Debate Ammunition: There is no shortage of money

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THE RICHARD J MURPHY YOUTUBE CHANNEL

DEBATE AMMUNITION

THERE IS NO SHORTAGE OF MONEY

Funding the Future | 2026

TODAY'S TOPIC

The world is awash with cash: so why are we told there is none?

The **video to which this Debate Ammunition relates is available here.**

THE CORE ARGUMENT

The world is not short of money: wealthy savers and investment funds are sitting on enormous cash piles with nowhere productive to put them, while society is starved of investment in housing, energy, infrastructure, and public services. The cause is not scarcity but a political system that, through neoliberal fiscal rules and poorly designed savings incentives, prevents government from connecting available capital to urgent social need. Redirecting the tax-subsidised flows of ISA and pension savings into socially useful investment, freeing over £100 billion per year, would transform our communities without imposing any new burden on the public finances.

KEY STATISTICS

Statistic	Figure	Source
Cash pile held by Berkshire Hathaway, finding no suitable investments	$380 billion	

(approx.) Video

Potential annual flow from reformed ISA rules to social investment £70 billion per year Video

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Potential annual flow from reformed pension contribution rules Over £30 billion per year Video

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Combined annual social investment achievable from ISA and pension reform More than £100 billion per year Video

THE ARGUMENT STRUCTURE

Step 1 — The cash is there, and it is doing nothing

Contrary to the orthodox narrative that capital is scarce, the world's wealthy and the investment funds that manage their money are holding cash in extraordinary quantities because, in the words of the video, they simply cannot find anywhere responsible to put it. Berkshire Hathaway alone holds $380 billion in cash, and UK investment funds are doing the same.

Step 2 — Both stock and bond markets are sending danger signals

Share prices are at or near record highs, driven by speculative excitement about artificial intelligence, which Richard characterises as a model of rent extraction rather than genuine transformation. At the same time, government bond prices have fallen across all major economies as investors lose confidence in governments, leaving fund managers unwilling to commit to either asset class.

Step 3 — Society has the investment needs; government has the capacity to connect the two

The UK faces obvious and urgent unmet needs in housing, energy, transport, flood defences, schools, and hospitals. Currency-issuing governments are never financially constrained from funding investment; the only constraint is a political choice enforced through neoliberal fiscal rules that prevent government from creating the very opportunities that cautious investors are looking for.

Step 4 — Changing the rules on ISA and pension saving would release over £100 billion a year

By making social investment a condition of the tax relief already granted to savers, rather than allowing that subsidy to feed speculation or dormant cash accounts, the government could direct over £70 billion from ISAs and over £30 billion from pension contributions each year into housing, infrastructure, and environmental renewal. The detailed proposals are set out in chapters 25 and 26 of the **Taxing Wealth Report**.

THEIR ARGUMENT → YOUR REBUTTAL

They Say Your Response

Government cannot afford to invest more. The money simply is not there. The money is demonstrably there. Berkshire Hathaway alone holds $380 billion in cash because it cannot find productive investments. The constraint is not financial: currency-issuing governments can always fund their own spending. The constraint is a political choice dressed up as economic necessity.

Directing savings towards social investment would destroy returns and undermine savers. Government would guarantee the return on these funds. Savers would receive a secure, government-backed yield in exchange for investing in housing, energy, and infrastructure, precisely the kind of low-risk, long-term proposition that risk-averse fund managers are currently desperate to find.

Markets should allocate capital. It is not the government's role to dictate where savings go. Markets are currently failing to allocate capital at all: they are sitting on mountains of cash. The tax relief enjoyed on ISA and pension savings already represents a massive government subsidy. It is entirely reasonable to attach conditions to public subsidy, requiring it to serve a public purpose.

Fiscal rules exist to keep borrowing under control and protect the public finances. Fiscal rules are a political construct that can be, and routinely are, rewritten by governments when convenient. They are not laws of nature. Their primary practical effect has been to block the investment society needs while leaving subsidised savings to feed financial speculation.

THE ONE-LINER

“The problem is not that we have no money: the problem is that our political system refuses to let us use the money we have.”

FURTHER READING

All sources from taxresearch.org.uk (Richard Murphy, Funding the Future)

Post Title Date What It Covers

[When there's nothing left for markets to invest in, what can we do?] May 2026 Directly addresses the Berkshire Hathaway cash pile and what it signals about the failure of markets to find productive investment.

[The only viable source of funding for investment in the UK is UK savers] January 2025 Sets out the case that domestic savers, redirected via ISA and pension reform, are the realistic foundation for UK social and infrastructure investment.

[The City wants an end to cash ISAs, and that would be a mistake] February 2025 Argues for redirecting ISA flows, which reached over £70 billion in a single year, towards social investment rather than abolishing cash ISAs as the City lobby prefers.

[Fiscal rules are as flexible as rubber bands] July 2025 Explains that fiscal rules are a political mechanism designed to block public investment, not a genuine economic constraint, and that they are routinely bent or rewritten.

[There is a stock market crash coming] July 2025 Details the overvaluation of global equity markets and the rational response of prudent fund managers who are sitting on cash rather than committing new money to speculative markets.

[Reforming the conditions attached to pension tax relief could release £35 billion a year for investment] November 2023 Detailed proposal from the Taxing Wealth Report for requiring one quarter of pension contributions to fund social housing, green energy, and infrastructure in exchange for tax relief.