

# Reviving the Commons

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*Brian Davey is editor of Sharing for Survival (Feasta, 2012). He considers Plunder of the Commons: A Manifesto for Sharing Public Wealth by Guy Standing (Pelican, £9.99)*

Anyone looking for an excellent description of the damaging effects of austerity will find it in this book. Anyone looking for an analysis of the ecological crisis and what to do about it may be disappointed. It seems to be very difficult to find both sides of the crisis of modern times integrated in the writings of any contemporary author – or in policies of any political parties. This fragmentation is an integral aspect of the crisis. It is a major part of our problems.

That is not to say that Guy Standing has not tried to provide an integrated answer to all the problems and his theme, the plunder of the commons, and the need to protect and share public wealth, is a good place to start. As he writes in chapter one, ‘It is not just land. Everything we hold or use in common or intended for public benefit – from parks to police, from schools to sewers, even the air we breathe – is under attack’. (p 14 )

The attempt to span all the issues and put them into a single Charter for our times is laudable. But you need to know your stuff if you are going to propose meaningful policies to go in a Charter in which a central part is to protect the ecological system. More than that, you need to realise that when it comes to protecting the ecological system any such Charter is already very overdue – and perhaps too late.

There is an irony here. The front cover of *Plunder of the Commons* has an image of a tree stump. The rest of the tree has already gone – used in building a rich person’s mansion, perhaps, or maybe converted into wood chips and fed to the Drax power station on the phoney argument that this is carbon neutral. But apart from the tree stump there is nothing left to share. It is a reasonable visual metaphor for the global

economy after several decades of ‘overshoot’. Humanity has been using too much of the biosphere – and that matters for any Manifesto like this one that is about sharing public wealth. That’s because there is an important question: how much wealth – public or private — is there left to be extracted from the planet? Unfortunately, not many people seem to understand the need for this question. It appears to me that Guy Standing does not either. Not many people have taken in the gravity of the ecological crisis as a matter of the limits to economic growth and what an ecological crisis will look like as a shortage of future resources.

### **Natural Commons 800 years ago**

Guy Standing’s book starts 800 years ago in 1217, in England at the time of the adoption of the *Charter of the Forest*. This was about the subsistence rights of ordinary people to take from land which had previously been reserved as Royal Forests. At that time most ordinary people would probably have better understood ecological crisis because they were almost all rural, living directly from the land in a subsistence economy. They were mostly living in small communities of people closely connected to communities of species – plants and animals on which they depended and which they needed to adjust to and to accommodate. The rural people had the knowledge and skills to manage the landscape and they would mostly know nature’s warning signs. For example, they might know what overgrazing looked like when it degraded the landscape with a loss of species in which some members of the human community would be threatened with losing food, materials and livelihood.

To spell this out – to manage a natural commons the commoners would know that they could use particular materials up until that point where there are early danger signs of a tipping point where there would be an irreversible change in the eco-system. Then they could take no more. For example, they would allow the land to lie fallow – ideally allowing the system to regrow and recover.

In modern times and on a far larger scale the global ecological crisis is manifested in a danger of crossing tipping points with catastrophic consequences from which there is no turning back. The issue is the same – warning signs of scale limits which should not be crossed. The latest system into which tipping points are built is the ‘planetary boundaries’ concept of Johan Rockström from the Stockholm Resilience Centre and Will Steffen from the Australian National University. But there is also the Ecological Footprint Analysis of Matthias Wakenagel which implies a scale of ‘One Planet Living’. It is possible to operate the global economy

beyond that scale, but it means that the ecological system is in a state of degradation in which its carrying capacity is overused and heading towards some forms of ecological collapse. This is a bit like a household consuming more than its income. This is possible by running down savings, by borrowing and not maintaining the roof. Such a situation will not end well. At some point there is a collapse.

There is a little of this in Standing's book – but not nearly enough. There are statements of general principles like the Precautionary Principle, the Public Trust doctrine and protecting wealth for future generations (the Hartwick Rule). However, these are concepts that are mentioned and their implications and methods of implementation are not spelled out in detail. They very much need to be because for decades now these principles have failed to prevent the tide of destruction for reasons that I will describe. Standing is an economist – a very radical one whose heart is in the right place – but his prescriptions for ecological management are those of a typical economist – far too vague and unspecific. Thus, in Chapter 8, he writes:

‘The proposed Commons Fund would also promote a more ecologically sustainable economy by applying levies to all polluters for their actions in imposing costs on commoners. Besides contributing to the Fund, the levies would ensure polluters faced the proper social costs of those intrusions into the commons, acting as a fiscal deterrent to ecologically and socially destructive practices.’

### **Managing the Commons with levies and market instruments?**

What, one can ask, does ‘proper social costs’ mean? It is a term from economics which implies that it is possible to find a monetary sum commensurate with an amount of ecological or social damage. Such a concept is highly dubious philosophically and, even if it were possible to equate a money figure with an ecological magnitude (so to speak measuring apples with oranges), it would depend on the people making the calculation having adequate information. In most part people making decisions with ecological consequences don't have adequate information and/or are prevented from having it.

What, for example, are the ‘proper social costs’ of damages caused by fracking? Many of the ‘costs’, eg public health impacts, would not be known for a long time because diseases have a latency period before they set in. Then it takes a costly and hotly contested battle to acquire relevant information through expensive research. Research findings are then denied

by the industry and allies in government. There are no baseline measurements, they say, and findings are played down or ignored in a public relations battle between industry and communities. Then what money value will compensate a child with asthma, or someone with terminal cancer whose life is cut short ten or twenty years after the oil and gas industry packed up and moved on?

The idea of using ‘levies’ fixed at ‘the right level’ and imposed on polluters is thus highly problematic. Nor is it a ‘commons’ based approach to dealing with ecological limits. This is because – to go through the phony process of calculating the ‘proper social cost’ in money terms you have to have someone making this calculation – an exercise in ‘contingency valuation’ usually falls to economists who go away and come back with a figure having used a variety of calculation techniques – such as asking people how much they are prepared to pay to protect a feature of nature, or how much money they would be prepared to accept in compensation to sacrifice that feature.

In other words the ‘proper social cost’ is not a measure of damage in ecological terms (eg deaths of particular species, a specific tipping point in a system such as the loss of oxygen in a lake) but a measure of money compensation to be paid for the damage. Of course this compensation can end up being rated highly for the death of cuddly pandas but it would not be surprising if people who know nothing about the ecological system give a very low money valuation for snakes, spiders and soil microbes even though they are a vital part of the ecological system. This makes no sense at all as a measurement used to protect eco-system integrity.

This is the way of thinking about ecological damage within an economics conceptual framework, but this framework emerged in economic history precisely because the commons had been enclosed so that land became private property and nature became ‘natural resources’. What Standing writes could be straight out of an environmental economics textbook written by Chicago economist Ronald Coase with all the palaver about ‘externalities’.

In mainstream economics the assumption is that decisions about production and resource use are taken by private property owners who make decisions about using their own property. It is about decisions taken after enclosure. With their own private property they can do what they want. On their own land they can do what they want. In the river that runs through their property they can do what they want. The concept of ‘externalities’ was then necessary because reality intruded into economic theory. If the person does what they want with the river running through their land by dumping polluted water in it then everyone downstream

could be poisoned and the fish in the river could die. For economists it was difficult to see people poisoned downstream as leading to ‘optimal’ arrangements that would ‘maximise welfare’.

‘Externalities’ are an afterthought to the economic concept system to admit a little reality into it. Externalities provide a concept that acknowledges decisions taken with privately owned resources may impact other people and other systems and that they, too, need to be considered. The outcome might be that the polluter must pay the people down river – or the people down river must pay not to be poisoned, and the economist is interested in the price that is to be paid ‘as compensation’.

What about a water commons where everyone along the river manages it together, accommodating each other’s different uses? A commons is an alternative management system to the compensation arrangements necessary because private property owners have grabbed resources. In a commons the resources are managed equitably by mutual accommodation, by good neighbour arrangements in which neighbours regulate each other’s interests on the basis of fairness and, in the case of river pollution, of not poisoning each other.

Another way of expressing this is to say that in a commons there are no ‘externalities’ because the whole community and its eco-system are not external but internal. If a decision is taken that pollutes the river the human victims of this process are part of the commons. They can and will speak up inside the commons – to head off the risk if it is known about. And the fish in the river are part of the responsibility of the commons that is being protected. On the other hand, the more enclosure, the more private property, and the property owner pursuing monocultural use of the land or water imposes ‘external costs’ on everyone else and on the species that he does not want on ‘his’ land.

‘Externalities’ are an afterthought added into the economics concept system. In fact, *every* economic decision has an impact on everything else because all economic actions involve energy use, and almost all of this energy in the modern world is provided by burning fossil fuels with greenhouse impacts.

### **Physical magnitudes rather than money**

What matters for ecological management in a commons are ecological magnitudes, not monetary ones. For example, to manage the impact of carbon emissions on climate what matters is the additional amount of carbon emissions in tonnes that can be allowed without a risk of exceeding climatic tipping points. That’s why ‘caps’ on physical quantities are far

better than taxes — and ‘levies’. If you put a tax or levy on carbon you have no way of being sure what the eventual reduction of carbon emissions will turn out to be. This is important when we are at a climatic tipping point. Mainstream economists will be happy because you have used their phoney and totally inappropriate concept – you tinkered with the price of carbon. This is not good enough when you can adjust the amount of carbon entering the economy directly.

Because the carbon content of all fuels is known, it is also known what the CO<sub>2</sub> emissions will be if you burn a certain quantity of coal, gas or oil. It is therefore entirely possible to design a permit scheme that only allows a certain amount of carbon fuels to be sold and eventually burned. You can set a ‘cap’ expressed in physical quantities. There is nothing difficult in administering an upstream cap at the points where fossil fuels enter the economy – either at the port where coal or oil is imported, or at the mine head. You simply ensure that a limited number of permits exist for all the carbon in the fuel being produced or imported. Next year the number of permits and the allowed amount of carbon fuel that can be sold would be less. This would be easy to administer. Revenue and Excise already monitor the amount of fuel being sold. The difficulty is preventing influential fossil fuel companies preventing the cap being tight enough by leaning on their friends in government.

If you fix a cap on the amount of permits to be allowed to correspond to the ecological target magnitude then by all means sell that limited number of permits and use the proceeds to fund the commons. However, it is very unwise to set that up as a long-term arrangement. That’s because with carbon emissions, for example, we want to drive them out of the global economy as soon as possible. If humanity is to do that, the revenue from sale of permits should dry up quickly because we must slam on the brakes before burning fossil fuels drives us over the climate cliff, a catastrophic tipping point.

Many will say the ‘cap and trade’ emissions scheme in Europe did not work and they are right. That’s because it was not a commons scheme and ordinary people were not involved. As a result there has been no countervailing power to the fossil fuel industry lobby which undermined the cap by leaning on European Union regulators to set it too loose, by issuing too many carbon permits. The EU Emissions Trading System was designed by the oil companies and insiders knew when it was set up that it would not work. The foxes are in charge of the hen house.

The so called ‘Clean Development Mechanism’ of the Kyoto Protocol arrangements led to cap and trade arrangements that were undermined by carbon trading infested by scams and frauds – such as claiming carbon

credits for things that in no way represented additional carbon saving. Only when active citizens, people acting as commoners, impose a cap and actively police it, will it stick. Of this rather crucial point there is not a hint in Standing's book. He trots out the standard economist's prescription, unaware of all the pitfalls revealed during the last few decades of bitter experience.

The idea that taxes or levies will work better than caps is misplaced. The cap in the European Union Emissions Trading Scheme has not worked because of the power of the fossil fuel lobby which has for decades been very powerful in all governments. This lobby would have the same insider influence if it comes to imposing taxes or levies. The solution is mass participation in the policing of the cap in some way and breaking the power of the fossil fuel lobby – perhaps through co-ordination with those activists in the civil, cultural and knowledge commons who have recently worked so hard for divestment. Perhaps activists will install themselves at the gates of fuel depots and keep records.

### **Managing ecological commons**

How many people have the knowledge to evolve, develop and maintain an ecological economy managed through commons arrangements? We mostly work in offices and buy our food in shops and have not a clue about how eco-systems work or when they are in danger of collapse. An average member of mainly urban communities can be expected to have some kind of understanding of 'things we share' when it comes to housing and homelessness, welfare rights and health services, how the law works (or doesn't), local cultural opportunities and information on the internet. However, in regard to the natural world, apart from urban parks and allotments, most people do not have a direct lived relationship that would enable easy commons participation on issues connected to 'nature' and even less when it comes to the big issues such as global climate change, threats to biodiversity, ocean acidification and the like. That is why managing the ecological commons is not at all comparable to managing social, cultural and civil commons – unless we are considering natural commons managed by indigenous communities who have been where they are for many generations.

The warning signs of ecological collapse are there – but not for most people in lived experience, in everyday life. The signs are in academic studies, in newspaper articles which only a few read, on television programmes which you can choose to watch or not.

Some unfortunate people see the signs of collapse when it is almost too

late and chaos already makes it difficult for them to survive day to day or, worse still, when disaster capitalists and money junkies see chaos as a wonderful opportunity to carpetbag and grab power. For example, when the security services of the US, UK and France entered Syria with a regime change agenda when its economy was devastated by climate related drought and when the Syrian state was struggling with depleting oil supplies.

A modern Charter would ideally include the right to roam to give some direct experience of nature, but it would need to go a lot further than that so people become ecologically literate enough to manage the ecological commons.

‘There is no commons without commoning’ and to be actively involved, for example against the oil and gas industry, the anti-fracking movement has quickly had to become articulate and knowledgeable about local geology and hydrogeology, about faulting and seismicity and naturally occurring radioactive materials, about local ecological systems and wildlife species, about threats of land contamination via spills and blow outs, about public health and traffic flows, and lots more besides. Without knowledge of these things it is not really possible to assess the threats, to argue about them and intervene in a variety of ways in public policy discussions.

All these are tasks for the knowledge commons – for universities, colleges and schools – as well as for the cultural commons. Likewise, there is an entire armoury of concepts that we all need to become familiar with to protect other aspects of the environment and the even broader topics of the limits to growth – the climate, carbon sequestration, food security, biodiversity, the oceans, depletion of fossil fuels and other minerals. One such concept is the ecological footprint.

### **Ecological footprint**

The concept of *ecological footprint* tells us we are in overshoot. For decades the global economy has been using too much of the earth’s bio resources and it matters. Humanity has been using too many resources and this degrades the earth’s carrying capacity. It creates the conditions for eventual collapse. Using ecological footprint analysis we know that, on average, humanity lives as if there were 1.7 planets. The ecological footprint of an average UK citizen exceeds UK biocapacity by over 300%. This is something we should all know, because if we do not then we cannot adequately assess our current predicament.

However, average figures don’t quite capture the reality. The problem



lies with people who have wealthy lifestyles. It is the richest 10% and, above all, the richest 1% — which includes most of the ‘middle classes’ in developed societies as well as the plutocracy who are the source of ‘overshoot’. The ecological footprint of this group has to shrink — and will eventually shrink catastrophically and involuntarily if it is not shrunk by policy choices.

Guy Standing is writing at the end of a period when the global elite have ‘feasted’ on private wealth but they leave meagre leftovers in a world characterised by advanced depletion and pollution pushing against the tipping points with impending catastrophes of climate change, biodiversity collapse, ocean acidification and many other great challenges. His text is written as if there can be business as usual as long as we put things right now when it is already too late for that. For example, three years ago the non-governmental organization Oil Change International showed how potential carbon emissions from oil, gas, and coal in the world’s currently operating fields and mines would take us beyond 2°C warming. Their report showed that reserves in currently operating oil and gas fields alone, even with no coal, would take the world beyond 1.5°C. There is absolutely no point in exploring for further fossil fuel sources and to do so is to intentionally destroy the earth’s climate.

Standing gives examples of permanent funds dispersing incomes from the sale of oil and gas – such as the Alaska Permanent Fund and the Norway Oil Fund. He regrets that Britain did not set up similar arrangements and wants to see Commons Funds to provide the revenue for a basic income. That said he is aware that Common Funds should be managed to reflect the precautionary principle, the public trust doctrine and the Hartwick Principle (protecting the interests of future generations). Yet if we take the argument of Oil Change International, the opportunity to use oil revenues is now gone. It is too late.

It would be too late even if there were not a climate crisis – as I argued in a review of Standing’s earlier book, *The Corruption of Capitalism*, where I quoted an article by Tim Watkins about clean-up costs involved in decommissioning the British sector of the North Sea oil and gas fields. According to Watkins

‘...the income from more than half of the oil that is left (around 1.5bn barrels) will be needed for decommissioning, leaving just 1.3bn barrels to cover industry costs and to reimburse investors.’

What is more likely to happen is that the remaining operators will go bust

so that, far from funds being available for a Commons Fund, the clean-up costs will fall to the taxpayer – or there will be no clean-up. Instead, there will be marine pollution.

### **Contraction from the top downwards**

To draw attention to the lateness of the hour, I am not arguing the plutocracy should be let off as the economy contracts. I argue that, in this context of going beyond the limits to growth, social equity becomes even more important in a life-and-death struggle to make sure the plutocracy eats the losses and that contraction is from the top downwards – to the point that they are eating out of food banks, too. It will be necessary for articles in a Commons Charter to reflect this. For example, Article 28 currently says:

‘Policies must ensure food security for all, as part of the right to subsistence. Hunger has no place in an affluent society.’

Actually, hunger should have no place in any society, least of all a commons based one. However, we cannot assume that an economy with an ecological footprint more than 300% of its biocapacity will remain an ‘affluent society’, because that is highly unsustainable and only possible by ‘importing biocapacity’ from other countries, particularly in the global south. This situation will not last long past the limits to growth, and may not survive a Brexit related crash either.

Instead of denying radical redistribution is possible in a period of hardship we need to look in our history books. In the last century in the UK severe rationing was imposed to ensure social justice in conditions of great hardship. This was during World War Two and for several years afterwards. At that time it was possible to increase the percentage of national income spent on the war effort from 15% in 1939 to 55% in 1943. History makes clear there are some conditions when an entire society will accept massive changes in resource use and great hardship. In the immediate aftermath of the War it was possible to launch the Welfare State at a point where hardship was still very great. I was a child of this immediate post-war period.

It is with historical examples like this in mind that we need to regard Guy Standing’s Charter. Perhaps it helps to remember that the Charter of the Forest was not introduced in an affluent society, but to produce social cohesion in a society that, after a war, was itself in grave crisis. Probably like the times we are entering.

**Better late than never**

With these ideas in mind, despite my reservations, it is important to acknowledge that what Guy Standing has produced is the start of an important project. It can be improved and needs to be amended, but to do that we have to see his work as a start. His theme is about how private wealth has been accumulated by a few who have used neoliberal economic policies to plunder public wealth and, in the process, stripped away and/or degraded essential social and health services, undermined access to equal legal rights in the justice system, leaving cultural, educational and knowledge institutions impoverished and reliant on corporations and their priorities.

On all of these matters Guy Standing is quite excellent and anyone wanting a text which documents the damage and injustice that has been done by austerity can find it here. What's more, anyone looking for a text that describes the policy principles to rectify what is wrong can, allowing for the reservations that I have expressed, also find them in *Plunder of the Commons*. The book is written to argue the case for a Manifesto with 44 suggested Articles for putting the situation to rights.

In conclusion, there is barely anything at all in this book about Brexit, but it should not be left out of the consideration. The time and chosen themes for a push back could hardly be more appropriate given the political economic crisis that is being unleashed by Brexit. Apparently out of nowhere a movement for English nationalism has emerged whose focus is on breaking away from the European Union and, to the extent that this is theorised (which is not a great deal by most Brexiteers), this English nationalism is led by individuals, mostly with a business background, who fantasize a future characterised as 'Singapore-on-Thames'. That is an economy free of European regulation which becomes some kind of utopian free-market 'paradise' – in an ultra business-friendly environment with low or zero corporation tax, low wages, weak trade unions, vestigial welfare provisions. In other words, part of the elite want to accelerate and accentuate the very processes that Standing has described in such detail in *Plunder of the Commons*. All this is packaged in patriotic wrapping paper, in nostalgia and romance about the monarchy and the imperial past, about a supposed 'world role' based on residual militarism that really depends on becoming a client to the Pentagon and to Washington.

In the face of this challenge, the politics of Guy Standing's Charter scores not once but twice – firstly because his new Charter stands quintessentially in a centuries old English tradition starting with the

Charter of the Forest, later championed by the Levellers, later by the Chartists and the Co-operatives, the trade unions and the original Labour Movement that brought us the Welfare State — a tradition of resistance to autocracy and privilege – and a tradition that can be championed without being compromised by imperialism and militarism. Secondly, his new Charter would be a set of principles which, if implemented, would block the politics of Singapore-on-Thames. But it requires that proposals for ecological commons are worked on a lot more.

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### **Sample articles from Standing's Charter**

#### *Natural Commons*

Article 2: A new Domesday book should compile a comprehensive record of the public and private ownership of land, including a map showing all commons and Open Access land.

Article 7; National Parks should be preserved as zones of biodiversity, and commercialization should be reversed.

Article 16: All resources that are under the ground or sea should belong to the commons and be exploited according to commons principles for the benefit of all commoners.

#### *Social Commons*

Article 20: The right to a home must be restored. The 'right to buy' and the compulsory sale of council housing must be scrapped, and more social housing built. Local authorities should have the power to requisition unoccupied housing. The 'bedroom tax' should be abolished.

Article 24: Cuts in spending on social on public services and amenities must be reversed. Privatised and outsourced services must be brought back into common ownership, or strictly regulated in the interests of users, the commoners.

Article 26: The number of allotments should be preserved and expanded. Sites must be preserved from privatisation and or conversion to other uses.

*Civil Commons*

Article 31: Legal Aid as a right must be granted for civil and criminal cases. This should include cases brought against the alleged unlawful plunder of the commons by corporations or individuals, who can otherwise exert legal advantage by hiring expensive lawyers and indulging in costly litigation.

*Cultural Commons*

Article 35: The erosion of the cultural commons represents a concealed form of impoverishment and inequality. The public sphere must be revived and funding for the cultural commons revived.

*Knowledge Commons*

Article 40: Intellectual property rights are too strong and are depleting the knowledge commons. Patent applications should be strictly vetted and their duration shortened.

*Commons Fund and Commons Dividend*

Article 43: A Commons Fund should be set up primarily sourced by levies on the commercial use or exploitation of the commons. The Fund should invest to generate and preserve ecologically sustainable common wealth, and common Dividends should be paid out equally to all commoners.