

Funding the Future

Monday morning thoughts

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Twitter was my first port of call again today:

 **Richard Murphy** @RichardJMurphy · 44m

Modern monetary theory isn't theory as much as explanation. It says that government spending comes before tax. And so it says increasing govt spending does not depend on tax revenues. And it says deficits are not a problem, but unemployment is. People before book balancing then.

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 **Richard Murphy** @RichardJMurphy · 48m

Rishi Sunak is apparently considering tax rises and spending cuts in the autumn. The aim would be to begin rebalancing the government's books. But that is austerity. And we know it doesn't balance the books and adds to unemployment - which will be skyrocketing by then. So why?

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 **Richard Murphy** @RichardJMurphy · 1h

There's a simple rule in finance. It is 'follow the money'. The money from quantitative easing ends up in wealthy people's pockets. So it's the wrong policy. We need Green QE - which is direct government funding of the investment to create a sustainable economy - instead.

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 **Richard Murphy** @RichardJMurphy · 1h

We don't have to increase taxation on wealth in the UK. But if we don't inequality will keep on growing. And that's bad news because the wealthy save and don't spend, and it's spending and not saving that will create the jobs we're going to need.

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 **Richard Murphy** @RichardJMurphy · 1h

Independent central banks were a key neoliberal idea. The logic was to sacrifice everything to stopping inflation, including govt control of the economy and full employment. But inflation is dead. Unemployment is sky rocketing. We need to take back control of the Bank of England

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