

## Universities need endowments

I am surprised that some newspapers and politicians want to criticise Oxford and Cambridge Universities for having an estimated £21 bn collective endowment, including all the Colleges. They should be celebrating this success in fund raising and investing.

These savings that come from gifts and from wise investing allow the Universities to do more. Money can be used to employ more and better researchers and tutors, and can be spent on providing help to students from lower income households. It is easier to run an independent global institution if it has its own capital to entrench its self government.

The articles we need are ones discussing how more of our universities can build substantial endowments. More can emulate Oxbridge success by encouraging gifts and legacies from former alumni. More could build investment portfolios that take a long term view and grow the value of the fund by a decent margin over inflation. University endowments can fund start ups and the growth of spin off businesses from the ideas their faculty members generate. They can build facilities for conference businesses, with most scope for residential conferences in vacations.

Oxbridge is striving to catch the Ivy League US institutions who have been very good at attracting donations and good at investing them. Oxbridge's endowments should be cause of celebration, not jealousy. All our universities should be pressing for more independent means, not less. Endowment money is not for immediate spending, but a guarantee of independence and solvency for the future. The bigger the endowment the more social good and academic excellence they can achieve.

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## How Brexit can give us a stronger economy

The recent slow growth of the UK economy still locked into the EU mirrors the slowdown in growth on the continent, with a special UK twist. The higher taxes on property and cars imposed in the 2016 and 2017 budgets have had a further adverse impact, reinforced by the monetary tightening carried out. You expect the economy to slow when special commercial bank facilities are withdrawn and instructions are issued to lend less, as they were.

The good news is that leaving with no deal next March would allow us to speed our growth rate and improve things more rapidly than if we hang around in the EU paying their bills for longer. I have in the last couple of years been more concerned about the balance of payments deficit than the diminishing

government deficit. It is the balance of payments deficit which requires us to sell assets to foreigners or to borrow from abroad. One quarter of that deficit is the UK government payments to the EU and overseas aid.

Stopping all payments to the EU early next year would immediately improve the balance of payments deficit, and give us £12bn a year to spend on domestic priorities. We could implement something like the UK post Brexit budget I have set out before, with substantial spending rises for areas like the NHS and social care, and some tax cuts. This would provide a useful 0.6% of GDP stimulus to the economy without any increase in the state deficit. Indeed, the state deficit should fall as more activity will generate more tax revenue and less spending based on need.

I am pleased to see others saying in public that we need to tell the EU we will not be paying them any more after March 2019 on the kind of deal they are currently proposing. It is most important that becomes the government's stance. It is the only way to have any chance of getting a good deal, and it reminds us of the obvious advantages of early exit.

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## [The EU doesn't like democracy](#)

The news from Italy takes my breath away. The President has vetoed one of the appointments to Ministerial office because he has expressed some Eurosceptic views, in line with the views of the winning parties in the election. He wishes to impose a government of unelected officials instead, which is unlikely to command the confidence of the Italian Parliament. He is challenging the winning parties to vote his government down and go for another election, when the results of the last one were clear and produced a potential coalition government with an agreed programme.

As the leader of the Lega has said, this is a direct assault on democracy and threatens a constitutional crisis. I am not an Italian voter and do not agree with some of the things Lega and 5 Star say, but I do see why their coalition programme wishes to cut taxes and boost the incomes of the poorest, and how the voters expect some change of approach. For the last decade the Italian economy has languished with little growth and high unemployment. The Euro scheme offers more of the same.

Their problem is simple. To do what they want they either need substantial reform of the Euro system, or they need to take their country out of the currency. The EU is determined to block either of these courses, and has allies deep within the Italian establishment to prevent change. It was this feeling by electors that the scheme did not work and the traditional parties were not prepared to challenge it that led to the election results. Now the establishment intend to make it worse by seeking to thwart the will of the voters. The Euro scheme needs to have better ways to route money from rich to poor and from surplus to deficit countries. Its refusal to provide the grants

and loans on the scale needed is leading to the demolition of traditional parties in the zone, and to a clash between those who want reform and those who defend every detail of the Treaties and Euro architecture.

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## [New homes near Clayhill Road Burghfield](#)

I attended the consultation and presentation of plans for a development of around 100 new homes in Burghfield Common.

I encouraged them to increase the proportion of affordable homes for sale with the affordable section of the plans, and favoured styles and finishes for the houses that blend with local styles.

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## [Social care and the NHS](#)

During the election the Conservatives launched some proposals for paying for social care in the future. These were very unpopular and were rightly withdrawn before people voted. In the correspondence which they generated it was clear some people did not understand the current system, and were surprised to learn that today under a policy approved by all 3 main national parties in office a persons house is sold to pay the bills if they go into a care home unless they are rich enough to pay the bills from other money.

This applied to my parents who sold their home and I saw nothing wrong with the principle. They did not need their home when they went into care. I had no right to inherit the value of their previous home.

The crucial distinction in UK policy is between health care, which is free, and living costs which individuals remain responsible for all the time they have income and or capital to pay the bills. In most cases the distinction is obvious. The elderly person needs a meal or a roof over their heads . That is a living cost. They need medicine or hospital treatment. That is free on the NHS. The distinction is more difficult with assisted living or social care.

If someone carries on living in their own home they have to pay for various types of social care help, just as the person living in a care home does. They do not, however, have to sell or remortgage their home to do so, nor should they. I am going to be writing more about this topic and welcome thoughts for reform. Good quality social care is crucial to provide support

for elderly patients who need help but do not need hospital treatment.