# We need a state-owned bank. That is what a courageous s...

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*I posted this thread on Twitter this morning:*

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I cannot be alone in being bored by hearing and seeing Nigel Farage in the media talking about the future of banking as if it was all about him, when that is anything but true. A thread...

I also do not much care that Nat West decided to close his bank accounts. I do not think this was woke capitalism. I think it was the result of perceived risk, ineptly appraised. That is a minor issue.

That said, the boss of Nat West was straightforwardly wrong to brief the BBC on his affairs. Bankers do not have that right.

But none of these matters are remotely close to the issues we really do have with banking in this country right now.

The big issue is that there are far too many unbanked people in the UK. As I have said time many times, that is the result of choices by the banks, not the unbanked. The banks will not provide what they consider to be unprofitable services, whatever the need for them.

They are now reinforcing this message by closing branches wherever they can, denying the more vulnerable and elderly with a service they need even if many of us (me included) have not been in a bank for years.

And, most critically, not only did we bail out the banks in 2008, but right now we are paying them over £40 billion a year in interest on the balances gifted to them since 2008 by the government that they never earned.

To describe the banks as exploitative would, in that case, be far too kind to them. They are stripping society bare for their own gain, and that of their bosses. They are parasitical, at best.

But does that mean Farage is right? No, it does not. This is not woke capitalism. This is hardcore neoliberalism. This is about profit above all else. This is about money ruling the roost. This is about total indifference to society at large.

What to do about it? That’s obvious. If there are unbanked people in this country and banking is now essential to participate in society and banks will not meet that need then the state must.

It is not very hard to work out that what is needed now is a state-owned and run bank.

That bank would need a branch network. NatWest could, of course, have provided that at one time. The opportunity was missed. Now it will have to be built.

The good news is that every High Street already has premises ready and waiting.

There are also loads of trained people who would like to work in these branches. They have been made redundant recently by banks.

What this bank should provide are all the core services that a bank does, with none of the frills.

And that bank should seek to be the outlet for the savings services that this government provides. There is, after all, already around £300 billion saved with NS&I which is already a state-owned savings bank. That too should become part of this bank.

I am certain that if this bank offered straightforward products of this sort it would work.

And if it also offered savings products linked to objectives the government and people share - like climate, investing in health and education, or the region where people live - it would be even more popular.

Importantly, as this bank was state owned people would trust it. After all, no one now banks anywhere except for the fact that the government guarantees all bank deposits up to £85,000.

And most people have what might at best be described as a difficult relationship with their existing bank. They would be willing to move.

There is one other thing that this bank could do. It could be the place where central bank digital currency could be trialled if one was needed.

In other words, such a bank could be at the heart of the banking revolution that we need if the curse on the UK created by its banks and bankers is to be lifted.

That is what we need.

What we do not need is more from Farage. He is, as ever, acting solely out of self-interest.

This is a moment to think big and about what the country needs. He doesn’t do that. We could. We could have a state bank.

That is what a courageous state would deliver right now.