

In government you are meant to work for everyone, not just your supporters

Consumer confidence has fallen. Investors are putting off new projects. Landlords are selling up. Shareholders are taking gains while they can. That's what two months of things can only get worse from the government does. That's what leaving open so many possible tax rises does as people fear they will be taxed into financial difficulty.

Newspapers and media fuel the downbeat mood with item after item asking who might the government come after? There is a mighty long list as there so many groups Labour seems to dislike. Will they come for landlords, savers, people wanting a decent pension, the self employed, the drivers, the rich, the high earners, all the successful, the strivers, people with good homes, energy companies, banks, small businesses, large companies?

If you want growth and more investment that list is the list of people and companies that will do most to deliver it. It is a bad idea to let them all fear the budget. In three months many of the super rich will have gone to homes elsewhere and will have signed the papers to pay their taxes to other governments. Many of the well off will be well advanced with plans to move away or with better legal ways of placing their savings at home to reduce the coming tax bill. Many strivers will strive less or take early retirement, deterred by the likely higher tax and growing hostility to running a business or renting out property.

The government message seems to be "I warn you, do not work for yourself, do not save too much for your retirement, do not build a successful company or invest successfully. The government will be out to tax you."