

On the Today programme this morning

Published: January 14, 2026, 4:24 am

The Guardian wrote this about my interview on the Today programme this morning:

*Two years ago, when Jeremy Corbyn was first running for the Labour leader, the tax campaigner **Richard Murphy** was identified as [the brains behind “Corbynomics”](#). **Murphy actively campaigned for Corbyn* and was credited with coming up with proposals for “people’s QE (quantitative easing), [an ambitious plan to use QE to fund infrastructure investment](#).***

This morning Murphy was on the Today programme. But he is no longer a Corbyn economics guru, and he was on the programme expressing reservations about John McDonnell, the shadow chancellor’s, announcement of [his plan to raise tax for those earning more than £80,000](#). Murphy was not critical of the plan per se, but he argued that McDonnell was not being sufficiently ambitious, and that McDonnell was too worried about the need to balance the books on the current account. Murphy said:

We are talking about a handful of billions of pounds. It could be £5bn. It may be less. I’ve seen those estimates. I doubt if it’s very much more than that. In other words, taxing income tax on those earning more than £80,000 a year, by an extra 5% say, will not make a big difference to the overall balance of the government’s books.

It does make a difference, a powerful difference, to the signals on inequality, and I think that’s important. But it doesn’t solve [McDonnell’s] underlying economic problems and it doesn’t help his commitment to actually beat austerity, pay people what they deserve and so on. In other words, this policy constrains everything else he can do ...

McDonnell should have been talking about he was going to do to deal with the real issues that are facing the economy, the lack of investment, low pay, the lack of really good employment prospects for young people. All the comes

from investment. He should have been talking about how he was going to fund that, and at the same time making clear that he was not going to be charging the same people who are going to get opportunity from that to pay for it. But he hasn't said that. So it's a political mistake to do it in this order.

Murphy set out his argument in more detail [in a post on his blog yesterday](#). In it he argued that McDonnell was “just not leftwing enough to do the right thing for Labour”. Here's an extract.

[Labour](#) is not making an economic case for a post Brexit era.

So it's not saying that after Brexit Labour could require that 20% of all pension contributions be invested in UK job and wealth creating programmes as a condition of the tax relief that they enjoy. The last time I looked that would raise \$16 billion a year for housing, green and innovation investment in the UK.

Nor is it saying that Labour could use QE to buy out ruinous PFI schemes, but I have no idea why not.

And it's not saying that Labour could, after Brexit, offer a national savings ISA that would invest in the UK, paying 2% per annum tax free to £5,000 of interest a year. Sure that's more than the cost of government borrowing, but after inflation it's a net zero cost to the government and the best savings product on the market. This would see money pour in. And what could it be used for? Start with social housing and the Green New Deal plus a dedicated transport fund. It also provides regional investment funds for each devolved government and region – and people can direct their money to the area they want. Think that what that could do. Pension saving would also be allowed in this fund. Cash would be liberated for the future investing in what we need now.

* I campaigned for my ideas in my opinion.