THE NEXT ECONOMIC SETTLEMENT

The return of public ownership

Thomas M. Hanna

Public ownership is back. And, in fact, outside the UK it never really went away – as a forthcoming book amply demonstrates. Democratised and decentralised forms of public ownership can and should be a component of the left's vision for a new economic settlement.

Ten years ago this past February, Northern Rock, then the fourth biggest bank in the United Kingdom, became one of the earliest casualties of the global financial crisis that was beginning to radiate out from the housing market in the United States to infect the banking sector around the world. With its origins dating back to the 1850s, for decades the cooperatively owned building society had been a relatively stable provider of home mortgages and other financial services to northern communities. However, deregulation and market liberalisation in the 1980s led many building societies to take advantage of a 1986 law allowing them to demutualise and convert to publicly limited, shareholder owned corporations.[1] This included Northern Rock in 1997.

Over the next ten years, the bank jumped headfirst into the world of speculative international finance, growing rapidly as a result in the world of musical chairs known as the shadow banking sector. Then, in late 2007, the music suddenly stopped. The collapse of the housing bubble and the start of the US financial crisis limited Northern Rock's access to credit, triggering the first run on a British bank since the 1860s as depositors rushed to withdraw their savings.[2] In a sign of things to come on both sides of the Atlantic, the Labour government of Prime Minister Gordon Brown and Chancellor Alistair Darling stepped in with their 'least favourable option' and took Northern Rock into 'temporary' public ownership.[3] Subsequently, under Conservative Chancellor George Osborne, the bank was partitioned and its 'good assets' sold to Richard Branson's company Virgin Money, while the 'bad assets' were absorbed by the state.[4]

Northern Rock's progression – from decades of stable cooperative ownership, to a short-lived burst of profit-maximising private ownership, to rescue via nationalisation – in many ways epitomises the neoliberal era. Alongside market liberalisation, deregulation, austerity, and globalisation, one of the hallmarks of this era has been the unwavering faith that private ownership is inherently superior to public, cooperative, or other collective ownership forms.[5] This myth – along with many other tenets of neoliberalism – was embraced by New Labour under Tony Blair and Gordon Brown. Two years before Northern Rock demutualised, Blair and Brown had succeeded in amending Clause Four of the Labour Party constitution as part of their 'modernisation' project. The old Clause Four famously committed Labour to 'common ownership of the means of production, distribution, and exchange'.[6] In 2007 and 2008, as a highly-leveraged and imploding financial sector threatened to bring down the entire global economy, the myth was laid bare before an audience of billions. Around the world governments hurriedly stepped in with various nationalisation schemes to ward off disaster – usually accompanied, like Northern Rock, by piously hypocritical pronouncements of their 'temporary' nature – further deepening popular awareness and distrust of the cronyism and corruption at the heart of contemporary neoliberal capitalism.

This awareness that the economic system is rigged in favour of wealth extraction by elites has been reinforced by both the bankruptcy of Carillion and the recurring travails of the East Coast railway line. In the former, the giant construction company's implosion amply demonstrated the folly of private finance initiative (PFI) schemes – forms of which are known elsewhere in the world as public-private partnerships (PPPs) – whereby the government contracts with private companies to build infrastructure and provide services. While enabling government to trim up-front costs, over the longer-term PFIs and PPPs often result in exorbitant mark-ups as the public absorbs the extraction of high rates of return for private shareholders. One recent report found that, in the UK, PFI projects can be up to 40 per cent more expensive than in-house delivery.[7]

Although started by the Conservative government in 1992, PFIs fit perfectly with New Labour's neoliberal world view, and by the mid-2000s around sixty new PFI contracts were being signed each year.[8] In the latter, the East Coast Mainline was renationalised in 2009 after the private operator walked away from the franchise. Public ownership of the line improved service dramatically and began returning profits back to the Treasury, totalling around £1 billion between 2009 and 2014.[9] Despite this success, or perhaps because of it, Prime Minister David Cameron re-privatised the service in 2015. And yet, just three years later, the East Coast Mainline is in trouble once again. In late 2017 it was announced that private operators Stagecoach and Virgin would be walking away from the franchise in 2020, three years earlier than anticipated, and on 16 May 2018, Transport Secretary Chris Grayling announced that in fact, the East Coast service would be temporarily renationalised, and rebranded as the London and North Eastern Railway, from 24 June, after it became clear the operators could no longer meet the promised payments in the £3.3 billion contract.[10]

In all this, policymakers may only be catching up to where the British public has been all along. Broad majorities continue to reject the idea that private ownership is the only option in a modern economy. An October 2017 poll released by the Legatum Institute, a free enterprise think tank, found, to their horror, that 83 per cent of respondents favoured nationalising the water sector, followed by 77 per cent for gas and electricity, 76 per cent for trains, 66 per cent for defence and aerospace, and 50 per cent for banks. Almost a quarter were even in favour of nationalising travel agents.[11] This sentiment can also be seen in the recent evolution of Labour Party policy. When Brown and Blair nationalised Northern Rock (and then, effectively, RBS, Lloyds TSB, HBOS, and Bradford & Bingley) it was, in essence, an admission that, at least when it came to ownership, New Labour had gambled and failed. Subsequently the Labour Party lost ninety-one seats in the 2010 General Election and Brown was replaced as Prime Minister by David Cameron at the head of the Coalition government. Another defeat in 2015 threatened to exile Labour to the political wilderness, with Cameron and the Conservatives forming a majority government.

Fast-forward two years, to late September 2017, and the political debate on public ownership in the UK had been transformed. When Jeremy Corbyn took to the stage in front of a packed hall at the annual Labour Party Conference, he declared to a standing ovation that the centre of political gravity had shifted, and that a new popular consensus was forming in favour of 'something different and better'.[12] The breathtaking pace of political events in recent years makes it hard to disagree. One of a small band of Labour leftists isolated by but surviving the long decades of neoliberalism under both Thatcher and New Labour, as leader Corbyn survived a coup attempt and forced leadership contest and went on to pull off a remarkable comeback in the snap General Election of June 2017. His supposedly 'unelectable' party was supposed to have been annihilated, but Corbyn simply would not keep to the script, producing a vote share increase for Labour greater than any achieved since 1945.[13]

In the run-up to this stunning turnaround of electoral fortunes, the Party put out two documents that illustrate how profoundly the pendulum has swung when it comes to public ownership. The first was the widely-praised 2017 manifesto, *For the Many Not the Few*. Among other policies, it unapologetically called for renationalisation of the railways, the energy system, the water system, and Royal Mail, as well as the establishment of a publicly owned National Investment Bank, a network of regional public development banks, and new local publicly owned banks (perhaps through the breakup of RBS, which was nationalised following the financial crisis and is still in state hands).[14] The second was an internal party report, commissioned by Shadow Chancellor John McDonnell and Shadow Secretary of State for Business, Energy and Industrial Strategy Rebecca Long-Bailey, entitled *Alternative Models of Ownership* – a remarkable document that lays out the case for increasing public and worker ownership as a way to combat inequality, political disenfranchisement, and underinvestment.[15]

Neglected by the die-hards on the Labour right who still resist Corbyn's leadership and policies, this ideological and political shift in the UK is in fact reflective of changes happening all around the world, as public ownership – alongside various forms of cooperative and collective enterprise – has re-emerged as a viable strategic option for communities and political leaders in the wake of the financial crisis and Great Recession. 'The state,' as Joshua Kurlantzick recently put it, 'is back in business'.[16] Given current economic conditions, and the likelihood of continuing social, ecological, and other challenges, it is reasonable to expect that public ownership will only continue to grow in importance, both as a vital element in our existing political economy and a pathway to something radically different.

Public ownership around the world

Despite more than four decades of pressure for privatisation, public ownership in practice remains incredibly common – and popular – on the ground throughout the developed and developing world. In many countries people interact with a variety of publicly owned enterprises on a daily basis, often without realising it. These include advanced high-speed rail systems in various European and Asian countries and telecommunications companies that provide fast and widely available internet access among other services. Across Europe, more than 200 public and semi-public banks, along with another eighty-plus plus funding agencies, account for around a fifth of all bank assets.[17] In Germany, there are around 400 publicly owned municipal savings banks (Sparkassen) with more than €1.1 trillion in assets and around 225,000 employees.[18] And, of course, in many countries gas, electric, water, and public transportation systems remain publicly-owned – often at the local or regional level.

In recent years, the re-municipalisation of public services has been gaining support, often as a way to address pressing economic and ecological concerns while establishing local democratic control over the economy. In a 2017 study, the

Amsterdam-based Transnational Institute (TNI) identified 835 municipalisations and re-municipalisations involving some 1,600 cities in forty-five countries.[19] While re-municipalisations were most prevalent in the energy and water sectors, they have also occurred in transport, education, housing, and health, amongst others. 'These (re)municipalizations generally succeeded in bringing down costs and tariffs, improving conditions for workers and boosting service quality, while ensuring greater transparency and accountability', the report found.[20] Since 2007 in Germany, more than seventy new municipal-level publicly owned electric utilities have been established and hundreds of service concessions have been acquired by public entities from private operators – reversing the privatisation wave that swept the sector in the 1990s.[21] This process of *rekommunalisierung* ('re-communalisation') is part of a larger effort to comprehensively transition the country's energy sources from coal and nuclear to renewable sources called *energiewende* ('energy transition').[22] In September 2013, voters in Hamburg – Germany's second largest city, with 1.8 million residents – voted in favour of re-municipalisation in a referendum backed by a coalition of more than fifty consumer, religious, and environmental groups – and despite the opposition of the business community, the city mayor, and the major political parties.[23]

The United Kingdom has long been at the forefront of privatisation, but one of the great ironies of the privatisation wave that swept the country in the 1980s is that in several high-profile cases newly privatised industries didn't remain in private hands for very long. They were subsequently bought up by large, international, state owned enterprises from other countries that were entering the world market as part of a globalisation. The classic example is Britain's electricity system – a strong, centralised, publicly owned system for most of the twentieth century, sold off to investors in the Thatcher era. 'Beginning with the takeover of London Electricity in 1998, exploiting the Thatcherites' open-door market structures and their decision to split the electricity industry into small, easy-to-swallow chunks,' James Meek notes, 'France in effect renationalised the industry its neighbour had so painstakingly privatised. Renationalised it, that is, for France'.[24]

By virtue of its geography, the UK is particularly suited to dramatically expanding its renewable energy generation through wind power. Here too, however, foreign publicly owned enterprises are dominating development. A September 2017 report published by the Labour Energy Forum revealed that more than half (51.16 per cent) of all offshore wind capacity was owned by foreign, publicly owned companies. Under 8 per cent was owned by British companies as a whole, and just 0.07 percent by British publicly owned companies – a single 7 MW turbine owned by the Offshore Renewable Energy Catapult as a demonstration project.[25] In essence, other than enriching a small handful of politically connected elites, the principal achievement of the privatisation of Britain's electricity system was to shift the benefits of public ownership, particularly the revenues, from the local communities where those assets are produced or consumed to the public sector in other countries. While this need not be a negative in and of itself, especially were it to occur in the context of movement towards greater genuine international cooperation, there are serious implications for local economic stability, democratic control, participation, and transparency – especially when those international institutions and frameworks are built around economic models that are financially extractive.

The signs are that the British electricity sector may be ripe for fundamental change. Under Corbyn and McDonnell, Labour has vowed to take utilities back into public ownership and 'transition to a publicly owned, decentralised energy system'.[26] On the ground, local municipalities are taking the lead by forming publicly owned electric companies to compete with the traditional, large, for-profit suppliers. According to recent reports, such companies now exist (or are close to existing) in Islington (the first such publicly owned company in London in more than a century), Doncaster, Portsmouth, Nottingham, Bristol, Liverpool, Derby, Leeds, and Sussex (where several municipalities are joining together).[27] In London, Labour Mayor Sadiq Khan has committed to a publicly owned company called Energy for Londoners, although it is still unclear what form this might take.[28] The movement is being driven by a desire to lower costs for consumers (millions are struggling to pay their utility bills in what is often referred to as 'fuel poverty'), generate new revenues in a time of crippling austerity at the local council level, and provide a way to interface with local constituents.

Still, unlike in other countries, these municipal electric companies by and large do not, as of yet, own much in the way of transmission infrastructure or generation facilities. In many cases they purchase much of their energy from wholesalers and sell it on to customers regardless of geography (although local residents usually receive lower rates). This structure has the advantage that start-up costs are relatively modest, especially when compared to the cost of municipalising a vertically integrated, monopoly electric utility in the United States. However, by having to compete in a market and not having complete control over either transmission or generation, the margin for both economic viability and social benefit is low. Much of the discussion in the UK is now moving on to questions of competition, as well as discussion of bringing the grid and generation facilities back into public ownership. Should there even be a competitive market in the energy sector?

Lessons from the United States

Often considered the beating heart of free-wheeling, no-holds-barred market capitalism, the United States has much more public ownership than is commonly understood. The relative decentralisation of the US political system allows for local control in ways that don't exist in many other countries, where public ownership is often centralised at the highest, national level – the traditional state-owned enterprise. A prime example is the electric utility sector, where around 2,000 publicly owned utilities – along with consumer owned cooperatives – provide around 25 per cent of the nation's electricity.[29] In one state – conservative Nebraska – every single resident and business receives electricity from a community-owned institution rather than a for-profit corporation. Nebraska's 121 publicly owned utilities, ten cooperatives, and thirty public power districts provide electricity to a population of around 1.8 million people.[30] A common concern with public ownership, especially in larger scale systems, is that it can lead to inefficiency, unaccountability, and bureaucracy. But Nebraska's nearly century-old experience with a completely public and community owned electricity system demonstrates that this does not necessarily have to be the case. The principles of *subsidiarity* – generally, that matters of decision-making should be devolved to the lowest level possible – and *local control* can, in fact, be preserved through a networked mix of publicly owned institutions at various scales without sacrificing either efficiency or service quality.

Around 87 per cent of the US population is served by publicly owned water systems at the local, municipal level – significantly higher than in many other advanced economies.[31] Attempts at water privatisation in the United States have generally been disastrous, and many have been reversed amidst public outcry. Between 2007 and 2014, the number of privately owned systems fell by seven per cent, with a corresponding drop in people served of 18 per cent.[32] One area experiencing tremendous public expansion is local, municipal ownership of high-speed internet systems. In recent years, more than 750 US communities have established publicly owned full or partial networks, including 130 (in twenty-seven states) with super-fast networks.[33] These publicly owned systems commonly provide higher speeds, better service, lower costs, and updated infrastructure in communities often neglected by large for-profit companies. In Chattanooga, Tennessee, the city's publicly owned utility has been operating a fibre network since 2009 and was the first location in the United States to offer one gb service.

Nearly all public transport systems around the United States remain publicly owned. These vital economic services directly and indirectly employ tens of thousands of local residents and move millions of people to and from jobs and other activities. Municipal ownership and development of land around public transport stops is becoming increasingly common. Similarly, many cities own public markets where space is rented out to individual vendors. Faneuil Hall in Boston and Pike Place Market in Seattle, both favourites of visiting tourists, are two of the best-known examples. Another municipal land and property ownership strategy relates to hotels. Taking advantage of tax law changes in 1996 that allowed the use of tax-exempt municipal bonds to finance hotels, publicly owned hotels are now to be found in communities from Chicago to Myrtle Beach, South Carolina.[34]

Airports are perhaps the most obvious economically important areas of public ownership. In America, these commonly operate like large real-estate businesses, in which airlines and shipping companies, together with restaurants, car rental companies, clothing stores, newspaper and magazine outlets, and many other businesses, all rent space. There are nearly 500 publicly owned commercial airports operating across the country. (All told, there are more than 4,000 publicly owned airports.)[35] In 2010 these airports were estimated to support directly and indirectly some 10.5 million jobs with total payrolls of $365 billion while producing $1.2 trillion in annual output.[36] There are also hundreds of publicly owned commercial ports in the United States that directly and indirectly support millions of jobs and trillions of dollars in economic activity.[37] Major port authorities include the Port Authority of New York and New Jersey, the Port of Los Angeles, PortMiami, the Port of Houston Authority, and the Port of South Louisiana. The Port Authority of New York and New Jersey owns and operates five major airports, six bridges and tunnels, three bus terminals, five marine terminals, the PATH transit system, industrial parks, waterfront development projects, and the World Trade Center.[38]

In many states, public ownership of alcohol distribution facilities is the norm. In Virginia, for instance, the Department of Alcoholic Beverage Control (ABC) operates 359 off-licenses across the state, as well as wholesale and distribution facilities. It employs around 3,000 people and is a leading revenue producer for the Commonwealth. Since 1934 it has transferred $9.5 billion to Virginia's general fund (used to pay for education, public works, police and fire, etc.). In 2016, this public enterprise generated a record $165 million in profits and returned $433 million (another record) to the general fund in profits and taxes collected.[39] Similarly, most states own and operate lotteries, which generate funds that are usually allocated to local public schools.

Several US states also operate large, publicly owned investment funds, sometimes called 'sovereign wealth funds'. Alaska famously collects and invests proceeds from the extraction of oil and minerals in the state, and dividends from this fund – the Alaska Permanent Fund, administered by the publicly owned Alaska Permanent Fund Corporation – are paid out annually to all eligible state residents.[40] In Texas, the publicly owned and operated Texas Permanent School Fund was formed in 1854 and subsequently endowed with large tracts of land and associated mineral rights. In 1953 coastal 'submerged lands' were added after being relinquished by the federal government.[41] Each year distributions from the earnings of this almost $40 billion fund support education in every county in the state, amounting to $1.05 billion in 2016 alone.[42] Another $17.8 billion fund, the Permanent University Fund, owns more than two million acres of land and helps underwrite the state's public university system.[43] In other words, public ownership of land and investments in a variety of assets supports public education and other social services in ways that significantly reduce the state tax burden on local residents and businesses. State funds similar to those in Alaska and Texas exist in Alabama, Louisiana, Utah, New Mexico, Wyoming, and North Dakota.[44]

Around one third of all the land in America is publicly owned and managed by federal, state, and local governments.[45] The federal government alone makes around $2 billion a year from oil, gas, and timber royalties, and $40 billion in tax revenue from tourism and recreation.[46] The federal government also operates around 140 banks and quasi-banks that provide loans and loan guarantees for a wide range of economic activities.[47] In 2009, former Secretary of Agriculture Tom Vilsack observed that, taken as a whole, the US Department of Agriculture's lending activities amounted to 'the seventh-largest bank in the country'.[48]

One of the most important public enterprises in the United States is the Tennessee Valley Authority (TVA). Established during the New Deal, this large, publicly owned energy corporation currently serves nine million people in seven states around the Tennessee River Basin.[49] The TVA has endured as a publicly owned enterprise for the best part of a century despite the occasional proposal to privatise it. This is, in part, because it has built a local constituency of support in the region that crosses party and ideological lines. When President Obama proposed privatising the TVA in 2013 as part of his annual budget, local Republican legislators, concerned with higher prices for consumers and less money for their states, vigorously – and successfully – opposed the idea.[50]

A similar situation exists with the United States Postal Service (USPS), a massive public enterprise that employs around half a million Americans (490,000 'career employees,' plus another 130,000 'non-career employees', as of January 2016), operates a fleet of 215,000 vehicles, and has operating revenue of $68.8 billion.[51] Interested both in eliminating a low-cost public competitor to private corporations such as FedEx and UPS and facilitating a mass transfer of valuable real-estate assets to private hands, USPS has been in the cross-hairs of US corporate interests and their political allies for years. So far, however, despite at least a decade of intense, concerted effort by the forces of capital and their political allies, USPS remains in public hands, a fact that looks unlikely to change in the near future. According to Richard Geddes of Cornell University, 'the U.S. Postal Service is nowhere close to being ready to be privatised. I wouldn't say it's impossible, but it would be well into the future at a minimum'.[52] Much of the reason for this is related to the widely anticipated negative reaction of the American public towards the consequences of privatisation – namely higher costs and reduced access, which has been the case with other postal privatisations, such as the recent sell-off of Royal Mail in the UK.

Other than USPS, perhaps the best-known federal public enterprise in the United States is Amtrak, the National Railroad Passenger Corporation. Amtrak currently carries around 30 million passengers a year, employs more than 20,000 people, and serves 500 destinations in forty-six states, as well as the District of Columbia and three Canadian provinces.[53] Amtrak was created by Congress in 1970 after a series of privately owned railways went bankrupt. Given the severely degraded state of the rail infrastructure Amtrak inherited – old locomotives and cars, crumbling stations – together with waning passenger numbers, most observers at the time, including politicians, saw the creation of Amtrak as a temporary experiment that would be quickly phased out along with passenger rail service altogether. However, as Amtrak upgraded infrastructure, addressed deferred maintenance issues, and centralised operations, ridership and popularity increased and it is now a critical part of the transport system, especially in the well-travelled Northeast Corridor between Washington, D.C. and Boston.[54] Like USPS and the TVA, despite longstanding ideological opposition Amtrak continues to survive as a publicly owned enterprise with support across party lines.

Democratising public ownership

Public ownership is a far more prevalent, viable, and adaptable economic form than the dominant neoliberal free market ideology of the past several decades would have us believe. It is an important potential solution, or element in a solution, to many of the most pressing difficulties – economic, social, and ecological – we are facing in the UK, United States, and elsewhere in the opening decades of the twenty-first century. That said, it is not a panacea. Simply returning to the traditional top-down managerial forms which public ownership often took in the past is an inadequate response to present challenges.

As Martin Carnoy and Derek Shearer put it sharply back in 1980, 'the transfer of ownership to the government does not automatically guarantee the establishment of an egalitarian, democratic society.'[55] Most publicly owned enterprises in the United States are structured traditionally in that the government, at various levels, exercises ownership rights directly – through an agency or department – or indirectly through a semi-autonomous authority. Workers, residents, neighbouring jurisdictions, and other stakeholders and community members usually have little opportunity to participate in decision-making when it comes to those rights (outside of the mostly advisory function served by public meetings). Moreover, the historical record of many of the large, centralised, and bureaucratised state owned enterprises that sprung up during the middle part of the twentieth century on such issues as transparency, environmental sustainability, and democratic accountability leaves a lot to be desired. The Tennessee Valley Authority's rather chequered record on environmental issues and on lack of democratic accountability, for instance, is a salutary reminder of this in the US context.

Throughout the twentieth century, public ownership was often used merely as a way to improve distributional outcomes within existing economic arrangements rather than as the basis of a more expansive effort at economic democratisation. However, as Andrew Cumbers writes, 'current global inequities and injustices are brought about as much by the appropriation of economic decision-making by elite groups as by distributional outcomes. In this sense, the quest for democracy means nothing if it does not include the ability to participate in the key decisions about economic life'.[56] Historical experience demonstrates that merely transitioning from private ownership to public ownership does little to enhance worker and community participation within firms or in the operations of the economy as a whole.

Fortunately, one of the great strengths of public ownership is its capacity for adaptation and redeployment. 'Private ownership of the means of production', E. F. Schumacher contended, 'is severely limited in its freedom of choice objectives, because it is compelled to be profit-seeking, and *tends* to take a narrow and selfish view of things. Public ownership gives complete freedom in the choice of objectives and can therefore be used for any purpose that may be chosen. While private ownership is an instrument that by itself largely determines the ends for which it can be employed, public ownership is an instrument the ends of which are undetermined and need to be consciously chosen'.[57]

There are signs, albeit limited ones, that we may be starting to see public ownership adapting and democratising, at least in some areas. For instance, in the US there are interesting new experiments and ideas around so-called 'public-public partnerships', whereby publicly owned enterprises and services partner with other municipalities, workers, non-profit organisations, unions, public pension funds, or community groups. Another example is Banco Popular in Costa Rica (BPDC), that country's third largest bank. Formed by the government to support economic development more than forty years ago, BPDC is now a hybrid publicly owned enterprise and cooperative. The bank has a democratic assembly made up of 290 representatives chosen (on the basis of representing various economic and social sectors) from among the bank's member-owners. Any worker holding a savings account for over a year receives an ownership share. The assembly, in turn, advises on the bank's strategic direction and selects four of the company's board members, with another three appointed by the government. Moreover, the bank is committed to a nationwide, popular consultative process when it comes to its strategic direction, requires 50 per cent of board members to be women, and directs a portion of revenues to social projects through its Social Bank subsidiary. The bank has also become a leading financier of ecological sustainability in the country in conjunction with its 'triple bottom line' approach seeking economic, social, and environmental returns.[58]

A Real Alternative

The building *legitimation crisis* (to use Habermas' term) that neoliberalism is currently experiencing opens the door to reappraisals and new understandings – including of public ownership. We may now be finding that the concept of public ownership is finally breaking free of what Cumbers calls the two competing and unrealisable dogmas of the twentieth century – 'a centralized and planned version of socialism and a free market unregulated capitalism.'[59]

On the one hand, it can be now be convincingly argued that traditional bureaucratised, centralised, and hierarchical forms of public ownership are not the only (or desired) alternative to private ownership, and that democratised and decentralised forms of public ownership can and should be a component of any alternative to corporate capitalism. On the other hand, it is also increasingly possible to demonstrate that the oft-repeated mantra of relative inefficiency is a red herring designed to mask a tremendous transfer of public wealth and assets to a small group of privileged individuals – and that the empirical and theoretical literature does not, and never has, supported the theory that private ownership is inherently economically superior to public, collective, or social ownership.

With this liberation, however, comes a very real risk that a repurposed public ownership may be co-opted by the rising tide of right-wing populism, whether through a reappearance of Trump's 'America First' economic agenda (thus far largely abandoned in office) in a trillion-dollar infrastructure investment plan or in the short-lived post-Brexit noises about state interventionism and industrial policy coming from Theresa May and the Conservative Party. As with issues of trade and globalisation, the left must not surrender public ownership to these forces; it must centre democratised forms of public ownership as part of its vision for the future, its transition strategies, and its efforts at resistance to an unsustainable model of private corporate extraction.

Thomas M. Hanna is Research Director at The Democracy Collaborative in Washington, D.C.

This essay is excerpted from the author's forthcoming book *Our Common Wealth: The Return of Public Ownership in the United States*, to be published by Manchester University Press in September 2018.

Notes

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