Whither the Church of England?

A recent survey shows a further decline in Uk citizens professing to be Christian or religious in any way.

It is not surprising the Church of England has lost congregations and struggles to attract new supporters. It has used its presence in the Lords and its public platforms to be an ally of many Lib Dem causes, a party which polls around 10% in national polls. It uses its privileged position to promote more overseas aid, more migrants into the UK and to condemn government attempts to stop illegal and dangerous boat crossings from a safe country called France. It is not so keen to use its national pulpit to spread the gospel. It is reluctant to talk about its own extensive property estate and share portfolio. There are times when it turns out they hold shares that do not reflect their views on fossil fuels or other equality matters. The property estate has not been used to house many new arrivals in the UK at a time of extreme housing need given the numbers involved.

The decline of congregations reflects the hostility the Church shows to people with conservative views , as those who were regular Churchgoers have in some cases been put off by the criticisms.

As a democrat who believes people should be free to hold views and disagree with the government I do not object to the clergy who rail against the government. They should not however be surprised to discover that associating themselves with minority partisan views in their official roles will speed the decline of their congregations.Nor should they look hurt when those they criticise examine the Church's actions and investments to see if they reflect the left wing political opinions they espouse. Church properties do not help reduce our carbon footprint, nor are they made available to house the many new arrivals the Church supports.

UK trade

The UK trade figures were altered as we finally left the EU, disrupting comparisons. We are told they were changed from an Intrastate to a Customs basis, and were told there were missing numbers from the early months after the change owing to data collection issues. As many Remain MPs and commentators thought the issue of the EU was all about trade it is irritating that the numbers were disrupted just as we left.

Now things should have settled down a bit we can compare 2022 as we came out of covid lockdowns with 2019 before covid and before exit. The 2022 figures show goods imports and exports both strongly up . I use goods because the Remain MPs never seemed interested in our good surplus in services and our success in selling services to non EU Countries despite the absence of services chapters in EU trade deals with other countries.

Non EU trade has continued t9 grow faster than our EU trade as it was doing when we were still in the EU, and is larger than our EU trade. Our imports from the EU are still very large. We need to adopt the various policies I have been proposing to grow more of our own food, produce more of our own energy and make more of our own goods. Governmentb has promised the first two and needs to get on with the methods to do so.

It was always strange that UK pro Remain MPs and commentators always pretended the EU was just a free trade area when it was a customs union as part of a much bigger Union where the other members saw the importance of wide ranging EU level government, single urgency, common debts, common foreign and security policy and the rest.Even on the issue of trade the Remain MPs were wrong.Our trade has not been badly damaged by the exit. It is up, though as in the EU we still import more than we export to the continent and need to tackle the imbalances.

Venture capital for growing businesses

In 2022 the US continued to dominate venture capital investment in growing companies and backing new ideas. Although well down on 2021 record levels the US invested $245 bn, four times much as China in second place with $61 bn. The UK was third with $31bn, twice the French level and two a half times Germany who were in fifth and seventh place in the world league. India was fourth and South Korea sixth.

Strong venture capital, backing many smaller, innovative companies and companies needing restructuring is crucial to good levels of economic growth. Business constantly needs to adapt and to invest as technology revolves and consumer expectations change. One of the ways the US ends up with more the largest quoted companies is it nurtures a large population of growing and innovative companies to give it more chance of success with creating the giants.

Venture capital can be encouraged by allowing easy access to licences and markets for safe products. The EU is suspicious of the new and slow to permit. The UK has to establish itself as an independent regulator , striking a good balance between protecting consumers from harm and allowing changes to product and processes to proceed quickly.

I have set out before tax proposals to boost self employment and allow the faster growth of small companies during their early stages. We need to be friendly to small business and to star6t ups, as they will be the seedcorn for the new larger businesses we will need in the years ahead.

The top ten companies in the all world index are all US

If we take the market value of quoted companies as a measure of success for economies to create and grow major businesses, the US dominates. The top ten biggest in the all world index are all US. 7 of the top ten are digital technology giants, with Goggle appearing twice in the list with its two kinds of shares both in the top ten by their individual value. There is then a car company, a financial company and a healthcare company.
You have to go to number 14 to find a non US company. That is Taiwan Semiconductor. The rest of the top fifteen are all US, adding an oil company, a bank, and two pharmaceutical companies to the top ten.
So we see the pattern. The EU with its 120 million more people and its self promoted single market has not just missed out on the great growth opportunities in on line shopping, data search, software supply, social media and semiconductor design and production. It has failed to get a large bank, pharmaceutical or energy company using older technology into the top fifteen as well.
The EU which has taken the net zero revolution more seriously than pre Biden America has not produced an electric car company that can keep up with Tesla. It has let China dominate in producing solar panels and wind energy. So what is wrong?

The EU has gone for the high tax high regulation model. Much of the tenor of EU regulation is hostile to innovation, seeking to lay down in law how the main companies currently design and produce a good, limiting the ability to change or challenge the established products and players. There is less entrepreneurship. Major companies have a long gone entrepreneurial past and a bureaucratic present management reacting more to government than to customers. These businesses often seem out of touch with consumers and so vulnerable to better and more modern US and Chinese offerings. There must be reasons why JP Morgan is bigger than any EU commercial bank, why Tesla not a German company pioneered high priced electric cars and why the main pharmaceutical companies and new drugs are from the USA.

The UK too lacks a top fifteen company. Its long association with EU laws has not helped, and its current business taxes are too high.

Why the UK and the EU are falling so

far behind the US

Consider the 2022 figures for GDP per head

USA. $75 000

UK. $45 000

EU. $37 000

The UK has spent the last 50 years trying to align itself more and more in trade, economic regulation and general laws with the EU on the grounds that this political direction and sacrifice would help our economic progress. The way the US has pulled ahead and stayed ahead of Europe shows this was a generally mistaken view. The US per capita figure is twice the EU.

I am not suggesting we should instead have sought a close political link with the US or should have accepted their law codes . Better would have been to make our own laws, set competitive taxes and traded as freely as possible with the wider world. The Republic of Ireland showed how simply setting lower tax rates can make you prosperous and greatly boost tax revenues. Their 12.5% tax rate meant they attracted massive turnover and investment from the US giant corporations, delivering $ 105 000 per head of GDP last year, almost three times the EU average.

The truth is the US has set a legal, tax and educational framework that has produced all the great non Chinese world companies of the digital age. Apple, Microsoft, Google, Amazon, Netflix, Meta and Nvidia are the US giants that have generated so much cash, made so much investment and created so many jobs, boosting US success.

The EU and UK should be alarmed that they have produced no trillion dollar tec successes. I will write future pieces on why. Today I just wish to remind the UK it is free to set a competitive tax rate. As Ireland shows that allows your economy to get a boost from US success.