



Often public ire in Goa turns against the Goan taxi-drivers who are seen, at least by certain dominant sections, as *the* single group that is upsetting the order in Goa. The taxistas, and in particular the taxistas of Salcete, have been accused of refusing to accede to a regime of digital meters and proper fare charts, charging exorbitant amounts in the absence of these standards. Additionally, if the clients ask for details of the fare calculation, they are allegedly often abused or threatened. These men are seen as uncouth, unreasonable, prone to violent protest. A number of concerned voices were recently raised when the taxi drivers blocked the entry of the transportation network companies, like Uber and Ola, into the local market. These voices pointed out that such behaviour was in fact enforcing a monopoly, and thanks to the uncouth and violent behaviour of the taxistas would in fact result that a tourist's first impression of Goa was a negative one. This could only result in the decline of tourists to Goa and the killing of one of the most lucrative industries that the state enjoys.

In this column I will not justify as much as frame their actions in a different light. First, I will try to suggest that their actions are not, in fact, different from many players in the Goan economy, and secondly, that their actions may in fact be beneficial to our larger interests.

In economics and in public-choice theory, the kind of behaviour ascribed to the taxistas is described as 'rent-seeking'; which involves seeking to increase one's share of existing wealth without creating new wealth. To understand this term we need to distinguish it from the understanding of profit-seeking behaviour. Profit results from the extraction of value when two parties engaging in mutually beneficial transactions. While the party paying the profit may grumble about the price for the commodity, s/he still engages in the transaction because the gain is still more than the value extracted as profit by the vendor. In the case of rent-seeking behaviour, however, one is manipulating the social or political environment in which economic activities occur, rather than creating new wealth. A classic example provided for rent-seeking behaviour is that of the feudal lord who installs a chain across a river and then hires a collector to charge passing boats a fee to lower the chain. There is nothing productive about the chain or the collector. The lord has made no improvements to the river and is helping nobody in any way, directly or indirectly, except himself. All he is doing is finding a way to make money from something that used to be free. Another example of rent-seeking behaviour, and this one would be closer to what the taxistas of Goa are engaging in, is to gain a coercive monopoly to enjoy advantages in the market while imposing disadvantages on other competitors. Rent-seeking results imperils the economy because it results in reduced economic efficiency through poor allocation of resources, reduced actual

wealth creation, lost government revenue, increased income inequality, thus potential all-round decline of the economy.



The Ambiguous Aid of the Goan taxista

As upsetting as the taxistas actions may be, are they the only sector of the Goan economy who behave in this way? Critics of the mining sector in Goa would argue that mining in Goa is also based on rent-seeking. The miners are known to cheat on the payment of taxes, depriving the exchequer valuable funds through which income could be invested in public infrastructure. This critique is most strongly made by the members of the Goenchi Mati Movement, who now demand changes in the way that mining in Goa is run so that rent-seeking behaviour can shift to profit-seeking behaviour, and the profit can be spread more equitably across society and across generations.

A similar inquiry could also be levelled against the tourism industry; are the many shacks, hotels, and more recently casinos, engaging in value addition, or are they merely skimming of the natural beauty of Goa, and the captive markets that they have thus far enjoyed? The behaviour of political leaders who allegedly use their office as a way to extract money from the entire system is similarly rent-seeking. It is reported that for a sum, politicians intervene to give people jobs. They are also known to use their location to ensure kickbacks and gain huge profits, which are then invested in real estate - which is in fact a destruction of productive fields, and a destruction of the ecological order. Indeed, the rent-seeking nature of the actors in the Goan economy is pretty much the focus of Raghuraman Trichur's book *Refiguring Goa*.

If rent-seeking is a feature of practically the entire Goan economy, why is it that it is only the taxistas who bear the brunt of seemingly unanimous condemnation? Is it because they are largely former tenants who in earlier times would bear the brunt of the rent-seeking behaviour of their landlords? Indeed, one could argue that the violent responses of the taxistas of Salcete is the result of the centuries of brutally unequal relations that have marked that territory.

But it is not like the taxistas of Goa are the only ones protesting the transportation network companies. Since at least 2014 taxi drivers across Europe have protested against the entry of the global transportation network company Uber. They make valid claims that companies like Uber make money out of the fact that there is as yet no regulation covering them, while the taxi drivers are covered by a variety of legislation. Transportation network companies are in this respect not dissimilar to the plethora of other companies, for example, online marketplace and hospitality services like Airbnb, who also operate without the burden of the regulations that govern the hospitality industry.

While these new age companies operate under the façade of such terms as “shared

economy”, in truth they are the vanguard of the neo-liberal economy that thrives on destroying public infrastructure and institutions, and then extracting rent from the helpless consumer. One need only look at the surge pricing that transportation network companies extract. While these companies initially enter the market with lower prices, and undercut regular taxi services, when there is an increased demand they jack up their prices astronomically. All of this while the company does not provide security to the drivers who associate with the company. This is, to be sure, the future of transportation network companies. They are not here to help, there are here to exploit.

To this extent, as much as the actions of the Goan taxistas are problematic, they are no different from the actions of the rest of the economy. Further, to the extent that they have blocked some neo-liberal players from entering the economy, they may in fact be doing us a service in that they are delaying the final assault of neo-liberalism on our economies.

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