

Can we create a progressive tax system?

Published: January 13, 2026, 4:46 am

I am in Helsinki to discuss international tax - and the struggle to ensure that taxable profits are allocated to some of the poorer countries in the world (where they are undoubtedly due) so that they can collect enough tax to break their dependency on aid. It was therefore surprising to have my attention drawn back to the UK a few minutes ago by a journalist who wanted to know why we could not have a progressive tax system in the UK where the problems of increasing inequality and poverty are also very real.

The answer is very clear in both cases: the problem is that we don't have politicians who are willing to address these issues.

We live in an incredibly wealthy world. That wealth could be taxed. And those with that wealth have captured the political system to make sure that their wealth is not being taxed. The problem is not just that they've captured the right wing of politics. Obama has been a dead loss in challenging Wall Street. Ed Balls has said we must not upset the City of London. We can hope for Francoise Hollande; but it is just hope. When in Greece a politician has emerged who is really trying to effect change for ordinary people the world's media brand him a radical - even if he is heading to win the largest number of seats in their parliament.

So what we need - and this is what I told the UK journalist - is that we need to create a new political consensus. That may be within existing political parties - and it may need to be outside and beyond them. But what it needs to be based upon is the belief that in democracies people come first - if only because it is they alone who should have the vote. And that consensus has to persuade people that their voting can make a difference - by forcing the world's wealthy and their companies to pay the tax they owe where it is due.

It is only by doing this what the pressure can be created to ensure that business can be required to be tax compliant. But it can't be done by hob-knobbing with and acquiescing to the City and Wall Street - or their agents such as the Big 4 accountants. If democracy is to be saved - by putting ordinary people first so that they believe it

worth their while to vote again - then serious moves to reallocate wealth have to be the foundation for that to happen.

Are there politicians willing to take that position out there? In the UK and elsewhere? And what do we, as civil society, need to do to ensure that these politicians have the resources they need to deliver the tax systems we need to relieve poverty, save democracy and build a sustainable capitalism?