

UPSIDE PODCAST — #Episode 101

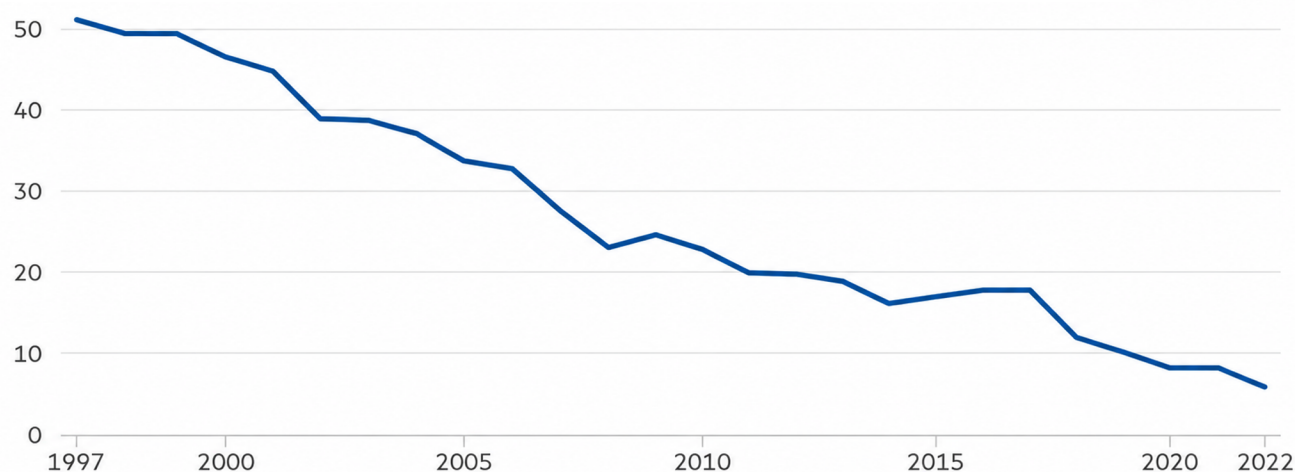
Britain didn't lose its ambition. It regulated it away.

Three well-intentioned reforms. Three unintended collapses. Here's how a risk-free society became a growth-free one.

PENSIONS

A pension scandal in 1991 is why your pension *isn't invested in Britain today.*

Robert Maxwell stole £450 million from his employees' pension scheme. The response was sensible: new rules to protect savers, including a requirement to value investments as if they sat in gilts, even when the money was actually in equities or venture capital. **The result: pension fund allocation to UK equities collapsed from over 50% to just 4%.**



HOUSING

After Grenfell, *London stopped being able to build homes.*

72 people died in a preventable tragedy. The response was necessary: the Building Safety Act, new gateway approvals, mandatory second staircases. But new London homes built fell from 5,000 a year to just 33, an 84% collapse, *because the approval process became nearly impossible to clear.*

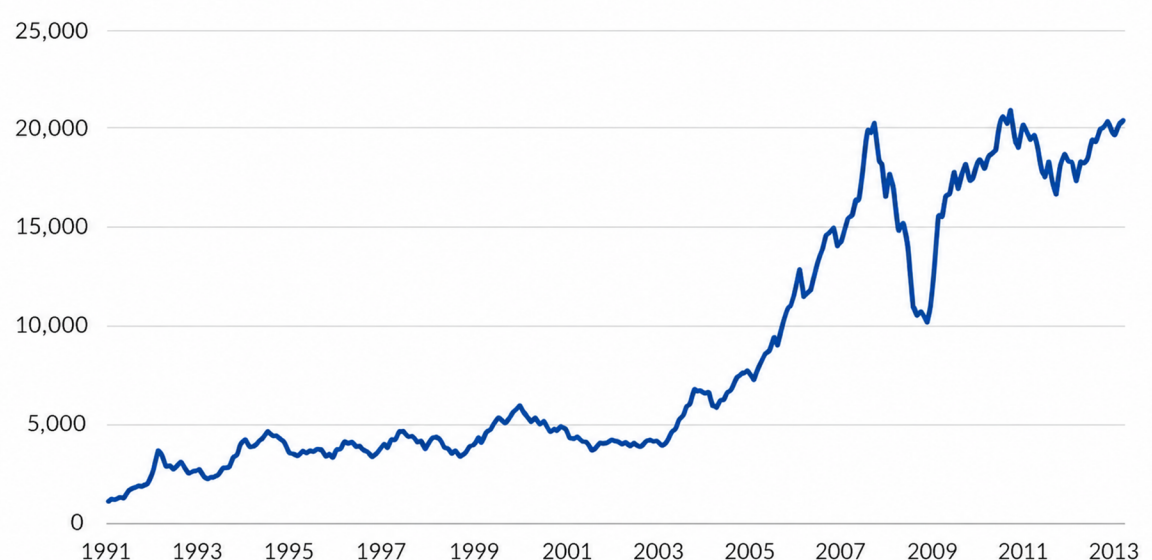
GRENFELL
NEVER AGAIN

BANK LENDING

The 2008 crash still shows up in *small business loans today.*

After the near-collapse of the banking system, capital requirements rose sharply and retail banking was ring-fenced. Necessary at the time. But lending to small and medium businesses fell from 10% of GDP to roughly 6-7%, **starving the young companies that need capital to grow.**

S&P BSE SENSEX



THE INFRASTRUCTURE COST

HS2 costs £600 million per mile. *Japan managed £50 million.*

Spain built high speed rail for £25 million a mile. France for £46 million. Japan for £50 million, with half the new track tunnelled through mountains. Britain has no mountains and no excuse. *The gap isn't engineering. It's decades of accumulated rules, each one reasonable on its own.*

CLOSER

Every rule was built to prevent the last disaster.

Together they're preventing growth.

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