

Right Honourable Alistair Darling,
Chancellor of the Exchequer,
11 Downing Street,
London SW1A 2AB

93c Venner Road,
Sydenham,
London SE26 5HU.
020 8659 7713

March 8, 2010

Dear Mr Darling,

According to official reports, the British Government borrowed over four billion pounds in January, yet over a period of one year the Bank of England has produced through the supposedly newly discovered process of quantitative easing some two hundred billion pounds of new money.

This new money has been created *ex nihilo* at no cost at all, yet the Government - ie the taxpayer - will be paying interest on all the money it borrows.

Would it not make more sense for the Government - ie you - to order the Bank to create the money necessary for public expenditure debt-free and to spend it into the economy as usual?

This was recommended as long ago as 1937 by the Australian Royal Commission On Money.

Clearly it makes no sense for the Government - ie the taxpayer - to pay interest on money it can create at no cost, and which many would argue it has a duty to create.

Yours Sincerely,
A Baron

<http://www.financialreform.info/>