

FINANCIAL TIMES

Why Britain cannot afford not to cut taxes

By Lord Blackwell

Published: November 29 2004

From Lord Blackwell and others.

Sir,

We believe that reducing the tax burden should now be a major priority for the UK. This reflects our view that a low tax economy is highly beneficial in encouraging enterprise and wealth creation, and in curbing the waste, low productivity and intrusive power associated with an overlarge state.

It is clear that recent large rises in public spending and taxation have not delivered commensurate improvements in public services. Instead, the priority should now shift to reducing taxes on wealth-creating businesses and on the millions of families for whom the ever increasing tax take is a damaging imposition on their ability to support themselves in raising children and saving for retirement.

It is therefore vital that, at the very least, the government of the UK should be committed to containing further growth in public spending to below the rate of growth in the economy as a whole. This will not only avoid the need for any further rise in the tax burden, but also enable the tax level to be progressively reduced.

We simply do not accept that the government can get better value for each extra pound it spends than those who have to pay the extra pound in tax. Rather than asking if we can afford to cut taxes, we should take the view that we cannot afford not to cut taxes - and to discipline spending growth accordingly.

Lord Blackwell, Chairman, Centre for Policy Studies Ruth Lea, Director, Centre for Policy Studies Andrew Allum, Chairman, TaxPayers' Alliance Matthew Elliott, Chief Executive, TaxPayers' Alliance Henry Angest Sir Michael Cobham Sir John Craven Damon De Laszlo Lord Derwent Patrick Evershed Sir Rocco Forte Sir Brian Goswell Sir Ronald Grierson Michael Heller Keith Hodgkinson Tim Ingram Lord Kalms Professor Graeme Leach Sir Nigel Mobbs David Newlands Sir Mark Weinberg Stuart Wheeler Dan Lewis

The full list of signatories;

Adam Afriyie
Henry Angest
Peter Baker
Grahame Berkeley
Sir Michael Bett
Julian Blackwell
John Blundell
Jamie Borwick
Keith Boyfield
Iain Breese

David Briggs
Simon Camamile
Paul Carter
Stephen Catlin
Lord Chadlington
Robin Clark
Sir Michael Cobham
Tim Congdon
Anthony Coombs
Alistair Craig
Sir Michael Craig-Cooper
Sir John Craven
Damon de Laszlo
John Dembitz
Lord Derwent
Dr Walter Eltis
Patrick Evershed
Nicholas Finney
Sir Rocco Forte
Gerald Frost
Anthony Fuller
Edmund Gartside
Anthony Good
Kit Hunter Gordon
Sir Brian Goswell
Sir Ronald Grierson
W T J Griffin
G Grimstone
George Guise
Sir Ronald Halstead
Peter K Hargreaves
William Hargreaves
David Harvey
Michael Heller
Jonathan Hodge
Keith Hodgkinson
Lord Hodgson of Astley Abbots
Kit Hunter Gordon
Tim Ingram
William S James
Lord Kalms
Gerald Kaye
Jill Kirby
Professor Graeme Leach
Dan Lewis
John Littlewood
Dr Gerard Lyons
Stuart Lyons
Michael Mander
Dr John Marks
Keith Marsden
Martin McElwee

Edgar Miller
Ian Milne
Professor Patrick Minford
Professor Kenneth Minogue
Mrs Victoria Mitchell
Sir Nigel Mobbs
Peter Morgan
Professor David Myddelton
David Newlands
Eric Nichols
Mark Nicholson
David C Ord
Sara Pearson
Lord Pearson of Rannoch
Andrew Roberts
Roger Scruton
Nick Seaton
Christopher Shale
Richard Sharp
Giles Shepard
Sir Benjamin Slade
David Soskin
James Sproule