

The IFS does not have the last word

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The [IFS has spoken](#). The [think tank](#) that some (in the Tory press, I note) say is the most respect independent think tank on Britain's finances say the UK's political parties have not been honest about the cuts needed to rebalance the UK economy.

Well, let's unpack that for a moment. First, there's no such thing as independence. The IFS is financed to promote conventional economic thinking on the UK economy. That's a particular, and extremely normative view of our reality appropriately called neoliberal economics that prescribes certain outcomes irrespective of circumstance. So, for example, neoliberal economics assumes government is bad and the private sector is good, so it prescribes cuts. And neoliberal economics assumes tax is harmful to private income maximisation — which is a very narrow definition of well being - and as a result automatically rules out the use of tax increases as a mechanism for rebalancing the government's finances.

Second, the IFS rejects the Lib Dem's view that just £4 billion can be collected from tackling tax avoidance because, it says, the wealthiest think that such measures will "be unfair". That's a wholly subjective and normative judgement on its part. One that ignores the fact that the majority will think such measures are very fair, and which shows it is contemptuous of the majority can that its measure of voting is weighted by wealth.

I could go on, but already it is clear that what the IFS has said is the wholly subjective opinion of a think tank whose existence if dependent upon the premise that shrinking the state is a necessary condition for well being — although there is ample evidence that the political parties are not saying this for the precise reason that they know this is directly contrary to the opinion of the electorate — as whoever has or shares power after the election will find.

In which case let's accept the IFS position as opinion they honestly hold but as having no more, or less, worth than that. And that because it is inherently biased it can be rejected for that reason, openly, honestly and appropriately precisely because a different bias — [to which I subscribe](#) - says they are prescribing the wrong solution (cuts

in spending) to the wrong problem (the right one being the collapse in government income) to which there is a viable, valid and deliverable solution — which is to spend now as Keynes would demand and increase taxes later.

And let's hear no more of the [IFS](#) being up on some pedestal to which it has no claim.