

JPIC REPORT



A publication of the OMI Justice and Peace/Integrity of Creation Office

“A united humanity will be able to confront the many troubling problems of the present time: from the menace of terrorism to the humiliating poverty in which millions of human beings live, from the proliferation of weapons to the pandemics and the environmental destruction which threatens the future of our planet.”

- Pope Benedict XVI

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From the Director:

The first days of September and the final 60 days of the campaign for the White House have descended on the country as students and teachers at all levels return to their classrooms to explore and digest new ideas and challenges.

During this September, also, news accounts continue to direct our attention to an ever expanding credit crisis that has lasted now for over 15 months, with no end in sight. The crisis, originating in the sub prime mortgage sector, has rippled throughout the economy and has led to unprecedented interventions from the Federal Reserve in the financial sector, and most recently, the federal takeover of Freddie Mac and Fannie Mae.

While we are all well acquainted with biblical teaching about stealing, lending, borrowing, taxation and almsgiving, it is clear that issues related to profit and interest,

speculation and risk, and the use of hedge funds and derivatives as part of investment strategies, along with the role of government in the regulation of financial markets, present a very different set of challenges and questions.

For many of us, the New Testament story of Jesus banishing the money lenders from the temple, advising - after examining the coinage of the day - that we should pay taxes, or the reminder that “the poor we will always have with us” while appreciated as sound practical advice, leave us somewhat perplexed. This remains even truer when we try to understand the causes and measure the consequences of the current credit crisis.

While the crisis is said to have originated in the “sub prime” sector and the lax behavior of many of the mortgage originators in that sector, this by itself does not account for all of the irresponsible choices and activities that have allowed this crisis to

expand and deepen. The securitization of these mortgages, whereby they are bundled with other mortgages of different credit quality and sold to investors – and thus introduced into the broader financial markets - have contributed significantly to the present crisis.

This crisis presents important questions and challenges related to government regulation of the private sector - in this instance the ever expanding and complex financial sector. As the debate about reform of the regulatory framework and the restructuring of regulatory responsibility is fully engaged, a number of things need to be kept in mind.

Sub prime lending, when done responsibly, is something we ought to support. It has, and still can, open up opportunities to homeownership and credit that many, most often those who are poor or have

(cont. on p.15)

The OMI Justice and Peace/ Integrity of Creation Office coordinates the advocacy efforts of the Missionary Oblates of Mary Immaculate on behalf of the interests of the poor and abandoned in the U.S. and in the more than 65 countries where the Oblates are in mission. These efforts include serving as a resource for province membership, supporting the community organizing efforts of the Oblates in the United States, and coordinating the Corporate Responsibility Program to insist on just practices and policies by corporations in their worldwide operations. Our work also includes advocacy with the United States government and other international institutions on a variety of justice and peace issues.

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News and Happenings



The Oblate JPIC Office has a new website!

The address is the same: www.omiusajpic.org but the site has been completely re-organized, with much new content. Information is posted several times a week, so please check in often.

See the article on page 4 for a 'tour' of the site. We hope you will find this updated resource useful. Comments can be sent by filling out the survey on the website, or by writing directly to Christina Herman at cherman@omiusa.org



Tri-Lingual OMI JPIC International E-Newsletter Launched in April 2008

The OMI JPIC Office in Rome has launched a new electronic newsletter in English, French and Spanish. The two page newsletter will be issued on an bi-monthly basis via email. To receive this publication, write to: omijpic.generalservice@yahoo.com

JPIC Office in Rome has a new Director!

Fr. Camille Piché (OMI Lacombe) has been appointed Director of the General Service of JPIC (Justice, Peace, and the Integrity of Creation) in Rome for a period of three years. Fr. Piché comes with broad experience and a deep commitment to the JPIC agenda. **Welcome Fr. Piché!**



The main focus of the Justice, Peace and the Integrity of Creation ministry is 'advocacy' and 'animation'. The principal role and function of the Director of the JPIC Service is to initiate, coordinate and support programs and projects that will make this ministry a living experience within the congregation. (Contact: camille_piche@yahoo.ca)

JPIC Office in Washington hosts Oblates from Bangladesh and Czechoslovakia

The JPIC Office in Washington has had the pleasure of hosting Joseph Gomes, OMI from Bangladesh for six weeks in the spring and early summer, and Tomas Vyhnalek, OMI from Czechoslovakia for the summer. Both have used the time in Washington to explore broader aspects of JPIC work and to make new contacts. The JPIC staff has enjoyed, and learned from, their presence. Please see p. 15 for a reflection from Joseph Gomes, OMI.

Resource Nook

Book Review

From Abortion to Assisted Suicide, the Death Penalty, and War

Rachel M. MacNair (ed.),
Stephen Zunes (ed.).
Greenwood Press, 2008.

This work explains an increasingly popular view dubbed the Consistent Life Ethic, which holds that all life deserves reverence, so all social support for actions that destroy life should be withdrawn. The call is for opposition to abortion, capital punishment, euthanasia and other forms of killing to be consistent.

This view is at once an ethical, religious and political ideology, explored here in its application to actions from treatment of unborn humans to infants, the disabled, the poverty-stricken, war combatants, and animals.

Sister Helen Prejean, Author of *Dead Man Walking*: "The societal wounds of racism, poverty, and a penchant for using violence to address problems are intimately connected to the death penalty, to war, to the killing of the old and demented, and to the killing of children, unborn

and born. If more people were familiar with the consistent life ethic, as expounded in this book, then the voice of all unseen vulnerable people would be better heard."

Available at Amazon.com and through local booksellers; \$49.95



Election 2008



Center of Concern Election Initiative

The Center of Concern has developed materials to help us participate actively in the current political campaigns as informed and faithful Christians. The materials are designed to help deepen our analysis, make our own evaluation of the programs and candidates, and engage our local communities.

Topics include immigration, international relations, jobs and job outsourcing, poverty, Iraq and security, health care, and climate change. Other topics may be developed as the campaigns evolve.

Please go to www.coc.org/election2008 to download materials.

USCCB's Faithful Citizenship initiative

A comprehensive guide to promoting active citizenship. Available at www.faithfulcitizenship.org/

U.S. Elections 2008: Loving our neighbor in a shrinking world

US foreign policy decisions reverberate around the world, in positive and negative ways. To educate US voters about the ways in which decisions made by legislators and leaders can affect our brothers and sisters in other countries, the Maryknoll Global Concerns Office has prepared an election guide based on the principles of Catholic social tradition and gospel teachings, and inspired by the extensive experience of Maryknoll missionaries around the world.

For materials, visit: www.maryknollogc.org/2008elections/

Here you can download election guides as well as other materials available in both English and Spanish.



Peace Resources



Pace e Bene Nonviolence Service

Pace e Bene's mission is to foster a just and peaceful world through non-violent education, community building and action. Formed by a small group of Franciscans in 1989, the group is a growing community representing a diversity of spiritual traditions and cultural backgrounds reaching across the US and networking with nonviolent practitioners in many countries.

The group publishes a quarterly newsletter with news and stories of successful nonviolent action, as well as useful resources.

Contact: Pace e Bene Nonviolence Service
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Oblate JPIC Office Launches New Website



The Oblate JPIC Office has a new website!

The address is the same: www.omiusajpic.org, but most of the content is new and the site is regularly updated, with news items posted several times a week. We hope you like our new look, as well as the improved information and functionality.

The website reflects the JPIC work of US Oblates and the staff of the Washington JPIC Office. It is organized into the following **Issue** areas:

Social Justice: HIV/AIDS, Death Penalty, Human Rights, Indigenous Peoples, Immigration, Human Trafficking and Nuclear Weapons)

Economic Justice: US Faith-based Community Organizing, International Debt, International Trade, Millennium Development Goals, and the World Bank/IMF

Ecology: Descriptions of - and links to - the Oblate Ecological Initiative, Darrell Rupiper's EcoMissions, and sections on key ecological issues such as conservation (Greening the Congregation), Climate Change, Extractive Industries, and Water.

In **Ecology**, you can also find various statements on the environment, including those issued by the Vatican, the Oblate Congregation and the JPIC Office.

Faith Responsible Investing: Do you want to get involved in the growing faith-responsible investment movement? Check out our sections on Access to Health; Corporate Governance; Enabling Access to Capital; Global Warming; and Human Rights. Find links to other groups working on these issues.

Peace: This section reflects work by Oblates to promote human rights in conflict situations (such as Sri Lanka, Bangladesh and the Philippines), involvement in the campaign to ban landmines and support for the annual vigil to close the School of the Americas (SOA Watch).

The **'Global'** Section looks at the work of Oblates around the world, and is organized geographically.

The **Resources** section is rich with links to on-line materials useful at the Parish level and for any small group. Click on **'Resources'** in the left navigation bar to see the list of offerings. Click again on **'Parish Resources'** to see materials specifically for parishes, divided into the issue areas present on the website.

The **'Links/Website Resources'** section is similarly organized. The Resources section includes the electronic version

of **JPIC News**, as well as all positions adopted by the Oblates, and statements endorsed by the JPIC office.

JPIC work is by its nature activist, and the **'Take Action'** section will keep you up to date on recent campaigns. We are sending out a new monthly **Action Alert** via email – sign up to receive this on the home-page of our website – just look toward the bottom of the left navigation bar.

The **Members** section is for Oblates. We will be in touch by email with a password once this section is fully active.

Finally, please let us know what you think by filling out our brief **survey**. What has been useful to you? What still needs tweaking? Parts of the site are still being populated with information – its construction has been a massive undertaking, so we ask for your patience as we complete it – but we welcome your thoughts.





Congressional Updates

Saving Lives: PEPFAR reauthorized to fight HIV/AIDS, TB and Malaria

The President's Emergency Plan for AIDS Relief (PEPFAR) reauthorization bill passed the United States Congress and was signed into law by President George Bush on July 30, 2008. This AIDS relief bill, also known as H.R. 5501 – The Tom Lantos and Henry J. Hyde United States Global Leadership Against HIV/AIDS, TB and Malaria - is a landmark victory. It will save lives for the world's vulnerable population, care for those infected and affected, and slow the spread of this deadly disease. In countries like South Africa, Zambia, Kenya and Haiti, PEPFAR has made a real difference to AIDS patients who now have some access to life saving antiretroviral treatment (ART).

In 2003, President Bush initiated a \$15 billion AIDS relief program over a five year period. It was set to expire in September 2008 and achieved outstanding results - providing essential anti-retroviral drugs to 1.7 million people and supporting the vulnerable. The new version of PEPFAR provides \$48 billion over the next five years to fight AIDS, TB and Malaria, and targets prevention of 12 million AIDS infections and treatment to 3 million people.

The bill also lifts a ban on those who are HIV positive and who want to travel to the United States. The reauthorized PEPFAR law will support efforts to overcome healthcare worker shortages in Africa by helping nations pay to hire more doctors and nurses. A target ratio of 2.3 doctors, nurses and midwives per thousand people has been set. Tuberculosis (TB) and Malaria are leading causes of death amongst people with AIDS, hence PEPFAR approved \$4 billion and \$5 billion respectively to be spent on fighting these diseases. The legislation allows the U.S. to contribute \$2 billion towards another key initiative called the Global Fund for AIDS. It also assigns \$2 billion to American Indian water, health and law enforcement programs.



AIDS orphan in Uganda

The Missionary Oblates JPIC office is grateful to those U.S. members of Congress who worked hard to pass this bill and to maintain the priority of AIDS treatment in PEPFAR. Enabling treatment makes a vital difference not only to the life being saved, but to all those dependent upon the sick person – who are, all too often, young children.

Jubilee Act Nears Passage!

Thanks to you, the Jubilee Act overwhelmingly passed the US House of Representatives on April 16th and passed the Senate Foreign Relations Committee in June.

The Jubilee Act requires the US Treasury Secretary to advocate and negotiate with other international leaders to expand eligibility for international debt cancellation to 24 deeply impoverished countries left out of past debt relief initiatives. This debt relief is to be without conditions that deepen poverty or degrade the environment. The Act also instructs the Treasury Secretary to begin development of responsible lending guidelines to prevent future debt crises.

For the Jubilee Act to become law, it must be passed by the full Senate and signed by President Bush.

But, time is running short - Congress may adjourn for the year as early as September 26th. Because of this, lead Jubilee Act sponsors Senators Casey (D-PA) and Lugar (R-IN) are pursuing Senate passage by unanimous consent, a process that allows bills with broad bipartisan support to pass the Senate without requiring time for debate on the Senate floor.

But passage by unanimous consent means that passage can be blocked by any individual Senator with objections to the bill. So please keep pushing and praying for the Jubilee Act to pass this year! If not, don't give up – we'll be back at it, stronger than ever next year. Watch your email boxes for the latest updates and action requests or check out www.jubileeusa.org

The Border Wall: A Threat to Local Communities and Wildlife

George K. Ngolwe

The current immigration system is broken. Yet legislation passed by the US Congress has been piecemeal, only funding the border fence, while failing to address the larger problem. Although a barrier along the border may help somewhat to stop undocumented immigration, it will greatly affect land owners, wildlife, and the environment in general.

On April 1, 2008, Department of Homeland Security (DHS) Secretary Michael Chertoff issued a waiver, over-riding 36 federal regulations. These include provisions of landmark bills such as the Endangered Species Act, the Migratory Bird Treaty Act, the National Environmental Policy Act (NEPA – sometimes called the nation's environmental Magna Carta) and the National Wildlife Refuge System Administration Act. The most affected areas are along the Texas/Mexico border, specifically the lower Rio Grand Valley and the Presidio.

Legal challenges against the construction of the U.S./Mexico border wall have been filed by concerned groups. The first court action was a constitutional challenge filed by Texas plaintiffs comprised of city officials, utility companies, environmental organizations and land owners. Three South Texas environmental groups, El Paso city officials and some land owners sued U.S. Homeland Security Secretary Michael Chertoff for having waived thirty-six federal laws to accelerate construction of the border fence. The Plaintiff is asking the court to declare



The Border Wall cuts an ugly swath through rural Texas

as unconstitutional, section 102 of the REAL ID Act (2005) that permitted the waivers. The challenge also asks the court to prohibit DHS from building the fence without complying with the nation's environmental laws.

A non-constitutional challenge was also filed in federal court on behalf of Texas plaintiffs challenging the Department of Homeland Security (DHS) for failure to comply with consultation requirements and eminent domain statutory requirements. U.S federal law requires that the DHS be allowed to construct a wall only after settled negotiations with land owners, property owners and communities that will be affected environmentally, culturally and economically as result of the construction. No court ruling as been issued as of yet.

The Missionary Oblates' JPIC Office acknowledges the United States' right to secure its border. However we believe that border enforcement

measures must be applied within the context of comprehensive immigration reform. This is the best way to secure the border and protect the environment. It would allow migrants to cross legally and for government to monitor traffickers. Migrant families would be able to unite. Furthermore, the 12 million undocumented immigrants currently in the US could be granted the legal status that would enable them to work and live without fear in their communities.

To focus on border wall enforcement rather than immigration reform seems to be a tactic employed by some members of Congress as an appeal for votes during the upcoming elections. But comprehensive immigration reform needs to be tackled by the next Congress and Administration. Any reform ideally should address immigration within the context of the push factors generated by unfair trade policies such as the North American Free Trade Agreement (NAFTA).

What are Oblates in Texas saying and doing about the Border Wall?

Fr. Roy Snipes, OMI pastor of Our Lady of Guadalupe parish in Mission agrees with many in Texas that the Wall is a terrible mistake and has been raising awareness on the impact of the border wall both on people and on religious landmarks. In a U-Tube video, Fr. Snipes called the Wall a “terrible waste of money, and symbolically terrible.” We are “acting like we don’t care about the people on the other side of the Wall.” He hopes that “cooler heads and wiser heads and kinder hearts will prevail and that we’ll find a better way to work these things out.” Google [his video](#) on U-Tube. (Title: *Father Roy Snipes objects to Border Wall*)



Fr. Roy Snipes , OMI leads rally against Border Wall



Fr. Jim Loiacono, Oblate pastor at Our Lady of Refuge Catholic Church in Eagle Pass, Texas, was featured on the PBS weekly TV program Religion and Ethics Newsweek discussing Immigration and the U.S./Mexico Border on [May 9, 2008, episode no. 1136](#). In Father James’s church there is a statue of Christ that was found floating in the Rio Grande River. For Father James and his parishioners, it has become a sacred artifact.

Father Loiacono: “I gave it the name The Undocumented Christ because we don’t know where this Christ figure came from, and so it’s undocumented. But it also came wet, because it came in the river. It came homeless to us, and to me it’s Christ identifying as undocumented. I think in a real sense perhaps we could see this as God’s message to our nation. How shall we treat those who come to our border, and what does the wall really mean? What is it saying? Jesus, stay out?”

Fr. John Lasseigne, OMI and **Fr. Jerry McGovern, OMI** accompanied about 15 of their parishioners from St. John the Baptist Parish in San Juan to an anti-border wall rally in December 2007. The rally was held at a local convention center. As the rally took place on one side of the center, the Department of Homeland Security was on the other side, taking comments from the public about the environmental impacts of the wall. Both priests also gave testimony at the hearing. Many Catholic parishes, including Oblate parishes, have participated in petition drives. Valley Interfaith, a community organization, has collected thousands of signatures on its petition insisting that tax dollars be spent on families, not walls.

Fr. Kevin Collins, OMI testified on Immigration Policy before the Texas House of Representatives, Joint Committee of State Affairs and Border Affairs on March 28, 2007. He gave his testimony on behalf of The Metropolitan Organization, a faith-based community organization in Houston.

In his testimony, Fr. Collins argued that “While our federal immigration system is broken and it needs fixing, that does not mean we should go about trying to fix it by making laws that are “dead right”. Some of the proposals that you might be considering are deadly. They come from an attitude that only says: Those people broke the law; they are illegal. They are in our way. Let’s run over them. This shows that many have lost their moral compass; they have forgotten who they are. ...”

“Church teaching has a long and rich tradition in defending the right to migrate. Based on the teachings of the Hebrew Bible and the life and teachings of Jesus, the Church’s teaching has provided the basis for the development of basic principles regarding the right to migrate for those attempting to exercise their God-given human rights. Catholic teaching also states that the root causes of migration-poverty, injustice, religious intolerance, armed conflicts-must be addressed so that migrants can remain in their homeland and support their families.” [Read the full text at <http://omiusajpic.org/2007/03/>]

UN Permanent Forum on Indigenous Issues: A Powerful Gathering

By Walter Butor, OMI

When I was accepted into the Missionary Oblates in 1996, I asked for something to do before going to the seminary. I was sent to a summer camp in Sisseton, South Dakota, where I spent two weeks working with Native American children. That was my first experience with Indigenous People, and I felt right away that God was calling me into this ministry. I then geared as much of my training as possible to learning about Native American teachings and culture.

I made my perpetual vows in 2001, and spent a year working with the Ojibway People on the White Earth Reservation in Minnesota, where I now serve as pastor at three parishes. When I first arrived, Fr. Ron Meyer, O.M.I., a former pastor here, described the Native Americans in the US as an invisible and silent minority. What he meant was that native people do not usually speak out about their lives. As a result, most people have only a stereotypical view of Native Americans as portrayed in the mass media. From my experiences I find this to be true, but with my attendance at the United Nations Permanent Forum on Indigenous Issues, I sense a change. More and more, Indigenous Peoples are speaking out about their conditions.

For two weeks in May I participated at the UN Forum. This was a chance to learn about different indigenous cultures and to share some of my own experiences. It was a wonderful event where I learned much and

made new friends and acquaintances. I attended the Forum with Fr. Daniel LeBlanc, O.M.I., who represents the Oblates at the United Nations, and with Fr. Joseph Gomes, O.M.I., who is very active in justice issues in Bangladesh.

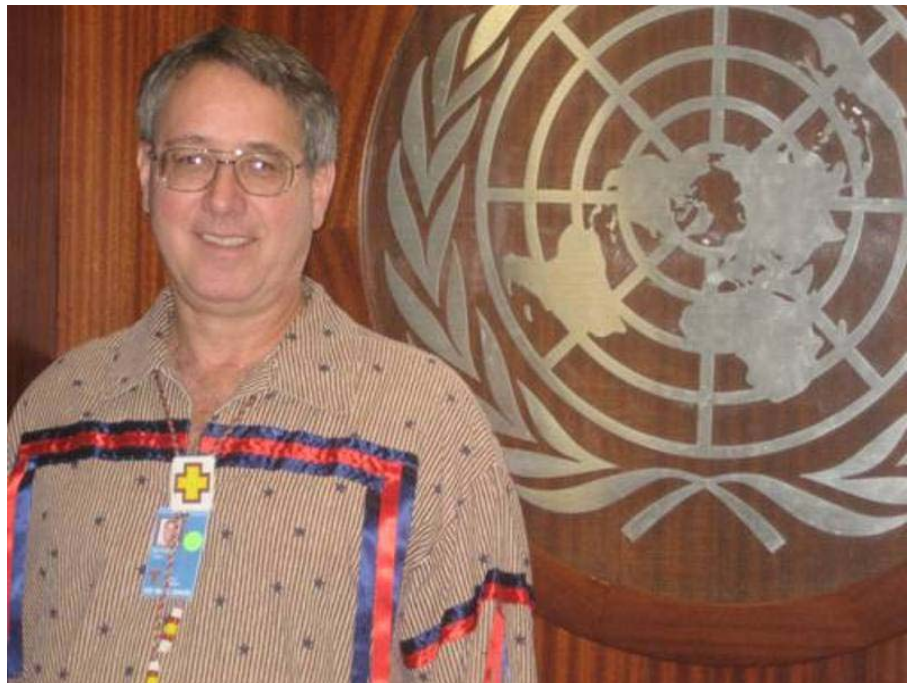
Attendance at the UN Forum on Indigenous Issues was double that of the previous year.

The first thing to strike me about the Forum was its size. Attendance at the 2008 Forum was double that of the previous year. In 2007 there were 1,500 participants, while this year over 3,300 people were registered. This increase demonstrates the extent to which Indigenous People are becoming more vocal and active on justice issues. One of the reasons for

the increase was the passage of the UN Declaration of Human Rights for Indigenous People last fall. With this worldwide recognition of their rights, Indigenous People feel more empowered to speak out about their own concerns.

Another drawing card for the Forum was its keynote speaker. Evo Morales is the President of Bolivia and an outspoken defender of the rights of the marginalized in the world. He is also the only elected indigenous person to govern a major nation.

Earlier this year I learned what a powerful speaker Evo Morales is. I attended a gathering in Bolivia with Oblates from around the world who work with Indigenous Peoples and learned of his reputation. At the United Nations I had the chance to hear him first hand, and I wasn't



Walter Butor at the UN Forum on Indigenous Issues, May 2008

disappointed. I quickly learned why he is so loved by the poor and hated by the powerful. This Bolivian President calls for the equitable distribution of wealth and is a sign of hope for the disenfranchised.



Bolivian President Evo Morales

He spoke of how wealthy nations spend billions fighting obesity in their countries, while millions in less developed nations starve. This type of comment brings hope to Indigenous People and inspires them to activism. During his speech the conference room was standing room only, and he left to a standing ovation and deafening applause.

The Indigenous Peoples Forum dealt with many issues, but recurring themes were the land, languages and the environment.

Although the rule at the UN is that each speaker has three minutes at the podium, I quickly noticed that only individuals were cut off when they exceeded the limit. Most government officials went on at length about the great job their governments were

doing in handling the affairs of their Indigenous Peoples.

For a while I began to think maybe the Indigenous Peoples didn't have any problems, but this illusion was dispelled once the people themselves began to speak. The reality of their lives stood in stark contrast to the rosy pictures painted by their governments.

Indigenous Peoples have a close relationship to the Earth, and their expertise could be a valuable asset in overcoming global environmental problems.

Land and the environment were issues of great importance to the Indigenous Peoples at the conference. They have a close relationship to the Earth. Their expertise in protecting Mother Earth could be a valuable asset in overcoming global environmental problems.

As one indigenous person put it, the major difficulty is that the developed nations of the world have a "mercantile view" of the earth. Everything must be bought, sold and used. This can be seen in the notion of buying and selling carbon credits to reduce pollution. There is no actual reduction in pollution - rather a reduction in guilt for those who cause it. There is a Western belief that if we throw enough money at a problem we will solve it.

Most Indigenous People at the Forum talked about being in relationship with the earth. They advise being grateful for what we use and returning as much as possible. One indigenous woman said; "Mother Earth is not a resource. It is the Source." For me that was a

wonderful illustration of the different mindsets of the cultures.

Indigenous Peoples have already lost much of their land to colonial powers, and they now fear the loss of more to pollution. Indigenous Peoples of the Arctic are quickly losing precious habitat to global warming. An Alaskan Native said they feel like canaries in a mine. They believe they will be the first to suffer - while having caused little of the pollution leading to climate change.

Another concern expressed at the Forum was the ongoing loss of indigenous languages. The loss of a native language is the loss of native knowledge. I was surprised to hear that every month another indigenous language goes extinct because of the lack of native speakers. That is an incredible loss of culture and diversity, with everyone losing.

Cultural education is desperately needed. Indigenous People overwhelming said that governments must include cultural sensitivity and awareness as an integral part of their children's education. The Elders are doing their best to pass on the traditions, but need cooperation of the schools.

The Forum on Indigenous Issues was a great experience for me. It opened my eyes to the inter-connectedness of the world. We have so much to share with one another if we are willing. At the Forum I met many people willing to share their lives and experiences. If we could persuade others to do the same, our world would be a much better place.

Trade and Financing for Trade: The Hidden Link in Contemporary Economic Development

Tina Nanyangwe

Trade is very important for developing countries in accessing goods that a country needs, but also in developing enough resources to fund their sectors. Tina Nanyangwe, of the Jesuit Centre for Theological Reflection, asserts that it is not just trade that should be stressed but also financing for this trade if economic development is to happen. The JPIC Office is grateful for her permission to reprint this article. Please visit the JCTR website at www.jctr.org.zm for more!

It is undisputable that trade, either within regions or globally, will not solve all socio-economic challenges faced by poor countries. It is also clear that the negotiation capacities of poor countries' governments have not fully developed to a level where they can assertively secure enough resources to finance national development plans.

Even though trade remains on top of many national development strategies, major linkages that complement successful trade between and among nations have remained ambiguous, unexplored and veiled, especially in low income countries.

Trade and trade finance are intrinsically interrelated.

While there seems to be a dichotomy between the formulation of development strategies and financing for these strategies, in Low Income Countries, trade and trade finance are intrinsically interrelated. Imagine a successful economic development strategy without a trade component! But if trade is important, how do you finance for this important aspect? In addition, it is essential to realize that trade and financing for trade are an important aspect in the achievement of Goal 8 of the Millennium Development Goals.

The inability to link these two aspects has contributed significantly to the near stagnation of economic activities in many poor countries." For Zambia, total trade has remained basically unchanged since the 1990s. The share of imports to Gross Domestic Product (GDP) has increased over time, as opposed to the share of exports. In 1995 for example, the share in GDP was 35.6%. It declined to 25.2% in 2003.

This scenario implies that Zambia's contribution to the world economy is meager and its participation continues to decline. According to the 2006 United Nations Conference on Trade and Development (UNCTAD) report on exports, Zambia's share in world exports declined from 0.024% to 0.014% in 2003.

The saga of undelivered pledges on increased Official Development Assistance (ODA) by the international community continues to drag down progress as far as financing for trade is concerned. In addition, the fact that LDCs' leaders have no audacity to demand the fulfillment of these promises puts these low income countries, including Zambia, in a precarious situation as regards trade financing and trade capacity development. With the above information in mind, how can Zambia best finance for its trade?

Is it possible for Zambia to get a good deal from existing sources of trade finance?

This piece of writing analyses the performance of two instruments of international trade financing namely: Aid for Trade and Foreign Direct Investment (FDI).

AID FOR TRADE

The case of Aid for Trade is remarkable. Aid for Trade involves the flow of development finance from rich to poor countries for the purpose of enhancing the world trading system. Aid for Trade is a proposed package by the IMF and World Bank for the provision of financial and technical assistance to developing countries for two related objectives. The first is to address supply-side constraints in developing countries (maximization of benefits) and the second is to assist developing countries to cope with adjustments in trade liberalization which is, presumed to be transitional (minimization of cost).

But is Aid for Trade the way forward for Zambia? The answer largely depends on initial conditions and macro-economic fundamentals, domestic reforms which accompany the aid, delivery mechanisms, and their effectiveness and timeliness.

Zambia's current macroeconomic climate, domestic reforms, trade, and export performance make it a potential candidate for a robust Aid for Trade package.

With Aid for Trade, key questions are "What should be funded?", "In what form should the aid be given? and "Who should manage the transfer?"

However, the design of an Aid for Trade framework involves the following three key questions, "What should be funded?", "In what form should the aid be given?" and "Who should manage the transfer?"

On the 'what should be funded' question, official documents including the national budgets have, from time to time, shown that significant amounts of aid flows go into recurrent expenditure. Even when aid resources are channeled to capital expenditure, the country lacks efficient instruments to manage resources and eventually assesses the impact of these resources on human development.

There should be a realization that the attainment of benefits of aid for trade requires a three-pronged approach which focuses simultaneously on three pillars: Pillar 1 - harmonization with national development strategies, e.g., the Fifth National Development Plan (FNDP); Pillar 2 - improvements in the international trade regime; and Pillar 3 - increased and effective international financial and technical assistance (Aid and FDI). Aid is only one of the three pillars in actualisation of benefits of Aid for Trade, focusing selectively on aid and mobilizing re-

sources and commitments from the international community.

As emphasized in the Hong Kong Ministerial Declaration of 2005, Aid for Trade should aim at helping developing countries like Zambia to build the supply-side capacity and trade-related infrastructure that they need to assist them to implement and benefit from WTO agreements and more broadly to expand their trade.

FOREIGN DIRECT INVESTMENT (FDI)

The second source of trade finance is FDI. This is a financial investment in a domestic enterprise by which a foreign investor gains a significant equity stake in the firm. In most national accounting systems, FDI is defined as an equity share of 10 percent or more. Besides selling equity, enterprises finance their operations through debt, including loans from banks and other financial institutions. It must be noted that the major players in FDI are Transnational Corporations (TNCs)

Given the predominance of TNCs, a conventional definition of FDI is a "form of international inter-firm cooperation that involves significant equity stake and effective management decision power in, or ownership control of, foreign companies."

FDI, in short, is more than a flow of capital. It is a cross-border expansion of production undertaken primarily by large corporations. FDI takes place in two ways: "Mergers and Acquisitions" (M&As), that is, the purchase by TNCs of existing domestic companies, in whole or in part; and "Greenfield In-

vestment," that is, additions to the capital stock and the creation of new productive capacity.

In Zambia, FDI has been manifested in several forms. The purchase in part of state owned companies such as the Zambia National Commercial Bank (ZANACO) by Rabo Bank of the Netherlands and in whole, the Zambia Consolidated Copper Mine (ZCCM) by Vendetta of India. We have seen an influx of insurance companies such as Professional Insurance Company which is an example of Greenfield Investment.

The expectation from FDI is that it will bring capital accumulation which leads to job and wealth creation.

However important FDI can be to a country, it is worthless if it cannot improve the welfare of the general citizenry. The expectation from FDI is that it will bring capital accumulation which leads to job and wealth creation.

The 2008 National Budget Address shows that copper production increased by 1.5 percent to 523,435 metric tonnes in 2007 from 515,618 metric tonnes in 2006. At the same time reports reveal that more people were employed in 2004 compared to 2006. This reflects an inverse relationship between FDI flows in Zambia and employment creation.

Perceiving FDI as an engine of growth is a formula prescribed by mainstream economic theory, the International Monetary Fund (IMF) and other glo-

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Eco-Tips: Practical Ideas for Earth-Friendly Living



Take a Bite Out of Global Warming. Join the Cool Foods Campaign!

The US food system uses about 18% of the country's energy supply, and is a significant contributor to greenhouse gas emissions - and to global warming. Overall, the US food system uses the equivalent of over 450 billion gallons of oil each year.

The Cool Foods Campaign is a public advocacy campaign that promotes food choices and agricultural practices that result in minimizing the production of major global warming gases. These alternatives include eating local, organically produced and whole foods (as opposed to processed), as well as decreased consumption of conventional meat and dairy products. The campaign invites businesses, organizations, farms, schools and individuals to sign onto the Cool Foods pledge to change the way we eat.

Here are the top five things you can do to reduce your "FoodPrint":

1. **Eat Organic** – Organic foods are produced without the use of energy-intensive synthetic pesticides and fertilizers, growth hormones, antibiotics and they are not genetically engineered or irradiated.
 - To Be Cooler: Buy organic and look for the USDA organic label to ensure that the food you eat is "certified organic".
2. **Reduce Meat and Dairy Consumption** – Conventional meat – beef, poultry, pork, dairy, and farmed seafood – are the #1 cause of global warming in our food system.
 - To Be Cooler: Limit your consumption of conventional meat, dairy and farmed seafood. Buy organic meat and dairy whenever possible. Organically-grown animals eat grass or other grains that are not produced using energy-intensive synthetic pesticides and fertilizers and do not consume artificial growth hormones. Look for wild, not farmed seafood, especially avoiding farmed salmon.
3. **Avoid Processed Foods** – Compared to whole foods such as fruits and vegetables, processed food require the use of energy-intensive processes such as freezing, canning, drying, and packaging. Unprocessed foods are also healthier and taste better.
 - To Be Cooler: Do your best to avoid processed foods altogether, but "certified organic" processed foods are a good alternative.
4. **Buy Locally Grown Foods** – Transporting foods around the world emits 30,800 tons of greenhouse gas every year. The average conventional food product travels about 1,500 miles to get to your grocery store.
 - To Be Cooler: Choose locally produced foods, or foods produced as close to your home as possible to reduce transport and support your local community.
5. **Say No to Packaging** - Packaging materials, like plastic, are oil-based products that require energy to be created and are responsible for emitting 24,200 tons of greenhouse gases every year.
 - To Be Cooler: Buy whole foods, such as loose fruits and vegetables, bulk beans, pasta, cereals, seeds, nuts and grains, and carry your own reusable grocery bags.

You can reduce your FoodPrint by making conscious food choices that contribute to a reduction in global warming. For more information on what you can do, and to join the Cool Foods Campaign, please visit www.coolfoodscampaign.org. The Cool Foods Campaign is a joint project of the Center for Food Safety and the CornerStone Campaign.

DVD Resources:

The Price of Sugar



90-minute DVD by Uncommon Productions, 2006. Narrated by Paul Newman

This DVD documents the story of Haitian cane cutters on sugar plantations in the Dominican Republic and Fr. Christopher Hartley's efforts to help them.

When Fr. Christopher first went to the "bateys" (cane fields) he was appalled by what he saw – hovels, hunger, filthy water, illness, and wounds from cutting cane. The film shows the

ingenuity, daring and persistence of Fr. Hartley in changing the cutters' lives.

Since much of the sugar used in the U.S. comes from the Dominican Republic, this is an issue of importance to us.

The DVD tells the story well, and the filming is remarkable – all of which makes for a poignant and very informative 90 minutes.

Not for Sale

One-hour DVD by Marca-Relli Productions, LLC with Knightsbridge International

Based on the book Not For Sale by David Batstone

This DVD glimpses the heartache, violence and duplicity surrounding human trafficking/modern-day slavery, and highlights several organizations working with trafficked people.

Filmed globally as well as in the US, it dramatically portrays people caught in this tragic bondage.

After breaking your heart, this film inspires action.

Both DVDs can be borrowed by Obolates from the JPIC Office. Please call or write Mary O'Herron.

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bal development organizations. These hold that, given the appropriate host-country policies and a basic level of development, FDI triggers technology spillovers, assists human capital formation, contributes to international trade integration, helps create a more competitive business environment and enhances enterprise development. All of these contribute to higher economic growth, which is the most potent tool for alleviating poverty in developing countries. In reality, to capture the benefits of FDI, a country must already have reached some kind of "development threshold."

However, a more feasible, sustainable development strategy should be the development of endogenous capacities for production and innovation,

rather than embarking on policies skewed towards attracting foreign investment.

Instead of encouraging FDI to flow towards export platforms for the assembly of imported inputs, industrial and technology policies should aim to develop local skills, local markets, and solid, world-class domestic firms.

Macroeconomic policies should aim to enhance the overall climate for investment, both domestic and foreign. Instead of encouraging FDI to flow towards export platforms for the assembly of imported inputs, industrial and technology policies should aim to develop local skills, local markets, and solid, world-class domestic firms.

Trade and financing for trade are important engines of growth in today's economies and the government should endeavour explicitly to mainstream these two aspects in economic policy plans. In working towards sustained human and economic growth, and especially the achievement of MDG 8 - 'develop a global partnership for development' - major reforms in both the national and global financial architecture are necessary.

Let existing forms of trade finance work for the benefit and not the oppression of the poor countries.

JPIC Internship: A Taste of Bangladesh Comes to Washington

Joseph Gomes, OMI

My time in the US began in May with the **UN Forum on Indigenous Issues** in New York, attended by six of us from Bangladesh, along with other Oblates. The theme of the Session was “Climate change, Bio-cultural diversity and Stewardship of Indigenous Peoples.” President Evo Morales movingly highlighted the ill effects on climate of natural resource extraction from the lands of indigenous peoples. There was also a great celebration of the adoption of the Rights of Indigenous Peoples by the General Assembly on September 13, 2007. More than 3,000 people attended the Forum’s opening ceremony.

From New York, and before travelling to Washington, I visited friends and relatives on the east coast of the United States. Once in Washington, I settled into a six-week internship with the JPIC Office, getting to know the staff and their work. I wanted to re-energize my JPIC work, learn new things, and make new contacts. I succeeded in all of these things during my stay. Practical learning included improved computer skills and Internet usage – I even opened a Blog on the B’desh JPIC Ministry.

I was interested to learn more about the work of the **World Bank**, the **Asian Development Bank** and the **International Monetary Fund**. With the help of the JPIC staff in Washington, I met with staff of the Banks and learned about their projects in Bangladesh. We met the Directors of the Asia Desk of the

World Bank and discussed their support of education. Now I am in touch with them, in consultation about the possibility of supporting the education of Indigenous children in Bangladesh.

In mid-July, I joined Fr. Seamus P. Finn, OMI, Fr. Andrew Small, OMI, and Mr. Nirmal Gomes in meeting with the **Ambassador of Bangladesh** to discuss trade and commerce. It was arranged by Fr. Andrew Small, OMI who works for the **US Conference of Catholic Bishops** and who has advocated for fair trade policies for Bangladesh. His Excellency, The Ambassador, requested that we talk to the **Catholic Bishops Conference of Bangladesh** (CBCB) and appeal to the US Government through the USCCB for greater cooperation in the area of trade and commerce. The meeting was very cordial and led to a fruitful discussion.

Meetings with people at Amnesty International and Human Rights Watch led to valuable connections. Both organizations now send me materials and have offered support, if needed. They are aware of the Human Rights violations in Bangladesh and very much concerned about them.

At present I am fully involved with the **Tea Labour Union of Bangladesh** and am accompanying them in their struggles toward a just and dignified



OMI Delegation to the UN, 2008

life. Because of this work I met with international labour organizations in Washington - the **AFL-CIO** and the **International Labor Rights Fund**. We discussed the plight of the more than 700,000 tea garden workers. Their wages are paltry - US 50 cents a day - and they lack basic rights to land, health, education and decent housing. The AFL-CIO has an office in Dhaka that will be able to provide the tea workers’ union with logistical support. I also plan to travel with a tea worker to Northeast India in September to learn about their efforts to achieve respect for their rights.

During my stay in the States, while visiting friends, relatives and well wishers, I raised a fund of \$3000 which we are going to use for the students’ higher education. I also prepared project proposals, while in Washington, for a residential hostel for Indigenous students studying in Sylhet town. Since returning to Bangladesh, I have been trying to motivate our Indigenous Peoples, Church organisations, NGOs

(‘From the Director’ cont. from p. 1)

poor credit histories, would never otherwise have. If taxpayers, through government agencies like the Federal Reserve and the US Treasury, are expected to intervene and repair the disastrous consequences of excessive risk-taking in search of massive profits, new standards for disclosure and accountability need to be established and enforced. Finally, the agencies that are expected to supervise and monitor the behavior of financial institutions must be competent, adequately resourced, and guaranteed their independence.

To achieve this needed reform, strong leadership will be required from elected officials with oversight responsibility for the financial sector. In addition, the leaders of major financial institutions will need to commit to strengthening policies related both to excessive risk taking and to the enforcement of industry codes of conduct that provide guidance for the actions and choices of their employees.

I entered this arena more than thirty years ago, listening to stories from missionaries about the irresponsible

lending of “petrodollars” to dictators and illegitimate governments by private and public lenders. This lending resulted in the still unresolved Debt Crisis – which has meant enormous deprivation and suffering for millions of people until today. With this in mind, I remain convinced of the important role of the church in advocacy and teaching in the financial sector by offering ethical and moral guidance to those involved in reform of the regulatory framework and with the institutions engaged in this sector.

In Aparecida, Brazil in May 2007, Pope Benedict reiterated that “the preferential option for the poor is implicit in the Christological faith in the God who became poor for us, so as to enrich us with his poverty” (cf. 2 Cor 8:9). Our evangelizing mission therefore must be to continue to assure that the cry of and the option for the poor is represented in the formulation of both public policies and in choices and activities made by private actors. More immediately, it means paying attention to the proposals presented both here in the US and globally to reform a financial services sector that

operates in an increasingly integrated global system.

In recent years we have filed resolutions with major corporations in the financial sector asking for greater responsibility in their lending criteria and more ongoing ethical training for their employees. We have advocated greater transparency about their transactions and increased disclosure of the liabilities and risks that are being taken.

We continue to ask policy makers and regulators to be attentive to the needs of consumers and customers when approving new regulations that too often are being primarily requested by the business community. Through the efforts of Jubilee USA we have worked for passage of the Jubilee Act in the US Congress and promoted legislation to address the abusive practices of Vulture Funds. It is our fervent hope that the experience of the present crisis, including the pain and suffering of those severely impacted by it, will not go unheeded in this debate.

END

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and civil society groups to cooperate with us to establish two separate hostels - one for the boys and another one for the girls. We expect to be able to start construction on these by January 2009.

A very satisfying part of my stay in Washington was connecting with the

Bengali community in Washington DC, Maryland and Virginia; More than 100 American Bengali Christian families are living in those three states. They are really in need of pastoral care. On weekends, I spent time with three families, listening to their stories and helping them as best I could.

In all, I got a lot out of my internship. I learned new skills, got to know the Oblate JPIC staff, made good connections with people in Washington, and was renewed in my commitment to JPIC work. It is good to be back in Bangladesh with new possibilities.

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www.omiusajpic.org



God has a plan to help
bring justice to the world
-- and his plan is us.

- Gary Haugen



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