

There are too few thinkers

Published: January 12, 2026, 11:19 pm

2018 is proving to be fickle. The mood is, as a weather forecaster might say, changeable.

The FT has run articles about a new era of '[beautiful normalisation](#)' in finance, as rates, profits, monetary policy and, of course, the ability to con the consumer, all get back to something like pre 2008 levels.

Feedback from New York's finance sector via colleagues is that the mood is upbeat there: subprime is back in town with all that goes with it.

In the UK the government has 'done a Lehman' by letting Carillion fail. No one knows the consequence is yet, but it feels ugly, although it's unlikely to be a global tipping point; more a significant UK shock.

The mood on Brexit is changing: maybe a second referendum is on the cards, but the EU agencies and the jobs that go with them will have left anyway.

In politics, I can only believe that 40% say they will still vote Tory because they really cannot face Corbyn. That's what many who I think should be natural Labour supporters tell me. Otherwise, how could Tory support be at the level it is?

And underpinning all this? I want to draw attention to three things. First is Aditya Chakraborty's [new column on 'zombie economics'](#) and the ideas that underpin it in the Guardian. No doubt this will annoy some macro economists, as [Larry Elliott's not wholly dissimilar assault](#) did recently.

But then there is the crisis in macro that needs to be faced anyway. This is reflected in the new edition of the Oxford Review of Economic Policy, [available free here](#), and subject to [daily comment in the FT this week](#) (big paywall). At its core this collection of papers says macro has gone wrong by thinking it is based on microeconomic foundations, not least because the assumption of rationality within very constrained criteria has not, in any case, served micro well.

And through all that there is the common narrative that we know that what we have does not work. To say so is the easy bit though when the evidence is overwhelming. To say what replaces the zombie is harder.

I can say three things.

The first is that answer will be in economics, even if not economics as most have quite known it to date.

Second, I think what we are looking for an adequate explanation of 'what is' and not 'what should be' because that is what economics should do.

Third, to quote Michael Buble, most just haven't 'met it yet'.

And there is good reason for that. Take a discussion I had in the last week on an academic paper I am writing on tax gap theory. In the course of that work I have changed a definition in national income accounting because what I can see in reality is not explained by available theory. So I am suggesting alternative theory. But as one academic put it to me 'Can you do that?'. And 'Is that allowed?'

My answer was that I do not care: I will do what I think appropriate without consideration for the constraints imposed. And it will get published, I suspect.

And it's that process of change that matters. 2018 is fickle because of the inherent tensions: the old isn't dead and the new is yet to be recognised. Whilst this persists the world wobbles. And it will until it has a new 'ism' - that is, an explanation that makes sense to most on how things do work and what the consequences are.

I am exploring MMT here because I think it's explanation of money is part of that 'ism'.

And I have offered my own twists in the past.

This much I know though. First, there will be no 'beautiful normalisation'. The past is dead.

Second, there has to be an asset price revaluation which will shock the financial system.

Third the relationship between the state and private sectors needs to be redrawn.

Fourth, the GDP obsession of economics has to go.

Fifth, well being matters.

And sixth, contrary to Jeremy Bentham's beliefs, so does its distribution.

Seventh, we have to live with our planet.

Eighth, it is ideas that will change the world.

Ninth, there are too few thinkers.

There isn't a tenth, right now. I've got work to do: I have to get to Brussels to talk tax gap theory. But I'll keep thinking about it.