

Ruth Rikowski *

The Capitalisation of Libraries

Imagine a world without libraries... it could happen
British Columbia Library Association, Vancouver

The future of libraries of all kinds could be jeopardized by a series of international trade treaties that are currently being negotiated
International Federation of Library Associations & Institutions (IFLA)

The clauses of the GATS and their underlying logic would...imply the transformation of libraries into profit making ventures.
Michel Chussodovsky, University of Ottawa

Preface

From 1980-1995 I worked as a librarian in the London Borough of Newham. If anybody had said to me then that libraries would one day be under threat from corporate takeover I would have thought them mad. My experience was of a cash-strapped service striving to meet community information and reading needs. In the early 1990s Newham Library Service was subjected to a restructuring programme that was a precursor to further bouts of de-professionalisation and rationalisation. The library service that I had known and loved for so many years was being 'modernised'. By the late-1990s, the Progressive Librarians Guild (PLG) and some Canadian library organisations began to argue that the World Trade Organisation (WTO) and specifically its General Agreement on Trade in Services (GATS) posed a real threat to the future of a truly public library service. The PLG had activists at the WTO meeting Seattle in late-1999. They highlighted the

* Ruth Rikowski is a Visiting Lecturer at the University of Greenwich and at South Bank University. She is also Book Reviews Editor for the journal *Managing Information*. She is a Chartered Librarian and has worked in a variety of libraries in both public and private sector organisations. Ruth is a member of Information for Social Change (ISC), a group of radical information workers and librarians based in the UK that is affiliated to the Chartered Institute of Library and Information Professionals (CILIP). She edited a special issue on Globalisation and Information for the journal *Information for Social Change* (number 14, winter 2001/2002). Hard copies of the journal can be obtained from John Pateman john.pateman@merton.gov.uk. The journal can also be viewed on the ISC web site at <http://libr.org/ISC/>

Ruth has given talks on the 'WTO/GATS Agenda for Libraries' at the Library Association (now called the Chartered Institute for Library and Information Professionals), and at ATTAC London. She will also be attending the International Federation of Library Associations & Institutions Conference in Glasgow in August 2002, and will be organising a fringe meeting, with a variety of speakers, where the issues discussed in this paper will be addressed further. Ruth Rikowski, London, 14th May 2002 Email: rikowski@tiscali.co.uk

possibility of a business takeover of libraries. The International Federation of Library Associations & Institutions (IFLA) had a representative at Seattle and has a resolution showing concern about the negative implications for libraries and information resulting from the GATS. In the last few years in England, the threat of private sector operators running public libraries no longer seems remote. This article charts the early stages of the capitalisation of public library services in England. A version of this paper will appear in the Final Report of the House of Lords Select Committee on Economic Affairs Inquiry into the Global Economy, in late 2002.

1. Introduction

The public library service (like all other public services) is undergoing fundamental change. This is being imposed on it because of the General Agreement on Trade in Services (the GATS) - one of the agreements being developed at the World Trade Organisation (the WTO). TRIPS (Trade Related Intellectual Property Rights) is the other agreement at the WTO that will affect information provision. The implication of GATS for public libraries in England in particular will be analysed in this paper. The GATS basically means that various service sectors must open up their services to the market; thereby creating a competitive environment, and paving the way for the private sector to make inroads into our public services. This goes against the public service ethos and the notion of libraries being a 'public good' (International Federation of Library Associations and Institutions, 2001b). It hits at the notion of libraries as institutions open to all, as being part of what remains of the 'commons' that sustains the notion of a communal life free of the depredations of capital's social drives and imperatives.

1.1 GATS and Democracy

The GATS is being imposed on member states from afar. To this extent, the GATS and indeed the WTO in general poses a serious threat to democracy within its member states. As Clare Joy notes:

By committing a sector to the GATS, governments are agreeing to tilt the balance of power away from themselves and their citizens and towards the needs of corporations. GATS will have an enormous impact on the ability of governments to pursue objectives in their service sectors which conflict with the needs of companies trading those services. Perhaps the biggest threat by GATS is the threat to democracy. (Joy, 2001, p.21)

Once WTO member states have signed up to the GATS then they will have to abide by the decisions made. Otherwise, they will have to face going through a complex Dispute Settlement Process, where tribunals operate in secret to settle disputes between member states, and trade sanctions or paying compensation to the injured party may result. Obviously, one can say that member states have a choice in regard to whether or not they sign up to the GATS in the first place, and also about what services they agree to 'liberalise' under GATS. However, member states are being put under pressure to do so,

and countries that are not currently WTO members are also being heavily 'persuaded' to join by those countries that are already members. Note, for example, that China recently became a member of the WTO. The argument is that we are now all 'one big happy global family', and that we must all operate co-operatively within this global framework. Regulations and guides are necessary in order to ensure that the different members of the family can co-exist happily together, and that all member states are treated well. This is the glossy picture that we are presented with.

1.2 Developing Countries

I attended a conference on 21-22nd February 2002 that was organised by the Commission on Intellectual Property Rights, and was entitled 'How Intellectual Property Rights could work better for developing countries and poor people'. Hence, this conference was playing its part to try to ensure that all WTO member states are treated well and are all part of 'one big happy global family'. Intellectual Property Rights fall under the WTO/TRIPS agreement. Clare Short, the UK Secretary of State for International Development, opened the Conference saying that globalisation is the only viable way forward now and that it offers us all great opportunities. However, we need to ensure that it operates in ways that bring prosperity to all, she said, and the purpose of the conference was to consider how to ensure that intellectual property rights (IPRs) bring benefits to the developing countries. On the other hand, Palup Pushpangadan spoke about traditional knowledge and folklore and argued that we need to safeguard the IPRs of the indigenous peoples in Third World countries. Sometimes the indigenous population has been sharing knowledge for centuries and that knowledge has been part of the community. It has not been a commodity that is sold in the market. Various indigenous populations, for example, have developed herbal cures for various illnesses. Potentially, this knowledge could be 'taken over' and patented by large corporations (such as pharmaceutical industries patenting drugs), with no or few acknowledgements given to local people, particularly in terms of monetary rewards. The purpose of the conference was to consider how we could prevent this from happening and to safeguard the interests of the indigenous populations in developing countries.

However, power at the WTO is heavily weighted towards large corporations. There are a far larger number of corporate representatives than there are NGO representatives at the WTO meetings, for example. This runs contrary to any notions of 'fairness' or member states operating as a 'happy, democratic, global family'. Furthermore, once countries become members, then member states lose many of their former democratic freedoms, but instead have to abide by the rules that have been negotiated and established at the WTO.

1.3 Role of the UK National Government

However, some countries are embracing and implementing the WTO agenda in general, and the GATS agenda in particular, with real enthusiasm and drive, whilst other countries are far more reluctant and critical. The UK Prime Minister Tony Blair and the UK government are enthusiastic advocates of the whole agenda. It seems that Blair believes

passionately in the globalisation agenda, and also is keen to move ahead with it faster than many other WTO member states. The Blairite argument is that this will give Britain a significant competitive edge. Education is one such example here. Our education system in the UK is highly respected through much of the world, so we could export our education services and thus enhance the UK economy on the basis of the Blairite WTO/GATS strategy (Rikowski, G., 2002). Thus, this paper will also briefly consider the role that the UK government is playing in regard to the capitalisation of libraries. It is clear that it is playing an active role in helping to implement the GATS in libraries, and I will provide and highlight some examples of this.

1.4 Role of library managers in capitalisation of libraries and links with the GATS

The link between specific library managers and the GATS is not so clear. Some library managers are moving ahead enthusiastically with the capitalisation of libraries, but the direct links between these managerial decisions and the GATS are not so clearly self-evident, so will not be pursued further in this paper. Such research and analysis would constitute another paper. Developments are taking place in some authorities at a rapid pace. The London Borough of Hounslow is one such example. In Hounslow, the management of the libraries is being undertaken by a Trust, the Community Initiative Partnerships (CIP), which is a Not-for-Profit Distributory Organisation that has been set up by the council for a 10 year period, which started up in May 1998. Geoff Allen, the Assistant Chief Executive of Community Initiative Partnerships and ex-Principal Librarian at Hounslow seems enthusiastic about what is taking place in Hounslow – and I refer to this further in the section below on ‘Best Value’. Hounslow performed favourably under Best Value and as Allen has argued:

...this inspection confirms that the trust works for Hounslow’s libraries, and Best Value challenges every authority to evaluate this model as part of their review process. (Allen, 2001, p. 755)

Thus, it seems that authorities such as Hounslow are leaders and beacons in the movement towards an environment where libraries operate within a money-making, market agenda. It is also interesting to note that Allen was the ex-Principal Librarian of Hounslow – so clearly he has shifted away from the notion of public libraries operating under local authority control and towards the idea of libraries being run by different suppliers. It is also important to make the point that we must not be fooled by the idea of a ‘Trust’. On first consideration, the provision of a library service by a Trust might seem an acceptable alternative to local authority provision. However, trusts and charities can easily change into private companies and profit-making institutions if and when the time is ripe, and it is thought that enough money can be made out of them. It is important to make this point, in order, in particular, to overcome possible accusations of scare-mongering. On the BBC Radio 4 programme, *You and Yours* that I participated in last October, which discussed the GATS, I spoke about my fear of public libraries being run by private companies, and how this might have a particularly detrimental effect on the poor and the needy (BBC, 2001). However, there was not the time to mention the

possible role of trusts, voluntary organisations and charities, which means that people could have suggested that I was scare-mongering. Thus, I have sought to address this issue here.

1.5 Meaning of ‘Services’

It is important to be aware of the uncertainty regarding what ‘services’ means – i.e. what services will fall under the GATS. ‘Services’ are defined in the GATS Agreement in Part 1 Article 1, on *Scope and Definition*, in point (b) in the following way:

‘services’ includes any service in any sector except services supplied in the exercise of governmental authority” (WTO, 1994).

Furthermore, Part 1 Article (c) of the GATS Agreement indicates that:

a ‘service’ supplied in the exercise of governmental authority means any service which is supplied neither on a commercial basis, nor in competition with one or more service suppliers.

In a document issued by the Trade Policy Directorate on 7th March 2001 it was advanced that:

The GATS excludes from its coverage any service supplied in the exercise of governmental authority...Our interpretation (and that of the WTO Secretariat) is that this excludes public service such as health and education (although private services would be covered by the GATS).

However, there are few public services today that have no element of competition at all. Thus, we are left to play with the notion of ‘interpretation’ (see Rikowski, R., 2001b). Paul Whitney, who represented International Federation of Library Associations & Institutions (IFLA) at the WTO ministerial conference in Seattle 1999, noted that:

It was made clear by key negotiators in Seattle that all services are subject to GATS review, including education, health care and yes, libraries, archives and museums...hard choices will have to be made and they may include the sacrifice of some sectors to protect others. (Whitney, 2000, p.1)

It seems highly likely, in reality that many, if not all, of our public services, including libraries will fall under the GATS in due course. This is because the GATS agreement commits WTO members to progressive liberalisation.

1.6 Summary

This paper will argue that the capitalisation of life as know it will be the logical extension of the global capitalist agenda. Capital’s drives are infinite. Within this context, this paper will consider how the GATS itself is a mechanism that is enabling the capitalisation of our public services to take effect, and within this, the capitalisation of our libraries.

However, if the GATS was to be abolished, then some other similar agreement would be put in its place. Whilst we have capitalism, this will always be our fate. Some national governments, such as the UK national government are embracing the GATS agenda enthusiastically – thus, direct links can be shown between the UK government and the GATS. Some examples of the direct links between the GATS, the UK government and the capitalisation of public libraries in England will be outlined. However, the impetus and drive behind the global capitalist agenda will be placed clearly at the door of the GATS rather than the UK government. However, whilst some library managers are also enthusiastically embracing the GATS agenda, the links between library managers and the GATS is not so clear or self-evident, so this will not be pursued further in this paper.

2. Commercialisation, Privatisation and Capitalisation

There are three interrelated aspects of the corporate takeover of libraries in England as driven by the GATS: commercialisation, privatisation and capitalisation. Sub-divisions within these can also be identified. Four categories can be identified within *commercialisation* – the creation of markets or quasi-markets; selling products and generating income; private enterprises using libraries for promotion purposes and extraction. Three categories can be identified within *privatisation*. Firstly, libraries being run for profit (either the privatisation of a complete library service or parts of a library service). Secondly, companies making profits out of running libraries at a lower cost than the price they are contracted to run them and thirdly, the private sector taking over and running capital projects, such as the building of a new central library or a service-wide ICT system. *Capitalisation* is where libraries are viewed as sites of capital accumulation and profit making. With capitalisation the other two processes – commercialisation and privatisation – are brought together to ensure that libraries and library services and operations become *commodified* (they can be bought and sold) and library services are established with profit making as primary directive and goal. Secondly, library enterprises become traded and enter into the humdrum world of the stock and futures markets. Thirdly, and most fundamentally, capitalism involves a *process* whereby labour comes to take on a specific social form such that it is geared up to creating value and profit, with consequences for de-professionalisation and the recomposition of skills and responsibilities. This leads to endless library reviews and re-designation of jobs that function to smooth the way for the various forms of commercialisation and privatisation of library services.

Examples of the ‘corporate takeover of libraries’ in England with reference to these three categories and sub-categories are outlined below – illustrating how this is already starting to take place, and how it is likely to develop.

2.1. Commercialisation

2.1.1 Creating markets

Market research can be undertaken in order to create new markets. Here, ‘library users’ are transformed into ‘consumers’ and market research is undertaken in order to gather

information on library and information consumers' current and potential wants and need. Helen Weiss discusses the development of strategies to obtain more information about borrowers' wants and needs in the *Library Association Record* (August 2000). She describes how management information systems can help libraries adapt commercial marketing techniques to revolutionise their service. She speaks about supermarket loyalty cards, which are used to analyse spending patterns and then suggests that borrowers' lending cards could be developed in the same way. Southwark Council is using TALIS (a library computer system) to generate management information that will help them to identify the characteristics of users and predict their future wants and needs. Information about the borrower could be inserted on their library card, outlining some facts and characteristics about the user that could provide indicators about their current and future product wants and needs.

2.1.2 Income generation

Income generation falls under the second aspect of commercialisation. Income generation has been in existence for a number of years and is gathering pace. Most librarians are very familiar with this. It includes selling items such as postcards, memorabilia, bookmarks, pens and other stationary items. Certain materials are also hired out for a fee (such as videos, cassettes and CDs). This was certainly happening when I was working in the London Borough of Newham, particularly in the early 1990s. However, the recent Education Bill indicates how much further the process could go. Estelle Morris, Education Secretary, supports clauses in the Education Bill that aim to set schools up as post offices and sellers of a range of stationery products. In turn, with the creeping privatisation of post offices we witness profit-making operators taking over increasing areas of floor space. My local post office, the Ilford Post Office, for example, has taken on Partners to operate a stationery outlet. A similar fate for libraries can be readily envisaged.

2.1.3 Companies promoting themselves in libraries

On first consideration, it might appear that there are no examples of private enterprises **advertising and promoting** their products in libraries. Companies are not currently allowed to advertise blatantly in places such as libraries and schools. However, this *is* starting to happen in a subtle way. Bill Gates, for example, from the Bill and Melinda Gates Foundation has given £2.6 million to UK public libraries for the creation of ICT learning centres in deprived areas. This is being used to expand the People's Network. (Resource, 2001a). Bill Gates does not need to display big Microsoft posters in these ICT learning centres in order to promote Microsoft. Microsoft and Bill Gates are well known too much of the population already. This will place Bill Gates in a very favourable light – Gates giving money to deprived areas, Gates wanting to help poor people, Gates wanting to do something about the digital divide – the 'haves' and the 'have nots' in the IT world. Thus, Microsoft, a large business corporation is being promoted in our public libraries.

Secondly, in some of our public libraries IT centres are being set up by private companies and some are running training courses in IT – they can be allocated a small room within a

large central library, for example. There will be no big posters on the door advertising the company, but there will be a small sign outlining who is sponsoring the centre. In this way, the company is being advertised. Library users will probably find the centre very beneficial, thus providing the opportunity for the company to expand and develop this at a later date.

2.1.4 Micropayments

Micropayments in the future can become another form of library commercialisation, and this is in the form of **extraction**. For some time now, various parties have been trying to think of ways in which money can be made from searching and undertaking transactions on the Internet. Micropayments are seen to be the solution. Basically, this means that people pay small amounts of money (which can be as little as 0.1p) for undertaking transactions on the Internet. There are various definitions of micropayments. W3C (und.) refers to micropayments, noting that: *'Micropayments have to be suitable for the sale of non-tangible goods over the Internet.'* (p.3) There have been various problems with bringing in such payment systems though, such as problems of security and trust. However, the White Paper on Micropayments drafted by StorageTek (2001) says that most of these problems will be overcome within the next 18 months. This coincided with the original GATS timetable – whereby the USA hoped to conclude all the main GATS negotiations by the end of 2002 – (see Sinclair, 2000, on the GATS timetable, adapted from the World Development Movement.). It should be noted though, that this has since been revised, and the dates have now been put back. The current round of GATS negotiations is now due to end in March 2003. As its notes in Woodroffe and Joy's World Development Movement's document:

At the WTO's Ministerial in Qatar in November 2001, members agreed to submit initial requests for specific commitments by 30 June 2002 and initial offers by 31 March 2003. (Woodroffe and Joy, WDM, 2002, p.16)

There are various examples where micropayments have been implemented 'successfully'. The *New York Times*, for example, has implemented a micropayment solution to charge small fees to enable users to access past articles from the newspaper online. Also, FT.com (the online version of the *Financial Times*) has changed its position in regard to free access to its content and Napster, the music service, has been forced to introduce a micropayment system after a court ruling prevented the free distribution of copyrighted music on the Internet (StorageTek, 2001).

Thus, on the evidence available, it appears that micropayments will become a feature of Internet access in the near future and this will have direct implications for Internet use in libraries. Our libraries will become profit-generating centres for Internet companies. The key issue will be how libraries pay micropayments: whether users pay directly, by subscription to a library or whether libraries or local authorities become the payment provider with users paying indirectly through council taxes. In the radio programme that I participated in (BBC, 2001), I said that I feared that in the not-too-distant future we might have to pay to go into our local libraries as well as having to make individual payments in

order to undertake transactions on the Internet. However, in reality such payment mechanisms would probably be too clumsy, so other mechanisms would need to be considered. All this might well politicise the micropayments phenomenon. The possibility of seeking micropayment-free zones for public libraries may offer the most equitable solution, but this could run up against the GATS, and be seen to be a 'barrier to trade'. Thus, the likelihood is that people will have to pay to undertake Internet transactions in their local library in the future, by some means.

2.2 Privatisation

2.2.1 Libraries run directly for profit

This is where private companies are running libraries (or parts of libraries) directly, for profit. There are some subscription libraries that fall under this category, but they are small in number. There are also company libraries that function to augment the capacity of the firm to make profits (e.g. libraries in law firms) and media libraries that generate revenue (e.g. newspaper libraries). However, what is of particular significance is where corporate capital is moving into public sector libraries and electronic libraries are setting up in competition with mainstream public and academic libraries, operating on a for-profit basis. Examples of this are given below.

There are now IT centres/Internet projects that are being set up in public libraries by private companies. Ormes (1996) describes such projects in detail. Cybercity was one such Internet project, which was situated in Bath Central Library. A separate area was created in the library, where the public could use the PCs and access the Internet. It proved to be very popular. The council could not afford to run such a project, so a local company called GlobalInternet ran it for profit instead. Ormes notes that:

Cybercity is in fact not a library service at all, but a cybercafe (without the coffee!), which is run for profit by a local company called GlobalInternet. Cybercity, like all cybercafes, offers charged access to the Internet. How it differs from other cybercafes is that instead of being situated in a shop/café it is found in the public library. (Ormes, 1996, p.1)

Another company referred to by Ormes that was working with public libraries is Input/Output. It had 10 centres in public libraries across the country. Marylebone Library was the first of these. It provided Internet access, but also provided access to software packages, such as word processing and spreadsheets and ran computer-training courses. South Ayrshire council started a South Ayrshire Cyber Project in 1996. The intention was to open a number of Cyber Centres in libraries across the county, providing the public with access to the Internet, software packages and CD-ROMs.

Questia (Fox, 2001), netLibrary and ebrary (Crane, 2001) are all electronic libraries:

...with collections that include tens of thousands of books. And they are growing fast; although modest by the standards of print collections, these commercial

digital libraries already dwarf even the largest non-profit collections. (Crane, 2001, p.1)

Questia is an Internet company aimed at serving students in an academic environment, providing online information from books, encyclopaedias and journals in the humanities and social sciences for fees (Fox, 2001). Questia:

...sells information online directly to consumers the way amazon sells books online and the GAP sells clothes online. (Fox, 2001, p.1)

Fox also refers to some other companies that have launched similar products aimed at both students and faculty staff. These are Proquest Academic Edition's Xanadu, and Jones's e-global Library (*ibid.*). Many other examples could be given, but what they indicate is that the private sector is either moving into public sector and academic libraries or setting up alternative operations with the aim of making profits. This is a process that is still at an early stage of development, but it is clearly taking place.

2.2.2 Private companies making a profit out of running libraries at a lower cost than the price they are contracted to run them

The second form of privatisation is where private companies make a profit out of running libraries at a lower cost than the price they are contracted to run them. This has just started to happen in England, in the London Borough of Haringey. The *Library Association Record* (September 2001) reported that:

Consultants have been called in to run a local authority library service. This is a first – although the move is temporary. (LA Record, 2001d, p.515)

Haringey received a very negative report by the Best Value Inspectors and this has resulted in Instant Library Ltd being given the 'opportunity' to turn the Haringey library service round. However, Haringey was one of the first councils to do a Best Value review, and so were 'guinea pigs', in this respect. Some librarians and library workers have naively thought that the main purpose of 'Best Value' is to provide a good library service, serving the needs of the local community and based on the principles of the public service ethos. However, the main purpose of Best Value is to enable the GATS to take effect (see Best Value section below) and to gradually introduce privatisation. It must be emphasised that the process *will* be gradual. Initially, some of the suppliers could be voluntary organisations, trusts and charities (rather than private companies as such), but they can easily change into profit-making enterprises when the time seems right (i.e. when sufficient profits can be made) (see Rikowski, 2001b). The fact that Haringey is being run by Instant Library Ltd eases the process as well, because this company is quite well known in the library world, and it is likely that it would be preferred to an unknown private company, particularly a foreign one. As the former head of Haringey library service (who retired in 2000) said of Instant Library Ltd:

Some people may be suspicious, but I see it as a positive thing. They seem anxious to work with the staff, and are being very approachable and open. (LA Record, 2001d, p.515)

Thus, by this gentle-gentle approach, capital hopes to make further inroads. Instant Library Ltd was on a 6-months trial, and an initial assessment was made on the work undertaken after this period. I spoke to a member of the library staff in Haringey on the telephone at the end of April 2002. He informed me that Instant Library's contract has been renewed and they will be running Haringey libraries at least until the end of 2002, but he did not know what will be happening after that. If 'progress' (in line with Best Value) is made, then it is highly likely that they will continue to run Haringey libraries. At some point Instant Library Ltd will probably take over Haringey libraries completely. At some more distant point Instant Library Ltd will probably then be taken over themselves by a larger corporation. There we have it – the start of corporations moving into libraries. Am I being cynical? Why then was the local authority in Haringey not given the chance to 'improve' under the Best Value imperative, rather than just allow Instant Library Ltd to move in? The LA Record (2001d) explains how Maria Stephenson, a middle manager in Haringey said that they were not given guidelines on how to undertake Best Value and that they 'didn't have the skills'. They were one of the first authorities to undertake a Best Value review, so surely they should have been given more help and guidance. Yet, we can speculate why that did not happen: it would not have provided the opportunity for the private sector to start to run our public library services. Furthermore, if no examples materialised from 'Best Value' in this way – providing the opportunity for alternative suppliers, then the Best Value regime itself would be seen to be a waste of time. It is a mechanism that has been established in order to enable the GATS to take effect, so it must be seen to be doing its job. Best Value would not be being implemented, as intended, if all the Best Value Inspection Reports concluded that all the local authorities were providing a good public library service, or at least, a service that could be improved whilst remaining in the control of the local authority.

2.2.3 Private sector running capital projects

The third form of privatisation is where the private sector takes over and runs capital projects, such as the building of a new central library or a service-wide ICT system. The Private Finance Initiative (PFI) comes under this category, and there are various examples of where PFI has been adopted in libraries. Richard Sibthorpe (2001) describes the first PFI to incorporate construction and IT solutions, which was undertaken in Bournemouth. It provided Bournemouth with a new central library and ICT (information and computer technology) facilities across its whole branch network. A 30-year contract between the Council and Information Resources (Bournemouth) Ltd was signed to build and facility-manage a new central library. Sibthorpe notes in regard to PFI '*The initiatives also provide private investors with valuable exposure to new markets.*' (Sibthorpe, 2001, p.237). Thus, PFI fits in closely with the GATS agenda. Sibthorpe concludes by saying that:

Private Finance Initiatives enable the public sector to effectively purchase a service from the private sector... PFIs look set to be the blueprint for the way in which this, and probably any government, will be aiming to do business with the private sector for the foreseeable future. (Sibthorpe, 2001, p.237)

It is interesting how Sibthorpe notes the Government's keenness to continue to do business with the private sector in the future, in this respect, and how PFI looks set to be the blueprint.

There are other examples of PFI in libraries. Hackney Technology Learning Centre, which includes a new central library and museum, has used the PFI initiative to build its new library, which is due to open in April 2002 (LA Record, 2001a). Kent County Council is operating a PFI contract for the provision, financing and operation of the council's IT system. This includes the library system and a public information network of over 1000 terminals. Also, Brighton is developing a new central library through PFI (LA Record, 2000d).

2.3 Capitalisation

The capitalisation of libraries and library services is a process; a process that deepens over time with libraries becoming sites for capital accumulation and profit making. There are three aspects to this. Firstly, the other two processes – commercialisation and privatisation – feed off each other such that libraries and library services become increasingly *commodified*. This implies that library services are increasingly ruled by the goal of profit making. Notions of income generation, income streams, marketing, library products, the user as 'customer' or 'consumer' and the market, competition and cost-effectiveness and efficiency become the yardsticks for success. This implies a 'culture change' regarding the ways library staff are encouraged to view what they are about. The capitalisation of libraries implies its *businessification* – the library and library services as businesses, bathed in business values and outlooks.

Secondly, as the commodification and business takeover of library services increases then library enterprises become traded, bought and sold. The companies running library services start to figure in stock markets, and international capital – aided and abetted by the GATS process – starts to take hold of national library services. This process can be seen more readily in what is happening to schools in contemporary Britain. Some of the companies taking over the running of schools and Local Education Authorities are traded on the stock market. Indeed, as Bernard Regan (2001) points out, the average share price of these 'education businesses' has outperformed the overall level of share prices in the last few years. Thus, it can be envisaged that the business takeover of library services may have similar outcomes and effects as to what is happening in schools, with profits made from running services at a lower cost than contract price.

Thirdly, and most fundamentally, at the heart of the capitalisation of libraries is a particular form of *labour*: the value form. Capital, as Karl Marx (1867) reminds us, is a

social relation, not a “thing” (i.e. a commodity), though it appears as a “thing” as it is incorporated in commodities. As workers (labourers) we have a social relation with a *process* (the value-creating process in the labour process) and with the substance of capital’s social universe itself (value) (McLaren and Rikowski, 2001). In terms of labour, the value form is based on the fact that workers produce more value (i.e. *surplus value*) than that represented by their wages (the value of their own labour-power, their capacity to labour). Surplus value arises when workers produce more value incorporated in commodities than that incorporated in their wages: *surplus value*. Profit is a part of this surplus value (other elements leaving the enterprise as tax, rents and so on), and it is this that drives on the managers of capitalised libraries to restructure services continually to maximise profits. This form of labour, the value form, is antithetical to outmoded and ‘traditional’ forms of labour resting on notions of public service or the public good. It rests on the notions of value, price, profit and competition (markets).

It should be emphasised that the capitalisation of library labour is typically a drawn-out process, certainly not something that is carried out overnight. This is because it is developed as the other two processes – commercialisation and privatisation – are being nurtured. All this has tremendous implications for restructuring library workers’ labour, and the forces and motivations driving it. The labour of library workers changes its mode; it becomes a different form of labour, the value form. The concept of the capitalisation of libraries addresses these momentous changes that are currently taking place before our eyes.

The capitalisation of libraries and the imposition of the value form of labour imply a whole raft of ‘softening up’ processes. Library workers’ labour is reconfigured so that it becomes more flexible, adaptable and adequate to the facilitation of libraries being turned into businesses. Reviews of library services, modernisation programmes and redefinitions of ‘professional’ duties become apparent necessities. Furthermore, professional values and jobs that appear to stand in the way of the capitalisation of libraries become at risk. This is because the process of turning labour into value-creating labour that is the source of surplus value out of which arises profit is antagonistic to professional values and attitudes that place ‘service’ and the needs of library users above all other values – including commercial ones. Many library services have witnessed decimation of their professional staff as the way is being cleared for further capitalisation of library services. In the London Borough of Newham Library Service where I worked up to 1995, a Library Review held in the early 1990s had the effect of clearing out swathes of professionally qualified staff (my own post as training officer was eventually abolished). Another review has just been completed in Newham. Such continual reviews also have the effect of making staff feel more insecure. The workforce becomes fragmented and disjointed, particularly with the increase in the casualisation that accompanies such reviews. In Newham, staff were either not replaced at all, or replaced with unqualified staff. This process was not unique; many other library services suffered and are suffering a similar fate. Thus, on data compiled by Loughborough University by 1996-97 the number of professional librarians per 10,000 of the population was at 1.1, whereas in 1991-92 it had been 1.3 (British Council, 1999, p.1). However, the capitalisation of libraries does not just threaten professional posts; it undercuts the service ethos as it

reconfigures the prevailing values and goals of library services in terms of value-creation, cost-effectiveness and profit. It changes the whole face of library work as capitalisation takes hold and seeps into the everyday operations of library services. Professional values and the service ethos can act as barriers to the businessification and capitalisation of library services, and those pushing through the business reforms cannot tolerate that. Thus, the profit ethos becomes far more important than the service ethos.

3. Mechanisms, Facilitators and Enablers for the Corporate Takeover of Libraries

There are various mechanisms in place in libraries in England that will enable the GATS to take hold at the national level for this service – these are the *national faces of the GATS* for libraries. These facilitate the corporate takeover of libraries in the three areas outlined above – commercialisation, privatisation and capitalisation. Three examples of these ‘national faces’ are outlined below.

3.1 Best Value

Best Value has been defined and described by Angela Watson in the *Best Returns* report in the following way:

Best value is part of a broad package of reforms that affect all aspects of local government...Best value forms part of the Government's agenda to modernise the way that public services are provided. (Watson, 2001, Section 3 – ‘About best value’, p.3)

There are 4 ‘Best Value principles’ – the ‘4Cs’ – challenge, compare, consult and competition. All the ‘4Cs’ expose clearly the main purpose behind Best Value. For example: **compare** performance with other sectors – such as the private and voluntary sectors; use fair and open **competition** and **consult** with others, such as the business community. The not so hidden message here is clear: local authorities should no longer be free to organise and run their public library services as they see fit, and in line with the needs of the people in the local community. Instead, there are a set of higher priorities - consulting, competing and opening up the service to other possible suppliers, which in the long-term will mean consulting, and then competing with the private sector. We are fed rhetoric, such as the idea that this is necessary in order to provide an ‘efficient public library service’. However, from a social justice perspective ‘efficiency’ should not be the main aim within our public libraries: values such as creating a sense of community and belonging should surely override ‘efficiency’ considerations; as should the public service ethos in general.

What then is the main purpose behind Best Value for libraries? In essence, Best Value is a mechanism for enabling the public library service in England to be opened up to different suppliers (private companies, trusts, voluntary organisations, charities etc.),

rather than library provision just residing within the orbit of local authorities - thereby creating a market environment. As Angela Watson notes in *Best Returns*:

At present, there may be few or no serious alternative suppliers of library functions. Some authorities appear to see this as a reason for not addressing competition. But library authorities will need to demonstrate that they have seriously considered new approaches and alternative ways of delivering services. As one of the case study authorities remarked; "You just can't say there isn't anybody else out there". Under Best Value retaining library services in-house can only be justified where the authority demonstrates that there really are no other more efficient and effective ways of delivering the quality of service required. Library authorities should explore potential future providers and take steps to encourage them – to create a climate for competition that will enable the market to develop. (Section 5, para. 5.1)

Thus, here it appears that local authority library services are being instructed and guided in bringing about their own demise. So, the intention behind Best Value is clear – it is to create competition and a market environment that will thereby facilitate the corporate takeover of public libraries in line with the GATS agenda. Obviously, the process will take time, and there could be backlashes to it – from either public library workers or library users, or both, that will slow down the strategy. Furthermore, I feel sure that many local authorities, when implementing Best Value for their library services, have been and will be implementing it in ways that they believe is to the ultimate benefit of the local population, rather than for the purpose of creating a market and a money-making environment. Also, the main purpose of Best Value is not made very obvious. Locating the Watson quotes in the '*Best Returns*' document itself that clarified the main purpose behind Best Value was not easy – they were hidden within a weighty document. Thus, some people may innocently assume that the purpose of Best Value has admirable aims and objectives. Some have, and will, introduce progressive and alternative programmes. This must be frustrating to those with a marketising agenda for public libraries. It slows down the process and strategy as outlined by Watson, costs money and 'wastes time'. We only have to look at the North East Lincolnshire Best Value Inspection to find a clear example of a local authority trying to make the best of Best Value. At the beginning of this document, in the *Summary and Recommendations* section (Audit Commission, 2000, Section 1, point 7, p.5), it was noted that:

...we find that the Council recognises the need to move forward, but has yet to make key decisions on the future direction of the service. As a result, the Best Value Review is not driving fundamental change... On this basis we judge that the service will not improve in the way required by Best Value unless action is taken along lines recommended in this report.

The really 'fundamental change' required of North East Lincolnshire was to move rapidly towards market solutions for its public library services, as is made clear in the Recommendations in the report.

There are other local authorities where Best Value Inspectors praise library services for developing on the basis of marketisation and privatisation agendas with greater effectiveness, clarity and enthusiasm (e.g. in Hounslow, see Audit Commission, 2001). In Hounslow the management of the libraries is being undertaken by a Trust, the Community Initiative Partnerships (CIP), as outlined earlier. This is a Not-for-Profit Distributory Organisation that has been set up by the council for a 10 year period, which started in May 1998. As Geoff Allen, the Assistant Chief Executive of Community Initiative Partnerships and the ex-Principal at Hounslow said in the *Library Association Record*...

In 1998 the London Borough of Hounslow became the first public library authority to transfer the management of its public library to a trust...CIP was formed to be a leisure and cultural regeneration agency with wide objectives, and with a view to expanding to manage services elsewhere... The management of services through 'trusts' was not new...[but] What attracted interest to what Hounslow did was the scale and breadth of the transfer and the inclusion, for the first time, of a statutory service, Hounslow's 11 public libraries and related services. (Allen, 2001, p.754)

There was particular interest in Hounslow, as it was something of a testing ground, to see how well a 'trust model' could perform under Best Value. As Allen said:

What makes this assessment, and the report of the inspection, of such interest is that it represents the first full, independent examination of the trust management model for libraries, and of the impact that model has had on the service review and on the management of the service. Perhaps, most importantly, it also discusses why the service is expected to improve under that model...(Allen, 2001, p.754)

Hounslow performed favourably under Best Value and as Allen then said

...this inspection confirms that the trust works for Hounslow's libraries, and Best Value challenges every authority to evaluate this model as part of their review process.' (Allen, 2001, p.755)

Thus, in essence, Hounslow is providing a model that other local authorities could then adopt. Hounslow is seen to be a leader and a beacon in the movement towards a library environment dominated by markets and the law of money. So, the overall implications of Best Value and its place in relation to the global trade agenda set by the WTO and the GATS needs to be at the heart of an appreciation of its true significance

3.2 Library Standards

Library Standards need to be approached with extreme caution. Who can argue, theoretically, with the idea of 'library standards'? Sounds very good – to ensure that our libraries are maintained to certain standards. However, if we examine the standards in

more detail a different picture emerges, and it becomes clear, once again, that standards are being established that fall in line with the GATS. Meanwhile, the Library Association argues that Best Value and the mandatory standards for public libraries must have a 'clear' relationship and '*both inform each other and complement each other*' (LA Record, 2000a, p.7). Furthermore, the:

Best Value Performance Indicators must also be adhered to, and the Best Value inspectorate will 'draw on the standards'. (LA Record, 2000b, p.303)

The LA Record of March 2001 reported the fact that the full standards were published in February 2001. The LA Record noted that there were 19 standards in the final document, although there had been 24 standards in the draft. The central aim expressed in the standards is that all libraries should try to match the performance of the top 25%, and they have three years in which to achieve this. No reference is made to the inherent contradiction in this statement – that there can only ever be 25% in the top 25%. If two new authorities move up and into the top 25%, then logic dictates that two others must move out of the top 25%. So be it. What is more concerning is what the standards include, and, even more significantly, what is **not** in the standards. There was a standard for qualified staff in the draft (25% or 29%), but this was removed in the final document. Now, services only have to show in their Annual Library Plans that they are employing "appropriate" numbers of qualified staff. In a LA Record news item it is recognised that: "*Some will worry that 'information management' and ICT are the only qualifications specified. But at least the LA is to commission research to define 'appropriate'.*" (LA Record, 2001b, p.131) Hence, it appears that we are left to play with the word 'appropriate', as we were left to play with the word 'interpretation' in regard to the meaning of 'services' when applied to the GATS (Rikowski, 2001b).

To any professional librarian this would surely seem bizarre: whatever reason can there be for removing professional standards from the document? All becomes clear again, when we refer back to the GATS document, where it becomes evident that professional standards can be seen to be a barrier to trade. This topic is addressed under Article 7 of the GATS on 'Recognition' under the 'General Obligations and Disciplines' section. In Article 7 (v) it says:

Wherever appropriate, recognition should be based on multilaterally agreed criteria. In appropriate cases Members shall work in co-operation with relevant inter-governmental and non-governmental organisations towards the establishment and adoption of common international standards and criteria for recognition and common international standards for the practice of relevant service trades and professions. (WTO, 1994)

Note that it refers to Members of the WTO setting up "standards", but does not indicate which members will be involved. Professional bodies are not mentioned here at all, but presumably large corporations will be heavily involved (for they tend to have far greater representation at WTO meetings in general). Where no such international standards exist then existing qualifications could be deemed to be a 'barrier to trade' if corporations are

denied access to libraries on qualifications grounds. If a foreign supplier took over one of our public library services, for example, and brought staff with them from their own country, these staff might not have the requisite British library qualifications (or their equivalent). Not allowing such staff to work in this particular public library service could be interpreted as a 'barrier to trade'. As it was pointed out in the *LA Record*, even heads of libraries are concerned about this. It has been noted that:

The word is that library chiefs are most concerned by the standard on numbers of professional staff. (LA Record, Aug 2000c, p.426)

Other omissions in the Standards (as explained in LA Record, 2001b) are also illuminating. There is no Standard on *spending* for stock (although it does specify the number of items to be purchased). Defining the *quality* of stock was deferred pending further work (the Audit Commission was to come up with some "quality measures"). There was no standard for *floor space* (although there had been one in the draft) and there were no ICT standards specifically, except for ICT qualifications for library staff. The latter was necessary, because the People's Network had to be fully operational by 2002 (to coincide with the original GATS timetable, although this has now been revised, as outlined above).

All the four points above can be linked to the drive towards the commercialisation, privatisation and capitalisation of libraries. There will be a growing trend towards paying for information provision in libraries through micropayments. Hence, there is no apparent need to be greatly concerned about the quantity or quality of stock, or floor space, as the aim is to get more people to use the Internet, and so there are no clear commitments to the traditional book stock or shelf space. The lack of commitment to floor space can be explained by the fact that there is, as yet, uncertainty about how many people will want to use computers, and if and how gaining access to the Internet will be paid for (such as through micropayments). The Government wants more people to use computers, but will people (or at least enough people) respond? It is an uncertain future, in this respect. So, for the time being there are no standards for these areas.

Library standards no longer appear to be such worthwhile aims. All such schemes must be approached with a clear head. The 'bread and butter' of any worthwhile public library standards should surely be standards for stock and staff - yet these are not adequately considered. This is because the aims of the standards are not as we would be led to believe.

3.3 The People's Network

The Peoples Network is also another mechanism to enable the GATS to take effect. Many people might be even more shocked that I should make such claims here, as many library staff seem to think that the People's Network is wonderful as it means that poor and disadvantaged folk can have access to computers in the same way as the rest of the population. We hear much talk about the digital divide, whereby those who do not have a

computer at home, or at least have access to a computer, will be disadvantaged (See also Shimmon, 2001). Yet, does not the People's Network solve this problem? Sadly not. Even the term itself, the 'People's Network' sounds as though it is 'for the people'; for the 'ordinary people'. It is very enticing; it is almost a rallying cry; in fact, it almost sounds radical. Yet this is far from the case.

First of all, the People's Network is being driven forward at a tremendous pace. The aim is to ensure that most public libraries are online by the end of 2002 (in line with the original GATS timetable). As Benjamin said in *The Guardian* (G2) on 13th June 2001:

The government has stated an intention to ensure that at least 75% of public libraries are online by the end of 2002, when the National Grid for Learning and the University of Industry go live. Several government funding channels have been created to get libraries wired up, including a £200m programme under the National Lottery New Opportunities Fund. (Benjamin, 2001b, p.4)

Many rejoice at the apparently 'free' money that is being poured into the People's Network. Resource, for example, speaks about the joys of free Internet access, noting that:

Free access to the internet is fast becoming a key service at local libraries in the UK as the People's Network is set up. (Resource, 2001b).

A considerable amount of finance is being poured into the People's Network. The funding was described in some detail in 'So what is the People's Network?' (People's Network, 2000). It said that there are over 4,000 public libraries altogether in the UK, and the People's Network project will connect all public libraries to the Information Superhighway by the end of 2002. It described the three funding programmes for the Peoples' Network, under the New Opportunities Fund. £20 million was to be allocated to the **training** of all library staff in the use of ICT. £50 million was being allocated for **Content Creation**, which public libraries could bid for and £200 million was allocated for the creation of the **Lifelong Learning Centres and Grids**. Furthermore, the DCMS gave a £9 million cash boost that was to be spread over 3 years (starting in December 2000), in order to get UK libraries online by 2002 (DCMS, 2000).

In essence, however, the government is bribing local authorities with the People's Network. 'Look at all this wonderful equipment we are giving you for nothing', it seems to be saying. It sounds so enticing and many seem to be persuaded by the rhetoric. However, the aim is to have the People's Network fully implemented by the end of 2002 – and then the money will run out. Yet, the network will still need to be maintained, supported and upgraded. How will this be paid for? This will be done by gradually inviting in the private sector. The public library service will be opened up to other possible suppliers, as outlined in Best Value. Indeed, Best Value stipulates that this **must** be done – it is not an option. As Angela Watson says in the *Best Returns* report, the government: "...is looking for a variety in the ways services are delivered, and a mix of service providers from the public, private and voluntary sectors." (Watson, 2001, p.8)

The *LA Record* also hinted that this is the direction in which the People's Network is likely to go. It said that:

One of this year's jobs is to 'plan the long-term sustainability of the People's Network after the NOF funding ends and extend the network to museums and archives'. In 2002 Resource will 'examine models for funding arrangements, including partnerships and sponsorship, and ensure that the sector is fully informed of the relative merits of different models...' (LA Record, 2001, p.389)

So, there we have it. Coupled with this will be the need to charge for information. This will fall neatly into place with micropayments. Libraries start to provide much of their information through the Internet (through the People's Network), rather than traditional books. Micropayments are set up for all transactions on the Internet. Libraries cannot be excluded from the implementation of micropayments (this could be deemed to constitute a barrier to trade according to the GATS). Thus, libraries begin to charge for information. We have come full circle. The aims are to make money, create markets and privatise services – all part of the move towards the corporate takeover of libraries, and to the eventual capitalisation of libraries.

4. Position of various Library Associations in response to the WTO/GATS

Various library associations and non-governmental library and information-based organisations (NGOs) are very concerned about the implications of the GATS for libraries and information. The **International Federation of Library Associations and Institutions (IFLA)** is the body that represents library associations and library interests from various countries on the international stage. It sees itself as being an '*...active international alliance of library and information associations, libraries and information services, and concerned individuals.*' (IFLA, 2001a). On its web site IFLA states clearly what it regards as being the main purpose of libraries, saying that:

Libraries are a public good. They are unique social organizations dedicated to providing the broadest range of information and ideas to the public, regardless of age, religion, physical and mental health, social status, race, gender or language. (IFLA, 2001b)

IFLA refers to the WTO and the GATS agenda, voicing its concerns and noting that:

There is growing evidence that WTO decisions, directly or indirectly, may adversely affect the operations and future development of library services, especially in not-for-profit institutions...The GATS Agreement has the potential to open up all aspects of a national economy to foreign competition including public sector services such as libraries. Corporations can be set up in any Member State and compete against public services. In such instances, the foreign corporation

can challenge support for public sector service and could claim national treatment; i.e. the same level of subsidy received from the government by the public sector agency. (IFLA, 2001b)

IFLA says that these issues need to be openly debated. Other library organisations that have expressed concern (to say the least) include **the British Columbia Library Association (BCLA), the Canadian Library Association (CLA), the American Library Association (ALA), the European Bureau of Library Information and Documentation Association (EBLIDA), Ontario Library Association, Saskatchewan Library Association, Manitoba Library Association, the Library Association of Alberta and the National Library of Canada.** (see ALA 2000, BCLA und.a, BCLA und.b, CLA 1999, EBLIDA 2000, Shrybman 2001.) Some of these organisations also have clear resolutions against the GATS and TRIPS agreements that are being established at the WTO.

5. Role of the UK national government and links between the GATS and the capitalisation of libraries

The above has outlined many of the ways in which the capitalisation of libraries is taking effect. This can be seen to be part of the overall extension of capitalism – global capitalism. The extension, intensification and globalisation of capitalism was predicted by Karl Marx 150 years ago. In the *Communist Manifesto* Marx and Engels said that:

All that is solid melts into air...the need of a constantly expanding market for its product chases the bourgeoisie over the whole surface of the globe. It must nestle everywhere, settle everywhere, establish connections everywhere. (Marx and Engels, 1848, p.83)

In this sense, ‘globalisation’ is nothing new. Seen from a Marxist perspective it is just an expression of the logic of capitalist development – the way in which it must develop, as capital struggles to realise concretely its infinite social drives, which is an impossibility but has real effects nevertheless.

5.1 UK National Government – an enthusiastic advocate of the GATS agenda

However, some national governments can and are playing a positive role in helping this process. Blair’s government is very enthusiastic about implementing various WTO agreements, and is particularly enthusiastic about the effective implementation of the GATS. After all, our public services in the UK have been almost sacrosanct and seemingly beyond the hands of corporations. There was even the famous slogan by the Conservatives ‘The National Health Service is safe in our hands’ – at the time, even Conservatives would not dare to tamper with the NHS and bring in private companies. At the same time though, in its own way, this can give an added attraction to private capital. There are an untold number of new and potentially exciting markets and consumers that can be tapped into once our public services are ‘liberalised’. It may seem a risk, but then

again, businesses are about taking risks. Look at how the telephone market has been developed and expanded since it was privatised. No doubt, companies see similar potential gains in areas such as education. Initially, companies might not see such potential in libraries, but gradually as the climate changes, and the situations become more attractive (such as with the introduction of micropayments), then I am sure that libraries will be seen to offer significant opportunities as well. The essential point, though, is to describe the general drift in regard to the direction in which things are moving and progressing.

Hence, the UK's public services are being pushed forward in this change process – in this extension of capital's domain and global capitalism's existence. Once capital has made inroads here, then it will move on to another area. It might move on to the privatisation of many of our beaches, for example. At the moment we see examples on nearly a daily basis in the mainstream press of how our public services are being opened up to capital. The UK government is an enthusiastic advocate of all this, and within this overall framework it is also, by extension, enthusiastic about the capitalisation of libraries.

5.1.1 Regulatory Reform Act, 2001

What, then, is the UK government doing? First of all, it passed the 'Regulatory Reform Act' in 2001. In Chapter 6 of the Act it says that it is:

An Act to enable provision to be made for the purpose of reforming legislation which has the effect of imposing burdens affecting persons in the carrying on of any activity and to enable codes of practice to be made with respect to the enforcement of restrictions, requirements or conditions. (10th April 2001)

Thus, the Act seeks to remove 'burdens' and create an environment for further liberalisation of trade. In this way the Act will help to enable the GATS to come into effect. Through this Act, the UK government helps to make it easier for GATS to be implemented – it is working enthusiastically towards this agenda, towards the privatisation of our public services. This is the complete opposite to the impression that New Labour often tries to give. In the 2002 budget Blair's government raised taxes. Many people interpreted this as providing an indication that Labour had finally found its conscience, and was now concerned about the ordinary people – Labour was getting 'back to its roots'. Labour wanted to increase taxes to provide good public services, and wanted, in particular, to help the poor and the needy. The New Labour government did little to dispel this myth. Blair did say that the tax increase was a 'one-off' and that it did not mean that New Labour was returning to Old Labour. However, this argument was not put forward all that powerfully. New Labour seemed to be happy to 'hood-wink' the people. However, the increase in revenue was needed to pay for schemes such as PFI – i.e. it was needed to help to bring about PFI in the first instance, the wider GATS agenda in the second instance, and ultimately for the capitalisation of our public services. In order to effectively bring about this programme, we can expect to see further increases in our taxes. People may pay the tax increases happily, thinking that they are paying them

for the benefit of all and that the money will be used to improve our public services for the whole community. However, the reality is that they will probably be subsidising private corporations – indeed, ironically, corporations are likely to benefit from the ‘nanny state’ more than any other social actors in the future!

5.1.2 UK Government’s Commitment to Best Value, Library Standards and the Peoples’ Network – examples of the *national faces of the GATS* in libraries

Nearly everything that one reads about New Labour’s policies and positions illustrates the fact that the New Labour, UK Government is seeking to create an environment that will enable the GATS to take effect easily in this country. Best Value is one clear example of this – and Best Value is having a direct effect on the ultimate capitalisation of libraries, as discussed above. Best Value clearly comes from government policy. As Angela Watson says:

Best Value forms part of the Government’s agenda to modernise the way that public services are provided. (Watson, 2001, Section 3 – ‘About value’, p.3)

Furthermore, Watson makes it very clear that Best Value is about creating a competitive environment and a marketising agenda.

Similarly, with Library Standards. The links between Library Standards and Best Value have already been made explicit. Thus, as Best Value is about creating markets and competition, then Library Standards, by implication, are also about trying to bring this scenario to fruition. Given that the UK government is driving forward Best Value then it is also indirectly behind and supporting the Library Standards.

Also, with the People’s Network – the drive to get all public libraries online by the end of 2002. This is also being very much driven by the UK government – indeed, the government is helping to finance it. As Benjamin said in regard to the Peoples’ Network:

The government has stated an intention to ensure that at least 75% of public libraries are online by the end of 2002...Several government funding channels have been created to get libraries wired up, including a £200m programme under the National Lottery New Opportunities Fund. (Benjamin, 2001, p.4)

As indicated previously, there are also examples in education which illustrate the government’s enthusiasm for implementation of the GATS and the potential exporting of our education services that can result from this, thus bring export earnings into the UK. For example, the UK education business Nord Anglia is already running schools in the Ukraine and Russia (Rikowski, G. 2002).

5.2 Critics of WTO Agenda

However, the UK government could decide not to comply so willingly and so enthusiastically to the whole WTO/GATS agenda. After all, the GATS is still at a

comparatively early stage of the negotiation process. The earliest date that is being discussed for implementation of the GATS in member states is 2005. The UK government could try to create stumbling blocks, ask awkward questions and be critical. Many Third World countries have done this. Many Third World countries were critical of the Doha Declaration for example, a document that was eventually signed at Qatar last November. Indeed, Martin Khor, Director of the Third World Network wrote a paper about this that demonstrated how the Third World countries were manipulated in various underhand ways in the whole process. Khor spoke about the Third World countries' position in regard to the draft document produced at Doha, saying that:

...the majority of developing countries that spoke were very critical of the process by which the draft was issued and the content of the draft. The main criticisms were that the draft did not take account of their views but only reflected the views of major developed countries; it was untransparent and deceiving, as it deliberately did not set out the differences of views of various delegations (especially on new issues); and thus a terribly unlevel playing field was being set up in Doha, with the majority of developing countries having to argue their case without their position being reflected at all the in the important operative parts of the text. (Khor, 2001, p.3)

He concluded his paper disturbingly, saying that:

The outcome of Doha is profoundly Anti-Development in content... The process before and at Doha, without which the outcome would have been very different, has been undemocratic, discriminatory, deceiving and untransparent, based not on rules but on power-based tactics. What a shame, and a mockery to the supposed principles of the WTO: "non-discrimination, transparency, rules-based". It should not be allowed to happen again. (Khor, 2001, p.6)

Clearly then, Khor is very critical of the WTO as were many Third World countries in Qatar, even though their views were not adequately taken into account. However, the developing countries did try to 'argue their case' and reflect some of the concerns of the poor people in the countries that they represented. Blair and his government, on the other hand, are not at all critical of the WTO in this way, and do not try to articulate the concerns of ordinary people in the UK, at the WTO meetings. This is notwithstanding some incoherent speeches from Clare Short, who tries to reconcile a form of increasing trade liberalisation and trade rules that favour the developed nations with concern for poorer countries.

However, even if the UK government was critical this would not change the direction in which global capitalism is moving on a long-term basis. Some other government would eventually replace the current Blair government and drive these changes forward. Only a fundamental critique of the global capitalist system can start to significantly change the tide, a critique that indicates *why* libraries and other public services are being virused by capital.

5.3 Summary: relationship/links between UK government, the GATS and the capitalisation of libraries

The majority of the UK population does not realise, it would seem, that our public services are really under serious threat of a corporate takeover driven on by the GATS. Of those who do have some understanding, many blame Blair and his government for what is happening. I have endeavoured to show that, although Blair is an enthusiastic advocate of the whole agenda (and I have provided examples of the UK government's involvement in the capitalisation of libraries here), the ultimate blame does not lie with the UK government itself. Instead, it is part of a global capitalist agenda, which is logically inevitable whilst we live in capitalism and within capital's social universe. Only once we visualise this whole picture can we seek to look beyond, and try to create a different, a kinder and a fairer social system: socialism. Abolishing the WTO will not suffice; a new body will simply be invented to take its place. Iain Duncan Smith, in one of his speeches during the election for the Tory leadership, indicated that if the WTO did not produce the neo-liberal nirvana that he hoped it would then he and George Bush would create some other supra-national trade body.

Research is now starting to be undertaken to show the clear links between decisions made by nation states and decisions made at the WTO. It is very important that people start to make these crucial links. Once we have this intensive research and analysis it will become clear that the drive to capitalise the whole of social life resides within our inadequate social system – capitalism. Then it will also become clear that the capitalisation of social life is not just the result of Blair's master plan for the future or a conspiracy of men in suits. Once the underlying drives towards the capitalisation of public services and the whole of social existence are uncovered, we can then organise resistance on an sounder basis and look towards a better future; towards 'a future *with* a future – socialism' (Rikowski, G. 2001b – original emphasis).

6. Conclusion

This article has exposed global capitalism for what it is: a social force that invades all areas of social life. Within this context, it has focused on libraries and information (particularly public libraries) and how they will be affected by global capital's propensity to virus our lives. Libraries will be affected by two main agreements that are being established at the WTO – the GATS and TRIPS, which form part of the overall global capitalist agenda. This paper has focused on the likely implication of the GATS for libraries and information and how this will impact on library and information workers and library and information users, particularly in public libraries in England. In essence, this is the danger of a corporate takeover of our libraries, which will ultimately lead to the capitalisation of our libraries, which runs contrary to the public service ethos.

These major decisions are taking place in global institutions, such as the WTO, but the UK government is assisting with the process and is an enthusiastic advocate of the GATS. The links can be seen very clearly and some examples have been given in this

paper. Some library managers are also making decisions in line with the GATS, but the links here are not so obviously apparent, and warrants a separate paper in its own right.

The model that I have outlined above can be used and applied to various other public service sectors. Fundamentally, all public services (because of the GATS) are now being faced with the prospect of a 'corporate takeover' – e.g. 'the corporate takeover of health', 'the corporate takeover of housing'. This model can provide the basis for those in other service sectors to analyse what is, and is likely to happen, within their own sectors. Analysis and examples can be provided for each service sector in regard to commercialisation, privatisation and capitalisation, followed by considerations about what mechanisms have or are being set in place to enable the GATS to take effect – *the national faces of the GATS*. There is a great urgency to undertake this process if the corporate takeover of all our public services is to be avoided. This is part of the process for halting the spread of global capitalism in its tracks and abolishing its social relations that bind us all to a future that is closed to control for human need and for the truly free development of our capacities.

References

ALA (2000) *American Library Association Resolution on the WTO and libraries, passed at the ALA mind-winter meeting 2000 – Resolution on World Trade Organization policies affecting libraries*, at: <http://www.vcn.bc.ca/bcla-ip/globalization/alareswto.html>

Allen, Geoff (2001) Can you trust this model? How has the trust model worked for Hounslow, the first to adopt this approach to manage its public library service. The Best Value inspection report is out and it answers some key questions. *Library Association Record*, December, Vol. 103, No. 12, pp. 754-755

Audit Commission (2000) *North East Lincolnshire Public Library Service: Best Value Inspection Report (Final)*, Inspected by Cate McDonald and Marilyn Lister, November, London: Audit Commission Best Value Inspection Service.

Audit Commission (2001) *London Borough of Hounslow Public Library Service: Best Value Inspection Report (Final)*, Inspected by Neil Foss and Jacquie Campbell, September, London: Audit Commission Best Value Inspection Service

BBC (2001) The WTO and the GATS – a transcript of BBC Radio 4 programme *You and Yours*, 12.04-1.00pm. 17th October. Available at:

a) World Development Movement:

<http://www.wdm.org.uk/campaign/GATSyoudandyours.htm>

b) Not 4 Profit:

http://www.google.com/search?q=cache:mEVNHoV.../BBC4_GATS.htm+Rikowski&hl=e

c) ATTAC Britain:

<http://attac.org.uk/attac/html/view-document.vm?documentID=117>

BCLA (und.a) *Imagine a world without libraries – it could happen...* the British Columbia Library Association, Vancouver, at: <http://www.vcn.bc.ca/bcla-ip/globalization/wtothreat.html> (Undated: accessed at 15th August 2001).

BCLA (und.b) *GATS and the Threat to Libraries*, British Columbia Library Association, Vancouver, at: <http://www.vcn.bc.ca/bcla-ip/globalization/gats.htm> (Undated: accessed at 15th August 2001).

Benjamin, Alison (2001) Read Alert, *The Guardian (G2)*, 13th June, pp.4-5.

British Council (1999) *The Information Society: Public Libraries*, at <http://www.google.com/search?q=cache:ON.../infosoc.htm+1964+Public+Library+Act&hl=e>

CLA (1999) *Canadian Library Association Perspective on the World Trade Organization Meetings*, Approved by the Canadian Library Association Executive Council November 1999, at: <http://www.cla.ca/about/wto.htm>

Commission on Intellectual Property Rights Conference (2002) *How intellectual property rights could work better for developing countries and poor people*. Held at Royal Society, 6 Carlton House Terrace, London, SW1 on 21-22nd February

Crane, Gregory (2001) Commercial digital libraries and the academic community, *D-Lib Magazine*, January, vol.7 no.1, at: <http://www.dlib.org/dlib/january01/crane/01crane.html>

DCMS (2000) *Cash boost gets libraries up to speed on the Internet*, Department for Culture, Media & Sport, December, at: <http://www.culture.gov.uk/heritage/seaerch.asp?Name=/pressreleases/heritage/2000/dcms305>

EBLIDA (2000) *World Trade Organization*, European Bureau of Library Information and Documentation Association, at: <http://www.eblida.org/wto/wto.htm>

Fox, Megan (2001) Questia, and the for-profit online library trend, *Simmons College Libraries Newsletter*, spring 2001, <http://www.simmons.edu/resources/libraries/LibNewsletter>

IFLA (2001a) *The IFLA position on WTO Treaty Negotiations*, Committee on Copyright and Other Legal Matters (CLM), International Federation of Library Associations & Institutions, Version I, February, available at: <http://www.ifla.org/III/clm/p1/pos-wto.htm>

IFLA (2001b) *The IFLA position on the WTO treaty negotiations*. International Federation of Library Associations and Institutions, version 11, September (previous version was February 2001), at: <http://www.ifla.org/III/clm/p1/wto-ifla.htm>

Joy, Clare (2001) Trading away basic rights: the General Agreement on Trade in Services (GATS) in *Information for Social Change*, No. 14, Winter 2001/02

Khor, Martin (2001) *The Doha Ministerial Conference and after*. Paper distributed at Commission on Intellectual Property Rights Conference on 21-2nd February 2002, where Khor was also a speaker

Khor, Martin (2001) *Manipulation by tactics, conquest by drafts, rule through text: how the WTO produced its Anti-Development Agenda at Doha*. Paper distributed at Commission on Intellectual Property Rights Conference on 21st-22nd Feb 2002, where Khor was also a speaker.

Khor, Martin (2001) *Rethinking IPRS and the TRIPS Agreement*. Paper distributed at Commission on Intellectual Property Rights Conference on 21st-22nd Feb 2002, where Khor was also a speaker. First version of this paper was presented at an international seminar on Intellectual Property and Development: What future for the WTO TRIPS Agreement? in Brussels, organised by Oxfam and other NGOs.

LA Record (2000a) Best Value – fear of documentation fever, a news item in *Library Association Record*, January, vol.102 no.1, p.7.

LA Record (2000b) Twenty-three steps to pleasing the DCMS (National Standards for Public Libraries), a news item in *Library Association Record*, June, vol.102 no.6, p.303.

LA Record (2000c) Standards make hearts beat faster (Public Libraries), a news item in *Library Association Record*, August, vol.102 no.8, p.426.

LA Record (2000d) PFI Library First, a news item in *Library Association Record*, October, vol.102 no.10, p.545.

LA Record (2001a) Hackney turns the corner – public libraries, a news item in *Library Association Record*, February, vol.103 no.2, p.67.

LA Record (2001b) More demands fall on staff: public library standards, a news item in *Library Association Record*, March, vol.103 no.3, p.131.

LA Record (2001c) Focus on learning and ICT (Resource – the Council for Museums, Archives and Libraries), a news item in *Library Association Record*, July, vol.103 no.7, p.389

LA Record (2001d) Consultants move in (public libraries), a news item in *Library Association Record*, September, vol.103 no.9, p.515.

McLaren, Peter & Rikowski, Glenn (2001) Pedagogy for Revolution against Education for Capital: An e-dialogue on education in capitalism today, *Cultural Logic: an electronic journal of marxist theory & practice*, October, vol.4 no.1, 44 pages at: <http://eserver.org/clogic>

Marx, Karl (1867) [1977] *Capital: a critique of political economy – Volume 1*, London: Lawrence and Wishart.

Marx, Karl and Engels, Friedrich (1848) [1967] *The Communist Manifesto*, Harmondsworth: Penguin Books

Ormes, Sarah (1996) Public libraries corner: commercial partnerships in the public library, *Ariadne*, Issue 5, September, at: <http://www.ariadne.ac.uk/issue5/public-libraries/>

People's Network (2000) So, what is the People's Network? People's Network Outline, December, available at: <http://www.peoplesnetwork.gov.uk/tow/index.html>

Regan, Bernard (2001) *Not for Sale: The case against the privatisation of education*, London: Socialist Teachers Alliance.

Regulatory Reform Act 2001 at: <http://www.hmsso.gov.uk/acts/acts2001/20010006.htm>

Resource (2001a) *Resource announces £2.6m of grants from the Bill and Melinda Gates Foundation gift*, Resource: The Council for Museums, Archives and Libraries, July, at: <http://www.resource.gov.uk/news/>

Resource (2001b) *Local libraries - book to hook up to the Internet FREE. Over £3 million lottery input for computer power today*, Resource: The Council for Museums, Archives and Libraries, September, at: <http://www.resource.gov.uk/news/>

Rikowski, Glenn (2001a) *The Battle in Seattle: its significance for education*. London: Tufnell Press. More information at: www.tufnellpress.ac.uk

Rikowski, Glenn (2001b) *The B Generation*. Written for the May Day Monopoly events in London, 1st May.

Rikowski, Glenn (2002) *The Woodhead Federation? The Business Takeover of Schools in England*, a presentation to ATTAC London, London School of Economics, 13th May.

Rikowski, Ruth (2002) The WTO/GATS Agenda for Libraries in *Public Library Journal*, Summer issue (forthcoming). Also available on ATTAC Britain website at: <http://attac.org.uk/attac/html/view-document.vm?documentID=120>

Rikowski, Ruth (2002) *What does the future hold for the future of our public libraries?* Unpublished paper. Available on ATTAC Britain website at:

<http://attac.org.uk/attac/html/view-document.vm?documentID=118>

Rikowski, Ruth (2001a) The corporate takeover of libraries in *Information for Social Change*, Vol. 14, Winter 2001/2002. Available at: <http://libr.org/ISC>

Rikowski, Ruth (2001b) GATS: private affluence and public squalor? Implications for libraries and information in *Managing Information*, Dec, Vol. 8, No. 10, pp. 8-10

Shimmon, Ross (2001) Can we bridge the digital divide? What can the international library community do about the growing gap between those with access to ICT and those without, *Library Association Record*, November, vol.103 no.11, pp.678-679.

Shrybman, Steven (2001) An assessment of the impact of the General Agreement on Trade and Services on policy, programs and law concerning public sector libraries. Prepared for the Canadian Library Association, Canadian Association of University Teachers, Canadian Association of Research Libraries, Ontario Library Association, Saskatchewan Library Association, Manitoba Library Association, Industry Canada, British Columbia Library Association, Library Association of Alberta and National Library of Canada – (Ontario, Canada, October).

Sibthorpe, Ritchie (2001) A new path to follow – Private Finance Initiative, *Library Association Record*, April, vol.103 no.4, pp.236-237.

Sinclair, Scott (2000) *GATS: how the WTO's new "services" negotiations threaten democracy*, Movement for a Socialist Future, web site at: <http://socialistfuture.org.uk/globaleconomy/The%20Issues/gats.htm>

StorageTek (2001b) *Micropayments: Making Net Profits – a StorageTek perspective*, White Paper on Micropayments, Woking: Storage Technology Corporation UK.

Trade Policy Directorate (2001) *General Agreement on Trade in Services*, 7th March.

Watson, Angela (2001) *Best Returns: Best Value Guidance for Local Authorities in England*, 2nd Edition, July, at: <http://www.la-hq.org.uk/directory/prof-issues/br.html>

Weiss, Helen (2000) Tracking usage patterns: how management information systems can help librarians adapt commercial marketing techniques to revolutionise their service, *Library Association Record*, August, Vol. 102, No. 8, pp 448-9

Whitney, Paul (2000) *Libraries and the WTO*. Notes for a presentation to the 66th IFLA General Conference Jerusalem, Israel, August 2000. Paul Whitney is Chief Librarian, Burnaby Public Library, British Columbia Canada and he can be contacted at: pwhitney@bpl.burnaby.bc.ca

W3C (und.) *Micropayments Overview*, W3C Technology and Society Domain, which can be accessed at: <http://www.w3.org/Ecommerce/Micropayments/> (Undated: accessed at 13th October 2001).

Woodroffe, Jessica and Joy, Clare from the World Development Movement (2002) *Out of service: the development dangers in the General Agreement on Trade in Services*. March

WTO (1994) *General Agreement on Trade in Services (GATS)*, World Trade Organization, at: <http://www.wto.org>

- There is also a [GATS and public libraries](http://libr.org/GATS/) web site that provides links to readings and research about the likely impact of the GATS on public libraries throughout the world. This is available at: <http://libr.org/GATS/>