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“Love your neighbor as yourself”	3
ASIA	
Nepal: Elections seem unlikely to end fighting.....	4
Australia: Asylum seekers reflect Papua turmoil.....	5
China: Stone cutters risk lives to make jewelry.....	6
Philippines: Stronger logging ban is needed.....	7
MIDDLE EAST	
Egypt: U.S. sends mixed signals on democracy.....	8
Middle East: Give peace – and Hamas – a chance.....	9
AFRICA	
Africa: Economic growth has not affected poverty.....	10
Fair trade with Africa.....	11
Tanzania: Government plea for food aid.....	12
Kenya: Last year’s drought leads to food crisis.....	13
Sudan: One step forward, another back.....	14
Tanzania: Dispute over water privatization.....	15
Zimbabwe: Bread and roses.....	16
LATIN AMERICA	
Latin America elections.....	17
Haiti: Next right step.....	18
World Social Forum 2006.....	20
U.S.: Anti-migrant legislation moves ahead.....	21
Fasting for migrants’ rights.....	21
Food sovereignty: Fighting for sustainability.....	22
Financing for Development: Slow, ongoing process.....	23
Debt cancellation: Still not there.....	24
Shareholders pressure corporations for greater environmental accountability.....	26
Resources.....	27

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Due to ongoing security measures, there is a significant delay in delivery of mail to Congressional offices. It is advised that constituents either use email or fax, or send mail to Congresspersons' home offices, rather than to the Washington, D.C. office.

“Love your neighbor as yourself”

During 2006, our opening reflections in NewsNotes will develop the Global Good Neighbor proposal introduced in our May-June 2005 issue, attempting to reframe the U.S. foreign policy conversation to reflect values of “mutual respect and cooperation.”

The Global Good Neighbor Ethic of International Relations is a product of the International Relations Center’s (IRC) efforts to promote dialogue and action toward a new vision for U.S. foreign policy. This new vision would reflect insights from people around the world and would be grounded in the belief that U.S. citizens should be active participants in the formation of a new foreign policy. The IRC uses Franklin Roosevelt’s good neighbor model as an “animating policy vision, not a blueprint” and believes that the application of a global good neighbor ethic to our way of being in the world would reverse the rapidly deteriorating relations between the United States and other nations.

The incorporation of “neighborly” values into U.S. foreign policy and practice would harmonize well with the Gospel and Catholic Social Teaching. Consider the following:

- “The obligation to evaluate social and economic activity from the viewpoint of the poor and the powerless arises from the radical command to love one’s neighbor as one’s self. Those who are marginalized and whose rights are denied have privileged claims if society is to provide justice for all. This obligation is deeply rooted in Christian belief.” (*Economic Justice for All*, U.S. Catholic bishops, 1986)
- “Working for the common good requires us to promote the flourishing of all human life and all of God’s creation. In a special way, the common good requires solidarity with the poor who are often without the resources to face many problems, including the potential impacts of climate change. Our obligations to the one human family stretch across space and time. They tie us to the poor in our midst and across the globe, as well as to future generations.” (*Global Climate Change: A Plea for Dialogue, Prudence, and the Common Good*, U.S. Catholic bishops, 2001)



Photo of woman and child in El Salvador by Marie Dennis, March 2005

- “Concern for our neighbor transcends the confines of national communities and has increasingly broadened its horizon to the whole world.” (*Deus Caritas Est*, Pope Benedict XVI, 2006)

Using a “global good neighbor” lens to evaluate and reshape U.S. foreign policy enables us to tap into our own experience. We know how good neighbors behave, how they treat others in the neighborhood; how they care for and relate to their “own;” how they nurture the neighborhood environment.

The recent IRC paper “U.S. Hegemony or Global Good Neighbor Policy?” applies this image to U.S. policy in the Americas:

- ... If Latin America and the Caribbean are to have a brighter future, it must be one that is self-determined and responds to the interests of the poor majority. All nations deserve the right and the room to define national policies in the best interests of their people. Exercising these rights—as is happening increasingly in the region—is the sign of political health and can lead to the end of many of the structural obstacles that have impeded the region’s political and economic development. ...
- In this context, Washington needs to chart a new approach to hemispheric relations that serves U.S. national interests and national security, and that does not antagonize, destabilize, or debilitate our closest neighbors. To be successful, such a new approach to national interests and national security must not ignore the common-sense notion that the entire community benefits when all neighbors respect one another. ...

Jesus’ mission and ministry repeatedly underscored the second great commandment: Love your neighbor as yourself. The challenge of these times is to broaden our concept of neighbor. In a world brought intensely together by the forces of globalization, the call to global solidarity demands of us a new way of being -- as individuals, as community, and as a nation.

Go to the International Relations Center to read the entire Global Good Neighbor Ethic online: <http://www.irc-online.org/>

Nepal: Elections seem unlikely to end fighting

Nepal has recently seen a flurry of political activity, but its implications for the future are unclear. In municipal elections on February 8, about 21 percent of the electorate braved Maoist threats and a general strike to cast their ballots. Five days later the Supreme Court declared the year-old Royal Commission for Corruption Control unconstitutional. Subsequently Prime Minister Sher Bahadur Deuba was released after being held in custody for nine months. Parliamentary elections have been announced for next year.

Outsiders might be struck by a political irony in this landlocked Himalayan kingdom of nearly 28 million. In some countries, demands for democratic elections meet with government resistance; but in Nepal seven political parties urged a boycott of the recent elections called by the government. While the government's supporters declared the elections a success, critics said the relatively low turnout reflected widespread unhappiness with the king's policies.

Nepal's Maoist insurgency, which began a decade ago, has cost the country an estimated 13,000 lives. The Maoists' reclusive leader, Prachanda, says the movement's ultimate aim is to usher in Communism. (The insurgents' model curriculum for the fourth grade includes an introduction to dialectical materialism, poetry about Maoist martyrs and an introduction to homemade guns.)

The Maoists view schools as a vital source of both revenue and recruits. Teachers, often the most influential elites in rural communities, are co-opted as allies or sometimes eliminated as enemies. Many teachers typically give the Maoists five percent of their monthly salary plus their entire annual bonus. Meanwhile, some schools hold classes on fewer than half of the official 220 instruction days, and a UNICEF survey of one war-torn district found that the number of children who showed up for year-end exams had dropped by nearly half.

The country's previous monarch, King Birendra, introduced popular democratic reforms including parliamentary elections, a new constitution and freedom of the press. After 1990 a proliferation of non-governmental organizations (NGOs) and rural schools taught a generation of youth how to read and write – and become political.

The king and the crown prince were assassinated in 2001, and Birendra's younger brother Gyanendra ascended to the throne. A year later he dissolved Parliament, and in 2005 he jailed the prime minister and other prominent elected officials, vowing to bring the Maoist

insurgency under control. However, fighting has persisted; human rights advocates say at least five Nepalese, on average, have died every day since emergency rule was imposed last February. At the same time the economy has worsened; per capita income is less than \$25 a month, and many villagers eat just two meals a day – if they are lucky.

Public protests against the king's crackdown have been taking place since August. Late last year Gyanendra announced local elections would be held in early 2006 and parliamentary polls in 2007. However, seven opposition parties, frustrated over the king's policies, called for a boycott of the February 8 elections. In response Gyanendra's government rounded up hundreds of politicians, activists and journalists in the weeks prior to the polls. For their part, the Maoists threatened those who dared to vote.

The U.S. called the elections, in which fewer than half the seats were contested, a hollow attempt to legitimize the king's power grab. The government, however, rejected foreign criticism and characterized the vote as "a popular victory against terror."

On February 13 the Supreme Court issued a landmark decision declaring the Royal Commission for Corruption Control unconstitutional. Gyanendra had set up the commission a year earlier to help clean up the country's political culture and help Nepal prepare for democratic elections. However, critics claimed the king used the commission to crack down on political opponents and called the elections to try to legitimize his rule.

After the Supreme Court decision a number of those under arrest, including Prime Minister Deuba, were quickly released. The Corruption Commission had used its broad investigative and punitive powers to jail Deuba last April over two cases of alleged corruption.

Earlier, police reportedly arrested human rights lawyer Gopal Siwakoti "Chintan" and dozens of others February 2 at a public meeting in Baneshwor. It was not clear if he was released after the Supreme Court decision. Chintan – a leading advocate on women's rights, protection of children and environmental issues – has suffered alleged police harassment in the past. He was arrested in June 1998, and Amnesty International issued an action alert on his behalf. He was released 11 days later.

Continued fighting in Nepal can only wear down and impoverish both sides. The Maoists must show they can build as well as destroy. The government must prove it is interested in more than retaining military power. Without serious negotiations, peace and national reconciliation will likely remain only a dream.

Australia: Asylum seekers reflect Papua turmoil

Immigration authorities in Australia said they expected to decide in March on the fate of 43 asylum seekers from the Indonesian province of West Papua. The group reached a remote beach in Queensland, northern Australia, on January 18 after a week at sea in a 25-meter dugout canoe. The 43, including independence activists, said they would be in danger from the Indonesian military if Australia sent them back to Papua.

The advocacy group Aceh Papua Maluku Human Rights Online (AHRO, www.ahro.info) urged a worldwide appeal to Australian officials on behalf of the asylum seekers. AHRO maintains that Indonesia has occupied West Papua since 1969 when 1,022 electors, hand-picked by Indonesia from a population of about one million, voted to unite with its large neighbor.

Since that time the Indonesian military has fought a persistent independence movement in West Papua. AHRO says Indonesian forces have used torture and murder and have strafed and bombed villages in an effort to stamp out the movement, killing an estimated 100,000 Papuans.

A Special Autonomy Law took effect in West Papua four years ago, but critics say living conditions have not improved. AHRO says HIV/AIDS is spreading, prohibitive school fees prevent Papuans from sending their children for an education, and many schools stand empty because the teachers have not been paid. In addition, large amounts of special autonomy funds have reportedly been used to finance military operations, and AHRO says migrants from elsewhere in Indonesia “are arriving in West Papua on a daily basis and have virtually taken control of the commercial sector.”

The 43 Papuans crossed 425 kilometers (264 miles) of open sea to become only the third boatload of asylum seekers to reach the Australian mainland in four years. (Asylum seekers must reach the mainland to claim refugee status since the federal government excised Australia’s northern islands from the immigration zone.)

Tensions had risen in West Papua with the recent deployment of 10,000 Indonesian troops from Aceh Province. In addition, 12 Papuan nationalists had been

arrested, provoking widespread protests; four were subsequently released.

One of the 43, Papuan student resistance leader Herman Wainggai, appealed to the Australian public for protection. He spoke in a video he had secretly recorded on Christmas Island, the remote Australian territory in the Indian Ocean where the asylum seekers were being housed. He said the group feared to return to West

Papua because Indonesian authorities there represented “a killer government ... a terrorist government.” Nick Chesterfield of the Australian West Papua Association agreed, saying if the activists were returned to West Papua, “[t]he Indonesian military would not hesitate to kill them.”

Indonesia, however, says the 43 should not

worry about being sent back. Indonesian President Susilo Bambang Yudhoyono has guaranteed the group’s safety if they would return, and Ambassador Teuku Mohammad Hamzah Thayeb says the Papuans have nothing to fear from Indonesian authorities. The ambassador also warned that relations between the two countries could be “strained” if the Howard government granted political asylum to the Papuans.

However, Australian Greens Senator Kerry Nettle said the ambassador’s assurances “are not credible. The escalating repression of the independence movement and generalized suppression of the people of West Papua is well documented.”

The question of asylum is a sensitive one. Australia is negotiating a security treaty with Indonesia that calls on Australia to pledge not to interfere in Indonesia’s “territorial integrity.” Granting asylum to the 43 West Papuans might be seen as an admission by the Australian government that they could be persecuted if they returned home.

Nonetheless, Nettle said, “I had the opportunity to ask our Department of Immigration ... when they thought they would have a decision on the 43 asylum seekers from West Papua, and they said they were expecting to have a decision sometime in March, so we are obviously hoping that that will be sooner rather than later and that the decision will be positive.”



China: Stone cutters risk lives to make jewelry

It is said that beauty is in the eye of the beholder. But beautiful jewelry might blind a beholder to the plight of those who cut the precious stones in the first place. Poor working conditions often lead stone cutters to a painful, early death from lung disease.

China's Ministry of Health estimates that 140,000 workers have died of silicosis and related respiratory ailments since the 1950s. Another 440,000 are thought to be affected. However, China Labour Bulletin (CLB) estimates the actual numbers might be 10 times higher due to a widespread lack of health check-ups among Chinese workers.

Silicosis is caused by prolonged exposure to airborne silica dust, which drastically reduces the lungs' ability to extract oxygen from the air. High levels of silica dust are found in numerous occupations including stone-working, tunneling and sandblasting. ("Black lung disease," which typically afflicts coal miners, is similar to silicosis.) With proper treatment, some silicosis victims survive for years. However, it can take as long as eight years for symptoms to appear, and by then the disease is usually incurable.

Citing World Health Organization figures, China Labour Bulletin says silicosis kills more than 24,000 workers every year in China. "(A)s a side effect of the country's rapid economic development, the scale of the occupational silicosis epidemic in China is getting worse each year," the CLB says. It estimates there are more than 10,000 new cases annually.

Founded in 1994, the CLB promotes independent democratic unions, labor rights and better working conditions in mainland China. In December it published "Deadly Dust," which describes CLB efforts to help jewelry-processing workers in Guangdong Province who have contracted chronic silicosis. The organization tries to win fair compensation from employers – mostly companies with headquarters in Hong Kong.

China Labour Bulletin contends that in the 100 or so cases it has monitored, "the workers' health tragedies were directly traceable to their employers' disregard of China's occupational health and safety laws and to weak or non-existent enforcement by government agencies." The text of the "Deadly Dust" report is available at http://www.clb.org.hk/fs/view/downloadables/Deadly_Dust_Dec2005.pdf.

Workers who suffer from silicosis and who seek

compensation from their employers often find the process an uphill struggle. High medical bills are compounded by expensive legal fees, lengthy court processes, and ploys such as changing a company's name or its location to avoid paying damages.

Despite the economic and legal obstacles, an increasing number of workers suffering from silicosis have begun seeking redress in court. Plaintiffs have won awards ranging from 200,000 yuan to more than 463,000 yuan (US\$25,000-57,000). In countless cases, however, workers who are seriously ill lack the funds to hire lawyers to press for compensation.

Deng Wenping, who worked in a jewelry factory in southern China, died of silicosis on January 5, just months after he settled out of court with the Hong Kong owner of the factory. Although he received 230,000 yuan in compensation, his medical fees and four-year legal battle bankrupted the family. Deng, 36, left a wife and two children, who now live with his older sister.

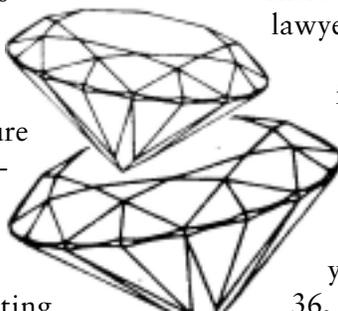
Feng Xingzhong, 33, is dying of silicosis after working for years in a gemstone factory. After a three-year legal battle a court awarded him 463,761 yuan in December. "I could die in a year or two," he said before the court decision. "I am still so young. I have a wife, two children and an elderly mother. No amount of money can bring back my life."

Despite the health risks, workers compete for stone cutting and polishing jobs that pay as little as \$20 a month. "We had a beautiful dream," Feng said, "to make some money, go home and start a small business."

Justice requires compensation for silicosis victims. However, the only true solution lies in preventive measures. Factory owners must take China's regulations on workplace safety seriously. The government must enforce the law and punish violators. U.S. and other companies that import Chinese jewelry should press for safe working conditions and fair pay. "Workers' rights and wellbeing must be respected," the CLB says. "They are not a mere optional extra in the process of China's continuing economic growth and modernization."

Faith in action:

The China Labour Bulletin invites readers to join a campaign for safe working conditions addressed to health, labor and professional jewelry organizations. A sample letter can be found at <http://www.clb.org.hk/>, the CLB website.



Philippines: Stronger logging ban is needed

Destructive logging practices in the Philippines and global warming probably increased the loss of life in a mudslide Feb. 17 on Leyte Island, Greenpeace says. An estimated 1,800 persons—including 200 students trapped in an elementary school—perished in the farming village of Guinsaugon after they were suddenly buried in mud up to 30 feet deep.

“The scale and frequency of similar tragedies in the past should have ... already provoked the government into action to address the seemingly perennial problems of floods and landslides at the source,” said Von Hernandez, campaign director for Greenpeace in Southeast Asia.

The environmental group explores possible links between global warming and the increasing frequency of natural disasters in its report “Crisis or Opportunity: Climate Change Impacts and the Philippines.” The report can be found at <http://www.greenpeace.org/raw/content/seasia/en/press/reports/crisis-or-opportunity.pdf>.

Data analyzed by the Intergovernmental Panel on Climate Change (IPCC) show the earth is warming, sea levels are rising, and rainfall might be increasing over tropical land areas, Greenpeace says.

“This IPCC finding has manifested itself in the Philippines through the more frequent occurrence of severe El Niño and La Niña events [causing drought and flooding, respectively],” it says. In addition, “the associated flood, drought, forest fire, severe storms and heavy precipitations—causing landslides and flash floods—have become more frequent and severe during the last 20 to 30 years.”

Greenpeace says that “attribution of such extreme events to climate change is virtually impossible due to lack of data. Current scientific evidence strongly suggests, however, that hurricanes/typhoons tend to become more destructive as ocean temperatures rise.”

The Philippines has experienced a host of natural disasters in recent years, made worse by misguided human policies. More than 5,000 people died in floods and landslides in Ormoc, Leyte, in 1991, sparking protests from activists who claimed that logging had stripped half the country’s forest cover over the previous three decades.

Considerable loss of life and serious property damage also befell Filipinos in the 1999 Cherry Hill tragedy,

which left 58 dead; the Payatas garbage slide in 2000 (224 dead), Baguio-La Trinidad landslides in 2001 (85 dead), Camiguin flash floods in 2001 (134 buried alive), southern Leyte-Surigao floods in 2003 (upwards of 200 dead) and Aurora floods in 2004 (more than 300 dead). “These extreme events have one thing in common—persistent torrential rains causing landslides and flash

floods, killing people and destroying properties and the environment along (their) path,” Greenpeace says.

Heavy rain in areas where forests have unwisely been cleared can cause flash floods and landslides, since the earth cannot absorb the water as quickly without forests. Officials said southern Leyte, including the Guinsaugon area, received a record 68.5 centimeters (nearly 27 inches) of rain during the first two weeks of February—twice the normal amount—which they attributed to the La Niña phenomenon.

If global warming has been a factor in natural disasters in the Philippines, the so-called Kyoto Protocol could begin to correct the situation. The treaty, which took effect in February 2005, binds participating developed countries to cut their combined greenhouse gas emissions to five percent below 1990 levels between 2008 and 2012. (As of February, 162 nations, including the Philippines, had ratified the agreement.) Some experts believe the Protocol will not achieve a significant reduction in temperature even if the five percent target is reached, so nations might try to negotiate further cuts in emissions in the future.

Meanwhile, the Philippines could strengthen its environmental policies and beef up enforcement. For example, logging bans have been selectively imposed since the 1970s; today more than 70 percent of the country’s provinces are under a logging ban or a harvesting moratorium. But logging bans are widely seen as ineffective. Critics say endemic corruption, lack of resources and weak law enforcement have allowed illegal logging to flourish and environmental predators to go unpunished.

Illegal logging near Guinsaugon “stopped around 10 years ago,” according to Roger Mercado, a Member of Congress who represents the area. “But this is the effect of the logging in the past.” Sadly for the latest 1,800 victims, 1996 was already too late.



Fr. Josebonito Labrador of Leyte says Mass for rescuers at the site of the landslide in Guinsaugon/Photo courtesy of the Union of Catholic Asian News (UCAN)

Egypt: U.S. sends mixed signals on democracy

Egyptian President Hosni Mubarak won a fifth six-year term in September 2005 as the head of the National Democratic Party. The party also captured more than two-thirds of the 454 seats in the People's Assembly. However, independent candidates representing the banned Muslim Brotherhood won 88 seats, a five-fold increase, as the main opposition. Their election follows a trend of Islamist victories in Lebanon, Iraq, Iran and, most recently, the Occupied Palestinian Territories. The following story was written by Maryknoll Office for Global Concerns intern Elizabeth Tomber.

“One thing that I have gleaned from 15-plus years here and elsewhere in the Middle East is that democracy is not and probably won't be a top priority for a long time,” says Fr. Doug May, a Maryknoll priest living and working in Egypt. May's analysis might seem unsettling, but his daily interaction with rich and poor Egyptians – both Christian and Muslim – provides a unique perspective on what democracy means to the people of one nation in the Middle East.

The U.S. government says its Middle East policy, including the invasion of Iraq, has been driven in part by its desire to promote democracy. While U.S. Americans might have heard positive news reports about Egyptian elections or about democratic reforms elsewhere in the region, May's observation suggests that democracy is more complex than optimistic headlines might imply.

“In most Middle East countries including Egypt, due to the frustrations and misconceptions here a fully democratic election would probably usher in an Islamic government, which would eventually become an Islamic dictatorship in an Islamic totalitarian state,” May says.

“Most people here feel the elections were somewhat of a joke,” he adds. May explains that voting was tainted with bribes, and it was a foregone conclusion that President Mubarak would win because election laws made it virtually impossible for any opponent to mount a serious challenge. In addition, few citizens believed the elections would improve their lives. “These people want enough money to live comfortably, they want opportunities for work and advancement, and they want freedom to move and express themselves without fear,” May says. “A benevolent dictator, king, president or prime minister is okay so long as he furnishes the above desires. Democracy is not an end for them.”

Although Egypt has received \$50 billion in U.S. foreign aid since 1975 – second only to Israel – millions of Egyptians live in poverty, and 25 percent of the work

force is unemployed. USAID, which distributes humanitarian aid on behalf of the U.S. government, sees a correlation between economic stability and political participation. “There is a correlation between strong, vibrant, open economies and a strong, vibrant, open political system,” says Ken Ellis, director of the USAID office in Cairo.

Views on foreign aid are not unanimous, however. Middle East experts including Edward Walker, who served as U.S. ambassador to Egypt from 1994 to 1998, express reservations about the current program. “Aid offers an easy way out for Egypt to avoid reform. They use the money to support antiquated programs and to resist reforms,” says Walker, president of the Middle East Institute in Washington, D.C.

The recent elections in Egypt drew only a quarter of the eligible voters, and human rights groups complained of vote-buying and ballot-stuffing. “I heard several times that the National Party was handing out 50-100 Egyptian pounds (US\$8-17) to anyone who would vote and vote for Mubarak's party,” May reports.

Some see a contradiction between the U.S. working to ensure Western-friendly regimes in other countries and, at the same time, calling for transparent, democratic elections. Analyzing the election gains by the banned Muslim Brotherhood, William Walls writes, “George W. Bush, president, has urged Mr. Mubarak, a long-term U.S. ally, to lead the way, but as elsewhere in the Arab world, Washington is now confronted with results that are unfavorable.” (*Financial Times*, Nov. 27, 2005)

Nobel laureate Amartya Sen says Western powers have ignored a rich democratic tradition in the East. He says a misguided sense of ownership of democracy has led Western policymakers to try to impose their concept of it, rather than to foster existing democratic practices and to empower local leaders. Sen believes that democracy imposed by the West is bound to fail in the East, not because the East is opposed to it but because the Western concept of democracy is so narrow.

Sen, a widely known economist, says he considers the rise of democracy as the most important development of the twentieth century. “A country does not have to be deemed fit for democracy,” he says. “Rather, it has to become fit through democracy.” With growing attention focused on the prospects for democracy in the Middle East, U.S. policymakers must explore how democracy can best serve the people of the region, and not only U.S. interests.

Middle East: Give peace – and Hamas – a chance

Hamas' victory in the recent Palestinian elections shocked U.S. policy makers, but the result should have come as no surprise. What is important now is that the U.S. seek ways to constructively engage with the democratically elected government, not hasten its downfall.

After the Jan. 25 elections, U.S. Secretary of State Condoleezza Rice said, "I've asked why nobody saw it coming. It does say something about us not having a good enough pulse." Yet, the writing was on the wall. Rami Khouri, editor at large of the Beirut-based *Daily Star*, says the Hamas victory was the sixth strong showing by Islamist groups in Middle East elections during the past year. He cites earlier instances in the Occupied Palestinian Territories, Lebanon, Iran, Egypt and Iraq.

If nobody in the U.S. State Department saw the Hamas victory coming, Khouri says, the government "is either willfully blind or totally incompetent – and neither possibility is a very comforting thought" (<http://www.ramikhouri.com/>, Feb. 1 column).

Analysis shows that, while Hamas (the Islamic Resistance Movement) captured 74 of 132 available seats, or 56 percent, the party won only 44 percent of the popular vote. Fatah (the Palestinian National Liberation Movement) won 42 percent of the popular vote but only 34 percent of the seats. "In reality, a clear majority of Palestinians voted against Hamas," says Gershon Baskin, Israeli co-director of the Israel/Palestine Center for Research and Information in Jerusalem. "What happened," he explains, "is that Hamas presented a unified list in each district, while Fatah and others had a multiplicity of candidates, which caused great divisions."

Research into voters' attitudes is revealing and hopeful. "Three-quarters of all Palestinians, including more than 60 percent of Hamas supporters, are willing to support reconciliation between Palestinians and Israelis based on a two-state solution," says Khalil Shikaki, Ramallah. The director of the Palestinian Center for Policy and Survey Research adds, "The two most important issues for the voters were corruption in the Palestinian Authority (P.A.) – which is dominated by Fatah – and the inability of the P.A. to enforce law and order."

Khouri says the new government is "perhaps the most legitimate political leadership in the Arab world because it is the only one to be voted in through a free and fair election monitored by the international community."

The U.S. and Israel soon began discussing ways to bring down the Hamas-led government, however. "The

intention is to starve the Palestinian Authority of money and international connections to the point where, some months from now, its president, Mahmoud Abbas, is compelled to call a new election," the *New York Times* reported Feb. 14. Citing Israeli officials and Western diplomats, it said "[t]he hope is that Palestinians will be so unhappy with life under Hamas that they will return to office a reformed and chastened Fatah movement."

Initial steps were not long in coming. The P.A. receives \$50 million to \$55 million a month from Israel in taxes and customs duties collected by Israeli officials at the borders but owed to the Palestinians. Israel said it would cut off those payments once Hamas took power and put the money into escrow. The action would make it difficult for the P.A. to pay the salaries of its 140,000 employees, who are the breadwinners for a third of the Palestinian population.

The U.S. State Department said Feb. 17 it had asked the Palestinian Authority to return \$50 million in aid. The money was provided last year for infrastructure projects. State Department spokesman Sean McCormack said a Hamas government would have to renounce violence, recognize Israel, disarm militias and agree to past Israeli-Palestinian agreements to receive direct U.S. aid.

Rice visited the Middle East in late February, but Arab allies responded coolly to U.S. proposals. Egypt and Saudi Arabia rebuffed a U.S. request to deny aid to a Hamas government. Meanwhile, Ali Larijani of Iran's Supreme National Security Council said Iran would provide financial support to a Hamas-controlled P.A.

Looking ahead, Khouri sees a stark choice facing the U.S.: "Will its tradition of tilting toward the Israeli position triumph over its professed policy of promoting freedom and democracy in the Arab world? ... Or does the United States see peace in the Middle East as a consequence of a fair approach that gives Israeli and Palestinian rights the same weight and priority?"

Faith in action:

The U.S. Congress is considering several bills affecting aid to Palestinians, notably HR 4681. Call or write to your representative and urge careful, restrained deliberation. Ask that lawmakers allow the president the flexibility to advance the Middle East peace process, and continue humanitarian aid with appropriate monitoring. See further background on this issue on the Churches for Middle East Peace website at <http://www.cmep.org/Alerts/2006Feb7.htm>.

Africa: Economic growth has not affected poverty

“Africa’s real GDP is estimated to have grown by 5.1 percent in 2005, roughly the same rate that was achieved in 2004. ... [T]he relatively high rates of growth recorded over the last five years confirm the continued recovery of African economies. ... Thus far [however] increased growth seems to have had a limited effect on poverty reduction. In fact, growth has largely concentrated in relatively capital-intensive sectors with little spillover effects on employment creation and on the rest of the economy.” (United Nations) Why, then, do the international financial institutions and other powerful forces in the global economy rely so heavily on growth statistics to measure “successful” economies? Catholic social teaching would require the evaluation of macroeconomic policy reform according to different criteria. The following is based on a report from AfricaFocus Bulletin (1/27/06)

Several recent reports, including the UN World Economic Situation and Prospects ... and the annual report from the Economic Commission for Africa (ECA) released in December 2005, confirm that African growth rates continue to exceed the world average of 3.3 percent by almost two percentage points. According to the UN Commission on Trade and Development (<http://www.unctad.org>), foreign direct investment (FDI) in Africa in 2005 increased by more than 50 percent over 2004, going from \$18.7 billion to \$28.9 billion. The UN’s new report estimated an even larger increase in FDI, from \$18 billion to \$30 billion.

Each report, however, is careful to note several caveats, or, in the words of a UN press release on January 25, some “jokers in the deck.” Most of the new investment is concentrated in oil and other mineral sectors and the increased growth has failed to impact employment.

Specifically, the United Nations’ World Economic Situation and Prospects 2006 (see <http://www.un.org/esa/policy/wesp/wesp.html>) reports that Africa’s real GDP is estimated to have grown by 5.1 percent in 2005, “confirming the continued recovery of African economies.” The report continues on a very positive note: “The agricultural sector had a good overall performance, which benefited Africa in the aggregate, although several coun-

tries suffered from drought and other setbacks, such as the locust invasion in West Africa in 2004 that affected crop yields in 2005. [The report obviously was written before the level of hunger in East Africa became evident.] Continued progress in macroeconomic and structural reforms, including the unification of foreign exchange markets and better public expenditure and financial management, and a high degree of macroeconomic stability in a large number of countries encouraged economic activity and improved economic welfare... The region also benefited from a supportive international economic environment. Higher oil prices and buoyant world market prices of some of Africa’s main non-fuel, primary export commodities contributed to growth in export earnings and GDP. Increased FDI and official development assistance (ODA) inflows and a reduction in the stock of debt were also factors supportive of growth.

“There was, however, a decline in manufacturing output in countries heavily dependent on textiles and clothing exports, owing to the end of the Agreement on Textiles and Clothing (ATC) in January 2005 and increased competition from low-cost producers in China and other Asian countries. Thousands of jobs were reportedly lost in Lesotho, Madagascar, Malawi, Mauritius, Swaziland and South Africa as result of the contraction of the textile sector, with little opportunity for the displaced workers to be absorbed in other sectors

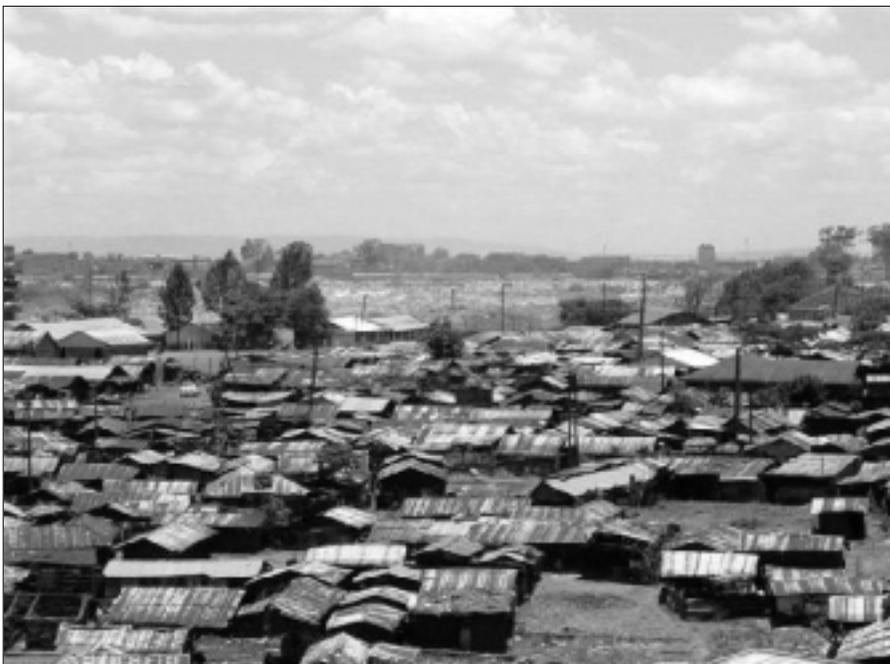


Photo of Nairobi slum courtesy of the Comboni Missioners

of the formal economy. ...”

The UN notes that increased growth has not reduced poverty or produced jobs. Moreover, its benefits have been unequally shared owing to the pattern of income distribution of the region (Africa is the region with the second highest inequality in the world after Latin America). In addition, pandemics such as HIV/AIDS and malaria continue to exert tremendous pressure on Africa's productive resources, which will have a negative impact on the economics of many African countries for years to come.

The new report of the Economic Commission for Africa (ECA) also shows that poverty in Africa is actually getting worse. The Economic Report on Africa 2005 is entitled “Meeting the Challenges of Unemployment and Poverty in Africa.” It analyzes the vicious cycle of inadequate economic performance and high unemployment. Despite showing signs of rapid change, Africa's economy is dampened by record unemployment and

higher rates of poverty than ever before.

The distribution of opportunities created by economic growth is also slim. Poor people lack the capacity to participate meaningfully in the economy, either as producers of goods and services or as suppliers of labor.

The report focuses on four key challenges for Africa in the fight against unemployment and poverty: structural transformation to break away from the underutilization of rural labor, addressing widespread youth unemployment, harnessing globalization to create decent jobs, and creating an enabling environment for the fast expansion of private sector jobs through increased investments.

For additional information see the section on Africa in World Economic Situation and Prospects (<http://www.un.org/esa/policy/wess/wesp.html>) and the Economic Report on Africa 2005 (<http://www.uneca.org/era2005>). For earlier AfricaFocus Bulletins on economic issues, see <http://www.africafocus.org/econexp.php>.

Fair trade with Africa

The year 2005 was to have been the year of the big push for Africa. Debates about Africa's future were prominent in several global forums. Numerous reports and studies highlighted the continent's hopes and challenges. In March 2005 the Commission for Africa issued its now famous report “Our Common Future.” The commission's chair, Tony Blair, called for a partnership with Africa which would take full account of Africa's diversity and particular circumstance. The following article was written by Fr. Dave Schwinghamer, MM, who lived and worked in Africa for many years.

The G8 summit in July 2005 devoted 14 pages of its final communiqué to recommendations about assisting the only continent not on track to meet any of the goals of the Millennium Declaration. The leaders of western developed nations advocated an effective mechanism to take forward the high-level dialogue with Africa that had emerged from a gathering called the Africa Partnership Forum. However, like most of the reports and global gatherings about Africa in 2005, it too was a product of research by western leaders and development experts. The African perspective on integral human development was often crowded out by the remarks of learned academics that commanded the attention of the western media.

As the G8 ministers met in Scotland, heads of state from Africa gathered in Libya to evaluate the progress of

their New Partnership for African Development (NEPAD). For most African leaders the issue of fairness in trade was one of the most important aspects of any just global partnership. It was clear to them and to many other advocates of a more human globalization process that trade policy is to this decade what debt relief was to the 1990s. As one African leader put it, “Africa needs massive funding for which neither total debt cancellation, nor doubling official development assistance, or even a combination of the two will suffice. We need other resources, and to this end, we must address the issue of adequate remuneration for our raw materials....” (*Africa Renewal*, October 2005)

In Libya, the leaders of NEPAD argued that since 70 percent of Africa's poor reside in rural areas, agriculture should act as the spearhead or engine of economic growth. NEPAD's development strategy has focused on the problem of declining export earnings and issues of integration into the international trading system. One of the major constraints to the implementation of this strategy is, in the eyes of African leaders, the current trade policies and preferences adopted by developed countries which act as disincentives for Africa's trade and exports.

Such a perspective on what blocks global trade for Africa implies dealing fairly with the complicated and politically sensitive issue of agricultural protectionism by the European Union and the United States. For years

some members of the global south have argued that subsidies, tariffs and non-agricultural barriers by developed nations place an unfair burden on African economies because they distort global prices and restrict market access. These policies in turn make what Africa produces less competitive and serve to undermine economic growth. For years, the big producers – the European Union and the U.S. – have frustrated the efforts to negotiate these trade-distorting subsidies. According to one estimate, the amount of subsidies paid out to farmers in rich nations total more than \$300 billion annually. (*Africa Renewal*, October 2004)

As 2005 drew to a close, African nations brought their fight to improve market access for both agricultural and non-agricultural products to the ministerial conference of the World Trade Organization (WTO) held in Hong Kong. Once again, they advocated for the elimination of high tariffs and tariff peaks, and pushed for the phasing out of export subsidies and trade-distorting domestic subsidies by the U.S. and the EU.

Many African activists believed that the Hong Kong meeting would finally resolve some of the issues of agricultural tariffs and subsidies. Sadly, it appears that the WTO once again failed to come up with any meaningful solution to the issue of agricultural protectionism by the western economies. Despite the promise by EU and the U.S. to eliminate export subsidies by 2013, other subsidies will remain in the form of domestic agricultural supports. These subsidies make up a much larger percentage of the total subsidy package.

For example, in the EU, domestic subsidies amount to around 55 billion Euros annually while export subsidies are only about three billion Euros. In the U.S., the Department of Agriculture paid out over \$14.5 billion in subsidies in 2004. (See the Environmental Working Group, www.ewg.org)



Photo of Tanzanian land cultivators by Sean Sprague, courtesy of Maryknoll Fathers & Brothers

Subsidies for U.S. cotton producers serve to illustrate the concerns of African fair trade advocates about trade-distorting subsidies. In 2002 the U.S. government support for cotton producers amounted to \$3.9 billion. These subsidies drive down world prices for cotton by 10-20 percent. According to some estimate, West African cotton farmers lost close to \$250 million because of the low world market price for cotton. If the U.S. and the European Union removed cotton support subsidies, sub-Saharan cotton exports would increase by 75 percent.

But it is not just export credits and domestic subsidies by western producer nations that distort trade. Even more costly are the provisions in the WTO agreement that will allow rich countries to exempt from quota and free access exactly those products that are of export interest to African economies. Add to these the non-tariff barriers like administrative procedures, custom fees, extra taxes, shipment inspection, currency restrictions, and health and safety standards and it is no wonder that some African trade advocates labeled the Hong Kong meeting as a platform for anti-development outcomes.

Prior to the WTO ministerial meeting, the U.S. Catholic bishops went on record as supporting the elimination of trade-distorting agricultural subsidies. To see who gets the \$12.4 billion in agricultural subsidies in the U.S., consult the Environmental Working Group, www.ewg.org and search for “subsidies.” As the high-profile “big push for Africa” notion moves off the screen of western development advocates, Africa is turning east to China. Trade volume between China and Africa rose 53.9 percent year-on-year to US\$20.5 billion in the first nine months of this year. China’s imports from Africa topped US\$10.95 billion, reflecting an increase of 78 percent.

Tanzania: Government plea for food aid

In Tanzania, 3.7 more million people are at risk of food shortages due to drought. The government has appealed to donors for 100,000 tons of relief food which will be needed between February and April. Prime Minister Edward Lowassa said there were only 57,620 tons of food in the government’s Strategic Grain Reserves.

Kenya: Last year's drought leads to food crisis

According to the World Food Program (www.wfp.org), one African in three is malnourished. In 2006, 43 million Africans will require food assistance; 35 million of them are in need of emergency food aid. Eighteen million are in 11 countries of East Africa, including Kenya, Tanzania, Somalia, Ethiopia and Djibouti.

In Kenya, the failure of the 2005 short rains has left at least 3.5 million people, including 500,000 school children, in need of emergency assistance. (IRIN, Feb. 8, 2006)

“Following five consecutively failed or poor seasons, vulnerable populations are running out of coping options,” said an assessment report by the Kenya Food Security Steering Group, whose members include government ministries, United Nations agencies and nongovernmental organizations. The report further noted that malnutrition rates have risen steeply in the country's northeast to between 18 percent and 30 percent, significantly higher than the UN World Health Organization threshold of 15 percent indicating a critical situation.

Speaking at the launch of an appeal for US\$245 million, Kenya's minister of state for special programs, John Munyes, said the districts hardest-hit by the drought were in the arid and semi-arid northern, northeastern and eastern regions.

Women and children there are begging at roadsides and large-scale migrations are underway, leading to growing conflict over land and access to wells.

Pastoralists have been unable to migrate to fallback areas to save their livestock and are resorting to extreme steps, such as killing their newborn calves in the hope that the mother can survive. They are also carrying out mercy killings of livestock. Many animals, particularly cattle - but also sheep, camels, donkeys and goats - are dying in large numbers.

Besides causing a scarcity of food, the drought is likely to reduce the country's capacity to generate hydroelectric power; cause an increase in respiratory diseases; and raise the risk of forest fires in affected areas.

The head of the Anglican Church in Kenya, Archbishop Benjamin Nzimbi, urged Kenyans to skip a meal to save lives of those currently hit by famine. Launching his church's famine relief fund, Nzimbi appealed to the international community, the church at large and all

Kenyans of goodwill to lend their support to alleviate the suffering of those who are starving. The Catholic Church has made a similar appeal. Recently, 50,000 prisoners across the country skipped lunch to provide 300 bags of maize, beans and rice to famine relief.

Meanwhile, Kenya's finance minister David Mwiraria urged foreign donors to consider canceling its debt so it could use the repayment money to help respond to the impact of the drought. More than half of Kenya's 32 million people live on less than a dollar a day. Kenya, which owes \$5.6 billion in external debt, has been left out of the Highly Indebted Poor Countries (HIPC) Initiative.

Analysts, however, say that Kenya might find it difficult to convince donors to write off its debts due to what many see as President Mwai Kibaki's slow pace in stamping out corruption. In fact, Finance Minister Mwiraria recently resigned following claims of corruption involving high-ranking government officials. He maintains that the allegations against him are false (IRIN 2/2/06)

John Githongo, who resigned in February 2005 as permanent secretary in charge of governance and ethics, named other ministers he claimed were corrupt. Two weeks later, Minister of Education George Saitoti and Minister for Energy Kiraitu Murungi resigned. (IRIN 2/14/06)

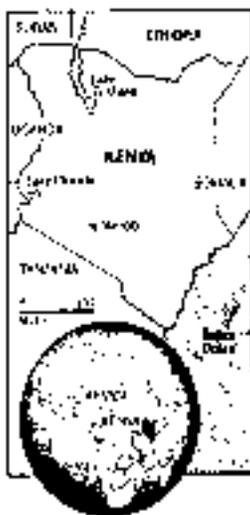
In 2005, the U.S. government withheld US\$2.5 million in aid to the country's anti-corruption campaign until it “could gain a clear picture of the government's true intentions.”

The World Bank recently stopped payment of almost \$266.5 million - earmarked for education, the fight against HIV/AIDS and banking reforms - to Kenya over concerns about “transparency in use of funds.”

Faith in action:

Emergency aid in response to the food crisis in East Africa is crucial. However, attention must also be given urgently to identifying the roots of the problem.

Contact your Congressional representatives to encourage the U.S. government to respond generously to appeals for assistance in East Africa and to support cancellation of Kenya's debt. Check <http://www.maryknollogc.org> for deeper analyses of the situation that address environmental degradation, poverty, agricultural production, food distribution and so on.



Sudan: One step forward, another back

Until recently, Southern Sudan was engulfed in a 21-year war between the former rebels of the Sudan People's Liberation Movement/Army (SPLM/A) and the Khartoum-based government. The war displaced about four million people and forced another 550,000 to flee to neighboring countries. One year after a Comprehensive Peace Agreement (CPA) was signed between the main parties in the conflict, the people of Southern Sudan are going home.

But clashes between armed militia and the southern Sudanese army in the greater Upper Nile region demonstrate the need to resolve issues of alignment between various armed groups in the area. Several civilians died in the clashes between the SPLM/A and splinter groups of the South Sudan Defense Force (SSDF) - the largest southern militia allied to the north, which fought against the SPLA during the civil war.

Under the CPA, signed by the SPLM/A and the former Sudanese government on January 9, 2005 in Kenya, militia groups in the south were required to disband or join the Sudan Armed Forces (SAF) or the SPLA within a year.

The SSDF has for a long time been considered a major threat to peace and stability in the south, as the militia group controlled large, oil-rich territories in the Upper Nile region and was supported by the Sudanese armed forces.

In Darfur, the situation on the ground worsened, with back-and-forth battles between the Sudanese government and the various rebel factions continuing to be a source of destruction and misery, in addition to the horror caused by the government's proxy Janjaweed militias. At the same time, international attention being paid to Darfur was rising. U.S. Olympic Gold Medal-winning speed skater Joey Cheek pledged to donate his \$25,000 gold medal prize money to a charitable program to help the children of Darfur. Cheek also said that he plans to visit Darfur personally, and challenged his sponsors to match his contribution. Nike promptly agreed to do so, and has come up with a \$30,000 donation of its own.

The African Union (AU) ceasefire monitoring force has been the only line of defense for threatened, attacked, displaced communities, yet it has been insufficient to protect millions of Darfuri men, women, and children. The AU forces' lack of the necessary resources and capacity for this mission is acknowledged in the administration's acceptance of the need for a stronger international peacekeeping force to protect civilians.

David Rubenstein, coordinator of the Save Darfur Coalition, wrote, "Real peace and security in Darfur is going to require both an UN peacekeeping force in the long term, and increased NATO aid (a 'bridging force') to support the African Union in the near term. With preliminary planning now underway at the UN, and a Security Council resolution authorizing a peacekeeping force with a strong mandate expected soon, there is reason to hope that a robust force could be protecting civilians by fall.

"Because international support will be necessary for approval of both the UN mandate and NATO assistance, the Darfur advocacy community will be required to continue its work."

President Bush has submitted to Congress an emergency supplemental funding request of \$514 million for peacekeeping

and humanitarian aid programs in Sudan. Senators Joe Biden (D-DE) and Sam Brownback (R-KS) introduced a resolution calling for NATO help for the AU mission and for implementation of a no-fly zone in Darfur.

The question of how best to augment the AU troops in the meantime is also under discussion. Secretary of State Condoleezza Rice recently told the Senate Foreign Relations Committee that "we will work with NATO to try to enhance the capability of the [African Union Mission in Sudan] force until a UN force can get on the ground." Such an arrangement could help train the AU troops for work as part of the coming UN force, while also immediately improving the range of protection the AU is able to provide.

For ongoing updates and additional information see www.SaveDarfur.org.



Photo of Sudanese woman courtesy of Practical Action, the new name for ITDG (Intermediate Technology Development Group), www.itdg.org

Tanzania: Dispute over water privatization

According to information on the website for the International Center for Settlement of Investment Disputes (ICSID), the British water company Biwater is suing Tanzania after a water privatization agreement between the company and government collapsed. This case is painfully reminiscent of Bechtel's lawsuit against the government of Bolivia after the Bolivian municipality of Cochabamba was forced by angry citizens to cancel its water privatization contract with Bechtel.

The Tanzanian government ended its relationship with City Water, a Biwater subsidiary, just two years into a \$102 million, 10-year contract, on the grounds that City Water had failed to make even half the required investment or improve water services in Tanzania's biggest city, Dar es Salaam. According to the government of Tanzania, City Water (the joint venture company in which Biwater Gauff Tanzania Ltd. has a 51 percent stake) was to invest \$8.5 million during the first two years, but as of May 2005, only \$4.1 million had been invested. Furthermore, in 2004, Action Aid International reported that households who did pay their water bills were sometimes disconnected in an attempt to get those with illegal connections to pay up. See <http://www.actionaid.org.uk/wps/content/documents/TurningofftheTaps.pdf>.



Biwater claims that they kept their investment commitments in City Water and that some improvements occurred, including an increase of water output and security of supply by 15 percent. They state that it was inevitable that services would be adversely affected initially because of the necessary renovation works that they were carrying out.

Tanzania is the 164th poorest country in the world (out of 177). Sixty percent of the population lives on less than \$2 a day (UNDP Human Development Report 2005). At least 27 percent (9.8 million people) of Tanzania's population do not have access to safe water. Forty percent of the children under five suffer from diarrhea as a result of drinking unsafe water.

Tanzania is also heavily indebted, with an external debt of about \$7.5 billion. From 1996 to 1999, privatization of Dar es Salaam's water was a condition of IMF loans to Tanzania through the Enhanced Structural Adjustment Facility; from 2000 to 2003, it was a condition of IMF support through the Poverty Reduction and Growth Facility. Continued restructuring and privatization of public utilities were also part of

Tanzania's conditions for debt cancellation under the Heavily Indebted Poor Countries Initiative.

As word of the lawsuit spread, activists in Tanzania mobilized. Andrew Mushi from the Tanzania Association of Non-Governmental Organizations, said, "We are in full support of our government in canceling the Biwater contract, and we think it is very unfair of Biwater to sue our government because the burden of paying for this legal case will fall on the people of Tanzania."

Their campaign should be encouraged by news from Bolivia. In January, Bechtel, one of the world's most powerful corporations, formally abandoned its legal effort to take \$50 million from the Bolivian people. Faced with protests, barrages of e-mails, visits to their homes, and years of damaging press, Bechtel executives finally decided to surrender, walking away with a token payment equal to thirty cents. That retreat sets a huge global precedent.

But the challenge presented by the investor-state clauses of investment agreements that allow foreign corporations to sue directly their host governments for losses (including future but unrealized losses) is huge. Of the more than 2,000 bilateral investment treaties, 1,500 designate the ICSID as the forum for the settlement of investment disputes. These investor-state clauses are responsible for 96 of the 113 cases (with \$30 billion in claims) pending before ICSID today.

According to Nancy Alexander of *Services for All*, ICSID has a website and a limited amount of information about its cases is made available to the public. However, as was the case in *Bechtel v. Bolivia*, ICSID does not as a rule allow the public or media to participate in, or even witness, proceedings. Hence, the corporations are shielded from public scrutiny.

Investment agreements and the courts that enforce them operate on a supra-national level in a way that can enforce corporate rights while providing little or no information or recourse to citizens whose lives have been damaged as a consequence of corporation actions.

Tremendous opposition by global citizens helped change Bechtel's mind, as several years earlier tremendous opposition by global citizens helped to postpone negotiations of a multilateral investment agreement. However, corporations are relentlessly pursuing bilateral and multilateral agreements overwhelmingly in their favor. Most recently, the Organization for Economic Cooperation and Development (OECD) - a club

of Northern governments - drafted a "Policy Framework for Investment" (<http://www.oecd.org/dataoecd/22/8/35815912.pdf>). Ongoing citizen attention is crucial.

For additional information on the Biwater case see

www.oneworld.net. For additional information on the Bechtel case see www.democracctr.org. For additional information about the ICSID see <http://www.worldbank.org/icsid/cases/pending.htm>

Zimbabwe: Bread and roses

The UN's Integrated Regional Information Network (IRIN) reports that more than 400 women were arrested in Zimbabwe in February for protesting against high prices and unemployment after inflation shot past 600 percent.

On February 14, over 240 women were arrested in Harare for participating in a march led by the activist organization, Women of Zimbabwe Arise (WOZA), held annually on St Valentine's Day. The organization's lawyer was also arrested when he intervened, according to WOZA.

Another 181 participants of a WOZA-led march in Zimbabwe's second city, Bulawayo, were arrested on February 13 and remained in detention overnight.

"This year's theme is bread and roses [inspired by the 'Bread and Roses' strike by women textile workers in the United States in 1912]," said Jenni Williams, national coordinator of WOZA, who was among those arrested on Monday. "The bread stands for the need for affordable food, and the roses represent the need to be dignified and the call for social justice."

Police have largely treated WOZA protests as illegal "political" gatherings. In two years of demonstrations, about 900 WOZA activists have been arrested for breaching the Public Order and Security Act (POSA), which prohibits public gatherings without police clearance.

According to the watchdog group Consumer Council of Zimbabwe (CCZ), the Central Statistical Office's latest consumer survey indicated that the monthly cost of living, including non-food items, for a family of five rocketed to more than Zim \$21 million (about US\$211) in January, up from Zim \$17.5 million (US\$176) in December 2005.

The average monthly salary of a public servant is US\$121, despite a 231 percent increase in government salaries announced last month.

"The cost of accommodation, fuel and the hike in government salaries announced last month have all impacted on the cost of living," said CCZ's Henry

Musongwe. The annual rate of inflation is now 613.2 percent, close to the all-time high of 622 percent reached in January 2004.

Basics like the cost of accommodation, commuting and school fees can now set a family back by Zim \$12 million (US\$121) a month, while food can drain almost Zim \$8 million (US\$81) from a family's monthly expenditure.

"The average salary of the lowest-paid government employee - a cleaner - has been hiked up from Zim \$5 million to Zim \$7 million (US\$50 to \$70), which has prompted shops to hike prices, making them [food items] even more unaffordable," added Musongwe.

Zimbabwe is in the throes of a severe economic crisis and facing serious food shortages as a result of recurring poor harvests and the government's fast-track land redistribution program, which began in 2000 and has disrupted agricultural production and slashed export earnings.

The government blames unofficial sanctions by western governments for the economic crisis and President Robert Mugabe called on neighboring countries not to interfere in Zimbabwe's internal affairs. Speaking in a televised interview to commemorate his 82nd birthday, Mugabe said: "We have tolerated some of them because they are our friends. We hope in future they will keep away." He was responding to a question on what he thought of diplomatic interventions by South Africa and Nigeria in Zimbabwe's political crisis. (IRIN 2/21/06)

Mugabe claims that the interest of his colleagues in the African Union in resolving Zimbabwe's problems has more to do with pressure from western governments deemed hostile to his ruling ZANU-PF party. He is due to retire in 2008

UN Secretary-General Kofi Annan will visit Zimbabwe in March to follow-up on the report issued on Operation Murambatsvina/Restore Order by UN special envoy, Anna Kajumulo Tibaijuka. (See *NewsNotes* September-October 2005, November-December 2005)



Latin America elections

2006 will be an important year for defining politics in Latin America. In 12 months, there will be 12 presidential and 13 legislative elections. Many are looking to see a continuation of the shift begun in recent years with the elections of left and center-left presidents in Venezuela, Brazil, Argentina and Uruguay, though most elections will be influenced more by local and national situations than by continental tendencies. Here is a brief summary of what happened in elections that have already taken place and what to look for in upcoming elections, listed chronologically.

Honduras – P/L (Presidential and Legislative elections) – Nov. 27, 2005

Only 40 percent of the voting population turned out to elect Manuel Zelaya by a 3.7 percent margin over Porfirio Lobo Sosa. There was little difference between the candidates, both of whom are large landowners and supported CAFTA. Local analysts attributed the result to Hondurans' fear that Lobo Sosa would be a repressive authoritarian as members of his political party were in the 1930s and 40s.

Venezuela – L (Dec. 4, 2005), P (December 2006)

The legislative elections were marked by the boycott of 10 percent of the candidates due to alleged distrust of the election process, but the elections were determined to be legitimate by various international observers. The result was an overwhelming victory for the six parties in alliance with President Chavez – they now control all 167 seats in Congress. The presidential election should see similar results. Chavez is campaigning not just to win, but to win 10 million votes (of 12 million registered voters.)

Chile – P/L (Dec. 11, 2005)

Michelle Bachelet (right) was elected the first female Chilean president. Her center-left coalition, “La Concertación,” will continue to hold majorities in both houses as they have since 1990. Expect a continuation of the policies of former president Ricardo Lagos.



Bolivia – P/L (Dec. 18, 2005)

Evo Morales, an indigenous coca grower leader, was easily elected as president in a first round victory. His coalition won a majority in the House, but not the Senate. See the January-February *NewsNotes*. Also see Fr. Eugene Toland's reflection on Morales' win on the

Latin America page on www.maryknollogc.org.

Costa Rica – P/L (Feb. 5)

In an incredibly tight election, conservative candidate Oscar Arias appears to have won the presidential elections. Election judges are withholding their declaration of a winner until they have heard and decided upon other candidates' complaints. Arias, who won the Nobel Prize in 1987 for his role in ending Central American conflicts, ran a pro-CAFTA campaign. Although his coalition enlarged its majority in the Assembly, it will not be easy to ratify CAFTA. Unions have promised increased social mobilizations.

Haiti – P (Feb. 7)

The election was marred by tens of thousands of votes not being counted, ballots being burned and thrown in city dumps and a last minute deal that changed electoral laws to give René Preval, a colleague of Jean-Bertrand Aristide, the needed 51 percent to avoid a run-off election. Despite winning by an overwhelming margin (the closet competitor won only 12 percent), Preval will most likely face a constant questioning of his legitimacy because of the election controversies. (See Haiti story on page 18.)

Colombia – L (March 12), P (May 28)

Death threats and violence are increasing as elections grow closer. Journalists have been killed and candidates have been forced to resign by paramilitaries and guerillas. Current President Alvaro Uribe is expected to win re-election and the Congress should remain relatively stable with power being shared between the two dominant parties, though, if they are able to maintain their unprecedented unity, leftist parties could become the second power bloc in Congress.

El Salvador – L (March 12)

Polls about the legislative elections show a close tie between the two principal parties, FMLN and ARENA. Currently FMLN has 31 of the 84 Assembly seats with ARENA holding 27 seats. They should continue to dominate the legislature.

Peru – P/L (April 9)

The presidential dispute will be between three principal candidates: Lourdes Flores on the right, Ollanta Humala, a political outsider from the left, and Alan Garcia, who is running on a centrist program. Flores

appears to be the favorite with Humala and Garcia in a tight dispute for second. Both of these candidates have historical problems that make their election difficult. Humala is trying to follow former victories of outsiders like Fujimori and Toledo, but is beset by charges of being responsible for torture and disappearances in 1992. Garcia's candidacy is hampered by Peruvians' memory of his former presidency from 1985-1990 which ended in hyperinflation, economic collapse and serious security lapses.

Dominican Republic – L (May 16)

The Dominican Liberation Party (PLD) should continue to dominate both houses of Congress. The issue of CAFTA will be a key issue in the debates.

Mexico – P/L (July 2)

There is the possibility of a significant shift in power in this election. Current polls give the lead to Andres Manuel López Obrador, of the Party of the Democratic Revolution (PRD) over competitors Felipe Calderón Hinojosa and Roberto Madrazo Pintado. Calderón is from the National Action Party (PAN) who currently holds the presidency and Madrazo is of the Institutional Revolutionary Party (PRI) that held the presidency for over 70 years until the last election in 2000. This is a key election because of the size and importance of Mexico. If López Obrador is elected it would be a significant addition to the Latin American shift to the left.

Brazil – P/L (Oct. 1)

The election of Luis Inácio Lula da Silva as president in 2002 showed a significant desire within the Brazilian people for change. Despite the fact that he has not followed through on these changes and a horrific corruption scandal involving his party and close friends,

Lula appears poised to win reelection. There should be a shake-up in both houses of Congress due to the corruption scandals, though it is unclear if there will be much of an ideological shift to the left or right.

Ecuador – P/L (Oct. 15)

Political instability and dissatisfaction continue to reign in Ecuador and should continue after the elections. No president has finished their term since Sixto Durán (1992-1996). Current president Alfredo Palacio took office when former President Lucio Gutiérrez abandoned office in April 2005. Palacio has 21 percent approval ratings and Congress a miserable four percent. There has not been much interest in the upcoming elections yet. A December 2005 poll showed Jaime Nebot, a business-friendly mayor, leading with 24 percent, with Jefferson Pérez, the winner of Ecuador's only Olympic gold medal (in track and field) in second. Unless someone surges onto the scene, there should not be any meaningful change.

Nicaragua – P/L (Nov. 27)

This election is shaping up to be an interesting one with the possibility of up to four principal candidates – two from the left, two from the right. The FMLN continues to be split with many members expressing dissatisfaction with Daniel Ortega, who will be the FMLN's candidate. Herty Lewites is a long time Sandinista and former mayor of Managua. He will most likely run with the Sandinista Renovation Movement (MRS) and represents a more moderated left position. On the right, the stronger candidate will most likely be Eduardo Montealegre who will try to unite all of the right behind his candidacy. A December 2005 poll showed Montealegre tied with Lewites at 22 percent with 14 percent for Ortega. If the right is able to unite behind one candidate they should take the election.

Haiti: Next right step

On February 7, the people of Haiti elected René Préval as their next president, hopefully ushering in an era of peace and stability in a country that has known neither for much too long. Despite tremendous physical, political and organizational obstacles, including confusion at best in the tallying of votes, Haitians reclaimed the right to decide their own political future. The international community, including the U.S., France and other countries, the UN and OAS, the international financial institutions and other creditors must now find

constructive ways to accompany and support the Haitian democratic process.

Haiti's challenges are too numerous and too complex to name easily. Some have Haitian roots, but most have deep roots in racism, imperialistic U.S. foreign policy, a profoundly unjust global economy, and the serious flaws of our multilateral institutions.

Haiti's hope is in the people, especially the vast impoverished majority who have suffered so much and

in their many allies, both Haitian and international, working together to move beyond violence; to protect human rights; to provide food, water, education, health care, jobs, genuine security and a healthy environment; to build a just and effective judicial system; and to establish mechanisms of transparency and accountability for government officials, nongovernmental organizations and the private sector.

Haiti's hope is in its rich culture and deep, complex spirituality. Haiti's hope is in the bruised and exploited earth and in the always-present sea.

Haiti's hope is a slim hope but it is there and it was clearly visible on election day. Some had predicted that Haiti's poor might not vote – only to have their elections stolen again in repeated coups and political maneuvers, only to have the leaders they select disempowered by powerful political and economic international forces.

But they did vote. Now the challenge for friends of Haiti is to help sustain their hope and honor their courage. Now the challenge is to be vigilant, paying particular attention to the role of the U.S. and the international financial institutions in Haiti, and to act in concert with Haitian people and organizations committed to ensuring a life of dignity in peace for all the people of Haiti.

Following Préval's election, Bishop Thomas Wenski, bishop of Orlando and chairman of the Committee on International Policy of the United States Conference of Catholic Bishops, wrote in part:

Our conference of bishops gives thanks to God that Haiti will soon have a duly elected executive and Parliament. We extend our heartfelt congratulations to the Haitian people and to the president-elect, René Préval. And we pray that the run off election for members of the two houses of Parliament scheduled for next month will be equally successful.

The challenges facing the people of Haiti and Mr. Préval are enormous and will require the cooperation of all sectors of society. It is our hope that the President, members of the legislature and the new Prime Minister when installed will immediately move to bring about significant and early improvements in the standard of living of all Haitians. We believe that this is best accomplished by seeking the active participation of political parties, the private sector, academia, the many vibrant organizations of civil society, the Haitian Diaspora and Haiti's numerous friends throughout the world. ...

The international community must clearly increase its assistance and partner in the development of capacity for sustained economic growth and social transformation. As political stability, personal security and democratic practices and accountability are strengthened, the

largely unemployed and underemployed Haitian workforce must be able to count on continued foreign and domestic investment to create employment opportunities....

The people of Haiti have taken an important step forward in electing a president. Now the U.S. and the international community must take additional steps to accompany the Haitian people as they walk the long road to a future of democratic and economic re-vitalization.

Already some are identifying trouble ahead. Brian Concannon of the Institute for Justice & Democracy in Haiti, in a very interesting analysis of the elections available in full at www.ijdh.org, wrote:

The election deal gives a little something to everyone, and that's the problem. Elections are not supposed to make everyone happy; they are supposed to apportion political power according to majority vote, on the basis of set rules. In all likelihood, a correct tabulation of the votes would have given Mr. Préval a first round victory, as exit polls and unofficial tabulations had predicted. Although the negotiated agreement reaches the same result as a correct tabulation would have reached, it does so by changing the rules instead of correcting the violations of the rules. The deal provides leverage for those seeking to delegitimize Préval's presidency and block the progressive social and economic policies that he was elected to implement. The election's also-rans are already crying foul, and they will be joined by more voices from Haiti's elite and the International Community. Soon enough, invoking "the contested elections of February 2006" will suffice to justify an array of economic and political coercion against Haiti's elected government.

In addition, Haiti's economic future will be extremely challenging. Its foreign debt is now approaching \$1.4 billion dollars, with a \$55 million annual debt service. This spring the World Bank may add Haiti to the list of countries eligible for debt cancellation, but that will be slow in coming and will require implementation of an IMF program for macroeconomic policy reform most likely to include tight limits on public sector spending and privatization.

Faith in action:

Write to the U.S. Secretary of the Treasury calling for the United States to support 100 percent debt cancellation for Haiti without conditions that exacerbate poverty and environmental destruction. Ask him to support 100 percent debt cancellation by the Inter-American Development Bank.

World Social Forum 2006

The sixth annual World Social Forum (WSF) was “polycentric” with three regional gatherings held in Venezuela, Mali (both held at the end of January 2006) and Pakistan (postponed until March, due to last year’s earthquake).

In its short history, the forum has brought together a wide range of people from around the world who are convinced that the dominant economic and political system is fundamentally flawed, and who are dedicated to the idea that “another world is possible.” Participation has increased from 20,000 at the first World Forum in 2001, to more than 100,000 participants at the 2005 forum. Considering the hundreds of fora that have been held at national, state, and local levels, in addition to the international gatherings, millions of people have been involved in the process thus far.

Held in Caracas, Venezuela, the American Forum was an opportunity for 70,000 activists to see first-hand the changes implemented by the Chavez government in favor of low-income families and historically excluded sectors of Venezuelan society. UNESCO recently declared that illiteracy has been erased in Venezuela and millions of people now have access to health care and education. Many participants felt that the changes in Venezuela indicate what is now possible in Latin America with the wave of left and center-left governments being elected by increasingly active civil societies. A poster displayed around Caracas declared, “Otra América Esta En Marcha (Another America is on the Move).”

A recurring theme in the American Forum was the relationship between social movements and these new progressive governments. In every country that has elected left or center-left governments, social movements have reacted differently – some have entered almost entirely into governmental structures while others have tried to maintain a more independent position. Forum participants noted the positive influence of experienced grassroots activists in the government, but also clarified that independent social movements are necessary to pressure governments for real change.

In Bamako, Mali, the African Forum offered a number of interesting initiatives, including a space specifically to discuss children’s issues; a forum where youth talked with village elders about problems they encounter like unemployment, education and violence; and a 15-kilometer solidarity run to focus on the commercialization of sport. As one organizer said, “Another sport is possible, not one where people are bought and

sold like commodities. We should have sports where people are treated with dignity and the joy of the game remains intact. It must not become just another business transaction.”

The African Forum also focused on issues specific to that continent which have been overlooked in past forums, held in Brazil and India, where few Africans were able to participate. In sessions on women, topics included female genital mutilation, early marriage and illiteracy among girls. Similarly, the issue of Western Sahara was given prominence at the forum, as were those of other African conflict areas like the Democratic Republic of Congo (DRC) and Sudan.

The dates of the Asian Forum in Karachi, Pakistan were moved to the end of March due to last year’s earthquake. Undoubtedly they will be able to take advantage of the mobilization of tens of thousands of people who attended the 2004 WSF in Mumbai, India.

While the WSF is widely praised for motivating activists and bringing like-minded people together for an exchange of experiences and ideas, a growing concern centers on identity: Is it enough for the forum to simply provide a space for people to meet, or should it begin to develop a common strategy to confront corporate globalization and build a more just world? Many complain that there is no final document from the fora which summarizes the delegations. But others think that it is impossible to summarize the diverse gathering (there were over 2,000 workshops in the American Forum alone) and fear that to limit the richness of the WSF to words in a document would be catastrophic to its future — inevitably, more and more people would not feel represented by the document and would stop participating.

The WSF international council, comprised of 135 member-organizations, is unlikely to change its principles which state: “The meetings of the World Social Forum do not deliberate on behalf of the World Social Forum as a body.” Hence, many organizations and coalitions take advantage of time before or after the forums to meet and plan strategies. Since the second WSF in 2002, an assembly of social movements has existed within the forum, which works to iron out common strategies and tactics on important issues. It was in this assembly that worldwide protests against the then-imminent occupation of Iraq in February 2003 were formulated, subsequently mobilizing tens of millions of people for peace. This year, the assembly scheduled a similar protest against the U.S. occupation for

March 18, 2006. (See <http://www.stopwar.org.uk> and scroll down to find the link for the World Social Forum's call for global action.)

The next world forum will be in Nairobi, Kenya in January 2007. For more information, go to the website

at <http://www.forumsocialmundial.org.br> –the site is in Portuguese, but alternative language choices are listed. The first national forum in the U.S. will be held in Atlanta in the summer of 2007: <http://www.ussocialforum.org>

U.S.: Anti-migrant legislation moves ahead

In December 2005, the U.S. House of Representatives passed HR 4437, the Border Protection, Anti-Terrorism, and Illegal Immigration Control Act of 2005, sponsored by Rep. Jim Sensenbrenner (R-WI). The bill has moved to the Senate, where it is expected to be debated in March.

The U.S. Conference of Catholic Bishops' (USCCB) Justice for Immigrants campaign summarizes a few of the troubling aspects of HR 4437:

- “Unlawful presence” would now be considered a crime and a felony, meaning that undocumented immigrants may have to serve jail time and would be barred from future legal status and from re-entry into the country.
- Immigrants, including asylum-seekers, victims of human trafficking, victims of domestic abuse, and children who are apprehended along an international border or at a port-of-entry would be detained until such time as they are removed from the nation or otherwise provided immigration relief.
- Anyone or any organization – a church employee, priest or religious community member, or a humanitarian aid worker — who “assists” an individual without documentation “to reside in or remain” in the U.S. knowingly or with “reckless disregard” as to the individual’s legal status would be liable for criminal penalties and five years in prison. “Offending” behavior could include providing shelter or other basic needs assistance to an undocumented individual. Property used in this act would be subject to seizure and forfeiture.
- The use of expedited removal, which would permit

DHS enforcement personnel to remove a potential asylum-seeker without providing an opportunity to appear before an immigration judge or qualified adjudicator, would be mandated within 100 miles of the border and within 14 days of a person’s entry into the country.

- The Department of Homeland Security (DHS) would be required to erect up to 700 miles of fencing along the Southwest border at points with the highest number of immigrant deaths.
- State and local law enforcement are authorized to enforce federal immigration laws. State and local governments which refuse to participate would be subject to the loss of federal funding.
- Nationals from countries who do not accept the return of aliens who commit crimes in this country would not be admitted to the U.S. This would include countries such as China, Vietnam, and Cuba.
- DHS would be given the authority to continue to detain individuals who have served their sentences based upon a determination that they are a “dangerous alien,” contrary to Supreme Court rulings barring indefinite detention.

Faith in action:

Contact your senators and urge them to reject any legislation that criminalizes humanitarian aid to migrants. Push them to find a solution to the U.S.’s migration crisis that includes a path to legalization and measures for family reunification. Go to the USCCB’s Justice for Immigrants website for more information: <http://www.justiceforimmigrants.org>

Fasting for migrants’ rights

At noon on Ash Wednesday, volunteers and supporters of No More Deaths (NMD), a humanitarian aid organization in Arizona, will begin a public fast. During the 40 days of Lent, fast participants will remember those who have died in the desert, as well as their loved ones. The fast also will raise awareness about the upcoming criminal trial of two NMD volunteers, Shanti Sellz and Daniel Strauss, who are facing felony charges for transporting three undocumented migrants, on the advice of a doctor, for medical care. Both are facing prosecution by the U.S. government which could result in a 15-year prison sentence. Contact NMD for more information on Sellz and Strauss’s trial, and to sign up for the Lenten fast: <http://www.nomoredeaths.org>

Food sovereignty: Fighting for sustainability

National and international pressures are intensifying the debate around U.S. agricultural policy. Domestically, the U.S. Congress is preparing to rewrite the Farm Bill in 2007, an expansive bill that covers agriculture and food systems policies, while internationally, WTO negotiations are calling for an end to U.S. and European domestic support subsidies. However, most small farmers in the U.S. argue that subsidies are only a symptom of the bigger problem of low prices which are caused by overproduction and by the fact that the market for agricultural products is heavily concentrated with only a few buyers dictating prices. Farmers' organizations have proposed specific changes they want to see in U.S. farm policy, but there are strong interests working to maintain the current system.

A fundamental shift in U.S. agriculture policy took place in the 1996 Farm Bill when price floors, or minimum prices for commodities, were removed. This is similar to eliminating the minimum wage law in other areas of the economy. As a result, since 1996, small and medium farmers, not only in the U.S. but around the world, have seen their incomes plummet together with world commodity prices. To assuage the effects of this drop, some subsidies were put into place, but they replaced only a small part of overall lost income for most small and medium farmers, with the majority of subsidies going to large producers.

Much of the debate around food issues does not address the fundamental problems confronting these farmers. There are calls for increasing access to international markets for farmers, but as Via Campesina, an international coalition of farmers organizations, states, "The first problem for farmers is a lack of access to their own local market because the prices are too low for their products and the import dumping they are confronted with. The access to international markets affects only 10 percent of the world production, which is being controlled by transnational companies and biggest agro-industrial companies." In other words, the central issue is not market access, but the price of food products being below the costs of production. If agribusiness paid a fair price for farm products, subsidies would not be necessary.



At the World Food Summit in 1996, the Via Campesina presented the idea of food sovereignty as the fundamental issue for world agriculture. Food sovereignty is the idea that every person and country has the right to define their own agricultural and food policies without outside influence. It includes the ability to prioritize local agricultural production to feed people; guaranteed access to seeds, water, land and credit; the right of countries to protect themselves from excessively low priced agricultural imports; and the linking of agricultural prices to production costs.

The National Family Farm Coalition has proposed the Food from Family Farms Act aimed at creating a sustainable family farm system and a safe and healthy food supply. This bill would establish fair farm prices, create a food security reserve so that bountiful crops won't depress markets, establish conservation set-asides to avoid wasteful over production, provide loans to help farmers own their land and adopt sustainable farming practices. Most importantly, it includes goals of trade cooperation based on the principle of food sovereignty.

The central problem with the policies in the current Farm Bill and those being negotiated in the WTO is that they are designed to prop up a completely unsustainable system – a system of the past, not of the future. Intuitively, many people think that the lower commodity prices are, the better it is for everyone – especially for poor people. But it is not that simple.

First, low prices do not include many external costs. Environmental degradation and public health issues brought about by heavy use of pesticides and herbicides, the use of genetically modified organisms and transporting food over thousands of miles are not accounted for in these low prices. Second, over 70 percent of the world's poorest people are subsistence farmers who depend on agriculture for their income and food supply. Low commodity prices result in the decimation of these populations. Since Mexico entered the North American Free Trade Agreement (NAFTA), over two million small farmers have lost their livelihoods due to very low priced corn imports from the U.S. This is why nearly 500,000 Mexicans per year attempt to immigrate to the U.S. in search of employment – double the rate

before NAFTA. Perhaps, in the long run, these displaced farmers will find new types of work, but in the short and medium term, the result is incredible suffering and most countries in the South do not have the capacity to absorb such an influx of people looking for work. Finally, even though commodity prices have fallen drastically in the last 20 years, the cost of food to consumers has remained constant. This shows how consumers and especially farmers are paying the price so that agribusiness can earn record profits.

The opportunity exists to change the unsustainable

food and agriculture system. The upcoming debates in the U.S. Congress and within the WTO are crucial. If policies are not changed to guarantee food sovereignty for all countries, the displacement of peoples will continue to increase poverty and instability throughout the world. The question is, who will prevail in the debates – farmers’ and consumers’ organizations representing millions of people worldwide, or a small handful of very powerful agribusiness corporations?

For more information, contact the National Catholic Rural Life Conference, www.ncrlc.com

Financing for Development: Slow, ongoing process

The UN International Conference on Financing for Development in 2002 set some measures to “advance to a fully inclusive and equitable global economic system.” Four years later and with a follow-up Conference in mind, the principal challenge ahead is still the reform of the international economic structures. The following article was written by Jose Angel Henriquez, an intern with the Maryknoll Office for Global Concerns.

The outcome document of the conference, known as the Monterrey Consensus, established actions for development in six areas: 1. domestic financial resources, 2. foreign direct investment, 3. international trade, 4. international financial and technical cooperation, 5. debt, and 6. international monetary, financial and trading systems.

Even if the document seemed very optimistic, other voices at the time were not. The declaration from the NGO forum (signed by more than 700 organizations) railed against the “negative economic, social, environmental, gender and cultural impacts of the current neo-liberal policies,” policies they saw “repeated again” in the Monterrey Consensus. The NGOs insisted on an “economy governed by human rights and environmental protections.”

Four years later, the panorama does not seem to be so inspiring. External debt is still a big challenge. The UN Development Program’s Human Development Report 2005 (HDR) considers the debt “a barrier to Millennium Development Goals (MDGs) financing in a large group of countries.” Despite some positive initiatives, not enough has been done. Even though debt

continues to contribute to the suffering of poor people in many countries, debt cancellation announcements are usually followed by new conditions that only overburden life conditions for tens of thousands of people. Full and clear debt cancellation agreements are needed.

International cooperation is also crucial, though it has many challenges ahead. The HDR describes international aid as “underused, inefficiently targeted and in need of repair.” It also expresses that “as a starting point the donor community must stop devaluing the currency of aid pledges. For more than 35 years donors have been stating their commitments to quantitative and qualitative targets for aid. With a few exceptions, these have not been met. Donors urgently need to rebuild trust in the reliability of their commitments on international aid.”

Additionally, reforming the international aid system is indispensable “for getting back on track for the MDGs” the HDR says. A recent panel at the annual meeting of the American Association for the Advancement of Science concluded that “[t]he United Nations’ goal of halving hunger by 2015 looks unattainable without new technologies and greater financial investment.” The United Kingdom’s 2005 Africa Commission report describes how, on current trajectories, the goals for halving poverty “will not be delivered in Sub-Saharan Africa in 2015 but between 100 and 150 years late.” The Report on the World Social Situation 2005 is concerned that the MDGs cannot be reached without addressing the challenges of inequality within and between countries, inequality caused by “the liberalization and adjustment policies



implemented over the past two decades.” According to the HDR, the ratio of the income of the poorest 10 percent of the world’s population to the richest 10 percent is one to 103.

International trade is also important to the Financing for Development process. Just trade agreements could improve the structures of the global economy, ultimately enabling a reduction in poverty. However, current bilateral and multilateral trade negotiations, including at the WTO, are not moving in that direction. Joseph Stiglitz, former vice president of the World Bank, talking about conclusions of last December’s meeting of trade ministers in Hong Kong, said recently that they are “of little more than symbolic value to the developing countries, who are coming to realize that, despite the promises they have been given, this trade round will once again deliver them little of real value.” (*The Independent*, February 3)

Many issues are also linked to a core debate initiated long ago: the reform of the international economic structures. Two of the principal tasks, highlighted by the conclusions of the Multi-Stakeholder Consultations co-

ordinated during 2004 and 2005 by the NGO sector, are to “work to conform the governance structure of the World Bank and the International Monetary Fund to democratic principles to restore their effectiveness and credibility” and to “include developing countries, in accord with principles of representation and rotation, in the membership and deliberations of financial agenda and standard-setting bodies.”

At the end of this year details should be set for a follow-up conference on Financing for Development. But only concrete actions can show a consistent political will to make us believe that the ongoing process still makes sense. To paraphrase the Gospel, we have to say once more that economic systems must serve the people; people are not meant to serve economic systems. And then we can still hope that a new world is possible.

For more information, see the UK’s Commission for Africa, <http://www.commissionforafrica.org>; Report on the World Social Situation 2005, <http://www.un.org/esa/>; UNDP’s Human Development Report 2005, <http://hdr.undp.org/reports/global/2005/>

Debt cancellation: Still not there

Implementation of last year’s impoverished country debt cancellation deal, now called the Multilateral Debt Relief Initiative (MDRI), is slowly moving forward. In December, the International Monetary Fund (IMF) gave its approval for \$3.3 billion of debt cancellation for 19 of the world’s poorest countries and predicted that a 20th nation, Mauritania, would soon qualify for debt cancellation as well.

Two months later, as the World Bank Executive Board prepared to meet to implement debt cancellation for those impoverished countries made eligible under the terms of the July 2005 G-8 agreement, the limitations of World Bank plans became evident and the consequences for Latin American countries of the Inter-American Development Bank’s complete lack of participation in MDRI came to the fore.

The World Bank proposed what would amount to a 15-month delay for any additional countries to receive cancellation beyond the initial 17 nations. This new approach would mean that some countries that have already qualify for the program – such as Burundi, Cameroon, Guinea, Malawi, and Sierra Leone, many of which are heavily burdened by HIV/AIDS – would have

to wait until July 2007 at the earliest for debt cancellation – a full two years after the G8 summit was held in Gleneagles.

While the IMF cancelled all debts contracted through the end of 2004, the World Bank proposal would only cover debts that predate the end of 2003. Nations like Cameroon and Malawi, even after “100 percent debt cancellation,” would owe millions in debts to the World Bank for debts incurred between 2004 and 2007.

Furthermore, far too few countries get debt cancellation under the current program. In April, the World Bank proposes to add four new countries to the HIPC Initiative – Haiti, Eritrea, Kyrgyz Republic, and Nepal. But these nations – including Haiti, the Western Hemisphere’s poorest nation – will face interminable delays and in the case of Haiti will not see actual debt cancellation until December 2009 because of the harmful economic conditions attached to qualification for debt relief.

Moreover, the fact that the World Bank proposes to add only four nations again demonstrates the utter inadequacy of the HIPC framework. The UK government and leading international charities have identified at least 60-70 countries that would need 100 percent

debt cancellation to meet the Millennium Development Goals and many more nations require cancellation of odious and illegitimate debts.

Beyond challenging proposals of the World Bank for implementing the MDRI, international debt campaigners have also been advocating for inclusion of debt owed to the Inter-American Development Bank in the MDRI. When last year's multilateral debt cancellation accord was reached, it included the Africa Development Fund, but not the IDB.

Under the terms of the MDRI, 14 nations in Africa and four nations in Latin America were promised 100 percent cancellation of their debts to the International Monetary Fund (IMF), the World Bank, and the African Development Fund in 2006. This deal established an important precedent and will release nearly \$1 billion annually in funds to fight poverty in these nations. But the G-8 deal *did not include* the cancellation of the debts owed to the IDB by the Latin American nations in the agreement. Therefore Latin American countries that qualify for the G8 debt deal – Bolivia, Guyana, Honduras and Nicaragua – will pay almost \$1.4 billion in debt service over the next five years to the IDB. With debt cancellation this money could be used to fight poverty and provide education and health care.

The Jubilee USA Network Fact Sheet on IDB Debt offers Honduras as an example:

Seventy percent of Hondurans live below the poverty line and a staggering 81 percent do not have access to clean drinking water. In 2003, Honduras made \$363 million in debt service payments, which is nearly one-third of the government's revenue for that year. That same year Honduras spent twice as much on debt service as on public health. The G8 debt deal means that the country will see US\$1.53 billion of its debt burden cancelled. But in 2006, Honduras is scheduled to send \$80 million in debt service payments to the IDB. This is money that could be spent on health care, education or clean water.

In addition, other impoverished countries in Latin America and the Caribbean that are not yet part of the G8 deal are also heavily burdened by unjust and unpayable debts, including a significant debt to the IDB.

Jubilee campaigns across Latin America and the Caribbean say that much of the debt in the region is odious in nature. Under international legal precedent, a debt is considered odious when creditors knowingly lent



Banner from prayer vigil held during 2004 World Bank/IMF spring meetings, Washington, D.C.

to undemocratic or illegitimate regimes and the funds did not benefit the population. In Haiti, for example, the IDB lent \$290 million to the two repressive Duvalier regimes. In Argentina, the IDB lent \$1.6 billion to the military junta responsible for the death or disappearance of more than 30,000 innocent people between 1976 and 1983. And much of Nicaragua's current debt burden was incurred under the Somoza family's military regimes, with the most notorious dictator being Anastasio Somoza, whose rule from 1967-79 was marked by political repression, deteriorating economic conditions and embezzlement of international aid funds. Yet, between 1961 and 1979 the IDB lent \$321.6 million to Nicaragua.

Faith in action:

As the annual meetings of the IDB approach in April 2006, join the Jubilee USA Network in calling for the immediate and total cancellation of the debts owed by Bolivia, Guyana, Haiti, Honduras and Nicaragua to the Inter-American Development Bank (IDB). Debt cancellation should be enacted without economic conditions - and urgently - as delays to debt cancellation cost lives. Write to the U.S. Secretary of the Treasury John Snow (john.snow@do.treas.gov or fax: 202- 622-0073). For additional information or a sample letter go to www.jubileeusa.org.

Shareholders pressure corporations for greater environmental accountability

Faith-based shareholders are pressing corporations to be more accountable to the communities in which they are located, particularly in terms of corporate impacts on the environmental and human health.

Synagro of Houston, Texas, the operator of the New York Organic Fertilizer Company's facility in the South Bronx, NY, is the focus of a shareholder-sponsored resolution on environmental impacts filed by members of the Interfaith Center on Corporate Responsibility (ICCR).

The facility processes up to 40 percent of New York City's treated sludge - and has the capacity to handle the city's entire output - into fertilizer pellets, which are then sold for agricultural use. While the company runs its sludge through an intense heating process designed to kill pathogens, concerns about heavy metals such as lead, iron and zinc remain - as well as the noxious odor that wafts through the neighborhood.

The resolution "...requests the Board of Directors to report on environmental, health and safety impacts of New York Organic Fertilizer Company (NYOFCo), operated by Synagro, on the South Bronx, New York community..." It further states "...[c]orporations have a moral and legal responsibility to account for impacts - not only on ecosystems, but also on health and safety of communities hosting their facilities."

According to the resolution, Hunts Point, the neighborhood in which NYOFCo is located, "is one of the poorest Congressional Districts in the U.S., where incidence of childhood asthma is among the highest in the nation. This community bears heavy environmental burdens from local industrial and commercial facilities that daily bring thousands of diesel trucks through the neighborhood. Since opening, NYOFCo has added to environmental burdens of Hunts Point and the surrounding area. Even after [Synagro] acquired NYOFCo operations in 2000, residents continued complaining that noxious odors emanate from the plant."

Shareholders are asking the company to report on "NYOFCo's total releases - both within its permit and emergency releases - to air, water and land, including releases of toxins, molds, pathogens, hazardous waste and hazardous air pollutants ...The extent to which NYOFCo's operations may impact health and/or safety of individuals in Hunts Point and the South Bronx and

how Synagro and NYOFCo integrate community environmental accountability into environmental management procedures and business practices..."

Stating that "communities are often the forgotten stakeholders in terms of corporate activities and impact", ICCR members also filed shareholder resolutions on accountability at ExxonMobil and Conoco Phillips. The resolutions ask how the companies: 1) make reports regarding their emissions and environmental impacts on land, water and soil available to the communities in which they operate; 2) integrate community environmental accountability into their business practices; and 3) report on the extent to which company practices have negative health impacts on people living in economically-poor communities. While corporations are required to collect emissions data, under the federal government's Toxic Release Inventory, the information is not always available in an easy-to-read format, nor published in a timely manner.

Chevron is being taken to task for the actions of one of its predecessor companies, Texaco, which between 1972-1992 extracted over 1.4 billion barrels of oil from the Ecuadorean Amazon in a joint venture with Petroecuador. Shareholders state: "During this time, the trans-Ecuadorean pipeline spilled an estimated 19 million gallons of oil, nearly twice as much as the Exxon Valdez. "Texaco disposed of most of the oil in "unlined pits, waterways and wetlands, although it was standard practice in the U.S. to re-inject such waters into the ground." Texaco cleaned up some of these toxic pits, but the groundwater remains contaminated. Studies have linked consumption of the contaminated waters to infections and cancers. A class-action lawsuit with 30,000 plaintiffs in Ecuador is seeking additional remediation.

A shareholder resolution at Chevron asks for disclosure of legal, lobbying and public relations fees "relating in anyway to the hydrocarbon exposures and Chevron's remediation of Texaco drilling sites in Ecuador." Shareholders believe that Chevron is dealing with the contamination that remains from Texaco's drilling "as a public relations problem rather than a serious health and environmental problem." Another resolution calls on Chevron to apply globally environmental standards that are as strict as those of California, where Chevron is headquartered.



Resources

- 1) **The Interfaith Center on Corporate Responsibility's Advocates Program** gives individuals opportunities to be active in ICCR's work for greater corporate accountability. ICCR Advocates are individual investors, concerned consumers, alert activists and people of faith who want to build a more just society based on ethical behavior and mutual respect. For \$75 a year, Advocates receive monthly e-mail communication and action alerts, a subscription to ICCR's "The Corporate Examiner" and invitations to ICCR special events. For more information, go to <http://www.iccr.org/join/advocates/php> or call ICCR at 212-870-2023.
- 2) **NCRLC Bulletin:** This electronic newsletter from the National Catholic Rural Life Conference reaches more than  2,200 leaders, readers, and activists concerned about rural life and care of creation. It includes up-to-date articles and resources about rural life, agriculture and food sovereignty from a faith perspective. A donation of any amount to NCRLC will help continue this newsletter. Join as an individual member for only \$25, or consider a parish or organizational membership for only \$75 or \$100, respectively. Visit www.ncrlc.com/membership.html or send a smaller contribution to NCRLC Bulletin, 4625 Beaver Ave., Des Moines, IA 50310-2145.
- 3) **Posibilidad: Reinventing the World Through Images, Conversation and Action:** *Posibilidad* is a nonprofit organization whose "artist in residence," Jim Harney, travels to conflict areas around the world. He has several presentations available which tell the stories of the people he has met along the way and their courageous struggles for justice. Powerpoint presentations are available on Argentina, Haiti, Iraq, Colombia, and Acteal, Chiapas, Mexico. *Posibilidad* also offers a retreat setting twice a year that challenges participants to develop a spirituality that supports resistance from the bottom up. Contact *Posibilidad* at www.posibilidad.org; 207-942-3501; jimharney@posibilidad.org
- 4) **Two new educational resources from 23rd Publications**, ttpubs@aol.com; www.23rdpublications.com; 800-321-0411.
 - i) *To Love Tenderly: Teaching Compassion and Justice through Stories and Activities:* This guidebook for teachers contains 32 short, absorbing stories about children and families from different cultures and countries. Aimed at children age 5-9, the stories introduce children to the realities of poverty, injustice and abuse of natural resources to help them develop a strong sense of identification with children around the world. Written by Anne E. Neuberger. \$14.95.
 - ii) *To Act Justly: Introducing Catholic Social Teaching to Children with Stories and Activities:* This guidebook for teachers includes stories that illustrate the seven social justice principles, the teachings of Vatican II, and the beatitudes. Useful for DREs, coordinators, catechists and religion teachers. Written by Anne E. Neuberger. \$14.95.
- 5) **Voices of Our World:** This free weekly 28-minute radio program is sponsored by Maryknoll, and features timely stories of social justice. It presents perspectives rarely heard in the mainstream media. Listen to programs about human rights, peace, global economics, the environment, and the plight of under-represented people around the world. "Voices of Our World" is the winner of the 2005, 2004, and 2003 Gracie Allen Award for Excellence in Public Affairs Programming in local markets. Check www.voicesofourworld.org to see a listing of available markets, or to download a podcast of a program.
- 6) **Catholic Media Watch (CMW):** This online Catholic media center, www.catholicmediawatch.org, presents current information about issues relevant to Catholicism and public life, including links to news articles and analysis of contemporary political issues. CMW is a project of the Catholic Democracy Institute (<http://www.catholicdemocracy.org>), a non-partisan not-for-profit organization dedicated to educating Catholics about the fullness of Catholic Social Teaching and its full application in U.S. American public life.