

This time weâ€™re not sleep-walking into a crisis....

Published: January 17, 2026, 7:49 pm

The [Guardian has noted](#) that:

The west's leading economic thinktank has warned that the expansion in the global economy may have peaked after cutting its growth forecasts for an array of rich and developing countries.

In its latest update on the health of the world economy, the Organisation for Economic Cooperation and Development said the outlook for both 2018 and 2019 was less good than it had predicted in May.

I expect the OECD is right. Trade wars, Brexit, the impact of increasing dollar interest rates on emerging markets, an impending debt crisis and an absence of leadership to deal with it all suggest to me that they are being optimistic in simply thinking we'll just fall back a bit. None of the portents look at all good in reality.

But still the financial markets march on, apparently disconnected from the reality of the actual economy to which they have only the very loosest of relationships. Until, that is, the readjustment arrives.

And this time the prospect of anything positive coming out of that readjustment programme looks remote precisely because last time most sleep-walked into the crisis. This time we have no such excuse.

The trade wars are deliberate.

So too is Brexit.

As are inappropriate interest rate rises.

And a debt boom.

These were made by the political leaderships who will be in office when readjustment might be needed.

And that's the real cause for concern.