Connecting The Dots - Privatization is the Symptom, Not the Cure

February 3, 2012

Tom’s background...

ACTOR

INTERNET MARKETER

COMMUNITY DEVELOPER

PRODUCER

EXEC ED DESIGNER/ FACILITATOR

EDUCATOR
“The Artist As Activist” – DePaul Art Department, etc.
Recent Civic Projects

Tom’s Teaching Work

<table>
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<tr>
<th>Course</th>
<th>Institution</th>
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<tr>
<td>“Got Creativity? Strategies &amp; Tools for the Next Economy”</td>
<td>Stuart School of Business, IIT</td>
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<tr>
<td>“Strategies &amp; Tools for the Social Change Agent”</td>
<td>Stuart School of Business, IIT</td>
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<td>“Nonprofit management”</td>
<td>Loyola University Graduate School of Social Work</td>
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<td>“Introduction to the Creative Economy”</td>
<td>The Polymath Foundation</td>
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<td>“The Artist as Activist”</td>
<td>Loyola Theater Department</td>
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<td>“Tools &amp; Techniques for Creative Leaders”</td>
<td>Illinois Institute of Technology</td>
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<tr>
<td>“Who’s Lying To You Now?” (media literacy &amp; critical thinking)</td>
<td>DePaul School for New Learning, Illinois Institute of Technology</td>
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<td>“The Art of Crossing the Street – the Artist as Citizen”</td>
<td>The School of the Art Institute of Chicago</td>
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<td>“Nonprofits &amp; Social Change”</td>
<td>DePaul Peace &amp; Social Justice Program</td>
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<td>“The Politics of Creativity”</td>
<td>DePaul Political Science Department</td>
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First, an important point...

We were right!

And that does NOT count the $1 billion tab from Olympic Village!
London 2012 could cost £20billion... TEN times original budget, ex-Olympics chief predicts

By MONEAL LEA

The London Olympics could leave taxpayers facing a final bill of £20billion 9 ten times the original budget, the man once charged with staging the Games claimed yesterday.

“You’re next! You’re next!”
It's Not Privatization: Implementing Partnerships in Illinois

Organized by

June 24, 2011 • Hyatt Lodge • Oak Brook, IL
Richard Norment,
Executive Director, The National Council for Public-Private Partnerships

Sectors Where PPPs Have Been Used
THE EXPERIENCE IS TRANSFERABLE
“Lessons learned from one . . .”

- Social Infrastructure
- Transportation
- Water/Wastewater
- Energy
- Financial Management
- Social Services

From "The Framework for Public-Private Partnerships," Richard Norment, President, NCPPP
Richard Norment, Executive Director, The National Council for Public-Private Partnerships

"YOU'RE NEXT!" "YOU'RE NEXT!"

The Frame for Privatization

He who frames the argument wins the argument...
The Frame for Privatization

1. We are broke.
2. Government is stupid. Private sector is genius.

Therefore…

If you (Ms. Citizen) want anything new or improved from government, we need to turn to the private sector.
Privatization = Profitization

Chicago Tribune
Breaking News, Since 1847

U. of C. professor argues privatization of public assets just like borrowing money

July 22, 2011 | Patrick Smith's Chicago Law

Mayer Rahn Emanuel may want to update his summer reading list with an article by a law professor at the University of Chicago.

The paper is not right summer reading by any stretch. Rather, its publication is the June issue of the Minnesota Law Review is timely.

Article
Privatization and the Sale of Tax Revenues
Julie A. Roin

I. The Role of Debt in State and Local Government
Finance ................................................................. 1989
A. The Case for Debt .............................................. 1970
B. The Case Against Debt ....................................... 1972
C. The Development of Legal Controls on Government Debt .................................................. 1975

II. The Avoidance of Restrictions on Debt ............... 1977
A. Creating New Jurisdictions .................................. 1976
B. The Special-Funds Exception ............................... 1981
C. Short-Term Debt .............................................. 1972
D. Property Tax Exemptions .................................... 1990
E. Leases ................................................................ 1990
F. Privatization .................................................... 1990

http://www.law.uchicago.edu/faculty/roin

http://www.minnoslawreview.org/art/class/privat
There is no “windfall” from privatization deals. We are simply borrowing money or buying debt at monstrous rates – paying for the fat profits of the lender.

Which credit card would YOU use? One that carries a 5% interest fee or one that charges 40%?
Morgan Stanley Group’s $11 Billion Makes Chicago Taxpayers Cry

August 09, 2011 - Darrell Preston


(Bloomberg) -- Chicago drivers will pay a Morgan Stanley-led partnership at least $11.6 billion to park at city meters over the next 15 years, 10 times what Mayor Richard Daley got when he leased the system to investors in 2008.

Morgan Stanley, Abu Dhabi Investment Authority and Allianz Capital Partners may earn a profit of $9.58 billion before interest, taxes and depreciation, according to documents for a $500 million private note sale by their Chicago Parking Meters LLC venture. That is equivalent to 80 cents per dollar of projected revenue. Standard Parking Corp., which runs 30,000 spaces at the city’s O’Hare and Midway airports, earned 4.84 cents on that basis last year, data compiled by Bloomberg show.
The average private government contractor with a security clearance earns about $20,000 more each year than a government employee with the same clearance.
We are not broke!
0.01% of households
That’s 1/10,000th!
take more than 5%
of total income
This is
UNSUSTAINABLE
Reinstituting the 1972 income tax structure would yield $8 billion more in income tax revenue for New York, while reducing income taxes for 95% of us!

http://www.fiscalpolicy.org/taxhistory2.htm

**Action Item**

Stop giving away our stuff!

For every dollar Illinois sends to Washington, we get 78 cents back!
ILLINOIS NET FEDERAL TAX LOSS $ 4 BILLION/ YEAR.

Stop wars now. Demilitarize USA.
To Sum Up

• We are NOT broke
• Don’t give away our stuff (especially to the 1%)
• Reclaim the commons and concept of “public” good
• Tax wealth, not work
• Stop the wars
• Start the peace and BRING OUR MONEY HOME
• Let’s get busy!

Let's make our money work for US!

www.illinoispublicbanking.org

tom@tresser.com
@tomstee
312-804-3230
www.tresser.com