

Prime Minister Mark Carney of the City of London

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I never intended to become involved in debate on the independence of the Bank of England, but my promotion of People's Quantitative Easing resulted in my being so.

As many will know, I have problems with the very idea that the Bank of England should be seen as independent of the Treasury. The management of both fiscal and monetary policy requires that in practice that this not be the case if any notion of integrated policy making is to be sustained.

That an unelected authority should make decisions of the significance that those that the Bank of England apparently does without proper accountability is, in my opinion, unacceptable in a democracy.

But many disagree with me: they say such independence is vital if monetary policy is to be appropriately managed. Well, maybe: except that I do not think that is the limit of the remit that Bank really wants.

My doubts and concerns have been heightened by Mark Carney's recent comments. Of course climate change is important. And so to is the UK's position in Europe. But should someone who is a regulator with responsibility for UK monetary policy really be commenting on them in public? Could any other public servant do that?

Or has Mark Carney really revealed the next aim of those seeking to promote central bank independence? Is it really the plan that central banks should be the countervailing power to democratically elected politicians?

Have we just seen the first announcements of Prime Minister Carney of the City of London, the UK's real state within a state?

If so, what now for those democrats who have long been worried about the power of the City of London within the UK?

And does John McDonnell's new panel reviewing the BoE mandate really have the right brief in that case?