

Ownership for everyone

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Now is the time to galvanise free enterprise and boost the UK economy by promoting wider ownership. The big idea is to encourage and help many more people own a stake in the property and business of the country. The campaign would inform and influence many individual policies and proposals that could assist and encourage people in such a popular direction. The first task is to show how possible it is for the many to be owners, and the second task to create the policies and background to accelerate the trend.

Changing attitudes – being positive about ownership

It is time to tell everyone they have the opportunity to be owners. We should want more to own their own home. More people should set up and own their own business.

More people should come to own a share in the business they work for. More employees should be able to buy out their business and run it as a co-op or partnership or employee owned enterprise.

More people could save and own investments for their retirement or for life's events.

Owning some capital is transformational. It gives you more freedoms to change your job or move your home or set up or expand your business. Owning realisable assets gives you more self confidence, more choices, and a better sense of participating in the wider society. Having some capital enables you to take more control of your life. Owning capital gives you the power to borrow or to release cash from your assets for new purposes.

Too many think ownership is for the few or for the richer half of the country. They think you need to inherit wealth or go to a posh school or university to be a person of property. Government treats those with some wealth as a cash machine for the state, or even as potential criminals who broke rules to come by their wealth. People who make money and save it are taxed on earning and then again on saving it. They may be subject to special enquiries into where they got their wealth, and to endless inspections of their tax returns to make sure they have not undertaken aggressive tax avoidance. Parliament debates how the rich can be taxed more or kept out of our country by tough rules. The impression is created by some in Parliament that there is something unclean about an entrepreneur or investor who has been successful.

We need a revolution of attitudes. We want a state that promotes and helps the accumulation of assets by individuals and sees it as a good, not a bad to tax. We need to show how individuals who failed at school and who inherit nothing can build businesses, build or renovate their own homes, or get stakes in someone else's business so they too can participate in the wealth of the economy.

Changing policies to promote wealth and ownership

It will need new approaches to bring about a very British coup, a coup for a new generation of owners to take control of homes and businesses. The policies would include changes to the way we tax and to way we spend public money, to the rules we set over business and capital and to attitudes towards success.

We need to roll back some of the aggressive policies on wealth accumulation. Stamp duties need to come down on acquiring a home or a rental property. VAT needs to be taken off doing up a property. Capital gains tax rates need lowering so there is no great penalty on wishing to move between properties or change the assets you hold. Mobility of capital and change of uses and ownership of property is a good thing which helps capital accumulation . People can be happier if they can move home to the accommodation and location of their choice without a large financial penalty for daring to do so. Doing up a home and moving to another should not be highly taxed as it improves the building stock and gives people equity in their main asset.

Higher rate income tax needs to come down. More revenue would be collected as more earn higher incomes, working harder to do so. The range of reliefs on your own business should be extended. HMT should stop trying to force people who work for themselves to pay tax as employees. The VAT threshold for a small business should be raised higher.

The state can help build a bigger population of owners by changing the way it operates. It should spin off more of its activities to employee controlled enterprises. These thrive from the unity of interest between the employees and the government, providing a better service at a lower price to the state and empowering the employees. They will work smarter when they work for their own benefit as well, discovering that higher quality service is also more efficient and better value . The John Lewis and the Co-op models should be more widely adopted in bidding for public sector contracts. The employees as business owners will be able to expand their business activities with other clients whilst benefitting from an initial contract to serve the state. This was done, for example, with the Property Services Agency in the late 1980s.

The rules of the business world need amending to allow more flexibility for start ups and small businesses . They are subject to the disciplines of the market and their customers anyway. The totality of controls and requirements is a major impediment to the average business start up.

We need a new wind in favour of people doing well, running their own show and owning property and assets as a normal part of their lives. We want capital and income to reinforce each other and to be flexible . A new generation of owners will then have the means to get better training, to improve their businesses, upgrade their jobs and improve their homes.