

2012 is not going to be a lot of fun

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The papers all seem to be reserving economic predictions for 2012 until today. Let me offer a few.

This will be the year the world faces the biggest economic crisis since 1945. Then we pulled together. This year countries will pull apart. Things are going to get worse, not better.

We will face social unrest as a result - right across the world impacted by recession.

The Euro is at serious risk of not making it through the year. No one knows what will happen then. It's pointless pretending they do.

Millions will lose their jobs in Europe - hundreds of thousands in the UK.

Evictions of people from housing they can no longer afford because of benefit cuts will become widespread.

Bankruptcies will rise.

Major companies will fail.

Public services will get worse. Attacks on public sector workers will rise. They will be pushed to their limits of endurance.

Democracy will fail in some countries.

And all because governments will refuse to do what they could all do - which is spend more, using borrowed funds (created by banks, and at very, very low interest rates as was done, for example in World War 2 when we also faced crisis) to get us out of the mess we're in to put people to work, to stimulate economies, to invest for our futures, to give people hope, to constrain disorder and to provide prosperity - and indeed to create enough tax revenue to pay for the borrowing more than once over - so reducing the deficit in the process.

Have no doubt the fiscal conservatives of supposed left and combined right want this chaos. They are choosing it when an alternative is available. For that they are and will be culpable.

But I fear the worst before it has a chance to get better.

A happy 2012 is hard to imagine.