

Repaying the national debt would be the closest thing t...

Published: January 13, 2026, 11:05 am

I have just posted a series of Tweets on the national debt. It seems that politicians from all parties are now queueing up to say that this has to be repaid. This, as I note in my last tweet, is economic insanity.

These were the texts of those tweets:

Politicians are claiming the national debt has to be repaid. Why? It's owned by:

- Banks
- Pension funds
- Life assurance companies
- Individual governments
- Foreign governments
- Our government

All want to own it. Why do we want to force them to sell something they want to own?

The UK national debt is critical to the smooth operation of our banking system, pension funds, life assurance and savings markets. Despite that the government wants to repay it. Do they want to create problems in the finance markets by doing so? What other explanation is there?

The UK national debt pays so little by way of interest that anyone owing it is effectively paying the government to save. The government makes money from the national debt, in other words. Despite that the government wants to repay this debt. Why? It makes no sense.

More than a third of the supposed £2.2 trillion of UK national debt is already owned by the government. Despite this the government still claims that the national debt is £2.2 trillion when it is actually about £1.4 trillion. Why is it lying about this? Why not tell the

truth?

The government says it has to repay the debt created by Covid. But actually almost no government debt has been created by Covid. New money was created by quantitative easing instead. How is the government going to repay Covid debt in that case when there is none?

These three were a thread - meaning they were linked to each other:

The government's created almost £800bn of money through using quantitative easing since 2009. This cancelled the same amount of government debt. They now say they have to repay that debt. To do that it first has to cancel the quantitative easing. Then it has to cancel the debt.

So, to cancel the QE they'd have to take £800bn of cash out of the economy. That would crash it. Then they have to repay the debt. That would take another £800bn out of the economy to repay the debt, destroying it in the process. And they already own this debt.

Is this the closest thing to economic insanity anyone has yet suggested?

Literally what is being demanded is economic madness. It can only harm the economy, employment, incomes, the essential services we all rely on, and our collective wellbeing. And yet politicians are demanding that national debt repayment be a priority and that we must do it.

To be blunt, this should be the last item on any politician's agenda right now.