



NGOs to Practice What They Preach -- With Accountability Charter

by Jim Lobe

WASHINGTON, Jun 11 (IPS) - The leaders of 11 major international non-governmental organisations (NGOs) last week decided to practice what they preach to governments and business by endorsing an "Accountability Charter" for themselves. The six-page charter commits its signatories to, among other things, comply with the principles of the Universal Declaration of Human Rights, ensure "good governance" and transparency, and maintain high ethical standards in their fund-raising and advocacy activities. The charter's debut, which came at the London headquarters of

Amnesty International, came on the eve of the Jun 21-25 summit of the CIVICUS World Alliance for Citizen Participation in Glasgow, Scotland, a meeting that is expected to draw representatives of NGOs from 100 countries to discuss issues relating to development, and civic and economic justice.

"This is a true landmark initiative for the international NGO community," said Kumi Naidoo, CIVICUS's secretary-general. "An amazing diversity of organisations have united around this charter, which is being developed, at a time when public trust in NGOs is already an all-time high and significantly

Continued on page 2

U.S-India Nuclear Deal Shakes Pacifist Position

by Suvendrini Kakuchi

TOKYO, Jun 11 (IPS) - A controversial agreement on nuclear energy between Washington and Delhi is proving to be a diplomatic headache for Japan, say analysts here. "There is a lot at stake for Japan in this looming diplomatic crisis that is testing Tokyo's staunch support for the NPT (Nuclear Nonproliferation Treaty) and its position as a leading advocate of a non-nuclear weapons world," said Yoko Waki, professor of international relations at Keio University, about growing U.S pressure on Japan to support its agreement with Delhi, concluded in March. India is not a member of the NPT. Japan is the only country in the world to have suffered the consequences of nuclear attacks -- in 1945 the U.S. military dropped two atomic bombs on Hiroshima and Nagasaki. The disaster led to Japan's defeat and the end of the Second World War. As a result, the country's post-war pacifist constitution restricts the development of nuclear weapons.

Japan, the world's second largest aid donor, has used its financial clout to pressure countries to stop developing nuclear weapons, a policy that prompted its ban on aid to India after that country conducted five underground nuclear tests in May 1998. But Japan's traditional position is now facing a challenge, say analysts. They point to an upcoming summit between U.S. President George W Bush and Japanese Prime Minister Junichiro Koizumi on Jun. 29, when Japan's support for India's nuclear industry -- including transfer of technology,

Continued on page 2

New Political Push Proposed for Upgrading G-20

by Ramesh Jaura

BERLIN, Jun 11 (IPS) - The world needs to make globalisation work, and a global forum of 20 heads of government from important industrial and developing countries would be best suited to do so, says Paul Martin, Canada's prime minister until six months ago. Martin is proposing a political upgrade of the Group of 20 (G20) countries formed of finance ministers and central bank governors. The G20 that Martin is talking about is not the G20 plus group of countries that came into being at the World Trade Organisation (WTO) ministers meeting in Cancun in September 2003. This G20 comprises Argentina, Australia, Brazil,

Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, the United Kingdom and the United States. The European Union is also a member, represented by the rotating Council presidency and the European Central Bank.

"We need a body that can form the consensus required to deal on a timely basis with issues of all kinds that have global repercussions," Martin told IPS on the fringes of an international conference Jun. 8-9 in Dresden in eastern Germany. "The time has passed where the G8 can take the world for granted," he said. Martin was speaking in the run-up to the

Continued on page 5

Continued from page 1

higher than the ratings for government and business." Besides Amnesty and CIVICUS themselves, other signers included ActionAid International, Consumers International, Greenpeace International, Oxfam International, International Save the Children Alliance, Survival International Federation Terre des Hommes, Transparency International, and the World YWCA. A series of global surveys stretching back several years has shown that international NGOs enjoy greater trust among the general public in western countries and elsewhere than do governments, business, the media, or other major social and political institutions.

At the same time, the influence and visibility of these groups have grown significantly, particularly in multilateral forums where, among other activities, they have pressed for the adoption of new international treaties and legal norms binding national governments to more rigorous standards on human rights, environmental protection, arms, and international justice, among other issues. They have also campaigned for the adoption of binding codes of conduct for multinational corporations (MNCs) covering such issues as human rights, environmental protection, corruption, transparency, and economic equity in their overseas operations. These efforts have spurred something of a backlash on the part of some right-wing groups and governments which have questioned, among other things, whether NGOs were themselves as transparent and accountable as many of the corporations and governments whose behaviour they tried to regulate.

In 2003, for example, the neo-conservative American Enterprise Institute (AEI) and the right-wing Federalist Society joined with the like-minded Australian think tank, the Institute of Public Affairs, in sponsoring an all-day conference here entitled "NGOs: the Growing Power of an Unelected Few" at which they also launched a new website, www.ngowatch.org, dedicated to "bring accountability to the NGO sector". "NGOs use their growing influence inside international organizations to push for the establishment of globalized standards and international legal norms," the site states. "Yet this growing local and global role has in large part been unchecked and unregulated." To some extent, the new Charter can be seen as a response to this critique.

"NGOs are playing an increasingly prominent role in setting the agenda in today's globalised world," said Amnesty's secretary general, Irene Khan. "This places a clear responsibility on us to act with transparency and accountability." "The Accountability Charter clearly shows that NGOs are willing to adhere to a code of conduct, lead by example, and encourage others to follow," she added. David Nussbaum, the chief executive of Transparency International, echoed that view, noting that "International NGOs have an essential role to play in global governance. This charter sets out specific ways in which we demonstrate that our accountability means in practice. Transparency International advocates for open disclosure of relevant information to maintain trust and credibility -- for NGOs as well as for companies and governments."

The charter, which is voluntary, is designed for interna-

tional NGOs in particular, and lays out basic principles to which all signatories subscribe, including basic freedoms of speech, assembly, and association, non-discrimination, and the advancement of international and national laws that "promote human rights, ecosystem protection, sustainable development and other public goods". It calls for signatories to adhere to financial accounting and reporting requirements in the countries where they are based and operate and to issue detailed annual reports on their mission, operations, funding, and compliance with the charter and to ensure that its governance structure is transparent and responsive to its membership and stakeholders.

It similarly advocates principles of "ethical fundraising", including the rights of donors to be informed how their donation is used and how it furthers the organisation's mission, and "professional management," including the use of best practices in financial management and defined evaluation procedures for boards, staff, programmes and projects. It requires that any public criticism of individuals or organisations by signatory NGOs be "responsible" and be guided by principles of "fair public comment". Signatories should conform to all international and national labour regulations, and compensation for staff "should strike a balance between public expectations of voluntary-based, not-for-profit organisations and the need to attract and retain the staff (needed) to fulfill their mission". The Charter forbids acts of bribery or corruption, gender harassment, sexual exploitation and discrimination; and calls for protection of whistle-blowers. It requires signatories to break links with partner organisations or individuals involved in illegal or unethical practices.

Continued from page 1

expertise and financial backing -- is expected to be discussed. Any deals, some analysts say, may be forged much against the public's deeply anti-nuclear weapons feelings. "There is the possibility of Japan changing its current stance that has expected India to join the NPT," Professor Masao Fukunaga, a South Asian expert at Aichi Women's University based in Nagoya, said in an interview.

The 'Asahi Shinbun' newspaper, quoting Japanese government sources, reported last week of a raging internal debate and the possibility of officials issuing a "basic understanding" of the U.S. agreement with India that was formally signed Mar. 2. Proponents support Washington's argument that the nuclear power deal enables inspections of India's civilian nuclear facilities, thus strengthening the nonproliferation structure and boosting India's economic growth. Opponents, reported Asahi, worry about the deal's lack of guarantees for inspections by the International Atomic Energy Agency (IAEA) and the fact that nuclear power carries the threat of weapons proliferation. "We are strongly against Japan accepting the U.S.-India nuclear deal that will increase a nuclear weapons

Continued on page 3

race in that region. The agreement is irresponsible because it does not take into consideration the risks posed by nuclear weapons and is based heavily on economic greed given the growing needs of the energy market in Asia," said Hideyuki Ban, head of the Citizen's Nuclear Information Network, a leading anti-nuclear movement. Ban told IPS that India's rising economy has made nuclear power an important energy source and advanced nuclear technology countries such as the United States and Japan can be important suppliers.

Nuclear power generates around three percent of India's total energy compared to over 30 percent in Japan, which has developed nuclear fuel cycle facilities including the prototype fast-breeder reactor that produced plutonium. In contrast, nuclear power expert at the Japan Energy Policy Institute, Keiji Kanda, thinks the government should back the US-India deal, which he says reflects changing global politics. "In contrast to Iran or Pakistan, India's nuclear power development can be trusted and (India) is a respected country in Japan. The new agreement is an advantage to Japan, which has to have a closer partnership in the changing Asian regional politics that has seen the growth and influence of India," he added in an interview. Kanda explains that the NPT could be out of date given new trends in international relations and calls for closer cooperation between developed countries -- more reason for Japan to back away from its traditional pacifist stance.

A breakthrough for Japan, say experts, could be the Global Nuclear Energy Program (GNEP), announced by the U.S. State Department in May. It advocates for Japan, China, France, Britain and Russia joining hands to develop new and more efficient ways to produce nuclear fuel that could be provided to other countries, while also safeguarding nuclear proliferation. Ban says large Japanese corporations such as Hitachi Electrical Corporation and Mitsubishi Corporation are eager to export Japanese nuclear power technologies. Hitachi is already constructing an Advanced Boiled Water nuclear power plant in Taiwan. There is also rising interest in nuclear power in Japan due to rising oil prices and global warming, boosting the government's support for the energy source that is touted as cheap and environmentally conscious. But activists say they will fight against the expansion of nuclear power. "An accident in a plant can cause hundreds of death through radiation contamination. Also, there is the threat of nuclear arms proliferation. We will oppose any move in Japan to expand this energy," Atsuko Nogawa of Greenpeace Japan told IPS.

Death Penalty: A Hindrance to U.S. War on Terror, Say Rights Groups

by Mithre J. Sandrasagra

NEW YORK, Jun 9 (IPS) - Continued use of the death penalty in the United States is straining its relations with allies and hampering the war on terror, say international human rights and legal experts. Governments increasingly are refusing to

extradite criminal suspects to countries like the United States and China, which impose the death penalty, without first obtaining guarantees that executions will not be carried out. In response, the Bush administration has resorted to what amounts to kidnapping as a means to side-step international extradition law in its so-called rendition programme (the extra-judicial seizure and transfer of terrorist suspects to detention in third countries), human rights advocates such as Amnesty International and Human Rights Watch said. "As more and more countries turn their backs on the death penalty -- about 124 countries are now abolitionist in law or practice -- the U.S. finds itself increasingly isolated on this fundamental issue," Rob Freer of Amnesty International told IPS. Continued implementation of the death penalty has eroded U.S. moral authority in the international community, Freer said, adding, "the U.S.'s claim to be the global human rights champion rings a little more hollow with each execution."

The majority of the world's governments, including European nations, Lebanon and Canada, now refuse to extradite criminal suspects to the United States without first obtaining guarantees that the death penalty will not be sought or imposed, according to Amnesty statistics. In December 2005, Germany refused to extradite Mohammed Ali Hamadi -- who was freed on parole by German authorities after serving 19 years of a life sentence for the 1985 hijacking of a TWA airplane -- because he could face the death penalty in the United States on charges of killing a Navy diver in the hijacking. U.S. Attorney General Alberto Gonzales personally asked the German government not to release the terrorist, but was rebuffed. Hamadi is now in Lebanon, which does not have an extradition treaty with the United States.

Since 1990, an average of three countries each year abolish the death penalty, according to Amnesty's statistics. In contrast, the United States has executed on average one prisoner a week since 1990. In part because of that dichotomy, the U.S. is having trouble arresting terror suspects abroad, even after the terror attacks of Sep. 11, 2001 in New York and Washington, because of the likelihood of the death penalty being levied. In November 2001, immediately following the Sep. 11 attacks, Spain refused to extradite eight alleged members of the al-Qaeda network to the United States because there was a risk that they could face the death penalty or trial by special military tribunals. The British Home Office also confirmed to IPS that nobody would be extradited from Britain to the U.S. without assurances that they would not be executed. Because countries will not turn over suspects without obtaining assurances the death penalty will not be used, the United States has been forced to circumvent formal extradition procedures, Anjana Malhotra, co-author of Human Rights Watch's recent report "Witness to Abuse: Human Rights Abuse under the Material Witness Law since September 11," told IPS.

The U.S. has resorted to rendition to question suspects in violation of international law, a move which ultimately will hamper prosecution, the report said. Suspects that could have been prosecuted legally under U.S. and international law can

Continued on page 4

now seek dismissal of their cases because they were questioned illegally, experts say. "The Bush administration has severely compromised the chances of prosecuting terrorist suspects by holding them illegally, and reportedly subjecting some of them to torture and other mistreatment," said John Sifton, terrorism and counter-terrorism researcher at HRW. In addition to holding prisoners without charges at Guantanamo Bay, a U.S. naval enclave in Cuba, the United States has also conducted renditions of prisoners to third countries. The Universal Declaration of Human Rights, adopted in 1948 by the United Nations General Assembly, prohibits arbitrary arrest, detention or exile.

This may account for the Bush administration's difficulty in bringing terrorists to justice, Sifton added. One of these suspects, a Yemeni national, was reportedly handed over to U.S. authorities by Pakistani agents on Oct. 26, 2001 in secret and without any formal deportation or extradition proceedings, according to Amnesty International. The suspect, Jamil Qasim Saeed Mohammed, was charged in connection with the bombing of the Navy destroyer USS Cole, in Yemen in October 2000, in which 17 U.S. servicemen were killed and more than 40 others wounded. The whereabouts or legal status of Mohammed are still unknown. The United States is holding at least 26 such "ghost detainees" at undisclosed locations outside the country, according to HRW. They are being held "indefinitely and incommunicado, without legal rights or access to counsel," said the rights watchdog.

Kidnapping, rendition and torture in opposition to international human rights law has put a strain on U.S. relations with its allies as they negotiate each extradition request. Such was the case earlier this year with Canada. On Mar. 30, Canada did agree to extradite Abdullah Khadr, a Canadian national, after the U.S. provided assurances that the death penalty would not be on the table. Khadr is accused of procuring munitions and explosives for al-Qaeda to use against U.S. forces in Afghanistan, a spokesperson for the U.S. Attorneys Office told IPS. If found guilty of the current charges, Khadr faces a maximum sentence of life in prison. The investigation however continues and further charges may be brought against him. "Khadr is still in Canada but he's on his way," the spokesperson said.

No Justice for Darfur in Local Courts

by *Fritzroy A. Sterling*

UNITED NATIONS, Jun 11 (IPS) - A leading human rights group has published a report charging that Sudan's Special Criminal Court on the Events in Darfur (SCCED) has failed to prosecute any official, high-ranking or otherwise, on charges related to war crimes and atrocities committed against the black Muslims of Darfur by government-supported and financed Janjaweed Arab militias. There have been countless

accusations against the Khartoum government and the Janjaweed militias since the start of the conflict in early 2003, including the displacement of hundreds of thousands people, looting and burning of entire villages, mass killings, kidnapping of children and raping of women and young girls, all of which prompted the then-U.S. secretary of state, Colin Powell, to denounce the killings as "genocide". Of the 13 cases that have been brought before the SCCED to date, not one case is related to the attacks or atrocities committed in Darfur, according to the briefing, confirming the suspicion of some critics that the court would not effectively prosecute those guilty of crimes against the people of Darfur.

"The cases that have been brought before the court do not even begin to address the more serious attacks on the people from Darfur," senior counsel to the International Justice Programme at Human Rights Watch and author of the briefing paper, Sara Darehshori, told IPS. "There is no real effort on the ground to prosecute and ultimately bring justice to the victims." The SCCED was established one day after the chief prosecutor of the Hague-based International Criminal Court, Luis Moreno-Ocampo, announced that the ICC would begin investigating the events in Darfur on Jun. 6, 2005, prompting critics to argue that the SSCED's creation was merely to "divest the ICC of jurisdiction", without ever having any real intention of prosecuting the perpetrators. "The timing was suspicious and we at Amnesty International have questioned their motivation," Vienna Colucci, director of the Amnesty USA Programme for International Justice and Accountability, told IPS. "This is the same system that did not respect human rights and even persecuted human rights personnel there."

The ICC is bound by a statute which prevents it from probing a case if the "State which has jurisdiction is investigating or prosecuting the case" -- which, some critics argue, was the loophole that the Khartoum government's exploited when it hastily established the SCCED. According to the briefing report, there is no distinction between the roles of the Specialised Courts in Sudan and the SCCED, and some judges who reside over cases on the Specialised Courts have little or no judicial training. Amnesty International called for the abolishment of the Specialised Courts in Darfur and the SCCED shortly after its establishment in 2005, arguing that the courts accept "evidence obtained under torture, limit the right of appeal of those accused, and can hand down sentences of death, amputation or flogging". Sudan's legal declaration and ratification of Shari'a -- Islamic law -- under the Criminal Act of 1991, coupled with the fact that some areas of Darfur are still governed under a continued state of emergency decree, creates a tangled web of legal complications that could hamper any efforts for transparency in the SCCED prosecution proceedings, considering that crimes against humanity and genocide are not included in the Criminal Act of 1991, and declarations of states of emergencies inherently restricts certain basic rights, like the right to gather and redress grievances against the government. "There is an ongoing assertion as to whether the Sudanese government

Continued on page 5

is willing or able to do the prosecuting themselves," said Darehshori. "The national justice system needs to be strengthened to ensure that justice is brought to the victims of Darfur."

With the lack of sincerity from Khartoum, its unwillingness to fully cooperate with the ICC, and the SCCED's glaring

and seemingly intentional contradiction of purpose, some critics question whether the perpetrators will ever be held accountable for their deeds, or whether any real accountability will implicate the very government in charge of invoking its own laws to guarantee that justice is served.

Continued from page 1

annual summit meeting of the world's seven major western industrial nations -- Britain, Canada, France, Germany, Italy, Japan, the United States -- and Russia Jul. 15-17 in St Petersburg, Russia. Martin was in Dresden to address a conference on 'Multilateralism in Transition' organised by the Development and Peace Foundation set up 20 years ago by German Nobel peace laureate Willy Brandt. Brandt was Chancellor of West Germany 1969-74 and leader of the Social Democratic Party 1964-1987.

The global forum of Leaders 20 (L20) Martin has in mind will not be a new edition of the North-South summit that took place at Cancun, Mexico, in October 1981 at the suggestion of the Brandt Commission, as the Independent Commission for International Developmental Issues that Brandt headed after 1977 came to be called. Brandt regretted then that the Cancun summit "fell far short of our expectations." And yet the fact that it took place was historic by itself, he said. Though it might forego using the phrase 'North-South', L20 will seek to bring out the interests of the countries of the South, Martin said. The L20 will comprise industrial and developing countries that represent about 90 percent of the world's economic output, 75 percent of all trade, 67 percent of the world's population and a majority of the world's poor. "It will be national governments acting at the highest level -- chancellors, presidents and prime ministers," Martin said. "The problem is that many of today's international meetings are not designed to facilitate the kinds of informal political debates that must occur between political leaders; they are designed to accommodate pre-cooked set pieces speeches."

Martin was Canada's prime minister between December 2003 and January this year. From 1993 to 2002 he served as his country's finance minister. Both as prime minister and finance minister he participated in some ten G7 and G8 meetings with and without Russia. "What the L20 must do, and what the G8 and G20 when at their best have succeeded in doing, is to allow ministers and leaders to break free of the briefing book syndrome, allowing them to think outside of the box," Martin said. It was at his initiative that the G20 (Group of Twenty) was established in 1999. Martin does not rule out a review of the list of G20 members if it is transformed into L20: Egypt, Malaysia and Nigeria may also be brought in. He is quietly hoping that India and China which have expressed support for a global forum such as the L20 will stay on board -- China might in the near future play host to the first L20 summit.

Such a possibility was not ruled out by Dr Zongze Ruan, vice-president of the China Institute of International Studies in Beijing, who also participated in the conference. Last year China hosted the G20 annual meeting. This year is Australia's turn, and next year it will be South Africa's. The goal Martin

envisages for L20 is similar to that which has been established with the G20 finance ministers and the G8 at their private dinners: "an environment that promotes the exchange of views rather than pre-cooked briefs and speeches." Elucidating the modus operandi of the L20, Martin said: "We should learn from the strengths and weaknesses of the G8. For instance, there should be no communiqués. They simply suck all the air out of a meeting before it even starts. If the leaders want to speak out, let them do so and let the host provide an overview or read-out."

The G8 stalwart rejects a "focus on announceables". The purpose of the L20, he says, is not to engender a talkfest. "The focus should be on rounding off globalisation's hard edges through informal discussion." This, he believes will lead to more deliverables in the long run than would the process of short-term bargaining between sherpas, no matter how necessary the latter may be. Except perhaps in the initial push to get the L20 up and running, there will be no secretariat, which would simply get in the way of strong direction from national capitals. "The goal is political accountability, not bureaucratic process." Martin said he believes the success of G20 "has paved the way for the L20."

Andrew Cooper, associate director of the Centre for International Governance Intervention in Waterloo, Canada, said: "The L20 becomes in essence, a meeting place for the different civilisations of the world, not just taking into account the different histories and development trajectories of the actors at the table, but searching for common ground between them." Whither the G8? Should it fade away by expanding its membership into the L20? "The answer, I believe, is no. The G8 has a role to play on its own, and while one may wish it would do more, it would be sorely missed," says Martin. The G8 has its roots in the 1973 oil crisis and subsequent global recession. In 1975, French President Valéry Giscard d'Estaing invited the heads of state of six major industrialised democracies to a summit in Rambouillet, and proposed regular meetings.

The participants agreed to an annual meeting organised under a rotating presidency, forming what was dubbed the Group of Six (G6) consisting of Britain, France, West Germany, Italy, Japan and the United States. At the subsequent annual summit in Puerto Rico, it became the Group of Seven (G7) when Canada joined at the behest of U.S. president Gerald Ford in 1976. The European Union has attended meetings since it was first invited by Britain in 1977. In 1991, following the end of the Cold War, Russia began meeting with the G7 after the main summit. This group became known as the P8 (Political 8), or colloquially the "G7 plus 1", starting with the 1994 Naples summit. Russia was allowed to participate more fully beginning in the 1998 Birmingham summit, marking the creation of the Group of Eight.

NEWSBRIEFS

Public Seeks Blood for Corrupt Chinese Officials

BEIJING, Jun 11 (IPS) - When Liu Zhixiang was given a suspended death sentence in April for a long list of crimes that included hiring an assassin, bribery and embezzling some 40 million yuan (5 million U.S. dollar), it sparked indignant letters of protest from ordinary people and legal scholars alike. Not because the sentence against Liu, a high-ranking railway official from Wuhan city, was too strong but too lenient. The readers, it seems, wanted Liu's head. "We shouldn't let off some corrupt officials and punish others," argued legal scholar Yan Lieshan in the China Economic Times. "Corrupt officials' lives should be spared only if the capital punishment is negated for all economic crimes. The current practice of punishing some with death while sparing others harms the public's trust in justice." The result is that the government has been put in a bind. Under worldwide criticism to curb its appetite to execute its citizens -- China accounts for more than 80 percent of the death sentences carried out worldwide -- the country is trying to reform. The death penalty opposition lobby has urged China to abolish capital punishment for non-violent white-collar economic crimes, like bribery, fraud and embezzlement. But the public sees the campaign, called "kill fewer, kill carefully," as unevenly applied and benefiting mostly corrupt officials. "The truth is that people here are so infuriated with big-time corruption that even executing Liu wouldnt have assuaged public anger," says a Western diplomat based in Beijing, who did not want to be identified. Still, China's wanton use of the death penalty for economic crimes has made it difficult for the country to repatriate suspects who have fled the country. In order to convince many Western countries to hand over suspects, it must agree not to use capital punishment, something Beijing is slow to do. As a consequence, the number of economic criminals who have found "safe heavens" abroad has risen sharply. According to figures from the Ministry of Public Security, more than 800 suspects accused of embezzling a total of 70 billion yuan (8.75 billion U.S. dollar) worth of property and funds have fled the country. Only 320 have been repatriated. Repeated smuggling schemes and fraud scandals within its own officialdom tarnish the Chinese government, making it difficult to convince its own citizens it can severely but evenly crack down on corruption...

Cuba's New Squeeze on Family Remittances

HAVANA, Jun 11 (IPS) - An increased tax on remittances sent to Cuba in dollars will bolster the flow of foreign exchange into state coffers, but will create further difficulties for the hundreds of thousands of families who are divided between Cuba and the United States. "Supposedly, the increase is for the agency carrying out the money transfer. But it's the customer who ends up paying," a 45-year-old Cuban woman who lives abroad, and who spoke on condition of anonymity, told IPS. The Cuban authorities "know that they can continue to squeeze because we will continue sending money back." "Of

course not everyone is able to," she said in an e-mail message. "There are people who make a huge effort to send a bit of money every once in a while to their families in Cuba. And no matter how well off you are, no one wants to be losing money like this. You find yourself forced more and more to turn to illegal channels for helping your family, even though you don't like to have to do that." The measure means in practice that a money transfer for 123 dollars will be converted in Cuba into 100 "convertible pesos" or CUCs, which were created in 1994 as a substitute for the U.S. dollar in internal transactions. Up to May 31, the ratio was 120 dollars:100 CUCs. Two currencies are presently used as legal tender in Cuba: the regular peso and the CUC. The CUC was pegged to the dollar until October 2004, when the U.S. currency was removed from circulation on the island. The new hike, or "margen comercial", is a result of the fact that Cuba's Central Bank now charges 23 dollars in fees instead of 20 for receiving a money transfer. The announcement of the new increase, which the Central Bank circulated among agencies abroad, according to sources in Miami, has not been published in Cuba. Employees at the government exchange bureaux and at a branch of the Banco Metropolitano told IPS that they were unaware of the measure. But the exchange rate could continue to rise as part of a Cuban policy to strengthen the CUC and in response to measures by Washington aimed at curbing to the utmost the Cuban government's sources of foreign exchange..

Another War Over Water

BUENOS AIRES, Jun 11 (IPS) - Fed up with poor water quality, rate hikes and a lack of investment in expanding infrastructure, residents, union members and environmentalists in the Argentine province of Cordoba have forced a multinational corporation to withdraw from the business, and are now demanding that the state play a part in a new public water company. "Feelings were running high in January this year, when water bills with up to 500 percent tariff increases started arriving. That, in the context of the current review of the wave of privatisations that took place in the 1990s, was the origin of this movement," Luis Bazan, leader of the People's Commission for the Recovery of Water in Cordoba, explained to IPS. The association, made up of trade unions, neighbourhood centres, social organisations and political parties, seeks to establish the status of water as a public good - not subject to the vagaries of the market and to participate directly in the management of a state sanitation company that would distribute water to 1.3 million people in the city of Cordoba, the capital of Cordoba province, in north-central Argentina. According to Bazan, the present climate in Argentina and the world is not only critical of the results of privatisations in the last decade, but also reassesses positively the role of the state. However, it was the tariff increases cumulative hikes of between 100 and 500 percent that prompted middle and upper middle class sectors to lend their support, despite their traditional resistance to state ownership.