UK: Brexit might not save Johnson

- On June 23rd, weeks of turmoil for the government came to a head with two crushing by-election losses.
- With the PM's standing already significantly weakened after 41% of his MPs voted to remove him in a no-confidence vote two weeks ago, Boris Johnson's position looks increasingly shaky.
- The Tories now find themselves in the worst possible scenario where no obvious successor to Johnson exists but the PM's ability to survive looks increasingly unlikely, even if the manner and timing with which he could leave office remain unclear.

Tiverton and Honiton saw a 38-point swing to the Liberal Democrats in a traditional Conservative seat where the previous incumbent had a majority of 24,000. This will cause grave concern amongst Conservatives that the party is losing its standing even in the safest of seats, with a deeply unpopular PM and previous perceptions of competence on the economy vanished. In Wakefield, an 18-point majority for Labour in a "red wall" seat significantly outperforms national polling for the opposition. This points to widespread apathy towards the government across geographies and social groups. It suggests that the fragile voter coalition amassed by the Conservatives in 2019 is broken.

Wakefield is a lesson in the government losing battleground seats in a mid-term by-election. Tiverton, however, is a warning of how far the government has fallen since 2019. The Lib Dems lost their deposit in Wakefield, and the Labour Party lost its deposit in Tiverton, meaning that these parties won less than 5% of the vote in the respective constituency. This represents tactical voting on an industrial scale which could redraw British politics if replicated at a general election.

Policy implications

With the cost-of-living crisis likely to dominate the agenda in the coming months, Johnson will once again attempt to bring forward a blitz of voter-friendly policy measures in a bid to save himself. However, his fate may be out of his hands if cabinet resignations or changes to Conservative leadership rules were to occur to allow a second no-confidence vote, which he would likely lose. In this regard, the unfailingly loyal party chairman, Oliver Dowden, resigned this morning, only days after Johnson's ethics adviser Lord Geidt resigned over what he believed would amount to a breach of the ministerial code.

In the meantime, ministers have already hinted at a reversal of the chancellor's tax increases, with several business groups calling on the government to scrap the national insurance contribution rise. However, given the centrality of working-class seats in the north to the current Conservative vote, a reduced tax burden could well be combined with more "Johnsonite" increased borrowing to fund the kind of infrastructure and capital expenditure the PM needs to retain his standing amongst voters in the "red wall" who appear to have turned their back on him over a perceived failure to carry out his "leveling up" agenda. Marrying these two programs remains politically and economically difficult, with newer Conservative MPs in favor of policies such as the windfall tax on energy company profits but longer-standing MPs opposed to it.

Brexit vs. the economy

At the same time, the government is turning to its other electorally fertile ground, Europe. With its Northern Ireland protocol bill, it has attempted to redraw the balance of power away from the EU and the ECJ. While this risks a major strain on relations with the EU, the government will hope it will appeal to Brexit voters alongside its new "Brexit opportunities dashboard." More announcements on Northern Ireland and the jurisdiction of the EU are likely as the government attempts to move the debate away from domestic economic issues.

However, with the energy price cap rising to almost GBP 3,000 in the autumn, food prices soaring, and inflation rising, the country is facing economic pressures not seen for decades. The current rail strikes, coupled with expected strikes at Heathrow, are causing travel chaos for which the government may yet take the blame, with union leaders successfully framing the argument as one of workers facing a cost-of-living squeeze set against a government unwilling to intervene in the economy.

The difficulty for the government is that it has set a precedent for major state intervention during times of acute crisis. This precedent might limit the government's ability to neglect acting or divert attention to unrelated issues such as its controversial Rwanda asylum policy. Whether or not the current PM is in office long enough to take action himself is another matter.

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