

There is a way out of stagnation. Its not hard to work ...

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Martin Wolf [has a column in the FT this morning](#) that is headlined:

Britain needs a way out of economic stagnation

Without a solution, it will be impossible to solve the country's other social and political problems

MARTIN WOLF

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He does not answer the question as to what the solution is. After a competent analysis of what is wrong that highlights:

- * stagnation
- * declining productivity
- * falling real wages, especially in comparison to other countries
- * benefit cuts that have hit the poorest hard
- * rising housing costs
- * our failure to build or invest, and
- * political disenchantment

he concludes by saying (and I have edited this to reveal his core thinking):

As the country falls behind, unhappiness will grow.

Thatcherism did not ... cause an enduring revival of the UK economy.

Strategic problems need strategic solutions. British governance does muddling through,

instead. But that just will not work.

Martin Wolf says he will provide answers in another column.

Let me do so now. We need to:

- * Care about our fellow human beings. Right now, we don't.
- * Make financial services a servant and not a master.
- * Prioritise meeting the needs of all and not delivering the wants of a few.
- * Plan for our children's and grandchildren's survival.
- * Fund strong public services.
- * Take action to stop the massively destructive excess consumption of some that is destroying this planet for everyone else, which is also utterly distorting our economies.
- * Have a functioning democracy.
- * Stop fascism.

How do we do that? It's not hard:

- * Tackle inequality by taxing the wealthy and their income fairly. [I have shown this could raise £100bn a year.](#)
- * Redistribute part of that gain to those in need.
- * Use the rest to fund essential public services.
- * Change savings incentives so that [ISA](#) and [pension funds](#) are available to fund the investment required for:
 - * tackling climate change
 - * updating infrastructure
 - * building social housing
- * Reform our democracy.

It could be done. It would be utterly transformational. Stagnation would be a dim memory. We would even have a future.

That's my plan. I wonder what Wolf will have to say?