

"SOME DAY, SON, NONE OF THIS WILL BE YOURS."



Building our common assets

What's your most valuable stuff? Not the house or car. It's the things we share in common: gifts of nature, like air and water, and the sum of all human knowledge and experience, including science and culture. They form the basis of humanity's common wealth, and without them we couldn't breathe, drink, or create. We call them, collectively, "the commons."

Despite their importance, we've forgotten how to recognize the commons and act like the rightful owners of these riches. Our ancestors saw more clearly. The stewardship of our shared inheritance is embedded in our religious traditions, and laws about the commons date back to Roman times. Some early American states called themselves "Commonwealths" and made the government responsible to care for that common property for "generations yet to come."

But these days our commons are threatened as never before. Some are being run into the ground, and others are being swallowed up as private property. But if we look closely, our commons are still there for us to claim and protect. Now's the time.

In this issue of SectionZ:

Let's Reclaim The Commons

Think our wealth is made on Wall Street? Think again.

Markets do a great job of putting dollars in our pockets. That's income. But much of the capital, the basis for our wealth, lies elsewhere: in the commons. When we log trees on our public lands, we are cashing in some of our natural capital. And when we utilize math theorems or chemical equations, we are drawing upon our human knowledge capital.

There are two principles for managing this portfolio of assets. The use of common property should benefit all owners. And our use must not diminish the value of our property for future generations. But the dollar value of our common assets is only part of the story. What price shall we place on a sunset? On community or democracy? Each of these depends on our commons as well.

It will take skill and sound judgment to bring the commons back under good management. In some cases, we can change the rules so that the market pulls in the same direction as the common good. In others, we need to reconsider whether we've let too much of our common property be "enclosed" for private use. If we manage the commons well, the payoff will be prosperity for ourselves and for our children. It's just common sense.

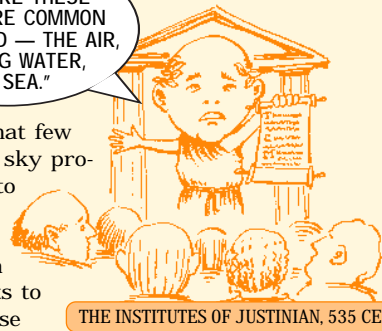
Our Sky

We depend on the sky — our air and atmosphere — for services that few in the past could have imagined. The sky protects us from ultraviolet light, helps to regulate our climate, and much else. Unfortunately, it's mostly when pollution from Earth starts to foul up these systems that we begin to notice them. As problems accumulate, it's worth noting that the Western legal tradition as far back as Roman times declares the sky to be our common property. That makes air pollution nothing less than an infringement upon our property rights.

Managing our sky as a common asset is the best way to reduce pollution.

Ironically, the best way to protect our sky may be to rent out limited rights to pollute it. We're already trying something similar to control sulfur dioxide (SO2) — a cause of acid rain. Here's how the rules work: Power plants obtain a permit for each ton of SO2 that they want to belch into our atmosphere. Each year we reduce the number of permits available, but since the power plants may swap them amongst themselves, those who cut their emissions most can profit by selling their permits to the more stubborn polluters. The result: an extremely efficient way of reducing acid rain. The only problem is that we launched the program by "grandfathering" the pollution — giving away the initial permits. A study of similar programs by the think tank Resources for the Future shows that selling the permits at auction would be twice as economical to society as handing them out. That's the bottom line. And after all, it's our sky.

"BY THE LAW OF NATURE THESE THINGS ARE COMMON TO MANKIND — THE AIR, RUNNING WATER, THE SEA."



THE INSTITUTES OF JUSTINIAN, 535 CE

Our Knowledge & Culture

Who owns the writings of Plato or the equations of Einstein? We all do. These strands in the tapestry of human learning are part of our "public domain." Countless generations have contributed, each building upon the efforts of those who have come before. It's no exaggeration to say that all of humanity's progress rests upon this knowledge base. Concerned that the public domain continue to grow, our nation's Founding Fathers instructed Congress "to promote the progress of science and the useful arts" by offering short-term monopolies as rewards. These are the tools that we know as patents and copyrights. They offer financial incentives for inventors or creators to continue their work.

But these days, monopoly protections have gotten so far out of hand that they are interfering with our common goals. Patents have been extended to realms like DNA, where they are likely to hinder, not stimulate, progress. And the copyright term has been extended 11 times since 1960, from 28 to up to 95 years, "to such ludicrous proportions that it now often inhibits rather than promotes the circulation of ideas," writes *The Economist*. A roster of Nobel Prize-winning economists agrees. We need to reconsider recent patent and copyright madness to strike a better balance between the rights of creators and the public interest.

Patents and copyrights ought to be used for growing our knowledge and culture.

"PATENTS FOR LIVING ORGANISMS IMPOVERISH HUMAN SOCIETY ETHICALLY, ECOLOGICALLY, AND ECONOMICALLY."



VANDANA SHIVA, PHYSICIST & WRITER

Our Internet

The value of our Internet stems from its open design.

Years ago, did you ever think you would plug a computer into the phone line? Until the 1960s, it would have been legally impossible — AT&T had a monopoly on the lines and no one else could use them. What we've learned is that keeping our systems — hardware like phone lines and software like computer code — open to innovation is crucial. Take this example: hyperlinking between websites. It seems basic to us now, but it wasn't invented until years after the Internet itself. The norms of the Internet were wisely designed to allow people to connect easily with each other and to build freely on what had come before. As a result, the Internet has become the modern town square, helping to bring about the greatest technological, and economic, revolution of recent times.

"SO BLIND ARE WE TO THE POSSIBLE VALUE OF A COMMONS THAT WE DON'T EVEN NOTICE THE COMMONS THAT THE INTERNET IS."



LAWRENCE LESSIG, PROFESSOR AT STANFORD LAW SCHOOL

Today, however, threats to our open Internet commons abound. We take our Internet mobility for granted, but picture being steered by companies to one website over another. It would be like not being able to call Southwest for a reservation because your phone company had a deal with United. Just as in other media, the Federal Communications Commission (FCC) is looking to allow a greater concentration of corporate control. That might lead to a very different Internet from the open access commons we've come to know.

Our Public Spaces

Public space furnishes the platform on which community and democracy flourish.

Public spaces have played a crucial role in American life since the days of the Revolution, when patriots gathered on Boston Common and militias drilled to greet the British. These days, though, much of our world is enclosed as private spaces, with rules enforced by the owners of shopping malls, office parks, and gated communities. You can be banned from holding a rally, gathering signatures, or even handing out literature there. But public spaces, where people of all kinds interact, follow the laws of the Constitution: they are where we express our freedoms of speech and assembly.

And public spaces aren't just for politics. They are also the places — the parks, the libraries, the sidewalks, the lightly trafficked streets — where a community knits itself together. One example emerging in cities all around the nation is the rebuilding of vacant lots as community gardens, often on pieces of land that had been considered without value. The San Francisco League of Urban Gardeners operates gardening education classes and a transitional employment program. We need our public spaces.

"PUBLIC SPACE IS THE ONLY PLACE WHERE THE POOR AND THE RICH MEET ON EQUAL FOOTING."



ENRIQUE PENALOSA, FORMER MAYOR OF BOGOTÁ, COLUMBIA

Let's Reclaim The Commons

The shared gifts of nature and society that we hold in trust for future generations.

Our Fresh Water

Picture this future: the supply of fresh water becomes so valuable that a large segment of the world's population simply can't afford it. In fact, the United Nations predicts that by 2025, nearly two-thirds of the world will face water shortages. Can something like water — so vital to life itself — be regarded as nothing more than a commodity? It wasn't always this way. Societies through the ages have considered water a resource to be shared, not to mention a blessing and a sacrament. But these days the World Trade Organization (WTO) and North American Free Trade Agreement (NAFTA) are redefining water in commercial terms. One result is that a California company is suing Canada for its refusal to allow bulk exports of water — a restriction that may not be permitted under the trade rules.

The key to meeting our water challenge is to once again recognize water as a commons.

In the U.S., we are facing a water crunch as well. Half the population depends on underground aquifers, and for every five gallons we pump out, nature replaces only four. While honoring the history of water rights, we need to adapt to changing times. Markets for water transfers can be designed with social and ecological goals in mind. Our best guide is to recognize that water is, after all, a commons — and to manage it as a "public trust," for the good of everyone.



JOHN KITZHABER, FORMER GOVERNOR OF OREGON

"WESTERN WATER LAW ALLOWS US TO MANAGE WATER RIGHTS, BUT NOT WATER RESOURCES... WE HOLD ONTO THESE OPERATING SYSTEMS THAT ARE A CENTURY OLD AND WONDER WHY WE CAN'T SOLVE OUR PROBLEMS."

Our Airwaves

Our airwaves have been a valuable asset ever since the first radio station went on the air, early in the last century. Back then, we handed out licenses in exchange for promises that broadcasting serve "the public interest." There was only so much of the broadcast spectrum to go around, and we set public service as the price of using the public's airwaves. Today, much has changed, and although broadcasters have shirked their public service responsibilities, there is good news as well. The proliferation of wireless gadgets — everything from global positioning systems (GPSs) to cell phones — has made our airwaves more valuable than ever. And new technologies will allow us to maximize our use of the spectrum, freeing up new space for other channels.

Our airwaves can provide a bonanza of riches, if we will insist that they serve the public interest.

"THEY USED TO ROB TRAINS IN THE OLD WEST. NOW WE ROB SPECTRUM."



SENATOR JOHN MCCAIN

This windfall of newly available spectrum has everyone scrambling. American broadcasters want to be "grandfathered" so they can sell it themselves. Not so fast, partner. Estimates for the commercial value of the U.S. spectrum run as high as \$770 billion. The government should auction some of that itself, and put the rest to other uses. One small piece of unlicensed spectrum is creating a boom in wireless computing called Wi-Fi. We need more space for that. And imagine an FM dial with a range of voices as diverse as our people. If we manage the spectrum as a public good, that's a real possibility.

"WHO OWNS THE PATENT ON THIS VACCINE?"



EDWARD R. MURROW, RADIO & T.V. JOURNALIST

"WELL, THE PEOPLE, I WOULD SAY. THERE IS NO PATENT. COULD YOU PATENT THE SUN?"



JONAS SALK, INVENTOR OF THE POLIO VACCINE

Expand your commons knowledge

You are invited to a public session:

SF Commons Agenda: Matt and Beyond

Tuesday, January 20, 2004, 7:00 p.m.

SomArts Cultural Center, 934 Brannan Street, San Francisco

Suggested donation \$5-10; no one turned away for lack of funds.

This conversational session will feature leading activists, thinkers and you. Moderated by Adam Werbach, San Francisco Public Utilities Commissioner.

For more information, visit www.commonassets.org or call (415) 241-2515. Sponsored by Common Assets Defense Fund and Ecotrust.

What Tragedy?

Fresh water and human knowledge are two of our common inheritances. A crucial question in thinking about such different commons is this: How much does one person's use of the resource affect another's? With fresh water, my use would subtract from what's available for you. On the other hand, in the public domain of human knowledge, my use would not reduce yours. Just the opposite, in fact; the more people use it, the more it grows.

Ever since 1968, when biologist Garrett Hardin popularized the phrase "tragedy of the commons," we've thought mostly about that first kind of commons. But even in those situations, there are flaws in Hardin's claim that users of a commons will inevitably destroy the resources on which they depend. Researchers around the world have found that, where traditional social systems remain intact, few commons fall victim to such selfish overuse. Many are carefully governed by social arrangements that recognize the advantage of self-restraint and fairness in the local community, thus protecting the commons for the long term.

Tragic ends are not inevitable for modern societies either. We have explored a few of the market and technological tools that can help us to realize the "opportunity of the commons." Our stores of natural and social capital amount to a vast wealth. If we use them wisely, the commons can satisfy all of our needs.

Successful commons management depends on trust and reciprocity. In our modern times, some arrangements for commons management will have to be worked out with our counterparts around the globe. But others will require that we reestablish the local and regional scales of stewardship that provide the glue for well managed commons. We all care about our own backyards, after all. Along the West Coast of North America, we call this backyard Salmon Nation. It's a place where we draw upon a common heritage and build a common future. A place where we not only live, but thrive.



Welcome home.

www.SalmonNation.com

We are richer than we think. But we're leaving our children poorer.

The State of The Commons 2003/04: A Report to Owners from Friends of the Commons. Download or purchase your copy at www.friendsofthecommons.org.



Learn more about these commons:

Sky

- **The Sky Trust Initiative** www.usskytrust.org

Water

- **Public Citizen** www.citizen.org/cmep/water

Knowledge & Culture

- **Public Knowledge** www.publicknowledge.org

Airwaves

- **New America Foundation** www.spectrumpolicy.org

Internet

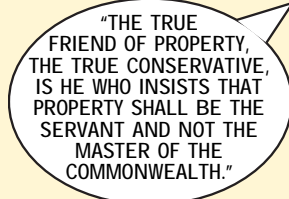
- **Center for Digital Democracy** www.democraticmedia.org

Public Spaces (IN BAY AREA)

- **Peninsula Open Space Trust** www.openspacetrust.org
- **Planet Drum** www.planetdrum.org
- **San Francisco League of Urban Gardeners** www.slug-sf.org

What's the Big Idea?

Click on [What's the Big Idea](#) at www.SectionZ.info.



TEDDY ROOSEVELT

SECTION Z

Making our economy safe for people and nature

The blessings of the free market have won endless praise. But wait a second. If Adam Smith's "invisible hand" is so deft, why are problems like climate disruptions and ever-widening wealth gaps so clearly visible?

We can change all that by rethinking some of our basic assumptions. Let's start by recognizing that the "economy" is but a part of the larger "ecology." The result will be more prosperous lives for all of us.

The science is there, the economics is there, and we need you there, too.

Learn more:

www.SectionZ.info

Order copies of SectionZ at www.SectionZ.info/orders.

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DESIGNER: Melissa Tatge

WRITERS: Howard Silverman, Seth Zuckerman, Ben Donaldson, Craig Jacobson, Eileen Brady, Melissa Tatge

ILLUSTRATOR: Shannon Wheeler

DISTRIBUTION:

San Francisco Chronicle: **50,000**

SF Bay View: **20,000**

SF Bay Guardian: **30,000**

The Oregonian: **90,000**

Willamette Week: **90,000**

SectionZ is made possible through the generous support of the **Columbia Foundation**.

We need your financial support. Please write eileen@ecotrust.org

Printed on **New Leaf EcoBook FSC**, made with 50% post-consumer waste, sparing 48 fully-grown trees. **NEW LEAF PAPER**

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