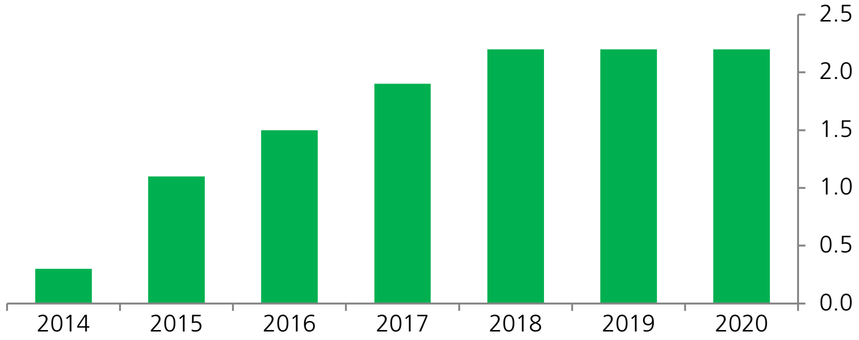


The persistent weakness in productivity has puzzled economists and there are many alternative theories to explain it, including: weakness in investment that has reduced the quality of equipment employees are working with; the banking crisis leading to a lack of lending to more productive firms; employees within firms being moved to less productive roles; and slowing rates of innovation and discovery.

None is sufficient on its own to explain entirely what has happened. This makes it difficult to predict when and if the weakness in productivity growth will come to an end, although recent data from 2015 have shown signs of an improvement in productivity growth. The Office for Budget Responsibility, the independent fiscal watchdog, expects productivity growth to return to its historical average rate by the end of 2017.

OBR expects labour productivity growth to rise to 2% by 2017

Annual % change in productivity per hour



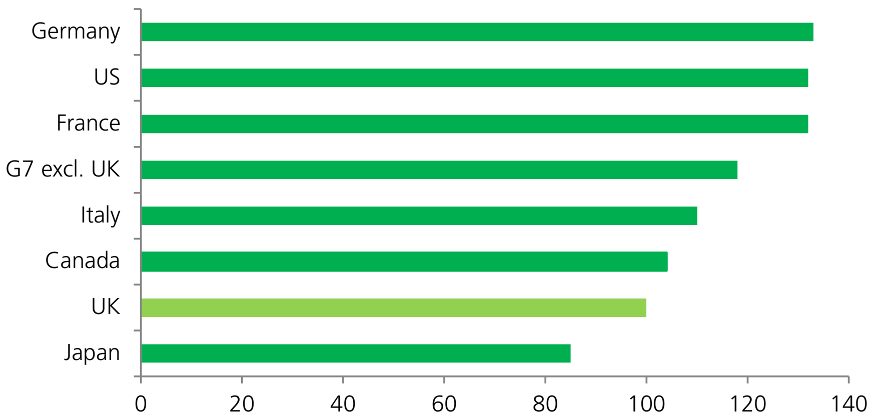
Source: ONS data for 2014 and OBR Nov. 2015 forecasts for non-oil GVA divided by total hours worked

In July 2015, the Government published its 15-point productivity plan: *Fixing the foundations: Creating a more prosperous nation*. The plan aims to improve the UK's transport and digital infrastructure, increase investment in the economy, enhance the skills of the workforce, build more houses, move people off welfare and into work, encourage exports, and rebalance economy away from London.

London has the highest levels of productivity, by some margin, of any region or country in the UK. Northern Ireland has the lowest.

International comparisons of labour productivity show that the UK is ranked sixth among the G7 countries, with Germany top and Japan bottom. In 2014, UK productivity was 20 percentage points below the rest of the G7 average, the widest productivity gap since at least 1991 (when the data series began).

GDP per hour worked, 2014, where UK = 100



Extracted from the House of Commons Library Briefing Paper, Productivity.

2. Parliamentary Material

The following is a small selection of recent business relevant to this debate. To search for more parliamentary business relating to this, or any other topic, please use Parliamentary Search.

2.1 Trade

Parliamentary Questions

Written question, HM Treasury: Exports [HL1259]

Asked by Lord Kennedy of Southwark, 08 July 2015

To ask Her Majesty's Government what assessment they have made of the finding of the Office for Budget Responsibility that they will miss the target to increase exports to £1 trillion pounds by 2020 by £367 billion pounds.

Answered by Lord O'Neill of Gatley, 21 July 2015

World trade growth has been revised down by the Office for Budget Responsibility (OBR) in each year of the forecast from 2016. As a result, the OBR now expects a weaker outlook for UK export markets. As the UK is one of the most open economies in the world, external weakness, particularly in our biggest export markets in Europe, reduces demand for our exports. In addition the slowdown in world trade is expected to continue, resulting in the OBR forecasting a weaker outlook for UK export markets.

The £1 trillion figure was set to be ambitious, and it remains so. UK Trade and Investment (UKTI) has more than doubled the number of businesses it helps on an annual basis since 2010, supported by extra resources. However, given the scale of the export challenge it is essential that the broad range of relevant government activity works effectively for all companies across multiple sectors and markets. That is why the government, in its Productivity Plan, has pledged to mobilise the whole of government behind exporting, working alongside a more effective UKTI and better export finance.

Export Target [HC Deb 21 July 2015 c1363]

Geraint Davies (Swansea West) (Lab/Co-op): What assessment he has made of the likelihood of the Government meeting its 2020 export target.

The Economic Secretary to the Treasury (Harriett Baldwin): The 2020 export target of £1 trillion is ambitious. UK Trade & Investment has doubled the number of businesses it helps since 2010. The productivity plan sets out steps to take this further by mobilising the whole of Government behind helping our great British businesses to export much more.

Geraint Davies: Britain needs export growth, not just cuts, to clear the deficit, but the Chancellor is set to miss his export target by a massive £350 billion and to deliver the worst peacetime trade deficit since 1830. What action are the Government taking to combine the creative industries with our manufacturing base to target emerging middle classes in BRIC countries—in particular, China and India—to fire up growth and not rely solely on hitting the poor with cuts?

Harriett Baldwin: We can see the disarray in the hon. Gentleman's personal life, given that he walked through the Lobby to support one leadership candidate last night, while publicly backing another who abstained. He mentions the importance of exporting to emerging markets. I can confirm that UK exports to China have increased by 72% since 2010, while exports to South Korea—many of them in the creative industries—are up by 148% and to Hong Kong by 63%.

Mr David Nuttall (Bury North) (Con): Does my hon. Friend agree that British business would find it easier to export to the rest of the world if it did not have to comply with the red tape imposed on it by Brussels bureaucrats?

Harriett Baldwin: My hon. Friend is an example to Opposition Members in the consistency of his political viewpoint. He is right to point out that the euro area has indeed been sluggish. One of the reasons we are experiencing slow growth in the euro area is that our goods exports have been falling to that part of the world. That is why it is so important that we refocus British businesses on exporting to some of the faster growing parts of the world.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): That was an extraordinarily complacent answer from the Minister. On this Chancellor's watch, the UK's current account deficit has become the largest of any advanced economy, and the value of UK exports is largely what it was in 2010, when the Government came to power. Crucially, that cannot be put down to the sluggishness of the eurozone, because exports to non-eurozone countries have been equally static, and the figure the Minister gave for China reflects demand in the Chinese economy. Does she accept that whatever the strategies the Government have deployed so far, they simply have not worked?

Harriett Baldwin: I am glad that the hon. Gentleman shares my view that it is very important for us to help British businesses to export more. We have some fantastic British businesses, and many of them have started to export. UKTI has doubled the number of companies that it has helped in the past five years. He is absolutely right that we should aim to be very ambitious in this area. I would like to point out that export volumes outside the EU have actually grown by 24% since the first quarter of 2008.

Topical Questions [HC Deb 12 Feb 2015 c 947]

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): The Government have a target, signed off at the highest level, I believe, of achieving £1 trillion of exports by 2020, doubling the current figure in five years. When asked at the Business, Innovation and Skills Committee, a UK Trade & Investment representative described it as an "energising aspiration". Is it an energising aspiration or is it a realistic, achievable target?

Matthew Hancock: The target of £1 trillion of exports by 2020 is the target, and a realistic one. It is an energising target, an aspiration, an ambition and a goal. We can get there as a country and we can reach it, but it will require a huge amount of effort. That is why trade deals such as the EU-US trade deal known as TTIP, the Transatlantic Trade and Investment Partnership, are so important in reaching that aspiration, goal and achievement.

Net Trade [HC Deb 8 Jan 2015 c 375]

Mr William Bain (Glasgow North East) (Lab): What estimate he has made of the contribution net trade will make to GDP over the next four years.

The Minister for Business and Enterprise (Matthew Hancock): Our goal is for exports to reach £1trillion by 2020.

Mr Bain: I am grateful for the Minister's answer, but last month the Office for National Statistics said that exports had remained largely flat for the past four years, and the Office for Budget Responsibility and the British Chambers of Commerce both downgraded their forecasts for net trade this year, so can he confirm that with this failure on economic rebalancing, his targets for Britain to double our exports to £1 trillion by 2020 and to get 100,000 more firms exporting from Britain will be missed?

Matthew Hancock: It is a pity to hear the Opposition setting their face against the desire to double exports to £1 trillion. Of course, the eurozone on our border is in deflation and has had a series of recessions over the past four and a half years. Over the past three months our trade deficit has narrowed, so things are improving. This is undoubtedly hard work, but it is hard work that we will pursue.

Debates

The Economy

Opposition Day Debate, 26 November 2014

HC Deb 26 Nov 2014 c926

2.2 Productivity

Parliamentary Questions

Written Question, HM Treasury: Productivity [16397]

Asked by Richard Burgon, 16 November 2015

To ask Mr Chancellor of the Exchequer, what steps the Government is taking to ensure that an approach supply of finance to productive investment is available to help increase productivity.

Answered by Greg Hands, 19 November 2015

The government is committed to boosting productivity growth and narrowing the gap with other leading advanced economies. In July 2015 the government published 'Fixing the Foundations: Creating a more prosperous nation'; a comprehensive plan that sets the agenda to reverse the UK's long-term productivity problem.

The financial services sector has a dual role in supporting UK productivity. As well as its own productivity performance, it is critical for supporting the rest of the economy, allocating resources and facilitating long term productive investment. In the latest remit letter to the Financial Policy Committee of the Bank of England, the Chancellor highlighted the importance of a stable financial system providing finance for productive investment.

To promote the provision of finance to support productive investment, it is important that it can be measured accurately. The Bank of England, working with HM Treasury, have initiated research to create a better measurement of 'finance for productive investment' covering all asset classes and all stages of finance, with a view to publishing the data on a regular basis.

Prime Minister [HC Deb 10 Jun 2015 C 1187]

Chi Onwurah (Newcastle upon Tyne Central) (Lab): Under the Prime Minister, British productivity has plummeted. It is 30% behind Germany, the US and France—the widest gap since 1992 and another Tory Government. But in the north-east, thanks to our manufacturing and technical prowess, we have the highest productivity growth in the country. Is it not time that he gave us the powers that we need to build an economy that matches our values, without a Boris—I mean, a mayor—attached?

The Prime Minister: First of all, the hon. Lady is absolutely right to raise this issue. There is a huge challenge in terms of raising productivity and the productive potential of the United Kingdom. I would be the first to say that we have had the success of getting 2 million more people in work and we have had the success of paying down half the deficit and getting the economy growing. But the challenge for the years ahead is to increase levels of productivity in Britain. How are we going to do that? I would argue that we will do that by reforming planning, by encouraging entrepreneurship, by making sure we invest in success, by investing in science—these are the things that we have been doing as part of a long-term economic plan, mostly opposed by the Labour party.

Labour Productivity [HL Deb 26 Mar 2014, c WA125]

Lord Myners: To ask Her Majesty's Government what assessment they have made of labour productivity per hour worked in the United Kingdom; and what actions they are taking to improve performance.[HL6057]

The Parliamentary Under-Secretary of State, Department for Business, Innovation and Skills (Viscount Younger of Leckie) (Con): Due to the strong performance of the UK labour market in maintaining relatively high levels of employment, UK labour productivity performance has been relatively weak since 2008. The UK government regularly assesses UK productivity performance. The latest assessment is presented in the Growth Dashboard published in January 2014.

The Government's approach to raising productivity is to deliver macroeconomic stability, and implement longer term structural change; giving firms and individuals the confidence to invest for the future. The Government's four ambitions for growth are to create the most competitive tax system in the G20, make the UK the best place in Europe to start, finance and grow a business, encourage investment and exports, and create a more educated workforce that is the most flexible in Europe. Through industrial strategy, the whole of Government is working in partnership with industry to set the long term direction needed to give businesses the confidence to invest - creating more opportunities, skilled jobs and making the UK more competitive so that British businesses can thrive and compete with rising economies. Industrial strategy has five main strands: technologies, access to finance, skills, procurement and sectors.

Written question, Department for Business, Innovation and Skills: Productivity [HL2655]

Asked by Lord Birt, 04 November 2014

To ask Her Majesty's Government, further to the Written Answer by Lord Livingston of Parkhead on 13 October (HL1890), what they consider to be the reasons for the differences between the output per worker per hour in the United Kingdom and those of the other G7 countries, as reported by the Office for National Statistics in its statistical bulletin *International Comparisons of Productivity—Final Estimates 2012*; and what plans they have to improve the United Kingdom's relative position.

Answered by: Lord Livingston of Parkhead, 17 November 2014

The most up to date productivity data for 2012 are in the table.

Current Price Productivity, 2012, G7 countries, Index UK=100

	Japan	Germany	Canada	Italy	France	US	UK	G7 excl. UK
GDP per worker	90	108	104	116	115	140	100	120
GDP per hour worked	85	129	100	109	128	130	100	117

Source: International Comparisons of Productivity, First Estimates for 2013, ONS (Oct 2014)

http://www.ons.gov.uk/ons/rel/icp/international-comparisons-of-productivity/2013---first-estimates/index.html

Analysis undertaken by BIS (2012) to support Lord Heseltine's Review of UK Competitiveness examined UK productivity in comparison to France, Germany and the USA. An analysis of productivity across all G7 countries has not yet been completed. The full analysis can be found here but the main findings were:

The analysis decomposed the productivity gap (measured by output per hour worked) into two components:

- Sector productivity effect – the share of the gap arising due to productivity in a given sector being higher in another country than in the UK.
- Sector mix effect – the share of the gap arising due to employment in another country being more concentrated in high productivity sectors than in the UK.

When UK productivity is compared to France, Germany and the USA, the sector productivity effect in each of the comparator countries fully explains the gap. As such, higher productivity across almost all sectors in each of these economies accounts for the entirety of their lead over the UK. In fact, the UK's favourable sector mix went some way towards reducing the gap, particularly against France.

Naturally, the factors driving the gap vary by country. However, at the aggregate level, the UK tends to have lower capital per head than France and Germany and a less efficient use of inputs in production (Total Factor Productivity) than the USA (BIS, 2010). There is also a (smaller) gap between the UK and its major competitors in terms of skills. This is generally characterised as a gap in intermediate skills with France and Germany, and a gap in higher level skills relative to the USA.

Plans to Improve UK Productivity

Government policy focuses on delivering growth which in turn depends on productivity in the longer term. In this sense, the majority of longer run Government economic policy is ultimately about raising productivity.

The Government's industrial strategy and 'The Plan for Growth' are creating the right environment for businesses to invest and grow. This will continue to support UK long-term productivity growth.

Data Revisions

Recent changes to national accounts methodology have slightly reduced the productivity gap between the UK and other leading G7 economies. Data for 2012 were revised and are provided in the table above. In case it is of interest, the most recent data for 2013 is also included in the table below. A full decomposition of the productivity gap has not yet been undertaken using the revised data.

Current Price Productivity, 2013, G7 countries, Index UK=100

	Japan	Germany	Canada	Italy	France	US	UK	G7 excl. UK
GDP per worker	88	107	103	115	114	139	100	119
GDP per hour worked	85	129	101	109	128	130	100	117

Source: International Comparisons of Productivity, First Estimates for 2013, ONS (Oct 2014)

http://www.ons.gov.uk/ons/rel/icp/international-comparisons-of-productivity/2013---first-estimates/index.html

References

BIS (2010) Economic Growth, BIS Economics Paper No. 9

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/32101/10-1213-economic-growth.pdf

BIS (2012) Benchmarking UK Competitiveness in the Global Economy, BIS Economics Paper No. 19

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/34647/12-1207-benchmarking-uk-competitiveness-in-the-global-economy.pdf

Debates

Productivity, Opposition Day Debate 17 June 2015

HC Deb 17 June 2015 c381

2.3 Public Debt

Parliamentary Questions

Borrowing: UK Economy, [HC Deb 11 Mar 2014 c 150W]

Stephen Phillips: To ask the Chancellor of the Exchequer what assessment he has made of the potential effect of further borrowing on the UK economy.

Nicky Morgan: High levels of public debt risk undermining growth and economic stability in the UK through a number of channels, by: (i) crowding out private investment and increasing uncertainty; (ii) limiting the scope of the economy to absorb the impact of future shocks; (iii) high debt interest payments which crowd out spending on public services. As a result the UK faces a long-term challenge in reducing debt to sustainable levels. The Government are committed to returning the public finances to a sustainable position.

2.4 Innovation

Research and Development, [HC Deb 27 Oct 2015 c 187]

Callum McCaig (Aberdeen South) (SNP): If he will take further fiscal steps to support research and development.

The Chief Secretary to the Treasury (Greg Hands): The Government have made a long-term science capital commitment, investing £6.9 billion in the United Kingdom's research infrastructure up to 2021. In the last Parliament we maintained the ring-fenced science budget, in cash terms, at £4.6 billion per annum, and in 2013 we provided £1.75 billion of support in research and development tax credits. Further decisions on support for research will be made as part of the forthcoming spending review.

Callum McCaig: The Government's record on R and D does not match their rhetoric. Only yesterday, some of the leading companies in the United Kingdom expressed the fear that the Government's reported plan to replace R and D tax credits with interest-paying loans could hit R and D investment and send it abroad. Will the Minister reassure Parliament and business that R and D grants will continue to be made available to help our businesses to innovate and remain competitive?

Greg Hands: Future plans for R and D tax credits are, of course, a matter for the spending review, but I disagree with what the hon. Gentleman has said in the light of what we have done in the last five years.

According to a recent evaluation by Her Majesty's Revenue and Customs, each £1 of tax forgone on R and D tax credits stimulates between £1.53 and £2.35 of additional R and D investment. During the last Parliament, the Government increased the generosity of the R and D tax credit scheme for small and medium-sized enterprises from 175% to 270%.

Mark Pawsey (Rugby) (Con): Both the Chancellor and the Prime Minister recently visited the Manufacturing Technology Centre, which is in my constituency. Does the Minister agree that such collaborations between the academic world and manufacturing industry show the way forward?

Greg Hands: I absolutely agree with my hon. Friend, particularly when it comes to innovation. The Global Innovation Index ranked the United Kingdom second in the world in 2013. We have been ranked first for the reach, impact and well-roundedness of our research and first for our research productivity, which is 3.87 times the world average.

Written Question, Department for Business, Innovation and Skills: Innovation Finance [18867]

Asked by Angela Rayner, 07 December 2015

To ask the Secretary of State for Business, Innovation and Skills, with reference to paragraph 1.57 of the Spending Review and Autumn Statement 2015, what assessment his Department has made of the potential effect on research and development by industry of converting innovation grants into interest-paying loans.

Answered by Joseph Johnson, 17 December 2015

Access to finance remains an important challenge for innovative enterprises. We want to broaden the type of financial support available for innovation. Other European countries like France, Finland and The Netherlands offer financial products in their policy mix for business innovation. We are seeking to learn from these approaches. In doing this, we will engage with businesses to better understand their needs and support access to sufficient financing throughout the lifecycle of innovative projects.

3. Press Articles

The following is a small selection of recent press and media articles relevant to this debate. Please note: the Library is not responsible for the views expressed in, nor the accuracy of, external content.

Trade

Daily Telegraph, 24 December 2015

Why aren't SMEs exporting?

Daily Telegraph, 16 December 2015

CBI calls for radical shake-up of support for UK exports

Daily Telegraph, 29 October 2015

MPs scrutinise UKTI amid claims Britain's £1 trillion export target is 'pie in the sky'

Daily Telegraph, 28 February 2015

Ken Clarke: 'unsustainable' debt and deficit will suck UK into low growth trap

Guardian, 17 January 2014

UK will miss £1tn-export target without extra government help, warn MPs

Productivity

The Economist, 30 May 2015

Under the bonnet: the productivity puzzle

Financial Times, 26 May 2015

Productivity: It's a drag

The Observer, 17 May 2015

UK productivity has stayed stubbornly low for years. Dare we hope for better?

Financial Times, 13 May 2015

Walk on the supply side needed for UK economy: Carney can do little about the effect of low productivity on Britain

Financial Times, 20 April 2015

Productivity and Politics: the UK's output per hour matters more than politicians' public finance promises

Independent, 4 January 2015

The productivity puzzle hasn't been solved and that's very bad news

Debt

Financial Times, 3 January 2016

Economists' forecasts: Fears over balance of recovery

The Economist, 9 January 2016

Down to earth: Worries about rising British household debt are overblown

The Guardian, 25 November 2015

Osborne isn't fixing the roof, he's eroding the foundations; Ignore the chancellor's escapology: George Osborne's short-term deficit fixes are undermining our long-term economic stability and potential for growth

Financial Times, 18 September 2015

A very understated British recovery

The Economist, 2 January 2013

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4. Further Reading

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