

HONEST MONEY INITIATIVE

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Dear Chancellor,

We are living through an overwhelming cost of living squeeze, and millennials are likely to be the first generation since before the industrial revolution to be poorer than their parents.

This is in large part because since the financial crash of 2008, the Bank of England has been creating new money out of thin air to fund the government's promises. Since March 2009, the money supply has surged by over 50 per cent from the Bank's actions alone, and half of this — £400 billion — took place in 2020-21 to fund lockdowns.

Our debt — the country's mortgage — which will be passed to our children, is now well over 2.5 trillion pounds, or £36,000 for each person. The government and the Bank have been jointly complicit in this debt explosion.

In 2023-4 the yearly government expenditure on debt interest alone will amount to £116 billion. This is fast approaching the entire education budget, is the fourth most expensive item of government expenditure, is over three times what we spend on housing and the environment and almost double the defence and transport budgets.

More money in the system, without more goods and services being produced, leads to rising prices which hurts those on low incomes the most — especially young people and pensioners. It erodes people's savings, reduces real terms wages, and makes houses increasingly unaffordable for first time buyers. Meanwhile, inequality increases as those with the most assets — especially financial assets — enjoy undeserved gains.

The monetary system is out of control and it needs reform, so we urge you to create a fairer system, as well as a faster growing economy with low inflation, by removing the power of the Bank of England to create unlimited quantities of new money.

This can be done with an amendment to the Bank of England Act of 1998, giving the Bank a new, singular monetary policy objective: to maintain the value of the Pound in savers' bank accounts by whatever means necessary.

The era of magic money creation (quantitative easing) must come to an end if we want to eliminate the risk of chronic or runaway inflation and return this country to an era of confidence and prosperity.

Yours sincerely,



Geoff Blanning



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