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The wrong agenda [1]

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There is a damaging focus on taxation instead of growth. Media and politicians, egged on by ideological enemies of business and markets, are talking about ways of making corporations and 'rich' individuals pay more in taxation. Tax avoidance and use of the legitimate means people use to reduce their tax liability are being denounced as wicked, and ways are being sought to curb this activity.

The emphasis is totally wrong. Those who think the economy would be in better shape if more of its resources went to government are simply wrong. Government does not use those resources as wisely as private citizens do. It neither spends nor invests as effectively. It is prone to vast wastage and to the direction of expenditure to serve the ends of politicians rather than those of private citizens.

The agenda is misguided. Instead of concentrating on ways that would give government more of our resources, it should be focused on ways to allow us to generate more resources. Investment and job-creation should be made more attractive by a policy of lower taxation and lighter regulation. If it is easier and more rewarding to engage in economic activity, people will do more of it. The aim should be to have fewer resources directed to government, and more of them to growth.

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