

# When economic misinformation hides economic negligence

<http://www.taxresearch.org.uk/Blog/2024/09/21/when-economic-misinformation-hides-economic-negligence>

Published: January 12, 2026, 8:10 pm

---

A couple of Tweets from yesterday as I do not have time to elaborate these stories today.

The first is glaringly obvious. As a matter of fact, in economic substance quantitative easing debt is cancelled, as the governments own consolidated accounts prove because debt subject to such arrangements is not shown to exist within them. Meanwhile, central bank reserve account balances are not national debt, as the ONS recognises. So, my claim is correct:



Richard Murphy  @RichardJMurphy · 13s

The problem with this claim is it is not true. Almost £700 billion of this debt is owed by the government to itself, and that's not debt.



From theguardian.com

Then there is this story:



Richard Murphy  @RichardJMurphy · 1h

Reeves under pressure to axe winter fuel cut after £10billion windfall [independent.co.uk/news/uk/politics/reeves-under-pressure-to-axe-winter-fuel-cut-after-10billion-windfall/](http://independent.co.uk/news/uk/politics/reeves-under-pressure-to-axe-winter-fuel-cut-after-10billion-windfall/)... There is no £10bn windfall for Reeves in what the Bank of England is doing. The real story is £100bn of government bonds are being sold and none will be used to fund essential spending and investment. That's what needs to be talked about.



Page 1/2

From independent.co.uk

£10 billion has not been saved. The loss in question is just not going to be accounted for within ONS data.

There are two things to note. One is that the loss need never be suffered; quantitative tightening is not necessary. Therefore this loss is being voluntarily incurred now.

Second, the framing is also wrong: a sleight of hand that lacks accounting credibility is not a saving.

The real story is that £100bn of government debt is being sold and we are not benefiting, and that is a scandal. We could relieve poverty, fund a massive NHS investment programme and kick start the Green New Deal with that £100bn. Instead it will just be used to reduce the central bank reserve accounts held at the Bank of England by our commercial banks to keep interest rates high and the UK on track for a recession. That means economic misinformation is in this case being used to hide negligent mismanagement of the economy.