

# We need direct monetary funding of government spending

Published: January 14, 2026, 4:41 am

---

*Peter May has posted this on [Progressive Pulse this morning](#) and I'm sharing it here. Like Peter, I have long been very critical of Positive Money's position - which has been akin to a belief in the gold standard for far too long, but it does seem that they may be seeing the light, at last :*

I have long been critical of Positive Money (PoMo)'s ideas on money (although I am a regular Positive Money member).

At last! they seem in favour of 'Direct Monetary Financing' (DMF). This, it seems to me, is basic so-called 'Modern Monetary Theory' (MMT): a sovereign government alone issues its own money so, if anyone wishes to use it to pay taxes, or be protected by the issuer's rule of law, nobody can 'threaten' not to buy it — at any interest rate at all:

[https://www.youtube.com/watch?v=HLxF4Wb\\_gkY&start=2&feature=oembed](https://www.youtube.com/watch?v=HLxF4Wb_gkY&start=2&feature=oembed)

It looks to me as though PoMo is finally fully embracing MMT and I'm fine with calling it, in current times and in shorthand DMF....