

## Time to end the farce of a supposedly independent Bank ...

Published: January 12, 2026, 9:54 pm

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I [rather liked this opening paragraph](#) of the Guardians leader this morning:

*One cheering side-effect of economic depression, is that it provides occasion to recall Keynes's sideline in Wildean aphorisms. One rebuke to purveyors of a failing conventional wisdom, which may have been refined in the retelling, was "When the facts change, I change my mind. What do you do, sir?" On Wednesday Mervyn King admitted that the facts had changed, but refused to change his mind.*

Worse than that, as the same comment notes:

*[King] got unwisely close to the political fray by stressing that every chill wind came from overseas, and — by implication — that none had anything to do with George Osborne. The chancellor's plan had looked "pretty sensible" to all mainstream opinion in 2010, he suggested, disregarding the warning shots that eminent economists had fired off to newspaper letters pages before the plan was set. All of this is of a piece with a governorship that has been behind the pace, ever since an initial failure to spot the slump coming.*

King has time and again proven three things.

The first is that the so called 'Treasury view' is safe in his out-sourced hands.

The second is that he's slow to understand and even slower to react.

The third is that he has profound political bias in favour of an elite whilst persistently indication indifference to the needs of the majority in this country.

And all are very good reasons why a separate central bank should now be abandoned. The fact that King thinks and acts in this way is not chance: it is by design. He was chosen to do this, and does it well to suit those who he really services, in the City and not Westminster. However, in a democracy economies must be directed by politicians, not bankers and their acolytes who focus on such spurious economic goals as the inflation rate. Which means it is time to bring control of

the economy back to Westminster, and away from the City.

Brown set up the independent central bank. The first thing a new Labour chancellor would have to do is bring it back under his or her control. Only in that way can the interest of the 1% be brought under the control of the majority through the exercise of democratic will. And only then will we have the chance to establish economic policies that are in the interests of a majority in this country.