

Introduction

Last month, 10/10/19, I attended the public meeting in Traralgon which was designed to understand public sentiment regarding the general practise of rate raising by Victorian Councils. Afterwards, speaking to some of the organisers, I was made aware that I was the only citizen that they had seen in these meetings under the age of forty. So, immediately we are faced with a problem. The meetings are designs to assess public sentiment, but the few people that came to these meetings are clearly not representative of the people as a whole. For starters, they are obviously part of the land holding class, and quite possibly because they are struggling financially, are looking at their own financial situation, trying to see what spending can be cut without having a substantial effect upon their lifestyle. Their argument, understandable on the surface, is that they have worked and contributed to the economy and now they ought to be looked after by it. Rates, for them, stick out like proverbial dog's balls.

However, it seemed clear to me that many of the people involved in the discussion did not have a strong understanding of the sociocultural and ethical contributions rates can make to societal health and the indirect ways that everyone benefit from these taxes. A video was played at the start of the meeting to establish a collective reference point, but based on the subsequent discussion, it appeared that the most vocal for radical change did not learn anything from the video or even pay attention. They had their story to tell, but they did not have a firm understanding of what rates are for and how this changes over time, as depicted in your discussion paper.

Furthermore, ignoring the structural changes that have occurred in the economy, particularly beginning with Bob Hawke, they are unaware of the trajectory of the Australian economy, which is no longer geared towards providing for its citizens, but is rather interested in providing for an abstract foreign class of investors, which has in general terms. This has, over time, diminished the real value of a house as a home and defined the home in terms of an investment, changing the way that housing in Australia is thought about. Another problem, linked to this, is the notion of trickledown economics, which has been the rationale for massive tax cuts huge corporations, on the basis that they create jobs, for instance, in the extractive sectors of the economy. This has caused many changes, it has made it harder for governments to raise capital, it has lead to more competition for jobs, lowered wages and centralised the job market, forcing young people to move to the city for work, severely affecting the viability of regional areas to reproduce themselves and their ability to raise funds.

All this has transformed the nation from a national community to a market, intent, first and foremost, on making a profit. The royal commissions into the financial services sector and the age care, as well as the 18 inquiries into the building industry, are cases in point. The question is: can the rates system really be reviewed without considering

the broader economic system and the vision which presupposes it, which it makes sense in relation to?

At the heart of this new situation, there is a contradiction between the narrative of economic growth and the creations of incentives to facilitate this and the the narrative to climate change and ecological collapse. I will argue that this can be overcome by utilising rates as a means to stimulate productive industries which are simultaneously responses to the threat of ecological collapse. For instance, regenerative forms of agriculture. This could be instituted on the basis of alternative currencies which will generate further political and fiscal decentralisation through policy flexibility. This is inline with the IPCCs vision that healthy people create healthy environments and vice versa and is absolutely essential if we are to fulfil not only our commitments to the Paris Climate Agreement, but also the future generation of this nation.

So, what I am arguing in this submission may place me beyond your terms of reference. But I find comfort and confidence in the fact that an ecologically oriented political-economic vision and system is more important than your terms of reference. And while this may be ignored, I feel compelled to submit anyway, since the changes you institute will have a far greater effect on my future than the people who were sitting in the room with me last month, although their voices were much louder than that of my generation. Indeed, the changes this will create are beyond all of our comprehension, but what I will effectively be arguing for is the need for political and fiscal sovereignty, organised on the basis of local production and consumption facilitated through local council-based currency systems, oriented towards responding to the threat of ecological collapse and the struggle to create an ecological civilization. Rates, within this system, will represent rewards or incentives based upon the use of land for democratically decided projects constrained by the need to augment health socio-cultural and natural environments, which humans are a part of.

Challenges facing the nation and the globe

I feel compelled to begin with what I see as the most important problem facing Australia, and indeed global civilization at present before entering into the discussion that took place last night: 1.) the contradiction between the threat of ecological collapse and the continual drive towards global economic expansion based primarily on the burning of fossil fuel, 2.) Australia's policy paralysis and incoherence as passive responses to these threats, 3.) the federal domination of states via fiscal control through the capacity to raise funds, 4.) the depoliticisation and subsequent businetization and amalgamation of local councils which has coincided with the centralisation of power within the federation 5.) the impossibility of fiscal and political sovereignty engendered in a federation geared towards centralisation and 6.) the lack of diversity in the council income stream (in fact, this is true of all levels of government) organised on the basis of extractive rather than productive activity. Although I will not go into all of these issues, I simply wish for the reader to hold these consideration in the background as they read, because they represent divergent and convergent problems to the future of Australian Federation, which could be thought of as **over centralisation**, and needs to be countered by a conscious vision of

decentralisation and a move towards fiscal and political autonomy connected with higher levels of the federation on the basis of flexible policy, a much clearer division of roles and a mutual understand of the common good based on the cutting edge of academic work bringing together the sciences and the humanities by conceptualising life as anticipatory systems. These sorts of things should be in the background of absolutely every single form of policy that is created in Australia today, but it is quite clear that this is simply not the case and outdated models continue to inform policy debate. Rather, economic rationalism is sending false, contradictory and incoherent messages to the general public, who have, in the age of neoliberalism, been reduced to depoliticised consumers, something that policy makers have either basically accepted uncritically or are powerless to change.

So, what I am proposing here is only a basic sketch, a way of thinking about the future role that rates could play in allowing Australia to respond to the threat of ecological collapse by creating a vision which facilitates local political engagement; encourages local forms of production and consumptions unconstrained by global economic downturn on the basis of alternative currencies, which would maintain fiscal and political sovereignty from global markets; huge reductions in fossil fuel use through the utilisation of local labour for local projects build to a local scale; and immeasurable social positives - especially in the realm of physical and mental health - by empowering people to think and behave like active citizens rather than economic consumers. (For more on this, see Alf Hornborg 'Global Magic', especially chapter 8: 'Redesigning money to curb globalisation and increase resilience'.) Increasing resilience is the key here, and Sarah Wilson delivered a marvellous address to the national press gallery defending the view that we need to create resilient people. She dedicated a lot of energy to the role that technology has played in affecting development, although is clearly a huge critic of neoliberalism.

This requires vision from government, which is sorely lacking at present. The danger, then, is that changes made to the rates system without properly considering their place in the broader economic system and the substantial structural changes that have transformed the Australian Federal system over the past century may be in contradiction to the future direction of Australia and may actually inhibit the productive transformation required and the coordinated coordination between the levels of federation, the people, and industry required to achieve this. For example if the changes are not properly anticipating the threat of a future recession (or worse) that Australia is facing - which more than one prominent Australian economist is predicting¹ - breaking the link from rates and (artificially inflated) house prices may cause a major future problem for councils. Yet, judging by how you have tried to reframe equity in the discussion paper, from

¹ Peter Brain and Ian Manning wrote a book called Credit Code Red arguing this. Peter Brain predicted the financial crisis in 1989, the Asian financial crisis in the late 90s and the 2008 financial crisis. John Adams, former advisor to Arthur Sinodinos, has also made similar claims. each spoken strongly about the issues facing Australia, focussing mainly on credit, monetary policy and banking institutions as well as housing. Furthermore, they are also on either side of politics.

'The tax burden should fall appropriately across different types of rate payers'

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'For services that could be acquired in the private market it may be more appropriate that users who benefit more should pay more. Paid parking and swimming pool fees are such examples. Not all ratepayers may use council services equally.'

means that the user-pay model of delivery could be extended. Yet, as was argued in 'Wrong Way: How Privatisation and Economic Reform Backfired', this model has failed to deliver on its promises.

If these more radical economists are correct in predicting a recession, how will people pay a fixed rate and how will councils raise funds if the fixed rate is tied to the housing market and the market collapses? Those with ears open are hearing rumblings about councils from all over the country, suggesting that they are simply not doing their jobs correctly. If something like this occurred, where the council, propped up by artificial house prices, basically collapsed, what would the consequences be for Australian democracy? If we can't allow Bupa or Jakarta to collapse we should also be ensuring that local councils do not collapse either. This means broadening the basis of your framework beyond fairness and equity.

There is another, perhaps more sinister prospect that only a cynic would see, that the political machinations have already anticipated a housing collapse and rates. Indeed, consider the framework that you present in your discussion paper. Four concepts are: efficiency, equity, simplicity and sustainability. Efficiency is defined in terms of cost efficiency, which is defined in terms of rational choice theory on the basis of economic rationalism, equity is transformed on the basis of user-pay, simplicity is defined in opposition to complexity (which is essential for a differential rates system to exist, which I defend below) and sustainability is defined in terms of a consistent revenue base with no consideration of the conditions necessary to maintain this revenue stream. Current sustainability is justified on the basis of a graph tracking house prices from 1996. The two subsequent reference points are equity and fairness, which are defined in such a way to reinforce each other: equity (user pay) is fair because you pay for what you get. This whole framework forces the ill-informed reader to miss the point that rates are a redistributive mechanism on the basis of the common good.

It is never pointed out that if the change occurs to equity in rates, the growth in house rates will no longer be the basis for rates, which means that the graph no longer is relevant to future sustainability of rates. But the discussion paper seems to push the reader in the direction that specific general contributions could be replaced by specific service charges. Who then provides essential services that are, by their very nature, institutions of the common good rather than profit making, such as libraries?

This presents another major question: would fixed rates be tied to an average house price (meaning that this would amount to the rationalising of the rates system), or would they be determined independently on the basis

of user pay? It presents a further question: if the funding is so sustainable, why on Earth would you seek to change it? Is it that it is actually not sustainable?

All of this reveals that the job is not yet done. Other than the process being incredibly unrepresentative, the framework presented and the organising on the public meetings seems to be legitimated on the basis of rational choice theory: if people did not choose to come or make a submission, they do not get to have a say. I would argue that aside from invisible barriers, such as education, there exists severe time constraints in peoples lives and more immediate responsibilities which have been basically overlooked.

An alternative framework

So, what is my vision for the role of rates in a future Australia? Clearly, they are an incredibly important tool for maintaining fiscal autonomy. This aspect ought to be not only maintained, but cultivated. It is also very important that citizens within the local council's borders understand that rates are very different from other forms of tax, such as income tax. However, rates are taken from the same 'pool' of income as income tax from each person and it seems that to most people, the distinction is irrelevant: a tax is simply a tax; a tax is simply a loss of income. Furthermore, with the amalgamation of local councils and the drive towards deregulation for the last 30 years, local areas have become less profitable and the borders of councils have expanded, meaning that rates a beginning to service not 'fellow citizens' but a continually depersonalised 'other'. The rich, living further away from the poor, are seeing their money given in handouts and largely wasteful 'post-civic' projects rather than in productive investments aimed at dealing with issues such as rural unemployment; whereas those living in poor and regional areas face serious restrictions of basic services and are often the most in need of such services. The market, therefore, has not optimally allocated resources. Indeed, What good is it to 'fix' this problem with a user-pay model if those who need the services cannot afford them in the first place?

Increasingly, people are witnessing the growth of a trend that sees public money venture into the hands of private business, who, because they create jobs and thus tax-payers, are free from social-environmental regulations, which become costs for the public sector to cover through taxes. In other words, people understand the concept 'taxes' as public sweeping of private mess, and they are less willing to watch their money be drained into a public cleaning service for the private sector. Thus, the role of the public sector seems basically to make itself irrelevant. This is why there is heightened tension towards unaccountable bureaucrats (although they are a problem), who take the anger that should be directed at simplistic assumptions which legitimate private take-over of essential government services - taxes cuts, trickle down economics, market competition produces the most efficient outcome, the list goes on. The effect this has had on governments ability to raise funds for productive and essential industries has effected the hip pocket of households all over the country negatively and has tightened the collective pockets of Australians. Taxes are no longer a contribution to the common good but a serious threat to the future of many Australians, which is why government tax relief is now becoming understood as a false idol. It is actually

codes for redistributing money from the poor to the rich. However, with the birth of the 'user-pay' over a 'redistributive' culture, out of pocket costs are only likely to rise higher and place even more financial pressure on those suffering the most. In this scenario, what happens to the poorest councils?

This point opens up the conversation in the first question of the meeting, re the relevance of the connection between house prices and rates, which the people at the Traralgon meeting were heatedly against, arguing for equality of rates across the board, with only a small number of people pointing to the responsibility owed to the most vulnerable people in society. However, it seems to me that the real question that should have been asked is thus: **what is the relevance of the market in determining house prices?** This may seem difficult to comprehend, but stick with me. Consider, for example, the governments push to decentralise the public service. All the sudden people with healthy public service wages move to regional areas, which drives up local prices causing rates to increase. This is not a market phenomenon but a form of government intervention and is considered to be 'good', but what is clear is that it is 'bad' to people who do not see their house as a tool for the leveraging of credit, but rather as a home, full of meaning and deeply connected to the local environment. This increased financial pressure could force them to leave their home. Consider another example, a quiet unique one: Derby is in North East Tasmania and has become basically the mountain biking capital of the world. House prices increased unimaginably, because a new class of professional biking enthusiasts moved in. Rates, too, when through the roof, many of the people left, and the nature of this quaint, picturesque town was completely transformed. Is this simply a natural phenomenon, with winners and losers, or should the governments be stepping in to make sure that the most vulnerable (that area of Australia has some of the highest unemployment in the country) are protected from shocks such as this. The most vulnerable were renting, paying \$35 to \$50 a week, and could afford that on the dole. Now they are airBNBs, organised to house people holidaying from the mainland or from around the world, and those people are forced to move on. But where do they go? One may say that the quality of the market has improved, another may say that the transformation of Derby has contributed to an acceleration towards heat death as low entropy lives are replaced by high entropy lives. One has denied a responsibility to those that came before us and those to come and the other has recognised it.

This basic point is stamped on our collective memory from 'the Castle'. The Kerrigan's consider their house to be worth more than what the property analysis believed, but they were looking at basically different houses. One was viewing the house 'from within', the other 'from without'. And clearly, this is happening today, with one lady at the meeting from Sea Spray saying that a valuer considered her house a certain value partly because of the swimming pool out the back, which was actually a lake. Clearly the valuer, governed by the laws of market efficiency, looked at the place on google maps. My point is that the logic of the market does not stop at the house property, by also changes business mentality and the way people see the world, as they reduce everything to efficiency and money. This, after all, is much cheaper. But a home as a place to raise a family, a place of deep connection and meaning, is lost to a house which has value on the market. Market logic

always urges people to act efficiency without consideration, or, in other words, incredibly inefficiently.

There ought to, in other words, be protection for people who are committed to a place and severe limitations on the ability to use homes as a commodity. The explosion of apartments in cities across Australia have severely distorted the market to the point where young people basically have a choice: enjoy life or keep your head down and buy a house. These major distortions in the centre ripple through periphery areas. There is a further problem that I should mention, and that is empty house. Empty houses, like empty businesses, help to keep a market artificially inflated and is one of the major problems facing the Melbourne and Sydney housing markets. This is because if someone owns many houses, an empty house is more profitable than filling all the houses at a lower rate which is affordable to renters and therefore closer to its 'real value', the value at which something gets used.

So, while it was clear that the people were angry about the link between house prices and rates, it is not clear that the question itself got to the root of the problem, which is that a house is a **market commodity** rather than an **essential need**: there is a clear difference between someone that owns one home and someone that owns multiple houses, people that live on a slice of country and people that own huge chunks of land. And they need to be treated differently. It seems to me that we cannot even begin to ask questions such as whether it is right for rates to be tied to the valuation of property before we consider 1.) what is a property/house/home? 2.) what is a value? 3.) what is it on (land, soil, country)? and what is its social function? This is even more pertinent in an age of looming ecological collapse.

However, it seems that the view of a house as a commodity is basically an accepted reference point for argument, and that looking beyond this was very difficult for the people involved in the debate in the heat of the moment, largely because that was how the issue was framed. Individually, the issue seems rational, when we think about it collectively, rationality changes. So, while the arguments made by the people are relevant, clearly revealing a problem, the solution to this problem is not as logical as it may first appear. The perspective of a home as a commodity has blinded people to their position of privilege, which they are blind to largely because the broader project of deregulation - through which the commodity view of a home makes sense - has not fulfilled its major promises: the lowering of the cost of living: despite owning a home, they are not better off. In fact, the reverse has happened. The cost of living has increased and wages have not increased along the lines of inflations. **So, if this project of rates transformation amounts to the rationalisation of the rates system, and previous attempts to rationalise have failed to achieve their goals, what makes this project different?** However because the Australian economy is basically built on the extraction of natural resources oriented towards global markets, two further problems emerge: 1.) periods of growth equals periods of ecological destruction, further exacerbating the ecological crisis, and 2.) dependent on global markets for export profit, Australia thus severely lacks political sovereignty because it lacks fiscal sovereignty. **Australia's economy (and the global economy) is structured on ecological destruction, a situation that drastically needs to change, a process which has accelerated under the forces of economic rationalism.**

It is my view that if the broader economic situation is not taken into consideration when reassessing the roles that rates play in councils around the country, one which necessitates growth to overcome the structural inequalities produced by a redistributive system which send money from the poor to the rich and thus perpetuates the ecological crisis, then the transformative potential such changes can bring about will be lost.

Clearly, what I am trying to do here is broaden the perspective beyond narrow self-interest in order to see how the system of rates could possibly contribute to a notion of the common good which has been removed from Australia's political system and culture more generally. But first this requires that we try to get a grip on what ends the Australian economy is directed towards. While no end may be clear beyond 'growth', this growth is clearly premised on the continual digging up, selling and burning of fossil fuels, which is in contradiction to what other governments, NGOs, international organisation, green groups, scientists and major intellectuals are saying needs to be done to respond to the threat of climate change. And they are in the majority, recognising that a major transition needs to take place which will basically transform the face of civilisation if we are to meet the challenges presented by the IPCC, which we committed to in Paris in 2015 and which continues to present data which is telling us that the situation we face is much worse than we previously anticipated and is accelerating, suggesting that nation-states around the world are not responding nearly drastically enough. Yet, with the recent defence of national sovereignty made by Scott Morrison, it seems that he see this term as basically doing whatever one wants, because his government have a mandate by the people. He prefers to continue the narrow self interest and mask it as the common good. Yet, in a national survey of 50,000 people conducted by the ABC, the three major issues facing Australians today are climate change, health, and drug use. It seems that we are in a sticky situation in determining what we actually want as a nation and who to listen to, suggesting, perhaps, that we are losing grip on the future.

It is with this in mind that I will talk about exemptions and differential rate payments. I am going to imagine these as being like local council subsidies for activities which are supported and needed by the local council, that is, as a way of investing in oneself by doing the opposite: not charging. But this should never be isolated from broader issues facing the region, the state, the nation and the globe. Firstly, this requires a council and its citizens to come together to determine what the challenges facing the council are and how they might respond. Consider the drought and farming. The agricultural industry receives large subsidies from the federal government, but these subsidies have occurred within a political mentality of growth, assuming that a big farm is a good farm. As Geoff Lawrence reveals in his 1987 text, *Capitalism and the Countryside*, this pushed small scale family farmers off the land and encouraged larger farms to emerge through take overs, encouraged the uptake of technology, the use of pesticides, all of which was funded through debt, which transform the social, economic and ecological relations we all face. This is continuing today for dairy farmers. The cost of water, feed and other inputs is forcing farmers off the land. What we are beginning to understand and take seriously is that this kind of farming, which encourages monocrops, is incredibly energy and water intensive, is oriented to highly volatile international markets and is

highly subsidised actually facilitates the decline of regional areas and is not supporting agriculture. It is actually supporting only the part of the agricultural industry which is supporting the fossil fuel industry, which happens to be a very powerful agribusiness industry, which continue to argue that farmers should get big or get out. And this support is clearly affecting the severity of the drought. Where does the drought begin and end in the Anthropocene? If the local council and citizens can recognise this threat to its future together, they might (because they are sovereign), collectively determine that agribusiness farms are not what they want, organised on the basis of contracts between unequals and may decide to charge them incredibly high rates while offering them a pathway towards downsizing and transitions away from highly intensive farmings, towards a more ecologically based form of farming, directed to local markets, local job creation, the creation of carbon sinks and the creation of ecologies which store water in the soil by maintaining soil structure. This would require people coming together and deciding what kind of activity is and isn't desirable, which is largely what politics is about. That is, it would require repoliticisation of the lowest and most important lever of the federal system and this could be facilitated through the use of differential rates and exemptions by encouraging people to become active citizens through local forms of financial assistance.

If regenerative/biodynamic/permaculture etc. farming is considered to be a desirable form of food production, incentives could be created to direct people in that direction, through subsidising educational programs at a local level, offering lower or perhaps no rated land for the first few years of development in land set aside for this form of farming. I think the point is clear: rates should not be simply considered a payment to council for services; it should also be recognised as a sociopolitical strategy for cultivating certain types of activity and restricting others.

Indeed, the same could be argued for energy production. A perfect example is the town of Yackandandah, which, through its community-based energy blue-print, is offering part of a solution to the energy crisis facing Australia - decentralised energy production and storage - which is so far from the minds of those in high places in Canberra, with their 'big stick' solution. Yet, the Yackandandah solution is not only much more viable, it is also more in line with what communities around Australia want and is what global independent bodies like the IPCC are saying that we need.

Another problem facing regional Australia is obviously the inability of maintaining young people. This appears to be a problem facing Australia more generally - the brain drain - because young people see Australia as incredibly safe and conservative and in no way dynamic or interesting. This can be overcome by marketing campaigns to trying to attract people to places like Morwell, or it can be overcome by a commitment to substantial change which goes beyond perception and is actually felt to permeate through the culture. This is a major issue and difficult to discuss in minimal space, but since I am discussing the role of rates, I will stick to those possibilities. What we want to do is reward local businesses who are employing local young people not simply with jobs, but meaningful work, such a tradies taking on and properly educating young people in the art of building, for example. Reward them for being a

mentor, rather than for just trusting the student to hand tools over on the job site. Reward local developers building house in which people can afford rent on low wages and can hope to raise a health family in vibrant streets or apartments, where green spaces are actually valued as essential to life. Reward health food shops for offering foods alternatives to KFC and McDonalds, and help them in making healthy food an affordable alternative. Encourage public schools to engage children in sport, but not just sport, but also music and arts programs, programs which encourage them to engage with the natural world. If people are less financially stressed, they are more likely to contribute their time to projects like these, because they get real meaning out of it. All of these things, healthy diet, engagement in music, art and nature, meaningful work all have positive cognitive and social benefits which further permeate through a culture. Rates differentiation can be used as a strategy for realising a well thought out and inspiring vision but it needs to be dreamed up and argued for.

This is all great, but how would it be paid for? I believe that it will not be paid for through Australian dollars and Australian cents. It needs to be funded locally through local currencies, largely independent of federal currency. So, how would an alternative currency help to facilitate this? First, money is only valued because it is socially accepted, that is, because everyone knows that everyone else will accept it. Creating a new currency within boundaries which complements the national currency (hence complementary currency) will fulfil three technical goals: it will take stress of the national currency, promote fiscal decentralisation, and keep money circulating through the local economy. This could be part of the strategy towards reviving local production and consumption, local job creation, the creation of vibrant local cultures as well as an internal market. In times of economic downturn, it would provide a protective shield from global shocks, and would also, in periods of downturn, provide local upswing as people shifted from the national to the local currency, building stronger communities with more resilience.

This would mean that councils would be more responsive to local shifts, but also sovereign and capable of managing its finances, subject, of course, to competent councillors and an active citizenship, that is, a strong democracy committed to the common good. It would also encourage local citizens to become more active in local affairs because they would actually have much more power to dictate local affairs, unencumbered by higher level financial constraints or the view that the landed gentry dominate local politics because they provide the major funding for council through rates. Although rate payers would still pay a large portion, local councils could again own productive local industries, which, once established, can help to contribute to major public initiatives which the whole community feels a part of. Those less affluent members of society - the poor, mentally and physically disabled and indigenous people - who are generally systematically excluded from employment would benefit most.

What I am suggesting is that if we retort to the simplistic notion that is governed by 'equality of cost', we will invariable entrench and expand both the health and the wealth gap, both within and between councils. This is the low road to rates reform. We should rather be encouraging local participation in local governments and be brave enough to make

distinctions between different types of economic activity which the politically active community judges to be valuable or wasteful, facilitating and limiting them accordingly. This is the high road, premised of recreating politically active local communities with an investment in the future.

Invariably, this requires federal government commitment, but these things do not need to come simultaneously. Coordinated local activity will generate state, federal and perhaps global attention. By having a vision like this underlying the future rates system, future possibilities are opened which are at present closed off, which can act as an argument to future federal and state governments in a future economic crisis. Creating health political ecologies means that large scale interventions become largely a thing of the past, as local resilience is built over dependency of external actors, such as foreign markets and foreign direct investment.

It seems clear to me that there are many holes we need to plug in Australia. We need to find ways to stop money, knowledge and people flowing to the cities from the country and from Australia to overseas destinations. Indeed, we need to design ways to reverse those flows. One other option, an option which may facilitate transition towards the vision that I am trying to articulate, is the creation of a rates pool, managed in coordination between the state and local councils, that sees rates money distributed on the basis of need rather than power. This would be a movement against the current trend which understands taxes on the basis of 'equity' (user-pay) rather than 'needs' (non-monetary, market) and would therefore seek to balance the very unequal distribution of money and power facilitated through economic rationalism and could allow money to be shifted between councils on the basis of a coherent vision of an ecologically sustainable future. This more progressive and complex view of taxation would represent a return to and continuation of the redistributive program as a response to the threat of ecological breakdown. The arguments needed to support this position are not easily understood through the current lens of neoliberal political economy and empirical sociology because they are premised, primarily, on a vision of the future, made collectively, as a response to threats, in this case, the threat of ecological collapse. Political sanity means policy coherence, something that is sorely lacking in Australia today, as more and more policy is brought into line with the national competition policy. This is despite numerous thinkers recognising that competitive markets lead to monopolies, leading to a lack of competition and price distortion. Perhaps it is high time, when the planet - over 3 billion years old - faces a precarious future, that we recognise that there is more to life than competition, that it is only a part in the game of life, a part often subverted to the more evolutionary beneficial of symbiotic relationships or mutual aid. And, perhaps our tax system and our vision of the future could reflect this reality.

The changes I am suggesting are part of much broader changes that need to occur within the Australian Federal system as we transition towards a more ecological just and communitarian lifestyle. However, changes to the rates system could be the catalyst for substantial change, which would mean a rejecting the central basis of the market in determining value and upholding notions of local sovereignty and self-sufficiency along with civic engagement on the basis of mutual aid. Clearly, however, I am

concerned with the lack of diverse representation in the meetings which have occurred across Victoria. It may be argued that whether people engage or not is their choice, but that would suggest that the democracy in which we live is not 'representative' in nature but is rather a 'rational choice democracy'. To me, this does not seem right and doesn't not appear to be a solid foundation upon which to base reform into the rates system. Indeed, it may be as flimsy as the current way of valuing house prices. Whether my effort is any better, I am not the judge. But at least I have introduced a range of issues that you decided, for whatever reason, to leave alone, issues which are critical to the future health of Australia and the planet.

My apologies for going over the word count.