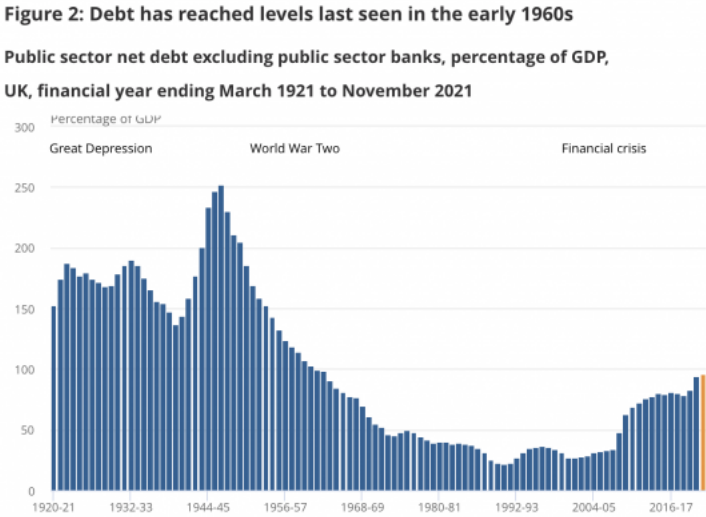


Funding the Future

The UK national debt is less than 60% of GDP - and noth...

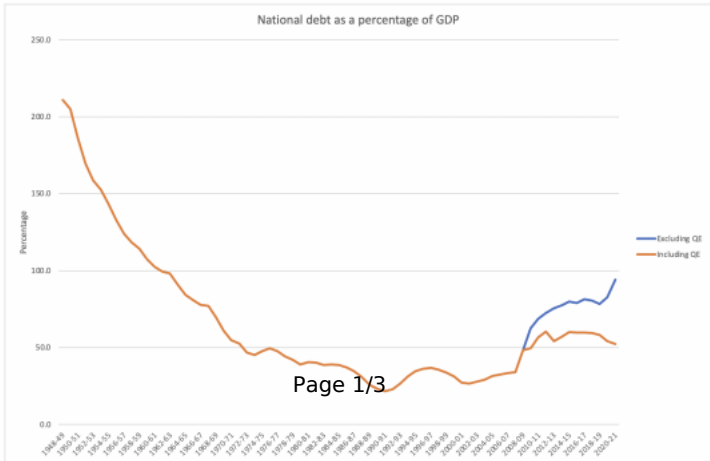
Published: January 13, 2026, 12:52 am

The Office for National Statistics [has produced a new publication on public debt this morning](#), including figures for November 2021. It includes this chart:



Source: Office for Budget Responsibility and Office for National Statistics
- Public sector finances

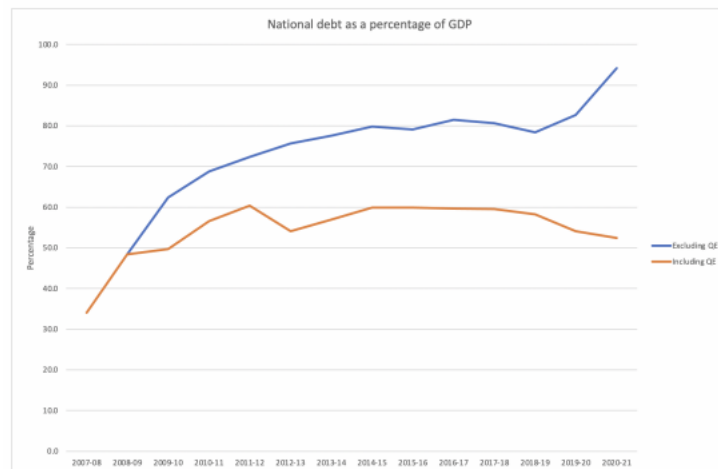
However, this chart is wrong. Using data from the [Bank of England](#) on quantitative easing authorised, which is used to repurchase UK government debt, and [Office for Budget Responsibility data on GDP](#) (as the ONS seek to hide this from view) the true figures are:



The figures are identical to 2008/09 when the use of quantitative easing began.

Quantitative easing is a relatively simple process. The Bank of England creates money which it lends to a company controlled by the Treasury but legally owned by the Bank that then buys back the debt issued by the Treasury, so reducing the amount in issue. The equation is balanced by the fact that new money has been created by the Bank of England, which is then represented by deposit accounts held with it by the UK's clearing banks. Collectively those clearing banks cannot reduce the balance on these central bank reserve accounts, as they are called. That is not surprising because they represent government created money and not debt. As such they should not be in the figures for the national debt, at all.

Focussing on the more recent period:



To explain this more appropriately than the government and the Office for National Statistics does, the national debt is under control. It is running at less than 60% of GDP. The trend is, if anything, downward. And what is emphatically not true is that the national debt is at anything like the level it was in 1963. It is substantially lower than that.

It is to be regretted that the ONS, the Bank of England and the Office for Budget Responsibility all join with the Treasury in misrepresenting the truth on this issue because what they say is profoundly misleading.

This will become especially important if and when the Bank of England begins to reverse QE, which it is threatening to do, although which I think is very unlikely given the threat of omicron. They will claim that this reduces the national debt. The simple fact is that the exact reverse will be the case. Reversing QE increases the national debt. 2022 may see a lot of untruths being said on this issue, all of them to support wholly unnecessary programmes of austerity intended to reduce the wellbeing of the people of this country and to threaten the viability of its public services.

These charts are where the forefront of the economic warfare on the people of the UK is to be found. Getting them right is essential.