

### Acting for Justice

**Tax Cuts.** The voting record of our Congressional delegations is available from their offices, the public library, and the internet. ([www.citizen.org/congress/voting](http://www.citizen.org/congress/voting).) A short letter in our own handwriting is usually the most effective way to express our concern. Our contact alerts them to the fact that their constituents are aware of the ramifications of the tax cuts and are monitoring their votes.

**Water.** Raising the issue informally with friends, colleagues, and family helps all of us to be more conscious of our use of this resource and about what is happening nationally and internationally. The use of bottled water gives rise to questions: What are we doing when we use it? Who can or cannot afford it? What public resources does it drain for profit? How is it shaping the public attitude toward water?

**Coffee Farmers and Fair Trade.** Acting locally is very effective. By introducing family and friends to Fair Trade products, and by asking supermarkets to stock Fair Trade coffee, we raise the demand for it and build the market.

**Privatization and Public-Private Partnerships (P3)** The decision to privatize or to enter into P3s demands close scrutiny and serious debate on the part of citizens. Helpful resources reflecting differing views are: *The World Bank Water Resources Strategy*, available on line at [www.worldbank.org/water/](http://www.worldbank.org/water/) and the study *Thirst for Control*, by Canadian international trade and environment lawyer Steven Shrybman, available on line at [www.blueplanetproject.net/english/resources/publications](http://www.blueplanetproject.net/english/resources/publications)

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*Rather than being merely lack of money and resources, poverty is also defined by power deficits and absence of access to decision-making and management processes.*

*Indigenous Peoples' Declaration on Extractive Industries.*  
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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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# Starting Points

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

## SUSTAINABILITY - OF WHAT? FOR WHOM?

Sustainability is the maintenance of the provisions required for healthful survival in the present and continued healthful survival into the future. It is a term applied to our planet, our local eco-systems, our econo-systems, our communities, our families, and all the individual entities and persons within them.

True concern about sustainability on all levels gives rise to intelligent and appropriate action. On the other hand, the word itself can be, and has been, co-opted in advertisements and speeches, as cover-up for practices that belie the statements.

International Financial Institutions and World Trade Organization statements about "sustainable development" and "pro-poor policies" contain sections legitimizing policies that seriously impact the lives of poor and deprived communities.

Public-Private Partnerships (P3) are one such policy. The P3s were touted at the World Summit for Sustainable Development and they have been embraced by the World Bank and the United Nations. Essentially, the policy means using public assets (money and physical resources) and private assets (money, technological capacity) to accomplish a particular purpose, e.g. creation and operation of infrastructure for delivery of electricity, energy, or water services.

The stated goal of this policy is the reduction of poverty and sustainable development. Such cooperation, or partnership, has worked in the past in various countries. However, the World Trade Organization (WTO) has created a new situation.

According to the General Agreement on Trade in Services (GATS), any public service opened by WTO Member States to private company bidding must observe the WTO disciplines according to which some state regulations may be considered "non-tariff barriers to trade." When the WTO determines that certain national or sub-national regulations indeed constitute such a barrier, the regulation must be changed or the country can be subject to retaliatory sanctions and fines. Disputes are not settled in the national court, but in private, secret tribunals. This is a profound constraint on the power of citizens exercised through their governments.

If local governments do not have the sophistication and expertise to fashion appropriate contractual conditions, and if investors seek profit maximization rather than reasonable profit, the potential exists for conflict and severe hardship for individuals and communities. Sustainability requires more protection than these policies afford.

## WHO HAS THE POWER? WHOSE VOICE(S) ARE WE HEARING?

The United States government has used its overwhelming military power to invade and occupy Iraq.

While the media focus on Iraqi resistance, the US and England are establishing control over Iraq's institutions and planning to privatize state enterprises.

Whether the promised democracy in Iraq will be of and for the Iraqi people is still a question.

Meanwhile, the cost of the US military power is being paid by us, the taxpayers, and by borrowed money.

The US debt now stands at \$6.6 trillion. Congress just increased the cap on the debt to \$7.4 trillion. (See [www.publicdebt.treas.gov](http://www.publicdebt.treas.gov))

Budget deficits now stretch into the future as far as can be seen. This debt will have to be paid by you, your children, your grandchildren and theirs.

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WHO HAS THE POWER ?  
WHO HAS THE VOICE ?

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Into this situation the White House and Congress have inserted a reduction of taxes for the wealthiest citizens and corporations.

The debt burden continues to be shifted from those most able to pay, to those less able to pay.

Reduced federal tax revenue means reduction in funds available for education, health services and assistance to the states.

Anyone who has ever been seriously in debt knows this downward spiral.

We can learn from the highly indebted countries whose experience is that they are forced to borrow more money to pay the interest on the debt, thus incurring more debt. In doing so, the country becomes subject to stringent loan requirements. Eventually national assets are sold off.

To change this bleak outlook it is necessary to be very attentive to what is happening in our country.

We cannot afford to be so absorbed in our own personal lives that we ignore the actions of our nation.

As citizens, parents and grandparents, we have to make our concerns heard and to use the power of our own votes to demand fair and just economic policies.

CORPORATE RESPONSIBILITY IN THE AGRICULTURAL SUPPLY CHAIN

In the past decade, most work in the contract supplier systems has focused on the assembly plants (maquilas, factories, sweatshops, etc.) relatively new to the work is the focus on the agricultural supply chains that exist to bring the fruits and vegetables that become the products that grace our tables in restaurants and in our homes.

The issues parallel those in the assembly plants: low wages and hard working conditions. Many of the workers are migrants, working here in the US in order to support their families in the home countries. They work hard, very hard, picking the fruits and vegetables for long days that begin before the sun rises when the workers gather to wait for the buses that take them to the fields.

This year, CREA, joined by the United Church of Christ and Trillium Asset Management, brought the issue of the agricultural workers to YUM Brands, parent company of Taco Bell and other fast food chains through the filing of a shareholder resolution. The issue is simple: Economic sustainability for the workers in the fields as well as economic sustainability for YUM. YUM is responsible for the programs, policies and practices all along the supply chain. This standard of responsibility has been accepted by the footwear and apparel industries. The resolution received a resounding 39%, far above the 5% we had hoped for with a beginning resolution.

Our next task is to bring the YUM management to dialogue on two key issues: A Code of Conduct for Agricultural workers and an increase in wages for the workers, many of whom have not had a wage increase in more than a decade. We will keep you posted on the progress of the dialogue.



A tomato farm worker rests at the end of a long day in the fields in Immokalee, FL.

CONTINUING THE WORK ON THE COFFEE CRISIS

In response to the worldwide coffee crisis, CREA continues its work through three foci: 1) The Sustainable Living Wage/Income project in El Salvador; 2) the sale of Fair Trade coffee, tea and cocoa to increase the market for these products and 3) shareholder work with the three big US coffee roasters, Procter & Gamble, Sara Lee and Kraft to pressure them to purchase a portion of their coffee from Fair Trade farmers.

Joined by more than a dozen other shareholders, CREA filed a shareholder resolution with Procter & Gamble asking P&G to purchase a given percentage of their coffee from Fair Trade certified cooperatives. Dialog continues with the company. The same issue will be brought to Sara Lee and Kraft by CREA and other shareholders working on the issue.

Meanwhile, we are encouraged by Dunkin Donuts' announcement that their new product, espresso coffee, will use Fair Trade coffee exclusively. Why not try some?



Coffee Farmer, El Salvador

TO LIFT OUR HEARTS... by Ruth Rosenbaum, TC, PhD

We are frequently asked, "What can I do?"...with the emphasis on the do. Sometimes finding the "do" means thinking outside the box. During two trips in January and February to El Salvador for CREA's purchasing power project, I had the experience of meeting the members of the 22 de Abril Artisans Cooperative in San Salvador. Founded more than a decade ago, the cooperative produces the wooden painted crafts objects familiar to many of us. The bright colors on the ornaments, crosses and other objects reflect the hard work and dedication of the coop members.

The coop members spoke of the need for business expertise in order for the coop to grow as a viable business. One of the founding members, Rosa Alba had begun studying at the University of Central America (UCA) for a degree in business administration in order to serve the cooperative. However, because of the lack of sufficient funds, she had to drop out.

In talking with other women, it became obvious that a scholarship could be created to cover the cost of tuition, books, travel and other necessities so that Rosa Alba could study...and learn the skills to serve the cooperative. And so the Rosa Alba cooperative scholarship was formed through the generosity of a small group of women.

Some may look at this as charity. However, we look at this as systemic change on the micro level. If we want people to be able to do for themselves rather than being dependent on others, we have to assist them in acquiring the skills they needed. Education is a form of empowerment and freedom.

When I saw Rosa Alba in February, she questioned what she could do for us in return. I said to her that she owed us nothing; that we were just passing on what had been given to us by many others. That's the important thing: continuing to pass it on.

THE COST OF JUST WAGES

One of the questions that we hear regarding the Fair Trade products is in regard to prices. People want to know why Fair Trade items cost more than parallel items in the stores. After all, they say, the store makes a profit, doesn't it?

The simple response requires an understanding of the supply chain of every item we buy and who has the power and voice within that chain. Power comes the ability to buy in huge quantities and therefore being able to force down prices. This buying power allows large brands to buy at bargain prices and pass these "bargains" on to us. But those who pay the true costs are the workers. Simply put, those with more power receive more of the profit...and those without the power, usually the workers, whether in factories or on farms, receive the least.

When we buy Fair trade products...and other products from systems that remove the layers between the producer and the buyer, we guarantee that a just profit goes to those who have done the work...and thereby contribute directly to a better standard of living for them.

IN BRIEF...

Below are short up-dates on important developments. The next issue of *Starting Points* will provide fuller coverage.

[World Trade Organization](#). (WTO) Negotiations on trade in agricultural products stall as poorer nations object to US and European Union farm subsidies. Such subsidies make it easier for agribusinesses to charge cheaper prices than poorer countries can afford.

The US, backed by Congress, is submitting a complaint to the WTO that the EU ban on import of genetically modified food is a violation of the WTO agreement. The US objects even to labeling requirements.

[Water](#) The Third World Water Forum, a gathering dominated by the major water corporations, was held in Kyoto in March 2003.

The Forum reiterated the "cost recovery" approach, which means that the price of water to users should cover the full amount of the costs of the infrastructure and delivery systems.

This approach in some countries has already led to severe hardship and civic protests.

Helpful resources:  
[www.iatp.org](http://www.iatp.org) (Institute for Agriculture and Trade Policy)  
[www.blueplanetproject.net](http://www.blueplanetproject.net) (Council of Canadians water project)