

## Taking on a first employee

Since 2000 the UK has had quite a good rate of new business formation, in excess of the death rate for businesses save during the 2009-10 slump. London has led the way, with 1544 businesses per 10,000 residents, with Scotland and Northern Ireland at the bottom end of the table with 739 and 834 businesses per 10,000 respectively. Over the last 19 years the UK has added 2.4 m new businesses.

The bulk of these businesses are self employed people. Out of 5.9 million businesses, 4.5 million have no employees. 1.1 million businesses with employees have fewer than 9. Just 8000 businesses employ more than 250 people. The regions that have the highest number of businesses per 10,000 people also tend to be the ones with the highest incomes.

We need to ask what would it take to encourage more self employed people to take on their first employee? It does mark a large step up, with the employer having to accept a wide range of risks and responsibilities. We both need to create decent conditions for employment, and sensible conditions for employers so they find it worthwhile to take people on.

I would be interested in your thoughts on whether there are changes to be made to current rules to provide incentives to employers to create new jobs without damaging employee rights.

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## The continuing bias of the Today programme?

To show how unbiased they wish to be the Today programme had an item dealing with criticisms that they are biased. The item failed to grasp why so many of us think there is bias in much of what they do. They are so keen to run anti Brexit material that they come across as an institution with a strong view more than independent journalists trying to tease out the different beliefs and views of the audience they serve. They do not seem to know all the positives that led us to vote for Brexit. They also repeat daily the same climate change issue with a series of repetitious stories to the exclusion of other major problems and preoccupations of listeners.

Their one sided approach is reflected in their use of so called experts. These people usually share a similar economic, political and scientific world view. The bias of the experts is never explored. They are not usually asked about their past failures in predicting and forecasting and never asked who they vote for or which philosophy or other influences most weigh with them. Most accept, for example, that Brexit will cause economic damage. They

are inclined to say leaving without a deal is “falling off a cliff” or is “disastrous”. They may tell us trade will be disrupted or even imply it may in many cases be badly damaged if we dare to leave under WTO terms. The economists if they are old enough would likely have recommended the Exchange Rate Mechanism which gave us a nasty recession, and would have supported the Bank of England’s actions which helped bring the commercial banks down in 2007-9.

They rarely interview people who believe that Brexit is a good economic opportunity which can make us better off. They never wish to remember that some of us correctly predicted the ERM disaster and warned against the chosen Bank and government action in 2007-9. They will not explore the role of the Maastricht criteria in recent austerity economics . Their few interviews with possible Bank of England Governor candidates in the run up to the selection of the new Governor were pathetic, with no attempt to understand the many mistakes the Bank has made in recent years or to ask candidates how they might improve or change it.

When I have been invited on it is usually to fill some special political slot for a Eurosceptic, rather than to have a sensible interview on the state of the economy and the policy options facing a country soon to be independent. I am treated to the usual barrage of Remain questions which become as repetitious as most of them are silly to provide “balance”. Yet the many more numerous Remain interviewees are usually spared having to answer all the questions I would wish to ask them about their past false forecasts and their present misunderstandings of what is happening in our economy whilst still fully in the EU.

I guess the journalists cannot accept that Brexit is a great idea of the people who just ask that the Establishment does their job. We want government to show how the freedoms and the extra money can be used to improve lives and our country’s standing and prosperity which is why the Conservatives have just won a majority. The Leave voter listeners who are still tuning in just want to know why the BBC seems to have such a down on the abilities and prospects for our country outside the EU. They should know the case that says we will be better off with Brexit and give it equal prominence to the negative Remain forecasts.

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## Night shelter

On Thursday evening I visited the Wokingham night shelter. I thanked the volunteers who are available to help anyone in need of a bed for the night.

I pointed out that the government is keen to ensure everyone has an option other than sleeping rough and has just announced more cash for our local area and others, as recorded on this site.

I also encouraged the volunteers to help persuade anyone without a bed one night to seek wider help, as often the underlying problem requires assistance from social services and welfare. The state does have many programmes to help people back into work, to help them find and pay for housing and tackle problems of drink and drugs where these are the cause of the difficulties.

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## Encouraging entrepreneurship

The lifeblood of an enterprise economy comes from the ability of the many to set up and run a business for themselves if they wish. A vigorous private sector has easy ways for new businesses to be born, and sensible ways for failing businesses to be wound down or stopped.

The ability to set up a business rests on self belief, access to property, skills and capital, and a favourable balance of risk and reward for doing so. The UK has a relatively good rate of new business formation compared to the rest of the EU, but falls behind the USA in capacity to set up and grow businesses, especially beyond a certain small scale.

The first thing the government should do is to advise schools and Colleges that self employment is a serious career option. Indeed, the brightest and most energetic students are above all the people that should be asked if they will set up a business of their own rather than seeking the comfort of a cosy job with a large corporation or state actor. Enterprise should also be for the many, as many people who are not interested in academic subjects or who do not excel at passing exams may be excellent at understanding customer needs and meeting client requirements.

People training at Colleges to be plumbers, electricians, cooks, house maintenance people and other skills should be offered supporting courses on how to offer their services through their own business.

The government needs to revisit IR35. It should be easy to gain self employed tax status for all those who are offering their work to clients and customers other than through someone else's company as a company employee.

The government should raise the VAT threshold higher so people can increase their turnover more before needing to get help and advice on how to comply with VAT.

The government should derate small business premises altogether so starter units are rates free.

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# On the technology frontiers

As the digital revolution sweeps on we will face more and more dilemmas about personal freedom versus personal empowerment.

In its early days the internet was largely unregulated, allowing a profusion of new communications, spawning an army of citizen journalists with their own take on events and permitted advice on any topic including the assistance of crime.

As the internet grew so governments understandably intervened to stop extreme abuses. The internet should not be a school for terrorists, an on line academy for bomb makers or a means of money laundering large sums from the proceeds of crime.

Some also asked that the internet be subject to the same laws of libel and slander as the regular media. Many asked for protection from false allegations and from messages of hatred. This has opened up a debate about the duties of internet providers, the extent to which censorship is needed and justified, and the role of the internet in causing harm as well as its manifold ways of doing good.

There are contributors to this site who are deeply suspicious of how the state behaves and how it might come to use new digital controls for its own ends. Would the evolution of a cashless economy mean not merely full visibility of all transactions by the state but state controls and limitations on those same transactions? At what point does a better convenience for users become an unwarranted intrusion into privacy? Should we all expect in the emerging world that all our actions, words, purchases are fully available for public scrutiny, or do there remain legitimate reasons for people to be able to keep to themselves what they lawfully do?

Authoritarian societies can deploy digital communications, cashless money, transaction reporting to control their people. They could decline to sell a train ticket to a protest location. They could decline credit to people who join the political opposition. They could intercept on line conversations between friends wishing to share annoyance at government activities.

The challenge for the free West to keep its freedoms is to get the right balance between tackling serious crime conducted in whole or part through digital activities, whilst allowing the usual privacies of people's spending habits, criticisms of government and the rest that constitute a free society.

There is the additional challenge that as the giant corporations of the current digital era emerge with all their power, the western system should allow strong competition and challenge to them. There is a danger in codifying how they behave and laying down in law too much of how their business has to be conducted. These can become barriers to innovation by smaller companies, and can impose expensive barriers to entry to the business.

As we leave the EU the UK should revisit its laws and regulations governing the digital world to strike a good balance between keeping us safe and allowing plenty of competition.