

## Dissenter's corner

The editor of Progress, in a distracted moment, has invited me to submit a regular column to this august journal. As I am quite frequently found foaming at the mouth in a Georgist rage in various letters to the editor's pages of whatever newspapers I have the addresses of, or ear-bashing some unfortunate captive whenever I have half a chance, I leapt at this golden opportunity, and will try to do justice to his rash invitation.

In each issue, I aim to range over one or some of the following broad areas:

- Hot topics: Burning issues of the day such as "tax reform" and associated lurks. If there happen to be no issues smouldering at the time, I will attempt to ignite one.
- Web News: What's happening on the Internet. How we can access and make positive use of the vast resources of the Internet, including "NewsGroups" to further the cause of Georgism. I will try to keep an up to date list of relevant sites and links.
- Comments on Georgist issues and initiatives at home and abroad. Often a Georgist group in some far flung place will come up with a bright idea on promoting our common cause. I will keep my eyes and my web-feelers out for such things and pass on the information.

Comments, suggestions or arguments, (but no out-and-out abuse, unless it's witty), on subjects covered in this column are welcome, so please feel free to contact me either through the Editorial Office or directly at aob@senet.com.au

I would like to start the ball rolling then with a bit of frothing at the mouth on what is, or should be the hot topic of the decade.

### **The sale of public assets – Have we the right to privatise community resources?**

Should the community, through its government, own and maintain all the infrastructure – the roadways, the

cables, the airports and seaports, airways, shipping channels, rivers, electromagnetic wave-bands and broadcast channels – and only allow private enterprise to bid in an open, unrestricted market for the right to come in as licensed competitive operators on these communication channels, subject, through regular review, to the continuing approval of the community? Or have we the right to sell or hand over control of these publicly funded assets into private hands?

Nicholas Tideman in *Land And Taxation* suggested that:

...Political redistribution also occurs within nations, as with the English enclosures and Scottish "clearances", when one part of the population in effect conquered the rest by political machinations, and took over their land, their source of livelihood. Re-appropriation and new appropriation of tenures is not just an ancient or a sometime thing but an on-going process. This very day, proprietary claims to water sources, pollution rights, access to rights of way, radio spectrum, signal relay sites, landing rights, beach access, oil and gas, space on telephone and power poles (e.g. for cable TV), taxi licenses, etc. are being created under our noses. In developing countries of unstable government the current strong man often grants concessions to imperialistic adventurers who can bolster his hold on power by supplying both cash up front, and help from various US and UN agencies from the IMF to the United States Marine Corps.

Or, as one of my heroes – a philosophical antecedent of Ricardo, Adam Smith and Henry George – Gerard Winstanley, famed leader of the Diggers Movement in England in the middle of the 17th Century, so eloquently said:  
"The poorest man hath as true a title and just a right to land as the richest man... by the Law of Creation it is everyone's and not a single one's. Kingly government was that of the highwayman who had stolen the earth from his younger brother."

I think the admirable Winstanley could not have disagreed with Nicholas Tideman in including all public resources in the word "land".

The wealthy, through their corporate instruments, as ever, are the proponents, initiators and the biggest beneficiaries of the current epidemic of public asset sales. This massive, world-wide fire sale is simply the latest chapter in the time-honoured and never-ceasing history of the transfer of wealth from the poor to the rich.

The sale of public assets is an antisocial development which:

- alienates and disenfranchises forever all those who do not take up shares in the privatised enterprise.
- when accomplished through public floats, as in the cases of Telstra and the Commonwealth Bank, undermines community opposition to the introduction of laws which facilitate worker exploitation, by buying off large sections of the community whose goal then becomes profit rather than the community benefit.
- further cripples the already emasculated labour unions, whose superannuation funds may well invest substantial sums in such privatised utilities as Telstra or the Commonwealth bank, and thereby severely compromise their own ability to defend their members who work in these privatised organisations against inadequate wages, rampant casualisation, declining conditions, unfair work-practices, threats of redundancy, etc.

The community, as the only rightful owner and guardian of a country's resources such as physical and electronic communication channels, water supplies, national issuing banks, power-generating authorities, etc., have no right to even consider the sale of any of these enterprises even if asked, through a referendum to do so. A community resource such as a coal or gas field, a communica-

tion channel, or an oil deposit, is no different in this respect than is land. Since, not having made them, we cannot own these things in the first place, we don't have the ethical right to make such a decision. We would be making such a decision on behalf of those not yet born, on behalf of immigrants and refugees not yet arrived, every single one of whom have a just and equal right to expect that access to these resources will not have been privately monopolised for all time by a previous selfish, corrupt and ignorant generation.

We tend, these days to associate the word *monopoly* with the worst evils of the capitalist system; with rapacious corporations cornering markets in essential commodities and such. A private monopoly is vastly different from a public one. The beneficiaries of the private monopoly are the directors and shareholders and bribe-payers of the corporation. The beneficiaries of a public monopoly such as a power-generating plant, a water pipeline system or a (toll-free) road network are the members of the community who operate and use the resource to the benefit of the community. The community does not need to make a profit; as any surplus income goes back into maintaining and improving the resource.

There are some functions in a community such as the provision and maintenance of the infrastructure that are the rightful, logical and just preserve of government as representative of the community. The building of the actual channels, such as roads, railway lines, power lines etc., may be undertaken by private enterprises, but the ownership of the land and resources which the infrastructure occupies must in all justice remain with the community. The operator of the service itself may be a private company in competition with whoever else wishes to compete in that field, but the ownership of the land or other resource should never be sold. We do not have the right to do so. These resources not belong to anyone, but are simply guarded and maintained and improved by the community for future generations. To steal these resources from the people and sell them to individuals, companies or corporations is a crime against society. It is theft. We have no right

to sell Telstra, the water systems, the electricity generating authorities or any other utility to private corporations. When this is done, the benefits which were enjoyed by all the community are redirected to only a few privileged individuals. When you buy shares in a privatised public resource you are stealing from your fellow citizens. You gain at their expense.

The sales of our public assets; the Commonwealth Bank, The Federal Rail System, water supply and power generating authorities and Telstra have this in common: They all represent the full or partial transfer of a publicly owned resource into private hands. The beneficiaries are no longer the citizens but the directors and shareholders.

The implications of these fire sales is not fully appreciated. What happens in a case where for example, Telstra's bean-counters, masquerading as economists, decide that, to maintain profitability, it is essential to contract out the manufacture of a particular component to some slave labour camp in China, Indonesia or Burma. Or that the wages of the linesmen in Cobar or Bendigo exceeds that of some hoveldwelling pauper in the Philippines or Sao Paolo, and needs rationalising? The shareholders are now the same people who a few years ago would have had the decency that is the preserve of most fair-minded citizens to object to such anti-social manoeuvres. But now those people are shareholders in a private, bucaneeering enterprise; and the board assures them that their proposal is the only real option. Otherwise the window-of-opportunity will slam shut, world-best-practice won't be practised, Standard & Poor will frown, the competitive edge will be lost and the share price will plummet! These mums and dads, the new participants in major corporatism will acquiesce while shaking their heads sadly at the injustice of it all, and shrug resignedly, "Anyway, the whole process seems so inevitable, and its our retirement income we're talking about."

What a brilliant and cruel and cynical trap! What a sleazy amoral deceit! What snakes are these who are performing this three-card-trick with

our assets, with our resources, in exchange for a pat on the back from the fund-manipulators, a vote or two and a few dollars from the pawn-broker? Talk about short term gain for long term pain! Maybe now we are experiencing a tiny inkling of how indigenous people around the world must have felt when they were conned into swapping their lands and resources for pieces of worthless parchment and a few handfuls of poisoned shiny trinkets.

Encouragement of small investors into the stock market to buy a piece of stolen community property is like giving your potential enemy or critic a crumb from your feast, a minute portion of the spoils of the crime in order to undermine their possible opposition to your activities. How many small shareholders of Telstra, the AMP, the Commonwealth Bank or Qantas are going to make a fuss when 'their' corporation, the guardian of their retirement income wishes to bypass or circumvent environmental or social legislation; or when they decide to maximise this year's dividends by rationalising away the livelihoods of another few thousand of your fellow citizens; or in the interests of the bottom line, to move this or that corporate function offshore to some third world slave market. It's to the shame of us all if we let their corrupt and barren philosophy prevail.

Having got that off my chest; here are a few quotes to round off the evening or fill in the corners.

"The market is not an invention of capitalism. It has existed for centuries. It is an invention of civilization."  
Mikhail Gorbachev (June 8, 1990)

"We shall never understand the natural environment until we see it as a living organism. Land can be healthy or sick, fertile or barren, rich or poor, lovingly nurtured or bled white. Our present attitudes and laws governing the ownership and use of land represent an abuse of the concept of private property... Today you can murder land for private profit. You can leave the corpse for all to see and nobody calls the cops."  
Paul Brooks, *The Pursuit of Wilderness* (1971)