

The conventional wisdom

Published: January 14, 2026, 11:58 am

I [thought this piece in the FT really well written.](#)

I love J K Galbraith (the second best economists of the twentieth century and a massive influence on my early economic thinking) for saying it.

But the introduction is first rate too, so I make no apologies for reproducing this:

In 1958, Harvard economist John Kenneth Galbraith was looking for a term to describe certain ideas that were commonly held, intellectually accessible and yet fundamentally flawed. To define such widely spread misconceptions he wrote: "I shall refer to these ideas henceforth as the conventional wisdom."

What's the conventional wisdom now?:

- a) That there are bond vigilantes;
- b) That cutting government spending will result in an immediate uplift in private sector activity
- c) That there is significant and abnormal level of inefficiency in the state sector.

None of those things is true of course.

But they are the conventional wisdom.