

"An essential read for those who want to fight the assault on public goods and the commons." —Naomi Klein

THE PRIVATIZATION OF



*How the Plunder of Public Goods
Transformed America
and How We Can Fight Back*

DONALD COHEN & ALLEN MIKAELIAN

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THE PRIVATIZATION OF EVERYTHING

**HOW THE PLUNDER OF PUBLIC GOODS TRANSFORMED AMERICA
AND HOW WE CAN FIGHT BACK**

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Part I

UNDERSTANDING PRIVATIZATION

1

Public Goods for the Common Good

ON MARCH 13, 2020, THE DAY THAT PRESIDENT DONALD TRUMP FINALLY declared the COVID-19 pandemic a national emergency, the stage was set for bold, sweeping action. The crisis demanded it. Vice President Mike Pence, newly appointed as head of the White House Coronavirus Task Force, spoke of a “whole-of-government approach” backed by “an all-of-America approach.” But when he got down to details, the government and the public were conspicuously absent. Instead, he offered one “historic public-private partnership” after another. Private companies would produce tests and sell them on the open market, Google would provide online triage, and “incredible companies” like CVS, Target, Walgreens, and Walmart would “give a little bit of their parking lot” for drive-through testing, he crowed.¹

Within hours it was evident that these “historic” partnerships were largely aspirational—no private company was ready to produce massive numbers of tests, Google wasn’t actually working on a nationwide triage website, and the gift of a few parking spots from the “incredible” retailers made little sense without the first two pieces in place. Within a few weeks, the administration quietly threw up its hands and pulled funding for testing sites. Walmart’s online market, meanwhile, was taking a cut of some incredible price gouging on products like hand sanitizer and face masks—to the point where thirty-three state attorneys general demanded it stop.²

Within days it was evident that private enterprise and the free market alone would not meet the nation’s need for medical equipment; Trump came under pressure to use the Defense Production Act, which would allow him to order manufacturers to do what the invisible hand was failing to do. Trump refused, saying he would seek only voluntary

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commitments from producers and falsely claiming that any use of the DPA would amount to a government takeover: “We’re a country not based on nationalizing our business. Call a person over in Venezuela, ask them how did nationalization of their businesses work out. Not too well.” The DPA does not allow the government to nationalize a business, but Trump was apparently heeding the guidance of his top economic adviser, Larry Kudlow, who was insisting, even as the economy sank in the last weeks of February, that the pandemic would never “sink” the economy. Only “the socialism coming from our friends on the other side of the aisle” could do that.³

So, rather than focusing on public health through public solutions, the administration’s pandemic response was, in the words of Dr. Deborah Birx, the task force’s response coordinator, “centered fully on unleashing the power of the private sector.” The administration’s priorities were plain. When a private laboratory developed a COVID-19 test that could provide results in as little as five minutes, Trump called it “a whole new ball game,” particularly since states were facing deep backlogs—California was behind by nearly 60,000 samples, and 115,000 patients from around the nation were in a queue at Quest Diagnostics’ labs. The federal government, however, made almost no effort to get the test to the states, trusting instead in the free market. The Department of Health and Human Services ordered a mere 5,500 tests; its spokesperson explained why: “We wanted to leave market share for hospitals and other healthcare providers to purchase through the commercial sector.” Preserving market share, letting the market decide who would get the tests, took priority.⁴

Public health is a public good, but the Trump administration handed it over to corporations. Shocking as this was, the Trump administration’s stance was simply an extension of what it had been doing since it came into office, and what politicians of all stripes have been doing for some fifty years.

Many define privatization as simply the outsourcing of a good or a service to a private company, but it is much more than that. Privatization has broad effects and needs a broad definition. Privatization is the transfer of control over public goods to private hands. Sometimes this happens

during procurement—the outsourcing of public services to a private contractor. In other cases it's due to austerity—reducing public funding of a vital public good and letting private options take over. Or it can happen through deregulation—when we eliminate or fail to enforce public control through important regulatory safeguards for consumers, workers, or the environment. In all these ways, privatization is a transfer of power over our own destiny, as individuals and as a nation, to unelected, unaccountable, and inscrutable corporations and their executives.

Public Power over Public Goods

If privatization is the transfer of control over public goods, what do we mean by *public goods*? Economics textbooks have a pretty strict definition, but ironically it's one that effectively excludes the public. If we want to have any say in what counts as a public good, we need to let our definition expand. Most economics textbooks, and many economists, define public goods in pretty strict terms: they are things that are *nonexcludable* (meaning that it's either impossible or impractical to prevent people from using them) and *nonrivalrous* (meaning that one person using them does not take away from another person's use). In theory, at least, things that fit this definition are hard to make money from because profit comes from exclusion and rivalry. Therefore, if the market can't exploit it, it's a public good, and it's okay for the government to get involved. So those who want to limit government often use this theory of public goods to draw a bright line between what private businesses and the market does and what the government should be *allowed* to do.

This theory of public goods sidelines the public almost completely. It assumes that the market can and will provide just about everything. According to conservative economists, the government should step in only when markets fail. In those rare instances where someone can't make money from a particular good or service, it becomes *permissible* for the government to take it on. In this framing, the market decides what is public and what is private, and the public must follow the market's dictates. Privatization is often a logical outcome. When a good or service is privatized, it means that someone has figured out how to make money

from it or that they want to exclude segments of the public. And when that happens, according to free-market adherents, the public needs to get out of the way.

This classic and narrow definition of public goods is fundamentally opposed to democracy and leaves decision-making about vital issues to the whims of the market. We therefore propose flipping the definition on its head. In a democratic society public goods should not be defined by the market. They should be defined by the public and its values. Just because some people *can* be excluded from having a public good does not mean we should allow that to happen. In fact, after we the people define something as a public good, we must use our democratic power to make certain that exclusions do not happen. And even if it's possible for there to be rivalries for a particular public good, we will make sure that, in these narrow arenas, winning and losing don't carry devastating consequences.

Clearly, it is *possible* to exclude some people from schools. Clearly, there can be intense rivalry over who gets a seat. But we decided long ago that this would not happen at K–12 public schools. We *could* make all our roads exclusive, but we decided that it would be better for both the economy and each of us individually if the public controlled most roads, paid for them, and permitted access.

During the coronavirus pandemic, the tools of public health fell into private hands, as did the ability to make public health policy. The president's son-in-law and senior adviser Jared Kushner was blunt about this after hearing complaints that the competition for protective equipment—masks, gowns, and other essentials—was driving prices beyond reason. “Free markets will solve this,” he reportedly replied. “That is not the role of government.” But the free market failed spectacularly, and Trump heard about it firsthand from the nation's governors. “I'm bidding up other states on the prices,” explained New York's Andrew Cuomo. Masks that once cost \$0.85 each soon were \$7. Louisiana found that ventilators were 23 percent more expensive than they'd been before the outbreak, but the same company was selling them to Washington State for just slightly more than the pre-COVID price. No one could say why.⁵

Free-market solutions are often touted as a way to hold government spending down and prevent waste, but in this market Louisiana had to order far more ventilators than it needed because it was uncertain that any of its orders would be met. None of this helped ensure that ventilators would get to the places of greatest need in time—instead of public servants making these policy decisions, private companies made the decision that maximized their private profit, regardless of the public good. Dr. Joseph Kanter of the Louisiana Department of Health was at a loss: “The private sector can be a dizzying place. When it’s life and death, there needs to be some measure of additional coordination.”⁶

Massachusetts governor Charlie Baker, on a conference call with the president, pointed out that on three separate orders of desperately needed medical equipment, the state “lost to the feds.” An apparently unconcerned and possibly proud Trump actually chuckled over that fact, according to news reports, and went on to explain the obvious: “Price is always a component of that also. And maybe that’s why you lost to the feds, okay, I’ll tell you, that’s probably why.” To Trump, the market was working exactly the way it was supposed to.⁷

The market is allegedly the most efficient way to bring the right amount of a good or a service to the right customer at the right time at the best price. Such assumptions fed Trump’s assertion that states could get supplies “faster if they can get them directly” from suppliers. When the product is a public good, however, the market can put lives at risk. The free-market chaos that the states had to face did not serve public health or the public good. It benefited only those able to exploit the chaos by driving up prices.⁸

In a democracy, it is the public’s job—not the market’s—to decide what to cede to the private sphere. In some cases, even if something is not a public good in the economists’ sense, the public has the ability to decide that *we will treat it as such*. In a democracy, *we* get to decide that there should be no exclusions—no winners or losers—when it comes to education (or clean water, or a fair trial, or a vaccine), even if it’s possible to do so. We decide there are things we should do together. We give special treatment to these goods because we realize that they benefit everyone in the course of benefiting each one—and conversely, that excluding some hurts us all.

That starts with asserting public control over our fundamental public goods. We lift these goods out of the market or restrict what the market can do, taking concrete steps to make sure that no one is excluded and that there is enough to go around (and, we should note, that doesn't mean that there can't be private schools or bottled water or privately produced COVID testing kits). Public control is exercised in different ways; the public tool kit includes establishing public-goods standards for public money spent on procurement, providing public services, and creating regulations and safeguards for public goods created privately. What's important is that public goods exist only insofar as we, the voters and the people, create them. That's how democracy should and often does work.⁹

But it really works only if we can hold on to an idea of the common good. Is it good for individuals *and* the whole? Public goods can be slippery things if we don't keep our ideas about the common good in view. A democracy could conceivably be convinced that everyone should have 72-inch OLED televisions. A lobbyist from the gigantic TV manufacturers' association could spin out an argument that universal access to such items should be a public good. But it's harder to do so if we start with public values and use those as a ruler. Does universal access to big TVs serve our common vision of what's necessary, even to the point of justifying the cost of providing them? Does access to ginormous, high-definition TV screens meet a moral need? Most of us would say no. It does not greatly benefit me if my neighbor has a huge TV. But it benefits me tremendously if she has an education, if his children are fed, and if they are vaccinated. And making sure all those things are provided is also just the right thing to do.

Public Goods in Private Hands

Privatization is the transfer of control over public goods into private hands. In all of our thinking about how public goods are created and distributed, our concern should be focused on control: Who has ownership, rights, and the power to make decisions? As public agencies go about their business of serving the people, they will use all manner of arrangements, including contracting, outsourcing, and public-private partner-

ships, to get things done. All of these arrangements should be judged by how much control the public retains. We should not object to government contracting or outsourcing per se, but we should resist giving control of a public good over to a private concern.

It usually makes sense for a city or state to hire contractors to build a road. These contractors can be held accountable by public managers who ensure that the work is done, meets public standards, and doesn't waste public resources, and the public will still own and control the finished product. But when the public cedes control over all aspects of construction, planning, financing, operations, and maintenance (as often happens in so-called public-private partnerships), it loses control over a public good. Politicians in Colorado, instead of budgeting for the cost of operating the Northwest Parkway in Denver, gave the Portugal-based corporation Brisa Auto-Estradas a contract to tend to the road and profit from its tolls for a term of ninety-nine years. When residents wanted to improve a local road nearby, one that was still in public hands, the multinational company objected, pointing to contract language that barred localities from competing with the toll road, and it demanded compensation. A public road became unwelcome competition; the public could be charged for their attempts to lessen congestion and emissions.¹⁰

In 2008 Chicago's mayor and city council provided a case study in how badly things can go wrong when the public gives up control over public goods. It was a terrifying time financially. The 2008 recession meant plummeting revenues for the city, with no bottom in sight. The group of private investors led by Morgan Stanley rode in like white knights with \$1.16 billion, and all Chicago had to do was give up control of its 36,000 parking meters, which were in need of modernization anyway, for seventy-five years. The sudden decision was made without public involvement or much scrutiny of the contract.

The city got fleeced: Chicago's parking meters raked in \$138.7 million in 2019. All told, private investors have earned \$1.6 billion so far. That's nearly \$500 million more than their initial, \$1.16 billion investment—with sixty-four years' worth of parking-meter revenues to go. Chicago's inspector general later found that the city stood to *lose* nearly a billion dollars over the course of the contract by taking a billion up front. But

that massive revenue shortfall was only part of what Chicago lost. When investors got control over the meters, they also gained control over public space and even future development. When the investors penned the contract, they insisted that the city “true up” any loss caused by the city’s changing with the times, which is what cities do and what the public expects. If a bus lane, bike lane, housing development, street fair, tree planting, or any other initiative is perceived to reduce parking revenue, the city must pay. Those payments could add up to \$20 million a year. That has the effect of limiting choices made through the democratic process. Chicago invited a powerful, unaccountable, and unelected player to the table. The parking-meter conglomerate is not a citizen; it has no vote, but it holds the power to resist the city’s efforts to serve the public good until the contract expires in 2083.¹¹

A discussion about the parking-meter deal based on the idea that public space is a public good and deserves public control would have ended in a very different place. A decision that prioritized public control would have accepted the need to increase revenue for the common good, through either taxes or a bond, and would have recognized that giving up control over public space is a profoundly shortsighted way to bring in cash. Instead, Chicago’s city leaders lost a billion dollars after being hypnotized by the promises of Wall Street wizardry and the myth of private-sector efficiency.

The Market Mythology of “Run It Like a Business”

We’ve been taught for so long that bureaucracies can’t beat the private sector when it comes to quality and efficiency, so privatization proposals like the Chicago parking-meter deal get barely a second thought. The idea that the private sector will always perform better is so ingrained that we even accept the idea that prisons can be run for profit.

Back in 1983, the private prison industry emerged from the idea that when it came to incarceration, “you just sell it like you were selling cars, or real estate, or hamburgers,” or so one of the co-founders of the Corrections Corporation of America (CCA) told a reporter. The founders

had a good hustle, but their venture clearly didn't deliver a superior product. On their first contracts, because their facilities weren't ready, they housed prisoners in motel rooms, and several of them made easy escapes after removing their A/C window units. So it wasn't quality that carried the day. CCA (now known as CoreCivic) did not get its start as a scrappy entrepreneurial venture innovating its way into the market with a better mousetrap; it succeeded because of its founders' political connections and their ability to exploit state financial crises.¹²

The founders of CCA—T. Don Hutto, Thomas Beasley, Doctor R. Crants—knew how to work the system. It's unlikely they would have succeeded if they didn't. Hutto was a director of corrections for Virginia and a president of the American Correctional Association. He also had experience running Arkansas's corrections department and had previously attempted to monetize prisoners under his control (the U.S. Supreme Court chided him and his colleagues in Virginia for attempting "to operate their prisons at a profit," and painted a picture of prison labor not unlike the Jim Crow era's convict-lease system). Beasley was chairman of the Tennessee Republican Party and had served on a committee investigating prison conditions in the state, which led him to the conclusion that a private prison company would be a winning business. Crants was a Nashville-based lawyer and Harvard MBA grad. Investors in CCA included a venture capitalist who'd funded Kentucky Fried Chicken and Leslee "Honey" Buhler, the wife of Tennessee governor Lamar Alexander.¹³

CCA succeeded because, as Beasley noticed during his time on the investigating committee, prisons were overcrowded due to the war on drugs and tough-on-crime measures, but states were operating on shoestring budgets due to Reagan-era tax cuts and promises to reduce the size of government. This left governments in a bind and gave CCA its opening.¹⁴

Prisons are labor-intensive operations. Some 65 to 70 percent of the costs associated with publicly run prisons are related to the workforce. So when a politician gives a management contract to a private prison company, they can claim to have dramatically reduced the number of

government employees. They are really just relabeling a large part of their workforce, but the move looks good on paper. This is of course *nothing* like selling hamburgers or cars or real estate. In most cases, the privatizer offers no new innovation or improvement to the public good, but they don't need to. In reality, the product is not what is being sold; it's the disingenuous promise of "no new taxes." In the end, what they are really selling is a way for politicians to both externalize a cost and backstop an antigovernment, antipublic ideology.¹⁵

The rise of for-profit prisons gives us a window into what privatization is really all about. These prisons have never been better than the public alternative—in many cases they are demonstrably worse. They don't beat competitors with better products. Instead, they work the system, play to politicians' weaknesses, make money by cutting wages and payrolls, and obtain contracts that help them eliminate risk (many private prisons, for example, get paid based on capacity, not on actual prison population). Like many privatization schemes, private prisons also profit on the backs of the disempowered, the poor, and minorities.

And yet private prisons and many other privatization schemes thrive under the unproven assumption that they will automatically be more efficient than the government ever possibly could be; that the profit motive will always be more effective than the desire to serve the public. In part, these companies and their political allies have convinced us that we should evaluate each public policy decision more as consumers than as citizens.

Citizens and Consumers in the Public Square

Privatization advocates depend on transforming us from citizens into consumers. They tell us that education policy should be guided by school choice, as if we were choosing between appliances. That water is simply a product like other "foodstuffs." That libraries are unnecessary when we have Amazon and Starbucks. These advocates relentlessly argue that government creates a monopoly whenever it takes on a service, and that monopolies stifle innovation, quality, and freedom. They offer instead

the free market's panoply of choice, and a promise that any low-quality offerings will wither away as consumers learn to avoid them.*

Their sunny view of the free market obscures the rivalries and exclusions that markets create. In fact, we enable this process by competing with and excluding fellow citizens from the best of what the market has to offer. There are limited spaces at the best private and charter schools. You have to be willing to spend to sit at a Starbucks. And how would the free market distribute limited supplies of a lifesaving vaccine? It certainly wouldn't follow public health experts' recommendations on how to reduce the spread of the disease. It wouldn't target the low-wage or minority communities hit hardest by the disease, for example. "Being a consumer is a matter of trying to get what I happen to want," Michael S. Sandel, professor of government at Harvard University, notes. "Being a citizen involves deliberating with my fellow citizens, about what should be the fate of our collective destiny, of the political community as a whole." What we have instead, argues Sherrilyn Ifill, president and director-counsel of the NAACP Legal Defense Fund, is a fully privatized citizenship:

What we're seeing in our country today: the rhetoric, the hate, the ignorance, the coarseness, the vulgarity, the cruelty, the greed, the fear is the result of decades of poor citizenship development. It is a reflection of the fully privatized notion of citizenship, a feral conflict for the scraps left by oligarchs.

When she was growing up in the late 1960s, Ifill was fully aware of the importance of public things—libraries, transportation, parks, schools: "My entire early life was supported by public goods and policy decisions designed to promote the public good." She then lived through a seismic shift in American life. As the nation took steps toward desegregation,

* Sadly, even the word *citizen* has in some contexts come to be used as something exclusionary. We are using the word in its original sense—it was derived from *city*—of a member of a community who has rights and accepts responsibilities. In our use, it is a mindset rather than a legal definition and it is meant to include, not divide.

white people had to start visibly sharing public things with black people. It became easy for those opposed to big government to use racism in “a deliberate effort to denigrate public life and goods by associating them with race. . . . And once it’s associated with black people, it becomes denigrated. It becomes something that you don’t want. The private becomes better: private education and your private car and your own big Mc-Mansion.”¹⁶

We are both citizens and consumers, but privatization encourages us to approach public goods merely as a shopper while convincing us to forget that fellow citizens need that public good too. We come to believe that our own satisfaction is paramount, even if gaining that satisfaction leaves others behind. We have long been told that the customer is always right, and reject the idea that we should work with others so we can all achieve a common goal. As consumers, our only responsibility is to ourselves.

As consumers, we promote exclusions, but at the same time we are excluded. We do not have power over what is given to us; we have no right to expect a voice in what choices we have. Private corporations decide for us. Sometimes they might be responding to broad consumer demand, other times they might be driving it. In either case, they are not accountable to us. As consumers, we take what others have made, and have no connection to the process of creation.

There are plenty of times when there’s nothing wrong with being a consumer, so long as we can get the best for ourselves while balancing our desires against the consequences of our choices. But for things that we value both for ourselves and for the common good—clean water, education, public health, safe roads and bridges—let’s approach these as citizens of a democracy, as co-creators of public goods and not merely consumers of others’ work, as part of something larger and not merely as isolated individuals, and as a people defined by our responsibilities rather than merely by our desires.

The difference between citizen and consumer, between private desires and public needs, came into focus as never before during 2020’s pandemic, and it revealed a dark thread running through several seemingly unrelated topics. Suddenly, individual consumer choices threatened the lives of fellow citizens. Fulfilling our desires to eat in a restaurant, dance

in a bar, or cheer at a sports game meant participating in the spread of a deadly virus. Public health experts asked us to sacrifice and to think of the common good, but much of the nation had been primed to treat these recommendations as it treated every other science-based policy: first, as utterly political, and second, as purely a matter of personal choice.

“We are being destroyed by the idea that we are not interdependent,” warned Ifill. And in the same vein but in comments focused on the pandemic, former secretary of labor Robert Reich lamented, “In America, the word ‘public’—as in public health, public education or public welfare—means a sum total of individual needs, not the common good.” It was March 2020, and the country was at an inflection point. Many politicians, mostly Republicans, were following Trump in his morbid calculus that pitted the economy against American lives and concluding that the economy, driven by free and unfettered consumer choice, should take priority. The following month saw small but well-organized protests against public health recommendations nationwide. The same month saw media talking heads and lobbyists from the right-leaning American Legislative Exchange Council (ALEC) “value-pushing” against lockdowns and closures. ALEC’s position was: “It is possible and preferable for employers to implement best practices to protect the health of their customers and employees—without micromanagement from the government.” Here again, the public needed to stand aside for individual choice; in this case it was the individual choices of the employers, while in the case of the right-wing protesters it was their choice to refuse to wear a mask, to ignore lockdown orders, and go to bars and restaurants. They claimed that public decisions—those that take into account the health of all citizens—were nothing more than limits on freedom. The results were predictable and terrible.¹⁷

Some recalled their responsibilities as citizens, but those who continued to embrace individual consumer choice at the expense of public health found themselves walking with extremists, showing once again how unbending individualism and hardened racism often travel hand-in-hand. The Michigan Freedom Fund, which relied heavily on donations from Education Secretary Betsy DeVos’s family, helped organize protests against the state’s sensible public health restrictions. The fund’s

Operation Gridlock in Lansing succeeded in blocking ambulances from getting to the hospital; a doctor had to beg with protesters to let them through. The public transportation agency announced it was “unable to accommodate life-sustaining and medically necessary trips” to sections of the city because of the intentional gridlock. Firearms and Confederate flags were in abundance. The Proud Boys, classified as a hate group by the Southern Poverty Law Center and prone to violence, made their presence felt.¹⁸

Abandon our obligations to each other, and racism and bigotry are not far behind. Secretary DeVos had no compunction about supporting these protests, just as she has no qualms about tax dollars going to schools that discriminate against LGBTQ+ employees, parents, and students. Following the reasoning of DeVos and others like her, excluding certain people is after all an individual choice, a consumer choice, that in her worldview must be protected from government intervention.

In the minds of many of those who refuse to acknowledge public health or entrenched societal racism, there are no systemic problems—no problems that can be addressed by a public working together. This antipublic attitude was on display in the pandemic’s conservative protest movement and especially in counterprotests against those decrying police violence. “There is no racism, there is no oppression,” one woman screamed while painting over a public display of the words *Black lives matter*. There are, in this mindset, only individual choices, and those individual choices never add up to something that demands we take collective responsibility and action.

Privatization often relies on such attitudes, and it often works to advance them. It is a huge help to privatizing corporations if we think of water as a mere consumer good or think selling incarceration is just like selling hamburgers. It helps them if we believe we just need to take care of ourselves, and that our consumer choices have no impact on public welfare. It’s a huge help if those with power and privilege deny any responsibility for or kinship with the minority communities that privatization often targets. But it is much worse than that. Privatization also operates to further racism’s animating principle—the denial of systemic

racism—by convincing us that our consumer freedoms mean we can safely ignore our responsibilities as citizens.

A Fight We Can Win: Why There's Hope

In spite of the vast amounts of power and money focused on privatizing public goods, there remain several reasons to be hopeful, and there is much that we can do. In the end, as paradoxical as it seems, privatization is not just about money or about who provides what service; privatization is about values, about whether we are committed to promoting the general welfare as enshrined in the preamble to the Constitution, and about what we the public deem to be public goods.

Public values are powerful things, and when they are clearly articulated in a democracy, they, not the privileged few, can guide the discussion and the politics. This is why we are hopeful. In California, the small city of Felton took back its water infrastructure from the privately owned California American Water after finding that a public co-op would be better and cheaper. In Pomona, California, voters turned out in overwhelming numbers to block the privatization of city libraries—even those who never used the library saw its value as a public good. In Atlanta, a coalition of public transit users, employees, and teachers stopped a plan to transfer control over city buses to private enterprises. In Florida, a Republican lawmaker waged war against private prisons, documenting waste, fraud, and abuse and making the case that the power to punish should belong to the public. Voters in Massachusetts resisted multimillion-dollar campaigns funded by out-of-state billionaires that attempted to expand school privatization. These are small victories but represent something much larger. We are hopeful because these victories, although seemingly isolated and local, were an expression of public values and involved citizens defining public goods.

Our national malaise, which feeds division and isolation, is partly due to a sense that our problems are too large for citizens to remedy. Economic inequality, power imbalance, the dissolution of communities, and segregation seem like issues that average people can do little to address,

much less repair. But this is not the case. Privatization is a driver of all of these issues: it facilitates the upward transfer of wealth, exacerbates inequality, creates powerful interests, separates us from each other, and segregates us by race and class. And privatization is *not* too big for the average citizen to take on. It happens at very local levels and involves corporations and politicians who are acutely susceptible to public pressure.

Reclaiming public goods addresses the big problems in very specific, concrete ways. Citizen activism can be directed at *this* road, *these* schools, *that* library—local institutions that have an impact on our daily lives and a broader impact on the health of our communities. At the same time, this road, these schools, and that library are more than individual institutions; they are embodiments of a set of public values. When we act to protect these public goods, or create new ones, we have an opportunity to communicate what it is we value and how we want to see those values reflected in our lives. Reclaiming public goods is about more than who picks up our trash or bills us for our water; it is about who we are and what we believe. When we point to those values while fighting for this school or that library, we can win.

Why This Book

The work of a pro-public movement will happen on two parallel tracks. One track will reintroduce public values into the conversation. We will reclaim the idea of the public; we will honor and celebrate our connections to each other and make decisions based on awareness of those connections. We will reclaim our governments as tools of the public—not as distant power centers or as tribute-taking idols, but as useful instruments for making public values manifest. We will use public conversation and debate to define public goods, and we will act to ensure that those goods remain under public control.

On the other track, we will confront privatization whenever it threatens a public good. The values chosen and public goods defined in our national and local conversations will help determine what we can cede to the market and what must remain with the public. We will learn what we need to know about these public goods to help determine what can be

allowed to be sold on the market. We will insist that the democratic practices of transparency, accountability, equal treatment, and equal access be preserved, whether a particular service is delivered by a public servant or a private contractor.

This book travels on both tracks. Each part looks at a key public good, makes a case for the public values that support it, and indicates where we have ceded too much to private interests. We look at what the public has historically accomplished in each area, why public control is essential, and the impact of privatization. Our approach is both idealistic and practical. We want readers to see the lofty values and big ideas behind the creation of public goods, and we want readers to feel empowered to question those values and introduce new ones. We want to help change the conversation, so we can stop talking about “government monopolies” and return to talking about public control over public goods.

The next chapter argues that privatization is primarily a political strategy—one designed to separate us from public goods, our government, and each other. Part II discusses the privatization of water and food inspection, but it’s more broadly about public health. Part III goes into the privatization of transportation and communication infrastructure, but it’s really about building an equitable economy. Part IV covers examples that seem very disparate—environmental policy, private prisons, and forced arbitration—but all show how privatization is undermining democracy and liberty. Part V is about the social safety net, student loans, and wages under privatization, but it’s more broadly about inequality. Part VI shows how privatization erodes community, drawing examples from charter schools, public parks, presidential libraries, and Social Security. Part VII covers education in the competitive marketplace, and part VIII looks at what happens when public knowledge becomes private. Finally, part IX wraps up the book with concrete suggestions about how to become pro-public, reinvigorate American democracy, and take public control of public goods.

We also want to provide a clear path toward seeing public values and the promises inherent in public goods delivered. We want to change the conversation, but not for cosmetic reasons—a stronger and more honest language will help us better analyze the changes privatization is

proposing. The stories in this book of failed privatization schemes are shocking, but they aren't just for rhetorical effect; they are intended as vivid illustrations of what happens when we lose sight of the common good. And the stories of successful struggles against privatization aren't meant only to inspire, but also to help serve as a road map.

Whenever we feel powerless to stop the steady transfer of public goods into private hands, we can be sure that the advocates of privatization did their jobs well. The vision that they are selling is of consumers stripped of all connections to each other and utterly impotent in the face of market forces. Freedom is reduced to consumer choice, which amounts merely to a choice between a limited number of products that someone else chose to produce. Citizens' freedoms are more than that. Citizens have freedom not only to consume but also to create, and to create great things together. Citizens created safe public water and the very idea of public health. Citizens created transportation and communications systems that create diverse economies. Citizens created democracy, expanded voting rights, and have held the powerful to account. The chapters that follow are about privatization, but they are also about reclaiming real freedom, redefining our public values, and putting them to work for our common good.