

# THE POWER OF OWNERSHIP

BY JOHN REDWOOD



## About the Centre for Policy Studies

The Centre for Policy Studies is one of the oldest and most influential think tanks in Westminster. With a focus on taxation, business, and economic growth, as well as housing, education and the environment, its mission is to develop policies that widen enterprise, ownership and opportunity. Founded in 1974 by Sir Keith Joseph and Margaret Thatcher, the CPS has a proud record of turning ideas into practical policy. As well as developing much of the Thatcher reform agenda, its research has inspired many more recent policy innovations, such as raising the personal allowance and National Insurance threshold, reintroducing free ports and adopting 'full expensing' for capital investment.

## About the Author

The Rt Hon Sir John Redwood DPhil FCSI led the Centre for Policy Studies' work on privatisation and wider ownership prior to its adoption by Margaret Thatcher. As her chief Policy Adviser he helped her deliver a big programme allowing many more people to own homes, shares and a stake in businesses. John has been an Investment Director, the chairman of a quoted industrial group, the co-founder of an investment management business, a global strategist, and the author of books and pamphlets on economic and political topics. A Distinguished fellow of All Souls Oxford, he contributes to current policy and academic debates including recently the reasons the leading central banks have got inflation wrong and the complexities of getting to Net Zero.

In this latest work, John returns to familiar territory set out in his Popular Capitalism and past CPS pamphlets on wider ownership, to explain how important ownership is to democracy and a free society and how it can be advanced for many more people.

John is MP for Wokingham and has been a Cabinet and Shadow Cabinet minister.

# Introduction

Ownership is popular. It is a crucial foundation of a free society. It lies at the heart of Conservatism. Property brings freedoms and opportunities to those who own. From the baby's first protective instincts towards a prized soft toy to the adult's sense of stability in a home they own, ownership is a fundamental state that usually bestows a sense of security and wellbeing. Roots go with traditions. Family property helps create family bonds and fond memories. A sense of place helps create a feeling of belonging.

Ownership is also a core philosophical dividing line between left and right. Socialists try to take property away from people on grounds of inequality. Conservatives want more people to own property. Socialists level down via high taxes and bans. Conservatives level up by providing incentives and opportunity for more people to own. Socialism drives the rich away and makes it more difficult for others to become better off. It creates a pocket money society: people can only keep what the state does not take and should be grateful for the remains.

**‘ Socialism drives the rich away and makes it more difficult for others to become better off ’**

The socialist state prefers it if you live in a rented “social” house, depend on earnings from employment or on state benefits, and have no savings or private pensions to sustain a decent lifestyle. At the same time, socialism creates a class of public sector rich who enjoy better lifestyles based on access to state privilege and higher state salaries. In Communist countries, the children of the elite often attend better schools: the elite have their chauffeured cars and Zil lanes, and access to foreign travel and even foreign investment others are denied. Socialist governments in democratic societies often adopt some of these characteristics.

Indeed, there is a modern puritanism about current left-wing thinking. Many left-wingers peddle an extreme version of the climate change argument, claiming that unless most people sacrifice their car, end their foreign holidays and abandon meat diets, the planet will fry. Their leaders and campaigners live by different standards, seeing nothing wrong in using petrol-powered cars and planes to travel to their Net Zero meetings or to

attend their latest protest to disrupt the lives of others. They want people to swap the car for a bike, to downsize their home to cut the heating bill, and to consent to dearer and less available energy. They oppose the sale of council homes to tenants, wish to impose ever higher taxes on dividends, interest and capital gains, and see much saving and investment as a form of tax fraud against the state or theft from the poor.

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Though they claim to value investment and jobs, these are best secured in their world by state investment undertaken for no profit. They have invented these new ways and reasons to lower growth and lower living standards for the many, alongside more restrictions on freedom as they presume to tell people what to buy. They boss businesses about, telling them what they are allowed to make, and revel in imposing windfall taxes on them if they succeed.

## **The past saw the triumph of free enterprise and democracy**

Winning the battle over ownership is central to making the case for growth and the case for free enterprise. Yet in many ways, it is surprising that we need to do this all over again. Time and again, history has shown the superiority of free enterprise to state direction. Postwar Europe, for example, conducted a lengthy experiment into the rival systems of democratic capitalism versus communism. As late as the 1960s a British prime minister, Harold Wilson, was praising the success of the Soviet planning system, claiming it was good at technology and innovation-led growth. Less than three decades later the Berlin Wall was pulled down and eastern Germans rushed to settle in West Germany, where living standards were far higher, well paid jobs plentiful and freedoms so much greater.

Indeed, throughout the Cold War period anyone could leave the West and seek entry to the Communist empire. In contrast, most citizens of Communist countries were denied travel to the West, and were shot if they dared attempt to escape. What kind of a system is it if you are locked into your homeland by law and by the bullet? I used to argue with socialists and Communists in the UK and USA over why their system was so obviously failing to deliver the higher living standards and the basic freedoms we took for granted. A few were in denial, claiming I was misinformed about the nature of the Soviet regime. Most argued that Soviet communism was not the pure kind they wanted, where equality would coexist with freedom and would by miracle produce the higher living standards most want.

Eventually, given the choice, the countries of Eastern Europe mostly voted to adopt Western-style democracies. They broke free of the rouble (an early single currency...), privatised much of their industry and set about catching up with Western levels of productivity and real incomes. Their successes are living proof of the power of individual and company ownership, of competition and choice, as the ways to drive greater prosperity and happiness.

**‘ Eventually, given the choice, the countries of Eastern Europe mostly voted to adopt Western-style democracies ’**

If people still need an up-to-date example of the failure of state control, they need look no further than Venezuela. A truly socialist government nationalised the all-important oil industry, only to see its investment collapse, its technical staff leave, and its output decline to pitifully low levels.

As the oil revenues dropped off, so the government spent more money on subsidising the poor and state employees, only to create massive inflation as they printed the money to pay the bills. Instead of being kind and supportive to those on low incomes, they left them dependent on state handouts of food – when it was available. The shelves of many shops often went unstocked. The better-off fled in large numbers before they too were impoverished by the manic escalation of prices. Entrepreneurs, investors and others who owned property and resources headed for the exit, or refused to go help as the climate was so hostile to enterprise, profit and success. Socialism had once again put a country on the road to poverty.

## The need for growth

Britain is not Venezuela, let alone the Soviet bloc. It is not what it could be, either. In particular, we have seen an absence of growth. Growth generates the new jobs needed to raise living standards and do new things. It boosts the value of properties, businesses and shares which people own, allowing them to invest more in promoting the new ideas and new goods and services of the future.

Growth in living standards requires new ways of doing things that are faster and use fewer resources. There needs to be a constant striving for better and cheaper. The luxuries of yesterday need to be the commonplace items of today. In the 1950s, TVs and cars were the luxuries of the better off; today, practically everyone has them. In the 1980s, only the well paid had mobile phones; now, they are near-universal – and are also very powerful computers. Seventy years ago, few people took flights. Now almost everyone has access to cheap travel.

**‘Growth in living standards requires new ways of doing things that are faster and use fewer resources’**

One of the ways people stay positive and energetic is via the knowledge that tomorrow can be better than today, that the economy can offer higher living standards to children than it did to their parents. Being able to own is an important driver of seeking growth and success. Owning your own home leads to the wish for improvements, with many people climbing the property ladder from small first flat to larger family home, or by extending and improving a place they have bought to renovate. Owning a stake in the business you work for can make an individual keener for that business to succeed and more positive about its levels of service. Working for yourself is the ultimate alignment between your aims and the needs of your clients and customers, with the imperative of good customer service obvious every day of the week as you seek to attract and retain enough customers to sustain your business.

We need today to roll out more policies to promote ownership and growth. In the rest of this essay, I will suggest a few ways to help make many more people owners, and in particular homeowners. There are, of course, plenty of others we could also explore, sector by sector and place by place.

## Housing for all?

Surveys show that the vast majority of those who rent a home would like to own one sooner or later. They also show that few people who own want to rent – something also proved by the market, since there is little barrier should they wish to switch.

We need as a matter of urgency to take measures to expand the opportunity to own a home of your own. This requires changes by the Bank of England over interest rates and bond trading, and by the Government over immigration and planning.

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### Bank of England and mortgage rates

The main constraints on more people owning homes are the availability of mortgages and the level of house prices relative to incomes (which is driven by both the supply of houses and the wider monetary environment). A long period of ultra-low interest rates made high prices seem more affordable and has allowed lenders to lend higher multiples of income. More recently, however, sharp adjustments in interest rates as central banks scramble to control a great inflation have caused big strains. It is now even more dear for those who would like to get their first step on the housing ladder or who would like to trade up to a bigger or better property.

This was not some unavoidable process. The Bank of England's disastrous decision to carry on printing more money and buying up more bonds in 2021, well into the recovery from the Covid lockdowns, was bound to be inflationary. The excess money forced up the prices of bonds, shares and homes. The ultra-low rates of interest the Bank deliberately created allowed mortgage lenders to advance larger sums as house prices rose. Many people took out two-year fixed or floating rate mortgages.

In 2022 the Bank realised its error and started hiking interest rates to slow lending and cool demand. People on variable rate mortgages faced immediate large rises in monthly payments, while those on fixed terms worried about how big a rise they would face on renewal. The Bank continued this process well into 2023, making things worse for borrowers. House prices started to fall, new home building fell sharply and transactions reduced substantially.

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The Bank justified its actions by saying it needed to cut consumer demand for goods and services and would do so by cutting the amount of money mortgage-holders had to spend after paying the mortgage. This is a blunt way to hit inflation and entails a housing recession, stopping others from buying a home and reducing the supply of new homes at a time when we are still short.

To make it worse, the Bank has shifted from buying up bonds to keep interest rates low to selling those bonds to drive lending rates higher. The Bank has done quite enough tightening to bring inflation down and should not inflict further damage by raising rates again. It should stop selling bonds in the market to ease a bit of the pressure on mortgages. It should stand ready to lower rates again as the impact of its severe money squeeze delivers further falls in inflation.



## Promoting home ownership

There are also various ways government can help people achieve home ownership

These schemes should be revisited to make them attractive and promote them more.

- **Public sector housing sales**

As the Centre for Policy Studies has called for, any tenant of a council or state-financed quango who has followed tenancy rules and paid the rent on time should be eligible to buy their home at a discount. The proceeds from the sale should be reinvested in new social housing construction.

‘ The injection of new capital from buying the home off the state means there is more money available for social home provision ’

It is a myth that these sales reduce available housing, as the same family lives in the home after sale as before. The injection of new capital from buying the home off the state means there is more money available for social home provision. The state can spend the proceeds of the sale on new build to expand the overall stock.

- **Supporting self-build**

As recommended in the Conservative Party’s manifesto, councils should make planning permissions available for self-build. They can also free land from their holdings to sell it to people who would like to self-build.

- **Homesteading**

Where the Government or a Council owns rundown property suitable for modernisation or conversion into residential use, it should offer this at an attractive price to people willing to improve the property themselves. The state often holds derelict or empty property for long periods, tying up capital and losing more money as the buildings deteriorate.

### • Shared ownership

There should be more social housing built for shared ownership schemes. These should be flexible, offering a sufficiently large proportion of the property for purchase according to the means of the tenant, and allowing purchase of more equity as the person's financial position improves. Shared ownership is popular. The criticisms usually relate to the size of share people are allowed to buy at outset and thereafter. People are keener to own more, while the state is often reluctant to share more of the equity with the buyer.

### **Reduce the demand for homes through controlled immigration**

If we want to expand home ownership, the Government needs to restrict legal migration into the UK more, and complete its plans to end the flow of illegal migrants across the Channel in small boats.

**‘ Inviting in an additional 600,000 people a year, as we did last year, places a huge strain on housing, and is well in excess of the rate of new homebuilding ’**

Inviting in an additional 600,000 people a year, as we did last year, places a huge strain on housing, and is well in excess of the rate of new homebuilding. The position is even more acute in some areas. Whereas emigrants from the UK may come from a wide variety of areas, many of the new arrivals wish to live in a limited number of cities, making the pressures there far more acute. Many migrants of course need rented accommodation, often leading to higher purchase prices paid for properties which are then adapted for more people to live in, to support the higher prices paid.

The UK Government should therefore do more to assist labour-intensive areas of activity like farming, care and hospitality to obtain more digital and machine support, better training and enhanced, more productive roles for the people they do need. In agriculture, for example, grants should be switched from wilding to helping businesses wanting to mechanise: to put in vertical market gardening in greenhouses with easier picking, or for fieldwork introducing more drones and smart tractors.

We want a higher productivity, higher pay economy, not a cheap imported labour model. Indeed, housing policy shows the cheap labour model may deliver willing workers for low pay to the employer, but it also delivers an expensive headache for the state to find subsidised accommodation for new arrivals who cannot possibly afford to buy a home of their own. Reducing demand for homes due to new arrivals would ease pressures on domestic supply and prices, and also address a key source of voters' concerns about new housebuilding: that the supply will be monopolised by new arrivals rather than locals.

### **Planning for more ownership**

Even after reducing demand pressures by cutting migration we will need more homes. As people become better off, they will also want more rooms and better facilities in their homes.

Socialists want to allocate homes by size, wishing to get people to downsize where they judge they have too big a house, and condemning all idea of having more than one property if people need (or want) to live in more than one place. In a prosperous democracy, we can do better than that.

**‘ The UK has had some great successes with its garden towns and villages, which can be well located in relation to existing large conurbations, motorways and main rail routes ’**

The Government is looking at where it can allocate more land for housebuilding. On that front, the idea of new towns is worth revisiting. The UK has had some great successes with its garden towns and villages, which can be well located in relation to existing large conurbations, motorways and main rail routes. Central London remains a magnet for many people and businesses. Its green lungs, the great parks and the garden squares are important breaks in the built landscape. As someone with a small flat in a tall block I would have no objection to further high blocks being added in central locations, as has happened in recent years by the river.

Where new homes need to be located near to where people already have good homes, often with greenfield views, two requirements need to be met. First, those who are adversely affected should be offered compensation from the planning gains the developer or owner is making. Second, the state and the developer need to agree how to put in sufficient road, rail, healthcare, school and other provision and a suitable share of costs. That infrastructure needs to go in before the homes to reassure the settled community and to be ready for the new residents when the homes are sold. Permitted development rights could also be made more generous.

### **Mortgages and the market**

Even when houses are available, it can be too hard for people to buy them. In particular, some say there is not enough flexibility of product in the mortgage market.

There is no reason why this should be true. It is possible for a bank or building society to offer short-, medium- or long-term fixed-rate loans, variable rate loans or more exotic products. The UK has large and well developed bond and interest futures markets, which means any bank can protect itself against interest risk when lending longer to people.

**‘Infrastructure needs to go in before the homes to reassure the settled community and to be ready for the new residents’**

Government could therefore review with mortgage providers and solicitors what is slowing down property transactions, breaking chains or putting people off completing. The national system of registered land certainly helps establish good title more easily. However, the increasingly complex rules on environmental issues need review. We can also improve the system of buying and selling, for example by helping owners keep a running file with the crucial documents about their house and relevant manuals for the house’s systems, so when they wanted to sell document assembly and disclosure was easier. Enquiries of local authorities before contract exchange could be improved and speeded up by work with local government.

Finally, over-intensive implementation of EU rules against money laundering has delayed and made more costly the task of transferring money and

property between buyers and sellers. The Government should amend the law to exempt cash held in UK bank accounts and primary residences owned by UK citizens from any money-laundering checks, as all that money and property has been through such controls to get into the system before. Of course solicitors and agents executing transactions should ask questions of buyers seeking to use foreign-based cash and deposits to buy a UK property, and should ask UK citizens with multiple homes how they have been paid for and declared for tax. However, successful anti money-laundering policy requires concentrating on the few where malpractice is more likely or possible.

## Working for yourself

Ownership is not just about home ownership, though that is of course a core part of the mix. We need to spread ownership into every walk of life.

This decade, for example, we have lost 700,000 self-employed people. Part of this was the Covid lockdowns, but a lot of it may have been the 2017 and 2021 changes to the IR35 taxation regime. HMRC are right to want to stop people who in practice work for one employer declaring themselves self-employed for tax advantage. This can however be done through fairly simple tests - how many sources of payment does someone have? Do they receive employee benefits such as paid holidays and sick leave? Do they have a website or other sales materials offering their services to others on a continuous basis?

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In their enthusiasm to stamp out some malpractice, the Revenue have now made it very difficult to build a multi-client business, especially if you want to sell to larger companies. Businesses do not want to get tied up in any disputes with the Revenue over a contractor’s status, where they may suffer loss or reputational damage if the judgement goes the wrong way.

We need to go back to the position before the changes. A newly self-employed person may start with a single customer and contract. If it is clear

they are not an employee and are offering the same service to others, they should be given a grace period to get more than one source of income.

Self-employment is the ultimate form of accountable and flexible business ownership. The business owner is responsible for the whole design and delivery of the good or service, and benefits or loses from whatever profit or loss the turnover generates. Successful self-employed people can go on to grow a substantial business employing others, or they can perfect their offering while keeping it select and avoiding the complexity of employing others.

**‘ The self-employed provide fast responses to changes in market conditions, and can often add or subtract capacity quickly when moods change ’**

Self-employment often produces important innovations. Sometimes it is based around a franchise with a large company, where the self-employed person gets help with a national or regional brand and some product or service support. The self-employed provide fast responses to changes in market conditions, and can often add or subtract capacity quickly when moods change.

## **Being part of a small business**

Like self-employment, small business offers flexibility, innovation and good customer service, often personalised. Many small businesses grow out of self-employment, when the self-employed person takes the important step of employing someone else and expanding their activities.

In the early years of a small business, the demands on the time and expertise of the prime owner and manager can be large. Managers who may have emerged from a trade or craft, from a passion they were good at, are suddenly expected to be experts in swathes of tax law, general law affecting business, health and safety, and anything specifically relevant to their field. They may lack the money to take all the expert advice they could do with, and have limited resources to hire staff to deal with government-related matters. By contrast, large businesses may have personnel

departments to handle employment law, treasury and tax departments to handle money, enforcement departments to handle industry-specific regulations and so on.

To allow more small businesses to be formed and to get through their early stages of growth, government needs to be more understanding of these limitations – while of course insisting on safety and fitness of product, and safety and fair treatment for employees.

**‘ In the early years of a small business, the demands on the time and expertise of the prime owner and manager can be large ’**

Currently, small businesses are spared the need to impose VAT, and enter the complex accounting and reporting requirements for this sales tax, at a turnover under £85,000. This was the maximum allowed under EU law. Now we can make our own tax decisions, this should be raised to £250,000. This single measure would give a big boost to the capacity and growth of the small business sector, since many businesses deliberately limit their activity to keep beneath the threshold.

Raising the limit is said by the Treasury to lose us revenue. As small businesses grow their turnover so they will report more business which will yield more tax revenue from the extra VAT and income taxes the additional activity brings. More business will be reported for other tax purposes when illegal cash transactions reduce.

Small business allows the evolution of family companies and businesses formed by friends and partners. It can also lead to more people having a stake in the business they work for, since owners can easily grant equity or revenue shares to people they like to have working with them.

## Sales of public sector assets to their employees and customers

The public sector has a big productivity problem. Even as the private sector saw productivity increase, public sector productivity over the 25 years before the pandemic essentially remained completely flat – before collapsing under the impact of Covid. This happened despite that quarter-century being a time of huge advances in handling administrative and clerical functions via advanced computers and mobile communications.

There are many ways this can be changed. One is to enable public sector employees to organise their activities for themselves following management and employee buy-out.

In government, I did a lot of work on these possibilities. The purchase of National Freight by the lorry drivers who ran the trucks the state owned showed what could be achieved. They quickly improved the business they bought, increasing its productivity and profitability once outside public ownership.

**‘ The purchase of National Freight by the lorry drivers showed what could be achieved. They quickly improved the business they bought, increasing its productivity and profitability ’**

The nationalised coal industry was keen on closing pits on the grounds that they could no longer be worked profitably. It always seemed likely to me that a smaller business, preferably with miners as co-owners, could work the coal profitably where the NCB could not, by reducing its large overhead and inefficiencies. My wish to offer pits to miners after the bitter strike in the 1980s was lost as an idea by someone leaking it before it had the full support of the Prime Minister.

It was only when I was in the Cabinet that the opportunity arose to try the idea out in practice. In 1995 the NCB was determined to close the Tower Colliery in Wales. I worked with the miners on an employee buy-out of the mine, as they were rightly convinced there was plenty of coal there ready to get out. Although the rest of the government wanted to back the NCB in



its view the mine had to close, as Secretary of State for Wales I persuaded other ministers to let the miners have a chance at proving the Coal Board wrong. They did so convincingly, taking over the mine and running it successfully for another 13 years. It was a vivid illustration of how employee-led businesses could do things large nationalised concerns could not do. They even paid the Coal Board for taking the mine off them when the Coal Board would have spent money on closure costs and redundancies.

### **The People's BBC**

So what are the opportunities today to copy that kind of thinking? The most obvious state service that could be transformed by wider ownership is the BBC.

The BBC currently depends on revenue from a tax on people watching live TV. Its revenues are being eroded by the switch of many people to downloading and streaming rather than watching live on traditional channels. It is losing viewers to its new competitors, and is often out of touch with much of its potential audience thanks the way its news division and some of its other output concentrate on a narrow set of attitudes and interests. It has become a major voice of the Net Zero movement, a robust supporter of international governance, and a doughty opponent of populism.

**‘ The BBC currently depends on revenue from a tax on people watching live TV. Its revenues are being eroded by the switch of many people to downloading and streaming rather than watching live on traditional channels ’**

There have been various suggestions for how the BBC could be put on a firmer financial footing for the future as the change in how we consume and pay for media continues around it. It could take adverts to pay for some free-to-use services. It could charge for parts of its output. There could be a specified government grant for genuine public service elements, as with the World Service. It could exploit its large back library of good material more. It could subsidise UK output via its success in selling programmes to the export market.

The current management is not keen on developing these ideas, as they see it as a feasible aim to defend the licence fee tax model. This looks optimistic given the increasing numbers of people who are happy to be without live TV, and the numbers who refuse to take out a licence even if they are not. Enforcement is expensive and imposes a burden on the courts.

The best way to resolve this surely is to ask the people, the present and potential users of the service, what service they would like, which parts should be free and how it all should be paid for.

The government should therefore announce that the BBC will be given to the licence payers. On a stated date anyone who is paying a licence fee would be granted a single share in the BBC, which would be newly incorporated to reflect its changed ownership. Only UK residents would be eligible as licence fee payers from their stated UK address. It could also be a requirement that anyone wishing to sell their share had to sell it to a person or company resident in the UK. The government would also announce a phased reduction in the licence fee over a suitable transition period, and would decriminalise non-payment, making the licence fee a normal service charge. The BBC could charge more for stated services where people consented to pay.

It would then be up to the new shareholders to decide who they wished to employ as board members and as director general. There would likely be interesting elections to the board as candidates set out their ideas for the future direction of the service to the participating shareholders. Some would want to define a clear public broadcasting element and pitch for continuing government grant for that. The Government itself could ask the BBC to provide things like the World Service for a fee, or could put out the requirement to tender.

There would doubtless be many new ideas on how to harness the reputation and back book of the BBC in world media markets. Given the BBC's diminishing scale compared to the emerging new media giants, the BBC could also raise additional share capital and take out a long-term loan to beef up its financial firepower and expand its activities more rapidly. It would be good to have the BBC as a more positive and financially enabled competitor in global markets.

## **Make NatWest a people's bank**

The Government still owns 38.6% of NatWest, worth more than £8bn at current share prices. It is planning to sell this slowly in modest tranches as it has been doing for some time.

**‘ It is certainly true that the state should not be owning large commercial banks. It creates a conflict of interest when it is the tax authority and banking regulator ’**

It is certainly true that the state should not be owning large commercial banks. It creates a conflict of interest when it is the tax authority and banking regulator. It has also been a poor owner, with the shares still way below the original purchase price some 14 years ago.

Instead of piecemeal sales, the rest of the shares should be offered in a single major transaction. The sale should be conducted like previous large utility privatisations. The financial community should be free to bid for shares for their clients, but there should also be a retail market offer of shares direct to the public. There should be discounted shares, and some free shares, available for staff to help build a greater identity of interest between employees and the bank.

## **The agencies of government**

Modern government carries out various activities through so-called arm's length bodies. The idea was to split off those activities which are technical or non-political from the more sensitive matters that form the substance of political dispute. Decisions on what roads to build, what rules to impose on road users and how to tax them reside with the government departments. Building new strategic roads and maintaining existing ones rests with the Highways Agency, on the grounds that all parties will want that to be done well at least cost. Similarly, decisions on how to licence and supervise vehicles are taken within government, but the management of the licences is undertaken by the Driver and Vehicle Licensing Agency.

For the reasons outlined above, ministers should review all these bodies and talk to staff and management in them about a possible employee buyout or partnership model, to harness greater efficiencies and to empower staff by being part-owners.

## Conclusion

Many share a passion to own. Having your own house or your own car or a stake in the firm you work for brings pride and a sense of greater security. Many people take greater care of their own property than of public property, and most seek value for money in anything they spend on – whereas there can be a more casual approach to spending taxpayers' money by politicians and officials.

Polls show that ownership is popular, and many would like to feel they are participating through ownership in the gains that come from the assets concerned.

**‘ There are still too many people with too few assets. It is time to launch another ownership revolution ’**

This pamphlet has identified some ways to make it possible for more people to realise their ownership dreams. It has also touched on how the vast public sector, with all its financial resources and substantial asset base, could be revitalised by allowing more shared ownership and participation.

The UK has a major public sector productivity problem. There are still too many people with too few assets. It is time to launch another ownership revolution. In the Thatcher period, the Centre for Policy Studies pioneered great ideas to help everyone become an owner. It needs to continue its efforts today. The UK should not slip back into nationalised railways, government-directed water and energy companies and an ever larger Civil Service trying to mend the holes and cover the cracks. Instead, we need another healthy dose of private investment offering choice, quality and ownership for the many.



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