

In the Guardian this morning

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This [letter is in the Guardian this morning](#):

Larry Elliott is right to be sceptical about whether the trillion-euro dose of QE will solve Europe's economic problems (Report, 21 January). Like its £375bn UK predecessor, it will buy government bonds from banks and, as happened here, that money won't generate economic activity in the real economy, but instead will doubtless benefit the banks and the asset-rich by inflating property prices, the stock market and commodities. What is needed is a Europe-wide debate about what kind of QE can actually help its flagging economy. The Green New Deal group paper Europe's Choice — How Green QE and Fairer Taxes Can Replace Austerity proposes the introduction of "green infrastructure QE". This would fund investment in the continent's renewable energy supplies, ensure all buildings are energy efficient and revitalise local and regional public transport links. Paying a living wage would help to boost governments' tax revenues and address climate change. Another huge revenue source could come from tackling the non-payment of taxes that we estimate might cost the governments of the European Union a total of 1 trillion a year.

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