

Why the world is falling over today

Published: January 14, 2026, 6:05 pm

Larry Elliott has a pretty good explanation as to why the world's economies look like they are falling over today. He has said:

The crisis of 2007-09 was a lesson to policymakers that international policy cooperation was needed to increase global demand. It was a lesson that there needed to be higher investment in infrastructure and skills to raise productivity. It was a lesson that an economic model based on widening inequality was unviable. It was a lesson about the risks of uncontrolled capital flows.

Clearly the lesson wasn't big enough.

Good, but not quite good enough.

I would add three things.

Politicians did not realise that sustainability had to be built in.

Second, they did not realise that growth was not the real goal per se: meeting people's needs, including that for high quality employment was.

And third, it was not understood that only [courageous politicians willing to challenge markets](#) heading us in the wrong direction can achieve the goals that we must have now.

Bring on Corbynomics, I say.