

**TO THE 37th GENERAL COUNCIL
TORONTO, ONTARIO
AUGUST 2000**

For Action XX
Resolution No. _____

Title of Report: To Seek Justice & Resist Evil: Towards a Global Economy for All God's People

Origin: Division of World Outreach

EXECUTIVE SUMMARY

To Seek Justice & Resist Evil invites us to SEE global economic injustice, to discern or JUDGE what this means for our Christian faith, and to ACT in common mission for justice. This document provides a snapshot of stories that illustrate the devastating reality for the majority of people living under the present economic system in the world today. It does not intend to suggest blanket opposition to all aspects of the global economic system or to oppose all international trade or profit-seeking activity. Nor does this document attempt to present a blueprint for an alternative society. Rather, through this document the global partners of The United Church of Canada have issued both a Cry and a Call to seek justice and resist evil so that together in mission we can build a global economy for all God's people.

We journey to Central America in the aftermath of Hurricane Mitch. We journey to Zambia in the grip of structural adjustment policies that destine families to suffer from disease and malnutrition. We journey to China, where we learn of the heavy price paid by the workers who toil to make toys for our children. We visit Gold River, a Canadian community where economic globalisation has exacerbated the effects of the boom and bust natural resource economy, displacing indigenous peoples and workers and upsetting the ecological balance.

The stories of our partners illustrate the global reality of systemic economic injustice. Our brothers and sisters in the South challenge us to open our eyes to the pain and suffering inflicted on their people by an unjust system which denies a decent life to the majority of the world's population and to join them in denouncing and opposing this system.

The journey will not be easy because their stories show that we too are part of the same unjust system and are deeply influenced and captivated by its values and claims. In fact, neo-liberalism, the free-market paradigm that governs economic practice in the world today, makes absolute claims in relation to the market place; a practice some have suggested constitutes idolatry. Our faith calls on us to think about the implications of the global economic system for Christian practice. God's *shalom* calls us to solidarity with peoples around the globe, to stand with them against all that diminishes dignity, demeans their lives or destroys their future. We need to measure our lives and our actions as the church and as individuals by how we work towards *shalom*.

Although we may be tempted to deny or despair the injustice around us, saying, "there is no alternative," the gospel of Christ speaks to us about new hope. The United Church of Canada's global partners show how that hope brings life in the most hopeless situations. To uncover this hope we must unmask the economic order with its aura of inevitability and natural law. If the Spirit of Christ, calling through the suffering of people in Asia, Africa and Latin America, warns us of death, does not that same Spirit, through living examples of faith and hope, call us to life? Faith in God means faith in an open future. It is through daring witness and action for life and for justice that we can be true to our faith and mission and become whole in creation.

Our faith needs to be strengthened and informed by a Christian understanding of sin and evil so that we do not become lost in naïve sentimentality. It also needs to be aware of human liberation and God's *shalom* so that we do not succumb to a world-weary cynicism.

To Seek Justice & Resist Evil is not a finished process; it is a step in a continuing journey. We did not start the journey; we cannot finish it. Our partners invite us to travel with them. In this journey, southern

partners of The Division of World Outreach call on the General Council of The United Church of Canada to take steps to challenge economic injustice through concrete action:

- ❑ The 37th General Council of The United Church of Canada is called to affirm economic justice as a gospel imperative, essential to the integrity of our faith in God and our discipleship as Christians.
- ❑ In acting on this imperative General Council is further called to reaffirm the understanding and centrality of global partnership as the model for organisational relationships north and south, mutual solidarity and accompaniment in favour of life and justice for all God's people.
- ❑ Given the commendable contributions of ecumenical coalitions to the work for economic justice, General Council is called to recognise this work and to make an on-going commitment to working ecumenically on global economic justice issues.
- ❑ Recognising the importance of the Gender Justice and Partnership Guidelines approved by the Annual General Meeting of the Division of World Outreach in 1998, and the importance of gender justice in the life and work of the whole of The United Church of Canada, General Council is called to affirm on-going work for gender justice in relation to global economic justice.
- ❑ Given the importance of ethical investing to the larger struggle for economic justice, the General Council of The United Church of Canada is called to establish a task group to respond to the ethical investment issues raised in this document.
- ❑ General Council is called to urge members and all courts to support fair trade through the purchase and use of fairly traded products and to support educational work at the congregation level to promote fair trade more broadly within Canadian society.
- ❑ Given the profoundly destabilising effects of unregulated speculative capital movements on national economies and the particular vulnerability of low income countries, General Council is called to support advocacy for the establishment of a tax on all foreign exchange transactions.
- ❑ Given that The United Church of Canada has long criticised unregulated capitalism that enshrines private gain over public benefit and given the current context of investment and trade agreements that de-regulate transnational corporations, General Council is called to support the investigation of policy alternatives aimed at giving more power to governments to legislate accountability on the part of transnational capital.
- ❑ As The United Church of Canada has advocated for more than a decade for debt cancellation and an end to the imposition of structural adjustment programmes (SAPs) as a condition for debt relief, General Council is called to continue its support for ecumenical campaigns for debt cancellation and the withdrawal of SAPs as a condition of debt relief.
- ❑ Given that international trade agreements often ignore the rights and welfare of poor people, General Council is called to support a platform of principles for a framework that would re-shape trade agreements so that they do not have such a negative impact on the poor. Further, General Council is called to support advocacy for these alternative principles and the on-going ecumenical work to monitor and evaluate the impact of trade agreements.

While not linked directly to the Moderator's Consultation on Faith and the Economy, this document addresses many inter-related and complementary issues. The document, approved for submission to General Council at the Annual General Meeting of the Division of World Outreach in February 2000, is the result of a two-year process involving global partners, global critical readers, the Division of World Outreach members and staff, and a Canada-wide Reference Group that authored the many versions of the text and provided guidance and leadership to the development of the document.

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Item 1 Introduction

Through the Division of World Outreach, The United Church of Canada has regular contact with people in Africa, Asia, the Pacific, the Caribbean and Latin America – regions often collectively called "the South." In response to many strong voices from our southern partners, the Division of World Outreach of The United Church of Canada issues, through this document, a cry and a call: *To Seek Justice & Resist Evil: Towards a Global Economy for All God's People*. This document seeks to lift up these voices of our partners and to share them with the whole of The United Church of Canada. We are called to SEE global economic injustice, to discern or JUDGE what this means for our Christian faith, and to ACT in common mission for justice.

To Seek Justice & Resist Evil takes us on a journey to hear some of the real stories of partners in the South. The journey will not be easy, because their stories show that we too are part of the same unjust system, deeply influenced and captivated by its values and claims. A glimpse of reality in just one Canadian community shows the many ways the global economy hits home. The realities of global economic injustice – South and North – as seen in these stories raise for us urgent questions of faith. By what values do we live? In what God do we believe? Who is our neighbour? What are we prepared to do?

We are not alone in this difficult process. In 1997 the World Alliance of Reformed Churches (WARC) called all member churches to a "committed process of progressive recognition, education and confession... at all levels regarding economic injustice and ecological destruction." A preparatory regional meeting at Kitwe, Zambia claimed that the poverty "caused by the unjust economic system is not only an ethical problem. It becomes a theological issue and calls for *status confessionis*."¹ In other words Christians in Africa tell us that economic injustice goes to the heart of the gospel and affects the integrity of all that we say or do.

In 1998 the World Council of Churches, seeing the challenge of globalisation as a central emphasis of its work, called for global institutions to counteract the "unaccountable power of transnational corporations," for fair trade and banking practices and for changes in lifestyle and consumption "particularly in highly industrialised countries."²

In Europe, many people and organisations have worked together on the European Kairos Document, which asks, "whether the need for peaceful, ongoing life on our planet ... is compatible with a capitalist economy centrally geared to the accumulation of monetary wealth."³

Thousands of United Church people have worked with others around the world calling for Jubilee: a new beginning in the international economy, starting with cancellation of unjust and uncollectable debt. Jubilee also calls for transformed relationships between North (industrialised countries) and South. The global Jubilee movement remembers the call for Jubilee in Leviticus 25 which Jesus invoked in his proclamation of good news for the poor and release to the captives in the "acceptable year of the Lord" (Luke 4:18-19).

Within The United Church of Canada we have an honourable history, going back to our parent churches, of speaking out on economic issues both at home and abroad. "The Commission on Christianising the Social Order," created by The United Church of Canada in 1932, critiqued in bold terms the excesses and distorted values of industrial capitalism. The 30th General Council (1984) set out important guidelines for the way we should organise economic and political life:

The needs of the poor have priority over the wants of the rich, the freedom of the dominated must have priority over the liberty of the powerful, and ... the participation of the marginalized must take priority over the preservation of an order that excludes them.

The 34th General Council, in speaking to issues of the environment and development, further called on United Church members to reject excessive accumulation of material wealth at the expense of meeting the basic needs of all people: *Lifestyles of high material consumption must yield to the provision of greater sufficiency for all. To Seek Justice & Resist Evil* asks us to live out the meaning of this challenge in today's global context.

This document is not intended to present a blueprint for an alternative society. Nor is the document intended to suggest a blanket opposition to all international trade or profit-seeking activity. Rather, it is a CRY and a CALL:

A CRY from the heart

- from the heart of our global partners
- from the heart of creation, groaning in travail waiting for the people of God to be revealed
- from the heart of God's own self, the Spirit brooding over creation, yearning to work with us for justice, for shalom.

A CALL to the heart

- to the heart of the United Church meeting in General Council
- to the heart of every United Church congregation gathered for worship in the name of Christ
- to the heart of every United Church person seeking to do God's will as we have seen it in the life of Jesus
- to the heart, to the head and to the will.

To Seek Justice & Resist Evil is not a finished process; it is a step in a continuing journey. We did not start the journey; we cannot finish it. Our partners invite us to travel with them.

While not directly linked to the Moderator's Consultation on Faith and the Economy, this document is the result of a two-year complementary process. The inter-relatedness of the issues is increasingly evident, as are the mutually reinforcing points for action.

The development of *To Seek Justice & Resist Evil* involved global partners, global critical readers, Division of World Outreach members and staff, and a Canada-wide Reference Group that authored the many versions of the text and provided guidance and leadership to the lengthy and consultative process. The Reference Group included: Jim Manly (principal author), Gail Allen, Hal Llewellyn, Elly Vandenburg, Brenda Fawkes, André Bernard, Alison Norberg.

Item 2 SEEING – A JOURNEY WITH OUR PARTNERS

Early Christians, People of the Way, learned the meaning of faith as they travelled with Jesus; they experienced resurrection as they walked with a stranger, sharing their bread and laughter. Today the Spirit of Christ speaks to us through global partners and invites us on a similar journey. Once again we learn discipleship as we journey; we discover resurrection through sharing. We are invited to SEE, to JUDGE and to ACT.

As we journey and hear the stories we will also look at their economic context; this will lead us to consider what the stories and their contexts tell us about the global economic system. We will then begin to think

about the implications for Christian faith and practice. At the end of the document a series of recommendations and resolutions call for action.

2.1 SEEING – A Story from Central America: Hurricane Mitch

“People came, talked with us and took pictures. Then they went away and nothing happened.” The women from El Carmen were angry and frustrated. The 83 families in this Rio Coco community on the East Coast of Nicaragua had been flooded out in the aftermath of Hurricane Mitch. Holding the heads of their children above water they had crossed to higher ground in Honduras. When this also flooded they escaped inland. “Our children still have nightmares, afraid of another flood. No lives were lost in the flood. Now we don’t know. We returned to El Carmen but everything was destroyed. We have no medicine when our children get sick, no clothes or blankets for the cold nights.”⁴

Hurricane Mitch ripped through Central America in the fall of 1998, triggering floods and landslides that killed more than 11,000 people and destroyed the homes of two million more. In Nicaragua up to 70 percent of all roadways, 40 bridges and 5 hydroelectric plants were damaged or destroyed. Entire communities were wiped out and crops were lost in the north, west and south of the country. Many waterways were littered with corpses of those who were killed by the hurricane or from cemeteries washed away. The lack of potable water and electricity after Mitch brought on outbreaks of diseases like cholera, malaria, and fungal infections. The international media called it one of the greatest natural disasters of the twentieth century. But to call it “natural” – an act of nature – is not completely accurate.

Central Americans now speak of Hurricane Mitch as an “X-ray” that starkly revealed the disastrous environmental and economic realities of Central America under “normal” conditions.

In Honduras, the original “banana republic,”⁵ a century of yielding to the priorities of export-oriented foreign-owned fruit plantations resulted in extensive deforestation. This made the effects of floods and landslides caused by Hurricane Mitch much worse than they would have been if forest cover had remained to absorb rainfall and check erosion. The demand for bananas in the North meant that vast expanses of the best land were ceded to plantations, and poor peasants were pushed off the land and forced to settle on hillsides or along riverbanks in flimsy housing. It was the poor who were most vulnerable when Hurricane Mitch struck.

Unfortunately, most official reconstruction projects in Central America resume the same unjust pattern that prevailed before Mitch. Central America is being rebuilt, but for whom? The answer that we hear from global partners in the area is that reconstruction is following the same development model that has excluded the majority of the people and benefited the elite, including foreign corporations present in the region. To illustrate this point, before Hurricane Mitch some 80 percent of the population in Honduras and Nicaragua was living in poverty – excluded from the benefits of development. After Mitch, rebuilding roads and bridges to banana plantations has taken priority over housing homeless people and restoring basic food production.

With even higher levels of unemployment in the aftermath of Mitch, Central Americans are easy prey for transnationals looking for a cheap labour supply. In the “free trade zones” – which from the outside resemble industrial parks found on the outskirts of Canadian towns – thousands of workers are employed in foreign-owned or joint-venture enterprises making goods for North American and European consumers, and are paid well below a living wage. The right to form unions is vigorously suppressed. Workers are subjected to harassment, physical abuse, forced overtime, and unsafe conditions. Foreign firms are able to take most of their profits out of the country and pay little or no taxes to the host country.

When asked why they go to work in these “maquilas,” as they are called in Spanish, Central Americans reply in the bold language of the street: “Inside, there is shit to eat; outside, there is nothing.” In this context, Central American church and human rights groups are very concerned about the “Free Trade Area of the Americas” (FTAA) – an extension of NAFTA – because it will further open their countries to trade and investment on exploitative terms. And this will certainly mean more maquilas and more people

forced to accept degrading working conditions. Sadly, many will feel lucky to have this chance because it is better than nothing.

The 1980s in Central America was a devastating decade of war; now there is “peace” – but what kind of peace? Devastated by foreign debt loads, compelled by foreign creditors to make deep cuts in spending on health and education, to lay off public employees and to privatise everything from transportation to water supply, Central America has little to offer the majority of its citizens but growing poverty and marginalisation. A 15-year-old prostitute says: “I would like to get out of this, but there are no jobs. I see my younger brothers and sisters with nothing to eat, and I go back to the streets.”⁶

In March 1999, Division of World Outreach staff members Paula Butler and Chris Ferguson visited partner organisations in Honduras and Nicaragua. In southern Honduras, they met people from a destroyed village who were digging foundations for new houses. Even before Mitch, they had faced many financial and legal difficulties in getting and keeping land. Now, with their homes and crops destroyed, they scraped together whatever they could to acquire new land from a co-operative and began the hot, heavy work of rebuilding. The Christian Commission for Development, a Honduran organization with whom The United Church of Canada works in partnership, had provided them with cement for use in the construction of more durable houses, and training so that they could manufacture cement bricks themselves.

This account reminds us that hope grows and needs to be nourished in community. People who have experienced disaster in addition to their constant poverty often amaze us with their resilience and deep reserves of hope. But this hope is not inexhaustible. A Lutheran pastor tells of another Honduran community that became hopeless, depressed and despairing because the government showed no interest in its needs and did not follow through on promises. We can take hope from the courage and persistence of our partners around the world. They in turn look to us for the kind of support that will sustain and nourish their hope. If we do nothing, we undermine their hope.

Canadians responded to the devastation of Hurricane Mitch with emergency shipments of food, clothing, medicine and money. In a few short weeks people in The United Church of Canada gave more than a million dollars. This kind of neighbour-to-neighbour assistance, channelled through partner organisations in the area, provided hope and helped to ease the immediate situation. In the long run the people of Central America need more than charity; they need an economic order that provides a fair return for their work and resources.

The Canadian Ecumenical Jubilee Initiative reported that the international assistance received by Nicaragua after Hurricane Mitch roughly equalled “what Nicaragua must pay in 20 days to service its debt.” This illustrates our need to move beyond charity in response to emergencies like Mitch. Love asks for justice, which is much more difficult to achieve because it requires basic change. Debt cancellation is a first step.

2.2 SEEING – A Story from Zambia: The Cost of Structural Adjustment

Edwin Zulu holds the hand of Memory, his seven-year-old son, who is dizzy from cerebral malaria. With a look of despair, Edwin says: “It’s preventable, but I can’t afford a mosquito net. I don’t earn enough.” A mosquito net costs \$16. As a mechanic, Edwin Zulu earns \$48 per month, and the medicine for his son has already cost \$4.⁷ Mr.Zulu’s personal poverty and inability to look after his son’s health is magnified by the local government’s poverty and its inability to take low cost prevention measures such as spraying for mosquitoes. This is a direct result of the size of Zambia’s foreign debt, obliging it to spend four times as much on debt servicing annually as it does on health care.

In a Zambian workshop, surrounded by the sound of four young men hammering, sawing and planing wood, Stephanie Kaputo says: “So many babies are dying; they’ve not got enough to eat.” The young men have formed a co-operative to build coffins. Today they are building a coffin for a six-year-old who died of malaria. In Zambia, a country where cultural norms would have previously prevented coffin making as a moneymaking venture, young people have no choice but to make coffins today for those who will likely die

tomorrow. One of the young men stops briefly to talk: “We don’t like it but the coffin-making business is where the demand is.” The co-operative responds to “market demand.”⁸

Largely owing to Zambia’s crushing debt, 86 percent of its people live below the national poverty line, 73 percent do not have access to safe water and 42 percent will die before the age of 40. The doctor-patient ratio is 1 to 7150; the life expectancy at birth has dropped from 46 years in 1970 to 42.7 years in 1995. The mortality rate for children under five is at a 25-year high.⁹ The death of children from hunger and preventable disease is not some inscrutable “act of God” nor is it mere happenstance. In impoverished countries, death and disease result from an international system which insists that nations “pay their debts” before spending money on health, education or other social services.

Helen Wangusa, from the African Women’s Economic Policy Network, says that one of the fundamental steps in economic literacy for African women is to make the connection “between the debt and the way we live:”

We have paid for that debt through the lives of our children, through being deprived of education and health and all the social services ... When I think of our women who have paid by filling in the gaps ... for government and social services ... It’s because of what women have been willing to do that the governments in Africa have even been able to service that debt. So we have paid it.

When impoverished countries like Zambia fall into the trap of unpayable debt, the International Monetary Fund (IMF) and the World Bank step in to “stabilise” the situation. They reschedule the debt in return for strict conditions known as structural adjustment programmes (SAPs). Typically SAPs require a country to make drastic spending cuts in such areas as health, education and food subsidies and to open up the economy for foreign investment. The assumption is that an export-oriented economy is more liable to make debt payments than an economy emphasising self-sufficiency. The IMF has maintained that the set of economic policies contained in SAPs will lead to economic growth and “trickle-down” prosperity. But after two decades of SAPs, during which poverty has “trickled up” to affect more Africans and with more intensity, many are questioning the purpose of these policies.

In the Central African Republic, Pastor Mirana Diambaye describes the effects of SAPs: health spending has dropped by 60 percent. Many services have been privatised and since 1989, patients have been required to pay in advance for hospital stays as well as for consultation and drugs. Because no schools have been built since 1984, buildings designed for 500 students now need to accommodate 2,000. Students must carry their own seats and crowd into classes with 100 to 120 other children and one teacher. To accommodate the increased numbers, children attend school in shifts for only three hours a day.¹⁰

African nations are squeezed between the pincers of debt and structural adjustment. SAPs keep African countries from developing their own economies in accordance with their own needs. The role of Africa in the global marketplace – both historically and presently – is to be a source of raw materials. African economies are among the most “open” or liberalised in the world. Few trade, import or capital flow restrictions remain as countries have desperately tried to attract foreign investment or comply with SAPs. SAP-required privatisation has meant the sale of public assets to private (often foreign) individuals and has led to huge job losses in the public sector. Relative to the size of the global economy, sub-Saharan Africa’s total debt is insignificant. The G7 countries mobilised more funds to bail out several Asian economies that collapsed in 1997 than would have been sufficient to cancel the debts of the low-income African countries. Debt cancellation – especially if it came without donor conditions attached – would be a significant step toward restoring African countries’ abilities to respond to the development needs of their people and to escape from the SAP trap.

Too often those of us in wealthy countries look at the problems in countries like Zambia and quickly look away; the problems seem too complex, the poverty too all encompassing. If we look more closely, however, we will see that the light of hope still shines in the work of groups such as “Women for Change” with its slogan “Never accept poverty! Unite and Fight it.” Emily Sikazwe, the director, says, “Poverty is made by human beings. It can be eradicated through people friendly policies and serious commitment.” The Christian Council of Zambia, educating people on the Jubilee campaign “Operation Zero Debt” asks: “Is it right to sacrifice 10 million lives to enable creditor nations and institutions to balance their account books?”

2.3 SEEING – A Story from China: The Price of Toys

No alarm sounded, only a growing chorus of screams told the 300 workers that the factory was on fire. In the panic atmosphere of smoke and noise, young women ran and stumbled their way to the only door that was not locked. The Zhili stuffed toy factory fire (1997) killed 87 of these workers. Some were burned, others suffocated, and many were trampled to death in the stampede to the narrow exit. Those who survived with heavy burns did not even get proper medical treatment, nor did they receive due compensation from the company.

Management of the jointly owned Hong Kong-Chinese company had locked doors and welded steel bars on windows to keep workers from stealing or leaving the work site early. The factory had been built as cheaply as possible and had no alarms, sprinklers, fire hoses or fire escapes. Unqualified electricians had installed the wiring that short-circuited to cause the fire. Both the company and the licensing authority had ignored the fire prevention measures that had been recommended after inspection eight months earlier.

Unfortunately, the Zhili fire was not the first tragedy of its kind, nor was it unique. Six months earlier, a fire in the Kader toy factory in Thailand had killed 189 workers and injured another 469.¹¹

What do these toy factory travesties tell us about the system that brings toys to our shopping centres? What hidden costs lie behind the retail price? We get some idea of the global nature of the toy business from Keyhinge Toys, a Hong Kong company in Vietnam where more than 1000 workers, 90 percent of them women, produce “give away” toys for McDonald’s Restaurants. Keyhinge fired hundreds of these workers when they tried to organise to be paid the minimum wage, to receive overtime pay, and to be protected by health and safety measures.¹²

Eager to bring in foreign investment, governments in many poor countries offer incentives such as anti-union legislation, low wage rates and lax enforcement of safety and environmental regulations. In the rush to maximise profits, brand name toy manufacturers close factories in their home countries and contract the work to factories that rely on a cheap unregulated labour market. Retailers, waiting to see if a particular product will be a hit with consumers, want “just in time” delivery. As a result factories have long slack periods interspersed with times of frantic production when workers are locked in and made to work excessive overtime. Do we want our children to play with toys bought at such a price?

The spread of child prostitution reveals the glaring inequality in countries like Thailand where economic growth has widened the gap between rich and poor. In August 1997 a human rights worker visiting rural areas of Thailand noted that:

*Poor farmers and hill tribe people have to sell their young daughters to the sex industry [as a result of this widening gap]; the age of these girls [is] getting younger and younger, because the fear of AIDS has increased the demand for younger, safer girls not yet infected with HIV. However, it is reported that some 70% of these girls get HIV within one year after they are put into brothels.*¹³

A number of Asian countries appear to have enjoyed remarkable economic success within the globalised economy. For decades the “tiger” economies of South Korea, Thailand, Hong Kong, Taiwan, Singapore

and Indonesia, with their high growth rates, were held up as models for other developing nations to emulate. Yet groups concerned about human rights and long-term development have long criticised these countries' export-oriented models as unsustainable.

In 1997, an economic crisis euphemistically called the "Asian flu" revealed the vulnerability of many Asian economies to the vagaries of foreign investors and the international financial system. The crisis started in Thailand and spread rapidly through the region, devastating Asian economies.

An important immediate cause of the crisis was the deregulation (liberalisation) of financial markets promoted by the International Monetary Fund and the speculative, volatile nature of foreign investments. Mutual funds, which are a popular way for Canadians to invest, participated in these "emerging markets" where returns were very high. In 1996, US\$93 billion flowed into the region, but in 1997, US\$105 billion flowed out, causing the collapse of banks and businesses. The IMF moved in with a bailout package – not aid, but new loans – with harsh economic conditions. One consequence, reported widely by people in Indonesia and Thailand to a visiting group of Canadian parliamentarians, was the end of hot lunches for school children. Increased family violence, especially directed at women, and rising numbers of street children and child prostitutes also were reported. This social crisis was directly related to the dramatic rise in unemployment and poverty.¹⁴

Division of World Outreach staff member Nan Hudson visited Korea soon after the immediate crisis. She reported that there had been unprecedented numbers of suicides in South Korea, after hundreds of thousands of workers lost their jobs. The unemployment rate jumped from less than 2 percent to close to 10 percent in a few months. In Indonesia, the economic crisis has caused poverty to engulf almost half of the country's 200 million citizens. This is tragic, since during the preceding 20 years, Indonesia had made impressive strides towards eradicating absolute poverty.¹⁵

As flowers push through asphalt, human hope asserts itself in almost impossible conditions. Throughout the region, citizens' organisations have responded by advocating new economic models to meet the real development needs of people, rather than catering to international markets. Women's groups such as the Korean Women Workers Association United continue to organise, creating networks of solidarity that work for change. International networks patiently work for meaningful and enforceable codes of conduct for toy, clothing and other kinds of factories. These codes set out the basic rights of workers including improved wage rates and healthy working conditions. Consumers support their struggle by pressing retailers to stock only goods produced under decent working conditions. An increasing number of consumers do not want to buy goods if they know they have been produced by sweatshop labour. Greater corporate disclosure about the source and conditions for production of retail goods would help in this struggle.

Women from different traditions who are brought together in factories discover new ways to assert their own dignity and humanity. One study found that female migrant workers in the Philippines were creating new images of themselves as "strong yet nurturing" and "risk-taking yet life-preserving," breaking the stereotype that they were "docile, helpless, self-sacrificing martyrs for the Philippine economy."¹⁶

We need to distinguish hope from optimism. Nothing in our world today gives easy assurance that everything will somehow work out for the best. Christian hope bases itself on the awareness of a different reality – often nothing more than a bit of yeast in a lump of dough. Like yeast, the human spirit, called to a new and different future by the Spirit of God, continues working and will not give up until it has permeated the entire mass. When we see evidence of the yeast at work we can have hope.

2.4 SEEING – A Glimpse of Canada in the Global Picture

Hurricane Mitch, the needless death of Zambian children from hunger and lack of medical attention and the Zhili fire all illustrate aspects of a global economy that pays no heed to the needs of the great majority of the world's people. Is there anything in the Canadian experience reflected in these stories?

At Gold River, on the West Coast of Vancouver Island, a pulp mill was built in the 1960s on the traditional territory of the indigenous Mowachaht-Muchalaht community, right next to the village. For years, the

community suffered from noise, smells, smoke, steam and gases caused by the mill. Eventually, they decided that for the physical, social and psychological health of their community, there was no alternative but to move the village to a new site 12 miles away from the mill.

For the families who came to seek employment at the mill, however, Gold River was a golden opportunity – for a time. Timber supplies seemed inexhaustible and the expanding pulp market promised security for workers and their families, who moved to the new town site, bought houses and built a new community.

Today, the Gold River pulp mill is closed. Characteristic of the global economy, and especially the many sectors based on the exploitation of natural resources, the pulp and paper industry has been subjected to booms and busts. Global market prices fluctuate and resources become depleted. In this case, added to unstable world market prices for timber and deforestation from clear-cutting, the closure of the Gold River mill was part of the deal in a corporate merger. In the aftermath of the closure, most workers' families have moved away. Now, the few that remain are attempting to rejuvenate the area as a retirement community for lower-income individuals and couples.

For a time, Gold River was typical of the success of the Canadian natural resource economy. But underlying that apparent success was a series of dislocations – the dislocation of indigenous peoples, the dislocation of the environment, and eventually the dislocation of those very workers who had previously found employment in the pulp and paper industry.

Gold River thus also provides one of many possible examples of how the pressure of international competition affects rich countries also. Under such competitive pressures, resources are rapidly and destructively depleted and factories are closed in favour of lower-cost production overseas. Many workers have been forced to choose between wage rollbacks and the loss of their jobs. Fishing families on both coasts, farmers, coal miners, workers in fly-by-night factories and those who were forced out of work in 'downsized' offices all know what it means to be displaced. Indigenous peoples, still suffering from the earlier colonialism, find themselves excluded from any meaningful participation in the economy and often pushed off resource-rich land.

This widespread dislocation has taken place at a time when Canada's social safety net, woven together over many years by an earlier generation, is now ripped and torn. Canadian governments have adopted the same logic of 'structural adjustment' that has so crippled other countries. Employment Insurance premiums and the length of time needed to qualify have risen while the benefits have been reduced. Canada's health care system has eroded and is now threatened by privatisation. Grants for higher education and welfare payments have been cut.

A disturbing study has shown that the gap between the rich and poor in Canada is growing, and it is certain groups within our society who face disproportionate misfortune. Young people have much higher unemployment rates than Canadians over age 35; Canadian-born children of visual minorities have average employment income 30 percent lower than that of other Canadian-born workers; and among the small number of employed Aboriginal people only 31 percent were found to have full time jobs in 1995.¹⁷

Most United Church people recognise that we live in the most privileged of countries and have benefited from this privilege. The dominant middle-class ethos of relative comfort and affluence that characterises our church makes it difficult for many United Church members to understand the situation of those who do not share their affluence. Yet as an increasing number of people, even within our church, struggle each day to put food on the table, we are forced to open our eyes to this reality and are left feeling anxious, overwhelmed or even threatened.

Recognising the growth of poverty in the midst of affluence, United Church people have joined with other caring Canadians in charitable responses, such as the establishment of food banks. Although meant to

be temporary stopgaps, food banks have now become an established fixture of life. This compassionate response to need is important but, as in other parts of the world, it is not enough.

In 1989 the House of Commons passed a unanimous motion to eliminate child poverty by the year 2000. Since then, poverty among children and their families has risen markedly. According to the National Council of Welfare, 547,000 more children live in poverty today than ten years ago, an increase of 58.6 percent.

Can we envisage a different kind of economy where there will be no need for weekly line-ups to get a bag of groceries at a local church basement? Does not our gospel call for a different kind of economy? What changes do we need to make in our own ways of thinking and acting to build such an economy? An economy not based on the pillage of natural resources? An economy that affirms the rights of indigenous and other marginalised peoples to life and to community?

Item 3 JUDGING – DISCERNING THE MEANING AND IMPLICATIONS OF THESE STORIES

3.1 JUDGING – What do these stories mean for our Christian faith?

When Jesus told stories he challenged the way people thought and acted. The stories we have heard from our partners illustrate the worldwide presence of systemic injustice and suffering. We can ask, as many do, “Why does God allow such great injustice in the world?” When we phrase the question in this way we can find no adequate answer. A more fruitful question asks, “Where is God in the midst of this great suffering?” We begin to find the answer in the lives of our partners who continue to work and struggle for justice. Christians believe that God works in and through people to create justice and community. Believing this, we are brought to the question, “What does God want us to do about global injustice?”

Sharing their stories, our partners call on The United Church of Canada to join them in denouncing and opposing a system that denies a decent life for the majority of the world’s people. They ask us to share in working for God’s *shalom*, a society that promotes life for all in our contemporary world.

As we respond to this call for a new society, God’s Spirit also calls us to a renewal and transformation of faith. The two are linked – we cannot have one without the other. In a world of complex, interrelated and deeply entrenched injustices, we often feel helpless and inadequate to bring about change. We tend to resist knowing about poverty and suffering in other parts of the world: “What has this to do with me? Why should I feel guilty? I’m not responsible.” We fear that the invitation to a journey with our partners will become another guilt trip that will leave us alienated and immobilised. Only as God’s Spirit renews our faith, giving us courage, wisdom and a deep compassion, will we be able to overcome our fear and powerlessness.

In this context, it helps if we remember that Jesus carried out his ministry in a small corner of the Roman Empire. Characterised by oppression, violence, high taxes and poverty for the many, the ever present empire also offered the possibility of comfort, wealth and gracious living for those privileged people who were willing to collaborate. Jesus called on people to change their ways of thinking, understanding and acting because the reign of God, God’s new society, was already present in the midst of the empire (Mark 1:15). But how hard it was, said Jesus, for rich people to take part in this new society (Mark 10:25).

God’s new society, as Jesus proclaimed and lived it, was not simply an otherworldly heaven far removed from social and economic realities. It dealt with the gritty details of life in the Roman Empire: poverty, imprisonment and oppression. We see this clearly when Jesus read from the Isaiah scroll, “The Spirit of the Lord is upon me, because he has anointed me to preach good news to the poor. He has sent me to proclaim release to the captives and recovering of sight to the blind, to set at liberty those who are oppressed, to proclaim the acceptable year of the Lord” (Luke 4:18-19; cf. Isaiah 61:1-2). We also live in

the context of empire, an empire dominated not by any single state but by a network of powerful economic interests held together by the ideology of global free trade. We often call this ideology neo-liberalism. Neo-liberalism upholds the market as the arbiter of the common good.

Many of us carry the traditional image of the market as a place where people bring goods for sale, and in the process, exchange greetings, news and stories. The traditional market is not always a place of joy or justice but it does represent a coming together of people and is a human creation of manageable size.

Modern technology has freed today's global market from the limitations of space and time. Far from being a human exchange, the global marketplace enshrines competition, "all against all," as the supreme good. Neo-liberal ideology claims that this competition increases efficiency, producing more goods and services more cheaply, which in turn benefits society as a whole: "A rising tide raises all boats." It regards attempts to regulate the market as self-defeating, an interference that can only bring disaster. Although in a world ruled by competition, some people, and indeed entire nations, may suffer great hardship, market ideology claims that they are still better off than they would be under extensive state regulation, at least over the long term. In effect, by making absolute claims for the market, neo-liberalism has set the market up as a god, a practice some partners suggest constitutes 'idolatry.'

This perception of the global market as god is the subtle force that takes root in our hearts and minds. Our energy and imagination are absorbed by a vision that defines all of life in relation to market values. Our love and loyalty are claimed by promises of unlimited wealth and we forget that true liberation comes through justice and compassion. The scandal for Christians is that we are urged to put faith in the market in place of faith in God's promise for a new life in Christ.

Like others in our society, most of us, to a greater or lesser extent, have bought into the belief that the quality of our life is determined by the goods we own, the cars we drive, the food we eat, the clothes we wear and the places we visit as tourists. Is this not to worship at the altar of consumerism? Our southern partners insist that such attitudes also represent captivity by the "empire" of global market capitalism.

There have always been forces working to turn everything into commodities that could be bought and sold. Amos condemned those who "sell the righteous for silver and the needy for a pair of shoes" (Amos 2:6).

Jung Mo Sung, a Brazilian theologian, asks: "What should be the attitude that Christian faith gives in a struggle against this 'empire?'" He says that we need to 'unmask' the economic order with its aura of inevitability and natural law reflected in the idea that "there is no alternative."¹⁸

Early Christians created an alternative in the midst of the Roman Empire as they lived out their resurrection faith in a sharing community. Jung Mo Sung comments:

Faith in the resurrection of Jesus takes care to show that salvation is not in accumulating power and wealth but in forming human communities in which every person is recognised, independently of their wealth or other social characteristics.

But while the resurrection and the community flowing from it bear witness to the Reign of God, Mo Sung feels that the crucifixion of Jesus shows that "the Reign of God doesn't fit into our history. In human history we can only build and live anticipatory presences of the Reign, social, economic, political, cultural and religious relationships that are signs of its presence among us." God's Reign, although never fully realised in human history, "is the horizon that gives meaning to our life and to our struggles against the systems of oppression and exclusion. But, like every horizon, it is always before us, however far we journey."

In the midst of our market empire, God invites us also to live in a resurrection community, sharing in the journey to God's future that we already see on the horizon. God's grace invites us and God's grace sustains us on the journey.

Jesus said that human life does not consist in the abundance of things which we possess (Luke 12:15). Despite the widespread belief that profit and accumulation are the primary goals of life, we must continue to assert this truth and to struggle against the empty consumerism that our economy dictates as the only acceptable way of life. While Jesus recognised the importance of material life and taught us to pray for our daily bread, he also taught that we should direct our efforts to God's society and God's justice, which would provide for our needs (Matthew 6:33). Can this Biblical understanding of life help us to envision a different kind of economy?

The theology of the free market system tells us that if we look out for our own interest, the "invisible hand" of the marketplace will ensure that other people will also benefit. The market theology encourages us to pursue our own self-interest and not to worry about what happens to others. This runs directly opposite to what Christians believe.

The nature of the global market understands everything in terms of money. Christian faith understands all of life, all of our world, in relation to the God of Jesus Christ. Jesus speaks clearly about the incompatibility of these two understandings: "You cannot serve God and money" (Luke 16:13).

When people see everything as a commodity that can be bought or sold, they come to believe that everything is permitted to those with the money to pay. Under the domination of this thinking, many people lose their respect for the unique value of each person as a child of God; they lose their sense of wonder at the glory and beauty of God's creation; they lose their sense of responsibility for the life of other creatures. They see the world around them in purely economic terms and begin to understand their own lives in the same way. Conversely, they think that anything that cannot be bought and sold does not have value.

If we are going to make the personal changes that justice and love require, we will need the support of a Christian community committed to the same goals. How can we develop support within our congregations so that we can face the personal challenges?

While personal change is important and necessary, our global economy also requires structural change. Testimony from our global partners leads us to deny the assertion that the economic theory of the marketplace is rooted in unchangeable natural law. If the market is a human construct, then humans can change it.

In working for economic justice, we constantly need to rely on our faith in the power of God to work in the most hopeless situations. Our faith needs to be strengthened and informed by a Christian understanding of sin and evil so that we do not become lost in a naïve sentimentality. It also needs to be aware of human liberation and God's *shalom* so that we do not succumb to a world-weary cynicism.

The Apostle Paul understood evil, oppression and slavery in cosmic terms. Oppression and bondage are not isolated events but run through all human history and can be seen in our relation with creation itself. In Romans 8, Paul speaks of creation being "subjected to futility," "in bondage to decay," "groaning in travail" waiting "with eager longing for the revelation of God's children" (Romans 8:22). The groaning represents not only the pain and tragedy of poverty and injustice, but also the birth pangs of a new people being born.

Leonardo Boff, also a Brazilian theologian, links the cry of oppressed people in Exodus 3 to the cry of creation in Romans 8.

Liberation theology and ecological discourse have something in common: they stem from two wounds that are bleeding. The first, the wound of poverty and wretchedness, tears the social fabric of millions and millions of poor people the world over. The second,

systematic aggression against the Earth destroys the equilibrium of the planet. ... Both lines of reflection and action stem from a cry: the cry of the poor for life, liberty and beauty (see Exodus 3:7) in the case of liberation theology; the cry of the Earth (groaning) under oppression (see Romans 8:22-23) in that of ecology. Both seek liberation.¹⁹

As well as a history of competition and aggressive business practices, Canadians have a history of co-operation and working together for the common good. Some of our school readers used to tell the story of Neil McAlpine, a well-to-do pioneer farmer and committed elder of the church in the Talbot Settlement near St. Thomas, Ontario. When an early frost killed all the wheat on surrounding farms, McAlpine, who had the previous year's harvest still stored in his granary, could have sold it for seed at a large profit. Instead he offered it to his neighbours on a "bushel for bushel" basis. For every bushel of seed wheat they borrowed, they were to repay exactly that amount at the next harvest.

We do have a history of community interest taking precedence over self-interest. Can we find ways to practice on a global level the concern for neighbours that Neil McAlpine showed his pioneer community?

Can we hear the cry of creation and its people as a call to new birth in God's Spirit?

The Church's faith, rooted in Scripture and nourished by countless examples of human community, looks to the new society, God's *shalom*, which Jesus and the prophets proclaimed. *Shalom* is the biblical word which points to the fulfilment of God's purpose for humankind: people living together in community, with just relations to one another, in harmony with creation and in fellowship with God. We see the economic aspect of *shalom* in this passage from Isaiah 65:21-23:

They shall build houses and inhabit them;
they shall plant vineyards and eat their fruit.
They shall not build and another inhabit;
they shall not plant and another eat...
They shall not labour in vain,
or bear children for calamity;
for they shall be the offspring of the blessed of the Lord.

3.2 JUDGING – What do these stories say about our global economic system?

We hear the cry of peoples around the world for justice; it is a cry for God's *shalom*. We see their struggle for life, for dignity, for a future for their children, for their culture, their community; it is a struggle for *shalom*.

God's *shalom* calls us to solidarity with peoples around the globe, to stand with them against all that diminishes their dignity, demeans their lives or destroys their future. *Shalom* should be the measure for our lives, our actions and the work of the Church.

We begin to understand how the global market system works when we hear about actual situations. So often, economic issues are presented to us as statistics and complicated theories that we can find intimidating. Stories about real people remind us that the way we organise our human activities to provide food, clothing, shelter, transportation, health, education and culture is what economics is all about – something that everyone can understand and relate to their personal experience. At its root, the word economy means "the laws or rules of the household" (just as ecology means "wisdom of the household"). Today our household extends around the world; when the rules of the household do not work, we have responsibility to change them.

A 1975 advertisement by the Philippine government that ran in *Fortune* magazine highlights a phenomenon called the “race to the bottom” that occurs when national governments compete for investment by eliminating or ignoring labour and environmental standards:

*To attract companies like yours ... we have felled mountains, razed jungles, filled swamps, moved rivers, relocated towns ... all to make it easier for you and your business to do business here.*²⁰

As we reflect with global partners on their experience, and on our own experience in Canada, we begin to see some of the common effects of the global economic system:

- ❑ The global free market erodes the power of nations to control their own economies, to plan and regulate in the interest of their people. As nations compete for business that will bring growth and create jobs, they engage in a “race to the bottom” by eliminating or ignoring labour and environmental standards.
- ❑ Adherence to an ideology that dictates that commercial interests and market forces must prevail contributes to major, systematic violations of human rights around the world. Basic rights of workers are not only ignored but the brave people who attempt to assert those rights risk instant dismissal from their jobs and sometimes arrest and imprisonment, violence, intimidation and assassination by hired thugs. Women face sexual harassment, violence and assault. Traditional rights to land are pushed aside in favour of agribusiness, modern highways or hydro developments. Skewed development priorities, often reinforced by SAPs, deny millions of people their rights to food, clean water, clean air, adequate shelter, health and education.
- ❑ The global marketplace, with its emphasis on winners and losers, excludes millions of people from benefiting from the fruits of economic growth and from any sense of participation in society.
- ❑ The drive for ever-higher profits takes long-term investment from production and job creation and looks for quick returns in currency or stock speculation. This not only skews development priorities but also creates economic instability in countries around the world.²¹ David Korten makes the important point that, given the impersonal nature of the global market and the constant drive for ever-increasing levels of profit, even corporate managers are not in control. Managers who seek to put the public interest ahead of excess profit face the possibility of take-overs by ruthless “corporate raiders who strip sound companies of their assets for short term gains.”²²
- ❑ Economic measurements such as growth in the GNP are used incorrectly to indicate the social or economic health of the general population. Rapid growth may bring all the trappings of the first world – consumer goods, highways, airports, air-conditioned high-rise apartments – to an elite few, but leaves the majority poorer than before.
- ❑ Everything, even including the bodies of children sold into the sex trade, becomes a commodity. Clean air, the water in lakes and rivers, forests and culture all become commodities in the market.

In India, more than 300,000 children work 14 to 16 hours a day to produce \$300 million worth of carpets for export. In this, India competes with Pakistan, Nepal, Morocco and other places that also use child labor.²³

We begin to understand how our skewed economic priorities lead to death rather than life when we consider that in 1995, the total funding for the United Nations and all its work, including peacekeeping,

was less than \$10 billion. In contrast, governments around the world spent some \$850 billion that year on military expenditure.²⁴

In the last decade there has been a steady decline in the percentage of GDP that Canada makes available for overseas development while an increasing amount of it has been shifted to Canada's main trading partners. In fact, Canada is at a 30-year low in terms of overseas development assistance as a percentage of GDP. And with the 2000 budget announcement, Canada ODA will continue to drop from its current 0.27 percent of GDP to 0.24 percent. On the one hand, economic problems at home naturally tempt us to use money previously designated for overseas aid to look after our own interests, while on the other hand, aid is no longer seen as an expression of a purely altruistic desire to assist poor countries. Instead, too much of Canada's development assistance has become another tool in the shaping of a global capitalist economy, moving further and further away from aid to the poorest of the poor as a guiding principle.

3.3 JUDGING – A Call for Judgement

The stories we have heard, magnified a billion-fold throughout the world, lead us to understand how the global market place has pushed our planet into crisis: a crisis of life itself for millions of people; a crisis of survival for the goodness of creation. Faced with the facts, can those of us who live in relative comfort recognise that we also live in crisis?

Can our Christian faith in a God of justice and compassion, a creator God who loves this Earth and its people, survive if we turn away from what is happening around us? We live in a *kairos* moment, a moment when we must choose: Do we stand with God in solidarity with the Earth and its people? Or do we continue to speak the words of faith while thinking and acting in accord with the dictates of the market? Jesus told us clearly that we cannot serve both God and mammon (Matthew 6:24). Where is our true allegiance?

Although we may be tempted to denial or despair, saying, "there is no alternative," the gospel of Christ speaks to us about new hope. The United Church of Canada's global partners show how that hope brings life in the most hopeless situations. If the Spirit of Christ, calling through the suffering of people in Asia, Africa and Latin America, warns us of death, does not that same Spirit, through living examples of faith and hope, call us to life? Faith in God means faith in an open future.

"I have set before you life and death, blessing and curse; therefore choose life, that you and your descendants may live" (Deut. 30:19).

Item 4 ACTING

To Seek Justice & Resist Evil: Towards a Global Economy for All God's People has taken us on a journey led by southern partners of The United Church of Canada. This journey, although perhaps difficult for many, is true to the spirit of our affirmation of faith as reflected in the United Church's "A New Creed". We have heard and seen the cries of injustice, we have understood what this means for our Christian faith and now we are called to ACT – to seek justice and resist evil.

A lengthy two-year consultation process – North and South – resulted in the twelve resolutions that accompany this document. It is through daring witness and action for life and for justice that we can be true to our faith and mission.

A number of the resolutions build on previous initiatives for justice and/or policy statements of The United Church of Canada:

- ❑ The resolution to affirm the understanding and centrality of global partnership as the model of north-south relationships within The United Church of Canada is grounded in the statement "Seeking to Understand 'Partnership' for God's Mission Today" approved by the 32nd General Council.
- ❑ The call for gender justice as integral to global economic justice builds on the United Church's commitment to the follow-up to the Decade of Churches in Solidarity with Women in Church and Society and the "Gender Justice and Partnership Guidelines" approved by the Annual General Meeting of the Division of World Outreach in February 1998.
- ❑ The resolution calling on The United Church of Canada to investigate the nature of its investments and develop tools and policies for ethical investing is an issue that was identified already by the Moderator's Consultation on Faith and the Economy.
- ❑ The five resolutions related to fairly traded products, the Tobin tax, the re-regulation of transnational corporations, debt and structural adjustment, and free trade agreements all affirm positions advocated by the Canadian ecumenical coalitions.

Given the complex nature of some of the recommendations for action, an economic justice glossary and a number of backgrounders are attached to this document (including Tobin tax, Re-regulation of Transnational Corporations, Foreign Debt, International Financial Institutions and Structural Adjustment Programmes, and the Impact of Trade Agreements).

In addition, a descriptive list of the ecumenical coalitions, the statement on Global Partnership and the Gender Justice Guidelines are attached for reference.

4.1 ACTING: Financial Implications and Sources of Funding

Given the budget reductions facing the General Council offices over the next few years, it is clear that there is no possibility of new resources being made available to carry out this work. Indeed, this work which is to be funded within the budget of the Division of World Outreach, is set out in a context of budget cuts and possible staff reductions.

The work identified in the resolutions accompanying this document falls within the parameters of existing priority programme themes for the Division of World Outreach and the wider church on Jubilee and "global economic injustice." The urgency and integrity of this work as central *to our faith* has been affirmed within the broader ecumenical world. The Division of World Outreach is committed to ensuring its place as a priority for The United Church of Canada (funded within the budget of the DWO), recognising the context of organisational and budgetary change.

Adoption of the resolutions would have some staff time implications. The capacity for follow-up on the resolutions, however, does exist in the current programme portfolios and committee structures of the Division of World Outreach (especially the Education for Engagement cluster), and in collaboration with relevant staff members in other divisions. Budget for resource production, animation of the issues and advocacy work can be included within the regular cost centres of DWO.

Implementation would also draw significantly on staff expertise, research, networks and resource materials in the ecumenical coalitions mentioned throughout the resolutions. In a context of both budget cuts for the United Church and re-organisation of the ecumenical structures and bodies over the coming year, this will mean that the DWO would maintain within its budget, priority funding for ecumenical global justice work, or not reduce such funding in a proportion greater than cuts to denominational programmes.

Footnotes

¹ Milan Opocensky, "Towards An Economy of Life: History of the WARC Project 'Reformed Faith and Economic Justice,'" *Processus Confessionis: Process of Recognition, Education, Confession and Action Regarding Economic Injustice and Ecological Destruction*, Background Papers, No. 1, (World Alliance of Reformed Churches, 1998), p. 7. The 1989 WARC General Council stated, "Any declaration of a status confessionis stems from the conviction that the integrity of the gospel is in danger. It is a call from error into truth. It demands of the church a clear, unequivocal decision for the truth of the gospel, and identifies the opposed opinion, teaching or practice as heretical. The declaration of a *status confessionis* refers to the practice of the church as well as its teaching," p. 29.

² *Together on the Way*, Official Report of the Eighth Assembly of the World Council of Churches at Harare, Zimbabwe, December 1998, (WCC Publications: Geneva, 1999), pp. 183, 184.

³ European Kairos Document, May 1998, p. 25.

⁴ Paula Butler, "Trip Report: Nicaragua and Honduras," Division of World Outreach, March 1999.

⁵ "Of all the Central American states, Honduras has most claim to the label 'banana republic.' Since the turn of the century, its economy has been primarily dependent on the export of the 'green gold' while its political history has been shaped by the profiteering and corrupt practices of the fruit companies." From "Honduras: State for Sale," (Latin American Bureau: London, 1985), p.17.

⁶ "Peace, What Peace? Confronting Central America's New Economic War," video documentary produced by the Inter-Church Committee on Human Rights in Latin America, 1997.

⁷ "Field of Graves: Zambia's Children Die for Debt. A report on the impact of international debt on the health service in Zambia," (Christian Aid: London, 1998), p. 5.

⁸ "Field of Graves," p.1.

⁹ "Zambia: Still Shackled by Debt," Inter-Church Coalition on Africa, 1999.

¹⁰ Omega Bula, Division of World Outreach, "Notes from Central African Women's Workshop on Economic Literacy," Kinshasa, March 1998.

¹¹ Matsui Yayori, "Globalisation and Asian Women," Globalisation and Its Impact on Human Rights, ed. Mathews George Chunakara (Christian Conference of Asia: Hong Kong, 1998), p. 102.

¹² Matsui Yayori, p. 103.

¹³ Globalisation and its Impact on Human Rights, ed. Matthews George Chunakara, (Christian Conference of Asia, Hong Kong, 1998), pp. 108 – 109.

¹⁴ "Asian Meltdown, Human Crisis: Global Lessons for Sustainable Recovery," Report of the In Common Canadian Civil Society and Parliamentary Mission to South East Asia, Sept. 1-14, 1998 (Canadian Council for International Co-operation: Ottawa, 1998), pp. 25-27.

¹⁵ "Asian Meltdown, Human Crisis," p. 13.

¹⁶ Aida Jeannie Nacpil-Manipon, "In God's Image", p. 16.

¹⁷ Armine Yalnizyan, The Growing Gap: A Report on Growing Inequality between the Rich and the Poor in Canada (Centre for Social Justice: Toronto, 1998).

¹⁸ Jung Mo Sung, "Against the Idolatrous Theology of Capitalism," unpublished paper, p. 6.

¹⁹ Leonardo Boff, "Liberation Theology and Ecology: Alternative, Confrontation, or Complementarity," Ecology and Poverty: Cry of the Earth, Cry of the Poor, ed. Leonardo Boff and Virgil Elizondo, (Orbis: Maryknoll, NY, 1995), p. 67.

²⁰ Cited in David Korten, When Corporations Rule the World (Kumarian Press: West Hartford, Conn, 1995): p. 159.

²¹ According to Joel Kurtzman, editor of Harvard Business Review, 20 to 25 billion dollars are needed daily for trade in goods and services. This is dwarfed by the \$800 to \$1 trillion that is traded on currency exchanges around the world. Korten points out that: investors had placed an estimated \$2 trillion in mutual funds at end of June 1994 – double what it was 3 years earlier. Pension funds amounted to another \$4 trillion. All of this money is controlled by investment managers, "under enormous competitive pressure to yield nearly instant financial gains. The time frames involved are far too short for a productive investment to mature, the amount of money to be 'invested' far exceeds the number of productive investment opportunities available, and the returns the market has come to expect exceed what most productive investments are able to yield even over a period of years. Consequently the financial markets have largely abandoned productive investment in favour of extractive investment and are operating on autopilot without regard for human consequences," pp.188-189.

²² Korten, pp. 12-13. On p. 210 Korten describes the hostile take-over of the Pacific Lumber Company "one of the most economically and environmentally sound timber companies in the United States." It had developed long-term sustainable logging practices, maintained a stable work force even during economic downturns and "over funded its pension plan to ensure it could meet its commitments." The new owner doubled the cutting rate of old growth timber and drained the pension fund.

²³ Korten, p. 232.

²⁴ "Cardfile," Ploughshares Monitor, vol. 17 (June 1997), p.10.

ECONOMIC JUSTICE GLOSSARY

Asia Pacific Economic Co-operation (APEC)

The Asia Pacific Economic Co-operation is an association of 18 economies including Canada, the US, Mexico and Chile. They meet annually to discuss further liberalisation of trade, with the goal of creating a free trade area by 2020. The 'Asia-Pacific' region is the fastest growing economic region in the world, representing nearly one-half of world GDP, one-half of exports and one-third of global trade.

Business Council on National Issues (BCNI)

Formed in 1976, the BCNI brings together the Chief Executive Officers (CEOs) of Canadian corporations, banks and business associations. Most of the key power brokers of corporate Canada are members of the BCNI Policy Council, which, it has been suggested, holds significant influence over Canadian government policies. The BCNI supports research and is active in promoting business-friendly policies through the C.D. Howe and Fraser Institutes.

Capital Controls

Capital controls are mechanisms that regulate the flow of currency into and out of a country. They are designed to help countries control their monetary policy by controlling the sale and purchase of the national currency. Such controls, it has been suggested, can curb the destabilising activities of currency and other types of speculators who focus on short-term investments. The absence of effective capital controls was partially to blame for the 1994-95 Mexican peso crisis, the 1997 Asian financial crisis and the 1998-99 Brazilian crisis. The IMF has pressed countries to remove capital controls as a condition for new loans to restructure their debt. The Tobin tax is one mechanism that has been proposed to counter the unfettered movement of short-term speculative capital.

Civil Society

Civil society is that arena of organised political activity located between what is the private sphere (households and businesses) and formal state institutions (parliament, political parties, judiciary, military). Civil society may include a range of heterogeneous groups such as community organisations, co-operatives, business associations, professional associations, media, unions, NGOs and churches. In popular usage, the term civil society refers to organisations outside of the sphere of influence and particularly those that could be grouped within social movements struggling for change.

Codes of Conduct

A corporate code of conduct is a document outlining the basic rights and standards to which a corporation pledges to adhere in its relations with workers, communities and the environment. Increasingly, apparel companies are adopting codes of conduct acknowledging their responsibility for the labour practices of the sub-contractors who make their products. Specific rights that workers would like to see included in codes of conduct may include: a living wage, a workplace free of discrimination, special protection for pregnant workers, improved health and safety standards, security of employment and respect for local and international labour laws on issues of hours of work and the right to organise. Codes of conduct are one tool used in the fight against sweatshop abuses. Currently, the focus is on voluntary codes and mechanisms of monitoring and verification.

Fair Trade Agreements

The notion of fair trade is based on the principle that trade is not an objective in its own right, but a means of diversifying a country's economic base for the improved lot of all its population. Fair trade agreements reflect democratic principles of participation, transparency and accountability both in their formulation and implementation. Under a fair trade regime, the price of all traded goods and services would reflect their full costs, including social and environmental costs. Respecting existing social, labour and environmental regulations would be key objectives of the trade arrangement rather than seen as protectionist measures. Fair trade agreements would protect food security as a priority, be conducive to sustainable development and would be based on mutual respect for national self-determination in social and economic matters.

Fair Trade Products

The objective of fair trade is to increase the income of poor communities and may provide export opportunities to groups that may be otherwise excluded from the global market. Fair trade seeks to secure long-term trading relationships that permits producers to plan ahead. Fair trade also permits customers to buy ethically more easily. It also improves the terms of trade for producers by providing pre-purchase credit or working capital at fair interest rates, allowing producers to organise democratically for their own benefit, ensuring producers are paid a price that values their labour and providing customers with a quality product. At present, only 0.01% of all trade would be classified as 'fair' under these criteria.

Free Trade Area of the Americas (FTAA)

The Free Trade Area of the Americas (FTAA), encompassing 34 countries from Canada to Chile and excluding only Cuba, has become the largest proposed trading bloc in the world. The FTAA was launched in 1994 at the Miami Summit of Americas, which had free trade at the top of the agenda, although 23 other non-trade issues such as democracy, poverty and drug control were also discussed. The Summit process continued with a meeting in Santiago in 1998 and annual meetings of trade ministers. Canada is the current chair of the FTAA negotiating process and will host all major FTAA events over the next two years, including the third Summit of the Americas to be held in Quebec City in 2001.

Free Trade Zones

Free trade zones, also known as export zones or industrial parks, are investor-friendly zones established to encourage foreign investment. Investors are able to operate their businesses free from the constraints of local legislation and taxation. It is in these zones, notorious for unsafe and bad working conditions, that the *maquila* phenomenon emerged. Free Trade Zones are now found throughout Asia and the Americas, and are becoming more commonplace in Africa.

Free Trade Agreement (FTA)

Free Trade Agreement between Canada and the United States, in effect since 1989. In 1994, NAFTA replaced the FTA and expanded the trade bloc to include Mexico.

Group of 7 (G7)

The Group of 7 includes the richest and most powerful nations: the US, Germany, Britain, France, Japan, Canada and Italy. These countries have met regularly since the early 1980s to discuss issues of mutual interest such as how to address the Third World debt crisis, how to co-ordinate interest rates and monetary policy, what directions in international trade policy would be desirable. In recent years, Russia has been invited to portions of the G7 Summits, giving rise to the term G8, but the real power remains with the original seven.

General Agreement on Tariffs and Trade (GATT)

The General Agreement on Tariffs and Trade was an international organization established in 1947 to work towards freer trade on a multilateral basis. Multilateral trade talks took place in 'rounds' – the Uruguay Round, for example, began in 1986 and ended in 1994 with the Marrakech Declaration. One outcome of the declaration was that GATT was replaced in 1995 by the World Trade Organization, which has more administrative and regulatory power.

Gross Domestic Product (GDP)

Gross Domestic Product is the total monetary value of all goods and services produced by a national economy over a period of time, usually a year. Only final consumption goods or investments are included in the calculation.

Gross National Product (GNP)

GNP is the sum of GDP plus the net (exports minus imports) value of all capital flowing into and out of the country.

Globalisation

Economic globalisation is perhaps best understood as a multi-faceted process whereby the world is becoming ever more economically integrated via increased trade, rising foreign investment, the spread of

commercialised culture and the resulting convergence of consumption patterns. The globalisation of economic relations is not new – it has always been central to geographical expansion and economic development. But the technological changes underlying the latest phase, coupled with the growing international integration of capital and finance, have accelerated the process in recent years.

Highly Indebted Poor Countries (HIPC) initiative

The Highly Indebted Poor Country (HIPC) initiative was introduced by the IMF and World Bank to provide debt relief to a number of poor countries that met certain criteria. The country must undertake a new structural adjustment programme (SAP) for 6 years and at the end of the third year its creditors analyse the country's ability to continue to meet its debt servicing obligations while continuing to grow. If they believe that the country cannot do both, then debt relief may be recommended, to the point where the debt payments again become "sustainable." The main criticisms that have been made of the HIPC initiative are that the goal of debt "sustainability" is unethical since so many countries acquired their debts under illegitimate political regimes, that the 6-year time-line is too long when debt relief is urgently needed, and that the onerous conditions of the SAPs force countries to adopt inappropriate economic policies.

Intellectual Property Rights

Intellectual property rights, referred to in trade agreements as TRIPS (Trade Related Intellectual Property) are those mechanisms like patents, trademarks and copyrights that protect rights to inventions and discoveries. In recent years, they have been added to the agenda of international trade agreements with the aim of strengthening the protection accorded to such rights in all countries. The way in which TRIPS have been defined in trade agreements has been a matter of grave concern to many southern countries and indigenous peoples, for they introduce the possibility that indigenous traditions or local plants (that may have been used for generations) can be patented by multinational corporations. As well, the possibility of adapting technologies to meet local needs may be undermined by TRIPS.

International Financial Institutions (IFIs)

Established 56 years ago at Bretton Woods, the International Monetary Fund and the World Bank, together with the regional development banks that followed, are collectively known as international financial institutions. The IFIs promote open economies, global competition, free trade and corporate enterprise – they normally expect any country that borrows from them to do the same.

International Labour Organization (ILO)

The ILO was created in 1919 and predates the UN – today it is a UN agency that encourages each country to adopt internationally recognised human and labour rights. Its structure is unique among UN organisations since its membership is comprised of representatives of governments, employers and labour.

International Monetary Fund (IMF)

Founded in 1944, the IMF's original role was to create and regulate the new exchange rate regime for the post-WWII economy. The IMF was designed to provide short-term financial assistance to member countries with temporary balance of payment deficits in the hope that the countries would not resort to devaluation or protectionist tariffs. Unlike the World Bank, the IMF's resources were never supposed to be used to promote development objectives. When countries amassed huge foreign debts in the late 1970s and early 1980s and were no longer able to pay their creditors, the IMF stepped in as the 'lender of last resort.' As a condition for receiving new loans, the IMF insisted that the countries that were to receive such assistance undertake drastic economic restructuring programmes that are usually called structural adjustment programmes (SAPs). In many countries, particularly those in Africa and the Caribbean, the IMF became de facto resident manager of economic and financial affairs.

Maquilas

Maquila is the short form of the word "maquiladora." It was originally associated with the process of milling. In Mexico the maquila came to describe the assembly of imported component parts for re-export. The maquilas of Mexico began as a border phenomenon over 30 years ago. With the support of the Mexican government, US firms set up assembly plants on the Mexican side of the border. They were allowed to import components and raw materials duty free and re-export the finished product to the US.

Further incentives were low wages and a lack of environmental or labour regulations. Now maquilas are in many parts of Mexico and Central America, employing mostly young women who are often subjected to abysmal working conditions. Products produced include apparel, electronic goods, and automotive parts.

Multilateral Agreement on Investment (MAI)

The MAI was designed as a package of trade and investment rights for transnational corporations and investors. Under the MAI, governments would have been restricted in the ways in which they could regulate corporations, and specifically their environmental practices, domestic content, employment equity and practices, and domestic organisation of production. All companies were to receive 'national treatment,' making it difficult to encourage regional investment, local sourcing or other economic policies that might be seen to be desirable in the domestic economy. The MAI was proposed at the OECD and then at the WTO but rejected at both. Business leaders still would like to see the agreement in place. The European Union, Japan and Canada have also been proponents.

North American Free Trade Agreement (NAFTA)

The North American Free Trade Agreement was a trade agreement involving Canada, the United States and Mexico. It came into effect in January 1994. In addition to the trade and tariff provisions, it includes investment provisions (and indeed those served as the model for the MAI) and side-agreements on labour rights and environmental standards that most proponents and critics would agree are very weak.

Neo-liberalism

Neo-liberalism is an ideology that believes that the most appropriate role for governments is to encourage a stronger reliance on market forces and private initiatives in the allocation of income and wealth. As such, it encourages privatisation of state enterprises, deregulation of investment and trade, a strong anti-union drive, lower tax rates and cuts to social programmes such as health, education and welfare. Its monetary policies are based on monetarist principles that encourage central banks to keep inflation down through high interest rates. The basic principles that guide the behaviour of the IMF, the World Bank, NAFTA and the WTO are neo-liberal principles.

Organisation of American States (OAS)

The OAS is a body representing all countries in North, Central and South America and the Caribbean except Cuba. Originally, it was closely associated with US power in the region – Canada refused to join until 1990 in part for that very reason. The OAS is now charged with overseeing negotiations on 27 non-trade issues in the FTAA including poverty, drug control and democracy. Canada hosted the June 2000 OAS meeting in Windsor, Ontario.

Organisation for Economic Co-operation and Development (OECD)

The OECD is a grouping of the most industrialised nations and is sometimes referred to as the "rich nations club." Member countries most often see it as an arena to discuss and co-ordinate economic and social policy, although recently it was the site of the MAI negotiations. The only criteria for membership, beyond acceptance by the other member countries, is a commitment to a market economy and to 'pluralist democracy.' All Western European countries, Canada and the US, Japan, Australia and New Zealand have long been members. During the 1990s, Korea, Poland, the Czech Republic and Mexico joined.

Partnership

The United Church defines partnership as a "means of becoming involved with others in God's mission for wholeness of life especially on behalf of the poor and powerless. Partnership brings people together in community for mutual empowerment through the sharing of gifts, recognised as gifts freely given by God for the benefit of all, not possessions which some may control....We recognise the need for mutual accountability, for respect, trust, forgiveness, and persistent love and the need to be ever-conscious of the covenant we share with all those who share with us in God's covenant" (from "Seeking to Understand 'Partnership' for God's Mission Today," a statement of The United Church of Canada approved by the 32nd General Council, August 1988).

People's Summit of the Americas

The People's Summit of the Americas was a meeting of civil society organisations originating from throughout the hemisphere that ran as a 'parallel' meeting to the second official Summit of the Americas in Santiago, Chile, in 1998. The groups met to discuss common approaches to trade, democracy, environment, poverty, land and other issues of interest and to draw the attention of the government leaders to key issues for civil society that were not on the official agenda.

Social Clause

A social clause is a legal clause that is inserted into the text of a trade agreement and therefore adds social criteria (minimum provisions for human rights or environmental responsibility) to the trade liberalisation criteria of the agreement.

Privatisation

The process in which activities or programmes are moved into the realm of the private sector, such that the accumulation of wealth or profit from these activities is also passed into the hands of private economic actors. Neo-liberal ideology holds that the private sector is the most efficient provider of virtually all goods and services and therefore that the public sector should divest itself of as many activities as possible that might be provided by the private sector. It also holds that privatisation is a necessary cost-saving measure for government (if the enterprise is subsidised), or a way to raise government revenue (if the enterprise is profitable). Social scientists have suggested that privatisation is, in effect, the privatisation of gains (profits) and a socialisation of losses (for example, debts, cuts to services). They also note that it may be socially desirable for some goods to be produced according to socially determined criteria rather than market criteria.

Resource Sharing

"Resource sharing acknowledges that all are called to participate in God's mission. Resources must be shared to enable that mission to take place. We uphold the just sharing of resources, recognising their variety (human, financial, material) and that we alone do not control the resources we have for God's mission. The UCC is one partner among many in God's mission in the world. We are committed to applying the Ecumenical Sharing of Resources Guidelines of the World Council of Churches" (from the DWO document "Gender Justice and Partnership Guidelines," 1998).

Structural Adjustment Programmes (SAPs)

Structural adjustment programmes refer to a package of policy prescriptions recommended by international financial institutions (IFIs), and specifically the IMF, to ensure that debtor nations prioritise paying back their foreign debts. SAPs permit debtor countries to receive new loans at lower interest rates or longer repayment periods in order to repay private sector creditors and reduce their payments to manageable levels. In exchange, they must adopt some or all of the following policy conditions: raising interest rates, cutting government spending, privatising public-sector firms, cutting public sector employment levels, wages, and levels of service, introducing 'user fees' and other cost-recovery measures, reducing government regulation of industry, removing barriers to trade and encouraging foreign investment. Market criteria, rather than social or developmental criteria, predominate in this model (see Appendix F).

Social Agenda

A collection of social rights, measures and standards that civil society groups see as desirable issues for international discussion, in addition to or instead of the 'trade agenda.'

Social Charter

Similar to a social clause in that it is a legal clause outlining basic worker, democratic and human rights and environmental responsibility, a social charter typically refers to a stand-alone international agreement rather than one attached to a specific trade agreement. The aim of a social charter is to commit the countries involved to a minimum floor of rights, standards or both so that no country tries to become more competitive in international trade by reducing such rights and standards.

Systemic Justice

“Systemic justice works for the transformation of the systems and organisations which structure our communities. Injustice is organised, institutionalised and systemic. But social, cultural, political and economic systems can be changed so that no groups or individuals have unfair advantages over others. The struggle for systemic justice calls us to continually challenge power structures so that all people are enabled to control and transform the conditions of their lives” (from Division of World Outreach document “Gender Justice and Partnership Guidelines,” 1998).

Tobin Tax

The so-called Tobin Tax is a proposal to levy a small tax on each sale and purchase of foreign currency. The purpose is to reduce currency and other short-term international speculative investments that can destabilise economies. A secondary purpose is to raise funds that might be put to development purposes (see Appendix D).

Trade Related Intellectual Property (TRIPS)

See Intellectual Property Rights.

Trade Sanctions

Trade sanctions are deliberate measures undertaken by one or more governments to restrict trade with another country in order to punish that country. Trade sanctions may be 'political' (as they were against South Africa under the apartheid regime) or they may be a means to punish a state that violates a tenet of an international trade agreement.

Transatlantic Economic Partnership (TEP)

In the wake of the initial defeat of the MAI at the OECD and then the WTO, the US and European transnationals have pressured governments on both sides of the Atlantic to negotiate a transatlantic free trade deal called the Transatlantic Economic Partnership (TEP). Similar to the MAI, it seeks to restrict the ability of member governments and local authorities to regulate or protect in the economic, social, cultural and environmental spheres.

Transnational Corporations (TNCs)

Transnational corporations are corporations that operate in at least one other country beyond their country of origin. Many are extremely large economic enterprises – often larger than the economies of many countries – and collectively TNCs control more than 70 percent of global trade (see Appendix E).

Uruguay Round

The Uruguay Round was the most recently completed round of GATT negotiations that began in 1986. The Uruguay Round introduced new trade-related issues onto the multilateral agenda including trade in services, protections for intellectual property rights and further protections for investment capital. The Round further introduced a new, more liberalised trade regime for agricultural products. The WTO was agreed to at the end of the negotiations in 1994 and succeeded the GATT in 1995.

World Bank

The World Bank, together with the IMF, was founded in 1944 at Bretton Woods and is known as one of the International Financial Institutions (IFIs). The World Bank was originally designed to help with post-war reconstruction in Europe, then shifted its attention to the Third World where it has taken on a central role in pushing neo-liberal reforms. The World Bank provides financing (loans) for infrastructure projects and gives grants or low interest loans to the poorest countries for development initiatives. Often World Bank grant monies are used to service the debt from the infrastructure loans.

World Trade Organization (WTO)

The World Trade Organization is an institution that governs international trade and negotiation, and a body of law that contains and administers legal agreements on how countries should conduct international trade. The WTO has the power to enforce inter-state trade agreements. If a member country should bring a complaint against another member, the WTO secretariat can investigate, adjudicate and apply a penalty

against the offending country. The WTO was established January 1, 1995 as a result of the Uruguay Round of GATT negotiations (see Appendix G).

RESOLUTION NO. ____

- Title:** Economic Justice, a Gospel Imperative
- From:** Division of World Outreach
- Financial Implications:** The production and dissemination of the document *To Seek Justice & Resist Evil: Towards a Global Economy for All God's People* plus any accompanying educational resource materials to be developed will require budget allocations for production, distribution, programming (animation), and co-ordination.
- Sources of Funding:** The capacity for follow-up exists within current programme portfolios and committee structures, and in particular, within the current Education for Engagement cluster of the Division of World Outreach. As a priority, budget allocations for resource production, animation and advocacy can be included within the regular cost centres of the work of the current Division of World Outreach - even taking into consideration likely reductions in budgets over the coming period.

WHEREAS The United Church of Canada has a long history of critiquing unrestrained capitalism and advocating a humane and just economic system; and

WHEREAS the 30th General Council affirmed that the Kingdom of God manifests itself in our history through the pursuit of justice and right relations among people; and

WHEREAS The United Church of Canada is a member of other ecumenical bodies which have called for faith and action responses to global economic injustice; and

WHEREAS The United Church of Canada's "A New Creed," assuring us that "we are not alone," calls us "to seek justice and resist evil" and "to live with respect in creation;" and

WHEREAS we believe that God's Spirit is at work in the world calling us to Jubilee;

THEREFORE BE IT RESOLVED that the 37th General Council

1. affirm that global economic justice is essential to the integrity of our faith in God and our discipleship as Christians;
2. confess that the current system of unrestrained global market capitalism, as described in *To Seek Justice & Resist Evil*, constitutes a false god which demands sacrifice of humans and the Earth for the sake of profit and competitiveness, and is thus a sin against God, against our neighbour, and against creation; and
3. call The United Church of Canada and all its members to acknowledge that we live within this global market system and to confess that as consumers, investors, employers and workers, we both benefit from its achievements and are complicit in its abuses.
4. call members of The United Church of Canada to join in reflection and action toward economic justice for all God's people as a matter of faith, challenging economic policies, institutions, systems and relationships that destroy human well-being and the integrity of creation.

RESOLUTION NO. ____

- Title:** Reaffirmation of Partnership as the model for long-term global relationships
- From:** Division of World Outreach
- Financial Implications:** The implication of affirming the partnership principles is that financial transfers to partners in the form of grants would continue to be a priority within the overall budget of the global work of the United Church. The principles of global partnership outline the theological imperative to share resources with the South, but do not preclude changes or reductions to actual transfers within the context of changing realities.
- Sources of Funding:** Financial support to global partners remains a priority of the Division of World Outreach in its budget allocation process.

WHEREAS the 32nd General Council endorsed the statement “Seeking to Understand Partnership for God’s Mission Today” which outlined the principles of global partnership framing long-term organisational relationships of mutual solidarity and accompaniment in favour of life and justice for all God’s people and all creation,

THEREFORE BE IT RESOLVED that the 37th General Council reaffirms and supports the centrality of global partnership as central to the global economic justice work of The United Church of Canada.

RESOLUTION NO. ____

Title: Continued Commitment to Working Ecumenically for Global Justice

From: Division of World Outreach

Financial Implications: The commitment to work ecumenically requires sustaining funding for this work. The United Church has lived out this commitment primarily through support to the Canadian ecumenical inter-church coalitions, but also within international ecumenical fora such as the World Council of Churches. Although it is assumed that there will be changes in the Canadian ecumenical coalitions over the coming years (due in large part to forces external to The United Church of Canada), the need for financial support from the United Church is not expected to diminish. In the event of severe overall budget reductions, the Division of World Outreach has suggested that ecumenical work should not be reduced disproportionately, but remain a core priority of the budget of the Division of World Outreach. The full implementation of all the resolutions for actions contained within this document requires healthy and vibrant ecumenical bodies in Canada.

Sources of Funding: Support to ecumenical global justice work should remain a priority within the budget of the Division of World Outreach. In a context of budget cuts, this will mean maintaining funding for ecumenical work, or not reducing such funding in a proportion greater than cuts to denominational programmes.

WHEREAS The United Church of Canada has for strategic and theological reasons given priority to working ecumenically on justice issues; and

WHEREAS the Canadian ecumenical global justice coalitions have acted commendably in witness for our faith in many complex ways to advance the cause of global economic justice and human rights, and have included: TEN DAYS for Global Justice, the Ecumenical Coalition for Economic Justice (ECEJ), the Inter-Church Coalition on Africa (ICCAF), the Canada Asia Working Group (CAWG), the Inter-Church Committee on Human Rights in Latin America (ICCHRLA), Inter-Church Action for Development (ICA), the Taskforce on the Churches and Corporate Responsibility (TCCR), and the Canadian Ecumenical Jubilee Initiative (CEJI).

THEREFORE BE IT RESOLVED that the 37th General Council commend the work that has been done for global economic justice and human rights by the Canadian ecumenical coalitions; and

BE IT FURTHER RESOLVED that The United Church of Canada make an on-going commitment to working ecumenically on global justice issues.

RESOLUTION NO. ____

Title: Gender Justice

From: Division of World Outreach

Financial Implications: There will be costs associated with production, distribution, animation and co-ordination of follow-up to the Gender Justice Guidelines approved by the Annual General Meeting of the Division of World Outreach in February 1998. These costs fall within the parameter of existing programme priorities for the Division of World Outreach.

Sources of Funding: Follow-up for gender justice work is currently budgeted as core programming within the budget of the Division of World Outreach.

WHEREAS the 1984 General Council recognised sexism as a form of oppression that exists in church and society; that sexism functions to discriminate against women; that sexism is evil and contrary to the intention of God for creation; that other forms of oppression will not be eradicated until sexism is eliminated; and that to work against the evil of sexism is to enter more fully into the process of transformation and therefore to act more faithfully as the people of God; and

WHEREAS the global free market system has a particularly negative effect on the lives of women and children; and

WHEREAS the church is committed to the vision of and follow-up to the World Council of Churches Ecumenical Decade of Churches in Solidarity with Women in Church and Society;

THEREFORE BE IT RESOLVED that the 37th General Council affirms its support for work on gender justice in relation to global economic justice, with reference to the Gender Justice Guidelines produced by the Division of World Outreach (1998).

RESOLUTION NO. ____

Title: Ethical Investment

From: Division of World Outreach

Financial Implications: Depending on the extent of the task completed by the Moderator's Consultation on Faith and the Economy, the financial implications for additional work in relation to this resolution might include costs for staffing, producing and disseminating the product (guidelines), and advocacy and monitoring to ensure compliance.

Sources of Funding: The Division of World Outreach will prioritise funding for work assigned to it for follow-up.

WHEREAS The United Church of Canada has an ethical investment policy which screens against investment in alcohol, military products or tobacco products; and

WHEREAS the Moderator's Consultation on Faith and the Economy identified ethical investing as an issue of importance to The United Church of Canada and allocated resources to investigating policy options and ethical investment guidelines appropriate to the United Church,

THEREFORE BE IT RESOLVED that the 37th General Council

1. authorise a task group involving the Divisions of Finance, World Outreach and Mission in Canada to build on the work initiated by the Moderator's Consultation on Faith and the Economy to respond to the ethical issues related to the impact of investment on the lives of people around the world, by examining further aspects of ethical investment (beyond alcohol, military and tobacco prohibitions) in relation to church investments and investment policy, and report with recommendations to the Executive of the General Council no later than December 2001; and
2. request that this task group ensure there is an instrument for ethical evaluation of investments made available to all United Church members, congregations and related organisations

RESOLUTION NO. ____

- Title:** Fairly Traded Products
- From:** Division of World Outreach
- Financial Implications:** The purchase and use of fairly traded products (coffee, for example), may cost more than other products. Further, the promotion of fair trade across the United Church constituency depends on on-going support to TEN DAYS and/or other ecumenical coalitions or bodies.
- Sources of Funding:** The additional costs associated with purchasing fairly traded products within General Council and all United Church offices are minimal and could be managed within existing budgets. Support to ecumenical global justice work should remain a priority within the budget of the Division of World Outreach. In a context of budget cuts, this will mean maintaining funding for ecumenical work, or not reducing such funding in a proportion greater than cuts to denominational programmes.

WHEREAS The United Church of Canada has supported and participated in campaigns to build awareness among church constituency and the broader Canadian public on issues related to fair trade and the purchase and use of fairly trade products though TEN DAYS for Global Justice; and

WHEREAS the Executive of the General Council of The United Church of Canada has recognised the importance of concrete actions in support of fair trade goals, and the General Council offices have been purchasing and using fairly traded coffee since September 1999;

THEREFORE BE IT RESOLVED that the 37th General Council

1. urge members and all Courts and related organisations of The United Church of Canada to support fair trade through the purchase and use of fairly traded products; and
2. through support educational and advocacy initiatives of TEN DAYS for Global Justice and/or other ecumenical bodies, urge members and Congregations to participate in awareness raising programmes and advocacy activities related to fair trade/fair wages.

RESOLUTION NO. ____

Title: Unregulated Speculative Capital and Tobin Tax

From: Division of World Outreach

Financial Implications: Implementation of this resolution depends on continued support to the Ecumenical Coalition for Economic Justice (ECEJ) and/or another ecumenical global justice body undertaking work related to the regulation of speculative capital. The commitment to work ecumenically requires that the United Church, through the Division of World Outreach, sustain funding for this ecumenical work. Although it is assumed that there will be changes in the Canadian ecumenical coalitions over the coming years, the need for financial support from the United Church is not expected to diminish.

Sources of Funding: Support to ecumenical global justice work should remain a priority within the budget of the Division of World Outreach. In a context of budget cuts, this will mean maintaining funding or not reducing funding for ecumenical global justice work in a proportion greater than cuts to denominational programmes.

WHEREAS The United Church of Canada has long critiqued unregulated capitalism which enshrines private gain over public benefit, as evidenced in policy statements dating back to 1950: "The axioms and postulates of laissez-faire are anti-Christian, and lead in the direction, not of democracy, but of managerial dictatorship;" and

WHEREAS the 34th General Council called for the reform of the tax system to tax more fairly wealth, inheritance and capital gains, close corporate and individual loop-holes and clamp down on corporate and individual tax cheaters; and

WHEREAS speculative short term capital movements have a profoundly destabilising effect on national economies, particularly those of vulnerable low and middle income countries; and

WHEREAS on March 23, 1999, the House of Commons supported a resolution calling on the Canadian government "to enact a tax on financial transactions in concert with the world community," often referred to as the "Tobin Tax," and

WHEREAS capital controls, particularly on short term flows of capital, enable countries to control the pace and content of these flows and to insulate themselves from their volatility; and

WHEREAS the Ecumenical Coalition for Economic Justice (ECEJ) has acted on behalf of Canadian churches in studying and advocating methods, including the Tobin Tax, which would counteract currency speculation;

THEREFORE BE IT RESOLVED that the 37th General Council commit The United Church of Canada, through its ongoing relationship with ECEJ and other coalitions,

1. to encourage and support advocacy for the establishment of a tax on all foreign exchange transactions with a view to deterring destabilising short-term capital movement; and
2. to encourage and support advocacy vis-à-vis the Canadian government so that the Government of Canada actively supports the legitimacy of capital controls as a policy tool and, in particular, opposes leaving the International Monetary Fund with the authority to compel member countries to lift restrictions on capital account transactions.

RESOLUTION NO. ____

Title: Re-regulation of Transnational Corporations

From: Division of World Outreach

Financial Implications: Implementation of this resolution depends on continued support to the Ecumenical Coalition for Economic Justice (ECEJ), the Taskforce on Churches and Corporate Responsibility (TCCR) and/or other ecumenical global justice bodies which undertake work related to the re-regulation of transnational capital. The commitment to work ecumenically requires that the United Church, through the Division of World Outreach, sustain funding for this ecumenical work. Although it is assumed that there will be changes in the Canadian ecumenical coalitions over the coming years, the need for financial support from the United Church for ecumenical work is not expected to diminish. In the event of severe overall budget reductions, the Division of World Outreach has suggested that support to ecumenical work within the DWO budget should not be reduced disproportionately, but remain a core priority of the global work.

Sources of Funding: Support to ecumenical global justice work should remain a priority within the budget of the Division of World Outreach. In a context of budget cuts, this will mean maintaining funding for ecumenical global justice work or not reducing such funding in a proportion greater than cuts to denominational programmes.

WHEREAS the deregulation of global trade has given transnational corporations unprecedented influence over public policy and has limited the ability of governments to establish economic policies which reflect national development priorities; and

WHEREAS The United Church of Canada has long critiqued unregulated capitalism which enshrines the primacy of private gains over public benefit; and

WHEREAS the Multilateral Agreement on Investment (MAI), which would have guaranteed hitherto unparalleled de-regulation of transnational capital, was not passed within the Organisation of Economic Co-operation and Development (OECD) in large part because of mass mobilisation of citizens' groups across North America; and

WHEREAS although the MAI was not passed as a uniform agreement to guarantee free operation of transnational corporations, the key elements of the MAI are being raised again in current international trade discussions,

THEREFORE BE IT RESOLVED that the 37th General Council approve that The United Church of Canada, through its ongoing work with ecumenical coalitions such as the Taskforce on the Churches and Corporate Responsibility (TCCR), the Ecumenical Coalition for Economic Justice (ECEJ) and/or other ecumenical bodies, encourage and support investigation of specific policy alternatives aimed at giving more power to governments to legislate the accountability of transnational corporations.

RESOLUTION NO. ____

Title: Foreign Debt, International Financial Institutions and Structural Adjustment Programmes

From: Division of World Outreach

Financial Implications: Implementation of this resolution depends on continued support to the Canadian ecumenical bodies working on debt cancellation. The commitment to work ecumenically requires that the United Church, through the Division of World Outreach, sustain funding for this ecumenical work. Although it is assumed that there will be changes in the Canadian ecumenical coalitions over the coming years, the need for financial support from the United Church is not expected to diminish. In the event of severe overall budget reductions, the Division of World Outreach has suggested that ecumenical work should remain a core priority within its budget.

Sources of Funding: Support to ecumenical global justice work should remain a priority within the budget of the Division of World Outreach. In a context of budget cuts, this will mean maintaining funding for ecumenical global justice work with the DWO budget, or not reducing funding in a proportion greater than cuts to denominational programmes.

WHEREAS The United Church of Canada, both denominationally and ecumenically, has advocated for more than a decade for debt cancellation for low-income countries and for an end to the imposition of “structural adjustment programmes” (SAPs) as a condition of debt relief; and

WHEREAS the Canadian Ecumenical Jubilee Initiative, building on past work by the Canadian churches and church coalitions, and in concert with Jubilee movements around the world, has positively influenced the Canadian government position on debt relief and has also had an impact on the policies of the key multilateral creditors, the International Monetary Fund and the World Bank, such that there have recently been some significant steps taken toward debt relief; and

WHEREAS the Canadian Government announced in its March 2000 budget, 100% cancellation of bilateral debts for countries in the Highly Indebted Poor Countries Initiative (HIPC) which represents an improvement over debt cancellation measures announced in 1999, but is still a far cry from being an adequate response to the burden and injustice of the debts carried by low-income countries; and

WHEREAS resolutions passed at General Council 34 and General Council 36 called for The United Church of Canada to maintain pressure on the Canadian government for concerted action on Third World debt, especially as a strategy to address child labour in the Third World;

THEREFORE BE IT RESOLVED that the 37th General Council

1. urge United Church members and Congregations to continue support for and participation in ecumenical campaigns calling for debt cancellation and the withdrawal of structural adjustment programmes as a condition of debt relief; and
2. through its participation in the Canadian Ecumenical Jubilee Initiative and other on-going coalition work, support advocacy urging the Government of Canada to:
 - cease imposing structural adjustment programmes as a condition of debt relief;
 - ensure that other aspects of Canada’s relations with countries receiving debt relief (e.g. trade, investment) are consistent with poverty reduction goals;
 - advocate in international fora for: (i) the creation of an international insolvency tribunal where debtor nations can have unpayable debts written down or written off; (ii) establishment of an international mechanism for judging illegitimate and odious debts; (iii) mechanisms to ensure meaningful participation of local civil society organisations in all

negotiations relating to debt relief, especially with regard to ensuring that resources are directed at meeting the needs of the poor; and (iv) debt relief for middle-income countries.

RESOLUTION NO. ____

Title: Impact of Trade Agreements

From: Division of World Outreach

Financial Implications: Implementation of this resolution will require continued support to the Canadian ecumenical coalitions which undertake work related to the impact of trade agreements and the promotion of alternatives. The commitment to work ecumenically requires that the United Church, through the Division of World Outreach, sustain funding for this ecumenical work. Although it is assumed that there will be changes in the Canadian ecumenical coalitions over the coming years, the need for financial support from the United Church is not expected to diminish. In the event of severe overall budget reductions, the Division of World Outreach has suggested that ecumenical work should not be reduced disproportionately, but remain a core priority of the DWO budget.

The full implementation of this resolution requires not only the on-going work of ecumenical coalitions, but also maintaining key linkages with non-church non-government coalitions and working groups such as Common Frontiers. Participation and involvement in other non-government coalitions and networks requires membership fees and contributions to programming budgets as possible.

Sources of Funding: Support to ecumenical global justice work should remain a priority of the budget of the Division of World Outreach. In a context of budget cuts, this will mean maintaining funding for ecumenical global justice work within the DWO budget, or not reducing funding in a proportion greater than cuts to denominational work.

WHEREAS international trade agreements often ignore the rights and welfare of poor people, the need for nations to be able to act in their people's best interest, and the need for ecological sustainability; and

WHEREAS "Alternatives for the Americas," a statement prepared at an April 1998 Peoples' Summit of the Americas* in Chile, has outlined globally applicable principles that provide ethical, people-centred alternatives to the market-centred approach;

THEREFORE BE IT RESOLVED that the 37th General Council

1. commit The United Church of Canada, through its ongoing work with coalitions, support advocacy urging the Government of Canada to include the following principles drawn from "Alternatives for the Americas" in all trade negotiations:
 - 1a:** Democracy and participation: Citizens should actively participate in the formulation, implementation and evaluation of any trade agreements.
 - 1b:** Sovereignty and social welfare: Individual countries should maintain the power to take care of their citizens in the short and long term.
 - 1c:** Reduce inequalities: All agreements should contain measures to reduce inequalities within and among nations, between men and women, and among races.
 - 1d:** Sustainability: Trade agreements should give priority to the quality of development, which implies establishing social and environmental limits to growth; and
2. support and encourage ecumenical global justice work to evaluate the impact of the "Uruguay Round" of trade negotiations on low income countries and to continue to monitor developments within the World Trade Organisation.

* In April 1998, more than 1000 people from different sectors and organisations throughout the Americas rejected "free" trade, deregulation and privatisation. A short booklet called Alternatives for the Americas: Building a Peoples' Hemisphere Agreement came out of the meetings and is available at www.web.net/comfront.

RESOLUTION NO. ____

Title: Study and Implementation

From: Division of World Outreach

Financial Implications: The production and dissemination of the document *To Seek Justice & Resist Evil: Towards a Global Economy for All God's People* plus any accompanying educational resource materials to be developed will require budget allocations for production, distribution, programming (animation), and co-ordination.

Sources of Funding: The capacity for follow-up exists within current programme portfolios and committee structures, and in particular, within the current Education for Engagement cluster of the Division of World Outreach. As a priority, budget allocations for resource production, animation and advocacy would be included within the regular cost centres of the work of the current Division of World Outreach - even taking into consideration likely reductions in budgets over the coming period.

BE IT RESOLVED that the 37th General Council

1. receive *To Seek Justice & Resist Evil* and recommend it for study and implementation in all spheres of the church's life, including congregations, church courts, divisions and councils; and
2. instruct the Division of World Outreach to develop appropriate educational materials for this purpose, drawing on relevant resource materials already produced by the ecumenical coalitions.

RESOLUTION NO. ____

Title: Accountability and Follow-up

From: Division of World Outreach

Financial Implications: There are no significant financial implications to the implementation of this resolution.

Sources of Funding: N/A

BE IT RESOLVED that the 37th General Council instruct the Divisions of World Outreach and Mission in Canada to report on the implementation of the recommendations at the 38th General Council with annual progress reports to the Executive of the General Council.

TO SEEK JUSTICE & RESIST EVIL: TOWARDS A GLOBAL ECONOMY FOR ALL GOD'S PEOPLE

APPENDICES

- A. Seeking to Understand "Partnership" for God's Mission Today, Statement of The United Church of Canada approved by the 32nd General Council

- B. List of Ecumenical Coalitions

- C. Gender Justice and Partnership Guidelines, approved at the Annual General Meeting of the Division of World Outreach February 1998

- D. Backgrounder - Tobin Tax

- E. Backgrounder - Re-Regulation of Transnational Corporations (TNCs)

- F. Backgrounder - Foreign Debt, International Financial Institutions and Structural Adjustment Programmes (SAPs)

- G. Backgrounder - Trade Agreements and the World Trade Organisation (WTO)

APPENDIX A

Seeking to Understand "Partnership" for God's Mission Today

Statement of The United Church of Canada
Approved by the 32nd General Council

Over the years The United Church of Canada's involvement in overseas mission has undergone many changes. The process continues. In the 19th century Canadians carried the gospel to people who had never heard it. Converts were made. Small Christian communities grew and became national churches in which national leadership was developed. The missionaries stepped aside taking roles in support of national leaders. In time, nationals assumed complete responsibility, and missionaries were invited fill assignments as determined by the national church.

Parallel changes have taken place in financial relationships. In the beginning financial support came entirely from the West. In many places, however, the goal of self-support was pursued almost from the beginning. Local congregations gradually achieved self-support and eventually most denominational structures also achieved this goal. Overseas funding became less and less critical to the on-going life of the churches. Today most overseas funding is for special programmes like theological education, pioneer evangelism, social service programmes or development programmes in poorer communities. Unfortunately, the negative effects of present economic structures ensure that this kind of special funding will continue to be necessary even while churches struggle to support their own internal life and work. This in brief is our history.

Given this situation, what are we in the United Church suggesting when we use the word "partner" to describe our relationship with the churches or agencies with whom we work? The term suggests some kind of equality of contribution to a common task. If that were the only definition the term would be inappropriate for the present. During the period in which nationals and missionaries shared leadership in newly emerging churches and overseas finance was still a critical component of the new churches' budget, it might have been appropriate, but is it today? To think of ourselves as full "partners" in the life and work of the churches with which we are associated overseas is presumptuous. It is our partners in Africa, Asia, the Caribbean and Latin America who make the witness, suffer the persecution, absorb the defeats and celebrate the victories of being faithful to Christ in those places. Our level of participation makes us junior partners at best.

In fact our partnership is not primarily in the life and work of our partners. It is rather a partnership with them in God's mission. As Jose Chipenda reminded us at our Division's 1987 Annual Meeting, the mission is God's. We and our partners are called to work together in God's mission. We believe that God has given primary responsibility for mission in any particular place to the people of that place, but not all the gifts needed for the fulfilment of mission are necessarily to be found in that place. And so we believe God calls us to be in partnership one with another, so that we can contribute to one another the gifts we have to offer for mission. For some this understanding of mission makes the image of companion more helpful than partner as we journey together in God's mission in this ever more interdependent Global Village world.

If this is an accurate description, then we have a problem.. If we have some role in God's mission with our partners overseas, then is it not a natural corollary that they must have some role in partnership with us in God's mission in this country? We try to recognise this through our Mutuality in Mission programme, but how deeply this awareness permeated the thinking of United Church people? In particular, how conscious are people of our church's role as one partner among many in God's mission to the world? How many see the work of the Division of World Outreach as facilitating that kind of co-operation between partners? Many, unfortunately, still see the DWO as the Division with responsibility to carry out the United Church's mission to the rest of the world.

The United Church of Canada has been a supporter of the Ecumenical Sharing of Resources programme of the World Council of Churches. If this programme is to have any reality in the life of The United Church of Canada, the whole church must see itself as one partner among many needing to share its gifts and receive the gifts of others so that God's mission can be faithfully pursued. The DWO can facilitate the sharing of the gifts our church has to offer our partners, but until the whole United Church knows itself to be involved in a sharing process we will never be able to adequately facilitate the sharing of our partner's gifts within The United Church of Canada.

In keeping with the above understanding of partnership the Division has attempted to define the nature of the relationships it maintains with partners overseas.

Partnership means becoming involved with others in God's mission for wholeness of life especially on behalf of the poor and powerless. Partnership brings people together in community for mutual empowerment through the sharing of gifts, recognised as gifts freely given by God for the benefit of all, not possessions which some may control. We need the gifts our partners can share with us. They have gifts of spiritual and theological insight, of faithfulness in witness, the experience of costly discipleship. We acknowledge that these gifts carry a higher value in kingdom terms than some we offer. We give and receive all gifts in trust accepting whatever risk may be involved, believing they are of God and confident that our shared commitment to God's mission calls each of us to a common faithfulness in their use. We recognise the need for mutual accountability, for respect, trust, forgiveness and persistent love, and the need to be ever-conscious of the covenant we share with all those who share with us in God's covenant.

August 1988

APPENDIX B

The Inter-Church Coalitions

Justice issues in the wider world and in Canada are a major focus of the ecumenical coalitions that are supported by the Division of World Outreach. Each coalition offers educational programmes, action, advocacy and alternative perspectives on issues of justice and peace. Each has a different focus. All produce resources to help interested groups and individuals empower their communities for positive change. The following list of ecumenical inter-church coalitions includes those supported by the Division of World Outreach as well as those supported by the Division of Mission in Canada.

Aboriginal Rights Coalition (ARC)

Education and action on aboriginal justice
151 Laurier Ave. E.
Ottawa, ON K1N 6N8
Tel. (613) 235-9956
Fax: (613) 235-1302
e-mail: arc@istar.ca

Canada-Asia Working Group (CAWG)

A research, action and solidarity programme on human rights and justice issues in Asia
947 Queen St. E., Suite 213
Toronto, ON M4M 1J9
Tel. (416) 465-8826
Fax: (416) 463-5569
e-mail: cawg@web.net

Ecumenical Coalition for Economic Justice (ECEJ)

A research and political action programme for economic justice in Canada & the South
947 Queen St. E., Suite 208
Toronto, ON M4M 1J9
Tel: (416) 462-1613
Fax: (416) 463-5569
e-mail: ecej@accessv.com

Inter-Church Action for Development Relief and Justice (ICA)

An ecumenical coalition to facilitate action on international development and emergency response
947 Queen St. E., Suite 205
Toronto, ON M4M 1J9
Tel: (416) 461-3634
Fax: (416) 463-5569
e-mail: icact@web.net

Inter-Church Coalition on Africa (ICCAF)

An education and action programme on justice & development issues in Africa
129 St. Clair Ave. W., Suite 21
Toronto, ON M4V 1N5
Tel. (416) 927-1124
Fax: (416) 927-7554
e-mail: iccaf@web.net

Inter-Church Committee for Refugees (ICCR)

A research, education and action programme to promote justice for refugees in Canada

129 St. Clair Ave. W, Suite 26

Toronto, ON M4V 1N5

Tel: (416) 921-9967

Fax: (416) 921-3843

e-mail: iccr@web.net

www.web.net/~iccr

Inter-Church Committee on Human Rights in Latin America (ICCHRLA)

A research and action program on human rights in Latin America

129 St. Clair Ave. W, Suite 26

Toronto, ON M4V 1N5

Tel. (416) 921-0801

Fax: (416) 921-3843

e-mail: iccrhla@web.net

www.web.net/~iccrhla

P.L.U.R.A.

A funding program to aid local groups in overcoming poverty in Canada

Brenda Moody, Chairperson

12 – 412 Avenue B N

Saskatoon, SK S7L 1E4

Tel: 306-664-3933

Project Ploughshares

A research, action & advocacy programme on peace and disarmament issues

Conrad Grebel College

Waterloo, ON N2L 3G8

Tel: (519) 888-6541

Fax: (519) 885-0014

e-mail: plough@watserv1.uwaterloo.ca

Taskforce on the Churches and Corporate Responsibility (TCCR)

A research/action programme to aid member churches in promoting social responsibility of Canada-based corporations and financial institutions

129 St. Clair Ave. W., Suite 21

Toronto, ON M4V 1N5

Tel: (416) 923-1758

Fax: (416) 927-7554

e-mail: tccr@web.net

TEN DAYS for Global Justice

Inter-Church Committee for World Development Education

947 Queen St. E., Suite 201

Toronto, ON M4M 1J9

Tel: (416) 463-5312

Fax: (416) 463-5569

e-mail: tendays@web.net

APPENDIX C

GENDER JUSTICE AND PARTNERSHIP GUIDELINES

Division of World Outreach, The United Church of Canada, February 9 1998.

Gender Justice and Partnership Guidelines

*Act justly;
Love tenderly;
And walk humbly with your God.
[Micah 6:8]*

1.0 "Gender Justice and Partnership" is an approach that we must weave into all aspects of our work...

We work with women in the fields. They tell their stories of how hard they work, how hard it is to feed their children. Their husbands keep their earnings and spend it on liquor. Of the 27 members of the Women's Farmers Co-operative, one hundred percent were battered.
*Filipino Participant,
Aurora Conference**

We believe that the gift of Jesus Christ and the call of the Gospel is to honest, just and transparent relationships with God, with one another, and with creation.

Within the churches' responsibility to promote systemic justice, the struggle for gender justice is one of the most fundamental ways in which we seek to transform structures and systems in order to be faithful to God's vision for humanity and creation as revealed in the Gospel of Jesus Christ.

We live in a world broken by poverty, systemic and domestic violence and oppressive patriarchal structures. These realities, which are magnified by the effects of globalisation, take root even in our churches. Globally, the majority of people in the world are denied justice and access to decision-making and power, denying them the fullness of life. The injustices that result from this brokenness impact most heavily on women.

There are signs of hope in stories of survival, struggle, resistance and courage. We have experienced the initiative and creativity that women bring to this struggle for wholeness and life. These stories come from around the globe.

This is our *kairos* – the time to commit ourselves and to act for gender justice.

The *Every Woman with her Documents* campaign assists a rural woman in Brazil to create her own civil identity – to ensure her a named and secure place in her society; to be a full citizen.
*Brazilian Participant,
Aurora Conference*

2.0 We are...

The Division of World Outreach (DWO) of The United Church of Canada (UCC). Our mandate is to facilitate the involvement of the whole United Church of Canada in *global partnership*. By this we mean sharing in God's mission with partner churches and agencies in other parts of the world.

DWO work has four foci:

- Deepen our understanding of "partnership"
- Enable people-to-people exchanges
- Work on issues of systemic justice
- Integrate "partnerships" into the life of The United Church of Canada

We are committed to promoting the five aims of the *Ecumenical Decade of Churches in Solidarity with Women in Church and Society*:

- To empower women to challenge oppressive structures in the global community, their country and their church;
- To affirm, through shared leadership and decision making, the decisive contribution of women in churches and communities;
- To give visibility to women's perspectives and actions in the work and struggles for justice, peace and the integrity of creation;
- To enable the churches to free themselves from racism, sexism, and classism and from teachings and practices that discriminate against women;
- To encourage the churches to take action in solidarity with women.

We are also committed to applying the *Ecumenical Sharing of Resources Guidelines* of the World Council of Churches. Known as the *El Escorial* agreement (after the location of the meeting in El Escorial, Spain), the guidelines call participating churches to values that promote or contribute to:

- The justice, peace and integrity of creation;
- Shared decision-making;
- Sensitivity to different cultures;
- The importance of non-monetary resources that those without money bring to partnerships;
- The participation of women and youth in decision-making;
- The identification with the struggles of those who suffer from injustice;
- Work towards enabling self-reliance and self-determination in partners;
- Mutual accountability in the use of resources;
- Ecumenical sharing of resources at all levels (national, regional and international);
- Wholeness in mission.

A Community of Gifts...God calls us to be in partnership so that we can share the gifts each of us has with one another. These gifts are freely given by God for the benefit of all.
A Journey Together for Abundant Life, DWO 1997

3.0 We have a history...

Of challenging systems and structures that discriminate against women in church and society and of working toward the creation of an inclusive community.

As church (The United Church of Canada), some of the important milestones for us include:

- In 1936 The United Church of Canada ordained a woman for the first time. By 1995, women were 32% of the members of the Order of Ministry.
- In 1963, the UCC approved the recommendations of a report, *Married Women Working*. These included encouraging conferences and presbyteries to push the government to provide good, trustworthy day-care homes and day nurseries and to urge provincial governments to enact legislation giving women an adequate minimum wage and equal pay for equal work.
- In 1984 the UCC acknowledged that all sexism in language, in social and economic structures, and in attitudes is destructive to human dignity and opposed to the will of God. We confessed the church's complicity in sexism and committed ourselves to addressing sexism in church life and to stand in solidarity with those who confront sexism.
- In 1988 the UCC declared that sexual orientation, in and of itself, would not be a criterion for determining eligibility for ordination and commissioning.
- In 1988 the UCC embraced the goals of the World Council of Churches *Ecumenical Decade of the Churches in Solidarity with Women in Church and Society*.
- In 1992 the UCC approved a strongly worded new policy on sexual abuse and harassment.

As the Division of World Outreach, we have adopted a number of strategies and practices to address issues of systemic injustice toward women, while honouring long-standing partnerships.

Some of these strategies include:

- Listening carefully to the stories of women including both their struggles and hopes.
- Direct support to women's programs and organisations, as well as training programs for women.
- Ensuring some balance in receiving women as well as men from partner organisations when inviting partners to Canada.
- Seeking to employ women in all salary categories within DWO.
- Providing financial and logistical support for networking among women and for exchange visits of women throughout the world.

We confess that despite our history of challenging injustice, we continue to struggle with sexism within our own structures. Our journey toward wholeness, therefore, calls us to ongoing repentance and renewal. It challenges us to create policies and practices that promote the inclusion of

Sounding the Bamboo is a UCC bi-annual event for racial/ethnic minority (REM) women. REM women come together to open their hearts and minds, to share their experiences, to learn from one another and to celebrate their gifts of uniqueness. The conferences both acknowledge the beauty of difference and empower women to create change through solidarity. Their Mission Statement, "We, United Church Women from diverse racial ethno-cultures, congregate to affirm our faith and our ministries", indicates the commitment to affirming spirituality through different cultural heritages.

*Sounding the Bamboo III,
Ethnic Ministries Council,
1997*

Through the exchange with Connie Mabusela and Nangula Kathindi, we came to realize that the people "over there" are the people "over here". We really are partners together on a journey. The recognition of one another as part of a global family where we embrace each other's differences was our Emmaus Road. Resurrection happens when people meet face to face.

*Joan Cook,
Canadian participant in the*

*Newfoundland/Africa
exchange, summer, 1997*

Love, peace, justice, caring,
healing, grace and truth are
words we use daily. The
Decade's call is for churches
to live this out.

*Mercy Oduyoye,
"Who Will Roll the Stone
Away", WCC, 1990*

the marginalized, particularly women.

4.0 We are providing these Guidelines because ...

We believe it is important to articulate – in a clear and concise manner – what we feel are the basic principles and practices that should guide our work and witness as members of the universal church and as partners in God's mission.

Women and men around the world have challenged us to name our beliefs and to state our commitment, as expressed by the 35th General Council of The United Church of Canada, "... to continue journeying toward the *shalom* vision when men and women, girls and boys, live in justice and peace together."

We also believe that as the *Ecumenical Decade of Churches in Solidarity with Women in Church and Society* draws to a close,

the aims and accomplishments of this ten-year process need to be celebrated and carried forward in our work and mission.

We understand gender justice to be one aspect of a comprehensive understanding of justice in all human and institutional relationships – that gender justice is linked to issues of class, race, sexual orientation, age, ability, ecology, ethnicity and global economic justice – and that this subject needs to be addressed in that context.

5.0 These Guidelines ARE ...

- An articulation of how the DWO seeks to strengthen relationships with its Canadian and global partners, specifically in promoting gender justice.
- A resource to help the DWO engage in a dialogue with partners on how to develop goals and strategies that promote gender justice.
- A statement of the DWO understanding of and commitment to gender justice.
- A guide that encourages mutual accountability with which we can measure our progress toward ensuring gender justice.

6.0 These Guidelines ARE NOT ...

- A formal policy to be imposed on global partners.
- A rigid framework to define our beliefs and actions.
- A set of criteria to make funding decisions about existing partnerships.

7.0 These Guidelines will be used to ...

Provide direction for the staff and decision-making bodies of DWO. We also offer them as a resource for other groups within The United Church of Canada.

We also see these Guidelines as something that will provide a focus for dialogue with people and groups in Canada and overseas as we engage in the process of mutual discovery of what it means to be “partners” in the quest for gender justice.

Let us welcome the Spirit,
letting ourselves go in her wild
rhythm of life.
Chung Hyun Kyung

8.0 Our commitment to Gender Justice is rooted in our faith ...

We have seen and heard the harsh and oppressive reality facing women and girls the world over. This oppression is structural and systemic. It forms part of the system of domination that subjugates by class, race, age, ability, ethnicity, sexual orientation, geographic regions, and other factors. Violence on all levels destroys women’s lives.

In the destruction of the lives of the “Comfort Women” of World War II and millions of exploited Asian women today, we hear again the story of the murder of Jephtha’s daughter. In the clamour of the mothers and grandmothers of the Plaza del Mayo in Argentina, we hear Rachel still weeping for her children. In the enslavement of African women’s futures to foreign monetary powers, we remember the enslavement of the Hebrew women in Egypt. In the striving of the St. Columba House women (Montreal, Canada) against systems that deny their rights, we hear again Jesus’ story of the unjust judge and the widow’s struggle to receive justice.

Joy is our banquet.
Keri Whelander

In the face of this violence and oppression God stands with those who suffer and speaks a resounding “No” to structures and systems which destroy human lives and earth community. God calls us to a world of shalom, where justice prevails and peace flourishes.

We know that God requires of us “*to act justly, to love tenderly, and to walk humbly with our God*”. (Micah 6:8). In the dignity and resistance of women the world over, in their quest for justice, we are inspired by Hannah and Mary and the promise of the time when God will have:

“...brought down the powerful from their thrones, lifted up the lowly, filled the hungry with good things, and the rich sent empty away”. (Luke 1:52,53).

Therefore, within the churches’ responsibility to promote systemic justice, the struggle for gender justice is one of the most fundamental ways in which we seek to transform systems and structures. The church is called to this vision of radical justice as reflected in the World Council of Churches Unit IV (Sharing and Service) guidelines:

"The Church of Jesus Christ belongs to women and men. Our vision recognizes the full humanity of women together with men as people of God called to work for dignity and genuine community based on love, understanding and right relationships. It is a vision of restoring and enriching community and family/home life by enabling men and women to be an integral part of a whole. It also requires understanding of Biblical message through the eyes and experience of women and men in church and society."

"We need to uplift Jesus' relationship to women and men as a model and dare to become a community of men and women in equal partnership. Our different experiences and traditions can become a resource in this search for the full humanity of women and men and the renewal of creation. The church also needs to be involved as a healing community. In this context the participation of women in the different ministries of the church is something that empowers them rather than subordinates them; when women are empowered so is the whole community – friendships and inclusivity are reinforced as well."

Throughout history, the church has been enriched by the witness and leadership of women. However, the church has often failed to embrace the gift of community that is ours in Christ. It has used its power as an institution to control liturgy, the interpretation of scripture, and access to leadership roles to reinforce the oppression of women. We need to repent of the ways in which the church participates in and sustains patriarchal structures that suppress women and keep them from fully sharing their God-given gifts in community.

We believe that God's Spirit is alive and dynamic, sustaining those who struggle for justice and enabling transformation to occur. We trust that God is with all of us as we discern how to strengthen our work for gender justice.

9.0 *Our mandate and theological perspective give rise to certain principles and practices that we value and uphold...*

Partnership means becoming involved with others in God's mission for wholeness of life especially with those who suffer from systems of injustice. Partnership brings people together in community for mutual empowerment through the sharing of gifts. We believe that movement towards a more just, participatory society will be fostered through the building of relationships of respect, and the sharing of resources, experiences and values among people. We acknowledge the need for mutual accountability, trust, honesty, forgiveness and persistent love, which requires long-term commitments.

Resource Sharing acknowledges that all are called to participate in God's mission. Resources must be shared to enable that mission to take place. We uphold the just sharing of resources, recognising their variety (human, financial, material) and that we alone do not control the resources we have for God's mission. The UCC is one partner among many in God's mission in the world. We are committed to applying the Ecumenical Sharing of Resources Guidelines (El Escorial) of the World Council of Churches.

Systemic Justice works for the transformation of the systems and organisations which structure our communities. Injustice, at its heart, is organised, institutionalised and systemic. But social, cultural, political and economic systems can be changed so that no groups or individuals have unfair advantages over others. The struggle for systemic justice calls us to continually challenge fields of power so that all people are enabled to control and transform the conditions of their lives.

Empowerment/Capacity Building is about people taking control over their own lives, gaining skills, increasing self-confidence, solving problems and participating in decision making. The capacity to act in the face of systemic oppression is shaped, constrained and enabled by social structures. We believe that God works through people to build social movements of resistance to this oppression. We are committed to supporting the processes of change through which people and groups can address injustices, renegotiate power, and advance goals for a more just world.

Building Sustainable Communities offers the vision of healthy communities as the foundation of a just and peaceful world. This vision centres around the meaning of *shalom*, a biblical word which encompasses peace, shelter, well being, justice, harmony, healthy working environments and a stable ecosystem. To be concerned for healthy communities draws us into consideration of the neighbour and the question of who is included and who is excluded. We are committed to working for inclusive communities in which all people are welcome and diversity is celebrated.

Whole World Ecumenism yearns for the healing of creation. It calls the church beyond its traditional relationships to make common cause with people of good will throughout the world who are committed to compassion, peace and justice. This model of ecumenism returns the understanding of

We are working on empowerment strategies. Women do not want to be just a part of income earning projects but want to have control over their own income earning projects.
*Indian participant,
Aurora Conference*

oikoumene (the household of God) to that of the whole inhabited earth. In a world at risk, the church must both deepen its existing partnerships throughout the world and seek out new forms of relationship for the sake of the healing of God's creation.

10.0 The phrase "gender justice and partnership" has a specific meaning for us...

Gender

We use the word "**gender**" to define a concept that is fundamental to our understanding of human relationships.

"Gender refers to the roles that society defines for women and men, boys and girls. Sex roles, in contrast, refer to the biological function of being male and female. Gender roles are passed on by tradition, religious beliefs/interpretations and the value system of a community. They become institutionalised in social practices, ideas and relationships and become ingrained in the consciousness of both men and women. They are learned and therefore can be unlearned" (WCC).

An example of the difference between gender roles and sex roles is that women biologically can become pregnant, not men. On the other hand, a socially constructed role (gender role) is the idea, common to many cultures, that childcare is women's work. The fact that women give birth to children does not necessarily mean that they alone should take on the responsibility for childcare. Men, too, can be nurturing and take care of children as can be seen in the practice of some tribal societies.

Gender Justice

Simply defining what we mean by "gender" is not enough. We are conscious that gender roles are located within a larger system of power relations and that our commitment must be extended to include the struggle for "**gender justice**".

"Most often there is an imbalance of power in favour of men resulting from giving more opportunities to men and placing constraints on women. Discrimination against women is culturally entrenched and global." (WCC)

We understand "patriarchy" to be a violent system of domination in which women, children and creation are subordinate and in which men are granted privilege because they are men. Patriarchy has been perpetuated throughout human history through the institutionalization of domination in the social, cultural and religious practices of societies.

Patriarchy is legitimized through the media and political, legal, economic and education systems. Patriarchy is so complex, with its inter-playing factors of sex, gender, sexual orientation, class, age, ability, age, ethnicity, religion, that it encircles women and men in its exploitative, discriminatory and oppressive control. Patriarchy prevents both men and women from being fully human.

For twenty years the mothers and grandmothers of the disappeared have walked around the Plaza de Mayo. They began walking during the days of the dictatorship as a means of searching for their daughters and sons who had disappeared. After all this time they have not lost hope. They are a symbol of the search for justice – willing us to remember and also to work for change.
*Argentinean Participant,
Aurora Conference*

“Gender justice” analyzes relationships between men and women, particularly those relationships that are oppressive. It looks at how these relationships are affected by other factors, such as class, race, ethnicity and sexual orientation. The ultimate goal of gender justice is to support the creation (or strengthening) of transformative, non-oppressive relationships, which we believe to be expressive of the Reign of God.

I believe that limitless horizons lie before my daughter, not just a few traditional choices.
Rene Parmar

Partnership and Gender Justice

For us, *gender justice* cannot exist outside of our understanding of *partnership*. The DWO is committed to work at mutuality and equality in our relationships with partners. We acknowledge the power imbalance that results from unequal access to resources (especially financial resources) and therefore strive to relate to one another as people who have different but equally valuable gifts to share. We are committed to the struggle to redress existing power imbalances in the world. Because we see gender injustice as something that exists in all cultures we want to be engaged with global partners in a mutual struggle to promote gender justice. We have much to learn about this problem that faces all of us, perhaps in different ways and to different degrees.

11.0 Weaving "Gender Justice and Partnership" into our work calls for a series of Commitments and Action Steps...

Keeping in mind the various initiatives and strategies that have already been launched, our commitments will be carried out in the following manner:

1.0 We commit ourselves to using our gender justice and partnership analysis as a "lens" through which we will examine and evaluate current and future educational programs, programs with a thematic foci and people to people programs of the Division of World Outreach, *through*:

- 1.1 Establishing a "Gender Justice Monitoring Committee" as a standing committee within DWO.
- 1.2 Developing a set of tools and resources, e.g. an evaluation tool/grid, that uses these *Gender Justice and Partnership Guidelines* to examine the work of DWO.

2.0 We commit ourselves to ensuring that human and financial resources explicitly support those who are socially, economically, geographically or culturally marginalized, particularly women, *through*:

- 2.1 Initiating in partner relationships the question of how gender justice and empowerment of women (of all ages) is being enabled through the partnership.
- 2.2 Providing appropriate resources so that staff with divisional representatives can make this conversation a priority in intentional visits to partners.
- 2.3 Making it a priority to share resources in every country where

In Hebrew, this work is called ‘Tikkun Olam’ – repairing the world. Rabbinic tradition states that the work is not ours to finish, but neither are we free to take no part in it.
*Canadian Participant,
 Aurora Conference*

partnerships exist to support programs and initiatives aimed at the empowerment of women.

3.0 We commit ourselves to seek mutual engagement between DWO and partners on the commitments of Gender Justice and Partnership, **through:**

- 3.1 Sharing these Guidelines with global partners and inviting them to comment on both our gender analysis and our practice of doing gender justice.
- 3.2 Ensuring that our engagement with partners on gender justice is consistent with our understanding of partnership.
- 3.3 Specifically invite each partner to share with the DWO their current understanding and practice of gender justice, including tools and resources they have developed.
- 3.4 Offering, where appropriate, specific resources and contacts to support partners in their gender justice work.

4.0 We commit ourselves to facilitating linkages between women throughout the world particularly with and among partner churches and organisations, with a focus especially on marginalized women, **through:**

- 4.1 Providing logistical and financial resources to help link women on current thematic issues.
- 4.2 Ensuring gender justice in the allocation of scholarship resources.
- 4.3 Ensuring gender justice for the selection of overseas visitors to Canada and Canadian visitors overseas.

5.0 We commit ourselves to raising our gender justice analysis in the various groups and organisations to which the Division of World Outreach relates, **through:**

- 5.1 Distributing these Guidelines to all committees, groups and organisations to which DWO relates.
- 5.2 Assisting those who represent DWO at other fora to understand the content and implications of the *Gender Justice and Partnership* Guidelines.

6.0 We commit ourselves to seeking out and promoting ways in which the aims of the *Ecumenical Decade of Churches in Solidarity with Women in Church and Society* can be extended into the future, **through:**

- 6.1 Receiving and acting on the recommendations of the end of the Decade report of the World Council of Churches.
- 6.2 Helping to gather and distribute analysis and stories of women's experiences (both opportunities and challenges).
- 6.3 Explore ways to encourage men to be involved in gender justice issues.

7.0 We commit ourselves to promoting and facilitating the development and deepening of a gender justice analysis within our own structures and also with the partners to which we relate, **through:**

- 7.1 Organizing regular training/formation sessions on gender justice for all staff in the Division of World Outreach, including

- overseas personnel.
- 7.2 Providing opportunities for gender training and formation for DWO volunteers.
- 7.3 Ensuring that funds within each Area are available to support partners' initiatives in exploring gender issues and promoting gender justice.

8.0 *We commit* ourselves to offering these Guidelines to The United Church of Canada, *through:*

- 8.1 Distributing these Guidelines to the General Council Executive, General Council Divisions, Conferences and other appropriate Committees.

12.0 Checking Our Progress...

Gender Justice is the work of the whole church – men and women together. Men must participate equally in the struggle for wholeness.
Aurora Consultation

Our commitment to weave our *Gender Justice and Partnership* analysis into our ongoing work requires us to monitor and evaluate our progress. As part of our accountability (to ourselves, to this process, and to global partners), we have established a number of means and reporting mechanisms for checking our progress. An outline of how we propose to do this is contained in the following pages of this document.

13.0 A Work in Progress...

We regard these Guidelines as a work in progress and are committed to continuing the dialogue with global partners as we search for ways to promote gender justice.

Just as these Guidelines will guide our actions, so will the learning from these actions and feedback from global partners guide our refinement of the Guidelines in the years ahead.

By God's grace we rejoice in this opportunity to join with global partners and other people of good will as we seek to "act justly, love tenderly, and walk humbly with our God" in the shaping of God's *Shalom*.

* *The Aurora Consultation was a four-day gathering held in February, 1998 at a conference centre in Aurora, Ontario, Canada. The thirty participants included nine overseas partners, members of the United Church from across Canada, and several staff from the Division of World Outreach and other Divisions of The United Church of Canada. They discussed, prayed, and celebrated together. This document is the result of their work, which was revised and then approved by the Annual Meeting of the Division of World Outreach on February 9, 1998.*

APPENDIX D

BACKGROUND – TOBIN TAX

When the famous British economist, John Maynard Keynes, was preparing his ideas for a new international monetary system after the Second World War, he wrote:

Loose funds may sweep around the world, disorganising all steady business. Nothing is more certain than that movement of capital funds must be regulated.

What is the Tobin tax?

Nobel-prize winning economist James Tobin first proposed what came to be known as the “Tobin tax” in 1978. The basic idea was to introduce a modest tax of between 0.1 percent and 0.25 percent on currency exchanges. Over time, Tobin-tax proponents began to refer to a tax on all foreign exchange transactions. A Tobin tax aims to penalise speculators whose short-term speculative investment practices have tremendously negative effects on the stability of economies around the world. Such a tax would have a negligible impact on long-term productive investments, but it would discourage traders who ‘flip’ currencies on a daily or weekly basis in order to make profits from tiny exchange rate and interest rate fluctuations.

Why a Tobin tax?

The Tobin tax is one proposal to address part of the problem created by unprecedented volumes of trading on international money markets (more than US\$1.5 trillion *per ‘trading’ day*, of which there are 240 per year). Ninety-five percent of these transactions are of a short-term speculative nature – trading money to make more money – rather than investment in the production of real goods and services to meet human needs. Money traders, with more capital at their disposal than many developing country governments, can speculate against countries whose currencies they deem overvalued or whose interest rates are considered too low. When a mass sale of the country’s currency and bonds occurs, the value of the local currency collapses, and the people living in the country suffer a sudden drop in their purchasing power and standard of living. In recent years, Mexico, Korea and Brazil have been the victims of the money traders, with disastrous consequences for the social development of these countries.

Secondly, a Tobin Tax could generate substantial sums of money, an idea that has attracted the attention of governments, multilateral financial institutions and the United Nations.

Specifically, what would the Tobin tax do?

1. It would reduce the amount of short-term speculative currency trading in international financial markets. This would reduce the volatility of exchange rate fluctuations and provide importers, exporters and investors with more stable exchange rates.
2. It would put more control back into the hands of national governments and central banks over national monetary policy (such as currency exchange rates and short-term interest rates). James Tobin asserted that this was possibly the most important potential effect of the tax.
3. It would raise enormous revenues. Depending on the size of the tax and other assumptions about the amount of trading that could be successfully taxed, estimates of potential revenue vary from US\$70 billion to US\$302 billion annually.

How would the revenues be used?

Ideally, revenues generated from a Tobin tax could be used to finance social and economic development programmes in low-income countries. For instance, UNICEF (United Nations Children’s Fund) estimates that US\$9 billion invested in basic health, nutrition and sanitation could save the lives of 21 million children

in sub-Saharan Africa. Such expenditures could easily be funded through a modest Tobin tax. Within the UN system, a mechanism could be created to receive and distribute Tobin tax revenues to various United Nations agencies engaged in social and economic development.

If the Tobin tax is established, however, it is likely that a primary motivation for national governments will be the prospect of additional tax revenues for domestic use. Given that 80 percent of all international financial transactions occur in the money markets of seven wealthy nations (UK, USA, Germany, Japan, Hong Kong, Singapore, and Switzerland), benefits would not automatically translate into more development funds for low-income countries. In negotiating an international treaty to govern the tax, pressure would have to be brought to ensure that at least some minimum percentage (perhaps 20 percent) of all Tobin tax revenues that otherwise would accrue to high-income countries would be diverted to a UN mechanism for use in low-income countries.

Is the Tobin tax technically feasible?

Opponents of the tax claim that the volume of international trade in currencies, and the unregulated nature of this 24-hour trade occurring in different time zones, would make a Tobin tax impossible to collect. Unless all countries agreed to the tax, currency speculators would move their operations to non-participating countries, or use offshore banking havens. It is also argued that traders can disguise their activities.

However, a growing body of research indicates that in fact the infrastructure and technology exists to address these problems:

The infrastructure for settling foreign exchange trades is becoming increasingly formal, centralised and regulated. ... The technology and institutions now in place make it possible to identify and tax gross foreign exchange payments, whichever financial instrument is used to define trade, wherever the parties to trade are located and wherever the ensuing payments are made (Rodney Schmidt, "A Feasible Foreign Exchange Transaction Tax," Ottawa: North-South Institute, 1999).

Is the Tobin tax politically feasible?

Again, opponents of the tax say no: that it will be impossible to get all governments to agree to the tax, and without that agreement it will not work. Some proponents have made creative suggestions such as making compliance with the Tobin tax a condition of membership in the IMF. Within the G7, particularly in the aftermath of the 1997 Asian crisis, there has been recognition among Finance Ministers of the need to find ways of stabilising the international financial system. The governments of Australia and France, and the Canadian Parliament, have spoken in favour of the Tobin tax. A growing network of citizen's organisations around the world are calling for the Tobin tax to be established to restore much-needed national control over monetary policy. They believe that the Tobin tax would reduce the destabilising effects of massive unregulated flows of short-term speculative investments.

It is also believed that it will be difficult to reach consensus on revenue distribution, as countries will want to keep the money rather than fund development. The US, in particular, could be opposed to increased funding for the UN organisations. There may be a political trade-off between the two objectives of the tax. The most politically viable proposal allows revenue-collecting governments to keep most of the money, with a small contribution to multilateral organisations and other 'good causes'. This compromise on development financing might be necessary for the tax to go ahead.

What is the Canadian government position on the Tobin tax?

In parliament, a private member's bill calling for the adoption of the Tobin tax was brought forward by NDP MP Lorne Nystrom. After considerable debate, Parliament voted on March 23, 1999 in favour of a resolution urging the government to "show leadership and enact a tax on financial transactions in concert with the international community."

The Canadian government has begun to take a stand in support of the Tobin tax internationally. The Canadian delegation to a preparatory meeting to the Special Session of the UN General Assembly to be

held in June 2000 tabled a clause calling for further investigation of the feasibility of implementing the Tobin tax. The purpose of the Special UN session is to review progress towards fulfilling the commitments made at the 1995 World Summit on Social Development.

Has the Church anything to say about speculative capital?

The United Church of Canada has a long tradition of criticising unregulated capitalism in instances where financial goals take precedence over human priorities, autocracy over democracy, and private gains over public benefit. Due to the emergence of a new era of speculative capitalism in which huge fortunes can be amassed in a single day simply through computer transactions, the church has identified the need for research and advocacy on the regulation of what has been called *hot money*. The Ecumenical Coalition for Economic Justice has worked on this issue, as has the Canadian non-governmental Halifax Initiative.

Sources:

Dillon, John, Turning the Tide: Confronting the Money Traders (Canadian Centre for Policy Alternatives: Ottawa, 1997).

Ecumenical Coalition for Economic Justice, *Backgrounder on the Tobin tax*.

Halifax Initiative, *Backgrounder on the Tobin tax*.

Oxfam Great Britain, briefing paper "Time for a Tobin Tax? Some practical and political arguments," May 1999.

Schmidt, Rodney "A Feasible Foreign Exchange Transaction Tax," research paper commissioned by the North-South Institute, Ottawa, 1999.

For more information, contact ECEJ at (416) 462-1613 or the Halifax Initiative:
www.sierraclub.ca/national/halifax

APPENDIX E

BACKGROUND – RE-REGULATION OF TRANSNATIONAL CORPORATIONS (TNCs)

What is at stake is a struggle between the ambitions of transnational corporations to be free of state controls and the capacity of the hemispheres' citizens and the governments we elect to decide on our own destinies.

Roberto Bissio, Third World Institute, Montevideo Uruguay 1999.

The de-regulation of TNCs: paving the way for a “single world economy”

The former Director General of the WTO, Renato Ruggiero, has compared negotiating international investment agreements to “writing a constitution of a single world economy.” Increasingly, national borders are becoming irrelevant to economic actors who move freely on the world stage beyond the reach of national regulations and controls, accountable only – in theory although usually not in practice – to their shareholders.

The process of deregulating corporate economic activity gained momentum in the 1980s when the IMF attached conditions to the debt restructuring loans for debtor nations to guarantee the security of private foreign investment and to foster privatisation. The internal restructuring of Southern countries under IMF dictates was intended, in part, to provide foreign capital with easier access to natural resources, a cheap labour force and tax incentives offered up by poor countries.

During the 1990s, trade agreements and the newly-created the WTO became major mechanisms to foster conditions conducive to TNC competitiveness. Within a globalised economy, transnational corporations are increasingly afforded unrestrained opportunities for expansionist and profit-seeking ventures.

TNCs: how many and how big are they?

In the mid-1980s, the United Nations counted some 7,000 TNCs. By 1998, there were 40,000 TNCs with 250,000 affiliates world-wide. More than 70 percent of all global trade in goods and services is controlled by just 500 corporations. Names like Du Pont, Philip Morris, ICI, General Electric, Toyota, Bridgestone, Northern Telecom, Nestle, Chrysler, Exxon and Mobil may be familiar to the average person in North America, but many people are not aware just how big and powerful these corporations really are.

Of the 100 largest economies in the world, 51 are corporations. Many of these TNCs have revenues bigger than the total GNP of countries. Wal-Mart, for example, is only number 42 on the overall list, yet is bigger than 161 countries. Mitsubishi is larger than Indonesia, the fourth most populous nation on earth. General Motors is bigger than Denmark. Ford is bigger than South Africa. The five largest corporations exceed the GNP of China. General Motors and Ford have revenues exceeding the total GNP of 47 of the world's poorest countries, home to more than one billion people.

Facts taken from “Exposing the Facts of Corporate Rule: A Handbook on How to Challenge the Big Business Agenda,” Centre for Social Justice, 1998 and “A Review Essay on Investment, Corporate Social Responsibility and Fair Trade: A New Vision of Globalisation,” Canadian Council for International Co-operation, 1999.

Why are TNCs such a threat?

TNCs – supported by governments – have been largely successful in ensuring the de-regulation of trade and investment. Elected representatives have, in effect, abdicated control over decisions that affect the

populations to whom they are accountable – often willingly, with the belief that there is no other option. Many still believe or hope that uncontrolled accumulation of wealth in the hands of a small global elite will, perhaps, make the world a better place for all.

The new power of the TNCs has been referred to as the era of “corporate rule”: a time when CEOs have much more influence over national and global policies than voting citizens. The attempt to pass the MAI at the OECD is a glaring example of the real threat represented by corporate rule in the world today. The MAI would have enshrined unprecedented corporate protection from government regulation. Member governments would have been denied the right to levy many kinds of performance requirements on corporations, including the right to regulate employment practices and labour rights. Though the MAI as a singular agreement has been dropped, there are clear indications that corporations and governments, including Canada, are pursuing the same objectives through already existing sub-agreements of the WTO. Indeed, it is worth remembering that the MAI itself had been modelled on the notorious Chapter 11 of NAFTA, which still applies to Canada, the US and Mexico.

For our Southern partners, the implications of corporate rule take on life and death proportions. Developing countries are being denied the opportunity that countries like Canada had in the past, to put in place strategic policies in order to develop their economies in ways that will most benefit their people. And in the fallout, people are uneducated, hungry and dying because of the lack of basic services.

While corporations demand the freedom to exact profits, they also demand protection for their profit seeking activities. With the passage of the WTO agreement on Trade Related Aspects of Intellectual Property (TRIPS), the duration and scope of patent and copyright protection accorded to TNCs has increased. TRIPs enhance corporate power by giving TNCs more control over the transfer of technology, making it difficult – if not impossible – for less developed countries to adapt patented technologies to their development needs without paying exorbitant royalties. In particular, TRIPs inhibit the production of lower-cost generic drugs that are desperately needed to combat diseases like HIV/AIDS.

Under the upcoming review of the WTO article pertaining to TRIPs, TNCs are pushing for changes that will give them an undisputed right to take out patents on life forms. Such rights would channel unprecedented wealth and power into the hands of global biotechnology corporations at the expense of peasants, farmers, and indigenous peoples world-wide:

As traditional plant varieties used by farmer and indigenous communities in developing countries are patented by corporations, some 1.4 billion rural people who now save seeds from one year to the next to grow their food will be forced to purchase patented seeds and the chemicals needed to grow them. As corporations are busy developing strictly patented “terminator” seeds (which will grow only with the company’s chemicals and will not generate seeds that can be saved for the next year), there are very real fears that hunger will increase.

“A Review Essay on Investment, Corporate Social Responsibility and Fair Trade: A New Vision of Globalisation,” Canadian Council for International Co-operation, 1999.

Trade and investment agreements protect the interests of TNCs

The powers of TNCs have been expanding under the new free trade regime. By providing guaranteed protection for the rights and freedoms of TNCs, free trade agreements like NAFTA function as corporate constitutions in the new global economy. The “national treatment” clauses in NAFTA and the WTO guarantee that foreign investors have the same rights and freedoms as domestic firms. The “investment codes” of the new free trade agreements further ensure that certain regulatory measures that had previously been undertaken by nation states will be removed.

The absence of an enforceable regulatory framework for TNCs results in a loss of safeguards for national sovereignty, consumer rights, competition policies, workers’ rights, women’s rights, children’s rights,

indigenous people's rights, environmental and health standards. TNCs have been vociferous in pushing the WTO to remove all non-economic considerations on government procurement. This means that, for example, the state of Massachusetts in the US could not implement a state law prohibiting government contracts from being offered to companies who are doing business in Burma. Under Chapter 11 of NAFTA, corporations may sue for loss of profits if their activities are restricted in any way by environmental or other regulations.

The US based Ethyl Corporation sued the Government of Canada for \$250 million for introducing a ban on the gasoline additive MMT arguing that the government had not proven a health risk. Ethyl Corporation was awarded \$13 million in "damages" and a reversal of the ban.

Michelle Swenarchuk, "Liberalised Investment and Investor-State Suits: Threats to Government Powers," Canadian Environmental Law Association, 1999.

How can transnational capital be re-regulated?

Trade agreements like the WTO that set out the legal framework for the operation of TNCs must be subordinated to the established human rights frameworks reflected in national constitutions and international agreements. The current trend is to supersede all other international agreements and give pre-eminence to trade and investment at any cost. There are strong arguments to defend the integrity of the many existing human rights commitments including UN Conventions, International Conventions, and World Conference Declarations.

The *bottom line* argument must become the *triple bottom line*: economics, environment and social justice.

Trade agreements should contain clauses that specify that in the event of a conflict with an existing human rights, labour, social or environmental charter or agreement, the charter or agreement should take precedence over commercial considerations.

Codes of Conduct have received attention as an effective tool in the self-regulation of TNCs. The Task Force on Churches and Corporate Responsibility (TCCR) has laid out a guide for minimally ethical corporate conduct: Principles for Global Corporate Responsibility: Benchmarks for Measuring Business Performance (1998). While the focus to date has been on voluntary codes of conduct and mechanisms for monitoring and verification, there could be a case for formalising minimal ethical standards within a legal framework.

What are the political obstacles?

The corporations rule – instead of democratically elected governments – because they have been given the right to do so. And because most people today assume (quite wrongly) that the corporations have always had this right.

Ed Finn, "The Revolt Against Corporate Rule" Briarpatch July-August 1999, p. 7.

Canadian trade and investment policies are contributing to the economic marginalisation of already poor regions, denying them access to and control over their own resources. The Canadian government actively pushed for the FTA, NAFTA, WTO and the MAI.

The hegemony of the neo-liberal ideology, which values wealth creation at any cost, is the fundamental political obstacle to the re-regulation of TNCs. As corporations increasingly influence political and economic policies, effectively holding governments and multilateral institutions at their beck and call, the challenge presented can not be overestimated.

Sources:

"A Review Essay on Investment, Corporate Social Responsibility and Fair Trade: A New Vision of Globalisation," (Canadian Council for International Co-operation: Ottawa, 1999).

"Exposing the Facts of Corporate Rule: a Handbook on How to Challenge the Big Business Agenda," (Centre for Social Justice: Toronto, 1998).

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John Dillon of the Ecumenical Coalition on Economic Justice provided helpful comments.

APPENDIX F

BACKGROUND – FOREIGN DEBT AND STRUCTURAL ADJUSTMENT PROGRAMMES

There are two ways of conquering a foreign nation. One is to gain control of its people by force of arms. The other is to gain control of its economy by financial means.

John Foster Dulles, Former US Secretary of State.

What is the Third World debt crisis and how did it come about?

Many of the world's poorest nations have foreign debts that are greater than their entire national income in any given year. A significant portion of the foreign currency they earn from exports goes just to make their debt payments. In Latin America and the Caribbean, for instance, on average one-third of all export earnings go to interest payments.

Many developing nations were encouraged to borrow money in the 1960s and early 1970s to service old debts and to finance national development projects, especially infrastructure like roads and dams. Northern banks had huge deposits of "petro-dollars" (oil earnings deposited by OPEC member countries) that they were eager to lend at low rates. However, in 1979, the US central bank decided to raise interest rates dramatically in order to fight inflation with callous disregard for the effect of such a policy on other countries. Central banks in the other northern countries quickly followed suit. By the early 1980s, developing nations found themselves with much larger debt servicing bills than they had ever imagined. At the same time, the prices for raw commodities – their main exports and source of foreign currency earnings – dropped on world markets, leaving less developed countries strapped for foreign currency.

Although there have been limited and often self-interested attempts by creditor nations to address the "Third World debt crisis" for more than 20 years, the debts of low income and middle income countries rose during the same period. While debt payments have been rescheduled, the interest owed is added to the principal in a seemingly endless cycle of indebtedness. World Bank statistics for 1998 indicate that "all developing countries" owed US\$2.465 trillion in foreign debt – more than double what their debt was in 1985. Yet between 1981 and 1998 "less developed countries" paid more than \$US3 trillion in interest and principal payments to their creditors.

Despite the glaring poverty in the indebted Third World countries, the net flow of capital has been northward. Between 1982 and 1996 Latin America and the Caribbean paid out \$739 billion in interest payments alone – more than the entire accumulated principal owed. Yet the debt continued to grow, at the same time that spending on health, education and nutrition dropped by 60 percent per capita.

Clearly, none of the attempted "remedies" like longer grace periods, lower interest or longer amortisation has succeeded in effectively freeing poor nations from devastating debt loads and the consequent human costs.

Structural Adjustment Programmes ... What and Why?

For most poor countries, debt relief, whether in the form of fresh loans or debt rescheduling, is conditional on following a set of economic policies that were developed by wealthy northern countries and are based on neo-liberal prescriptions for growth and development (the "Washington consensus"). The programmes are known as "structural adjustment programmes." Specific agreements may prescribe that countries raise interest rates, cut government spending, privatise government-owned enterprises, unilaterally liberalise trade and increase export production. The result of these measures is a widening income gap; undermined local industries; reduced access to credit for farmers and small businesses; greater unemployment; and generally growing poverty. Debt activists in the South see these programmes as a hook in the flesh: a method by which northern governments and their multilateral institutions control and

influence economic policy in poor countries. Ending structural adjustment is as essential as cancelling the debts, and for some, even more important. Yet this is one area where the creditors have been most intransigent. Ironically, the Koln Debt Initiative which continues to demand adherence to structural adjustment programmes, a major cause of increased poverty, added a new "anti-poverty" requirement to qualify for debt relief. Somehow, governments now are to implement SAPs but also show progress toward reducing poverty, in order to qualify for debt cancellation.

What actions has the Canadian government taken?

In 1989, Canada cancelled the debts of low-income Commonwealth and Francophone countries (mostly in Africa) with a face value of \$672 million. Henceforth, Canada's aid to these countries would be in the form of grants, not loans. After the Gulf War, Canada cancelled a \$239 million debt owed by Egypt even though Egypt was not a low-income country. In successive negotiations on debt relief within the G7, Canada took progressive positions. Going into the G8 meeting of June 1999 in Cologne, Germany, Canada's position on debt relief was most favourable to poor countries. They recommended 100 percent debt cancellation for a select number of highly indebted poor nations and reducing the qualifying period to 3 years of structural adjustment measures, rather than 6. Since then, both the UK and USA have put forward more generous debt relief plans. In the 2000 budget, the Canadian government offered to cancel all outstanding bilateral loans to 'qualifying' HIPC countries. This, however, still means that debt relief remains tied to the same stringent and unsustainable conditions that already have jeopardised the development prospects of southern countries.

What is the Jubilee Debt Campaign and what did it accomplish?

The Jubilee debt campaign is an international campaign to raise public awareness of the need for a meaningful response to the Third World debt crisis. The Campaign puts pressure on the G7 and organisations like the World Bank and the IMF to come up with a better response to the debt crisis than their "Highly Indebted Poor Countries Initiative" (HIPC). This initiative was a step forward because for the first time, multilateral debt (debt owed to the IMF, World Bank and regional development banks) could be cancelled. But the HIPC has been criticised because it required a six-year qualifying period, during which countries must follow a rigorous structural adjustment programme. It also set debt ratios excessively high so that only countries in the most dire straits can qualify and even then offered only partial debt cancellation.

In 1999, seventeen million people around the world signed a petition calling for real debt relief for poor countries by the year 2000. This demand was rooted in the Biblical call for a periodic time of restitution and reparation for social and economic injustices. As a result of this international citizen outcry, modest improvements were made in the HIPC. The new debt relief model, which is known as the Koln Debt Initiative, still fell far short of what southern and northern Jubilee networks had identified as necessary for meaningful relief from debt.

What next?

In Asia, Africa, the Caribbean and Latin America, "Jubilee networks" of organisations have emerged that are committed to working within their own countries towards the responsible use of resources freed up by debt cancellation and to developing broad common strategies in negotiation with creditor governments and institutions. They have identified moral and ethical reasons why some debt should not be paid (for instance, debt incurred by the apartheid South African government; debt that has effectively already been paid; debt that, if paid, would have an intolerable impact on human life). These "Jubilee South" networks turn the debt issue on its head by calculating the centuries-long exploitation of developing countries' resources and peoples by "developed" nations, and asking "Who owes whom?" Action to eradicate foreign debt is seen as just one small part of a broader goal of re-shaping North-South economic relations to enable developing nations to have greater control of and access to their own resources.

Sources: CEJI Debt Fact Sheets and UNDP Development Report 1999.

APPENDIX G

BACKGROUND – TRADE AGREEMENTS AND THE WORLD TRADE ORGANISATION (WTO)

We are also convinced that trade agreements must serve as tools for just and sustainable development, addressing social and environmental issues, not just commercial or financial concerns.

Letter to Pierre Pettigrew, International Trade Minister, from the Inter-Church Coalition on Human Rights in Latin America and the Ecumenical Coalition for Economic Justice, November 1, 1999.

Trends in international trade agreements

The General Agreement on Tariffs and Trade (GATT) was established in 1947 to reduce protectionist tendencies and lay ground rules for international trade in goods. From the mid-1980s, as neo-liberal economic ideology came to dominate internationally, a number of new trade agreements and organisations emerged, primarily designed to bolster the global free market system. Important precedents in global trade liberalisation have been set by:

- ◆ Asia-Pacific Economic Co-operation (APEC) forum, 1989
- ◆ Free Trade Agreement (FTA: Canada and the USA) 1989
- ◆ North America Free Trade Agreement (NAFTA) 1994

The most significant development is the emergence of the World Trade Organization (WTO), created in 1995 at the termination of the last round of GATT negotiations.

What is the WTO?

The World Trade Organization differs from the GATT in several respects. It is an autonomous membership organization, with 135 member countries. WTO agreements are legally binding and enforceable. Under its rules, any WTO member country can challenge a law or regulation in another sovereign nation if it deems that law to be in violation of the WTO. A dispute resolution mechanism was created to enforce compliance with WTO agreements; this gives the WTO more “teeth” than any other international agreement or protocol, including the articles of the International Labour Organization or the United Nations human rights covenants. Whereas the GATT dealt primarily with trade in goods, the WTO greatly broadens the scope of “trade-related” interests, to include services, intellectual property rights and investment.

What concerns do global partners raise about the WTO?

Another issue was patenting – trade-related intellectual property rights (TRIPS). Patenting was seen in the past as good for research and innovation; now it is also used to enhance trade. [...] Kenyan bags, kiondos, were always made and sent out from Machakos by old women, but now the Japanese have taken over part of our [Kenyan] heritage through patenting the kiondo. So we may no longer produce or sell kiondos without paying patent duty.

Anne Mutisya, Kenya, World Council of Churches delegate to the Seattle meeting of the WTO.

Some of the major concerns about the WTO are that:

1. Most low-income countries already have highly liberalised economies, due to the unilateral trade liberalisation measures they introduced as part of their structural adjustment programmes (SAPs). Therefore, they have very little left to bargain with in international trade negotiations.
2. The Uruguay Round of trade talks ended only five years ago. Developing nations want an evaluation of the impact of Uruguay Round trade policies before proceeding with further trade liberalisation. The UNDP's 1997 Human Development Report suggested that "Potential losses ... will be concentrated in a group of countries that cannot afford them – and for some the costs are significant. The least developed countries stand to lose up to \$600 million a year and sub-Saharan Africa \$1.2 billion." Any evaluation should include the effects of non-trade aspects of the WTO agreement, such as TRIPs, on development and not just trade impacts *per se*.
3. The "special and differential rights" that were guaranteed to developing nations in the GATT are being eroded in the WTO, which offers less protection to small, weak economies. Some trade agreements that had been important to smaller or poorer nations are now in jeopardy, as they seem to contradict the current trends towards unfettered free trade. The Lomé Convention, which has guaranteed special access to European markets for African, Caribbean and some Pacific Island countries, is one such example.
4. The structure of the WTO is undemocratic. Low-income countries are excluded from meetings where the real decisions and negotiations occur.
5. Because the WTO dispute settlement process is very costly, few low-income countries will be able to use this mechanism when another country violates a WTO agreement.

With these rapid moves towards the liberalisation of global trade, popular resistance has mounted. The draft Multilateral Agreement on Investment (MAI), first proposed in the Organization for Economic Co-operation and Development (OECD), collapsed in 1998 largely due to an international outcry from citizens' groups. Critics believed that the MAI would have paved the way for an expansion of the powers of transnational capital over national sovereignty and specifically the ability of the state to protect the environment, culture and social services. Further evidence of a growing movement against the current neo-liberal trade regime is the massive protests against the WTO in Seattle.

Trade negotiations on the "new issues" will certainly resume, despite the Seattle fiasco. However, with citizen watchdog groups around the world monitoring developments in the WTO and other trade agreements, it will be increasingly difficult for trade talks to occur behind closed doors without public accountability or consultation.

What perspective does the church bring to trade agreements?

The Christian gospel teaches care for the most vulnerable members of society and a just sharing of wealth. Human dignity, human rights and care for the earth are central values. The Christian understanding of sustainable development holds human needs as a priority and the economy at the service of people. In ecumenical policy statements of the Canadian Council of Churches and in various United Church of Canada conference and General Council resolutions, we have taken the position that the mainline churches in Canada are not opposed to trade nor to a rules-based trading system. But the churches *are* opposed to trade agreements that:

- ◆ erode governments' abilities to set policies to meet the needs of their people and to legislate protection for the environment;
- ◆ are not democratic or transparent;
- ◆ exacerbate poverty and income disparity, both within countries and between countries;
- ◆ further weaken low-income countries in the global economy;
- ◆ undermine and erode human rights, including labour rights, that are guaranteed in the Universal Declaration of Human Rights and the United Nations covenants;

- ◆ have a negative impact on environmental sustainability;
- ◆ violate indigenous peoples' rights to protect their resources and cultures.

Based on this perspective, and informed by global partner concerns, the Canadian churches have analysed and criticised NAFTA, APEC, the FTAA and most recently the WTO and advocated alternatives that affirm human dignity and economic justice.

Sources:

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