
Another cracking idea by the PM

Posted by dws - 2008/08/31 16:27

Here is Gordon Brown's latest brainwave to bolster his flat-lining poll ratings, something that will make the Northern Rock bail-out look like a loan of a fiver....:blink:

A row over a Â£40billion plan for State-backed mortgages to tackle the housing crisis has fuelled the bitter feud between Gordon Brown and Chancellor Alistair Darling that threatens to wreck the Government's economic relaunch.

Mr Brown wants to go ahead with the scheme in a last-ditch attempt to boost his poll ratings and head off growing pressure on him to step down.

But he has run into fierce resistance from the Treasury and the Bank of England, who say it could be an expensive flop. Hey Gordon, if the Bank of England says it's a bad idea, and your own treasury says it's a bad idea, perhaps they might be onto something, hmm?:dry:

The dispute between the two men comes as the Cabinet was plunged into turmoil after Mr Darling said that voters were "p****d off" with the Government.

A furious Mr Brown phoned Mr Darling and ordered him to eat his words on TV, while allies of the Prime Minister said Mr Darling should be sacked and his job given to Schools Secretary Ed Balls.

Mr Brown has been putting pressure on the Treasury to underwrite mortgages to help homeowners avoid defaulting on home loans.

He believes the scheme could transform the housing crisis, prevent families being thrown out of their homes, get the property market moving again and ease pressure on banks and building societies.

To finance it, the Government would issue 30-year gilts which would need to be refinanced every two or three years.

But the Treasury is opposed to the measure, which it says could end up costing as much as Â£40billion and be the equivalent of the Government "doing another Northern Rock".

Yep, let's pick up all the mortgages that the banks will no longer touch with a bargepole and nationalise them. That'll work...

A Treasury insider said: "This plan is financial insanity and would seriously threaten the country's long-term future.

"It is so complicated, basically all smoke and mirrors, that almost no one really understands it. But Mr Brown is adamant this is what he wants. He thinks it's the big bang the Government needs to relaunch.

"Mr Darling and the Treasury loathe it. Plans are changing almost by the hour.

"You wouldn't run a bookies the way these people are trying to run the country. Marketing gimmicks are being put ahead of sound economic sense."

That's from his own treasury FFS!! I can't recall a PM so out of touch with everyone. Bereft of ideas, he stumbles from relaunch to relaunch, hoping against hope that something will turn up to save his hide.

Grow a pair and call an election, at least you'll regain some respect for that.

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Re:Another cracking idea by the PM

Posted by LYDIA REID - 2008/08/31 18:00

I wonder how many houses Â£40 billion would build which, would employ people, who would have money to spend, which, would boost the economy and don't forget many of people in the houses would pay rent.

If the buy to let landlords can make a fortune during this dire financial time why can the Treasury not get on the bandwagon.

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Re:Another cracking idea by the PM

Posted by Brenna1508 - 2008/08/31 22:21

dws commented: Yep, let's pick up all the mortgages that the banks will no longer touch with a bargepole and nationalise them. That'll work...

This has already been going on for quite some time.

When gas, electricity and water were privatised we were told it would encourage competition which would benefit everyone. We can now see the benefits we are all reaping from this policy, can't we? We pay more and more for fewer services while the profits are creamed off into the bank accounts of the chosen few.

Then when Northern Rock hit hard times as a result of the profligate lending policies decided by its executives suddenly the debt must be nationalised so the taxpayer picks up the tab. It's a very clever strategy by NuLabour. Privatised the profits, nationalise the debts.

Whatever name you use it is fraud on a grand scale against the taxpayers of this country by a government who is supposed to represent our best interests.

Re:Another cracking idea by the PM

Posted by DoricMan - 2008/09/01 10:49

As I am now paying my tax contribution for Northern Rock, how much is this going to cost me?

Bailing out mismanaged, stupid, profligate, greedy, get rich quick managers and their companies, and failed banks by stealth is a definite NO NO.

Re:Another cracking idea by the PM

Posted by rickyross3359 - 2008/09/02 23:14

Hey but then Mr Brown was chancellor for 10 years, so he knows best! Mr Darling has only been in the job 5 minutes and he dares to disagree with the master. I don't know where its going to end but the English are welcome to David Cameron I hope that more Scots will be more positive about Independence and forget about the negative "separation". God knows how we need to just grasp the thistle. Erm does anyone know what the national debt of the UK is at the moment and how much it is likely to become before Gordon is done? Did I read wrong in one of the Sunday papers its 541 billion? or is it more?
