

## Unless we build houses we'll stay in trouble, and debt

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I am doing a lot of background reading on the state of the UK economy right now. This [come from the IMF](#), last year:

*House price increases in the UK stand out among the OECD economies. Over the past 30 years, real house prices have increased the most in the UK when compared with other OECD economies. Indeed, over this period, annual house price increases have averaged 3 percent in real terms, compared with 1 percent for the OECD as a whole. This divergence in house price increases was particularly pronounced from the mid-1990s through the Great Recession. Furthermore, house prices in the UK have also been a lot more volatile when compared with other advanced economies.*

The assertion is supported by a graph:

It's a might screwed up economy we have in the UK.

And if we want to put it right we have to resolve the housing, and associated debt problems.

Which means in the coming downturn People's Quantitative Easing may very well be funding the building of new social housing. There really isn't anything we can do that can better recreate the balance we need in our economy.

Well, that, and creating a real investment fund for new small business growth in key sectors like renewable energy, funded in the same way.