

Model to Challenge Corporate “Rights”

By Democracy Unlimited of Humboldt County

A recent poll of voters in Northern California’s Humboldt County found that 78% think that corporate financial contributions to the electoral process make political corruption more likely. And 72% did not think that non-local corporations should be able to financially contribute to local elections.

However, any attempt by Humboldt voters or other communities to act on these sentiments would violate current Supreme Court decisions regarding “corporate Constitutional rights.” These so called “rights” allow the wealthy elite to shape the politics of communities where they are invested in exploiting – but where they rarely reside. Under current interpretation of the Constitution, money is considered speech and limiting a corporation’s paid-for “free speech” is considered an infringement of its “rights.”

In spite of what Supreme Court precedent dictates, 64% of Humboldt voters believe that “A state or city should be able to ban non-local corporations from contributing financially to local elections.” This community knows from direct experience that corporate involvement in local politics spells trouble. In 2002 newly elected District Attorney Paul Gallegos filed a fraud lawsuit against the infamous Maxxam Corporation. Shortly thereafter the company launched an aggressive recall campaign, pouring more than \$250,000 dollars into the effort. After months of valiant organizing, Humboldt County celebrated a people’s win by loudly rejecting the corporate-financed recall. However, it has been hard to savor the \$300,000* spent, and thousands of hours of organizing invested – just to keep a public official they had already elected.

What if there was a law on the books that prohibited corporations from making financial contributions to the electoral process? Many state constitutions once prohibited corporate campaign contributions, but these laws were whittled away by corporate lawyers. Judicial interpretations of the Constitution currently prohibit such laws, even though they are obviously essential for protecting communities. However, all democratic movements have at one time faced this dilemma. In the words of abolitionist Fredrick Douglas, “Power concedes nothing without a demand.” It is up to us to force the courts to rectify the situation when democracy and justice are deemed “unconstitutional.” Just as the movement for women’s suffrage and the civil rights movements worked to drive people’s rights into the constitution, we need to drive our right for local democracy into the constitution – and drive corporations out.

To that end a group of Humboldt County citizens are gearing up to run a county-wide ballot initiative entitled the “Democratic Self-Governance Ordinance.” The initial language was drafted by Democracy Unlimited of Humboldt County, a local organization dedicated to challenging corporate power at the grassroots level. If the initiative passes, it will prohibit corporations from participating in countywide elections, as well as prohibiting corporations from claiming constitutional rights or protections. These two functions feed each other, the one addressing a concrete harm in the community, and the other removing illegitimate rights that enable the harmful behavior. The Humboldt citizens’ group is looking forward to running this initiative in the June 2006 election.

What if communities all across the United States ran similar initiatives in concert with Humboldt County? If we act in solidarity, we can change national policy from the ground up, through the use of municipal civil disobedience against unjust and undemocratic laws. In fact, this might be our only hope to reclaim our elections from corporations.

Democracy Unlimited of Humboldt County (DUHC) educates citizens about the illegitimate seizure of our authority to govern ourselves. They design and implement grassroots strategies that exercise democratic

power over corporations and governments. They seek to create a truly democratic society by provoking a non-violent popular uprising against corporate rule in Humboldt County that can serve as a model for other communities across the United States. For more information visit www.DUHC.org or call (707) 269-0984. *Ultimately Maxxam put over \$300,000 into the Recall according to the Humboldt County Elections Office. That was offset by \$270,000 raised by citizen's group, the Friends of Paul Gallegos.

HUMBOLDT COUNTY ORDINANCE TO PROTECT OUR RIGHT TO FAIR ELECTIONS & LOCAL DEMOCRACY

THE PEOPLE OF HUMBOLDT COUNTY ORDAIN AS FOLLOWS:
TO PROTECT OUR RIGHT TO FAIR ELECTIONS AND LOCAL
DEMOCRACY WE PROHIBIT NON-LOCAL CORPORATE CONTRIBUTIONS
TO ELECTIONS

Section 1. Name.

The name of this Ordinance shall be the "Humboldt County Ordinance to Protect Our Right to Fair Elections & Local Democracy."

Section 2. Authority.

The citizens of Humboldt County adopt this Ordinance pursuant to our right to selfgovernance and our duty to protect the integrity of our elections.

Section 3. Findings and General Purpose.

1) In a Democratic Republic all legitimate political power is held by the people, and Government exercises just power only with the consent of the governed. The people create Government for their protection and benefit, and retain their right to alter their government whenever they deem the public good requires it.

2) Only natural persons possess civil and political rights. Corporations are creations of state law and possess no legitimate civil or political rights.

3) Corporate contributions in electoral politics interfere with the right of the people to create and maintain the institutions needed for democratic self-governance.

4) The citizens of Humboldt County make the affirmative legislative finding that corporate contributions in elections are imminently undermining our democratic processes, and are denigrating rather than protecting First Amendment interests.

5) The citizens of Humboldt County make the affirmative legislative finding that corporate contributions in elections pose a genuine threat to the confidence of the citizenry of Humboldt County in our government.

Section 6. Definition.

A local corporation is defined as any corporation in which all employees reside in Humboldt County, AND has its primary place of business in Humboldt County, AND has its corporate headquarters located in Humboldt County, AND no portion of the corporation is owned by another corporation, AND all shares of stock (if any)

are owned by individuals residing in Humboldt County.

Section 7. Enforcement.

Any non-local corporation found to have contributed (directly or indirectly) any money, property, free service of its officers or employees or any other thing of value to political campaigns, initiatives, referendums shall pay to the County of Humboldt ten (10) times the amount the corporation inappropriately contributed.

If any non-local corporation is found to have contributed more than \$25,000 to political campaigns, initiatives or referendums in violation of this Ordinance, the Humboldt County District Attorney shall petition the California Attorney General to:

- a) Initiate a charter revocation proceeding against the corporation if the corporation is chartered in California, or
- b) Initiate a proceeding to revoke the corporation's certificate of authority to do business in California if the corporation is not chartered in California.

Any violation of this Ordinance shall give rise to a mandatory duty on the part of the District Attorney to enforce this Ordinance. If the District Attorney fails to bring an action to enforce this Ordinance, any natural person residing in Humboldt shall have standing before the Court for enforcement as described in Section 9.

Section 8. Citizen Suits.

This Ordinance creates and vests in every citizen of Humboldt County the right to sue to compel compliance with this Ordinance. All actions shall be brought in the Superior Court of California, County of Humboldt.

Citizen-Plaintiffs shall notify the District Attorney of their intent to sue, and shall give the District Attorney fourteen (14) days to initiate an action to enforce the provisions of this Ordinance. Action by the District Attorney following that notice shall supplant the ability to file a citizen suit, but if the District Attorney does not diligently pursue the litigation, the right of the Citizen-Plaintiffs to initiate a suit shall not be impaired.

Section 9. Severability.

The provisions of this Ordinance are severable. If any section or provision of this Ordinance is determined to be illegal, invalid or unconstitutional by a court of competent jurisdiction, such decision of the court shall not affect or invalidate any of the remaining sections or provisions of this Ordinance. It is the express intent of the citizens of Humboldt County, California that this Ordinance would have been adopted if such illegal, invalid, or unconstitutional section or provision had not been included.

Section 10. Effective Date.

This Ordinance shall take effect thirty (30) days after being approved by a majority of eligible voters.

Section 11. Interpretation.

In the event this Ordinance requires interpretation (by courts, county officials, or anyone else), it is the express intent of the citizens of Humboldt County, California that this Ordinance be construed in such a manner as to tightly restrict corporate contributions in politics or elections.