



## Our Rights! Our Freedoms! Our National Security?

Summary of Tim McSorley's AGM keynote address

The *International Civil Liberties Monitoring Group* (ICLMG) came into being in 2001, in the wake of the Sept. 11, 2001 attack on the World Trade Centre. There is some confusion surrounding the concept of “national security,” and the meaning can be obscure.

Non-governmental organizations such as CUSJ give hope that, working together to organize events and campaigns, we can confront the injustices arising when the concept of national security is misused. Now, on this 35<sup>th</sup> anniversary of the *Canadian Charter of Rights and Freedoms*—we have to strive to achieve an equilibrium between human rights and security. Some of the most benign activities, such as a march for the environment, can be tainted with suspicion when such demonstrations are framed as threats to national security. Yet, when we look at the most violent terrorist attacks, they are most often committed by white men who grew up in Canada.

Some major concerns:

- CSIS is secretive. We can't know how they get their information. Nonetheless, their reports are used as the basis for determining national security risks. A bias happens when your whole focus is on finding threats—your view of what is a threat becomes broader and broader. Extremism can happen within politics, as we have seen in the Conservative leadership debates and in the Anti-Islamophobia Motion M-103.
- In Edmonton an officer of the Human Rights Commission who went to serve notice to a white supremacist was fatally shot, yet this was barely covered by the media. And why was the shooting of six men in Québec City

less sensational than the killing of a soldier in Ottawa? On Anti-Racism Day, there were anti-Muslim rallies and counter-rallies.

- Are we addressing the root problems in our society, or are we becoming what Michael Moore described as a “fear-based society”?

McSorley noted that Islamophobia has been rising in the U.S. and in Europe. In the U.S., the Trump administration has stated its intention to change their “Countering Violent Extremism” program to “Countering Islamic Extremism.” Meanwhile, in the U.K., groups like Rights Watch UK have criticised the countries “Prevent” program for stifling free expression and stigmatising Muslim youth.

### **Powers the government has given security agencies**

There have always been instances when national security trumps our rights. During the '70s, we saw that

in the FLQ crisis and the Oka crisis. This is not a new idea, but it has been ramped up in recent years. Nowadays we have Bill C-51. In Canada, we have the presumption of innocence—and yet, security laws tend to erode that principle, and lead to abusive government practices such as no-fly lists, secret trials, and so on. Any of us can be touched by the surveillance systems set up by CSIS.

### **How intelligence and evidence is used**

Most of us would never expect to have to go through the ordeal to which Hassan Diab has been subjected. It is important to understand the difference between *intelligence*,



Tim McSorley with CUSJ President Margaret Rao (left) and the Rev. Lynn Harrison at the CUSJ AGM, May 2017.

### **Inside this Issue:**

CUSJ News .....	pp 1-7
Economics and	
- Disparity in Wealth .....	7-9
- Climate Change .....	10
Mining & Social Justice .....	11

## President Rao's End of Year Message

CUSJ's keynote speaker at our AGM, Tim McSorley, the National Coordinator of the International Civil Liberties Monitoring Group, was asked by the Reverend Lynn Harrison what keeps him hopeful, as a human rights and Charter rights defender, in the face of so much injustice in the world. He replied that it was the existence of non-governmental organizations such as CUSJ and the work we do together, that keeps him optimistic. We elders owe it to Tim and his generation, and to our ancestors before us, as well as to ourselves, to leave the world a better place than when we first arrived. In turbulent times such as these, I am reminded of the last words of the late Jack Layton – "My friends, love is better than anger. Hope is better than fear. Optimism is better than despair. So let us be loving, hopeful and optimistic. And we'll change the world."

May it be so and may the force be with us! Standing on the Side of Love and Justice!!

Your appreciative President,  
Margaret Rao



which can be any information—including rumours—that has been gathered, and *evidence*, which is tangible and provable. ICLMG has lobbied to stop the sharing of intelligence gathered through human rights abuses such as torture.

McSorley described No Fly lists (NFLs) that allow the government to compile secret lists of citizens deemed to be security threats, based only on 'intelligence'. Someone who is on a NFL can thus arrive at an airport only to learn that they are not allowed to leave the country. He suggested that a possible solution would be to extend the special advocate program to those on the NFL, and to those facing criminal charges.

Tellingly, things like the No Fly list don't make the news, because most people are personally unaffected by such things. (This brings to mind the famous poem by Martin Niemöller,

"First they came for the Socialists...") Like surveillance, the No Fly list erodes our civil liberties.

### Campaigns to improve the current situation

CUSJ should continue to participate in the campaign around Bill C-22, which ICLMG has been working on since the Maher Arar case. We need stringent oversight of our national security bodies, and there are serious loopholes in this bill, so that agency activities lack transparency, and citizens' rights to privacy are overlooked. Go to the ICLMG web site ([www.http://iclmg.ca](http://iclmg.ca)) to send letters.

*This article is an edited version of the report by Cym Gomery of McSorley's keynote address at the CUSJ AGM ([www.cusj.org](http://www.cusj.org)). Tim McSorley is a member of the International Civil Liberties Monitoring Group (ICLMG).*



## Our 2017 AGM in Toronto: Reviewing and renewing!

by Cym Gomery

On Friday, May 12, 2017, CUSJ members from across Canada gathered in Toronto for our AGM, an occasion to look back on our activities and successes in the past year, to take stock of the challenges that lie ahead, and to welcome new Board members and new Chapters.

The AGM took place at Don Heights Unitarian Congregation in Toronto. There were about 33 attendees: 22 CUSJ members on site, and 11 participating remotely. The meeting was preceded by a delicious vegan buffet, with many dishes whose names I did not recognize, but which tasted delicious. There were no leftovers!

During the business meeting, we revisited the many social justice causes that CUSJ has championed in the course of the year (see pp. 4-6 and [www.cusj.org](http://www.cusj.org)). We said goodbye to Board members Ahti Tolvanen, Eryl Court and Christina Duvander, and welcomed new Board members Lynn Armstrong, Leslie Gillett, Gustavo Frederico, and Sally Palmer Woods.

Tim McSorley's keynote address gave us a better understanding of the threats to our democracy, and renewed our energy to continue to speak out for greater limits on the powers of security agencies.

CUSJ gained three new Chapters over the past year: Thunder Bay, Quebec and the Islands Chapter, bringing the total of active CUSJ Chapters and groups to at least seven.

Finally, we passed three new resolutions: one for a health-centred approach to psychoactive substances, a second for reforms to Canada's criminal justice system, and a third, to continue the quest to bring Hassan Diab, a Canadian citizen imprisoned without charges in France since 2014, home to Canada.

Thanks to everyone who made this AGM a success, and to CUSJ members who are striving to make the world a fairer and kinder place! May we nudge the world a little closer to justice in the year ahead!

*This summary was posted on the CUSJ website ([www.cusj.org](http://www.cusj.org)) on May 16, 2017 by Cym Gomery, CUSJ Board Member and co-webmaster.*



## Canadians unwilling to exchange rights and freedoms for ‘security’

by Jack Dodds

“On balance, therefore, most participants in these Consultations have opted to err on the side of protecting individual rights and freedoms rather than granting additional powers to national security agencies and law enforcement, even with enhanced transparency and independent oversight.”

So concludes the report on the National Security Consultation run by Canada’s Department of Public Safety, which invited input from Canadians last year. The response was staggering: 58,933 responses to an online questionnaire, 17,862 emails and 79 submissions from organizations and experts, including a comprehensive brief from CUSJ. The consultation also included social media events, meetings with MPs, and public town halls where CUSJ was represented.

This consultation is part of a long-running national debate about the appropriateness of giving special powers to national security agencies. In 1970, the McDonald Commission investigated illegal activities of the RCMP. Debate intensified after the 1985 Air India bombing, which killed 329 people (most of them Canadian citizens) and then the 2001 World Trade Center attack in the USA. In 2013 the Conservative government enacted Bill C-13, giving police increased access to online data, and in 2015 it enacted Bill C-51 which gave security agencies broad power to share data and “disrupt” activities that “undermine the security of Canada.” The current Liberal government’s platform included a commitment to “fix” bill C-51, but it has not delivered. Meanwhile, in the last year, Canadian security agencies have conducted an intense campaign for more powers in the online world. At times, the government has appeared biased towards the security agency demands.

### Governments out of step with the people

The present government and its predecessor have seemed out of step with public opinion on this issue. In 2014, there was a strong reaction to revelations by Edward Snowden showing that Canadian security agencies were more involved in pervasive online surveillance than the public had known. Surveys by the Privacy Commissioner showed that in 2014, 57% of us were not comfortable with warrantless access by the government to our telecommunications information, while in 2016, 81% of us were concerned about the government monitoring our activities for national security or public safety purposes. The results of the latest consultation are no surprise to anyone who has been paying attention. So, why does the debate continue?

Security agency bureaucrats demand surveillance

and disruption powers to increase their effectiveness. Government ministers listen to the bureaucrats, with whom they must deal every day. Some citizens argue that increasing the powers of security agencies will erode our civil liberties. This pits an immediate, tangible concern—public security—against an intangible principle—human rights and freedoms—without explaining how violating that principle damages society.

### CUSJ responds

Canadian UUs have attempted to provide an explanation through various briefs, letters and submissions. We responded to the 2014 Snowden revelations with the CUC Resolution on Pervasive Surveillance, which cited our fifth principle of “the right of conscience and the use of the democratic process within our congregations and in society at large” and warned of the danger that surveillance poses to democracy. In the CUSJ brief to the National Security Consultation, we cited social science evidence that people obey the law voluntarily when they perceive it as legitimate, a perception that is undermined by inappropriate security agency activities. We argued that our democratic society is based on an equality of power between citizens and the government. We cited philosophers who maintain that moral character develops only when people are free to do the right thing by their own choice, not because they fear detection.

The debate continues. In addition to the consultation conducted by the Department of Public Safety, the parliamentary committee SECU (Standing Committee on Public Safety and National Security) has conducted its own general study, a study on Bill C-22 (establishing an oversight committee of parliamentarians) and a study on Bill C-23 (giving US agents greater powers in customs pre-clearance areas in Canada). CUSJ submitted briefs to the three SECU studies. The government showed bias towards security agency positions by rolling back SECU’s amendments to Bill C-22. That bill has now gone to the Senate; CUSJ has written some senators and will submit a brief. The CUSJ website includes news items with links to all these briefs and letters.

The results of the latest consultation may influence the government, but we encourage UUs to express their concerns to their MPs and senators. Every voice makes a difference!

*Jack Dodds is a member of First Unitarian Congregation of Toronto.*



Edward Snowden



# CUSJ NEWS

## Excerpts from CUSJ President's Report 2016-2017: Looking Back, Moving Forward

Another year has come and gone and I look back with gratitude to the steadfast members of the Board on whom I count for thoughtful direction from week to week and month to month.

Special thanks to the Board's Acting Secretary Marlene Koehler. Marlene's attention to detail and expertise in policy-making were welcome gifts this past year. Alas, Marlene is moving on, but as this JUSTnews was going to press someone volunteered to take her place (see below).

Our high-spirited Joy Silver has been wearing two hats, Membership Chair and Listserv Manager and has wisely decided to extend the Membership Chair to a new member of the Board, Lynn Armstrong. Joy is certainly a joy to work with, with her positive, can-do attitude with every task she takes on.

Another long-time and always positive member of the Board, Ellen Papenburg, is stepping down from her role as Webmaster. Ellen has handed this mantle to the more than capable, tech-savvy co-web editor Cym Gomery. Cym seems to manage both roles with ease, and keeps on top of the latest news with her pithy and witty website headings and comments. The other co-web editor is Rev. Frances Deverell, past President and continuing member on the Board.

Cym was also instrumental in bringing the latest CUSJ Québec chapter to the fold. This regional chapter includes members from three congregations, the Unitarian Church of Montréal, UU Estrie and the Lakeshore UU Congregation, plus one non-affiliated member.

I'm also thrilled to announce the start-up of another chapter, the Thunder Bay Chapter in northern Ontario. One of its members, Sally Palmer Woods, has agreed to take on the role of secretary. Thank you Sally for coming on 'board' at such a critical time in our nation's and civilization's history.

Last, but not least, special thanks to our intrepid editor of JUSTnews, Philip Symons. This gem of a journal has produced a loyal readership and in-

creased CUSJ membership over the years. Our deepest thanks to the editor for this inspired and inspiring quarterly newsletter.

CUSJ has been active on the following issues through the past year. Further details may be found on the CUSJ website (<http://cusj.org/wp-content/uploads/CUSJ-AnnualReport2017-1.pdf>).

### CRA REFORM

CUSJ was one of hundreds of charities and non-profits that made a formal submission to the Canada Revenue Agency on charities' political activities and the critical role they play in Canadian society in matters of public policy debates. CUSJ also wrote a letter to the Minister of National Revenue, Ms. Diane Lebovillier, and joined the Friends of Canadian Charities Coalition (FCCC).

Update: On May 8th, Minister Lebovillier announced that the Charities Panel Report has included many of the recommended changes. Importantly, the report asks that the rules governing the freedom of Canadians to speak be enhanced by removing prohibitions on participation in public policy development by the charities they support.



CUSJ President Margaret Rao

### ELECTORAL REFORM

Last September, CUSJ, along with hundreds of organizations and thousands of individuals, submitted a brief to the Special Parliamentary Committee on Electoral Reform (ERRE). We urged the government to address Canada's democratic deficit by enacting proportional representation. Despite the high participation and recommendations made by his own Special Committee, the Prime Minister suddenly and unilaterally reneged on this key election promise.

### NATIONAL SECURITY

Last October, Jack Dodds and I presented a brief, authored by Jack, on the National Security Framework, to the federal government's Standing Committee on Public Safety and National Security (SECU—see report by Jack Dodds, p. 3 this issue).

We also submitted a brief in response to the proposed National Security and Intelligence Oversight Committee, Bill C-22, urging Parliament to bring democratic control to Canada's security agencies. Disappointingly, the government chose to reject SECU's amended version of the bill, which now has First Reading in the Senate. CUSJ

# CUSJ NEWS

is following up. The final report is soon to be released.

Our latest brief, (also authored by Jack), was submitted in March to the SECU on the proposed Pre-clearance Act for US Customs and Border Protection, Bill C-23. The federal government has been pressed to explain the need for this new legislation, but has not adequately done so.

## ACCESS TO INFORMATION ACT

CUSJ endorsed the Voices-Voix letter to the Prime Minister, registering dismay at the government's delay in needed reforms to Canada's Access to Information Act, despite repeated promises of action, and several consultations and recommendations from the Office of the Information Commissioner and others.

## HUMAN RIGHTS

CUSJ members and supporters on the Hassan Diab Support Committee have been championing his case since 2008, when Dr. Diab was first detained by the Canadian government. Dr. Diab was extradited to France in 2014. A Canadian judge and French judges have called for Dr. Diab's release six times now, only to have the ruling overturned, time and again, by the Court of Appeal. CUSJ has written to the Prime Minister, to Foreign Affairs Minister Ms Chrystia Freeland, and Minister of Justice Ms Jody Wilson-Raybould, twice in the past six months. Sample letters to the Ministers can be found at [www.justiceforhassandiab.org/](http://www.justiceforhassandiab.org/). Please share the letters and parliamentary petition with family and friends.



Dr Hassan Diab

## MEDICAL ASSISTANCE IN DYING (MAID)

CUSJ wrote an open letter to the federal government prior to the passage of the 'Right to Die With Dignity' legislation, Bill C-14. CUSJ's Lobby Kit on Medically Assisted Dying is still relevant for irremediable chronic and degenerative diseases such as ALS and Alzheimer's.

## ABOLITION OF NUCLEAR WEAPONS

The official 2016 Liberal Party platform called for Canada to 'commence negotiations for a Nuclear Weapons Convention that would ban nuclear weapons.' But when the actual UN Nuclear Weapons Convention was called to order, Canada was one of 35 countries that voted against the resolution to negotiate a legally binding treaty prohibiting nuclear weapons. Our letter indicated that as a middle power, Canada still has a chance to redeem

its reputation by attending the UN Convention when member states meet again in June 2017.



Current Palestinian settlements (shaded blocks) in Israel.

## PEACE IN ISRAEL-PALESTINE

Both last year and this, CUSJ wrote letters to the Prime Minister, asking him to overturn the government motion condemning those who support the grassroots Boycott, Divest and Sanctions (BDS) movement. BDS is a non-violent campaign to pressure Israel to cease its expansion of Jewish settlements and to stop violating international law and Palestinians' human rights.

CUSJ recently joined the 'No Way to Treat a Child' campaign, on behalf of children and youth detained and prosecuted in Israeli military courts.

CUSJ stands in solidarity with Palestinian political prisoners currently on a hunger strike to highlight the mass detention and inhumane treatment of men, women and children in the hope of a peaceful resolution and a negotiated end to the occupation.

## ISLAMOPHOBIA IN CANADA

In light of the deadly attack on a Quebec mosque by a home-grown 27-year-old 'terrorist' on January 29<sup>th</sup>, 2017, CUSJ sent a message of sympathy and solidarity to Mohamed Yangui, the President of the mosque that was targeted, and to his congregants. CUSJ Toronto Chapter has taken part in two anti-Islamophobia rallies to counter public rallies led largely by white supremacist groups.



## INDIGENOUS ALLIES

CUSJ supports the Truth and Reconciliation Commission's 94 Calls to Action. Kairos Canada's *Winds of Change* campaign invites Canadians to send an e-letter to their provincial MPPs/MLAs regarding Call to Action #62, in favour of implementing an age-appropriate curriculum on residential schools, treaties and Indigenous peoples' contributions to Canada.

## EMPLOYMENT AND LABOUR RELATIONS

In the changing labour market of precarious employment, faith leaders in Ontario (ordained and lay), including many Unitarian ministers and yours truly, signed a Faith Leaders Statement demanding greater fairness for low income workers.

## THE ENVIRONMENT

In a February letter to the PM, CUSJ pointed out that his government's approval of the expansion of

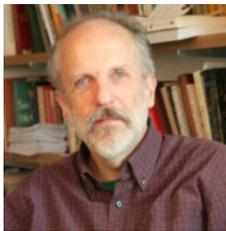
the Trans Mountain Project and Line 3 pipeline makes a mockery of Canada's ratification of the COP21 Paris Agreement. CUSJers can take the Coast Protector pledge to stop Kinder Morgan's expansion at [www.coastprotectors.ca/](http://www.coastprotectors.ca/). Find out what further measures you can take at [CUSJ.org](http://CUSJ.org).

## INTERNATIONAL TRADE AGREEMENTS

CUSJ's Board members Leslie Kemp and Cym Gomery wrote a cover article on the TPP in last year's spring edition of JUSTnews, roundly condemning the latest 'free trade agreement,' stating it would surpass NAFTA in ceding powers to corporations. The hope was that the deal would never be signed.

## THE HIDDEN ECONOMY

The lead article in the latest Discussion Paper of JUSTnews (No. 33, Spring 2017) is a sermon by Rev. Steven Epperson. He exposes the dark side of the economy—offshore bank accounts and shell companies, set up by law firms and financiers dedicated to concealing the identities of their wealthy clients and multinational companies who wish to avoid paying taxes. Reverend Epperson provided us with a sample letter to write to the Minister of Finance, Bill Morneau.



## A NEW ECONOMY

An earlier JUSTnews Discussion Paper (No. 27, Winter 2013-14) calls for a new economic and political system that takes into account the human-made climate crisis. The discussion paper proposes a progressive taxation system and a limit to annual spending. In the meantime, the surplus in the bank could be used to pay for a Guaranteed Liveable Income for the unemployed. In the same JUSTnews edition, author and activist George Monbiot opines that a Basic Income Guarantee (BIG) would offer 'a spark of hope' for the poorer half of the population in these inequitable times. The Discussion Paper also calls for tax shifting—taxing what we don't want while removing taxes on what we do want.

Do these radical solutions spark some radical ideas on your part? Where there is political will for radical change there is a way forward! Standing on the Side of Love and Justice!

Your appreciative President,  
Margaret Rao



## Dismissal of COMER's lawsuit keeps Canada's finances in hock to foreign interests

by Cym Gomery

*"Once a nation parts with the control of its currency and credit, it matters not who makes the nation's laws. Usury, once in control, will wreck any nation. Until the control of the issue of currency and credit is restored to government and recognized as its most sacred responsibility, all talk of the sovereignty of parliament and of democracy is idle and futile."* William Lyon Mackenzie King (1874-1950), Prime Minister of Canada.

On May 4<sup>th</sup>, 2017, the Supreme Court dismissed the appeal of the Committee for Monetary and Economic Reform (COMER) lawsuit, which had been filed back in December 2011.

The lawsuit attempted to restore the use of the Bank of Canada to its original purpose of making interest-free loans to all levels of government for "human capital" expenditures (education, health, other social services) and/or infrastructure expenditures.

The action also constitutionally challenged the government's accounting methods, accusing the government of hiding the true and total revenues of the nation, which were instead transferred to corporations and other taxpayers as tax credits.



One-hundred and three year old William Krehm, co-founder of COMER.

## Origins of the lawsuit

Why was this lawsuit needed? Back in December of 1974, a closed door meeting at the Bank of International Settlements (BIS) resulted in the foreign-owned BIS taking control of Canada's finances. Since that fateful day, the Bank of Canada and Canada's monetary and financial policy have come to be increasingly dictated by private foreign banks and financial interests, which contravenes the Bank of Canada Act.

The Plaintiffs note that the BIS, the Financial Stability Forum (FSF) and the International Monetary Fund (IMF) were all created in an attempt to keep poorer nations in their place, and this control has spread to the point that these financial institutions override governments and constitutional orders even in G7 countries such as Canada.

COMER also rejects the idea of a public-private Canada Infrastructure Bank, which has been

# CUSJ NEWS & ECONOMICS

proposed as a solution, arguing that the Bank of Canada, nationalized in 1938 during the height of the Great Depression, worked very well as Canada's infrastructure Bank until 1975.

In their press release about the dismissed lawsuit, the COMER is phlegmatic: at least the court case has publicized the extent to which Canada is not sovereign over its own finances, something that many of us did not fully understand. COMER plans to continue its quest to educate Canadians, and to return the control of Canadians' money to Canadians and the Bank of Canada.

All the talk of security and security agencies in the press these days is a distraction. Control of our own finances is the kind of security that Canadians really need.

*CUSJ President Margaret Rao sits on the Board of the Committee for Monetary and Economic Reform (COMER), established as a think tank in 1986 by William (Bill) Krehm and the late Dr. John Hotson.*

*This article was posted on the CUSJ website ([www.cusj.org](http://www.cusj.org)) on May 30, 2017, by Cym Gomery, CUSJ Board Member and co-web master.*



## Does income inequality cause health and social problems?

by Karen Rowlingson

Inequality grew dramatically in the 1980s and has remained at a high level ever since. But should high levels of inequality concern us? This report provides an independent review of the research, paying particular attention to the evidence and arguments put forward in *The Spirit Level* by Richard Wilkinson and Kate Pickett, in which it was argued strongly that we should indeed be concerned about income inequality (summarized in JUSTnews Discussion Paper No. 22, Autumn 2011). This report reviews the points made in various critiques that have appeared since *The Spirit Level* was first published in 2009, alongside the evidence and debate in the broader peer-reviewed literature.

### Executive Summary

The UK witnessed a dramatic growth in income inequality in the 1980s and the level of inequality has, if anything, increased further since then, albeit at a slower rate (National Equality Panel, 2010). This report provides an independent review of the research in this field, paying particular attention to

the evidence and arguments in *The Spirit Level*, which placed income inequality firmly within public debate and argued strongly that we should indeed be concerned about it. This report is not intended to be the final word on this debate, not least because new research findings are constantly being published. This report is intended, instead, to contribute to the ongoing debate on this important topic.

### Key findings

- The evidence from a range of studies suggests that there is indeed a correlation between income inequality and health and social problems. However, some further correlation analysis would be helpful in testing how sensitive the findings are to different measures of social stratification, different measures of income inequality, variations in the countries selected, and the treatment of outliers.
- Within any particular society, those with higher incomes do better on a range of factors. There is a 'social gradient' in health, which means that every step up the socio-economic ladder leads to an increase in health. It is less clear whether every step up the ladder improves health by the same degree.
- More recent studies have moved from simple correlation analyses to investigations into whether income inequality causes health and social problems independent of other factors. Some rigorous studies provide evidence of such a relationship.
- Where studies show that income inequality causes health and social problems, the size of this effect looks small in statistical terms. However, since these studies involve whole populations, the numbers of lives involved are significant. One study, for example, suggested that the loss of life from income inequality in the US in 1990 was the equivalent of the combined loss of life due to lung cancer, diabetes, motor-vehicle accidents, HIV-related causes, suicide and homicide.
- Some research suggests that inequality is particularly harmful after it reaches a certain threshold. Britain was below this threshold in the 1960s, 1970s and early 1980s, but then rose past it in 1986–7 and has settled well above that threshold since 1998–9. If the threshold is indeed significant, it could provide a target for policy.
- The most plausible explanation for income inequality's apparent effect on health and social problems is that it places people in a hierarchy

# ECONOMICS & DISPARITY IN WEALTH

that increases status competition and causes stress, which leads to poor health and other negative outcomes.

- Not all research studies have shown an independent effect of income inequality on health and social problems. Some studies highlight the role of other factors such as material circumstances (individual income), culture/history, ethnicity and welfare state institutions/social policies. Further empirical research could be conducted to test competing hypotheses.
- There has been some research comparing different groups in different countries, which suggests that those in lower socio-economic groups in more equal countries do better than those in lower socio-economic groups in more unequal countries. Indeed, they may sometimes do better than those in higher socio-economic groups in more unequal countries. Further studies would be very welcome.
- Income inequality may have positive effects on economic growth by providing incentives to work, but the evidence to support this is weak.
- This is a highly complex area both theoretically and methodologically, but the main conclusion is that there is some evidence that income inequality has negative effects. There is hardly any evidence that it has positive effects.

## Policy implications

Given that the main conclusion is that both individual income (material circumstances) and income inequality (relative income) make a difference to health and social problems, it seems clear that both need to be tackled. A range of policy levers can be used to do this: from redistribution through the tax/benefit system, to original income and wealth policies, to stronger public services to a greater focus on equal opportunities.

*Karen Rowlingson is Professor of Social Policy and Director of Research at the Institute of Applied Social Studies, University of Birmingham, and is also a member of the Executive Committee of the UK's Social Policy Association.*



*The full document may be found at: <https://www.jrf.org.uk/sites/default/files/jrf/migrated/files/inequality-income-social-problems-full.pdf>. Posted September 2011.*

## Six policies to reduce economic inequality

by John A. Powell

Almost three years ago, Occupy Wall Street first raised the consciousness of Americans about the wide economic disparity between the richest one percent versus the 99 percent of U.S. earners. New Federal Reserve data confirm that wealth and income inequality in the U.S. is accelerating.



Occupy Wall Street demonstration.

Results from the Fed's 2013 Survey of Consumer Finances show that the top 3 percent own 54.4 percent of America's wealth, an increase of almost 45 percent since 1989, and the bottom 90 percent own only 24.7 percent of wealth, a drop of 33.2 percent over the same period. Similarly, the share of total income for the top 3 percent of families rose when compared to 2010, but the bottom 90 percent of families saw their share of total income decline.



Billionaire businessmen David Thomson is one of the two richest Canadians, with a combined wealth equalling that of the poorest 30 % of the country combined. (Norm Betts / Bloomberg News file photo).

While discouraging, it is important for Americans to understand that inequality is not the inevitable side effect of capitalism. Public policy can help to reduce inequality and address poverty without slowing U.S. economic growth. The following six evidence-based policy

# ECONOMICS & DISPARITY IN WEALTH

solutions can have a positive effect on reversing rising inequality, closing economic disparities among subgroups and enhancing economic mobility for all.

## 1. Increase the minimum wage.

Research shows that higher wages for the lowest-paid workers have the potential to help nearly 4.6 million people out of poverty and add approximately \$2 billion to the nation's overall real income. Additionally, increasing the minimum wage does not hurt employment nor does it retard economic growth.

## 2. Expand the Earned Income Tax Credit.

In recent years [in the U.S.], the Earned Income Tax Credit (EITC) has been shown to have a positive impact on families, lifting roughly 4.7 million children above the poverty line on an annual basis. Increases in the EITC can pull more children out of poverty while providing more economic support for the working poor, especially single parents entering the workforce.

## 3. Build assets for working families.

Policies that encourage higher savings rates and lower the cost of building assets for working and middle class households can provide better economic security for struggling families. New programs that automatically enrol workers in retirement plans and provide a savings credit or a federal match for retirement savings could help lower-income households build wealth. Access to fair, low-cost financial services and home ownership are also important pathways to wealth.

## 4. Invest in education.

Differences in early education and school quality are the most important components contributing to persistent inequality across generations. Investments in education, beginning in early childhood with programs like Head Start and Universal Pre-Kindergarten, can increase economic mobility, contribute to increased productivity and decrease inequality.

## 5. Make the tax code more progressive.

Tax rates for those at the top have declined even as their share of income and wealth has increased dramatically. We have created bad tax policy by giving capital gains (profits from the sale of property or investments) special privileges in our [U.S.] country's tax code—privileges that give investment income more value than actual work. Capital gains tax rates must be adjusted to be in line with income tax rates. Savings incentives structured

as refundable tax credits, which treat every dollar saved equally, can provide equal benefits for lower-income families.

## 6. End residential segregation.

Higher levels of racial residential segregation within a metropolitan region are strongly correlated with significantly reduced levels of intergenerational upward mobility for all residents of that area.



Segregation by income, particularly the isolation of low-income households, also correlates with significantly reduced levels of upward mobility. Eliminating residential segregation by income and race can boost economic mobility for all.

All of these policies could be enacted at the local, state and federal levels if there is political will. While there are still some disagreements about the best way to reduce inequality, there is a growing consensus that inequality should be reduced.

Recently the IMF joined this consensus in finding that inequality reduces overall economy growth, and challenges basic democratic principles and fairness. But getting policymakers to prioritise these policies will depend on the actions of advocates, voters and other supporters with a vision for a fair and inclusive society so strong that they overwhelm powerful forces that seek to maintain the status quo.

<http://haasinstitute.berkeley.edu/six-policies-reduce-economic-inequality>. This article originally appeared on the Huffington Post, 09/09/2014. John Powell is Director of the Haas Institute.



The ideas expressed on the Haas Institute blog are not necessarily those of the University of California, Berkeley, or the Division of Equity & Inclusion, where the Haas Institute website is hosted.

# ECONOMICS & CLIMATE CHANGE

## Capitalism and Climate Change

by Alyssa Rohricht

Many argue that market and techno-based approaches are the way to combat climate change. They push for carbon taxing and trading, geo-engineering, and renewable energy without considering the fact that the system itself is incompatible with sustainability. By its very nature, capitalism seeks only to grow and accumulate, an idea that is diametrically opposed to a sustainable existence. In this series, I will examine how the capitalist system has brought us to climate disaster, and why it cannot get us out of it. A. Rohricht

### The Growth Problem

Ecological economist Herman Daly perhaps best emphasized the issue of unlimited economic growth acting within a limited environment. He called the idea of sustainable growth a “bad oxymoron” that is simply impossible.

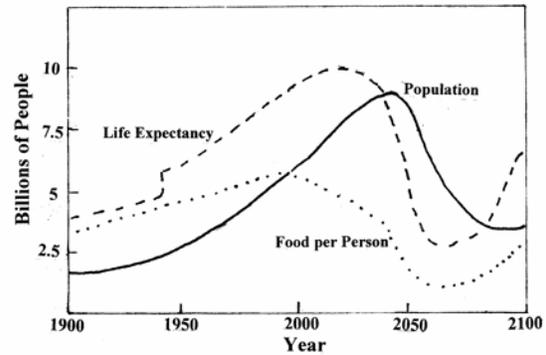
Impossibility statements are the very foundation of science. It is impossible to: travel faster than the speed of light; create or destroy matter-energy; build a perpetual motion machine, etc. By respecting impossibility theorems we avoid wasting resources on projects that are bound to fail. Therefore economists should be very interested in impossibility theorems, especially the one to be demonstrated here, namely that it is impossible for the world economy to grow its way out of poverty and environmental degradation. In other words, sustainable growth is impossible.

Earth’s ecosystem is finite, yet our culture has developed a system whereby economic stability is gained only through unlimited growth. Within the capitalist market system, growth is essential, and the larger the growth, the healthier the economy. When growth slows, or worse, stops entirely, the system is in crisis.

### Sustainable World Population Exceeded

Ecological health, on the other hand, is experiencing its own crisis as climate change threatens the stability of the entire planet. We’ve already exceeded the earth’s carrying capacity, and yet unfettered growth of the world’s population and greater resource consumption have continued. *The Worldwatch Institute* estimated that if the world consumed resources at the same rate per person as the average person in the United States, the Earth could support only 1.4 billion people. A world population of 6.2 billion (a number we’ve already far exceeded) could only support an average per capita income at about \$5,100 per year. In the US, the average income per year is about \$28,000.

Yet reducing our consumptive habits is antithetical to the capitalist enterprise, which functions only if the economy is growing. We have created a world system where economic health is directly opposed to environ-



Redrawn from *Beyond the Limits* by Meadows, Meadows and Randers, 1992.

mental health. Capitalism necessitates ever increasing resource use, while the natural capacities of the environment require a severe cutback in consumption.

### Earth’s Carrying Capacity Exceeded

Directly opposed to the constant need for growth are Earth’s natural systems and carrying capacity. Scientists at the Stockholm Resilience Centre analysed several of Earth’s systems and calculated the “planetary boundaries” for each that are vital to maintaining an environment liveable for humans. Many of these boundaries have already been exceeded. In the case of carbon dioxide, the pre-industrial value was 280 parts per million (ppm) concentrated in the atmosphere. The planetary boundary is estimated at 350 ppm. Currently, the earth is at 390 ppm.

The measurements for biodiversity loss read similarly dire. Some of the systems measured for the planetary boundary have not yet been surpassed, yet the data are hardly comforting: the phosphorus cycle (the quantity flowing into the oceans) had a pre-industrial value of 1 million tons, the boundary is estimated at 11 million tons, and the current status is 8.5 to 9.5 million tons.

Ocean acidification, freshwater use, and land use are likewise teetering at the precipice of disaster. And yet, in the face of this potential catastrophe, capitalism would have us only grow more.

Land use for agriculture and development are encouraged in order to grow the economy and increase capital, freshwater is being used at alarming rates for industrial production and industrial farming, rivers, lakes, and the oceans are being polluted with plastics, heavy metals, runoff from farmlands using pesticides and other chemicals, and as temperatures increase from the burning of fossil fuels, the temperature of the planet rises, further increasing ocean acidification and permafrost melt. This “healthy” economy is leading to a very unhealthy planet.

*Alyssa Rohricht maintains The Black Cat Revolution and can be reached at [aprohricht@msn.com](mailto:aprohricht@msn.com). This article was posted on May 29, 2014.*

# MINING AND SOCIAL JUSTICE

## Violence and Canadian Mining Companies in Latin America

by Marina Jimenez

### Executive Summary

*The Justice and Corporate Accountability Project* of York University's Osgoode Hall Law School has documented troubling incidents of violence associated with Canadian mining companies in Latin America. In general, neither the Canadian government nor industry are monitoring or reporting these incidents.

This Report documents incidents from 2000-2015 that are corroborated by at least two independent sources. We found:

- incidents involving 28 Canadian companies;
- 44 deaths, 30 of which we classify as "targeted";
- 403 injuries, 363 of which occurred during protests and confrontations;
- 709 cases of "criminalization", including legal complaints, arrests, detentions and charges; and
- a widespread geographic distribution of documented violence: deaths occurred in 11 countries, injuries were suffered in 13 countries, and criminalization occurred in 12 countries.

In addition, our research shows that Canadian companies that are listed on the Toronto Stock Exchange do not include reports of violence in their mandatory reports on company performance. Between 2000-2015:

- publicly listed companies reported 24.2% of the deaths and 12.3% of the injuries listed in this report; and
- larger companies tended to report incidents in general terms, using blanket statements, whereas smaller companies tended to report in more detail.

### What is significant about this study?

This report on violence and criminalization associated with the Canadian mining industry in Latin America is the first to:

- compile information on reported violence over a 15-year period;
- name the companies involved and seek company comments on the incidents; and
- provide details and sources of the incidents, so that third parties may reproduce our results.

### These incidents appear to be tip of the iceberg

During our study we came across many reports of deaths, injuries and cases of criminalization that we could not include because they could not be corroborated through two independent sources. We were not able to include death threats, deliberate burning of crops and property destruction, forced displacement, reported assassination attempts without reported injury, illness from environmental contamination, or psychological trauma from any of the violence due to the extensive resources required to document these incidents. The violence reported is only from countries in Latin America, and does not cover Canadian mines in other parts of the world.

### Canadian companies being noticed for the wrong reasons

Canada has been criticized internationally for its lack of oversight of Canadian mining companies. Canada is singled out because more mining companies are domiciled in Canada than in other countries; 41% of the large mining companies present in Latin America are Canadian.

- Four United Nations bodies have called on Canada to hold Canadian companies accountable for their operations overseas.
- The Inter-American Commission on Human Rights has had three hearings on the accountability of Canadian mining companies and called on Canada to adopt measures to prevent "multiple human rights violations."
- In June 2016, 180 organizations from Latin America sent a letter to Prime Minister Trudeau demanding action on promises for a mechanism for corporate and state accountability.

### Government policies not addressing the problem

The Canadian government continues to rely on voluntary, non-enforceable *Corporate Social Responsibility (CSR)* codes to measure company conduct. The two main government offices responsible for CSR are the Office of the Extractive Sector Corporate Social Responsibility Counsellor (CSR Counsellor) and the National Contact Point (NCP) under the Organization of Economic Cooperation and Development (OECD).

Neither office conducts investigations, nor do they have the power to sanction companies directly or compensate victims. Their only power is to recommend the withdrawal of Canadian government financial and embassy support.

There is no indication that there is any systematic review of company behaviour nor any publicly available information to indicate that the current CSR Counsellor has responded to reports of violence or considered withdrawing Canadian embassy support.

### Government can handle more complaints

The international community demands a more robust accountability mechanism, but opponents claim that the government does not have the capacity to handle the claims. There is no evidence that the current CSR Counsellor, nor the NCP, have too many cases to handle.

- The CSR Counsellor was established in 2009 and has handled only six complaints.
- The current CSR Counsellor's website shows no indication of any investigations, disputes, dialogues or any engagement with specific conflicts.
- The current CSR Counsellor has no annual report and the only publications are news reports of six speeches made by the CSR Counsellor since his appointment in 2015.
- The NCP only dealt with one case in 2015 and five cases in total since 2011.

*Marina Jimenez is a foreign writer with the Toronto Star and writes about everything from Latin America and the global drug trade to Europe's migrant issues. Mon., Oct. 24, 2016.*



**The current CSR Counsellor has not responded to reports of violence or considered withdrawing Embassy support.**

**JUSTnews** is published by  
Canadian Unitarians for Social Justice

**www.cusj.org**

President  
Margaret Rao

Editorial Committee  
Philip Symons, Editor, Don Vipond,  
and Leslie Gillett

Production and Proof Reading  
Philip Symons, Alastair Henderson,  
and Debra Mair

Distribution Lists  
Joy Silver

Submissions to or enquiries regarding  
JUSTnews should be addressed to:

Philip Symons, Editor JUSTnews  
1394 Vista Hts.  
Victoria, BC, V8T 2J3

Phone 250 592-6484  
philmar@islandnet.com

The views published herein do not necessarily reflect views and opinions of the Canadian Unitarian Council, Canadian Unitarians for Social Justice or all Canadian Unitarian Universalists.

## STATEMENT OF PURPOSE

The CUSJ purposes are:

- to develop and maintain a vibrant network of Unitarian social action in Canada and elsewhere and to proactively represent Unitarian principles and values in matters of social justice and in particular
- to provide opportunities, including through publication of newsletters, for Unitarians and friends to apply their religious, humanistic and spiritual values to social action aimed at the relief of (1) poverty and economic injustice, (2) discrimination based on religious, racial or other grounds, (3) abuses of human rights whether of individuals or peoples, (4) abuses of democratic process, and
- to promote peace and security, environmental protection, education, and literacy in keeping with the spirit of Unitarian values.

These purposes are an integral part of the Constitution of CUSJ, adopted at the CUSJ Annual Meeting in Mississauga, ON, May 19, 1999, and amended at the 2003 AGM.

I agree with the above Statement of Purpose, and wish to

join or  renew membership in CUSJ.

Enclosed please find my donation of \$ \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

Tel ( ) \_\_\_\_\_ Postal Code \_\_\_\_\_

Email \_\_\_\_\_

Add me to the CUSJ ListServ:  yes  no

I would like to receive my JUSTnews Newsletter by:

Post  e-mail

Name of Congregation (if a UU member):

\_\_\_\_\_

Date: \_\_\_\_\_

Please mail to: CUSJ Membership, c/o Gary Campbell,  
122-1601 Prince of Wales Drive, Ottawa, ON, K2C 3P8

Publications mail agreement No. 40037866



Return address:  
52-3190 Tahsis Ave.  
Coquitlam, B.C.  
V3B 6G1

Printed on recycled paper 