

## Funding the Future

We have a choice. The Tories want economic meltdown. Bu.

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I just posted [this thread on Twitter](#):

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The Tory leadership election is offering the party faithful an image of a land about to flow with milk and honey, so good are the prospects arising from the so far unspecified benefits of Brexit. The reality is about as far from that as it can be. A thread...

In reality, this morning we have news of drought, hose pipe bans and even outright water shortages.

There is also a warning of power cuts to come this winter as electricity supply will not meet demand.

Avanti has just axed two-thirds of its train services on the West Coast mainline.

Now there is news that the funding deal for London Transport has run out and it may be cutting services, severely, as a result.

Meanwhile, six million people are waiting for NHS treatment.

A & E has broken down.

Trials of those charged with criminal offences are taking several years to come to court.

Schools and hospitals face impossible choices due to their increasing energy costs this winter.

Hardly talked about, but something I fear greatly is the risk that many care homes - which have to be warm - will simply be unable to afford to carry on trading this winter as those they provide for cannot pay increased bills, creating a massive care crisis.

And we already have a social care crisis, of course.

Meanwhile, half the UK's households do not know how they will pay their fuel bills when the average energy price increases to £4,200pa this winter. The likelihood that many will simply be unable to pay is very high. Massive poverty is coming, very soon.

As a consequence, the rest of the economy is under severe threat of recession. Hospitality, leisure and some parts of retail are going to be under very severe strain soon. Unemployment is going to increase, a lot, as companies fail through no fault of their own.

And to cap it all, a banking crisis is possible as rents go unpaid and landlords fail to service their debts, joining those mortgage holders who will be in the same boat. That also means we get a homelessness crisis as well.

Meanwhile, and until the bubble bursts and they are engulfed by bad debts, banks and energy companies are going to make record profits of many extra billions of pounds a year, all because the government is getting them to do so.

Without radical action our economy is heading for a meltdown on a scale beyond current human experience.

And why is all this happening? Because the Tory leadership hopefuls say that a) they can't borrow money to prevent it happening b) direct help to those suffering is not possible because welfare support is not 'Conservative' and c) tax cuts must go mainly to the rich.

This is absurd. Households facing energy cost increases of £3,000 and other inflated costs that are bound to push the pressure on budgets to well above £4,000 in a year cannot make this work when 60% of households in the UK have disposable income of less than £31,000 a year.

It's even harder for those on lowest pay: the lowest earning 20% in the UK have household income of less than £15,000 a year.

How much do these households need? Much more than the current offer, which is of no more than £1,600 a year for many low-income households, and much less for those on average pay.

For the sake of refusing to provide support not only will services fail in the UK - because that is already happening - but so too will very large number of UK households do so.

We can solve this. The government could create all the money required to keep the UK economy going in this crisis just as it did during Covid, but it would have to tax the very best off and larger companies a lot more to stop the inflationary impact of that.

And then it could create the money, jobs and decent pay to solve the crisis in our services too - although that would also require more tax to be paid as well - which

people would willingly do for a functioning economy and the good jobs it would provide.

It's Tory dogma preventing this. Every crisis we are facing can be solved. But that is not going to happen. And we are going to pay a massive price for it.