

## Funding a green transition is not an issue - my letter ...

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The [Guardian published this letter](#) from Caroline Lucas MP and me last night:

Your [editorial](#) (9 June) rightly calls for the post-coronavirus economy to be rebuilt in a fairer, labour-intensive and environmentally sustainable way. What wasn't addressed, however, was the crucial question of how such an enormous transition could be paid for.

*In the short term, the government's sensible response to the crisis has been to turn on the spending taps, maybe to the tune of £300bn. Expanding this to tackle the climate emergency is made easier by the government's ability to borrow money at negative interest rates. Green quantitative easing could also help, while members of the Green New Deal group have also proposed that private savers' money be used to help fund the green transition by changing the rules on Isas and pensions, so that some of the £170bn saved annually in such accounts and pensions might be invested in government-backed green bonds.*

*In addition, over time there will also be higher tax takes from the industries and workers newly involved in such an enormous programme that will help pay for it. The green new deal can be paid for, but the government must pump-prime the process, and all political parties should support such a move.*

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The back up data is [here and the report linked in that post.](#)