

## There is an essential truth in this

Published: January 13, 2026, 11:23 am

---

Larry Summers has said in the [FT this morning](#):

*The central irony of financial crisis is that while it is caused by too much confidence, too much borrowing and lending and too much spending, it can only be resolved with more confidence, more borrowing and lending, and more spending.*

But the borrowing has to be for investment this time.

And not investment in land and consumption.

But investment in productive capacity that delivers sustainability.

This time there has to be a Green New Deal.