

Why support Labour when their economic policy is based ...

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There is a [hugely depressing article in the Guardian](#) this morning on a speech that Chris Leslie MP, Labour's shadow Chief Secretary to the Treasury, will make today at the Institute of Chartered Accountants in England and Wales. It begins by saying:

Labour cannot afford to undo the coalition's cuts in the next government and must expect to be unpopular, one of the party's most senior finance spokesmen will say on Friday.

And continues:

Chris Leslie, the shadow chief secretary to the treasury, will say some of the spending decisions "will be the toughest faced by an incoming Labour government for a generation" if Ed Miliband wins the next election.

Before quoting Leslie saying

"We won't be able to undo the cuts that have been felt in recent years, and I know that this will be disappointing for many people. A more limited pot of money will have to be spent on a smaller number of priorities. Lower priorities will get less."

But of greatest concern in all this is the following commitment

"Labour will get the current budget into surplus and national debt falling as soon as possible in the next parliament," he will say, echoing Balls's pledge from last year's party conference.

I [have already explained on this blog](#) why the UK does not need a balanced budget, let alone a surplus. In summary, we can run a deficit equivalent to GDP multiplied by the rate of inflation and effectively stand still in budget terms: that's a deficit right now of about £35 billion. And as for repaying debt, why do that? The market wants to buy it and is paying for the privilege of doing so. Why on earth deny them that chance when it's the best investment in town? That would be crazy.

That's especially so when implicit in this promise is a commitment to the massive austerity needed to make this balanced budget work - austerity that will continue to ruin the lives of millions in this country?

And it's also crazy when what this whole policy implies is that Labour thinks it must be beholden to bankers, the City establishment, and their neoliberal economics that demands they must have the right to do what they wish whilst requiring the shrinking of the state - which they are enforcing through budget cuts.

If this is what Labour has to offer no wonder so many people do not vote. Labour is offering the politics of despair and not hope. It is the politics and economics of reckless irresponsibility. And it is the economics of those without the courage to deliver change, most especially for those who are dependent upon that change happening in this country.

Why, oh why, oh why, I ask?