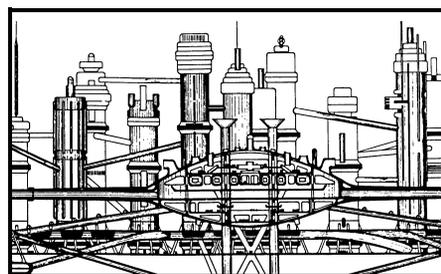


# LIBERATE THE ROADS!

## THE BENEFITS THAT WILL COME FROM ROAD PRIVATISATION



MARTIN  
BALL



At last, it's here. Well, not quite, but with the government announcing plans to introduce road pricing on Britain's motorways<sup>1</sup> the privatisation of the entire road network is now on the very edges of the debate. And that's what I have been advocating to friends and to anybody else willing — or otherwise — to listen for the past few years. Laughter and ridicule were the initial reactions, something familiar to libertarians thinkers, but now the smile is on my face, for the agenda is moving to my position, even if there are more miles (if you will excuse the pun) to be covered and more corporatist conservatism to be overcome.

To me private roads have always seemed the next logical step in the liberation of Britain's transport system from state control.<sup>2</sup> To non-believers in road privatisation the road network appears to be such a natural function of the state that they can't imagine its provision by the private sector. Perhaps it is the sheer size of the road system that makes it difficult for people to comprehend it being run by anybody except the government. Yet to me it is obviously a candidate to be set free from the dead hand of the state.

### THE WAY WE WERE

Remember the way things used to be. In 1979 transport in Britain was dominated by governmental organisations. There were state corporations for the airways, railways and coach travel, and local authorities operated monopoly bus services. But during the Thatcher years all that began to change. In 1980 British Airways was privatised. In 1985 local bus services were de-regulated and their routes opened up to private operators. Now the government is to privatise British Rail during the lifetime of this parliament.

And I have faith that privately owned roads will improve service to customers as well. The evidence from other privatisations is that removing privileged producer monopolies from former state (i.e. badly) run companies has given the consumer more choice and a better deal.

### USER BENEFITS ARE WHAT COUNT

The important consideration is what benefit a private sector road system will bring to its customers.

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**FOR LIFE, LIBERTY AND PROPERTY**

I recall a discussion in which I took part about the possibility of applying a free market solution to road problems. To begin with the instigator asked us to imagine the outcome of road ownership being in private hands and how such a change might come about.

However, what followed saddened me. This was not because those participating couldn't handle the concept of private toll roads, but because the discussion centred on the technical consequences of such a change. What I wanted was not some technocrat's blueprint for facilitating private roads, but rather a discussion of the benefits that a private road system would bring to its users.

As far as I am concerned free competition has two purposes. These are, one, the benefits it brings to consumers, and two, the opportunity it brings for a profit to be made. Naturally both of these go hand-in-hand. To make a profit you have to sell your goods, and the quality of goods and services will be improved as rival producers compete by offering the best products.

### **OPPORTUNITIES FOR CONSUMERS AND PRODUCERS**

I wondered what would be the benefits of a free market in roads for the consumer. I tried to look at the situation from the point of view of a potential road owner and asked myself how would I go about improving my service so as to attract more customers.

It is obvious that motorists will have preferences about the surroundings of their drive. Some may not like driving along in the rain, while others may not like travelling through urban areas. So I could make money by offering to drivers the option of different scenery. If you wanted the feeling of driving through the Australian Outback when you were really on the M1 then that choice would be available. Another new service I would consider offering would be changing the conditions of the drive. Nobody relishes having to drive in adverse weather conditions. So if I could offer a service that prevents them from having to, it should prove profitable.

As part of my road user package I would give some consideration to the aesthetic appeal of roads, perhaps changing the colour of the roads themselves. How much more enjoyable it would be if the road was decked out in pleasing, bright colours. I am sure Rastafarians would want three lane roads to be red, yellow and green. In Northern Ireland I expect that roads in Protestant areas would be red, white and blue, while in Catholic areas green, white and gold.

It would serve our cause better if as free marketeers we concerned ourselves more with the opportunities for both consumers and producers of private roads, rather than dwelling on the technical changes necessary. Us arguing about the latter enables our

opponents to bog us down in petty administrative details. And it deters potential supporters, who will be attracted by the increased opportunities created by toll roads. Let those with faith cast aside the non-believers.

### **ROAD PRICING IS MORALLY SUPERIOR**

Any shifting of the cost burden to road users is *morally* proper. It is *right* that those who receive the most benefit from a road — its heaviest users — should pay the price for being able to do so. It is *not* right that those who rarely or never use roads should have to pay the bill for those who do.

### **THE ENVIRONMENTAL BENEFITS OF ROAD PRICING**

In a Green conscious world we must not shy away from proclaiming the *environmental* benefits of the introduction of road pricing. In future there will be a truer price placed on road travel. Users will face a direct charge, instead of the cost being lost in the taxation pot. Small communities who have complained about big lorries travelling on village roads would be able to prevent this happening. They could purchase that stretch of road and limit access to whomever they wished.

People complaining about cars using their road as a 'rat-run' would be able to buy it, and limit its use. In future children could play in the street without fear of speeding cars using it as a short cut, which would prevent tragic hit and run incidents.

### **GOVERNMENT CANNOT SECOND GUESS THE PREFERENCES OF INDIVIDUALS**

The shift to private roads relieves government of a task which it has needlessly and unwisely taken upon itself, namely that of reproducing the many millions of decisions which millions of automobile users make in travelling from A to B. Hayek teaches us that government is mistaken if it thinks it can second guess the preferences of individuals.<sup>3</sup> Only socialists want to create an imposed social order. We are the freedom fighters. Let's liberate our roads!

### **NOTES**

1. The Government's Green Paper, *Paying For Better Motorways, Issues For Discussion*, HMSO, May 1993, Cm 2200.
2. Previous privatisations include National Coaches, British Airways, and the breaking up of Local Authority monopolies. British Rail is in the process of entering the private sector, albeit heavily subsidised. Oliver Letwin's *Privatising The World: A Study of International Privatisation in Theory and Practice*, Cassell, London, 1988, examines the reasons for and opposition to the returning to the private sector many of Britain's state owned companies.
3. Hayek's, *The Road to Serfdom*, Routledge & Kegan Paul, London, 1944, illustrates the difficulty in predicting the millions of spontaneous transactions occurring each day.