

Cable is right: we have to assume the economic crisis i...

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Vince Cable and I talked quite a bit at one time. Then he got into government and things changed and fault lines appeared. Well, so be it, but Vince spoke a lot of sense today when, [according to the Guardian](#):

In keynote speech at Lib Dem conference, business secretary says reduction in inequality is needed to turn economy around as UK faces 'economic equivalent of war'

He's right. That is the state we face.

It's why I've been writing about nationalising banks.

The right (none of them from George Osborne to the lunatic fringes of his own party and on through UKIP to the libertarians) don't get this. It's as if they've massively overdosed on Hayek: a sharp bit of economic grief is good for us all they say - and didn't you know (they say) that all those unemployed are so either because a) they want to be or b) the state forced them to be and if only it stopped interfering in the economy all would be OK?

Well, Vince has this right. First, Hayek and those neoliberals who share his belief in markets if not all his solutions got things fundamentally wrong: there's no such thing as a market equilibrium for a start (shocking to those who are true believers, I know and a bit like denying the virgin birth as far as they're concerned - but much more far fetched when it comes to the conditions needed to believe it true).

So three things follow. First, Cable is right to challenge Osborne's policy of non-intervention from which only the rich can win (and that's his intention, of course). Second, we need to prepare for chaos, and failure to do so is gross irresponsibility. Third, don't be calm - get very, very angry with those on the right who are stupid enough to say everything is OK when it glaringly obviously isn't.