Escaping the economists' prison – the right way''.

Lord Howell speech notes for 03.11.26 & 29.10.26

Speech notes by LORD HOWELL for Lord McConnell debate on international institutions Thursday October 29th

Congratulations . these areas are the giant world issues - Mediation, Conflict prevention, Peace Building

Big words - half of our home troubles, what the Chancellor calls global economic storms , have their roots in these areas

AND THEY REQUIRE STRONG AND RESPECTED INTERNATIONAL AND MULTILATERAL INSTITUTIONS TO HANDLE AND CALM THEM DOWN.

probably most important of all, multilateral agencies and respected fora in which global decisions can be reached, frameworks designed and rules must be re-established. Trusted and respected multilateral bodies must be rebuilt, as they were by the visionaries of the Western powers after 1945.

Yet all the postwar institutions are now in deep trouble. They are the rule-makers and the referees and they must have respect and some trust if their writ is to run. Obviously, we need a new Bretton Woods to shape the financial regulation of an entirely different world from eighty years ago. We plainly need new trade rules in a far more complicated trade and investment world of supply chains, new maritime controls, overhauled international courts, new insurance protection and so on.

Where are they — today's equivalents of these visionaries, — Truman, Marshall, Keynes, Dexter White for example — supported by a dazzling cast of American and British economists and financiers? National plans and solutions are two a penny. But missing is the other half of the story: the global framework, the new international organisations, the shield under which our own reforms become possible and relevant. And where are the

new levels of cooperation to assert some control of AI, of super-intelligent machines that think for themselves and have their own agendas?

All this is ignored or barely reported or discussed in the media or the public policy debate. The Spirit of 1945 is plainly needed all over again, but in even more ambitious forms.

Without that, we can carry on attacking all the nearest targets, but we remain the plaything of past economic fantasy theories, swept along in a rudderless craft — a world without rules, without referees, without restraints. Amidst many uncertainties, one thing that can be said with absolute certainty – that such a world, without the handrails of accepted standards, is fatal to the prospects of a nation like Great Britain.

To those who shake their heads and say that the required degree of cooperation is politically impossible today, the answer is: "Not so." Political parties may be harder than ever to get together, but as authors like Adrian Wooldridge argue, the centrists in all parties can and must cooperate. The middle ground may sound a quagmire to party warriors from the old ideological wars. But the new common ground (a very different thing) undoubtedly lies ahead.

This is the political pathway and style of cooperation in the internet age and beyond. It avoids the traumas of party "betrayal", which the press loves to play up, but unites the search for common ground. The barrier, of course, is the old Left-Right battle that grew out of Marx-Leninism versus laissez-faire capitalism and led to unstable ideological stalemate.

The moderating instincts of balanced international liberalism ought to be the ones driving global financial stability and restoring free trade, which Trumpism has plunged into turmoil. They ought also to be the ones opening the gates to closer cooperation, rather than a stand-off between private funding and public needs in almost every sphere of public policy.

Coming slowly along behind is an even bolder non-ideological advance – the successful marriage of popular capitalism and democracy which has not yet taken place on anything like a large enough scale, although a lot further in the USA than the UK.

Perhaps we remain so stuck with "Left" and "Right" concepts simply because we lack, or have not yet found, the words to describe the

new order of things. Perhaps the very words capitalism and socialism are just too loaded and shuttered to allow new and freer thought. One attempt from the American side is “information capitalism”. Getting there, but it does not quite do.

Maybe the new American language currently struggling, so we hear, to be freshly chronicled and codified, will throw something up. If the British, despite their wonderful inheritance of the world’s greatest vocabulary, have lost the will, then other brilliant minds must push ahead with the new task. Perhaps AI will give a helping hand.

With the binding force of the English language still dominating global trade, and holding together a still growing Commonwealth (much the largest world network), maybe a new vehicle of thought, action and hope is about to be born.

Does The Commonwealth now hinder British interests?

Put like that a large number would say ‘Yes’. But a large number would be hopelessly wrong because the Question is wrong. Behind the words it is asking about a world which no longer exists, in which the very meaning of words are disputed , to which there is no good argument for return and in which tragic issues of history have been divorced from all truth.

Thanks to not one revolution but a whirlwind of transforming forces in almost all human relations the Commonwealth has long since changed in character, in nature, in size and membership (by seven times) and in impact beyond all predictions, and on a scale barely foreseen by the most prescient seer.

We are looking at new patterns of trade and investment lying largely outside familiar economic behaviour systems. A frightening world security imbroglio confronts us not just on land but across the maritime domain and the seabed beneath. .

This presents entirely new international challenges . It is a diplomatic and security environment which is both pulling our nation together and tearing it apart simultaneously. The last threads of unifying endeavour created out of the rubble of two 20th century world wars, leading to the creation of

the UN and a remarkable successor international order, are fast breaking away.

It would be the ultimate aberration , spitting in the face of the future ,for Britain now to step aside from the forces, from the culture, the common language, the institutions and the basic architecture of law and order – now all under intense attack. This is a task of both world and national recovery in which the Commonwealth network, for all its faults, has to be both a partner and contributor.

Lord Howell speech notes for Lord Liddle Debate November 3rd 2026

1. Interesting but we are TACKLING FROM WRONG END

   Debt total now 3 TRILLION and VERY Expensive Being added to all the time . Should be falling.

   Budget 'Not steady and she goes' but ; Steady as she sinks.

   No wonder people feel, with 1.8 million unemployed (4.9%) we have been put by the economists in a new fiscal prison and operating below full capacity.

   And no wonder people look for anew leader to escape – and flock to new Keynes play.2

   In FACT ONLY THREE ways to tackle this burden!

1. Do nothing much and hope let inflation and growth, if any, lift us out of debt over time. OBR offers TWO forecasts a year- but can raise alarm but they do not actually do anything

2. Attempt, or promise and forecast CUTS and efficiency – promise review next year .

BUT NO NEED TO WAIT, What we tried in 1970 and 1980

We have been reviewing for fifty years !

[1970 NEW STYLE OF GOVT x. WE HIRED A DOZEN BEST BRAINS . NSG

(Tory advisers looking at the wrong past pamphlets,)

Heath distracted ad blocked by Treasury knights and TU leaders.

ALL LEFT AFTER 18 MONTHS]

3. **The REAL issue 'TRANSFER FUNCTIONS away from State' (New Statesman)**

   LIST

A Sizewell C tragedy - THIS YEAR £14.7 bn (to help keep private investors on board .. WRONG design White elephant.)

B Windfarm switch off - £3-4 bn

C Defence 'off-the-book' - improved PFI schemes ,at least £50 bn

D Lower interest rates = lower prices = lower spending of ALL RPI or CPI linked Govt-funded programmes around £100bn

E International aid via World Bank bonds at least £5bn

F OAP system – miserable for those living on it – TAXED for rest - least £10bn

G small stuff adds up. Private security and traffic wardens ,

Financed by a growing network of private groupings (NOT vigilantes!) . Not possible to estimate.

Rough total NOT requiring 'Review next year' and should commence now.* £184bn

(*NB Welfare programme 'cuts' deliberately excluded since they take three years minimum to get through).