BORIS VOW GIVES CITY THE JITTERS

BACKLASH AS JOHNSON SAYS: I’LL RETAIN £39BN BILL TO FORCE THE EU’S HAND

ALEX DANIEL

BORIS Johnson’s threat to withhold the UK’s £39bn Brexit divorce bill raised eyebrows in the City yesterday and provoked a strong reaction from across the Channel.

The former mayor of London vowed to hold on to the cash to force the EU to give Britain a better withdrawal deal, as part of his pitch to become Prime Minister over the weekend.

Former CBI president and Worldpay chairman Sir Mike Rake told City A.M. such a move would have a “terrible” effect on Britain’s reputation as an international negotiating partner.

“We’ve seen what happens with countries who don’t pay their debts,” he said. “These are legal agreements.”

“Anyone who thinks negotiating by making threats in public a la Trump in a business world is the way to succeed is mistaken,” he added. “Is this serious?”

In an interview with the Sunday Times, Johnson said the EU “needs to understand that the money is going to be retained until such time as we have greater clarity about the way forward.”

He added he would use the £39bn to force the EU to give Britain a better withdrawal deal, as part of his pitch to become Prime Minister over the weekend.

A spokesperson for influential business group the Institute of Directors said it would be “far better for business and for the UK if we could reach an agreement with the EU, and any agreement will involve settling the finances.”

They added: “The UK will have to have an amicable partnership with the EU whatever happens.”

Iain Anderson, chairman of public affairs firm Cicero, said: “If this is about using threats to try and walk away from the table, I think that will make a lot of people in the City incredibly nervous.”

A source close to French President Emmanuel Macron told Reuters last night that failing to pay the £39bn bill would amount to a national default by the UK.

CONTINUES ON P4

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CONTINUES ON P4
Don’t bet on Johnson breezing to Number 10

T’S BEEN a good weekend for Boris Johnson, who won’t be concerned about the storm whipped up by his pledge to retain the £39bn Brexit bill if the European Union does not offer Britain a better deal on the terms of its exit. Yesterday’s frustration at the former foreign secretary’s comments came from various corners – the business world, as covered by our front page story, Conservative leadership rivals Rory Stewart and Sam Gyimah, European leaders, MEPs, and even former head of the Foreign Office Peter Ricketts, who tweeted: “What an excellent way to begin our life as an ‘independent’ country needing new trade agreements... by massively defaulting on our debt!” None of the rebuffs will matter to Johnson, of course. The row is all part of his positioning as the natural Leave candidate of choice to replace Theresa May in Downing Street next month. An effort to secure the support of hardline Brexeters was ramped up last week and has already produced results, with Steve Baker and Priti Patel at the latest to join Team Boris, while the party’s former deputy chair James Cleverly also declared his backing. Johnson is way ahead when it comes to declared support from MPs and surveys of Tory party members, and is still in front with most surveys of Conservative voters too. At the time of writing he has the public support of 54 MPs. In second place is Michael Gove, on 31, who attracted a lot of support before revelations about his historic cocaine use were broken by City A.M.’s political correspondent Owen Bennett over the weekend. Gove’s chance of winning the contest has plummeted according to the betting markets, from a one-in-five chance last week to one-in-20 today. Odds-on favourite Johnson has a two-in-three chance, with none of his rivals remotely close. So will it be a shoo-in? Perhaps, but do not estimate the ability of UK party leadership contests to deliver unexpected drama. They have a tendency of MPs, always keen to appease the next big names to join the candidates, to go back on their word. It certainly looks like Johnson – but with the current odds, you wouldn’t bet on it.

Gove’s chance of winning the contest has plummeted

SEBASTIAN MCCARTHY
@SebMcCarthy

HIGH streets, retail parks and shopping centres all suffered a year-on-year drop in footfall last month, according to new figures which underline the tough trading conditions facing bricks-and-mortar firms. The number of shoppers plunged by 3.5 per cent in May, compared with a drop of 0.4 per cent during the same month last year, when hot weather, the World Cup and a royal wedding boosted retailers ahead of the summer selling season.

The data, produced by the British Retail Consortium (BRC) and Springboard, also showed footfall decreased 0.7 per cent on a three-month basis. Helen Dickinson, chief executive of the BRC, said: “The colder weather, as well as ongoing political and economic uncertainty, made many consumers think twice before heading out to the shops this May.” Diane Wehrle, Springboard marketing and insights director, said: “We should note the year-on-year comparisons are off the back of a particularly strong result in May last year of minus 0.4 per cent, which was boosted by warm weather and special events and followed on from a challenging April marred by bad weather and lots of seasonal sales due to the early March Easter. “All destination types found it much tougher this May to attract customers, but the fact that the greatest impact was felt by high streets with a drop in footfall of minus 4.8 per cent is not a surprise given the much poorer weather than in May last year.” The data comes as Sir Philip Green’s retail empire faces a crunch vote this week, where creditors will decide whether or not to approve a controversial insolvency process. On Wednesday, landlords will vote on Green’s plans for a major cost-cutting plan called a company voluntary arrangement (CVA), which would involve brands at his Arcadia group slashing many of their rent bills.

Last week, the tycoon made a dramatic last-minute bid to stall the collapse of his retail empire by delaying the final decision from creditors on whether or not to go-ahead to a CVA, as landlords wavered in their support for the major restructuring effort. In the run-up to this week’s vote, Green has agreed to revise down his rent reduction demands for landlords in a bid to pass through the CVA, which requires 75 per cent approval from creditors.

The cost of the amendment is set to be funded by Tina Green, Philip Green’s wife and owner of Arcadia, at a cost of roughly £9.5m.

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What the other papers say this morning

Oxfam is still toxic, says whistleblower

Senior staff at Oxfam are failing to deal with claims of harassment and bullying at its head office despite promising a zero-tolerance approach to misconduct, a whistleblower has claimed. The woman accused managers of not taking disciplinary action against a male employee who was the subject of persistent claims of sexual harassment.

Rudd backs hunt in blow to Johnson’s campaign

Amber Rudd says that Conservative MPs should not put their faith in Boris Johnson’s ‘blitzkrieg’ optimism and will back Jeremy Hunt today to become the party’s next leader.

Johnson to raise 40p tax threshold to £80,000

Boris Johnson is planning to slash income tax for more than three million people by increasing the threshold for the 40p rate to £80,000 if he becomes Prime Minister. The move, which will cost an estimated £9.6bn a year, will save people thousands of pounds on their tax bill.

Russia details Jornon drug charges

The detention of a prominent Russian journalist known for investigating corruption has rattled the media community in the country and highlights the pressure faced by news outlets fighting to preserve their independence.

P&G, X-Men franchises decline at box office

A sequel slump hit Hollywood over the weekend, with two new releases opening to franchise lows and a holdover failing to pull in audiences in its second week. The Secret Life of Pets 2 and Dark Phoenix led in first and second place, respectively.

Home office under fire for use of visa algorithm

The Home Office has been using a secretive algorithm to process visa applications, which immigration experts warn could be discriminating against some applicants on the basis of nationality and age. The department’s “streaming tool” — which is used for all work, study, and visitor visa requests — grades applications as red, amber or green, according to their level of risk. These are forwarded to caseworkers for further processing.

Swedish buyout group in talks about float

One of the largest buyout groups in Europe, EQT, is talking for the first time to investors for a potential initial public offering in a rare move in private equity. It is the first big, well-known buyout company to go public in a long while as it "leans towards a listing", sources say.
Woodford fund: Broker boss says sorry to clients

**JAMES BOOTH**
@Jamesbooth1

The boss of Hargreaves Landsdown apologised yesterday to clients affected by the suspension of investor Neil Woodford’s flagship fund.

In a statement, chief executive Chris Hill said: “I would like to apologise personally to all clients who have been impacted by the recent problems with the Woodford Equity Income Fund. We all share their disappointment and frustration.”

Hargreaves Lansdown had heavily promoted the Woodford Equity Income Fund since its 2014 launch.

The fund was included on the stockbroker’s list of 50 favoured funds, despite poor performance.

“The shortcomings of one fund should not detract from the benefits of our customers,” said Mr Hill.

“We are confident in the robustness of how we analyse, research and compile our favourite fund lists with a focus on ensuring best value for customers; nonetheless, we are reviewing this specific situation to ensure we learn from it and address it for the benefit of our customers.”

Woodford’s fund was suspended last Monday after it was hit by a wave of client withdrawals.

Hargreaves then suspended its platform fee for Woodford’s fund and called on Woodford to follow suit. He has so far refused.

Woodford apologised for the suspension last Tuesday and has since declined to comment publicly.

ahuawei if trade talks advance

**JAMES WARRINGTON**
@j.a.warrington

US ‘could ease’ restrictions on Huawei if trade talks advance

US President Donald Trump may relax restrictions on Chinese tech firm Huawei if the two countries make progress in ongoing trade talks, his treasury secretary has said.

“I think what the President is saying is, if we move forward on trade, that perhaps he’ll be willing to do certain things on Huawei if he gets comfort from China on that and certain guarantees,” said Steven Mnuchin. “But these are national security issues.”

White House budget chief Russell Vought is also said to have made a request to delay the implementation of blacklisting Huawei’s tech in the US, the Wall Street Journal reported late last night.

Gloom descends upon manufacturers as effects of Brexit stockpiling emerge

**ALEX DANIEL**
@alexandaniel

Optimism among Britain’s manufacturers has plummeted to its lowest level since January 2013, the month David Cameron committed to call an in-out EU referendum.

Accounting firm BDO’s monthly index, which shows how businesses expect their order books to develop in the next three to six months, fell to 98.26 in May from 101.09 in April.

The report also showed that output growth is at its lowest point since February 2017 and close to contraction.

The manufacturing output index registered a decline of 1.36 points to 95.91 – just 0.91 points off negative territory.

The low score exposes the extent to which stockpiling activity in the run up to the previous Brexit deadline artificially inflated growth in preceding months, BDO said.

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HARRY ROBERTSON
@henrygrobertson

G20 COUNTRY finance ministers yesterday warned “trade and geopolitical tensions” pose a risk to international growth in an official statement, without directly addressing the US-China trade dispute.

After much debate over the wording of a statement from their meeting in Japan, ministers said they will “continue to take joint action to strengthen international cooperation and frameworks”.

The statement came a month after US President Donald Trump slapped 25 per cent tariffs on $200bn (£157bn) of Chinese goods in a move that has rocked global stock markets.

The communique did not condemn the ongoing trade war or say it should be resolved, likely as a result of US opposition to such a statement.

US Treasury secretary Steve Mnuchin attended the two-day meeting in Fukuoka, Japan, which convened the G20’s finance chiefs and central bankers. He has been a key negotiator with China over trade.

IMF boss Christine Lagarde said existing trade war tariffs should be eliminated

Closing the meeting yesterday in Fukuoka, Christine Lagarde, the head of the International Monetary Fund (IMF), tackled the issue of US-China trade tensions head on.

Lagarde said “the principal threat” to the global economy “stems from continuing trade tensions”.

She revealed the IMF thought US-China tariffs could reduce the level of global GDP by 0.5 per cent or around $455bn in 2020.

“The first priority should be to resolve the current trade tensions – including eliminating existing tariffs and avoiding new ones,” she said.

Small businesses pessimistic as Brexit and new regulations bite

HARRY ROBERTSON
@henrygrobertson

SMALL business owners are feeling increasingly negative about their prospects in the face of Brexit, a rising minimum wage, and pensions and tax changes, according to survey data released today.

Seven in 10 firms do not expect things to get better within the next three months, while four in 10 expect them to worsen, the survey from the Federation of Small Businesses (FSB) showed.

The statement from the meeting said: “Global growth appears to be stabilizing, and is generally projected to pick up moderately later this year and into 2020.”

It went on: “However, growth remains low and risks remain tilted to the downside. Most importantly, trade and geopolitical tensions have intensified.”

The statement also included a pledge to “redouble our efforts” to find a solution to tax avoidance by giant technology companies by 2020.

Continued from front page

“Not honouring your payment obligations is a failure of international commitments equivalent to a sovereign debt default, whose consequences are well known,” the source said.

Top MEP Guy Verhofstadt added: “This would not only hurt the UK’s credibility as an international partner, but it is absolutely unacceptable and contradicts what almost every lawyer in the UK thinks about it.”

Many Tory MPs have flocked to Johnson’s side after he topped polls of which of the 11 candidates would make the best PM.

Johnson made his pitch as other leadership hopefuls ramped up their rhetoric on how they would force the EU back to the negotiating table. Former work and pensions secretary Esther McVey echoed his promise as part of her own bid, saying the £39bn was “back on the table”.

Meanwhile fellow Tory forerunner Michael Gove struggled to put a lid on revelations he took cocaine hours after condemning “middle-class professionals” using the drug in the Times 20 years ago.

He told the BBC yesterday he “deeply regrets” using the class A drug “several” times.
WAIT.
WE DON’T LIKE
THE WORD
ANY MORE THAN
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Trading places: UK strikes deal with South Korea for Brexit aftermath

SEBASTIAN MCCARTHY
@SebMcCarthy

THE UK and South Korea have signed a deal aimed at keeping free trade between the two sides after Brexit.

Talks between the two countries have concluded in Seoul as Britain ramps up its efforts to sign as many agreements as possible ahead of the country’s planned departure from the European Union.

The government said this morning the agreement allows businesses to continue to trade on preferential terms with Korea, where 99 per cent of British exports were eligible last year to be exported tariff-free.

Signed by international trade secretary Liam Fox, the deal is set to build on a trading relationship that was worth £14.6bn in 2018.

“Providing continuity in our trading relationship will allow businesses in the UK and Korea to keep trading without any additional barriers, which will help us further increase trade in the years ahead.”

UK exports to South Korea have increased almost 10 per cent in the last two years.

NEW SUITOR
Activist investor snaps up stake in historic men’s tailoring company

MOSS Bros has reportedly become the target of an activist fund manager, which has snapped up a stake in the historic men’s suit chain. Gatemore Capital Management has taken 10 per cent stake in the firm, Sky News reported yesterday.

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London named world’s top tech hub as leaders descend on the capital

EMILY NICOLLE
@emilyjnicolle
LONDON has been named the top city in the world for foreign direct investment from overseas tech companies. The capital attracted significantly more projects in 2018 than any other country, according to data from London & Partners.

Al to boost British GDP by a fifth in the next decade

EMILY NICOLLE
@emilyjnicolle
BRITISH companies that fully incorporate artificial intelligence (AI) tools into their organisations could increase their economic value by 120 per cent by 2030, while the technology itself could provide a 22 per cent boost to UK GDP. Similarly, companies that adopt AI late or not at all could lose around a fifth of their cash flow compared with today, according to research from McKinsey and data analysis firm Quantumblack.

Though the UK is ahead of the rest of Europe on the McKinsey Global Institute’s AI readiness index, it continues to fall behind the US and China. The research suggested AI adoption would be “a welcome boost” in the UK, given its weak productivity growth over the last decade.

Though AI adoption by UK firms has been slow, Britain continues to be a European leader for AI startup success. Recent examples include DeepMind and Swiftkey, which were bought by Google and Microsoft for $500m (£393m) and $250m respectively.

“We need to be proactive in both the development and diffusion of AI technologies to stop the gap widening,” said Helen Mayhew, chief operating officer at Quantumblack. “The UK is well-positioned to take advantage of these opportunities, and so the potential rewards for businesses, and society more broadly are significant.”

Lima London Ceviche Masterclass

Wednesday 12th June
7.00pm - 8.30pm
Lima London, 31 Rathbone Pl, Fitzrovia, London W1T 1JH

Join us on the 12th June for an exclusive Ceviche Masterclass hosted by LIMA London. Enjoy an interactive masterclass held by executive chef Robert Ortiz, where you will get the chance to learn the cooking skills and techniques behind traditional Peruvian Ceviche dishes. Tickets are priced at £38 per person.

To book your place, please call 044 20 3002 2640 or email enquiry@limalondon.com

CITYAM
Ad industry hits back over junk food advert ban

JAMES WARRINGTON
@j_a_warrington

ADVERTISERS have launched a scathing attack on the government’s plans to ramp up restrictions on junk food advertising, describing them as “totally disproportionate” and lacking in evidence.

In submissions to a government consultation, seen exclusively by City A.M., industry bodies Isba and the Advertising Association (AA) said the proposals would harm advertisers and consumers but would fail to tackle the issue of childhood obesity.

The government has laid out plans to introduce a 9pm watershed on adverts for products high in fat, salt or sugar (HFSS) on TV and online.

The advertising groups have dismissed the policy options, which were also previously rejected by media regulator Ofcom, as “limited in nature and speculative in understanding”.

The AA said current restrictions, which have been in place since 2008, have not prevented the rise of obesity, while children’s exposure to HFSS adverts has also fallen sharply over the past decade.

In its assessment, the government estimated roughly 3.4 per cent of ad sales revenue – roughly £171.2m – would be put at risk by the proposed restrictions.

The AA said this figure failed to take into account the economic activity generated by the production of the ads themselves, and warned the true cost to UK GDP could be more than £1bn.

“The government has failed to make its case for a watershed,” James Barge, Isba’s director of public policy, told City A.M.

“The evidence presented in support of the policy demonstrates a significantly weaker case than the one dismissed by Ofcom in 2010, and the rationale for further intervention of this nature is fundamentally flawed.”

First Group ‘may sue’ DfT if no deal on South Western contract

ALEX DANIEL
@adewndaniel

FIRST Group is open to suing the government if the two cannot agree terms on its South Western Railway franchise.

Responding to reports the company could bring legal action, a spokesperson said any suggestions of this were “purely hypothetical”.

First Group’s new boss Matthew Gregory had told the Sunday Times if the two sides could not negotiate an agreement, he would “have to turn to other means”.

First and Chris Grayling’s Department for Transport (DfT) are in renegotiations on the contract for the railway franchise.

London private sector grows again in May

HARRY ROBERTSON
@henryrobertson

LONDON’s private sector bounced back last month from a weak April, with firms reporting the first rise in new business in 2019, according to a survey from Natwest.

The purchasing managers’ index (PMI) for the capital – which measures the output of the private sector – reported the biggest upswing of any region in May, with a score of 51.9. A score above 50 indicates growth.

In April, London’s output declined as respondents pointed the finger at Brexit. Many firms had made costly preparations for the UK’s original date of departure from the EU in March.

Yet it performed much better in May. Firms in the capital were the only ones in the country to report a rise in backlogs, Natwest said.

A pick-up in business conditions saw London companies take on new staff in May after cutting jobs in April, the survey data showed.

“After a difficult few months, the London private sector looks to be getting back on track,” said Natwest chief economist Sebastian Burnside.
G20 to clean up tech giant taxes by end of year

TECH giants such as Facebook and Google will face a crackdown to ensure they pay their corporate taxes in full, after G20 finance ministers vowed to wrap up new laws by the end of the year.

In a statement issued after a meeting in Japan yesterday, finance ministers said they would compile new rules to close controversial tax loopholes by 2020.

Tech firms have come under heavy criticism for reporting their profits in low-tax countries in a bid to reduce their tax bills.

The new laws would force the companies to pay larger tax bills, regardless of their location. It would also make it harder for countries such as Ireland to lure in firms with the promise of low corporate tax rates.

Three joins 5G race as it sets date for launch

MOBILE operator Three will begin the rollout of its 5G network across the UK from August, the company said today.

Three said it will launch the next-generation network with a 5G home broadband service in London.

The firm will then roll out both mobile and home broadband offerings in 25 UK towns and cities before the end of the year.

The mobile operator currently holds more than twice as much 5G spectrum as its rivals, which it said will allow it to deliver faster speeds for customers.

"We have worked hard over a long period of time to be able to offer the best end-to-end 5G experience," said Three chief executive Dave Dyson.

Rival operator EE launched its 5G network in London and five other UK cities at the end of last month, while Vodafone is set to switch on its service on 3 July.

Aviva pushes out senior female exec while on maternity leave

Aviva refused to comment on the circumstances of Morris’s departure.

Morris could not be reached for comment.

"Diversity and inclusion in the workplace is fundamental to Aviva, in all its forms and across all levels of the organisation." Aviva said in a statement yesterday.
Like solar farms that float.

We see possibilities everywhere.

Lightsource BP, already Europe’s largest solar company, is expanding its large-scale solar capacity across the globe. It’s one more way BP is working to make energy cleaner and better.

Public inquiry to probe British Steel’s collapse

ALEX DANIEL

@alexmdaniel

MPs WILL quiz one of British Steel’s former owners on the firm’s collapse later this month, after they launched an inquiry into the troubled industry over the weekend.

The Business, Energy and Industrial Strategy (Beis) Select Committee will examine the role of private equity firm Greybull Capital in the industrial giant’s demise.

The announcement comes less than a month after British Steel became insolvent, throwing its 5,000 workers’ jobs into doubt.

Greybull managing partner Marc Meyohas will appear before MPs in late June.

British Steel’s insolvency followed a breakdown in rescue talks between the government and the private equity firm.

Rachel Reeves, who chairs the Beis committee, said: “As a select committee we want to examine questions around the collapse of British Steel and the government’s approach, as well as about Greybull Capital’s stewardship and its commitments to investing in its future.

“More broadly, we want to examine the serious challenges facing the future of the steel sector in the UK.”

Greybull bought British Steel from Tata for £1 during the 2016 steel crisis. Whitehall had already handed the firm £120m to help it pay an EU carbon emissions bill.

Business secretary Greg Clark will also appear before the committee in a later evidence session, for which a date has not yet been set.

Separately, Greybull is reportedly considering buying another troubled steelworks in Poland.

The firm has been in talks over a potential acquisition of the ISD Huta Czestochowa mill, sources told the Financial Times.

Mexican foreign minister praises US deal that lifts threat of tariffs

HARRY ROBERTSON

@harryrobertson

MEXICO’s foreign secretary yesterday expressed his pleasure that the US has cancelled plans to slap tariffs on its southern neighbour.

Marcelo Ebrard tweeted the decision “will increase economic growth and hence the demand for products between both countries”.

Last month, US President Donald Trump threatened to put a five per cent tariff on all imports to the US from Mexico. On Friday a deal between the two sides was announced that will involve Mexico boosting border security, among other measures.

American Airlines extends Boeing ban

American Airlines said yesterday it is extending cancellations of about 115 daily flights until 3 September.

The largest US airline had previously said it was canceling flights until 19 August after the Boeing plane was grounded worldwide in March. It added Boeing has yet to complete a certification test flight and formally submit its software upgrade and training changes to the US Federal Aviation Administration for approval.
Julian Harris speaks to left wing economist Joseph Stiglitz about his new book and the Democratic fight for the White House

WHO WILL take on Donald Trump in next year’s battle for the White House? At the time of writing, an abnormally lengthy list of Democratic hopefuls is dominated by Joe Biden, the septuagenarian former vice president who currently enjoys a huge lead in the opinion polls.

Despite his early pace, however, it would be naïve to assume that Biden’s relatively centrist following in the Democratic party will get their way. It may be that Biden is not even the most popular 76-year-old Joe in the Democratic-leaning activists.

Professor Joseph Stiglitz, Nobel prizewinner and dean of the American left, has published his latest book to coincide with the fight, not just for the White House, but for the soul of the Democratic Party. Flock to the centre ground, so wildly abandoned by arguably the most diverse movement in US history, or fight fire with fire in a push to the radical left?

Stiglitz nailed his colours to the mast many years ago, and the sentiment behind his latest publication will surprise no one.

“We’ve tried centrist politics for more than 20 years and centrist politics have gotten us into the mess that we’ve had, and that is the theme that I emphasise,” Stiglitz told City A.M. during a recent interview.

“The book’s implicit argument, or maybe it’s explicit, is that the kind of tweaking, the minor reforms – a little bit more education here, a little tax reform there – are not likely to suffice to address the maladies in which we find ourselves.”

People, Power and Profits is a manifesto for Democratic hardliners, pouncing on the popularity of Alexandria Ocasio-Cortez (known affectionately as AOC), Bernie Sanders and Elizabeth Warren to thrill the party further and further to the left.

Asked for whom his book is written, Stiglitz quipped: “All of them! One of them is obviously the politician who is running for office, the political activists... I wanted to give them an analysis with which they can understand why their policy work didn’t work as well, and then examples of particular solutions.”

He adds: “And then of course the broader objective is reaching the broader citizenry, many of whom are concerned or certainly should be concerned about the increase in inequality, the slowing of growth, and the political discontent to which it’s all given rise.

With every opinion article, every book, and every interview, the former World Bank economist cements his position as a bastion of the left, including a generation of young men and women on both sides of the Atlantic who find themselves attracted to socialist thinking. For supporters of Sanders, AOC and on these shores Jeremy Corbyn, Stiglitz’s CV provides an intellectual justification for a platform of “curbing market power, re-nationalisation and a more progressive financial market,” to borrow the author’s own words.

“Among people accused of being socially conscious, the Labour party’s support for sweeping nationalisation, a huge state bank and plans to radically change the Bank of England’s remit – Stiglitz admits his thinking is “broadly in line” with that of the Labour party and its firebrand chancellor John McDonnell, but insists today’s objectives are “very different from the socialist agenda of 45 to 50 years ago or more.”

“They use language like nationalising the railroads which is a throwback to the debates before 1980, and one of the things I’ve said explicitly is that no one in America is talking about the ownership of the basic means of production,” Stiglitz says.

However, a vocal advocate of state banks (“not really a revolutionary idea”), Stiglitz is loath to criticise the proposed reshaping of central banks or even so-called “People’s QE,” a policy previously backed by Corbyn in which the Bank of England would create money to directly fund government spending.

“Central banks have since 2008 taken on a very large but hidden fiscal role,” he says.

“Let me put it this way, central banks are often prescibed from lending to government but if you ask what is actually going on, government has borrowed large amounts of money, issued bonds, and the central bank has bought those bonds in the secondary market – that is no different than if they had lent actually to the government directly, that’s a distinction without a difference, it’s what we’ve been doing.”

He continues: “When the ECB and the Federal Reserve lent money to particular corporations, they didn’t call it lending, they called it buying bonds from particular corporations – that’s lending. If they’re going to be engaged in doing that very kind of lending to particular companies maybe we ought to think about the principles under which that is conducted.”

Such opinions may not come as a surprise in the era of modern monetary theory (a viewpoint seemingly endorsed by AOC). Nonetheless they are likely to alarm readers from more centrist, conservative or liberal backgrounds, as will Stiglitz’s relentless broadsides against the mechanics of the Financial sector and those who work within it.

Many City workers, one suspects, would welcome an intellectual, thought-provoking challenge to their industry. However, they will not find it within the pages of People, Power and Profits, a book that is ultimately no more original than its name.

The book’s narrative surrounding the financial crisis is tidy and predictable. Stiglitz blames “unfettered markets” and “bankers’ unbridled pursuit of their self-interest” for the crash and ensuing crash and presents a chapter that resembles campaign literature from the student wing of Corbynite pressure group Momentum.

“Millions lost their homes and jobs as the bankers who had brought on all of this basked in the millions in bonuses,” he writes.

Referring to emergency summits between government officials, regulators and banks at the height of the panic, Stiglitz complains: “Ordinary home-owners who were struggling were not at the [discussion] table; the big financial companies were.” This is not, unfortunately, the only line that brings to mind the infamous scene from Team America in which Tim Robbins mulls the evils of corporations sitting in their corporation buildings being “all corporations and making money.”

Justifiable complaints about the failure of large financial companies with taxpayer money – a significant blow to the otherwise impressive record of the mixed economy – are not accompanied with any detailed analysis of the regulatory and structural flaws that led to such interventions becoming necessary.

In other words, why were bail-ins not possible? Why did losses and meaningful inflamed moral hazard and in which areas of the sector? To what extent did US banking policy exacerbate sub-prime crisis and what role did the government-sponsored Fannie Mae and Freddie Mac play?

Over a decade later, bailouts remain a prospect (certainly in Europe) and regulators are still bashing their heads together to ensure that big financial companies can’t be wound up without prompting a systemic shock. Stiglitz’s solution is simply for large banks to be forcibly broken up by bigger, all-encompassing regulators that would also outlaw a broad range of modern investment and reforms. Would be seen as the kind of fiddly centrism that Stiglitz rejects. It is much easier to perpetuate the idea that the crash was caused by unfettered markets (“As the 2008 financial crisis showed, markets on their own are not stable”) and thus propose an entirely new system tightly controlled by the state.

The book’s political analysis is equally blunt and strident. Despite conceding to the significant differences between “revolutionary” Trump and “conservative” Reagan, Stiglitz insists “the left’s efforts to push them along on the same trajectory of the American right and its “mistaken faith in trickle down economics.” Meanwhile, dismissing the suitability of GDP as a measure of growth, Stiglitz doubles down on his belief that the US suffers from “complacency with taxpayer money – a significant blight on the otherwise impressive record of the mixed economy – are not
UK homes to be paid for unused ‘green’ energy

SUSANNA TWIDALE

BRITAIN will launch a new scheme to pay households producing energy from renewable sources, such as solar panels, for their surplus electricity, the government announced yesterday.

Around 800,000 homes in Britain have solar panels installed and the scheme will replace a feed-in-tariff system which ended in April.

“The new smart export guarantee will ensure households that choose to become green energy generators will be guaranteed a payment for electricity supplied to the grid,” said energy and clean growth minister Chris Skidmore.

Monthly installation of new solar panels in Britain fell to a nine-year low in April, following the end of the feed-in-tariff scheme, provisional government data showed.

Under the new scheme, households will be paid for the power they produce by their energy supplier, which sets the prices offered.

“If households with panels and batteries can store electricity and sell it back to the grid when it is most needed we could see some homes with negative power bills,” said Greg Jackson, chief executive of challenger energy supplier Octopus, which is one of a small number of suppliers already offering an export tariff.

The new guarantee will apply to homes with up to five megawatts of renewable power capacity installed, with energy generation tracked by smart meters.

The government will set legislation for the scheme to become mandatory for any energy supplier with more than 150,000 customers from 1 January 2020, the Department for Business, Energy and Industrial Strategy said yesterday.

Challenger energy brand Bulb and Eon also currently offer some customers export tariffs.
BT in talks with ITV over investment in Britbox amid strategy overhaul

JAMES WARRINGTON
@j_a_warrington

BT IS REPORTEDLY in discussions over a potential multi-million-pound investment in Britbox, the joint streaming service from ITV and the BBC set to be launched later this year. The telecoms firm has held preliminary talks with ITV about taking a stake in Britbox and helping to fund exclusive dramas that will be produced in the UK, the Sunday Telegraph reported.

The talks are at an early stage and the investment may not come to fruition, according to the newspaper, with disagreement over the valuation of the service slated as a possible risk. The investment would mark a significant development in a new strategy unveiled by BT boss Philip Jansen, who took over from Gavin Patterson earlier this year. Jansen previously outlined plans to position BT as a “national champion”, and is hoping to turn around the company’s fortunes after a share price drop of roughly 50 per cent over the last three years.

The mooted investment would also align with BT’s strategy of becoming a “super-aggregator”, offering customers access to a range of different streaming services through its set-top box.

China’s Fosun lines up bid for Thomas Cook

MICHAEL SEARLES
@michaelsearles_

THOMAS Cook’s biggest shareholder, Fosun Tourism Group, is in talks to take over the struggling firm’s tour operating business.

The Chinese owner of Club Med has 18 per cent of Thomas Cook, and is now in talks to make a bid for the majority of its business, Sky News reported over the weekend.

Talks are at a formative stage, with no bid from Fosun guaranteed, according to the report, but if successful it could break up the 178-year-old British travel giant. It would also represent one of the most significant purchases of a British firm by a Chinese rival.

Fosun would take control of the operating business, which produces around £4bn in revenue a year and serves more than 11m customers.

The Chinese firm could not take full control of Thomas Cook’s airline business, however, due to EU aviation restrictions on ownership.

Thomas Cook has already started the process of auctioning off its airline operations, which analysts believe could be worth around £1bn.

Fosun, which is listed on the Hong Kong stock exchange, has owned a stake in Thomas Cook since April 2015. Thomas Cook’s share price is extremely volatile in the past month, and are down 85 per cent over the last year amid financial struggles. It recently suffered a half-year loss of £1.5bn, which came about largely due to a £1.1bn goodwill writedown relating to its merger with Mytravel 12 years ago.

Its problems have been exacerbated by requests from payment firms to hold onto millions of pounds of customers’ money, while analysts at Citi said it now has zero equity.

Despite challenges, Fosun has consistently backed the travel operator. The Chinese firm has also helped prevent shares falling even more than they already have by increasing its stake in recent months.

Fosun and Thomas Cook separately have a joint venture in China, which enjoyed an eightfold increase in customers last year.

Thomas Cook declined to comment. Fosun did not immediately respond to request for comment.

A source told Sky News the approach from Fosun showed the range of options open to Thomas Cook’s board as it seeks to resolve questions about its future.

Thomas Cook has also had interest from Trion, a private equity firm, in acquiring its airline and tour operating assets in northern Europe. Trion bought Dutch travel company Sunweb Group last December.
The rollout of 5G is vital for our future connected society, reports James Warrington

MOBILE operator EE hit the headlines after launching the UK’s first 5G network at a lavish launch party on the River Thames last month.

EE boss Marc Allera hailed a “historic moment” as the firm live-streamed an eclectic performance by chart-topping rapper Stormzy against the iconic backdrop of Tower Bridge.

So as consumers and businesses across the UK get their first taste of 5G, City A.M. asks telecoms experts why people should be excited about the new network.

WHAT IS A 5G NETWORK?

5G, short for fifth-generation, is the latest version of the technology used to power mobile phone networks. It has been labelled the “network of networks”, as it will combine existing and future standards to offer a faster and more reliable service, explains Ru Bhikha, senior commercial and strategic marketing manager at Uswitch.

The early version of 5G works alongside existing 4G networks. But in the future, 5G will be available as a standalone network that will be “even more capable”, says Ben Wood, chief of research at CCS Insight.

HOW DOES IT WORK?

“In principal 5G will work like previous cellular technology, with a large number of cells or signal areas joining to create coverage areas through radio frequencies,” says Kevin Hasley, head of product at Rootmetrics.

However, the next-generation network will use higher frequencies, allowing mobile phones to access the internet more quickly. It will also provide more capacity, meaning more people can use the network at the same time.

HOW FAST IT WILL BE?

Paolo Pescatore, telecoms analyst at PP Foresight, says 5G will be “lightning fast” compared to 4G.

“On average a 4G connection is around 20 mbps [megabits per second], while 5G at launch will be around 200 mbps, eventually going to a gigabit/s and even 20 gbps,” he says.

But much like with previous mobile networks, factors such as the device, proximity to mobile masts and the number of users connected will all impact the quality of service.

HOW WILL CONSUMERS BENEFIT?

Consumers will feel the most benefit from super-fast speeds, with music and films downloading in seconds rather than minutes.

Improved latency will also mean there is less of a delay between issuing a command and receiving a response, a big boost for gamers.

HOW WILL BUSINESSES BENEFIT?

“Faster data speeds will enable the instant transfer of more data, allowing businesses to work quicker and more efficiently,” says Hasley. Sectors such as manufacturing could benefit, he adds, as smart factories can better process information and react to supply chain changes.

Overall, the new technology is expected to bring in an additional £15.7bn business revenue for the UK economy by 2025, according to a report by Barclays.

HOW MUCH WILL IT COST?

Vodafone has said it will keep its 5G prices unchanged from its 4G levels, while EE customers can expect to pay a slight premium.

But Bhikha warns the new network is not expected to have an iPhone supposed to access the new network.

Handsets from manufacturers such as Samsung, Oneplus and Oppo are already available, with most major phone makers expected to release new 5G phones by the end of the year.

“The only exception is Apple, which is not expected to have an iPhone supporting 5G until the fourth quarter of 2020,” says Wood.

WILL I NEED A NEW PHONE?

If you’re on EE and wondering why you haven’t got 5G yet, it’s because you need a 5G-enabled phone to access the new network.

WHAT IS A 5G NETWORK?

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**LONDON REPORT**

**FTSE 100 marks its best week in four months**

Expectations of an interest rate cut after disappointing US job data fuelled a rally in UK shares, helping the FTSE 100 rise for the fifth straight session on Friday, while Millennium & Copthorne Hotels gained one-third in value after a takeover bid. The FTSE 100 index rose one per cent and the FTSE 250 mid-cap index advanced 0.9 per cent, with gains across all sectors. The prospect of more stimulus on both sides of the Atlantic was at the heart of gains last week that helped the FTSE 100 record its best week in four months as growing fears of a global slide into recession. Valuation stocks and consumer giants, considered safer bets at times of political or economic uncertainty, were still in demand, in a sign of the continuing nerves over global growth that have dominated markets since the start of May. British American Tobacco jumped 3.4 per cent, leading gains on the main index. Among midcaps, Millennium & Copthorne Hotels surged 35 per cent to 680p, nearly matching the 685p a year earlier and stuck to its targets. Construction firm Kier Group, whose shares plunged by 40 per cent earlier in the week after a profit warning, added 7.2 per cent. Among a handful of losers was Royal Mail, which fell four per cent after HSBC cut its rating. Crest Nicholson is expected to post its half-year results tomorrow, following a pre-tax profit slide of 15 per cent at the end of the last fiscal year. Meanwhile on Thursday, Majestic Wine will report its full-year trading update, having faced the brunt of the UK’s significant retail woes. Supermarket giant Tesco will also report its first-quarter data that morning.

**TOP RISERS**

1. Smurfit Kappa Up 3.91 per cent
2. Brit. Am. Tobacco Up 3.38 per cent
3. Tull Up 3.37 per cent

**TOP FALLERS**

1. Marks & Spencer Down 1.34 per cent
2. Next Down 1.04 per cent
3. Ocado Down 0.80 per cent

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**NEW YORK REPORT**

Wall St rallies on hopes of Fed rates cut

Wall Street’s major indexes charged higher on Friday, as upbeat US job data showed US growth boosted hopes for Federal Reserve interest rate cuts while optimism about potential progress in US trade talks with China and Mexico added to risk appetites. Investors bet that labour market weakness would give the Fed a reason to provide the economy with more support, pushing the S&P 500 and the Dow to their biggest weekly gains since the end of November, right before a massive year-end sell-off. A Labor Department report showed nonfarm payrolls increased by 15,000 jobs last month, much weaker than the 185,000 additions estimated by economists in a Reuters poll, suggesting the loss of momentum in economic activity was spreading to the labor market. As a result, traders raised bets for a rate cut in July followed by two more cuts by year-end. The Dow Jones Industrial Average rose 263.28 points, or 1.02 per cent, to 25,983.94, the S&P 500 gained 29.85 points, or 1.05 per cent, to 2,873.34 and the Nasdaq Composite added 126.55 points, or 1.66 per cent, to 7,742.10. Also adding to investor enthusiasm on Friday was a notice from US officials granting Chinese exporters two more weeks to get their products to the United States before raising tariffs on those items. US and Chinese leaders are expected to meet late in June at the G20 meeting. While US President Donald Trump said there was a “good chance” of a US-China trade deal, it was unclear if the two countries will be able to agree on the list of products that would be subject to tariffs.

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**CITY MOVES WHO’S SWITCHING JOBS**

CIMA Canadian finance leader Amal Ratnayake has been named new president of the Chartered Institute of Management Accountants (CIMA). In May, Ratnayake was also confirmed as chairman of the Association of International Certified Professional Accountants. As CIMA president, Ratnayake will represent 228,000 members and students across the world and be responsible to ensure the continued strength of the Institute. In his role as Association chairman, he will also work to meet the needs of more than 657,000 public and management accountants and maintain the profession’s relevance to individuals, businesses and other stakeholders across 179 countries and territories.

**WELLS FARGO**

Wells Fargo has announced that Nico Marais has been appointed chief executive officer and head of Wells Fargo Asset Management (WFAM), effective immediately. Nico most recently was co-chief executive of WFAM and previously was WFAM president and head of multi-asset solutions. He replaces Kristi Mitchem, who left WFAM in January. Nico joined WFAM in February 2017 from Schroders, where he was head of multi-asset investments and portfolio solutions. Prior to Schroders, Nico was global head of active portfolio management for Blackrock’s multi-asset and client solutions team. Previously, he held several leadership roles with Barclays Global Investors, including global head of investment strategy and head of active Equity Europe, and also worked for the World Bank Group as a bond trader.

Appointment of Ian McCafferty, a former external member of the Bank of England’s Monetary Policy Committee and former chief economic adviser to the CBI, as a member of and senior adviser to its investment committee. Prior to his role as chief economist at the Bank and the CBI, Ian was head of macroeconomics at BP, chief international economist at both NatWest Markets and Baring Securities and also worked at The Economist and the International Chamber of Commerce, in Paris. He is currently also a senior adviser to Oxford Economics and visiting professor at King’s College, London. Chief executive Nick Fletcher said in addition to his responsibilities, the firm is “planning for an informing clients in an informal way and share his insights on the UK and global economies”.

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To appear in CITYMOVES please email your career updates and pictures to citymoves@cityam.com
_I_ cannot begin to estimate how much ink has been wasted on President Trump’s state visit to the UK last week. This is not to suggest the significance of commemorating the D-Day anniversary, and the immense shared sacrifice of British and American soldiers in liberating Europe. But the rest of the state visit, focusing as it did on talks with a lame duck Prime Minister and speculation about various leadership possibilities, was little but empty symbolism, where almost nothing of substance occurred. However, British attention has been entirely in the wrong place. Across the long list of the UK’s geopolitical thinking is underdeveloping new issues.

With Britain distracted by the ongoing Tory leadership contest, not enough has been said about the likely staying power of the Prime Minister and speculation that the election news for the Trump administration means for the UK’s strategic options in the world.

The long-awaited Mueller report into Russian interference in the 2016 presidential race was good news for the Trump administration. In the end, despite the colourful fantasises on the part of the Democratic party and media that the election could be discredited on grounds of criminal malfeasance, special counsel Robert Mueller found no trace of criminal conspiracy between the Russians and the Trump campaign after almost two years of investigation. So the first and most heinous charge against the President remains unfounded. While attorney general William Barr’s summary of the report made it clear in its conclusions that there was no evidence on both sides of the obstruction of justice fence (the second serious issue the President has to deal with), his decision to excuse prosecution on this point, given that there was no underlying crime to obstruct, so while some Democrats are still calling for impeachment, the party must search elsewhere, beyond illegality, to explain Donald Trump’s earth-shattering victory in 2016 and prepare for 2020.

On paper, Trump remains eminently vulnerable. In March, he enjoyed one day of his presidency with anything like a 50 per cent approval rating. The midterms were highly discouraging for Trump supporting House and Senate approval ratings were sagging in critical Pennsylvania, Michigan, and Wisconsin – places he needs to win again in 2020. All that is true. And yet. America is also a place with exceptionally strong rates; the US economy grew by a very healthy 2.9 per cent last year. In 2019, Trump’s promises to renegotiate unequal terms of trade, which the Democrats were so disparagingly familiar with in the 1990s, will be the electoral windfall for him, while perhaps, with the right positioning, the Democrats can be forced to range far to the ideological left if he is to win the nomination, or he will stumble and fall.

For Democrats the US is a very good place to be. Yes, there is a real desire across the land to have a new beginning, to get the economy growing again, to allow the people who have been left behind to catch up and overtake the rest of the world. That can only occur if we manage to programme the future, and maybe even human-like reason out of the reverberations of the Democratic primaries, he will be forced to. In both political and practical terms, the US is a place with exceptionally strong governance, the foundations of which remain resolutely on the central pillar of the geopolitical world.

For Democrats the ultimate risk lies not with Trump, but in the mirror. Blinded as they have been by their hatred for the President – not crediting either his successes or the reasons for his election in 2016 – the US remains the great global power. That means for the UK’s strategic options in the world.

The US Finance report into payment trends can’t be ignored. However, I would caution against over-emphasising the death of cash. While clearly in decline, I would bet my last pound, dollar or euro that cash outlasts plastic as a method of payment. Cash still matters because it is our universal default, because it works regardless and puts us in control over our finances. We rely on mobile and contactless payments more and more but, unlike cash, they’re not 100 per cent reliable as too many of us experience too often with technology outages. Cash can be lost, and it can be stolen; contactless payment can’t. Many people call millennials snowflakes, but why do we think that they are somehow any different to any other generation? The truth is, we are all vulnerable to the risks of modernity.

But we know that more can be done. Local authorities need regulatory powers to control emissions from boilers, power plants, and generators. That’s why we’re looking to introduce a new public square. Pedestrian access and cycling routes have been improved, and traffic reduced.

We are working hard on the numbers of vehicles by creating our collaboration with organisations across London, and by introducing the Blue Card, which is used by schools by helping them to develop individual air quality action plans. But we know that more can be done. Local authorities need regulatory powers to control emissions from boilers, power plants, and generators. That’s why we’re looking to introduce a new public square. Pedestrian access and cycling routes have been improved, and traffic reduced.

Instead of Trump’s re-election in a country that remains resolutely on the centre-right, the numbers-challenged Green New Deal pushed by rising socialist Alexandria Ocasio-Cortez, which Democratic presidential candidates have rushed to endorse given her un-doubted star power, would cost between $25-$93 trillion. You do not have to be on the right of the Republi cans to see this as absolute lunacy. Mainstream Democrats are also talking about reparations for slavery, formerly only a morning chat for college professors protected from the heat by the delicate air conditioning. In adopting such left-leaning positions, the Democrats are ensuring the elections of the new millennium are lost. While (relatively) centre-left former governor Joe Biden currently has a healthy lead in the early days of the Democratic primaries, he will be forced to go to the ideological left if he is to win the nomination, or he will stumble and fall.

For all these reasons, here is a new prediction: Trump will reclaim the presidency in 2020. For the UK, this ought to be the real lesson of the last few days: that this difficult, unmerging, brash President is here to stay, and if we can’t figure out how to work with him, he could be the ally we need to make the special relationship again one of the primary pillars of the geopolitical world.

John Hulsman

_For Democrats the ultimate risk lies not with Trump, but in the mirror._

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America is Changing, and the UK Cannot Afford to Ignore It

**John Hulsman**

...and plans to turn parts of London into a green world. These improvements were boosted by transforming the local area with the removal of the Aldgate gyratory system, planting 71 trees, and creating a new public square. Pedestrian access and cycling routes have been improved, and traffic reduced.

By working together, we can clean up London’s air quality and stop pollution

**Catherine McGuinness**

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By working together, we can clean up London’s air quality and stop pollution

**Catherine McGuinness**

The taxpayer is still picking up the bill for the pensions promises Tony Blair made as he left office, and power to H M Treasury as it resists further ‘legacy’ vanity projects.

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**BEST OF TWITTER**

No 10 by no means dismisses reports that May could have her time as PM by committing to new domestic spending. @peterwalker99

The last month @Hagreedewes, anadown research director Mark Dampier was telling investors NZlwoodford was about to turn the corner. At the same time he was saying 16.3m of his shares, just before they plummeted in value @RobinsPower

People call millennials snowflakes, but have they ever met a printer? “Ooh my inks a bit low” “Ooh my paper’s slightly out of alignment” “Ooh I don’t like the look of that driver” @holly
Artificial intelligence will need strong ethics to be trustworthy

Bill Kelleher

ASK YOUR bank about the types of loans it offers. Apply for government benefits. Call a taxi. Do any of these things, and you’re increasingly likely to interact with artificial intelligence (AI) rather than a human. With AI, you get fast, smart, personalised services, and that’s something we can all appreciate.

But despite these benefits, there are concerns about transparency and bias in AI, and it’s easy to see how this can erode trust. In fact, a study by the Institute of Business Value found that, while 82 per cent of organisations are considering AI adoption, over half have security and privacy concerns about the use of data.

While the benefits of AI are clear, before these can be fully unlocked businesses need to take action and build trust. But where should they begin?

As a starting point, firms that are developing or using AI should have clear principles regarding the development, deployment, and governance of it. These principles don’t require complexity, but they should have senior management sponsorship, be available for public input, and be translatable into actionable things.

For example, one fundamental principle is transparency. In practice, this could mean that your bank informs you when a chatbot answers your questions, rather than a person.

There are concerns about transparency and bias in AI, and this list can be piloted by companies for the remainder of 2019, with feedback from the trial phase shaping the final list due in 2020. It covers a broad range of areas, but businesses can start with two of the most crucial challenges: mitigating bias, and ensuring that people understand the rationale behind AI decisions.

The data input by humans into an AI system can contain implicit racial, gender, or other biases. That could result in, for example, a system that sifts through job applications with biases towards candidates’ age or education, that can be exacerbated the more the algorithm is used.

There are tools in development to already in the market to detect and mitigate biases like these, and companies should ensure that they’re utilising those and only working with AI providers that are deploying them.

The guidelines also contain an assessment list that can be used as a roadmap for companies looking to put trustworthy AI into operation. The guidelines also contain an assessment list that can be used as a roadmap for companies looking to put trustworthy AI into operation.

Despite the benefits, there are concerns about transparency and bias in AI. It is a vital part of business performance. Only by embedding ethical principles into AI applications and processes can we build systems that people trust.

Bill Kelleher is chief executive of IBM UK and Ireland.

DEBATE

Is Britain overreacting to the idea that the NHS might be ‘on the table’ in US trade negotiations?

Last week, the NHS was on the table and then off again. But what does that actually mean?

President Trump’s remarks prompted fears that he will seek to open up the entire NHS to being sold off to American companies through a trade agreement with the UK. But the UK has always reserved health services from provisions in trade agreements, so that the rights to market access that suppliers in other countries get to most commercial services do not apply to healthcare. In reality, it shouldn’t matter who is providing the service if it is good and free at the point of delivery. But even if you disagree with that, for any government to have a chance of getting a trade deal with the US ratified by parliament, these protections for the NHS will have to be included.

For provisions improving NHS access to US medical technology and mutual recognition of doctors’ and nurses’ qualifications across the Atlantic, these should be welcome at anyone’s table.

Ellie Gellard is campaigns director at the IEA’s International Trade and Competition Unit. Degrees, asking them to lay out some red lines. Whichever way we voted in 2016, none of us wanted our NHS to pay more for life-saving medicines. No one voted to “take back control” and hand it to Donald Trump. The threat to our NHS could be existential. And for any Prime Minister who lets it happen, the consequence would be much the same.

Ellie Gellard is campaigns director at 38 Degrees.
Rainer Zitelmann looks at South Korea’s shift to the left, and how pro-capitalists are fighting back

Thomas Piketty. In contrast to Europe, however, South Korea is also home to a strong, pro-capitalist counter-movement. You can see the strength of this movement in the way that its advocates have taken over social media, especially YouTube. The popularity of channels like Pen & Mike (462,000 subscribers), Go-SungGook TV (350,000 subscribers), and Sihn Ui Han Soo (713,000 subscribers) shows the growth of pro-capitalist ideology.

As a result, it’s not all that surprising that the recently published Korean-language edition of my book The Power of Capitalism has attracted so much interest.

Critics have accused President Moon Jae-in of the Democratic Party of Korea, who has been in power since May 2017, of pursuing pro-American policies and saying nothing in the face of human rights violations in North Korea.

One of those critics is SungNo Choi, president of the Center for Free Enterprise. He is also president of the Hayek Society in South Korea, which organises events and publishes books and YouTube videos to promote free-market economics.

According to Choi, the ruling Democratic Party is far more left-wing than Germany’s Social Democrats and the UK’s Labour party. The party is clearly pursuing leftist policies — since 2017 alone, Korea’s welfare spending has risen by 30 per cent.

People like Choi are worried that the country is forgetting the policies that fuelled their country’s amazing success.

As recently as the 1960s, South Korea was one of the poorest countries in the world, just like the poorest African countries today. Choi is convinced that the success of South Korea — today the sixth strongest export nation in the world — is evidence of the success of capitalism.

South Korea’s pro-capitalists are primarily critical of what they see as a departure from market principles.

A heated debate is now raging around the country’s minimum wage, which was introduced back in 1968, but has largely remained very low. In recent years, however, it has risen dramatically.

Opponents fear that smaller companies in particular will no longer be able to pay the minimum wage if it climbs much higher. According to calculations from the Center for Free Enterprise, a 10 per cent increase in the minimum wage would push unemployment up between 6.7 and 6.8 per cent.

Some of the criticism might seem strange from a western European point of view. The Center for Free Enterprise points out that the government has reduced the maximum working week from 68 hours (plus 12 permitted overtime hours) to 52 hours per week.

When I observed that the French only work 35 hours a week, critics of South Korea’s working time restrictions countered that entrepreneurs in Korea face up to two years in prison if their employees work longer than is permitted, which is often unavailing, especially in smaller companies.

Nuclear energy is another major point of contention. In 1990, nuclear energy accounted for 45 per cent of South Korea’s energy supplies. Today it is just 23 per cent.

President Moon has already floated the idea of phasing out nuclear power completely, but met strong opposition from his critics.

Many of the current government’s biggest opponents are also supporters of Park Geun-hye, the daughter of Park Chung-hee, who is widely credited as being the father of the Korean economic miracle. His daughter served as President of South Korea from 2013 to 2017, but she is now in prison, having been convicted of corruption. The opposition forces believe, however, that she was wrongly convicted.

The libertarians I spoke to complained that Korea’s media is firmly in the grasp of left-wing intellectuals.

In Germany, the generation of “68ers” are held up as the enemies of economic liberalism. In South Korea, libertarians complain about the power held by those who were involved in the protest movement of the 1980s.

Again and again, I was told how those in charge of politics and the media today became socialists during the student movement of the 1980s.

When I pointed out that this was a legitimate protest movement against an autocratic, undemocratic system, my objection was countered with the argument that many of this movement’s leading protagonists are extremely sympathetic toward North Korea, and are anti-American as well.

Although South Korea has a completely different history and culture, many of the debates raging across the country have a distinctly “western” feel.

The most heated discussions right now centre on society and whether, as libertarians think, South Korea is moving too far on the road to becoming a European welfare state.

Debate revolves around whether the country could end up betraying its capitalist principles, or if perhaps – as their opponents think – welfare state reforms are urgently necessary to stop the gap between rich and poor from growing ever wider.
LUCKED away in a railway arch beneath Peckham train station lies a workshop. Here, the blacksmiths of Blenheim Forge toil away making kitchen knives. But there are not just any old blades. These are handcrafted Japanese-style knives – and the cheapest model starts at £160.

There’s no better endorsement for a product than knowing who buys it. Blenheim Forge counts celebrity chefs James Martin, Mark Hix, and Francis Mallman among its clientele, and recently sold a set of knives worth nearly £30,000 to be displayed in one of Gordon Ramsay’s restaurants.

The business was founded by James Ross-Harris (pictured) and Jon Warrillow back in 2014, who were working as blacksmiths for a different company inside the same South London workshop where Blenheim Forge is now based, making furniture, clocks, and all sorts of other things.

“Most of our sales to Europe are direct at the moment, but we’ve shortlisted a few shops where we’d like to get our work into.”

This is a key aspect of the business. As the Brexit debate rages on, we’re constantly reminded how important it will be for British companies to export their wares once we leave the EU. Blenheim Forge is proving a useful case study as a firm that is already successfully managing the tricky task of expanding.

Ross-Harris and his colleagues are also being recognised in their field – they’ve been invited to Japan to do a demonstration and run a few classes at a festival in one of the country’s major knife-making towns.

Cutting to the point, Blenheim Forge seems to be one of the sharpest knives in the drawer.
Escape India’s crowds on a mobile camping adventure

India is one of the busiest places on the planet, Lizzie Pook finds a way to get off the beaten track

The train rumbles through pink sunrise smog. I peer through the scuffed glass and watch as a procession of villages whizz by, filled with wallowing pigs and locals weaving through muddy streets on motorbikes. Huts, trees and hoods peek out through thick oceans of mist, and mirror-like rivers play host to startlingly white egrets like specks of snow. As we chug past, railway platforms buzz with a frenzy of human activity. Small towns spill forth busy markets selling everything from wedding dresses to fire-coloured spices. And every where, everywhere there are people.

There are 1.3 billion humans living in India (that’s more than four times the population of the United States of America). It’s so many people, in fact, that the country is on the verge of surpassing China as the world’s most populous nation (even though it is only the seventh largest). And while this buzz of humans makes India one of the most fascinating and diverse places to explore, I’ve come here to seek out something a little different: silence.

Which is why I find myself – having travelled by road through the dramatic Vindhya mountain range – in a field slap bang in the middle of Madhya Pradesh. It’s early winter here and everything is still green after the monsoon. I’m travelling through the central state of Madhya Pradesh with Hashim Tyabji, founder of mobile camping company Kaafila. The company’s tagline is ‘Beyond the Last Hotel’; their aim being to take intrepid guests to parts of India that luxury lodges and traditional safari camps just don’t reach. “We only go where there is no tourist footprint,” says Hashim, who is also a private wildlife guide and respected naturalist (and the owner of the most soothing Attenborough-esque voice I have ever heard). “As soon as a lodge or hotel arrives, we pack up and move on. It’s not easy – I mean how many places are there left in India where there are no people? But we’re determined.”

The model, he says, is driven as much by respect for the environment as it is conserving India’s vulnerable wildlife. “There are thought to be, at the most, 3,000 tigers left in the wild in India,” he says. “Tiger reserves are getting fractured. Roads are cutting straight through them and luxury lodges are hampering the development of wildlife corridors. We hope to help alleviate that.”

Camps take a day and a half to set up. Inside, each of the four tents is spacious and smartly furnished, with bright textiles handmade in Ranthambore by women’s collectives. Two attached zip-through bathrooms with sink, bucket shower and compost toilet. Each of the four tents is spacious and smartly furnished, with bright textiles handmade in Ranthambore by women’s collectives. Two attached zip-through bathrooms with sink, bucket shower and compost toilet.

TIGER FACT

There are more tigers living in captivity (3.7k) than in the wild (3.8k).

Our location gives us good access to Kuno National Park, a remote conservation area that you won’t find on the itinerary of any mass-market tiger trip. There have been sightings of tigers in Kuno, as well as leopards, sloth bears and a plethora of birdlife, and while plans to introduce a satellite population of Asiatic lions...
grasses like hidden jewels and black-faced mon-KEYS peep out from behind the branches of trees, their absurdly long tails hanging below them like ropes. At one point, in the hot after-noon sun, the forest comes alive with butterfly-flies. Puffs of white pioneers fill the air and yellow and purple glories dot the ground with the heads of cockspur flowers. Sure, there’ll be no big cats for us today, but I’m happy for Kuno to stay as it is: wild.

**ANIMAL KINGDOM**

That night, the rain falls hard as we eat chap-attis, curries and saag paneer while thunder rumbles in the distance. Come daylight, we’re on the move to our next stop, a lodge on the outskirts of Panna National Park (we’re holding up for a while to give the camp staff a chance to leaping us and set up the next site).

Panna National Park, an eight-hour drive past bustling villages and rainbow-coloured houses, is a real conservation success story. After being declared officially tigerless in 2008, a reintroduction programme was insti-gated, with tigers being brought in from sur-rounding Bandhavgarh, Kanha and Pench national parks. Now, it’s thought that there are at least 35 animals roaming the park’s 200-odd square miles, with some of them being monitored by radio collar.

Unsurprisingly, we have more luck with our sightings here. As soon as we enter the park a leopard slinks through the long grass in front of us and a huge male sambhar deer crashes through the trees. As shafts of light cut through billows of dust, we spot a rare, lone wild dog resting at the side of the road and even come across a sloth bear picking berries from a bush. But the big excitement comes in the form of a mother tigress with three cubs, guarding a huge sambhar deer kill on a dry riverbed. As an Egyptian vulture circles over-head the large female moves back and forth from the deer carcass until she’s only a blaze of orange under a thick Arjun tree. All I can do is look on, slack-jawed, at one of the most im-presusive animals this country has to offer, and marvel at how this tiger is not surrounded by the mellowing Icicle that you would find in India’s busiest parks.

That night we sleep at the soul-stirring Sarai at Tiora, a series of airy cottages spilling across a nine-acre riverside site, and drink whiskey as the frogs erupt in throaty chorus around us. The lodge is owned by Raghu Chundawat, a renowned conservation biologist, and his wife Joana, a wildlife photographer. Raghu’s pio-neering 10-year research project on the tigers of Panna was instrumental in raising awareness of their plight. I ask him what it’s like being up close with a tiger. He laughs, and claps his hands together, “Well, they smell like basmati rice,” he says, “but I’ll never forget it.

Our final camp is set on a sultry eucalyptus plantation near the northern escarpments of the Vindyhas. From there, we visit Kalinjar, a series of mountain-top forts over 2,000 years old, and a few crumbling ramparts and moss-covered ruins seem to emerge ghoulishly out of the bush. Langur monkeys drape them-selves across temple walls and Hashim points out magnificent 10th century carvings hewn so intricately into sandstone cliffs they look as if they are barely constrained by it. A rampant, many-armed Bhairava looks out at us in his ter-rible form – skulls draped about him, snakes round his neck. I struggle to comprehend it. If they are barely contained by it. A rampant, so intricately into sandstone cliffs they look as though they were as old. As we walk, crumbling ramparts and moss-covered ramparts and moss-covered ruins seem to emerge ghoulishly out of the bush. Langur monkeys drape them-selves across temple walls and Hashim points out magnificent 10th century carvings hewn so intricately into sandstone cliffs they look as if they are barely constrained by it. A rampant, many-armed Bhairava looks out at us in his ter-rible form – skulls draped about him, snakes round his neck. I struggle to comprehend it.

Later, we climb the mountains for sun-down-ers – gazing across the sweeping gorges and lis-tening to the tinkle of cow bells in the valley. That night, as I lie in my tent, I hear the rasping call of a leopard in the darkness outside. The next time I come to India, I think, I’m defi-nitely bringing a tent.

**NEED TO KNOW**

- Joanna, a wildlife photographer. Raghu’s pio-neering 10-year research project on the tigers of Panna was instrumental in raising awareness of their plight.
- There are at least 35 animals roaming the park’s 200-odd square miles, with some of them being monitored by radio collar.
- Panna National Park, an eight-hour drive past bustling villages and rainbow-coloured houses, is a real conservation success story.
- After being declared officially tigerless in 2008, a reintroduction programme was insti-gated, with tigers being brought in from sur-rounding Bandhavgarh, Kanha and Pench national parks.
Our next Prime Minister can’t neglect tech

With digital eyes on London this week, what does a Tory leader need to deliver?

TODAY marks the launch of London Tech Week 2019. Six years ago I stood at the inaugural event alongside Boris Johnson and Michael Bloomberg for what felt like the long-deserved recognition that London was becoming a global tech hub.

Today, London tech has gone from strength to strength, breaking new records for investment, billion-dollar valuations, and exits.

However, the same can’t necessarily be said for British politics. Over the same period, we have had two Prime Ministers, three secretaries of state for digital, four secretaries of state for education, and four ministers for immigration.

Despite personnel changes, there have been positive policy reforms for the tech sector: a new chief digital officer for London, computing courses on the national curriculum, a new Tech Nation Visa, and the successes of the seed enterprise investment scheme, and the support of the Financial Conduct Authority for fintech.

But more needs to be done. The start of London Tech Week is overshadowed by Brexit and the dramatic resignation of the Prime Minister. Contenders Matt Hancock and Jeremy Hunt have broadcast their support for the tech industry, but the question is to what extent will the next leader champion the digital economy? As a sector that is creating jobs, attracting investment, and driving innovation, quite simply they can’t afford not to.

The single biggest challenge and the issue entrepreneurs will look to the Prime Minister to address is talent – demand is outstripping supply with 48,000 long-term digital vacancies. Britain needs to be open to world-class tech talent and, while the Tech Nation Visa and Startup Visa are both steps in the right direction, there is still a cap on Tier 2 Visas, which prevents a vital route for tech workers. The government should remove this cap immediately, and not when the UK leaves the EU.

Home-grown talent is equally important. There are many outstanding initiatives – Ada College, UK Blacktech, Code First Girls, Makers Academy – that are teaching digital skills, but this is a drop in the ocean for the contemporary workforce.

There are still too few women in tech, too few people from BAME backgrounds represented, and not enough young people with digital skills. Education reforms, coding courses, and digital colleges need to be introduced.

After talent comes investment. Tech London Advocates found that one in four tech companies in London have missed out on investment because of Brexit. Tech companies have for the most part always been against leaving the EU, but today’s state of limbo is the worst of all scenarios. Uncertainty stifles capital.

Post-Brexit, tech companies will need to access even greater pools of cash. While officials within the Department for International Trade are championing investment opportunities in the UK, the new Prime Minister needs to turbocharge that process, showcasing the best of British tech.

Finally, a critical metric that the future leader’s performance will be judged on is 5G. The US and China have stolen a march on the UK with rollout, and if we want to compete internationally, we need to have best in class connectivity.

Deployment of 5G cannot get lost in international wrangling – if it’s ready to use, we need it in the UK now.

London Tech Week is a good reminder of why the incoming Tory leader needs to champion the digital economy. The next Prime Minister could preside over a golden age for UK tech as we become a global capital not just for fintech, but artificial intelligence, cyber security and blockchain.

With the right policy landscape, there is nothing preventing Britain from standing alongside the US and China, leading the digital era.
England win 6-5 on penalties

T TOOK 120 minutes of goalless play followed by a penalty shoot-out that went to sudden death but in the end England claimed the victory over Switzerland that they more than merited and third place in the Nations League.

Just as in Thursday’s semi-final defeat by Holland, Vâlley denied England a win in regular time that they believed they had achieved, this time when substitute Callum Wilson was found to have tugged defender Manuel Akanji before following up Dele Alli’s saved header in the 84th minute.

Missed chances, the most glaring falling to Raheem Sterling, and some smart stops by Yan Sommer prevented England from capitalising from persistently dangerous attacks, most going through the scintillating Trent Alexander-Arnold.

But six flawless spot kicks – one to settle England’s nerves when Sam Johnstone was an ominous sight – secured the spoils onto the streets of south London.

England’s women thrashed West Indies 3-0. After a drummer split the stands, with an assault of brutal power. His 17th century of the home crowd’s affection, Shikhar Dhawan was the first focus on high note.

After a drummer split – a glimpse of deity Sachin or obvious wide call – to the ear-then in The Oval yesterday: Felix Keith

Every action, whether significant or not, prompts an outpouring of comprehensiveness. But until you experience it first hand it’s hard to comprehend.

You can try to quantify and explain the sight through India’s favourite MS Dhoni’s IPL side Chennai Super Kings confusing matters further. You can try to quantify and explain the sight through India’s love of cricket, reputation for travelling in numbers and native presence in London, but until you experience it first hand it’s hard to comprehend.

Every action, whether significant or not, prompts an outpouring of comprehensiveness. But until you experience it first hand it’s hard to comprehend.

Gonzalo Guedes scored the game’s only goal as Portugal edged out Holland 1-0 to win the inaugural edition of the Nations League last night. Guedes (pictured) fired into the bottom corner from Bernardo Silva’s stunning strike in the 60th minute as the Dutch struggled to offer a threat in front of goal in Porto. The Valencia winger’s goal earned Fernando Santos’ side a second trophy in three years, following their victory in the 2016 European Championship.

England came into the inaugural Nations League finals with high hopes, so defeat to Holland revived England’s fears. On top of an exemplary campaign with Liverpool which culminated in Champions League glory, and with re- newed doubts about Kyle Walker’s form, the 30-year-old is making it difficult for Southgate to leave him out.

England’s incisive play came down the right flank and that was down to the outstanding Alexander-Arnold. Aside from his low cross that Sterling misjudged and the delivery that Kane nodded the wrong side of the far post, the Liverpool full-back also whipped two dangerous high balls for Alli, one of which forced a smart save from Sommer.

On top of an exemplary campaign with Liverpool which culminated in Champions League glory, and with renewed doubts about Kyle Walker’s form, the 30-year-old is making it difficult for Southgate to leave him out.

Southgate was able to experience and the quality of opposition that England would have been playing Euro 2020 qualifiers this week had they not reached this stage.

This was, then, useful tournament experience and the quality of opposition and intensity of matches made it even more so. Southgate was able to trial new combinations and systems – he made seven changes here and switched to a diamond midfield – in realistic conditions and give new players – Harry Maguire, Ross Barkley and Jaden Sancho – their first kicks in an England penalty-shoot-out.

POST MATCH QUOTES

GARETH SOUTHGATE

We’re happy to reach the semi-finals and the final. We’ve got quite a good team and a lot to feel positive about. We’ve had a long time together and we’re building something special here.

ALEXANDER-ARNOLD

It’s just been a dream. It’s incredible to be part of this team and to be scoring goals for England. It’s just a privilege to be here for my country and to score goals.

ROSE: I’M OPEN TO LEAVING TOTTENHAM THIS SUMMER

Danny Rose has said he could move away from Tottenham this summer after admitting he doesn’t know what the future holds now, having been left out against Burnley.

The left-back says he’s open to change. “I don’t know what the future holds now,” said Rose.

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I don’t know what the future holds now, he said after England’s win over Switzerland yesterday. “I’m looking forward to a break. If I’m back in the next season then I’m not, great. I just have to wait and see.”

ENGLAND COMPLETE SERIES WIN OVER POOR WEST INDIES

England’s women thumped 15th-ranked West Indies by 121 runs in a rain-affected second one-day international at Worcester yesterday to clinch the three-match series. Tammy Beaumont (61) and Nat Sciver (25) top-scored for England as 8 for 6 from 16 overs batting first at New Road. After rain reduced the number of overs, West Indies’ inept 57 for 6 in their overs, with Kate Cross (2-4) and Aanya Shrubsole (2-11) grabbing three wickets apiece.

ENGLAND CLINCH NATIONS LEAGUE TITLE

PORTUGAL CLINCH NATIONS LEAGUE TITLE

Final third, with Memphis Depay’s downward header comfortably saved by goalkeeper Rui Patricio in their only shot on target. Cristiano Ronaldo was kept quiet throughout the semi-final but his late header was saved by goalkeeper Rui Patricio.

Goalkeeper and Alexander-Arnold star as England end on high note. By Frank Dalleres

World Cup match it up by scenes in The Oval’s stands, writes Felix Keith

THERE was a fun game to be played at the Cricket World Cup match at The Oval yesterday: the Australian. Can Jordan Pickford himself – set up the England stopper to make a flying save from Josip Drmic and ensure England’s men ended the Nations League with high hopes.

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Parris shines as England get off to winning start

Neville’s Lionesses start World Cup with victory in Nice, writes Frank Dalleres

England expected. As one of the favourites to win the most anticipated and high-profile Women’s World Cup to date, and with a trophy already under their belts this year from the SheBelieves Cup, the stakes were high for their opening match of the tournament against Scotland.

England delivered. First-half goals by winger Nikita Parris, from the penalty spot, and forward Ellen White put Phil Neville’s team firmly in charge in Nice and set them on their way to clearing the first hurdle in their path to the final in Lyon on 7 July.

But there were caveats. The Lionesses’ opening goal derived from a controversial handball decision only awarded after consultation with the video assistant referee (VAR), and Scotland punished sloppy play to get back into the contest through Claire Emslie late in the game. “We’ve got to be relentless,” said Neville. “We want to be here for 90 minutes and to do that we’ve got keep driving the standard up.”

Fran Kirby won the contentious penalty in the 10th minute when her cross from the right struck Scotland defender Nicola Docherty’s raised left arm. That there was contact was not in doubt and, after taking time to watch a penalty decision just awarded to Italy against Scotland, the City striker stroked past the ex-Wales international handball decision only awarded to Italy against Scotland, the City striker stroked past the ex-Wales keeper Lee Alexander. The 25-year-old joined Kirby with the Football Writers’ Association player of the year award. She could yet end her summer by lifting another trophy in her new home town.

White’s reward for a tireless display leading England’s line came in the 40th minute, when Kirby won a challenge on the edge of the Scotland penalty area and the City striker stroked past the excellent Alexander first time with her left foot. Scotland, ranked 17 places below England in 20th place, punished the Lionesses for losing impetus at two up. Erin Cuthbert shot inches wide just before halftime and Emslie made up for an earlier miss when she bundled in from close range.

VAR penalty award that did for Moussa Sissoko and Tottenham in the Champions League final this month and that football fans are having to get used to. Despite a lack of obvious support, governing bodies Fifa and Uefa now favour a policy of strict liability.

Parris was untroubled by the injustice or otherwise and stepped up with the confidence and panache she exhibited all afternoon to plant her penalty high and to the left of Scotland goalkeeper Lee Alexander.

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Nadal’s Glorious 12th

Spaniard reaches new heights with yet another imperious Roland Garros win, writes Felix Keith

OWN many sporting situations are more difficult than facing Rafael Nadal at Roland Garros? On his beloved clay surface Nadal is both the unstoppable force and the immovable object of the classic paradox. And so Dominic Thiem found yesterday in Paris, going down 6-3, 5-7, 6-4, 6-1 in just over three hours as the Spaniard secured a record 12th French Open title.

The statistics are staggering, numer-ous and worth listing.

The victory secured Nadal’s 18th grand slam title, meaning he is now just two behind Roger Federer’s all-time record of 20. He became the first player to win a single grand slam title 12 times, surpassing Margaret Court’s 11 at the Australian Open. His dominance is such that if only his French Open wins counted he’d still be fifth in the all-time men’s singles titles list.

The 33-year-old now has a record at Roland Garros which reads: played 95, won 93, lost two and a clay court record when he beat Novak Djokovic in the first set in best-of-five matches which reads: played 101, won 101.

It is truly incredible. I cannot explain it,” Nadal said in his best French. “To play for the first time in 2005 – I never thought in 2019 I’d still be here. It’s an incredible moment and very special for me.”

Explaining his unrivalled genius on clay is no easy feat, as its basis tends to reside in his relentless consistency as much as his sparkling stroke-making. Thiem came at him full tilt, testing the Spaniard with all he could muster. But after an intense, gripping and high-quality first set went to the defending champion and the second to the plucky challenger, Nadal’s calling cards began to appear more often.

Nadal started the third set revved up by his grim determination, pulling out a ludicrous backhand slice volley winner, all the while unfurling that trademark nasty top-spin forehand with laser-guided accuracy onto the baseline over and over again.

As his opponent faltered he tightened the clamp on Court Philippe Chatrier, edging ahead in all the key metrics to make history, drop to the floor with arms outstretched and get his teeth around that grand silver trophy for the 12th time. It was a victory which solidified the dominance of the older, wiser and more experienced players in men’s tennis. Thiem is, remarkably, now the only man under the age of 30 to have won a set in a grand slam singles final.

For Thiem it was a second successive defeat in the French Open final by Nadal, having lost in straight sets in 2018. The Austrian was playing for the fourth successive day due to a schedule crampned by rain delays, racking up nearly 18 and a half hours of game-time in the tournament altogether. The 25-year-old stood up physically to the gold standard of fitness represented by his opponent, but was ultimately, like many before him, worn down by Nadal’s abrasive brilliance on the other side of the net.

He will be back, but for now the King of Clay remains on his throne.
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