

Neoliberalism is consuming our well-being

Published: January 12, 2026, 10:01 pm

As [The Guardian](#) has noted:

Britain is on track to become a “National Health State” where half of all public spending is allocated to the NHS and social care by the end of the decade, according to a leading thinktank.

They added:

As the chancellor came under pressure on Thursday to defend her plans, amid warnings that tax rises could be required, the Resolution Foundation said health spending was set to increasingly dominate public spending.

They also noted:

While the health service is taking up a larger share of public spending, other areas have been steadily squeezed out, including budget cuts of 16% reduction in real, per-person funding for justice and a 50% decline for housing, communities and local government since 2010.

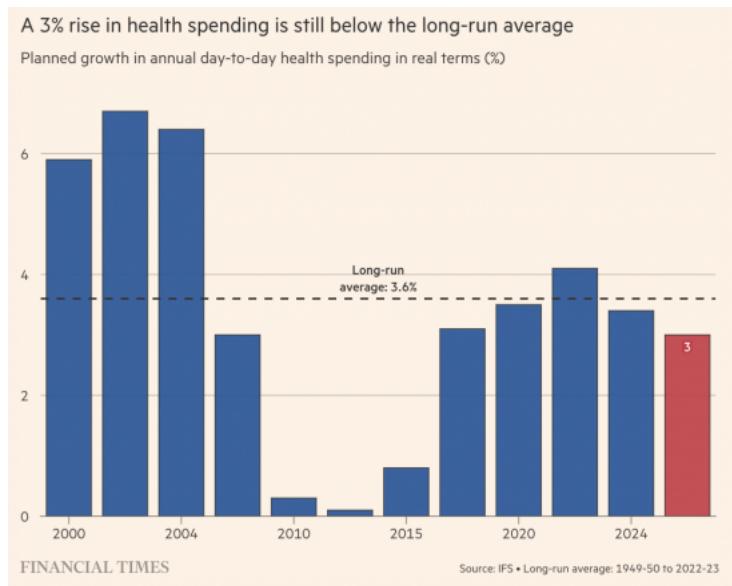
I note this for a number of reasons.

Firstly, because if the Resolution Foundation are right (and that qualification is appropriate) then this re-orientation of expenditure by the government is a staggering change of direction with enormous consequences, as the last paragraph quoted makes clear. The provision of this level of healthcare will come at a cost to other public services, and to the relief of poverty, as Liz Kendall's programme of supposed benefits reforms that attacks the well-being of many of the poorest people in our country already evidences.

Secondly, [as the FT notes](#) this morning, Labour's supposed overarching desire was to improve the living standards of people in the UK. This the FT measures by way of who benefits most from the spending package proposed by Rachelle Reeves, the benefit of which they suggest is allocated as follows:

It would seem the least well off benefit most, but mainly through benefit in kind spending, such as that on the NHS.

Third, despite this supposed increase, the NHS is not getting nearly as much as it has historically required:



We might be spending a lot on the NHS, but maybe not enough to meet demand.

In that case, let me make the real point, which is that all of this data might be true, and we are in fact going to see an explosion in expenditure on the NHS, at cost to almost every other form of government supplied service, but this will not, I suggest, actually improve living standards. Instead, what it graphically demonstrates is that those living standards are being massively harmed by the neoliberal economy that is doing everything that it can to reduce that well-being.

That destruction in our well-being comes in three ways.

Firstly, it is becoming increasingly widely recognised, except by the government, that ultra-processed foods are exceptionally dangerous to our health. They undoubtedly promote obesity, which is leading directly to significant increases in the number of cases of Type II diabetes. They are also contributing significantly to the growth in many forms of cardiovascular disease, and now appear to be strongly linked to issues like cancer and dementia. We are, in other words, being poisoned by the food that we eat, and the additional expenditure on the NHS is not about improving our living standards, but about correcting the physical consequences of the appalling food that the neoliberal food supply industry is delivering to us, which is grossly detrimental to our health. We are not, in other words, better off as a consequence of this additional expenditure: it is happening because we are all very much worse off in real, physical terms and the impact that is having to be corrected for. There is, then, no net gain to our well-being as

a consequence of this expenditure.

Secondly, the power structures within neoliberalism are also immensely destructive of our mental health. This is, in fact, glaringly apparent within our economy. It is said that economics is a study of scarcity, which supposedly affects everyone in society, but that is completely untrue. Neoliberalism does, in fact, guarantee that one part of the population knows nothing of any consequence about scarcity at all because they have the means to live at a level in excess of their needs. We know that because this 10% also the population save considerable sums, which is the clearest possible indication of that excess existing. The pretence, in that case, that scarcity is a condition from which we all suffer is yet another of the propaganda claims of modern economics that is wholly unjustified. The reality is that the beneficiaries of neoliberal economics have little or no understanding of the realities of scarcity, unless a difficulty with affording a second Range Rover can be defined as such. Instead, what this system of economics does is allocate a surfeit of well-being to a few, and impose deliberately created scarcity upon many when there are, in fact, sufficient resources to meet the needs of everyone, and some of their wants as well, if only resources were allocated appropriately. The resulting stresses give rise to an enormous mental health burden on society. This is, again, reflected in the cost of the NHS, but it is not reflected in real living standards.

Third, as is apparent from the third quotation from The Guardian noted above, as a consequence of the massive destruction in the value of life created by neoliberalism, and the management of its consequences, other sources of well-being are, in fact, being destroyed, because the government has, or thinks it has, insufficient resources to deliver them.

This is the real political crisis of our era that, as yet, our politicians are refusing to address. Their assumption is that all the illnesses in society that the NHS needs to manage arise because of factors exogenous to the economy, and which are, therefore, implicit within the human genome. This is false. What is, in fact, happening is that more and more resources are required by the government to counter the impact of the effects of the economy on our physical and mental well-being, none of which would arise naturally, and all of which are created by the wholly destructive economy within which we are living.

If this hypothesis of mine is correct, and I am sure that it is, then what we are seeing is the destruction of the state by the neoliberal economy in a way that not even its primary architects imagined to be possible, but which is nonetheless happening. Neoliberalism is consuming our well-being, our resources, and our capacity to manage the consequences in a way that is actually destroying the vast majority of what is of value within our society. That is how bad things have become.

The question is, which politician, or politicians, or political party, is willing to stand up and say this?