

# The demise of PFI has been long overdue

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As the [Guardian reports](#) this morning:

*Labour should take responsibility for resolving “the mess” left behind by private finance initiative (PFI) deals used to fund the building of hospitals under Tony Blair and Gordon Brown, [Jeremy Corbyn](#) has said.*

In [an article for the Guardian](#), the Labour leadership frontrunner said the NHS is now paying the price for New Labour having been “cowed by the press, and duped by the money men” when it used private finance for building health projects.

I suspect there is not a person in government anywhere who would not agree with that. As I have already said on this blog, [People's Quantitative Easing could consign PFI to history](#). I have been [saying so for some time](#).

As [I put it last week](#):

*[People's Quantitative Easing'] the equivalent of the much-hated public finance initiative. That might dismay you until I remind you of the similarities and differences.*

*Like PFI People's Quantitative Easing funds essential public investment. Like PFI it does so without increasing the deficit. Like PFI it does so without increasing government debt.*

*And then there's the key difference. It's at least ten times cheaper than PFI. And it's wholly under state control. And not a single banker gets richer as a result of it.*

*Some people have said People's Quantitative Easing is just a trick. Maybe it is. But it's a vastly better trick than the PFI one that's been used by Conservative and Labour governments for the last twenty years. What I've done is improve the trick. Now it works. Now it's affordable. And this time there is no rich banker in the middle of. No wonder the FT and all who read it do not like it. This isn't named People's Quantitative Easing for nothing. You are the winners.*

That's why I support the idea that Jeremy Corbyn has put forward. It does rather look like another idea borrowed from this blog.