

The Green New Deal in the Guardian this morning

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Let's make 2019 the year of a green new deal

Richard Murphy and Colin Hines suggest a number of ways that revenue could be raised to fund energy efficiency in all buildings, renewables and local transport systems

The counter to Larry Elliott's gloomy economic projections for 2019 ([For those inclined to pessimism, the new year offers plenty to be worried about](#), 31 December) is to be found in his earlier article making the case for countries to put their economies on an "environmental war footing" ([We're back to 1930s politics: anger and, yes, appeasement](#), 20 December).

To deliver this will, however, require that people be convinced that they will benefit and that there is the money to pay for such a transformation.

This funding can be raised in a number of ways. One way is to make clear that this is an emergency and to tap private savings via "green war bonds". Another mechanism would be to improve tax collection: the UK still has a tax gap of many tens of billions a year.

We could also increase taxes on the wealthy, with this having the added benefit of tackling increasing inequality, which is fuelling the rise of populism. And we could also use quantitative easing to fund the transition to a sustainable economy.

We proposed just such a [green quantitative easing in 2010](#). The Bank of England might well be sympathetic to this form of QE. Mark Carney is on record as saying that if the government agreed then it could [expand the range of assets it purchases](#).

The Bank could then purchase new debt issued in the form of green bonds by a national investment bank to fund energy efficiency in all buildings, renewables and local transport systems. This green new deal would provide [jobs in every constituency](#) and dramatically reduce carbon emissions.

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