

Will Hutton's praise for Rachel Reeves' Mais lectur...

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Like many, I was confused by Will Hutton's arguments [in The Observer today](#), in which he argued that Rachael Reeves has given Britain "the plan for economic lift off". Unsurprisingly, I disagree with him.

Let me summarise my argument at the outset. I think Will Hutton is looking for a job. I cannot explain what he is saying in any other way.

Then let me move to the detail. Will is arguing, as I can see it, three things.

First, his suggestion is that those who have tried to impose policy on the economy have always got things wrong. He quotes Polanyi, who he interprets as saying that it was the imposition of centrally dictated policy that gave rise to the extremist backlashes of the 1930s. As a result, he seems to be applauding her for backing away from that central planning. Doing so, he ignores his own past demands, and what most would think to be the critical economic social democratic role of any government, which is to constrain the errors, excesses and inappropriate directions of market economics. Perhaps he is, however, revealing that he really has been a disciple of Hayek all along, whilst also revealing that he thinks she is. I really can't work out what else he is trying to say.

Then, entirely paradoxically, he endorses her claim that this is an inflection point where what he describes as "a new productivist economic paradigm is emerging" which he argues is "vital for economic growth and social cohesion through higher public investment, an active industrial policy and quality public services." Anyone who can reconcile this second argument with his first, noted above, deserves a prize.

Third, he then argues that adopting Jeremy Hunt's fiscal rules, as she is, will not in any way constrain her ambition to deliver this plan for growth. His reasons for saying so are, as far as I can work out, twofold. First, he seems to suggest that the rule is just for show because the figures can always be fudged to make it work. This might be a frank recognition of reality, but it does not constitute either a fiscal plan, or economic sense. Then, the paradox continues, because having firstly condemned central planning, and then praised it, he then seeks to reconcile his positions and the use of this fiscal rule by

suggesting that the job of government will, in Rachael Reeves opinion, be to direct the way in which private capital will be invested, because the government is not going to make any available. In that way the fiscal rule is upheld but the desired growth is delivered in accordance with a plan for which Reeves can then take credit. Quite why he thinks that this might be possible he does not say, because very obviously Rachael Reeves does not know either, if that is what she really thinks.

But then, there's a great deal that Rachael Reeves does not know or say. She does not say how she will tackle poverty. Nor has she got a plan to save local government. The NHS can only be presumed to be up for sale. There is no money for education. Devolution, as ever, got no proper mention from Reeves. And apparently, all this can be ignored because the right wing press would criticise Reeves if she did discuss such issues, so Will Hutton thinks she need not do so.

I am sure, as I mentioned at the outset, that Will Hutton had a reason for writing this article, but the piece is itself profoundly confused in an attempt to endorse Reeves' own incoherence. If this is indication of the current level of centre-right thinking around Reeves (where she, herself, is located on the political spectrum) it is a pretty depressing foretaste of the disaster that Labour will be.