

## Acting for Justice

### Of importance to breast cancer survivors, their families and all affected by environmental pollution:

POPS Treaty ( Persistent Organic Pollutants): The Stockholm Agreement on Persistent Organic Pollutants came into force on May 17, 2004. The treaty targets an entire class of chemical pollutants for global elimination.

POPs are potentially lethal and deforming chemicals that travel far beyond their source and last for years or even decades. They are absorbed in fatty tissue, where their concentrations can be magnified up to 70,000 times the background levels. They have "killed and injured people and wildlife by inducing cancer and damaging the nervous, reproductive and immune systems." (Klaus Toepfer, Director of the UN Environmental Program. UN News Service, 18 Feb. 2004)

The U.S. has signed but not yet ratified the POPS Treaty. Two U.S. laws have to be amended to implement the treaty: the Toxic Substances Control Act and the Federal Insecticide, Fungicide and Rodenticide Act. The implementing legislation proposed by the administration would make future phasing out of chemicals very difficult and would include cost-benefit requirements.

Please contact your congressional legislators to encourage the revision of the administration's proposed legislation so that the implementing legislation will be in complete support of this treaty.

The full text of the treaty is available at:  
[www.pops.int/documents/convtext/convtext\\_en.pdf](http://www.pops.int/documents/convtext/convtext_en.pdf)  
An excellent explanation is available at: [www.ciel.org](http://www.ciel.org)

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**CREA is a faith-based 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."*

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While aggregate information already exists on many economic dimensions of globalization such as trade, movement of people and capital flows, these data are incomplete. They need to be extended and reinforced with better information on subjects which are poorly covered at present, such as global production systems and their networks of suppliers, the spread of access to technology, and the growing international networks of people and organizations.

*A Fair Globalization:  
Creating Opportunities for All*  
World Commission on the Social Dimension of Globalization. 2004. #624



C R E A

# Starting Points

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

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## OUR INFORMATION: FROM WHAT SOURCE?

This basic question has been repeatedly raised in a country disillusioned by the amount of misinformation that led the country into the Iraq war.

Information and Democracy. The issue of accurate and complete information extends beyond the circumstances surrounding the Iraq war. It is a critical element in every area of our lives. However, because the decisions of a nation have world-wide effects, the crucial importance of the accuracy and completeness of information leading to those decisions cannot be overestimated.

Democracy depends upon informed citizens. Without correct and complete information, citizens cannot reach the kinds of decisions that a successful democracy requires. We need to know what the issues are, what the options for action are, and what the consequences might be. We need to demand accurate information and to take responsibility for getting it. Then we can decide how to vote, and we can demand accountability from our leadership.

Media Ownership. Given the influence of commercial sponsors, and the increasing monopoly over our media by mega-corporations, the search for accurate information is a daunting task. One step is to be sure we get our news from more than one TV network or newspaper and that our alternative sources come from different perspectives.

Alternative Sources. Two organizations that attempt to survey the media are the Columbia Journalism Review ([www.cjr.org](http://www.cjr.org)), which provides a wealth of information about the media, and Fairness and Accuracy in Reporting. ([www.fair.org](http://www.fair.org)), which provides on-going monitoring of news reporting. Many other on-line reports, analyses and ListServes from other parts of the world can be accessed on the Internet. For those without access to the Internet, a trip or a phone call to the reference room of the public library can help in the search for real information.

The decisions of persons in any position of power regarding what information is made available to the public or is omitted, and how information is gathered, presented and interpreted depend on their starting points, their operative value system, and their goals. When we receive information, we have to keep this fact in mind and evaluate the information accordingly..

"But we have found a number of instances of coverage that was not as rigorous as it should have been.

In some cases, information that was controversial then, and seems questionable now, was insufficiently qualified or allowed to stand unchallenged. Looking back, we wish we had been more aggressive in re-examining the claims as new evidence emerged — or failed to emerge."

New York Times, May 26, 2004, A10

## NY Times Soul Searching

The extraordinary admission by the New York Times quoted above reports on findings from their review of all their articles during the lead-up to the war with Iraq and the beginning of the occupation.

While the editors found many articles to be proud of, they also wrote: "Articles based on dire claims about Iraq tended to get prominent display, while follow-up articles that called the original ones into question were sometimes buried. In some cases, there was no follow-up at all."

This public admission is a step toward better reporting. Other media would do well to follow the NY Times' example.

## WEBSITES for INFORMATION ON ECONOMIC ISSUES

[www.wto.org](http://www.wto.org)

World Trade Organization. It has many links that provide access to documents, minutes of meetings, and rulings.

[www.unctad.org](http://www.unctad.org)

United Nations Conference on Trade and Development. UNCTAD is focused on how trade can help the development of the most needy world countries. It provides links to its annual development reports, documents of the conferences which are held every four years and reports on its educational and capacity-building efforts.

[www.ictsd.org](http://www.ictsd.org)

International Center for Trade and Sustainable Development. This website has an excellent ListServ called Bridges Weekly Trade News Digest.

[www.ilo.org](http://www.ilo.org)

Website of the International Labor Organization. It provides links to international labor agreements and standards, documents, reports of annual conferences, and ILO efforts in various countries.

[www.ustr.gov](http://www.ustr.gov)

This is the official website of the U.S. Trade Representative. It provides links to most relevant trade agreements and also news about recent trade-related events.

Areas of services that the U.S. has opened to foreign providers include:

- Health Related/ Social Services
- Adult education
- Environmental except for water for human use
- Legal , accounting, auditing
- Mining, energy distribution,
- Telecommunications.

A full listing of services opened up to foreign providers is available on the site [www.ustr.gov/sectors/services/2003-03-31-consolidated\\_offer.pdf](http://www.ustr.gov/sectors/services/2003-03-31-consolidated_offer.pdf)

## INFORMATION THAT MANY U.S. CITIZENS HAVE NOT RECEIVED

Many in the U.S. are unaware of the extent to which the General Agreement on Trade in Services (GATS) can be used to overrule the local, state and national laws and regulations in this country. Our media has done very little to assist in making this information accessible.

The GATS agreement, signed in 1995, established the first internationally accepted rules for trade in services. While the agreement helps global trade by providing predictable conditions of access to the markets of other countries, it also affects the lives and jobs of people worldwide.

### What GATS Services Are

Services are those areas of business that are not about merchandise, but are about such things as insurance, healthcare, education, telecommunication, banking, waste removal, water management, etc.

Any business that provides any service is eligible to be included in a list of services open to foreign service providers, with the exception of services "supplied in the exercise of governmental authority."

### Opening Up Services to Other Countries' Providers.

Beginning in 2000, WTO member governments began a first "round" of letting each other know what services they are willing to open up to all the other WTO members. The listing of services that a country opens up to foreign service providers is called "a schedule of services."<sup>1</sup>

The decisions to place particular services on their schedules are up to each of the member countries. No one is forced to open any area of service. However, pressures are exerted by other countries and by international financing institutions who make this openness a condition for loans.

Once countries make the decision to open up bids in particular areas of service, they agree to obey GATS rules in that area of service. General exceptions are allowed for matters of "safety, health, security, or public morals."

### GATS Rules Once a Service is Opened or "Liberalized"

Federal, state and local governments and authorities cannot establish rules, called "measures," that are "trade restrictive."<sup>2</sup> Limitations such as licensing requirements or standards for services are presently being formalized at the WTO.

Local businesses cannot be given more favorable treatment than foreign service providers when a service project is put out for bid. No imposition of quotas or special conditions on the foreign service provider are allowed. For example, local or national authorities may not

- refuse to consider the bid of a service provider who comes from a country with an oppressive government
- require the provider to employ a certain percentage of local employees
- require that a certain percentage of local materials be used.

### Enforcing the Rules

Any regulation that the foreign provider's government considers to be "trade restrictive" can be challenged at the WTO. If the dispute cannot be settled through negotiations, an appointed 3 - 5 person Dispute Resolution Panel will conduct private hearings with trade lawyers of the countries involved. The panel issues a finding as to whether the regulation is restrictive.

The panel's decision can be appealed to an appointed Appellate Body on legal technicalities. Their determinations must be approved by the Dispute Resolution Body, composed of all WTO member countries. None of the deliberations are open.

### Penalty for not following Decision of Dispute Resolution Body

If the WTO determines that the country's law or regulation is trade restrictive, the country must change the law or rule or else face punitive tariffs in retaliation.

<sup>1</sup> For U.S. services to be opened to foreign providers, see side bar.

<sup>2</sup> GATS Article 1 3(a)

## HUMAN RIGHTS, COMPLIANCE SYSTEMS, AND PUBLIC REPORTING

All corporate social compliance systems should exist to bring working conditions in line with internationally accepted human rights standards. These systems are critically important to helping workers protect their rights. We commend Gap for recognizing that its code of conduct sits within this broader context of international human rights norms.

The Gap's report is obviously a big first step in public reporting on compliance. Future reports can go in several directions: reporting on individual factories, mapping trends and patterns to see what brings about change and what sustains change, focusing on specific issues each year and getting more specific data. No matter the direction, the core issue will be improvement for the workers.

In 1996, when CREA joined with the Interfaith Center on Corporate Responsibility, Business for Social Responsibility and Gap to form the Independent Monitoring Working Group, the prevailing thinking was that monitoring, i.e. finding out about situations, was enough. What we have learned over the years by really doing this work is that the fixing is not as easy as we once thought. The problems are systemic in nature and most probably will require systemic change to bring about permanent improvement.

The power or leverage to bring about change within given factories resides on numerous levels: with the government of the country where the factory is located, with the companies producing in individual factories, with the ability of the workers to organize and engage in collective bargaining on their own behalf.

In factories where numerous companies source at the same time, all them need to be held accountable for the human rights, labor rights and environmental standards within the factory.

### CREA China Trip Continues Other Collaborative Efforts

Sister Ruth recently returned from a week-long visit to several vendor factories of two other major corporations in China. She is a member of a project involving the two corporations and a group of shareholder representatives.

The confidential project is focused on developing systems within factories that will assist them to reach sustained compliance with codes of conduct.



Chinese assembly plant worker.  
Photo by R. Rosenbaum, TC.  
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## FROM WHERE I STAND...by Audrey Ogawa Johnson

When Sister Ruth asked me to contribute to the "From Where I Stand..." column, she shared with me that this edition of the newsletter would be focused on the concept of information. This was timely because we have been working together on that very subject -- she as part of the Public Reporting Working Group ("PRWG"), which is comprised of Domini Social Investments, the Calvert Group, the As You Sow Foundation, the Interfaith Center on Corporate Responsibility, and CREA -- and I as a member of Gap Inc.'s Global Compliance Department, which is focused on improving working conditions for workers who make garments for Gap Inc.

For the past 18 months, Gap Inc. and PRWG have been working to explore opportunities for greater transparency and increased sustainability of Gap Inc.'s ethical sourcing work. While the original impetus for our dialogue was shareholder action, it has evolved over time into an opportunity for information and idea sharing. The working group provided us with insight, feedback and food for thought.

This group has encouraged us to increase our transparency efforts. They have stretched our perspective and challenged our approach. We, in turn, have provided them with greater insight into our process, incorporated feedback where possible and listened to their concerns.

The working group has been a critical component in our transparency efforts, and we are deeply appreciative of their efforts to work with us. They were an important stakeholder voice in the development of our first social responsibility report.

The experience of working with PRWG highlighted how information sharing helped to build trust between our organizations. We also hope it will facilitate positive change for the workers in the garment industry. With the information that we have shared in our 2003 Social Responsibility Report we want to encourage focus on building collaborative solutions.

We hope that dialogue is generated from the report among those who are focused on and those who impact this area -- business, non-governmental organizations, trade and labor organizations, multi-lateral and multi-stakeholder entities, and governments.

There is so much that can be learned from the experiences of all who are involved in the effort to improve working conditions. Through our evolution, we realize that we cannot address these challenges alone. The issues are too complex, too varied and too many for one segment of civil society to solve.

But the question remains how to solve them. While we don't purport to have the answer, we do believe that sharing information through engagement and collaboration and through information sharing vehicles such as Social Responsibility Reports will help lead us toward that shared goal.

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A copy of the Gap Social Responsibility report can be found at [www.gapinc.com](http://www.gapinc.com)