

Climate QE in the Guardian this morning

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

Your editorial rightly highlights the serious problem of finding adequate funding to allow developing countries to tackle and cope with climate change (Last chance salon in Paris: there is no planet B, 30 November). It has been estimated that this could cost about \$3,500bn, a truly staggering sum at this time of a global economic slowdown. Yet it mustn't be forgotten that, when the global banking system was threatened, the world's rich economies responded with programmes to print €7tn of quantitative easing to keep the financial system afloat, ie twice that thought to be required to deal with climate change in vulnerable countries.

Indeed the European Central Bank is still e-printing €60bn a month under its QE programme and is committed to doing so until September 2016. Our report [Climate QE for Pavee](#) proposed that if it were to allocate say €10bn a month either from this QE programme or from an additional QE commitment, it could use it to buy climate change bonds from the European Investment Bank. The EIB could then direct these funds to climate change programmes in both Europe and developing countries. This could have a galvanising effect on other rich countries, putting pressure on them to introduce their own climate QE initiatives and thus further bolster global funds towards thousands of billions eventually needed to keep temperature rises at 2C. We found the money to save the banks, we now need to do the same to save the planet.

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