

Negative interest rates are not the real answer: a Gree...

Published: January 12, 2026, 10:07 pm

This week the Bank of England is very likely to reduce interest rates.

It might also resume conventional QE.

Neither will work. They are failed monetary policy.

What we need is fiscal policy.

VAT cuts would be a start.

Acceptance of more debt would help (and conventional QE only makes sense as a backstop to this).

But most of all we need People's Quantitative Easing, or [Green Infrastructure Quantitative Easing](#) as it was when I proposed it.

Tinkering at the edges of the financial system cannot solve the mess we're in.

Getting people to work in every constituency - releasing a Carbon Army to bring out energy systems, transport, housing and more into the 21st century - is the way to solve that mess in a way that will change real lives.

And we would do it now.

It's the [Green New Deal](#).