

Funding the Future

Article URL

Published: January 12, 2026, 5:56 pm

I was on Steve Keen and Friends yesterday. This is the video, all two hours of it:

<https://www.youtube.com/watch?v=CLFhDrfEhNI&t=65s>

We discussed a lot of topics, with much more on accounting and its relationship with economics than I expected. That is a shared mutual concern for Steve and me.

It did, in fact, take us more than an hour to get to modern monetary theory (MMT). When we did, we agreed that MMT has done something amazing. It has created a heterodox economic school of thought that is noticed.

We also agreed that MMT is powerful precisely because it does explain how money does work now in a way that is consistent with the evidence available to us, and most especially that shows that governments create money by spending, increasing private wealth in the process, whilst the withdrawal of it from use by taxation reduces private wealth and the money supply as a result.

We then reserved the right to disagree with MMT's founders, including on the role of taxation and the claim it makes that exports are a cost to society and imports are a gain - which neither of us agrees with. As a result, we agreed MMT has to be open to both criticism and development.

But there was much more to the discussion than that and I admit the two hours flew by.

Steve and I are planning to meet up, probably in June. It was clear that there are areas of common interest for us. Let's see what happens next.