

PRESS RELEASE

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**For Immediate Release**

## **NORTHEAST OHIO AFSC OPPOSES ISSUE 1**

Quaker Group Calls Ballot Measure Dangerous Step in Making State Dependent on Corporations

The Northeast Ohio American Friends Service Committee (AFSC) today declared their opposition to State Issue 1. AFSC is a Quaker-related social action organization that educates and organizes on justice, peace, democracy and sustainability issues. Over the last 10 years, AFSC has produced a documentary and book on the history of corporate power and democracy in Ohio.

AFSC specifically opposes the “Third Frontier” provision of the initiative, which authorizes \$500 million from the state in subsidies and direct investment in business corporations. AFSC opposes this amendment to Ohio’s constitution more on political grounds than economic.

The Quaker group believes that Issue 1 will reverse sections of the 1851 Ohio Constitution barring state and local governments from lending credit or going into business with private corporations as a means to boost the state’s economy. This prohibition was enacted as a result of an Ohio law (nicknamed the “Plunder Law” because of a wide-spread belief the state treasury had been plundered by corporate interests) enacted in the 1830’s permitting direct state investment in private canal, railroad and turnpike corporations. When these investments failed, the state lost millions of dollars. It resulted in repeal of the “Plunder Law” in 1842 and codification of the prohibition in the 1851 Ohio Constitution.

AFSC believes further that passage of Issue 1 would politicize many public policy decisions, particularly those affecting individual corporations or economic sectors where the state may have direct investments. For example, the state legislature could very well be hesitant to enact labor or environmental laws that protect citizens or communities if they might hurt particular companies or industries that the state financially depends on via corporate dividends to meet a portion of its budget. Rather than corporations being subordinate and subservient to “we the people” through the state legislature (common practice for the first few decades following statehood), we the people via the state would be increasingly dependent on the financial health of private business corporations -- inherently undemocratic institutions that the public has no direct control over.

“Passage of Issue 1 would further reduce participatory and democratic self-governance in Ohio,” say Dana Williams of the AFSC and co-producer of the film CorpOrNation: the Story of Citizens and Corporations in Ohio. “We should be working toward passing laws and constitutional amendments which increase, not decrease, the rights of people to govern their own communities and lives. Besides a threat to the state’s treasury, Issue 1 is a threat to the people’s democracy.”

AFSC calls for defeat of Issue 1 and the beginning of a statewide dialogue on use of public funds to create and further worker-owned industries, democratically run and community run cooperatives and other forms of democratic economic formations.

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For information on AFSC work and resources on democracy and corporations, go to <http://www.afsc.net/ejcorpdem.html>

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