The social movement created by U.S. toxics activists began in the late 1970s with a concern for place. People were fighting to clean up and protect specific places, their home, their neighborhood, a valley, a mountainside, a city block, a community. Specific places were the focus and toxic materials were the concern.

Over the past 20 years, toxics activists have come to understand that the problems they face are deeper than just toxic dumping, as bad as that is. Now people see that toxic wastes are just one aspect of a larger problem: toxic products, a toxic economy. Furthermore, toxic chemicals in the economy are just one aspect of an even deeper problem: the economy is not working for people or communities and most of the people affected by economic decisions are no longer participating in those decisions. In communities, people are realizing that the deepest question of all is, Who gets to decide?

The economy is not working for most people. Plant closings, downsizing, wage freezes and give-backs, union busting, replacement of full-time, permanent jobs by part-time and temporary jobs without benefits --these are the the result of decisions that have taken away the economy security of at least 100 million people in the U.S.

Real wages for non-supervisory workers --75% to 80% of all workers -- have been declining since 1972.[1] Measured in constant (inflation-adjusted) dollars, a full-time worker in 1972 took home $315.44 per week; today that same worker takes home $255.90 per week,[2] a 19% decline. People are adjusting to this wage decline by having other members of the household go to work, working longer hours, taking second and third jobs. Even these heroic efforts have not turned things around for most families in the 1990s: in the period 1989 to 1995, median family income dropped in 5 out of 6 years.[3] The total drop in median family income since 1989 has been 6%. The reality is unmistakable: the economy is not working for most people the way it used to.

Meanwhile, inequality is increasing sharply. The rich are getting much richer and the poor are getting poorer and more numerous. If you break society into 10 groups, each representing 10%, the incomes of the richest 10% rose 21% between 1979 and 1987, while the incomes of the poorest 10% dropped by 12%.[4] Between 1983 and 1992, an astonishing 99% of the increase in the nation’s wealth was awarded to the wealthiest 20% of the people.[5]

In 1949, the richest 1% of the population owned 21% of all assets; today that richest 1% owns more than 40% of all assets.[6]

Is all this happening because the economy is in a slump? Is business doing badly? Hardly. During the period 1980-1995 corporate revenues rose 129.5%, corporate profits rose 127%, and executive pay rose 182%.[7]

Meanwhile the share of the federal tax burden borne by corporations and the super-rich has been declining, and the share paid by the middle class has been increasing. In 1950, taxes on corporate income provided 26.4% of federal tax income. In 1995, that figure had fallen to 11.6%.[8]

### During the same period, the tax burden on individuals has risen.

In 1972, the social security tax, a wage tax, was 4.8%; today it is 7.65%, a 59% increase.[9] Furthermore, in 1972, the median sales tax across all the states was 3%; today it is 7%.[10] Meanwhile the income tax on the rich and super-rich has dropped dramatically. In 1950 the top income tax was 91%; in 1995, it was 39.6%.[11]

Because of phenomenal growth in profits in recent decades, many corporations are now larger than countries. Of the 100 largest economies in the world, 51 are not corporations and only 49 are countries. General Motors --the 22nd largest economy in the world --is larger than Denmark, larger than Thailand, larger than Hong Kong, larger than Turkey. Ford Motor is larger than South Africa, larger than Saudi Arabia, larger than Norway. Exxon is larger than Finland, larger than Poland, larger than Ukraine. Wal-Mart Stores is larger than Israel, larger than Greece.[12]

As a result of corporate size and wealth, corporate executives are calling the shots economically and politically in the U.S. It presently costs anywhere from $1 million to $25 million to run a successful election campaign for the federal House or Senate.[See REHW #409, #419, #421.] Such sums of money are only acquired by appeals to the super-rich and the super-rich, of course, are tied to corporations. Only 5% of households own 77% of all corporate stocks.[13] The wealth of corporate executives and corporate shareholders, and their direct financial support of political candidates, translate into raw political power. One result of this power is that Congress, in recent years, has drastically reduced taxes for the wealthy, and for corporations, but has increased taxes on the middle class and the working poor. Furthermore, Congress has embroiled the United States in so-called "free trade" agreements (NAFTA and GATT) that have diminished the power of our national government (indeed, all national governments) to control corporate behavior. In sum, corporations are increasingly out of control. As Ronnie Dugger (founder of the Alliance for Democracy [14]) has written,

"We are ruled by Big Business and Big Government as its paid henchling, and we know it. Corporate money is wrecking popular government in the United States. The big corporations and the centimillionaires and billionaires have taken daily control of our work, our pay, our housing, our health, our pension funds, our bank and savings deposits, our public lands, our airwaves, our elections and our very government. It's as if American democracy has been bombed. Will we be able to recover ourselves and overcome the bombers? Or will they continue to divide and will we continue to divide ourselves, according to our wounds and our alarms, until we have taken the country away from us for good?"[15]

These realities have not been lost on toxics activists, who have come to understand that the dumping of toxic materials into their communities is part of the toxic economy which is, in turn, part of the same problem as their community's economic decline, and that all these problems are related to the nature of corporations. Corporations cannot care about particular places. They cannot even care about human health. Nor can they care about democracy --corporations are among the most authoritarian and undemocratic organizations ever created. Corporate managers can only care about short-term financial gain. It is not a matter of corporations being run by bad people; they are not. They are run by ordinary people --most of them good-hearted --who are trapped within the logic of the corporate form. Corporations must make decisions that will return a profit to investors. That is all they are set up to do under the law. If they did otherwise, they would be sued for breach of fiduciary trust by their shareholders. Until the American people re-assert their control over corporations and give them a different purpose in life, corporations will continue to destroy communities and places, economically and ecologically.

As David Korten has written,

"It is no exaggeration to say that local communities everywhere are on the front lines of what might well be characterized as World War III. It is not the nuclear confrontation between east and west, between the Soviet Union and the United States, that we once feared. It is a very different kind of conflict. There is no clash of competing military forces and the struggle is not defined by national borders. But it does involve an often violent struggle for control of physical resources and territory that is destroying lives and communities at every hand. It is a struggle between the forces and institutions of economic globalization and communities such as yours that are trying to reclaim control of their economic lives. It is a contest between the competing goals of economic growth to maximize profits for absentee owners versus creating healthy communities that are good places for people to live. It is a competition for the control of markets and resources between global
Toxics activists now find themselves wanting to think more broadly than they ever have before. To gain control of toxics in a particular place, they now know they must think in terms of asserting their influence over the economy of that place. What are the components of the local economy? How do we analyze a place to find out what its resources are - especially its unused or presently-wasted resources? How do we prevent big, outside corporations from wrecking locally-owned businesses? How do we measure well-being so we'll know whether things are getting better or getting worse? How do decisions get made in this place? How do we control corporate behavior?

All of this is forcing toxics activists to look for allies who are prepared to help them think about community economic development and, ultimately, about controlling the behavior of corporations. Specific allies come to mind: the organization known as Sustainable America for local and regional-scale economic development,[17] and the Alliance for Democracy[14] for controlling corporations.

What also comes to mind is that there are some principles that have been worked out by toxics activists during the past 20 years, which can provide guidance for ALL activists. These are principles that can be used in local toxics fights, or can be used in local economic reconstruction. They can even provide some guidance as we try to devise ways to control corporate behavior. More next week.

--Peter Montague (National Writers Union, UAW Local 1981/AFL-CIO)


[8] Batra, cited above, Table 4.5, pg. 54, citing the 1987 and 1996 editions of the ECONOMIC REPORT OF THE PRESIDENT.

[9] Batra, cited above, pg. 9, and Table 5.2, pg. 64, and Appendix A.2, pg. 258.


[14] The Alliance for Democracy is an organization whose members "are setting forth to reject the economic and political power of large corporations as illegitimate in a self-governing democracy." The Alliance can be reached by phone in Cambridge, Massachusetts: (617) 259-9395, or by E-mail: peoplesall@aol.com.


[17] Sustainable America (SA) is a national umbrella organization of local people and groups who are responding to decline by organizing locally and coming together nationally to promote policy alternatives that offer a greater degree of citizen control, economic stability, prudent use of ecological resources, and a greater degree of economic equity. SA can be reached by phone in New York City: (212) 239-4221; or by E-mail: sustamer@sanetwork.org; web: http://www.sanetwork.org.