

To save the planet, we need a new type of growth

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Colin Hines and I have [this letter in The Guardian](#) today:

There is no better example of what Larry Elliott perceptively terms “capitalism for dummies”, whereby our political systems self-destructively fail to tackle the climate and biodiversity crisis, than the unspent 95% of the green homes programme ([We’re on a collision course with the planet. But with public support, that can change](#), 10 February).

To reverse this trend, and overcome the social and employment effects of the Covid pandemic, will require a new form of growth — one which only supports an increase in economic activity that improves social conditions, creates secure, adequately paid jobs and seriously addresses the environmental crisis.

Just as it appears that the government is beginning to take back control of the NHS from inefficient aspects of private-sector involvement, so the same kind of “smart, activist state” is required to decarbonise and make energy-efficient the UK’s 30m buildings. Such a massive programme providing jobs in every constituency could be paid for by offering green Isas at an interest rate of, say, 1% to attract huge swathes of the £70bn invested in this annually. This programme could be underwritten by green quantitative easing, whereby the Bank of England electronically creates the money involved and no government debt is incurred.

Such a multibillion-pound programme could be rolled out in time to act as a global exemplar for Cop26 in Glasgow this November. “Saving for the planet” is also likely to be extremely popular politically, given the growing public support for tackling the climate crisis.

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