

## Labour's ideological vacuum

Published: January 13, 2026, 2:27 am

---

As [Larry Elliott has noted](#) in The Observer today:

*After last week's emasculation of its green prosperity plan, [Labour's] storyline has changed. It now reads: the Tories have left Britain in a parlous state but if you vote for us little will change. We are continuity Conservatism.*

*Previously, Labour was going into the election offering a mild form of green Keynesianism as the alternative to stagnation. It will now be appealing to voters on the basis that it can run the status quo more competently than the current lot.*

As he then notes:

[\[A\] paper by \[Lord\] Stern and his colleagues](#) demonstrates why borrowing to invest is consistent with financial prudence, but even were that not the case Labour could still fund its full green prosperity plan by raising tax.

As the tax expert [Richard Murphy](#) pointed out last week, two simple changes aimed at the better off would raise almost £28bn: charging the same rate on capital gains as is paid on income tax would net £12bn while restricting tax relief on pension contributions so everyone gets relief at the same tax rate, whatever their income, would raise a further £14.5bn, and make the system fairer to boot.

The Taxing Wealth Report 2024 is gaining traction.

Labour can't be missing it.