

What does Will Hutton want? It's time to choose between...

Published: January 13, 2026, 3:05 am

Will Hutton [has an article in the Observer](#) under the title:

When will banks learn that dodgy tax practices actually cost them dear?

It's OK as it goes, although, as has always been the case with Will, never once acknowledging the role of civil society in first drawing attention to this issue. But then it gets to its last paragraph, where Wills says:

And while the new Labour leadership is calling for the investigation [into banking practices] to be reinstated, it is too invested in destroying or undermining capitalism to be a plausible voice in constructive reform. The government can do what it wants. Without a feasible, intellectually coherent plan for a different approach — or the political heft to back it — expect nothing to change.

It has to be said that this is nonsense of a Mandelosnian order.

Even if I am not currently doing a lot of talking to the Labour leadership it is widely acknowledged (including by them) that I've influenced their thinking, and I've also known both Jeremy Corbyn and, in particular, John McDonnell for more than a decade. Why is that? It is not because I have been a member of the Labour Party: as I have, repeatedly, made clear, that is not the case. Nor is it because we have agreed on everything, although we have without doubt done so on many aspects of economic policy. Rather it is for three very good reasons.

Firstly, when no one else saw the importance of tax campaigning the likes of John McDonnell, Alan Simpson, the late Michael Meacher, Kelvin Hopkins and Jeremy Corbyn did. They realised the importance of this issue in creating division in society, and that it had to be tackled both nationally and internationally, and when no one else would listen to the early campaigners for tax justice (of whom I was one) they were a reliable, persistent and willing audience who were happy to raise these issues in the House of Commons. We have a lot to thank them for.

Second, I never did, and never have believed that they did so to undermine capitalism,

and they certainly did not do so to destroy it. Instead, what they pointed out, as I and others pointed out, was that capitalism was destroying itself and that unless the state stepped in to create the necessary level playing field on which all businesses could fairly compete subject to appropriate and proper regulation, transparency and accountability, and subject to consistently applied taxation laws, then there was no prospect of the capitalist part of the mixed economy in which we should all partake delivering what we expected of it.

Third, what the likes of John McDonnell realised then, and do I still believe realise, is that there is no prospect of building the foundations of a future prosperous society in this country unless the rules by which markets operate are changed. But, I stress, I have never heard any one of the so-called left-wing MPs around the Corbyn leadership say at any time in the last decade that they would wish to destroy private business, or remove its to trade, or stop the existence of quoted companies (certain exceptions being noted, where it is obvious to almost anyone that a nationalised industry could clearly undertake the task better than any private enterprise could, such as railways) and I am, candidly, never expecting to hear them say such a thing. That's because the rule changes they want aren't about undermining or destroying capitalism; if anything they are about saving it from itself.

Will Hutton knows capitalism does not work in its current form.

He knows that it delivers inequality.

And he knows that it is far from being in any suitable form to deliver the benefits that it is, overall, I think capable of supplying.

What this means is that anyone who believes that we must face the future with a strong, vibrant, mixed economy where the state is the foundation and guarantor of well-being (as in practice it has proved to be, time, after time, after time) and where the private sector is allowed to build on that foundation to help some people achieve their own objectives whilst meeting the needs of other in ways the state can't and never will do (just as on other occasions the private sector cannot and never will do what the state can achieve) has to believe that fundamental reform of the way in which we regulate markets must be a priority.

So, banking has to be brought under control.

And multinational businesses have to be made accountable using, for example, country-by-country reporting of the exact type that Will Hutton refers to in his article without ever acknowledging that this was created by the tax justice movement, with the early support of the MPs who he now appears to despise, even though he is more than willing to reap the rewards of their efforts.

In addition, the Bank of England will need to have its function and goals reviewed.

Whilst it is without doubt fundamental to this achievement that HMRC be radically reformed, be brought under proper management control, have established governance principles built into it, be accountable for the tax gap, and be required to close it.

If Will Hutton thinks that these things are undermining capitalism then I have to say he is quite simply wrong. In fact, I would go so far as to say that unless these reforms take place those who think that genuinely free markets have a role in society are sorely mistaken because they will never get anywhere near seeing such markets exist without them.

So what does Will Hutton want? A functioning economy as a consequence of the reforms that I've noted here, promoted by people who always had fairness, equality, transparency, accountability and the belief in the partnership between the state and business at the core of their political philosophies? Or a continuation of the abuse of markets which is what we are seeing at present and which, regrettably, New Labour had no response to, and still does not?

Time to stop the groundless comments I suggest and make some real decisions, I suggest.