

Labour has to reject neoliberal thinking if it is to ch...

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This letter [was in the Guardian](#) yesterday. It was from Prof Mary Mellor, emeritus professor of economics at Northumbria University, who has written a great deal in monetary reform, and who I now engage with regularly.

Prof Mellor's Her commentary is on the weaknesses in Keir Starmer's so-called vision speech, made recently:

Your editorial ([The Guardian view on Sir Keir Starmer: caught between scaring and inspiring voters, 5 January](#)) is right to worry about Labour's rejection of big-spending government. Labour is nothing if it does not defend adequate public spending, social justice and a fair reward for work. Its vision is limited because it shares the neoliberal assumption that growth comes only from the market. This reflects the massive growth of the industrial era, when millions were employed in the new factories, and their supporting services, such as private finance.

However, in the modern era, industrial production has been outsourced by the older market economies and replaced by the financial sector and hi-tech. But high levels of employment in these areas have not followed. In economies such as Britain's, the main growth of mass employment has been in public and personal services, particularly health. It would seem logical, therefore, that public employment should be a focus of economic growth.

Neoliberal claims for the exclusive role of the market in creating wealth are mistaken. Both the market and the state generate wealth. This was understood by economists in the era of a mixed economy, before the ideologues of neoliberalism captured the political agenda.

Prof Mary Mellor
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The sentiments closely reflect my own feelings.

Labour cannot make a difference to the UK without opening the government's cheque

book.