

Slogans are not enough: need has to be met

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My Green New Deal colleague, Colin Hines, has this post on the [Green Alliance](#) blog this morning. I reproduce it with his permission:

The rise of populist parties in Europe and the rout of the Democrats came about because progressives in Europe and the US have no coherent and easy to understand response to voters' desire for economic security for their families and their communities.

Yet, Labour is a lucky government, compared with its counterparts in Europe and the US as it has a huge parliamentary majority and a five year mandate.

However, to ensure any hope of re-election, it must focus on policies that address people's insecurities. Labour, and indeed all political parties, claim that 'growth' is necessary to fund the social and environmental improvements the country needs. But exactly how to achieve and fund such growth is never adequately spelt out. Labour could provide the answer to this, but it would need its growth mantra to be redefined as an increase in economic activity directed predominantly towards rebuilding public services and turbocharging a green transition.

A successful 'Social and Green New Deal' could become a beacon for other centre right or centre left governments in Europe, and indeed for the Democrats in the US as they recover from their crushing defeat by Donald Trump.

The public know the scale of the problems

Polling shows that the top concerns for Britons are inflation and the economy, the NHS and immigration, followed by housing, education, environmental issues such as pollution and climate change, poverty and inequality. People sense the scale of these problems and that huge levels of funding will be required to address them. ***[Forty per cent of voters want an increase in spending on public services, even if it means they pay more tax.](#)***

The recently [published](#) Act now: a vision for a better future and a new social contract, by the Common Sense Policy Group, comprehensively costs the social and environmental transformation that polling shows the public wants. Its estimate of total cost is nearly £190 billion per year.

Sources of funding for the huge sums required have been comprehensively detailed in tax expert Richard Murphy's ***Taxing Wealth Report 2024***. This sets out radical, and no doubt controversial, idea on how to raise £90 billion or more of additional tax revenues a year by increasing the taxation on income from wealth.

Savers can help

Another huge investment generator proposed by Richard Murphy, and something that could positively involve millions of savers, would be a change in tax incentives for saving in ISAs and pensions. This would require all new ISA funds and 25 per cent of all new pension contributions to be saved in ways that might help fund new infrastructure projects. Through this, £100 billion a year might become available.

One aspect of this approach was recently supported by Ros Altman, former Conservative pensions minister, who ***[demanded](#) that at least a quarter of new contributions should be invested domestically in UK infrastructure, social housing and sustainable energy, and into the businesses in these sectors.***

Richard Murphy has made similar demands and [calculated](#) that this measure alone could raise more than £30 billion a year. The roadblock to this approach is the chancellor, Rachel Reeves's ill-defined growth obsession, with its damaging dependence on deregulation and decades' old fantasies, such as Heathrow's third runway and new nuclear power. To reverse her government's slump in the polls and the rise of Reform, Labour must pivot instead towards policies that ensure rapid social and environmental improvements as the majority of UK voters want, including the 'savers as saviours' approach.

This can unite the politically active

A 'Social and Green New Deal' approach would have huge public support, especially since it also answers the 'how do you pay for it?' question always posed when any new policy proposals are put forward. It would also provide an overarching narrative and funding framework to unite the politically active. These would include those involved in the huge range of issues that make up social and environmental campaigns, including local community groups, NGOs, think tanks, academics, local government and MPs. Step one should be to pull together all the disparate interest groups concerned with the myriad of social issues into a social alliance.