



2nd October 2017
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published in the Guardian 27th September 2017

Common Wealth

Hope lies with a great, neglected sector of the economy, through which we can create a system that is neither capitalist nor state communist.

Are you a *statist*, or a *free marketeer*? Do you believe that intervention should be minimised, or that state ownership and regulation should be expanded? This is our central political debate. But it is based on a mistaken premise.

Both sides seem to agree that state and market are the only sectors worth discussing: politics should move one way or the other along this linear scale. But there are in fact four major economic sectors: the market, the state, the household and the commons. The neglect of the last two by both neoliberals and social democrats has created many of the monstrosities of our times.

Both market and state receive a massive subsidy from the household: the unpaid labour of parents and other carers, still provided mostly by women. If children were not looked after, fed, taught basic skills at home and taken to school, there would be no economy. And if people who are ill, elderly or have disabilities were not helped and supported by others, the public care bill would break the state.

There's another great subsidy, that all of us have granted. I'm talking about the vast wealth the economic elite has accumulated at our expense, through their seizure of the fourth sector of the economy: the commons.

That it is necessary to explain the commons testifies to their neglect (despite the best efforts of political scientists like **the late Elinor Ostrom**). A commons is neither state nor market. It has three main elements. First a resource, such as land, water, minerals, scientific research, hardware or software. Second, a community of people who have shared and equal rights to this resource, and organise themselves to manage it. Third, the rules, systems and negotiations they develop to sustain it and allocate the benefits.

A true commons is managed not for the accumulation of capital or profit, but for the steady production of prosperity or wellbeing. It belongs to a particular group, who might live in or beside it, or who jointly created and sustain it. It is inalienable, which means that it should not be sold or given away. Where it is based on a living resource, such as a forest or a coral reef, the commoners have an interest in its long-term protection, rather than the immediate gain that could be made from its destruction.

The commons have been attacked by both state power and capitalism for centuries. Resources that no one invented or created, or that a large number of people created together, are stolen by those who sniff an opportunity for profit. The phrase attributed to Balzac – “*behind every great fortune lies a great crime*” – is generally true. “*Business acumen*” often amounts to discovering novel ways of grabbing other people's work and assets.

The theft of value by people or companies who did not create it is called enclosure. Originally, it meant the seizure – supported by violence – of common land. The current model was pioneered in England, then spread to Scotland, Ireland and the other colonies, and from there to the rest of the world. It is still happening, through the great global land grab.

Enclosure creates inequality. It produces a rentier economy: those who have captured essential resources force everyone else to pay for access. It shatters communities and alienates people from their labour and their surroundings. The ecosystems commoners sustained are liquidated for cash. Inequality, rent, atomisation, alienation, environmental destruction: the loss of the commons has caused or exacerbated many of the afflictions of our age.

You can see enclosure at work in the Trump's administration's attempt to destroy net neutrality. Internet service providers want to turn salience on the internet – now provided freely by a system created through the work of millions – into something for which you have to pay.

To ensure there is no choice, they have also sought to shut down a genuine internet commons, by lobbying states to prohibit community broadband. In the crazy plutocracy the US has become, four states have made this form of self-reliance a criminal offence, while others have introduced partial bans.

Another example is the extension of intellectual property through trade agreements, allowing biotech companies to grab exclusive rights to genetic material, plant varieties and natural compounds. Another is the way in which academic publishers capture the research freely provided by communities of scientists, then charge vast fees for access to it.

I'm not proposing we abandon either market or state, but that we balance them by defending and expanding the two neglected sectors. I believe there should be wages for carers, through which the state and private enterprise repay part of the subsidy they receive. And communities should be allowed to take back control of resources on which their prosperity depends.

For example, anyone who owns valuable land should pay a local community land contribution (a form of land value tax): compensation for the wealth created by others. Part of this can be harvested by local and national government, to pay for services and to distribute money from richer communities to poorer ones. But the residue should belong to a commons trust formed by the local community. One use to which this money might put it is to buy back land, creating a genuine commons and regaining and sharing the revenue. I expand on this idea and others in [Out of the Wreckage](#).

A commons, unlike state spending, obliges people to work together, to sustain their resources and decide how the income should be used. It gives community life a clear focus. It depends on democracy in its truest form. It destroys inequality. It provides an incentive to protect the living world. It creates, in sum, a Politics of Belonging.

To judge by the speeches at this week's Labour conference, the party could be receptive to this vision. The emphasis on community and cooperatives (which in some cases qualify as commons), the interest in broadening ownership and fighting oppressive trade agreements all point towards this destination.

I hope such parties can take the obvious step, and recognise that the economy has four sectors, not two. That's the point at which it can begin: the social and environmental transformation for which so many of us have been waiting.