

## [Is Britain good for business?](#) [1]

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Is Britain good for business?

On Thursday I debated in the Cambridge Union alongside Damian Reece and Willie Walsh. The motion was that "This house believes Britain is no longer a capital for business." I asked for four facts to be entered in evidence.

The first was the 50 percent top rate of income tax which, according to the IFS, the ASI and the Treasury, raises no money and may even cost public funds. It is there simply to punish high earners and high achievers. Secondly I cited the 28 percent rate of Capital Gains Tax, pointing out that it motivates people to leave capital tied into yesterday's industries instead of freeing it up to invest in tomorrow's wealth and job-creating enterprises.

Thirdly I listed the current 25 percent rate of Corporation Tax, highlighting the fact that it is double the 12.5 percent levied in the Irish Republic. This, I said, is why Google and other firms chose Ireland rather than Britain for their European HQs.

Fourthly I identified the retroactive legislation announced to take a further £500m from Barclay's. For that relatively small sum we had sacrificed centuries of the rule of law and sent a clear message to foreign firms that even if they behaved within the law, the Treasury might change it afterwards to take more money from them.

In addition to those four facts, there was, I suggested, something else. It is a widely prevalent anti-business, anti-achievement culture, partly fanned by the media, in which success is disparaged. Business, which alone creates the wealth whose division is argued about, is derided every day in the media and in popular discourse, leaving politicians afraid to defend it.

For these reasons, I claimed, the Cambridge Union should regretfully and reluctantly conclude that Britain was no longer good for businesses. By a narrow 4-vote margin they agreed with me and did so.

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