



A Catholic Campaign Against Global Poverty



Update December 2006

In a world where nearly half of our sisters and brothers live in poverty, our Catholic faith calls us to protect human life and dignity. The US Conference of Catholic Bishops (USCCB) and Catholic Relief Services (CRS) invite Catholics throughout the U.S. to join us in a *Catholic Campaign Against Global Poverty* to advocate for U.S. policies that foster economic and social development for people living in poverty throughout the world. This update is a short summary of current Campaign activities on aid, trade and debt. Visit the Campaign website at www.usccb.org/globalpoverty or www.crs.org/globalpoverty for timely alerts and more information.

Foreign Aid

FY 07 Foreign Operations Appropriations Bill has not yet been passed by Congress. This may happen in the “lame-duck” session after the mid-term congressional elections. USCCB and CRS are urging Congress to reconcile the House-passed version of the Foreign Aid Bill with the version passed by the Senate Foreign Operations Appropriations Sub-committee in a way that selects the **higher level of funding for each of several key priorities in the two bills.**

Action: *Urge Congress to adopt the higher level of funding from the House or Senate version of the foreign aid bill for humanitarian aid and development, HIV/AIDS, migration and refugee services, debt owed to International Financial Institutions and food aid. Urge Congress also to provide substantial humanitarian and economic assistance to the Palestinian people.*

Two items that are not currently included in either the House or Senate version of the Bill but should be are:

- **To the extent that the funds are not available in existing accounts, provide the \$230 million committed by President Bush for the humanitarian, reconstruction and security needs of Lebanon.**
- **Provide an *additional* \$178 million to ensure that the Democratic Republic of the Congo will have the debt it owes to the United States cancelled in a timely fashion.**

Foreign Aid Reform: Last February, Secretary of State Condoleezza Rice announced a major overhaul of U.S. foreign aid. Since then, the Administration has made significant changes to the way foreign aid is administered within U.S. government agencies, focusing on accountability and effectiveness. Called the **3D** strategy, new measures are designed to focus on **d**iplomacy, **d**efense and **d**evelopment.

In the fall of this year, the Administration will finalize its budget request to Congress for Fiscal Year 2008. This request will reflect the structural changes planned by the new Director of Foreign Assistance, Ambassador Randall Tobias. USCCB and CRS urge the Administration to continue to live up to the traditional emphasis on the alleviation and elimination of poverty and hunger. Implementation of reforms designed to streamline foreign assistance and link programs to foreign policy priorities should not come at the expense of our country’s moral obligation to the poor and vulnerable around the world.

Trade

Urgent Action for Haiti: USCCB and CRS are urging passage of trade preference legislation for Haiti that would stimulate economic growth and promote employment. These preferences are found in H.R.

6142 that was introduced into the House of Representatives on September 22nd.

Action: *While your Member of Congress is in your home district, please urge him or her to support Haiti*

trade preference legislation (known as the HOPE Act) that is found in H.R. 6142. Just as important, ask your Member to write to House Leadership urging that H.R. 6142 be brought up for a vote when Congress reconvenes after the congressional elections and request that the Member to share a copy of the letter with you.

2007 Farm Bill: Reforming U.S. farm programs is an issue of global fairness. When Congress writes a new Farm Bill in 2007, there will be a chance to ensure that global agriculture works for the poor.

Certain U.S. agricultural subsidies hurt poor farmers in developing countries and violate the commitments of the United States under the World Trade Organization (WTO).

An equitable trading system for global agriculture is a key element in stimulating growth and reducing global poverty. USCCB and CRS will urge reform of U.S. agricultural policies. These reforms will focus on these priorities:

- supporting small and medium-sized farmers in the United States and around the world;
- protecting the environment;
- promoting rural development; and
- providing safe and healthy food to the hungry.

The *Catholic Campaign Against Global Poverty* will urge lawmakers to reform the Farm Bill by reducing subsidies and creating an environment where the poor farmers can make a living and support their families.

World Trade Organization (WTO): Last July, negotiations among WTO members were suspended because of an impasse during negotiations in the Doha Development Round. Among the main obstacles to a final agreement are differences among countries over agricultural subsidies and access to rich-country agriculture markets. No serious breakthrough is considered likely until, at the very earliest, the fall of 2007.

Debt Relief

The Catholic Campaign Against Global Poverty calls for the U.S. to promote greater debt relief to free up resources in developing countries to reduce poverty through development.

USCCB and CRS have been major champions of poor-country debt relief for many years. Debt cancellation allows countries to use more of their resources to reduce poverty. The debt relief given so far has helped to more than double school enrollment in Uganda, vaccinate 500,000 children in Mozambique and add three more years of schooling for Honduran children.

A major breakthrough occurred in July 2005 when leaders of the major industrialized countries (the G8) announced a proposal to cancel 100% of the debt owed to the World Bank's International Development Association (IDA), the African Development Fund, and the International Monetary Fund.

✓ Twenty Heavily-Indebted Poor Countries (HIPCs) are already receiving debt cancellation and 20 additional countries could become eligible, but there are even more poor countries that need debt relief, and debt owed to the Inter-American Development Bank (IDB) is not included. IDB debt cancellation is important to Honduras, Nicaragua, Bolivia, Haiti and Guyana.

Legislation has been introduced to urge the U.S. Treasury to negotiate expansion of the countries eligible for debt cancellation and to support cancellation of debt owed to the IDB. Passage of this legislation is not feasible in the current Congress. USCCB and CRS will revisit this strategy next year.

To ensure that debt relief moves forward, Congress must:

- provide \$950 million to IDA that is necessary in FY07 to fund the Administration's commitment to cancel 100% of the debt owed by heavily indebted poor countries to major international financial institutions.

ACTION: Please urge your Members of Congress to support

- ✓ **\$950 million for IDA in the FY 07 Foreign Operations Appropriations Bill**
- ✓ **\$178 million to ensure that the Democratic Republic of the Congo will receive debt relief in a timely fashion.**

*For more information and timely action alerts, visit
www.usccb.org/globalpoverty or www.crs.org/globalpoverty*