

NO. 0521

(STUDY DOCUMENT)

REGARDING JUST TRADE

RECEIVED by the General Assembly

Received the Study Document and referred the resolution to the Region of Canada with the recommendation that the Region develop and distribute a document on the subject.

Background Information:

As part of an international ecumenical process addressing economic globalization, representatives of the Anglican Church of Canada participated in a "Just Trade Agreements? Churches in North America Discuss Globalization" consultation that took place in Stony Point New York in January 2004. Also present at the event were representatives of the churches in Canada, the United States and Mexico, along with attendees from Argentina, the Caribbean, Korea, and several European countries. The World Council of Churches, the World Alliance of Reformed Churches, and the Lutheran World Federation sponsored this event.

The consultation produced "What Does God Require of Us? A Declaration for Just Trade in the Service of An Economy of Life", together with a "Plan of Action – Just Trade Agreements" (see attached), in which the church representatives present pledged "to cooperate ecumenically for fair and just trade agreements and an economy that serves life." The Declaration and Plan of Action emerged in response to reports and presentations on the impacts of globalization that have resulted in "debt crisis for poor countries, social deficits, poverty in the midst of plenty, the militarization of economic relationships and economic migration" (see attached press release, New York, 1/21/04). The impacts of the now ten-year-old North American Free Trade Agreement were a particular focus of attention for the consultation.

The principles outlined in the Declaration address issues such as the precedence that human rights commitments, sustainable development, poverty reduction and environmental protection must take over trade and investment agreements. National sovereignty, the safe-guarding of the well-being of all members of society, and democratic participation are also addressed, as are issues related to human security through peace building, agricultural and food security, corporate social responsibility and accountability, and transparency and meaningful citizen participation in trade and investment negotiations.

The North American consultation followed similar events in [Europe, Africa, Asia and Latin America]. The Latin American consultation, "Globalizing the Fullness of Life" held in Buenos Aires, Argentina in April/May 2003 produced a message in which the church representatives present "rejected (for the genocide it represents) the immoral, impossible and eternal foreign debt". The message called for "a broad and profound integration, based on human rights and the care of creation, that rejects the threat represented by the Free Trade Area of the Americas, militarization and other similar initiatives" (translated from original document, available in Spanish).

Over the years and through the work of the Canadian Council of Churches and such ecumenical coalitions as GATT-Fly, the Ecumenical Coalition for Economic Justice, the Inter-Church Committee on Human Rights in Latin America (the latter two now part of KAIROS), the Anglican Church of Canada has spoken out on issues related to globalization. In recent years the ACC participated in the Ecumenical Jubilee Initiative, focused on foreign debt cancellation and in the 2001 Canadian church leaders delegation to Mexico, prior to the Summit of the Americas in Québec City (see attached letter to Prime Minister Jean Chrétien).

Resolutions from General Synod, the National Executive Council (NEC) and the Council of General Synod (COGS) dating back to 1987 have addressed both the pastoral and justice concerns related to these same issues. In 1988 for example, the NEC commended the Primate "for placing the Canada/ U.S. trade issues on the agenda of the Anglican Church of Canada and for principles cited in his letter of November 1987, by which the issue may be tested". The four principles cited were:

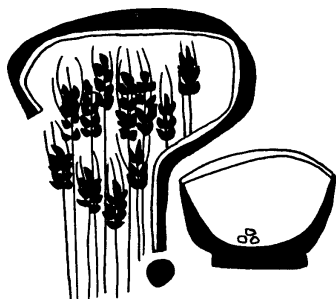
- Economic plans should not be allowed to have negative effects on the most vulnerable members of society;
- Economic agreements should not limit our ability to make future decisions for the common good;
- Economic agreements should not reduce our ability to act as good stewards of our environment and our resources;
- Ordinary citizens must be allowed opportunity to understand what is at stake and to take part in a meaningful way (see attached for full text).

At the General Synod held in 1995, a motion was carried urging "the Government of Canada, in its policy

to extend hemispheric free trade through an expanded North American Free Trade Agreement, to:

a) promote democracy and human rights (including social, economic, cultural and ecological dimensions to human rights) in the Latin America/Caribbean region;

b) give preferential consideration to governments which are committed to reducing military expenditure and are dedicating more resources to the education, environment, health and welfare of their populations.” (GS/1995 June 1-9/Act 50)



What Does God Require of Us?

A DECLARATION FOR JUST TRADE IN THE SERVICE OF AN ECONOMY OF LIFE

January 2004

PREAMBLE

This declaration is the result of a consultation held on January 11 – 14, 2004 in Stony Point, New York, USA. We gathered as people of God coming from churches in Canada, the United States and Mexico and also from other regions of the world. We recognize that the countries we come from play different roles in the present global context in terms of their economic, political and military power. By God's grace in Christ Jesus we have come together in a community of solidarity. In this spirit, we formulated this declaration and we pledge to cooperate ecumenically for fair and just trade agreements and an economy that serves life.

We are representatives of churches

We are gathered in the name of God, who is revealed to us in the incarnation of Jesus Christ, made known to us in Scripture as the creator of the world. The Holy Spirit calls, gathers and enlightens the church to serve God's purposes in redeeming the world.

We work for just trade because of the justice of God. God's justice creates and sustains the conditions for life. God has made an all-inclusive covenant with all creation. This covenant has been sealed by the gift of God's grace, a gift that is priceless, not for sale in the marketplace. What does God require of us? Act justly, love tenderly and walk humbly with your God. Our peoples need policies that restore right relationships, preserve responsible communities, shrink economic inequalities, and allow space for all of creation to flourish in its diversity.

We believe and teach that God sustains and offers abundance for all from the bounty of the gracious economy of God [*oikonomia tou theou*]. The economy of God is an economy of life that promotes sharing, globalizing solidarity, dignity of persons, forgiveness as well as love and care for the integrity of creation. The formal market must serve the greater economy of life. Faith compels us to confront the idolatrous assumptions that under gird many current economic practices.

We proclaim the God who hears the cry of the suffering world and who challenges us in love to serve our neighbors. The very nature of the body of Christ calls for solidarity with all people and with all creation.

We are gathered with brothers and sisters from churches around the world in the name of God, who gives life and calls us to share responsibility for all life.

As representatives of churches from Mexico, Canada, and the United States

We are witnesses to the ever-expanding demands of economic globalization and their negative impact on our communities and throughout the world. Inequality is growing even while technological and other advances have made it possible for a small segment of humanity to achieve unprecedented material prosperity. Billions of people are marginalized, oppressed and excluded from the economy of life, experiencing poverty, hunger, disease, hopelessness and even death.

In our discussions, we have heard testimonies of

- how political and military dominance in this time of Empire continues to impoverish people and cost lives;
- how Mexican “people of the corn”, cultivators for thousands of years of diverse varieties of seed, now denounce the transgenic contamination of these seeds, that has put their own food security at risk;
- how Indigenous peoples have used international trade tribunals to assert Indigenous proprietary rights as a an element to be addressed in international trade law;
- how corporations “shop the world” for ever lower-cost workers, and in the process Canadian, American and Mexican workers continue losing their jobs;
- how the dramatic drop in milk prices has led to the disappearance of so many family dairy farms;
- how prices and patents control ever more dimensions of life in community.

Participants from other regions have reminded us of how similar dynamics are also devastating their people, communities and the rest of creation.

We believe that current economic arrangements, international financial institutions and trade and investment treaties (e.g. NAFTA) unjustly distort the rules governing trade and investment to the advantage of the affluent and powerful. When trade and investment are seen as ends in themselves and not as the means to achieve just and sustainable development, our global community is reduced to simple exchanges of goods and does not reflect the Biblical vision for justice, peace and sustaining the integrity of creation.

Obligations to make payments on illegitimate debts result in a net drain of wealth from impoverished countries to wealthy creditors. Therefore a just and fair trade regime, by itself, is not sufficient. We reiterate our Jubilee Call for the cancellation of illegitimate, paralyzing, unjust and odious debts. We call for the creation of new economic relations between North and South based on the Biblical concept of restorative justice.

Our worldwide ecumenical commitment to unity in Christ enables and compels us to witness to the ever-resilient seeds of hope when justice, human solidarity, and care for creation take concrete expression in actions for change initiated by churches, civil society organizations and community groups. We are churches who believe that the economy of God includes ethical and spiritual principles that offer guidance and direction in the search for the very practical alternatives to ensure trade and investment respects the important role of government, advances the common good, and serves an economy of life not death.

PRINCIPLES FOR JUST AND FAIR TRADE AGREEMENTS

As representatives of churches in Mexico, Canada, and the United States, we declare our commitment to the following principles and policies for just and fair trade that serve the needs of all our global neighbors:

- 1) Trade and Investment Agreements, in order to ensure respect for dignity of all persons, should be subordinate to international law and agreements that guarantee universally recognized human rights. These include civil, political, economic, social and cultural rights; gender equity; labor rights; migrant worker rights; and rights of indigenous peoples.
- 2) Trade and Investment Agreements should recognize the inalienable rights of indigenous peoples to their traditional territories, resources and indigenous traditional knowledge. Indigenous peoples have to give their prior informed consent to any developments that impact their traditional territories.
- 3) Trade and Investment Agreements must also be subordinated to the goal of sustainable development and poverty reduction. This requires consistency among trade, development aid, and migration policies as well as dialogue among and inclusion of the relevant policy makers.
- 4) Trade and Investment Agreements should include measures to promote and strengthen respect for creation with environmental regulations and standards based upon the “precautionary principle” that safeguards the interests of future generations.

Policy Implications

- Governments and corporations should conduct (local) impact studies and risk assessments.
- 5) Trade and Investment agreements should recognize and respect national sovereignty and the legitimate responsibility of governments to safeguard the well being of all members of society, ensure democratic participation, and exercise public stewardship.

Policy Implications

Governments should:

- preserve the integrity of publicly funded and administered health, education and government services;
- recognize the differential impact of trade and investment treaties on women, men and children and require positive measures to offset their adverse effects;
- recognize and safeguard the unpaid provision of care and nurture (e.g. education, health care, nutrition and socialization) and support the necessary social investments to strengthen family and community relationships;
- protect the right of public access to safe drinking water;
- protect the public interest and environmental integrity in public-private partnerships, privatizations, and in leases, contracts and agreements regarding the extraction of resources (e.g., mining, petroleum, hydro-electric, forestry, fishing or biological resources);
- reject investor-state dispute settlement mechanisms and prohibitions on performance requirements such as those found in Chapter 11 of the North America Free Trade Agreement;
- subordinate patents or trade related intellectual property rights to measures that would guarantee access for all to public goods, such as the compulsory licensing of generic pharmaceuticals to ensure access to life saving medicines.

6) Trade and Investment Agreements should support greater human security by building peace through governments and international institutions.

Policy Implications

Governments should:

- strengthen the work of multilateral institutions, especially the United Nations;
- require transparency in priority setting, budgeting, and decision-making by international institutions
- accelerate the control and elimination of the arms trade.

7) Trade and Investment Agreements should allow for mutually beneficial agricultural trade, protect the ability of small producers to survive and thrive, and ensure that subsidies, tariffs and non-tariff trade barriers do not harm agricultural producers in small, weaker and less-developed States. These agreements must safeguard the ability of governments to protect the interest of their people.

Policy Implications

Governments should:

- ensure the right to exclude staple foods (e.g. corn and beans) from trade agreements;
- safeguard the safety of foods;
- encourage environmentally safe and sustainable farming practices while respecting the needs and important role of local producers and their communities;
- ensure access to necessary nutritional food, particularly for the poor;
- regulate agribusiness to ensure that it contributes to the common good;
- ensure the rights and safety of farm workers and fisher folk;
- protect biodiversity, indigenous knowledge and traditional communal farming practices;
- adopt safeguards to protect against import surges;
- regulate and prohibit the importation of genetically modified organisms (GMOs), including food aid, until proven safe.

8) Trade and Investment Agreements should ensure greater corporate social responsibility and accountability.

Policy Implications

Governments should:

- provide for effective regulation and compliance to ensure respect for human rights, adherence to international labor standards, and practices that safeguard the global environmental commons;

- enforce corporate charter obligations to contribute to the public interest;
- prohibit the commodification of life forms.

9) Trade and Investment Agreements should be reached through transparent negotiations and provide for greater participation by civil society in the negotiation, implementation, and monitoring of their performance.

10) Trade and Investment Agreements should incorporate genuine special and differential treatment for small, weaker and less developed states that require long-term special exemptions.

11) Trade and Investment Agreements must permit the stabilization of agricultural and mineral commodity prices at remunerative levels through arrangements, such as supply management commodity agreements, in order to reverse the deterioration in terms of trade experienced by primary exporters.

We commend the Fair Trade concept as a good working model of a more equitable system.

12) Trade and Investment Agreements must respect the sovereign rights of peoples and nations to choose a diversity of development paths, including those based on domestic self-reliance involving minimal international exchanges.

A New Heaven and A New Earth

In God's gracious economy, there is enough for all to enjoy abundant life if we but share. In organizing the global economy, God has entrusted us with a vocation as stewards of the common good, serving our neighbors and caring for the earth.

As people of faith and with great hope, we humbly pray that the God who created and redeemed this glorious world will create in us new hearts, filled with love for God and our neighbors. We confess our own weaknesses and shortcomings. May we learn how to reside together as members of the household of God, justly sharing the bounty of creation, and living with one another in harmony and mutual respect. May God's Spirit guide us into right relations between people and the earth, between one community and another. May God grant our leaders inspiration and wisdom, so that they might find the true paths on which we can move together to a more generous, sustainable and neighborly today and tomorrow.