

Wolf: why expect an investment surge in an economy 13 p...

Published: January 13, 2026, 1:39 pm

Martin Wolf [in the FT, today](#):

To eliminate the fiscal deficit, without another recession, prolonged economic weakness, or both, the UK must generate a surge in net exports and in corporate investment. To my amazement, conventional forecasters believe such huge shifts are even probable. Yes, they are possible. But why would one expect an investment surge in an economy currently some 13 per cent below its pre-crisis trend?

Well worth reading.

As he makes clear, the chance that Osborne has got things right is the square root of something very close to zero.