

Economists are the blood-letters of the modern world

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I loved this comment, which was in [The Asset](#) over the new year. It was written by James K Galbraith, who is professor of government at the University of Texas:

In modern medicine, a specific diagnosis normally leads to a specific treatment. But that is not the case in modern economics. Instead, the *absence* of an orderly sequence in the recent episode recalls the medieval approach to medicine, according to which all disease stemmed from an imbalance of the four bodily “humors”. And, as in pre-modern medicine, the treatment is always the same, regardless of the nature of the humoral imbalance. Medieval doctors drew blood; modern central bankers raise interest rates. The parallel is exact because the thinking hasn’t changed.

I think that is a very accurate and astute observation.

Hat tip for spotting this to Robin Stafford.