OWNERSHIP IN COMMON

This essay is an extension of remarks made by its author, Dean Russell, at the Annual Meeting of the American Economic Association in Chicago, December 29, 1950.

1. How does author Dean Russell explain the expression common ownership? See page 100.

2. Describe the increase in government-produced electricity in the United States since 1932. Use the figures given on page 100.

3. "The implications for the future are far more serious than shown by the actual figures of this trend toward government ownership." Why? See pages 100 and 101.

4. Explain some difficulties experienced by privately owned and operated power companies when competing against governmentally owned and operated power companies, in (a) The Tennessee Valley (b) The Pacific Northwest. See page 101.

5. What is author Russell's purpose in mentioning the case of the Virginia Electric and Power Company? See pages 101 and 102. How does this case illustrate the exercise of monopoly power by government?

6. Explain and illustrate the statement that "this evil of government ownership feeds upon itself." See page 102.

7. On page 103 the author of this essay says that "no one now believes that the primary purpose of the Tennessee Valley Authority, the Bonneville Administration, and other similar government projects is either flood control or navigation." Give his explanation of that statement.

8. What is his reasoning with regard to "the irrigation features of Bonneville and other similar projects..."? See page 103.

9. Read the section entitled "Source of a False Idea" on page 104. Then read When We Socialize Kilowatt-Hours -- Clipping of Note, Number 56. In addition, read pages 531 - 535 on the T.V.A. in Understanding Our Free Economy.

10. On pages 104 and 105 the author differentiates between compulsory investment and free investment. Give his reasoning. Advocates of common