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WESTERN STATES CENTER
POST OFFICE BOX 40305
PORTLAND, OREGON
97240
TEL: (503) 228.8866
FAX: (503) 228.1965
www.westernstatescenter.org

New Economy, Same Old Politics

By Dan Petegorsky, Executive Director



Whether in the streets during the World Trade Organization protests or in the halls of Congress during the recent debate over China's trading status, questions of public accountability and democratic oversight of new industries and new technologies are everywhere. Who will wield power in the 21st century, and on whose behalf? Who will control what information, and to what ends? Who owns and will profit from what new life forms?

As revolutionary as the technologies of "the new economy" may appear, the political dynamics of these debates are likely to be determined by an age old adage: money talks. Little wonder, then, that as these debates play out, a new sense of public outrage is giving rise to increasingly strong public outcries.

The captains of these new industries resort to 19th century metaphors to describe their ventures: they look out on an "electronic frontier," "map" our genetic code, "mine" data. Intended to evoke a pioneering spirit of the past, such language just as easily evokes a centuries long history of the same old rape, pillage and plunder.

As you'll read in this issue, progressives in Wyoming have been giving the coal mining industry a run for its money. Long the target of environmental and labor union organizing efforts, the industry is facing increased scrutiny for the holes its repeated tax breaks have opened in the state's budget. Old economy.

You'll also read about the growing rebellion against corporate subsidies in other states around the country. At the same time, the "pioneers" of Silicon Valley and the Silicon Forest continue to win remarkable concessions, like a "tax holiday" for e-commerce, which could wreak havoc on state budgets as sales migrate to electronic transactions not subject to state taxes. New economy.

Like their counterparts during the conquest of the American West, the giants of the new economy are adept at leveraging public investment to develop infrastructure, provide access to markets and raw materials, and protect profits. The burgeoning new biotech industry, for example, was jump-started through the infusion of public money into the Human Genome Project. The Internet itself had its origins in the Advanced Research Projects Agency, which was created by the Defense Department after the Soviet Union launched Sputnik in 1957.

These and other corporate interests rely on the Federal government to develop the infrastructure that allows them to do business in the first place - not to mention developing the broader international governing structures that provide them access to overseas markets and protect their investments there. Then they cry foul when that same government is forced to step in to offer even the smallest measure of protection to workers, citizens and consumers.

As the new rich get richer, as the wealth and income gaps widen ever further, and as elected officials ask us to marvel at the wonders of the new economy and pay the bill for it, a new movement is taking shape with exciting prospects for challenging the status quo. Police riots in response to protests in Seattle and Portland; Phil Knight's intemperate responses to student activists' victories at the University of Oregon and Michigan; overheated blatherings on the editorial pages of the *New York Times* and the *Wall Street Journal*: these are reactions of fear. And as any organizer knows, when we stop reacting and get our opposition to react to us, we're on to something.