



Starting Points

Center for Reflection, Education and Action, Inc. Hartford, CT

WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT — Wary Hope vs. Weary Disappointment

Mixed reactions prevailed at the conclusion of the United Nations World Summit on Sustainable Development on September 4, 2002 in Johannesburg, South Africa. Over 20,000 people, including 100 heads of nations and high level delegates, and 700 non-governmental organizations had gathered to create from their years-long preparatory work a concrete Plan of Implementation of the 1992 Rio Summit on the Environment and Development and the UN Millennium Goals.

While many governments announced their national commitments to action, most touted were the Partnership Initiatives by and between governments, citizen groups and businesses. On the one hand, the world-wide scope of these initiatives evidences increasing efforts to address the extreme income inequities and appalling environmental damage in our world. From these efforts springs hope for grass-roots citizens' groups working with governments to redress the wrongs.

On the other hand, the highlighted presence of transnational corporations at the Summit and in the Partnership Initiatives evoked much skepticism from civil society representatives. Many are very wary of development plans that funnel tax-payer money for "development" to investor-owned corporations to help them set up the infrastructure and management or ownership of public resources and services such as water or energy. Others perceive a subordination of the United Nations to the economic power of the huge transnational corporations.

When "development" aid places corporations in a position of control over crucial resources of local communities—a position that can then be utilized to extract from these services ever-increasing profit for the corporation's shareholders—then the public common good is in jeopardy.

Respected international groups Oxfam and Friends of the Earth reacted with discouragement to the final outcome of the Summit. Particularly disappointing was the opposition of the U.S. and oil-producing countries to specific targets for increasing the percentage of renewable sources in global energy use, a blow to global efforts to reduce air pollution.

CREA joins those who are wary, and so will closely monitor the Partnership Initiatives. However, we also find hope in the fact that so many national leaders and citizens groups came together to work toward a more just and sustainable world.

The following web sites may be helpful in pursuing further information:
www.un.org/jsummit/html/documents/summit_docs.html for Summit documents
www.twinside.org.sg/ for the perspective of the Third World Network

www.foei.org Friends of the Earth International

www.oxfam.org Oxfam

About War and Economic Policies

At a time when the U.S. government appears to be preparing for war, *Starting Points* readers may wonder why this newsletter continues to focus on trade policies and corporate responsibility.

One reason is that wars are often economically based. National "interests" in foreign countries are usually economic interests related to that country's resources or location.

The main reason CREA continues to focus on economic policies is that the poverty caused by unjust economic systems kills just as truly as the guns and bombs of war.

Extreme poverty means death from hunger, malnutrition, exposure, disease, and lack of medical care. 1.2 billion people live in this condition. In Sub-Saharan Africa 3,000 children die of malaria *every day*.

CREA is opposed to war on Iraq.

CREA is even more opposed to the policies that keep people in poverty. We will continue to work with others on ways to help make those policies fair and just.

Sustainable Incomes for Working People?

Of the speakers at the World Summit, it was the director-general of the International Labor Organization (ILO) who made the connection between the eradication of poverty and the need for people to have work that provides a "decent living."

CREA finds in the words of Juan Somavio an echo of our work on Sustainable Living Wages.

"Let's remember that it is through work - and work that is accomplished in conditions of freedom, equity, security and human dignity - that people can rise out of poverty, earn a decent living and relate to society and the environment in a truly sustainable way..."

"We must inject fairness and accountability into the international trading and financial systems..."

"Business as usual is not an option."



CREA congratulates
Melisa Sherman

(our Mel)

who graduated from
St. Joseph College, West
Hartford, CT in May 2002.

We are happy that Mel is
remaining on our staff
part-time even as she
pursues her social work
career.

PASSAGE OF THE TRADE ACT OF 2002: A SIGNIFICANT LOSS FOR U.S. CITIZENS AND U.S. DEMOCRACY

International trade agreements and World Trade Organization (WTO) disciplines now have extraordinary reach into almost every aspect of people's lives. Yet the procedures of Congress for implementing the 2002 Trade Authority are the same as in Section 151 of the 1974 Trade Act .

While both trade acts require consultation with Congress, it is clear that consultation is not decision-making. Congressional debate on legislative decisions that implement trade agreements is severely limited and amendments are forbidden. The vote is yes or no.

Legislation implementing present and future trade agreements will increasingly affect both national and local laws and regulations. In the WTO, the North America Free Trade Agreement (NAFTA), and the pending Free Trade Area of the Americas, (FTAA) a member country's domestic laws and regulations can be interpreted by legally-binding trade tribunals as "non-tariff" barriers to trade. The country must legislate to change

their laws or else face monetary fines and/or compensatory tariffs. In the NAFTA, corporations as well as member governments have the right to bring legal complaints. The FTAA will expand NAFTA coverage.

As citizens worldwide become more aware of the legal power given to corporations by these agreements, they are organizing in opposition. They are not opposed to fair trade, but to the trade agreements that give corporations and trade organizations more power than national and local governments.

www.art-us.org Alliance for Responsible Trade. Links to other groups.

www.dfait-maeci.gc.ca/nafta-alena.chap11-e.asp NAFTA Chapter 11, Section B on the right of corporations to sue governments.

<http://thomas.loc.gov/> Trade Act of 2002 H.R.3009 is now Public Law 107-210

<http://www4.cornell.edu/uscode/19/2191.html>

Section 151, Trade Act of 1974, Public Law 93-618

STRUGGLING FARMERS IN OTHER COUNTRIES FACE ADDED UNCERTAINTY

Starting Points readers who have traveled to other countries... or to farms in their own areas...have seen local farmers or local market vendors like the Salvadoran woman pictured here.

While the trade agreements affect our lives as well as the lives of ordinary citizens in other countries, people who live in poverty have a special claim on our concern.

- ◇ What happens to domestic agriculture when poor countries are forced by trade agreements to accept into their markets the industrialized countries' cheaper, subsidized agricultural products?
- ◇ What effect will the introduction of genetically modified seeds have on local farmers?
- ◇ How will poor countries' governments deal with the tragic dilemma of either accepting donations of genetically modified foods or else not having enough food to feed their starving people?

Citizens of some poor countries are already facing these heart-wrenching realities. They need and deserve "fair" trade, not "free" trade. Their lives depend on it.



THE WORLD SUMMIT AND CORPORATE RESPONSIBILITY

Citizens who are worried about the power of trans-national corporations and the World Trade Organization (WTO) heard their concerns echoed among civil society representatives and mid-level negotiators at the World Summit on Sustainable Development.

The first draft of the Political Declaration reflected this concern in strong statements:

"We therefore agree that there is a need for the private sector to operate within a transparent and stable regulatory environment to reinforce its corporate responsibility and social contribution."

The draft referred the matter of corporate responsibility to the UN General Assembly. However, the corresponding section of the final Declaration is much weaker.

#24. *We agree that in the pursuit of their legitimate activities the private sector, both large and small companies, have a duty to contribute to the evolution of equitable and sustainable communities and societies.*

"We are not asking corporations to do something different from their normal business: we are asking them to do their normal business differently."

UN Secretary-General Kofi Annan

The final draft of the Summit's Plan of Implementation cites the need for policies and measures at the national and international level to help developing countries respond to the challenges and opportunities of globalization. The Plan states that among other actions:

"This will require urgent action at all levels to...actively promote corporate responsibility and accountability..." (#43)

Deleted in the final draft of the Plan was a call for a "democratic system of global governance to ensure sustainable development." However, negotiators also deleted a phrase that would have given the WTO precedence over environmental regulations, which would have been devastating to efforts for sustainable development.

CREA SELECTED AS MEMBER OF THE GLOBAL REPORTING INITIATIVE STAKEHOLDER COUNCIL

The Executive Director of CREA, Sister Ruth Rosenbaum, was recently selected by the Global Reporting Initiative (GRI) as one of the first 36 members of the GRI Stakeholder Council. Final Stakeholder Council membership will number 60, as the GRI continues its efforts to develop a balance of stakeholder and geographic constituencies. The GRI is "an international multi-stakeholder effort to create a common framework for voluntary reporting of the economic, environmental, and social impact of organization-level activity."

(www.globalreporting.org)

Prior to the official launching of the GRI at the United Nations in April 2002, Sister Ruth served on the Core Measurement Working Group and the Verification Working Group, which were part of the development process of the GRI Reporting Guidelines. The Stakeholder Council will appoint part of the Board of Directors, make recommendations to the Board, and advise the Secretariat on stakeholder issues and future development of the Guidelines.

NEW BI-LINGUAL EDITION OF *MAKING THE INVISIBLE VISIBLE*

CREA's new Spanish/English bi-lingual edition of *Making the Invisible Visible* was recently introduced at meetings of Mexican workers, worker solidarity groups, and representatives of a major corporation that sources products in Mexico. A bi-lingual slide presentation was prepared by CREA in order to provide information about the study in a manner simultaneously accessible to participants using either language. CREA is pleased to offer this new resource to educational institutions, workers and solidarity groups, and corporations.

From Where I Stand

... which is here on the home front, behind the scenes.

Sister Carol Kandiko, CSA

It has been my honor and privilege to be part of the CREA staff this past year. I have found that CREA's team seeks to...

- bring Good News to people living on the edge of hopelessness.
- proclaim the possibility and the necessity of systemic change for the common good.
- encourage the hesitant to use their rightful voice and the powerful to use their power for the good of all.

This year of service has been life-changing for me and I will continue to be CREA's ambassador as I return to my Cleveland community.

You, CREA's friends and supporters, have been friends and supporters of me. My future prayers will continue to include your intentions and your love of all peoples who share our common home ...Earth.

CREA acknowledges with gratitude and love the presence and service of Sister Carol Kandiko, CSA during the past year. She did many of the behind-the-scenes tasks that make the public ministry possible. We wish her well in her return to Cleveland, and look forward to her promised visits to CREA House.

Acting for Justice

Global Challenge Global Opportunity: Trends in Sustainable Development. This 24-page United Nations publication is a superb and easily understood synthesis of information about the geo-physical state of our world. *Starting Points* readers are strongly encouraged to read the document and share the information with family, friends and associates. Such efforts are also "Acting for Justice" and can motivate us to take the economic and political steps necessary to meet the challenges we all face.

The document can be printed from the Johannesburg Summit web site using the following procedure:

1. Access the site: www.johannesburgsummit.org/html/documents/summit_docs
2. Scroll to 13 August 2002 Global Challenge, Global Opportunity Trends in Sustainable Development. Click to bring up the document to your screen.
3. Go to File: Print

If you cannot access the site yourself, your local public library reference librarian should be able to help you get it.

Bechtel vs. Bolivia *Starting Points* readers may remember from our Spring 2002 issue that residents of Cochabamba Bolivia took to the streets in their outrage with Bechtel's huge rate increases for water service, resulting in Bechtel's departure.

Now Bechtel is suing Bolivia \$25 million for the profits it was not able to earn. The case is being heard privately at the International Center for the Settlement of Investment Disputes of the World Bank.

More than 300 civil society organizations and public leaders from countries in five different continents have signed a public letter to the World Bank and its Dispute Resolution Panel in support of the Bolivian people.

More information and ways to support the poor people of Bolivia can be found at <http://www.earthjustice.org/news/display.html?ID=435>

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CREA is an independent 501(c)3 organization.



"Believing that the earth is home to all, CREA facilitates analysis of human, social and economic policies from the perspective of their effects on human lives, beginning with the lives of those who are poor."

CREA Mission Statement

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"A global human society based on poverty for many and prosperity for a few, characterized by islands of wealth surrounded by a sea of poverty, is unsustainable."

Thabo Mbeki, President of the Republic of South Africa, at the Opening of the World Summit for Sustainable Development August 26, 2002