

The Republican solution to the US state funding crisis ...

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As the [FT notes this morning](#):

Republican lawmakers are studying ways for states to go bankrupt, a move that could enable them to renegotiate their pensions, but one that will be met with fierce opposition in Congress and the financial markets

I have already drawn attention to the fact that a significant number of states and smaller jurisdictions in the US are close to bankruptcy and unable to meet their borrowing obligations within technically balanced budgets which they are, perversely, required to maintain in a pretence that in many ways defies belief.

Here we see the reason why some think this risk worthwhile: they can reduce future taxes and so increase the income and wealth disparities in the US by welching on state employees if they can let states go bust.

This is right wing justice for you.

How long before the same is suggested by someone like the Taxpayers' Alliance here in the UK for local authority employees, NHS employees and more besides in the UK? Not long, I suspect.

Watch this space, and be prepared for action.