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# Living in a Monopoly

Collective Action

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In 1903 Lizzie Magie patented the ‘Landlords Game’ – originally intended as an anti-capitalist critique of monopolistic corporate greed. “It is a practical demonstration of the present system of land-grabbing with all its usual outcomes and consequences,” Magie wrote in a political magazine. “It might well have been called the ‘Game of Life’, as it contains all the elements of success and failure in the real world, and the object is the same as the human race in general seem[s] to have, ie. the accumulation of wealth.”

The game was popular among left-wing progressives and at university campuses, until some thirty years later when Charles Darrow and his wife played it a dinner party. At the time the game wasn’t often bought in a box; rather, it was copied and shared between friends, known as ‘the monopoly game’. Darrow was taken with the game and asked his host to make him a set, along with a copy of the more advanced rules. In 1935, he copied and sold the game, now known as Monopoly, to Parker Brothers along with the myth of its creation.

The object is to become the wealthiest player through buying, renting and selling of a single commodity – property. The

game of Monopoly is one of accumulation and power that enables each player the chance to compete. Magie invented the game to reveal the current economic system and the greed of those monopolising it; though it was over a hundred years ago and many alterations have been made, parallels between playing a game of Monopoly and life under capitalism still exist today.

When you begin a game of Monopoly players are given equal odds for success: you each receive \$1500, the board is open, and everyone has the potential to expand an empire. You go around the board like this for a while, buying properties, building houses and hotels, and just having a good ol' time accumulating wealth. Until all of a sudden the game gets really serious. You land on Park Lane, it has a red hotel perched upon it and you realise you're fucked. You count out your paper money, mortgage half your properties and pay the astronomical fee for landing on this spot, but you know it's all over. There's a sickening feeling of anger in your gut as you paste a smile on your face and say, "It's just a game!" But everyone knows what happens next. The leading player gets wealthier and wealthier, accumulating properties as the others are forced to retire – all the while remembering why they hate Monopoly.

The tendency towards monopoly is deeply rooted in the nature of the capitalist economic system, and unlike the game of Monopoly we don't all start on an equal footing. Capitalism is characterised by gross inequalities in power, wealth and access to resources, and in our society these inequalities are only getting worse. The game of monopoly is well afoot in the Australian housing market, and those of us who weren't born lucky enough to inherit the metaphorical \$1500 are finding it increasingly difficult to maintain secure access to housing.

In 1982, the ABS Survey of Income and Housing revealed that 168,000 or 10% of home buyers spent more than 30% of their gross household income on housing costs. Nearly

30 years later in 2011 these numbers had soared to 640,000, equivalent to 21% of all home buyers. The trend in housing cost burdens reflect rising real house prices; property market booms escalate real house prices to higher levels than they peaked in the previous boom. But with each peak in house prices, household incomes fall continuously behind. According to the same ABS data source, households in 1990 on average valued their homes at four times their average household income, by 2011 this multiple had climbed to nearly six times average household income.

The problem is not one of a shortage of housing, but an inefficient and unequal distribution of the stock housing. There are an estimated 84,000 vacant residential properties in Melbourne, the majority owned by property investors and speculators. At the same time, the public housing waiting list has blown out to ten years as 34,000 people wait for a place to live. This is both obscene, and the logical consequence of an economic system in which housing is not a human right, but rather a commodity to be bought, sold and speculated on for private profit.

The Australian government has done everything it can to support the rampant cycle of property speculation which is driving housing inaffordability across Australia. The combination of “negative gearing” and a concessionary rates of capital gains tax on residential real estate have amounted to a massive transfer of capital to those wealthiest enough to engage in property speculation. Negative gearing means that individuals with high incomes can lower their income tax liabilities by borrowing to buy investment properties. When these speculators cash out, they avoid tax again, thanks to the Capital Gains Tax concessions. The result is that \$11.7 billion dollars a year that might have been collected in tax revenue is instead funneled into the pockets of the wealthiest, and this occurs in a process that drives up property prices and rents, and progressively locks large sections of the working class out of the housing market.

Unfortunately for us, capitalism is an adaptable system, capable of evolving and transforming over time. Since Magie invented the 'Landlords Game' in 1903 we have seen a major merger movement for industry, greater concentration of capital, advanced selling power through advertising, and a mass expansion for the market through globalization and imperialism. Just like the outcome of the game, the monopolisation of capital results in the most powerful minorities dividing all the profits whilst the greater part of humanity suffers from ever increasing poverty. The standard of living for the wealthy is based on the extreme oppression of the working class.

So whilst there are clear parallels between a game of Monopoly and the conditions of life in a capitalist society, it is also clear that the conditions of our lives are unequal and the outcomes far worse for most. You don't start on 'GO' at the same time as everyone else, you're certainly not given the same amount of wealth to begin with, all of the properties, utilities and businesses are already owned, and it seems like your dice only roll ones and twos. It's also really hard to find free parking. The truth is most of us go around the board year in and year out trying to pass 'GO' for our measly wage, hoping we can scrape together enough money to pay our rent and survive. If you can't pay your rent you don't get to stop playing, you have to keep rolling your shitty dice, trying to make it back to 'GO' or dying in the process. Meanwhile the minority who monopolise the board don't ever really begin the game, certain players just pass their piece on, accompanied by their ever-growing pile of notes, properties, and little red hotels.