

## Are attitudes to ownership changing – and does it matter?

One of the most significant business announcements last week was Rupert Murdoch's sale of 20 Century Fox to Disney. This huge acquisition demonstrated graphically how streaming is the new medium for 'consumption on demand' access, rather than ownership.

This change is rolling across the consumer society at speed: we see it in music (iTunes and Spotify), in books (Kindle), and we're told it will soon reach us in cars as driverless technology takes hold.

The move away from ownership of things is also spreading into home ownership, although perhaps for reasons of unaffordability rather than a desire for renting. However it is also the case that more flexible career patterns can provide a motive for young people to carry on renting.

Is "An Englishman's home is his castle" still a motivator for home ownership across the generations, or have decades of inflated property markets propped up by bargain basement interest rates taken their toll on this great statement of ownership?

And where does all this leave business ownership? Here there are two indicators:

- the attrition of public markets as private equity intermediation reduces access to share ownership from individuals - addressed in our newsletter of 6 November;
- the strong level of support for Corbyn's radical left policies among young adults, and in particular their support for nationalisation (with the interesting exception of energy)

So does ownership matter? I would say that it does, because a sense of ownership is fundamental to taking responsibility. Someone who owns their home generally paints the walls and cares for the garden: someone who rents, leaves it to the landlord - and more often than not the property suffers.

This link between ownership and responsibility varies between asset types. In home ownership it is very evident, and it is also the reason why employee share ownership is so prevalent throughout business. In areas such as music, films, bicycles and cars it matters less (although we are denied the pleasure of giving away books or CDs to friends or colleagues as we used to, because they no longer belong to us but to the network provider).

Ownership of savings and investments - and property, as the mortgage gradually falls away – is, of course, also what gives us economic freedom. If we rely on debt and credit cards to provide rainy day liquidity, that freedom is restricted to what the banks will allow us to do. Economic freedom is as important as political freedom, and the fact that it is practically non-existent (except via debt) for half the population is a major indictment on our society.

But ownership is, of course, temporary: just like our lives. We come into this life with nothing and we will leave it with nothing. So the concept of stewardship is also important: our duty to look after the things that are entrusted to our care during our lifetime - including, of course, the environment.

This brings us on to the contrast between individual and collective ownership, and whether the latter can ever engender the same sense of responsibility as the former. Collective ownership means intermediation, and intermediation means separation, whether by the state or by financial institutions.

And how are attitudes towards ownership and responsibility are changing between age cohorts?

So many questions, so few answers.

When I was at university in the early 1970s, I came across a hugely intellectual book called 'The Political Theory of Possessive Individualism' by C.B. McPherson. I cannot claim to have understood much of it, but there does seem to be the need for someone to do some digestible research today and bring some of these theories up to date. A cursory check on the internet indicates that such a high-level analysis is sadly lacking at this time of such significant change, whether that has been forced by technology or by persistently low interest rates.

Any volunteers?

Gavin Oldham

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