

# Reeves has fudged the make-believe rules that Chancellor...

Published: January 13, 2026, 10:27 am

---

As [the Guardian reports](#) this morning:

*Rachel Reeves will announce at the International Monetary Fund a plan to change Britain's debt rules that will open the door for the government to spend up to £50bn extra on infrastructure projects.*

*After weeks of speculation, the chancellor will confirm at the fund's annual meetings in Washington on Thursday that next week's budget will include a new method for assessing the UK's debt position – a move that will permit the Treasury to borrow more for long-term capital investment.*

They add:

*Reeves will not specify while in Washington which of the various debt measures under consideration has been chosen, but the Guardian has been told by a senior government source that she will target [public sector net financial liabilities](#) (PSNFL).*

So, the worst kept secret in Westminster, which is that Reeves was always intent on changing the rules by which her performance should be appraised, has been confirmed.

She could, of course, have decided to make this change as long ago as 2022. The need for more investment was obvious then. She could have made up her mind back then that the reason that it was not happening was the deliberate choice of Tory Chancellors. She could have attacked them on that basis.

She could also have saved herself the massive embarrassment of having to abandon Labour's £28 billion Green New Deal commitment if only she had made up her mind on this issue before giving up that policy, which was the only credible economic policy she ever came up with.

But she waited, dithered, prevaricated and finally did what everyone knew she would, albeit she could not then wait to tell the House of Commons (because that would show too much respect to parliament for her to bear) and is instead telling the International

Monetary Fund because it is to such institutions of power that her loyalty lies.

What does this mean? Let's be quite clear about that. It means precisely nothing at all. Reeves has abandoned one totally nonsensical rule that was adopted by Jeremy Hunt to constrain his own behaviour and replaced it with another of her own choosing to achieve the same goal.

The only difference is she wishes to invest more than he did. But rather than be explicit about the merits of doing so, she claims to have changed the fiscal rule instead, all in the interest of obfuscating and denying the fact that she always had the power to make such an investment if she wanted to do so.

This is economic management at its worst.

It is about pretending that the government is constrained by a lack of funding to make investments when it is not.

It is about denying the power of the government to decide when that power rests with it alone.

It is about denial of responsibility by pretending there are rules to be complied with when, in reality, there are none because Chancellors write their own rules.

So, this is all about being Chancellor whilst simultaneously pretending that the power to govern rests somewhere else that is unspecified but presumably is in the City of London, even though that is not true.

It is, therefore, about a lack of self-belief, an absence of a belief in democracy, and a lack of belief in the role of government itself. None of these are characteristics anyone would want to see in their Chancellor. But we have Rachel Reeves, and she has got them all.