

## National Institute Economic Review

Journal of the National Institute of Economic and Social Research

No. 250 November 2019

## **ECONOMIC PROSPECTS**

The UK Economy edited by Arno Hantzsche and Garry Young The World Economy edited by Barry Naisbitt

## **BEYOND BREXIT: A PROGRAMME FOR UK REFORM**

**Preface** 

by Jagjit S. Chadha

Introduction

by the Policy Reform Group

Maintaining stable macroeconomic conditions

by Russell Jones and John Llewellyn

Supporting dynamic economic adjustment

by John Martin

Developing trade

by David Vines, Paul Gretton and Anne Williamson

Developing trade in services

by Alexis P. Lautenberg

Reorienting foreign policy

by Jeremy Greenstock

Updating security and defence policy

by Mark Lyall Grant

Formulating industrial policy
by Tim Besley and Richard Davies
Securing decarbonisation and growth
by Dimitri Zenghelis
Improving infrastructure
by Russell Jones and John Llewellyn
Redesigning housing policy
by Kate Barker
Reducing inequalities
by Russell Jones and John Llewellyn
Effective devolution
by Angus Armstrong
Improving governance

by Martin Donnelly

ISSN 0027-9501

## National Institute Economic Review No. 250 November 2019

			Page
FORECAST SUMMARIES			F2
THE UK ECONOMY	Prospects for the U Arno Hantzsche and C	<del>-</del>	F4
	Box B. Forecasting with	ist performance since the EU referendum th a benchmark: the Warwick Business School	FIO
	forecasting system  The economic impact of Prime Minister Johnson's new Brexit deal		F12 F34
THE WORLD ECONOMY	World overview Prospects for individual economies Barry Naisbitt with Janine Boshoff, Ian Hurst, Amit Kara, Cyrille Lenoel, Iana Liadze, Xuxin Mao, Craig Thamotheram and Kemar Whyte		F38 F53
	Box A. The (in)effectiveness of the latest round of ECB asset purchases Box B. Could a fiscal boost raise inflation in the Euro Area?  Box C. Recent inflation trends in emerging economies  Box D. Global monetary trends and economic prospects  Appendix A: Key forecast assumptions  Appendix B: Forecast detail		F42 F46 F50 F52 F65 F69
RESEARCH ARTICLES BI	EYOND BREXIT: A	PROGRAMME FOR UK REFORM	
<b>Preface</b> Jagjit. S. Chadha	RI	Updating security and defence policy Mark Lyall Grant	R40
Introduction Policy Reform Group	R2	Formulating industrial policy Tim Besley and Richard Davies	R47
Maintaining stable macroecond conditions	omic R7	<b>Securing decarbonisation and growth</b> Dimitri Zenghelis	R54
Russell Jones and John Llewellyn  Supporting dynamic economic		Improving infrastructure Russell Jones and John Llewellyn	R61
adjustment John Martin	RI5	<b>Redesigning housing policy</b> Kate Barker	R69
<b>Developing trade</b> David Vines, Paul Gretton and Anne Williamson	R22	Reducing inequalities Russell Jones and John Llewellyn	R75
<b>Developing trade in services</b> Alexis P. Lautenberg	R30	Effective devolution Angus Armstrong	R83
Reorienting foreign policy Jeremy Greenstock	R34	Improving governance Martin Donnelly	R89

Further detail underlying the forecast figures is available on subscription from NiGEMWEB (http://nimodel.niesr.ac.uk).