

## Credit Crunch

By [Martin Wilson](#)

Wednesday 29 October 2008

The credit crunch has highlighted the stark differences between the ways that the US and the UK deal with crises.

In Britain it seems common practice for all parties to unite in order to deal with the crisis in question. In America, however, Congress' refusal to pass the first rescue package bill was brought about by a much-criticised partisan speech by Nancy Pelosi, the Speaker of the House.

During Prime Minister's questions on the financial rescue Bill, both David Cameron and Nick Clegg were falling over themselves to express support for government measures to help the economy. Parliamentary debate, it seems, was well and truly left at home in order to show the country that Parliament can work together to save the economy.

In the US Elections, John McCain's advisor Douglas Holz-Eakin accused Barack Obama of putting "politics ahead of country" for not doing enough to get the bill through, thus endangering the economy. Naturally, this image of playing politics over serious issues is one that the British party leaders seek to avoid.

But if the British seek to avoid conflict over such issues, then what possible purpose can Parliament have with regard to the debate of issues? Is the object of the exercise not, by debate and agreement, to put forward the best and most suitable bill? It seems that the main reason for both Clegg and Cameron to support the bill is avoiding the appearance of obstructing the recovery effort, rather than out of a desire to safeguard the economy. This approach runs the risk of avoiding any debate as to the merits and demerits of any given bill and therefore should be seen as nationally irresponsible.

However, there were some key differences between the British and American rescue plans, which may account for their respective success or otherwise. Brown's stratagem was generally agreed to be more likely to work than the American plan, and a debate would not have endangered the bill, and may actually have improved on it.

While the US plan was rejected out of the partisan aspects of the speech directly preceding the vote, it was also recognised to be less likely to work. This is demonstrated by the fact that the vote against the bill was not just Republicans, but a bi-partisan alliance.

Brown's economic package may, in the end, be the right way to go. This is surely fortunate as, had he produced an ill-advised or ineffectual package, then it may have been passed by Clegg and Cameron merely for sake of appearances.



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Adam Riches

26 Oct '10 at 7:09 pm

I are getting a little turgid. tangfastic!!

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