

Funding the Future

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As John Maynard Keynes [once said](#):

The difficulty lies, not in the new ideas, but in escaping from the old ones, which ramify, for those brought up as most of us have been, into every corner of our minds.

If [Keynes](#), [Ken Galbraith](#), and [William Beveridge](#) - three titans of twentieth-century social, political and economic thinking - were alive today, and equipped with a modern understanding of how money and the state actually work, I doubt they would recognise the economic world they once tried to reform. The institutions remain, but the purpose has been lost. What they would, instead, see is a politics paralysed by fear, a state that has forgotten its own power, and an economy that no longer serves the people who sustain it.

So what might they say?

First, they would suggest that the greatest myth of our time is that government is financially constrained. They would note, as modern monetary theory has shown, that a currency-issuing state can never run out of its own money. The real limits we face are inflation, resources, and ecological capacity, not some arbitrary fiscal rule written to appease markets. They would be appalled that politicians still pretend otherwise, as if balancing a spreadsheet were the same as balancing a society.

Second, they would argue that unemployment and insecurity are political choices, not economic necessities. Beveridge designed the welfare state to ensure that no one would fall below a basic standard of living, and Keynes insisted that government spending must fill the gap when private demand fails. Both would be horrified that, in 2025, millions live in precarity while idle labour and unused resources coexist with record corporate wealth. They would call that a moral failure masquerading as prudence.

Third, they would point out that inequality is not just unfair but economically destructive. Galbraith understood the dangers of private power and how corporations and the wealthy distort both markets and democracy. The three of them together would condemn an economic order that celebrates rentier gain while starving the public realm

of funds. They would recognise neoliberalism for what it is: not an efficient system, but a deliberate act of sabotage against collective purpose.

Fourth, they would insist that the task of the state is not to retreat but to lead. They would argue that the government's role is to mobilise the nation's real resources - human, technological, and natural - to meet the needs of its people and planet. Whether the challenge is climate breakdown, social care, housing, or education, they would say the same: the constraint is imagination, not money. A Green New Deal would not be optional for them; it would represent essential statecraft.

And fifth, they would remind us that democracy must be economic as well as political. Beveridge's "five giants" - want, disease, ignorance, squalor, and idleness - remain undefeated because the economic system itself now reproduces them. The trio would demand not only redistribution but also reorganisation: a re-embedding of markets within social purpose and of capital within democratic control.

The consequences of ignoring what I imagine their advice might be are visible all around us.

The pretence of fiscal discipline has hollowed out public life.

The myth of market efficiency has handed vast wealth to the few.

The worship of growth has left the planet burning.

And the belief that money is scarce has made us poor in everything that truly matters, whether it be the chance of right livelihoods or care, security, and hope.

What, then, would Keynes, Galbraith, and Beveridge do now?

They would start by rejecting every fiscal rule requiring austerity.

They would fund public investment directly through the central bank, confident that the real economy can absorb it.

They would tax not to fund spending, but to reshape society by curbing excess, reducing inequality, and restoring democratic balance.

They would make the Bank of England accountable to the government and so to people, and not to the City.

And they would measure success not in GDP, but in well-being and sustainability.

Most of all, they would speak plainly. They would tell us that the state is us; that markets exist to serve, and not command; and that the purpose of economics is not to make the rich richer, but to make society beneficial for all.

The tragedy is that we already know this. The theory is written. The evidence is clear. The means are available. What is missing is political courage.

That, I suspect, is what Keynes, Galbraith, and Beveridge would most lament, and what they would demand we now recover, putting behind us old ideas which have ramified into every corner of too many minds.

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