On September 23-24, the President of Brazil, Luiz Inacio Lula da Silva has planned to visit Toronto and Ottawa. He is reciprocating the successful visit of Her Excellency the Right Honourable Michaëlle Jean, Governor General of Canada to Brazil in 2007. It is the first bilateral visit by a Brazilian Head of State to Canada in 11 years.

When President Lula took office on January 1, 2003, our currency fell to almost four Reais to $1 US. The so-called “markets” feared the Brazilian economy would be mismanaged. Nowadays, the Real is traded at 1.6 to $1 US, something not so good for our export sector, but a sign of a robust economy.

Yet, the most important result of the 2.5 terms of Lula’s administration has been the sharp decrease of social inequalities, reduction of poverty and improvement in health and educational situation of the common people. Recent statistics indicate that the middle class now constitutes 52 per cent of the population. There has been real change in Brazil, a movement that aims to pass to the next generations a more just, safer, democratic and prosperous country. This evolution has moved Brazil closer to Canada.

There is much talk in Canada about the importance of emerging markets, and particularly the “BRIC” countries (Brazil, Russia, India and China) for Canadian business in its effort to diversify its partners and reduce its traditional dependence on the U.S. market. But few people seem to realize the place of Brazil in that context.

(Continued on page 3)
Canada’s relationship with Brazil has never been better. The two countries—the largest of North America and the largest of South America—share increasingly similar economic models and challenges, have diverse multicultural populations, and are committed domestically and internationally to democracy and peace. Brazilian President Luiz Inacio Lula da Silva’s long-awaited visit to Toronto and Ottawa this month, if it isn’t interrupted by a Canadian election campaign, will only confirm that Brazil is a reliable and increasingly capable regional partner for Canada in the Americas.

Brazil has grown into a leader, particularly in regional peacekeeping in Haiti, notes Kai Kenkel, in order to build political capital and gain a stronger voice internationally. By all appearances, Canada should be glad to have Brazil as this new partner and ally. Yet, the rise of Brazil as a major regional player must not be seen by Canada as a signal that it isn’t needed anymore in the region. Canada cannot drop the ball of its year-old Americas strategy, if it wishes to reap the political, social and economic gains of stronger ties with Latin America and the Caribbean. Indeed, as Carlo Dade explains, the biggest success of this strategy to date is Canada’s deepening relationship with emerging powers, Brazil, Chile and Mexico, to “forge an alliance of common sense and pragmatism to counter the ideological extremes that can paralyze the hemisphere.”

Such an alliance would be useful as Cuba, for example, undergoes further and necessary transition, whether it be cosmetic or fundamental, in the years to come under President Raúl Castro. Supporting Karina Galvez’s ideas about how micro-loans could function as both a social security cushion and an energizer of Cubans’ entrepreneurial spirit during economic liberalization that would be one way these middle powers of the Americas could help ensure a smoother transition for Cuba than the economic disaster seen in much of post-Communist Eastern Europe.

More cooperation between these governments and civil society is also necessary to take on the scourge of violent domestic and transnational crime that undermines social and economic stability as well as the political confidence of people in many of the Americas’ fragile democracies. A crowd of 200,000 people is marching in the streets of Mexico, saying “¡Ya basta!”, not just for 14-year-old Fernando Martí who was kidnapped, ransomed and then found murdered in a car trunk, but because police were arrested in connection to the case.

Corruption in police forces and a sense that crime is getting out of control in the region requires a different approach. Twenty-nine civil society organizations met in Guatemala City in early August to compile recommendations for the Organization of American States on the problem of violent crime in advance of the First Meeting of Ministers Responsible for Public Security in the Americas. Phil Gonzalez notes that this is the first such meeting and one long overdue. When El Salvador, a country of seven million people that is slightly larger than Canada’s Banff and Jasper national parks combined, suffers 3,800 murders per year, many of them related to internationally-linked gangs, it is time to listen to new voices. Leaving security up to law enforcement agencies alone has led to little or no improvement, so a society-wide approach locally, nationally and across the region is necessary, according to these civil society organizations.

The involvement of civil society in the preparation leading up to this meeting is a positive sign that not only has the inter-American system learned to include civil society, but that it wants to tap the creativity and experience of this sector to deal with a problem that traditionally and exclusively lies in the government’s hands. Now it is up to Canada to play a significant role in building the further cooperation necessary to address this urgent and spreading problem. Fortunately, Canada is not alone in looking for innovative solutions.

Together with Brazil, Chile, Mexico and other emerging powers, Canada can be a leader among leaders in its home hemisphere. 

Peter Moore
Canada-Brazil (continued from page 1)

Brazil is the fourth largest foreign investor in Canada, after the U.S., the U.K. and the Netherlands. A total of $22 billion has been invested in the Canadian market by top-level Brazilian firms, such as Vale, the giant mining conglomerate, which acquired Toronto-based Inco in 2007. By comparison, China is the 24th largest foreign investor in Canada with $600 million, India occupies the 27th place, and Russia the 33rd.

From the point of view of Canadian investors, Brazil is also a major market. Brazil is the 10th largest destination of Canadian investment abroad, and the sixth when the Caribbean’s “tax havens” are not considered. The total stock held by Canadian companies in Brazil amounts to $9 billion. Chinese holdings are well behind with $1.7 billion; Russia with $300 million; and India with $200 million.

These are not abstract figures. They mean that Canada and Brazil are increasingly dependent on each other for their prosperity, through the activities of dozens of companies, thousands of business people, engineers, and other workers. One clear sign of that co-dependency and interpenetration of their economies is how it is almost impossible nowadays to find a business class place in Air Canada’s flights between São Paulo and Toronto.

Brazil and Canada share common challenges and opportunities economically. Their economies are similar in size (Canada’s GDP in 2007 was US $1.5 trillion to Brazil’s US $1.3 trillion). Both have tremendous commodities sectors and thus benefit from the current commodities bonanza, but at the same time look for strategies to avoid the role of mere producers of raw materials. Both strive to keep up with global competition in key manufacturing industries, such as automotive and aeronautical, and to strengthen their capabilities in high-tech sectors such as biotechnology and information.

Canadian and Brazilian companies also share a strong interest in Corporate Social Responsibility (CSR). In 2003, President Lula created the Council for Economic and Social Development, a counseling body designed to promote dialogue between the federal government and civil society. Through the Council, companies engaged in CSR practices can help the government perfect Brazil’s corporate and social regulations.

A pilot study published in 2007 by the Society for Human Resource Management compared CSR practices in Australia, Brazil, Canada, China, India, Mexico and the U.S. Brazil had the highest percentage, 95 per cent, of organizations engaged in CSR practices with Canada and the U.S. having the second highest score, 91 per cent. Brazilian organizations also had the highest level of participation in volunteer projects aimed at supporting the community, according to the study, including initiatives related to monitoring fair labor standards and partnerships with environmentally-friendly suppliers.

The CSR practices of Brazilian companies can be found in Canada. Vale Inco, for instance, donates Cdn $4 million annually to philanthropic institutions and spent last year an extra Cdn $16.4 million in community-related initiatives, such as the Hospital for Sick Children’s Healthy Kids International initiative, the development of the Centre for Excellence in Mining Innovation at Laurentian University in Sudbury, and a partnership with the environmental NGO, WWF-Canada.

It is also important to underscore the presence in Canada of a small (25,000) and dynamic Brazilian community, centered in Toronto and Montréal. “A Mare usque ad mari”, capoeira (our martial art) or “churrascarias” (barbecue restaurants) can be found from Halifax to Vancouver. You can even find Brazilian engineers working near Tuktoyaktuk, in the Arctic.

Internationally, both Canada and Brazil tend to be independent actors with foreign policies aimed to promote peace, international security and defuse conflict. A series of political initiatives to strengthen links in the last few years has continued to
raise the relationship between Brazil and Canada to a higher level.

Foreign Affairs Minister Peter MacKay visited Brazil in February 2007 and the Brazilian Minister of External Relations, Ambassador Celso Amorim, visited Canada in May 2007. The two Foreign Ministries are improving how we do political consultation in order to strengthen our diplomatic dialogue, which is quite intense in multilateral fora such as the World Trade Organization and the United Nations.

Brazil’s role in development cooperation has also evolved. Sometimes it is a “mere” receiver of aid, while, in other situations, it is an active provider of knowledge and assistance. The Canadian International Development Agency (CIDA) and the Brazilian Agency for Cooperation (ABC) are working together in the promotion of equity in the governance, health and labor sectors. Initiatives being carried out between our health ministries clearly show that Brazil has not only a lot to learn from its Canadian counterpart but also a lot to offer in terms of successful experiences in particular fields (medical assistance for remote indigenous communities, for instance) and triangular cooperation in the area of preventive health and immunizations in Haiti.

Although Brazil is still far from being able to provide the same financial assistance that countries such as Canada and the United States share with less developed nations, the country’s potential to act as a reliable and efficient partner is ever more evident. Recognizing this potential, the Canadian government recently invited a senior official of ABC along with those responsible for cooperation in the governments of Chile and Mexico, for a week-long visit to Ottawa to discuss new ways of collaborating in the promotion of development. Canada is also hosting, from September 2-6, the Conference of Ministers of Defense of the Americas. This will provide an additional impulse for cooperation in areas where Brazil’s armed forces have a record of excellence: peacekeeping and support to civilians in disaster situations.

As a Brazilian diplomat, this latest posting to Canada has been the most rewarding. Both countries have overcome the difficulties of the Nineties—the so-called Lamont-Spencer case, the Embraer-Bombardier issue and the “mad-cow disease incident”. Air Canada now flies Brazilian-made planes and Brazilian businessman love Canadian-made executive jets. The strength and depth of this relationship is a far cry from my first posting in Ottawa in 1990, trying to understand what was happening in Oka and Kahnsatake.

Paulo Cordeiro de Andrade Pinto is the new Ambassador of Brazil to Canada and knows the country well. He was posted to Canada before as the First Secretary (Political) from 1990-1993 and Deputy Head of Mission (2003-2005).

Cuban communists call for participatory, democratic socialism

A document published by a group of Cuban communists shows that the unanimity previously thought to exist among the island’s communists may be only a veneer.

The statement, published on the website “Kaos en la Red”, was penned by former Communist officials and militants as well as diplomats and a former director of Juventud Rebelde. The document says that the new generations of Cubans do not “feel the same commitment as previous generations towards this socialism that is poor and without perspectives.” It goes on to warn that the current direction of the system could be capitalized on by ‘the enemy’ and come apart suddenly.

Entitled “Cuba needs a participative and democratic socialism,” and claiming to represent the joint thinking of Cuban communists and revolutionaries, the document outlines measures to end the stagnation afflicting the island country. Among these: adopting a single currency; updating the penal code; respecting the right to private property; making the electoral process more participatory and democratic; ending the harassment of Afro-descendent Cubans and other marginalized groups; and privatizing agriculture.
Canada and Brazil in Haiti: Passing the military torch, but what of the moral one?

Kai Michael Kenkel

Canada's role in the genesis and implementation of peacekeeping is uncontested. Since the conception of the practice by then-Minister of External Affairs Lester Pearson and UN Secretary General Dag Hammarskjöld in 1956, the pale blue UN helmet has become part of the way Canadians and others view Canada's role in the world.

Whereas Canada's participation in UN peacekeeping operations was once such that over 25,000 Canadian soldiers cycled through the UN mission in Cyprus alone—and this despite the country consistently having one of the very lowest rations of men and women under arms in the developed world—in recent years, the reality of this proud, seemingly altruistic profile has seen significant changes. Other middle powers such as Brazil, have begun to take up the operational, if not moral, mantle.

The entry into office of the Conservative government led by Prime Minister Stephen Harper marked a sharp shift in Ottawa's defence priorities. First, participation in United Nations peacekeeping operations shrank considerably as the focus of Canadian attention settled on NATO's International Security Assistance Force in Afghanistan, which accounts for roughly 2,900 of the approximately 3,000 members of the Canadian Forces deployed abroad. The remaining 168 troops are observers and policemen seconded to the UN. Despite a sharp rise in defence spending, Canada were accused of complicity. Canadian troops were part of the international force which assumed control of the country before the transition to MINUSTAH.

Since MINUSTAH's establishment, however, Canadian contributions have been limited to a 100 RCMP officers, including the mission's police chief, and a small number of liaison officers. Though its military commitment has been sacrificed to NATO commitments on the Hindukush, according to the Canadian International Development Agency (CIDA), Canada maintains a strong profile as a top donor of development aid in Haiti, to the tune of $555 million over the period 2006-2011, including $92.5 million in 2006-2007.

Brazil, and to a lesser extent, other Latin American states, has taken up the military mantle. Since the inception of MINUSTAH, its Force Commanders have been a string of Brazilian Army generals, who command approximately 7,500 troops, whose nucleus is a 1,200-strong presence of Brazilian soldiers. The Mission's mandate is one of 'peace enforcement' under Chapter VII of the United Nations Charter.

This deployment of Brazilian troops represents a distinct depar-

If Canada wishes its unique voice and the very essence of peacekeeping to continue to be heard in the region, there is no replacement for peacekeeping than doing it.
ture from Brazil’s previous policy with regard to peacekeeping. Until 2004, the South American giant had followed a regional inclination to give concerns over sovereignty paramount consideration, resulting in a refusal to participate in anything but consent-based UN Chapter VI missions. Priority was given to the Middle East (the UN Emergency Force benefited from an extended battalion-sized presence) and to other Portuguese-speaking countries such as Angola, Mozambique (which had larger forces deployed as well) and East Timor.

This policy shift can be explained primarily by two factors. The first is Brazil’s emerging campaign for a permanent, veto-empowered seat in the event of a reform of the United Nations Security Council. It has followed the example of such other middle powers as Germany and Japan in viewing participation in the UN’s peacekeeping operations as a means of gaining profile in this respect.

Secondly, as Brazil emerges from its transition to democracy, much in the defence arena is being redefined, in terms of institutions as well as policy. A Defence Ministry was created in 1999 in an attempt to better integrate defence institutions with broader political goals, and new National Defence Policies were issued in 1996 and 2005. These policies adopt a non-aggressive stance and elect to give Brazil’s military posture a continental and regional focus.

The resulting foreign and security goals can be summarized as international profile and continental leadership, and participation in a regional peace operation deployed by an international organization is viewed as one, if not the key, avenue for achieving these objectives.

In keeping with the political aims of their mission (whose degree of coordination with foreign policy aims is also somewhat of a first in the military arena), the Brazilian armed forces have taken the task of preparing for MINUSTAH seriously. The Brazilian Army Peacekeeping Training Centre, known as CIOpPaz, was founded shortly after the initial deployment of troops to MINUSTAH and has played a fundamental role in preparing contingents and individuals for deployment, including from neighbouring states such as Paraguay. CIOpPaz training modules rely heavily on standardized material developed either within the UN itself or in European and Canadian counterpart institutions. The high quality of this training has resulted in praise for the successive Brazilian battalions and minimized controversy in a highly-charged atmosphere of robust, armed peace enforcement.

In contrast to Canada, Brazil’s involvement in peacekeeping is in keeping with its geopolitical goals rather than a sense of moral obligation. The Brazilian troops have carried out their mission with professionalism and success, an unprecedented integration of foreign policy goals with military implementation. Brazil’s foreign policy establishment, and even more so its military, have firmly rejected both human security and the Responsibility to Protect (R2P)—both Canadian initiatives—because these notions neglect the concept of sovereignty, which is seen as having kept the peace in South America for 140 years. Thus, though not entirely devoid of a moral component, Brazil’s motivations do not fall into the same category of explicit altruism that traditionally constitutes the uniqueness of Canadian foreign policy.

In cases such as that of Brazil in Haiti, others have stepped into the breach as Canada has turned away from its traditional peacekeeping vocation, and they have done so without a drop in effectiveness and professionalism. However, if Canada wishes its unique voice, as embodied in the precepts of R2P and human security, and the very essence of peacekeeping to continue to be heard in the region, there is no replacement for peacekeeping than doing it.

Kai Michael Kenkel is Assistant Professor in the Institute of International Relations at the Catholic University of Rio de Janeiro (IRI/PUC-Rio) and was a postdoctoral fellow at the Centre of International Relations at the University of British Columbia from 2004-2006.
The members of the Jamaican Diaspora represent a “mighty force for national development” in their homeland. This force is evident within the enclaves of Jamaicans living overseas, whether they are based in Canada, the United States (U.S.), the United Kingdom (U.K.) or other countries. This cadre of talented, skilled and professional citizens that matches Jamaica’s population in size, has emerged to contribute to their immediate communities and has the dynamic potential to have a positive impact on development initiatives in Jamaica.

The children, grandchildren and great-grandchildren of Jamaican migrants are now a strong transnational family unit. Poverty and the desire to provide for their families were two of the driving forces that influenced early migration, from the 1920s to the 1970s.

Historically, Jamaican migration to Canada began in the era of slavery; however, the most significant periods were stimulated by the Canadian National Act of 1948, to attract labourers from the British colonies, the Walter Act of 1952, and the West Indian Domestic Act of 1955. All of these Acts brought different categories of Jamaicans to Canada, and the process changed as students entered universities and subsequently, as entire families relocated to Canada in the 1980s and 1990s. In the U.S., the first significant wave of Jamaican migrants entered that country in the 1920s; then there was a second wave to the U.K. during the post-World War II era in 1948; and the third wave headed for the U.S. as well as Canada, in the 1970s.

The financial contributions of Jamaicans in the Diaspora to their homeland are legend. Over the years, remittances to family and friends have consistently increased, rising to some $1.96 billion US in 2007. In addition, Jamaicans living overseas have provided invaluable philanthropic assistance—in health care delivery, community development and medical missions. Through numerous alumni associations they sponsor basic schools and provide scholarships for tertiary education. Conversely, their many visits to the island to reconnect with relatives and friends contribute to increased tourism revenue.

Yet, are there more ways for the Diaspora to contribute to the development of their island home? The Government of Jamaica thinks so. In 2004, the government established the Biennial Diaspora Conferences, to provide a place in which Jamaicans at home and abroad could meet and dialogue about development initiatives. Three such conferences have been held to date.
This past June, some 700 delegates from countries around the globe attended the 2008 Biennial Jamaican Diaspora Conference in Kingston, which reaffirmed the strong interest held by Jamaicans overseas in the development of their homeland.

The Conference, under the theme “Borderless Partnership for Development,” addressed the role that the Diaspora, which numbers some 5 million persons, can play in the advancement of Jamaica. As Jamaicans seek creative ways to support their home country, the question still remains: what is the most effective way of harnessing overseas Jamaican talent for national development?

Steps should be explored to further cement and, in some cases, expand the level of developmental assistance provided to the country. One major step in this regard would be the full establishment of the Jamaican Diaspora Foundation, which was one of the recommendations that emerged from the Diaspora Conference in 2004. The drafting of the articles of incorporation to establish the Diaspora Foundation is being developed, but the process must be advanced.

The Jamaican Diaspora Foundation could strengthen the links and support systems between Jamaicans overseas and in Jamaica. This includes establishing a framework for the creation of a database of overseas talent from which the country can draw or can encourage persons to fill any vacancies that arise in Jamaica. One example of this is the recent publication of a book on offshore banking by a Jamaican professional in the United Kingdom, at the same time that the government is considering the establishment of offshore financial centres in Jamaica.

The government and Diaspora need a way to identify and tap its talent pool and make the connections. It is imperative that once the skill sets are identified, then the Diaspora should be one of the first places contacts from which these human resources are drawn.

Another important area is data collection and continued research to quantify the impact of the Diaspora on national development. At present, it is difficult to quantify the value of services and direct donations of items such as equipment and books from overseas. With an accurate assessment of their value, it will be possible to measure the economic impact of the Diaspora on areas such as our Gross Domestic Product.

The Diaspora Foundation could also advocate for the revision of the immigration laws that would encourage overseas Jamaicans to take advantage of employment opportunities on the island, and so reduce the often-heralded hypothesis that, in time, the younger members of the Diaspora will have a reduced interest in supporting their parents’ homeland. By the same token, strategies can be developed to encourage Jamaicans in the Diaspora to increase their level of financial involvement in Jamaica by participating in investments in public and private securities on the island.

The Diaspora Foundation and the Jamaica Tourist Board could work with the Jamaican consulates and embassies in their adopted homelands to actively promote the work of the Diaspora who, by virtue of their large numbers, should be encouraged to attend their family reunions, maintain their heritage, and orient their children to the culture and beauty of the island.

Finally, the Jamaican Diaspora should seek ways to continually grow itself. There is a need for a structured programme of increasing and continually refreshing the Diaspora through the careful incorporation of training services; facilitating the movement of people to other countries; and the inclusion of employment opportunities for nationals within the trade negotiations with economic trading blocs such as the European Union and CARICOM. This would help to expand, and in some cases, solidify the presence of the Jamaican Diaspora in some countries, and continue the legacy of a strong Jamaican overseas population.

The Jamaican Diaspora can be an effective vehicle for driving the development of Jamaica. They are indeed “a mighty force” that can be galvanized into action for national benefit.

Earl Jarrett is the General Manager of the Jamaica National Building Society (JNBS) and he was the Co-Chair, of the Third Biennial Jamaican Diaspora Conference, 2008.
The Role of Micro-loans in the Cuban Economy, Today and in the Future

Karina Gálvez

Micro-loans are an economic tool widely used throughout the world. In Cuba it could be a balancing tool for the current and future needs of Cubans. Obviously there are difficulties for their efficient operation, and there will be different criteria with regard to their role in Cuba, but just considering the idea is a smart move from complaint to solution.

In the area of the economy, Cuba is economically 50 years behind when compared to any other country. And it is not because we don’t know how to do business (which we do, and well, considering the circumstances).

Instead, it is due to the mentality of the average Cuban who has lived for years financially dependent on the State, and, while considering this dependency unfair, still complains about “what they don’t give him” or what “is not guaranteed to him.” In reality, he is hardly aware of his personal responsibility in the improvement of his economic situation.

This, I think is clear to everyone, is plainly caused by decades of economic centralization and of the impossibility of being able to make important decisions in terms of one’s own economic security, such as savings or investments.

At this time, now that the “cosmetic changes” in Cuba have started, and as essential changes accelerate, the tendency of the majority is to predict that “our situation will remain the same”, with an eagerness to fend off disappointment that is almost annoying. Many people around me have started to doubt about what improvements will happen. This is the fruit of the anthropological damage done by totalitarianism in Cuba: we have lost our capacity to rejoice.

It is time for us to start talking and thinking about the economic mechanisms that can help us. One of these mechanisms is micro-loans, understood as small sums of money that are granted to catalyze small enterprises in exchange for interest.

Why micro-loans?

If, as we hope, Cuba is regarded as a good market based on its social and economic situation, at the time of change towards democracy and toward a market economy, we will enjoy the resulting benefits. But we will have to learn to live with the negative aspects of the market, when opportunities are unequal.

Cubans can become disillusioned with the possibility that others with better economic prospects will deal with big businesses. Many think that Cuba is already “sliced up”. They may be right but ultimately it will depend on us what we allow to happen on our island after restraining personal initiative for 50 years.

In Cuba, micro-loans would be one of the tools that could play a special and important role, above all in the first moments of the change.

Montreal riot highlights racial profiling of immigrants in Canada

Montreal police are being criticized for using profiling tactics in dealing with immigrant youth, after officers shot and killed Fredy Villanueva in the city’s northside on August 9. The shooting resulted in rioting the next day in which a police officer was shot in the leg.

Montreal’s North is a community of 84,000 that is overburdened with poverty amongst its largely immigrant community. The situation is not simply a ‘Latin’ racial incident but one of poverty and a lack of resources for immigrant communities where youth are often unsupervised and lack appropriate outlets for their energy.

The official enquiry into the actions of that day should shed further light and commentary on the shooting itself as well as the conditions that sparked the riots.

Poorer communities in Canada require urgent support in dealing with poverty and youth issues.

They would help the average Cuban in her effort to not be marginalized, by helping her enter into the competition of the market without the need for excessive protectionism.

Among the positive consequences of granting micro-loans, we can identify the following:

1. Keep average Cubans in the market

It is expected that Cubans will have to face the attack of large trans-
national businesses in the future. We need mechanisms that will allow the common citizen to remain in the market amid the competition. Micro-loans would help many Cubans start small businesses, which could grow to the extent that they grow in experience and potential.

2. Equal opportunities

Micro-loans would contribute to establish a certain balance between Cubans. It would not be fair that just those who who have had the most and best opportunities during the past half-century gain an unequal competitive advantage over those that haven’t had them. Indubitably, there would be a need for laws that broaden access to equal opportunities, but even with such protection, that would not be enough. It would be healthier to increase the possibilities of the less favored during those years of restraint, than to curtail the opportunities of the others. In order to equalize the opportunities, it would be better to offer micro-loans to the weakest than to punish the strongest with tariffs or taxes.

3. Reduce the state protection quota

If, in the future, Cubans have the possibility to compete in the marketplace, we will be able to do it in the best way, as we show it today under very adverse conditions. In fact, we have some advantages over the rest of our competitors: we have been in Cuba all this time and we know best our people, how it thinks, its needs, its likes and preferences.

4. Stimulate the creativity of Cubans

Just as creative activity requires resources, the availability of resources promotes creative activities.

In the future, micro-loans would complement the legal possibility to invest, with the real opportunity to do so, by facilitating access to financial resources. It is very difficult to face the legal possibility without the financial resources, which is the case with the current legislation about hotels, computers, cell phones or DVDs. The opportunity to participate in the market legally, after a long time, will increase the personal initiative of Cubans. The “invento” or invention, a necessary method for today’s Cuban entrepreneur, will transform into a prosperous business under normal economic conditions.

The first thing that any Cuban would think when talking about micro-loans is that they are not allowed by law. No bank will make cash loans for investments. But, this is not the biggest difficulty; that can change at any moment and, after all, we’re talking about a people that have assumed illegality as the only way of survival. In reality, the most worrisome difficulty to establishing a micro-loan program would be the lack of training in financial discipline. In Cuba, there is no culture of financial responsibility, except for those with the State, which represents a burden impossible to bear (even for the most honest ones) and it gives a certain “moral license” to break the obligation. Unfortunately, this same flexibility toward such obligations could be extrapolated toward other areas such as micro-loans.

Access to cash loans for investment would have the double effect of “empowering” individuals as well as the entire Cuban economic scene.

Access to cash loans for investment would be an important change in the Cuban economy, with the double effect of “empowering” individuals as well as the entire Cuban economic scene.

Today, the number of independent workers would multiply on its own if there were micro-loans, as evidenced by those who have never stopped “negotiating” despite the prohibitions.

Investment in Cuba now exists. In the few legal spaces allowed for business, there is an unimaginable number of “Cuban inventions”. These are the same Cubans that now fight for a life with dignity, fleeing desperately from becoming accustomed to calamity, those that will make Cuba what it always should have been: an economically strong and safe country for its people.

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Papel del Micropréstamo en la Economía Cubana Hoy y en el Futuro

Karina Gálvez

El micropréstamo es un mecanismo económico de amplio uso en el mundo de hoy. En Cuba, sería un mecanismo que equilibraría las posibilidades de los cubanos ahora y en el futuro. Claro que existen dificultades para su funcionamiento eficiente, y habrá distintos criterios sobre su papel en Cuba, pero pensar en él es un paso de la queja a la solución.

Cuba lleva 50 años de atraso con respecto a cualquier otro país en cuanto a economía se refiere. Y no porque no sepamos hacer negocios (que los hacemos bien y en las peores circunstancias) sino por la mentalidad del cubano promedio que ha vivido durante mucho tiempo dependiente del Estado y, a pesar de considerarlo injusto, se queja de “lo que no le dan” o de lo que “no le aseguran” y, en la práctica está poco consciente de su responsabilidad personal en el mejoramiento de su situación económica. Esto, creo que está claro para todos, es plenamente justificado por décadas de centralización económica y de imposibilidades de tomar decisiones determinantes en cuestiones de la seguridad económica de uno mismo, como el ahorro o la inversión.

Ahora, cuando ya comienzan los cambios “cosméticos” en Cuba, y, por tanto, se aceleran los cambios esenciales, la tendencia de la mayoría es vaticinar lo “igual que va a quedar nuestra situación.” Y es un empeño por no ilusionarse que casi molesta. Muchas personas a mi alrededor comienzan a dudar de la mejoría que experimentarán. Éste es un fruto del daño antropológico causado por el totalitarismo en Cuba: hemos perdido la capacidad para alegrarnos.

Es hora por tanto de comenzar a hablar y a pensar en mecanismos económicos que nos pueden beneficiar. Uno de esos mecanismos son los micropréstamos, entendidos como pequeñas sumas de dinero que se entregan para catalizar pequeños negocios a cambio de un interés.

Si, como esperamos, Cuba es vista como un mercado atractivo por su situación social y económica, en el momento de los cambios hacia la democracia y hacia una economía de mercado disfrutaremos de los beneficios de ella, pero tendremos que convivir con los inconvenientes del mercado cuando las oportunidades son desiguales. Los cubanos podremos desilusionarnos ante la perspectiva de que otros con mayores posibilidades económicas ocuparán los grandes negocios. Muchos piensan que ya Cuba está “repartida.” Puede que no les falte razón, pero en última instancia dependerá de nosotros lo que permitamos hacer con nuestra isla después de 50 años de freno a la iniciativa personal.

En Cuba, los micropréstamos serían uno de los mecanismos que jugarían un papel especialmente importante, sobre todo en los primeros momentos del cambio. Ayudarían al cubano promedio en su esfuerzo por no ser marginado, por entrar en la competencia del mercado sin necesidad de proteccionismos excesivos.

Entre las consecuencias positivas de la concesión de micropréstamos podríamos comentar las siguientes:

1. Mantener a los cubanos promedio en el mercado: Es de esperar que tengamos que enfrentar el embate de las grandes transnacionales en un futuro. Necesitamos mecanismos que mantengan al ciudadano común en el mercado en medio de la competencia. Los micropréstamos ayudarían a que muchos cubanos comiencen pequeños negocios, los cuales pueden crecer en la medida en que crezcamos en experiencia y posibilidades.

2. Igualdad de oportunidades para todos: Los micropréstamos contribuirían a establecer cierto equilibrio entre los cubanos. No sería justo que los que han tenido más y mejores oportunidades durante medio siglo se presenten en competencia desigual con los que no las han tenido. Sin duda, harían falta leyes que amparasen la igualdad de oportunidades, pero no bastaría con eso. Será más sano ampliar las posibilidades de los que han sido menos favorecidos durante estos años que frenar las de los otros. Para igualar oportunidades, sería mejor ofrecer micropréstamos a los más débiles.

El micropréstamo es un mecanismo económico de amplio uso en el mundo de hoy. En Cuba, sería un mecanismo que equilibraría las posibilidades de los cubanos ahora y en el futuro. Claro que existen dificultades para su funcionamiento eficiente, y habrá distintos criterios sobre su papel en Cuba, pero pensar en él es un paso de la queja a la solución.

Cuba lleva 50 años de atraso con respecto a cualquier otro país en cuanto a economía se refiere. Y no porque no sepamos hacer negocios (que los hacemos bien y en las peores circunstancias) sino por la mentalidad del cubano promedio que ha vivido durante mucho tiempo dependiente del Estado y, a pesar de considerarlo injusto, se queja de “lo que no le dan” o de lo que “no le aseguran” y, en la práctica está poco consciente de su responsabilidad personal en el mejoramiento de su situación económica. Esto, creo que está claro para todos, es plenamente justificado por décadas de centralización económica y de imposibilidades de tomar decisiones determinantes en cuestiones de la seguridad económica de uno mismo, como el ahorro o la inversión.

Ahora, cuando ya comienzan los cambios “cosméticos” en Cuba, y, por tanto, se aceleran los cambios esenciales, la tendencia de la mayoría es vaticinar lo “igual que va a quedar nuestra situación.” Y es un empeño por no ilusionarse que casi molesta. Muchas personas a mi alrededor comienzan a dudar de la mejoría que experimentarán. Éste es un fruto del daño antropológico causado por el totalitarismo en Cuba: hemos perdido la capacidad para alegrarnos.

Es hora por tanto de comenzar a hablar y a pensar en mecanismos económicos que nos pueden beneficiar. Uno de esos mecanismos son los micropréstamos, entendidos como pequeñas sumas de dinero que se entregan para catalizar pequeños negocios a cambio de un interés.

Si, como esperamos, Cuba es vista como un mercado atractivo por su situación social y económica, en el momento de los cambios hacia la democracia y hacia una economía de mercado disfrutaremos de los beneficios de ella, pero tendremos que convivir con los inconvenientes del mercado cuando las oportunidades son desiguales. Los cubanos podremos desilusionarnos ante la perspectiva de que otros con mayores posibilidades económicas ocuparán los grandes negocios. Muchos piensan que ya Cuba está “repartida.” Puede que no les falte razón, pero en última instancia dependerá de nosotros lo que permitamos hacer con nuestra isla después de 50 años de freno a la iniciativa personal.

En Cuba, los micropréstamos serían uno de los mecanismos que jugarían un papel especialmente importante, sobre todo en los primeros momentos del cambio. Ayudarían al cubano promedio en su esfuerzo por no ser marginado, por entrar en la competencia del mercado sin necesidad de proteccionismos excesivos.

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La oportunidad de participar legalmente en el mercado potenciará toda la iniciativa personal de los cubanos.
Crime and Violence: Civil Society Perspectives

Phil Gonzalez

The Organization of American States’ Secretariat for Multidimensional Security hosted a preparatory meeting in Guatemala City on August 6 and 7, to discuss the alarming incidence and increase in crime and violence in Latin America.

At the meeting were 29 civil society organizations from 17 countries of the Americas, including FOCAL, charged with tackling four major themes:


The onus of the participants was to produce recommendations for discussion at the First Meeting of Ministers Responsible for Public Security in the Americas. It is startling that these ministers have never come together previously to discuss this serious problem. Moreover, the participation of civil society even at this preliminary stage is a major step forward in promoting, transparency and democratizing these crucial state institutions. Public security has traditionally been the sole domain of national and local government; the inclusion of a civil society perspective adds valuable and overdue insight into the problem of crime and violence.

The magnitude of the problem facing the region is perhaps best captured when comparing homicide rates from the region with those around the world (see graph). What emerges from the data is that the region has a much higher proportion of murders, easily outranking much of the world and points to the graver level of crime and violence that pervades much of the region.

Crime is a big problem that has real costs beyond the statistics. It affects a country’s social fabric, the economy and reflects the inadequacies or inabilitys of affected countries to guarantee the basic human right to security. Moreover, the data highlights the obvious failure of many states within the region to adequately fulfil their social obligation and ensure the basic right to human security. The real cost of these deficiencies and high level of crime and violence are widespread in economic and social terms, contributing to the development challenges within the Americas.

In attempting to address the issue of crime and violence, the delegation took into account the diverse variance of sub regional and national perspectives. Thus policy recommendations, their design and implementation promote and include a local approach to security policies; one size does not fit all.

Municipalities and local communities are more adept at recognizing
FOCALPoint: Canada’s Spotlight on the Americas

The specific elements required to aid in the prevention of crime and violence. Decentralisation of these roles will aid in the monitoring, transparency and allocation of funds. Nonetheless, there is also a need for a coordinated regional response of strategy within and between governments.

Policy Recommendations

The meeting participants drew up a list of recommendations to be brought forward to the First Meeting of Ministers Responsible for Public Security in the Americas. Here are a few of the highlights:

- Establish a policy and conceptual framework of principles and values to underpin security strategies, incorporating the concepts of inclusion, social capital and social cohesion, whilst recognising that prevention policies are a tool for action in a democratic society, not one of repression. Draw a clear distinction between criminal policies and security policies.
- Create regulatory and legal frameworks: Legally institute intersectoral and interagency mechanisms to coordinate prevention activities; professionalisation of coordination will limit the possibility of government inaction.
- Provide national and international support in policy and financial resources for this strategy.
- Compare budgets for crime prevention to those of monitoring and enforcement; balance the budgets so that national or local governments will not sideline prevention.
- Generate data on successful approaches and observations on the monitoring and evaluation of approaches, in order to compile a replicable body of information, narrow the focus of analysis in order to identify successful approaches, and create better evaluation systems.
- Increase transparency and anticorruption measures of government institutions charged with security matters.
- Strengthen means of consultation and participation with civil society in the discussion of public security policies.
- Encourage states to meet the security needs of all citizens, without establishing privileges or zones without appropriate coverage.
- Encourage governments to support the reconversion of local organizations so they may develop the participation of local organizations in this process, develop local capacity, information systems and the transfer of resources.
- Sponsor a broader philosophy of security that moves the onus of responsibility for crime and violence away from the traditional role of police and military and authoritarian law enforcement structure, to one that involves governments and community in order to provide stronger and greater mechanisms for assessment, supervision and positive change.
- Develop standards that distinguish the concepts of national defence from public security. The latter should be the exclusive responsibility of the police force. Military involvement is inappropriate as their training, structure, mission, and equipment are entirely different from those required by public security policy.
- Implement police reform: professionalisation and modernisation, focus on training, selection processes, defining the police as a career and developing continuing management and training mechanisms.
- Establish and enhance civilian police review and management mechanisms, internal and external police review to prevent the abuse of power and promote anticorruption through police accountability and transparent management.
- Review prison policies and organizations: imprisonment should be accompanied by measures aimed at rehabilitation and reincorporation into society, devising continuing training programs by establishing penitentiary training institutes.

The ambitiousness of these recommendations is a first step along the path to reform and they attempt address the many failures of the public security sector, including the lack of international cooperation.

The incorporation of civil society provides an alternate view to the often authoritarian view adopted by national governments towards public security. Only through genuine participation from every level of society can trust and cooperation build an effective security structure.

Through the concerted efforts of the OAS, national and local governments and civil society, it is hoped that crime and violence within the region will fall. Civil society is a vital wing of this reconciliation and building process. At last the importance of this initiative is being harnessed at the international level and will become a positive impetus for development and democracy.

Phil Gonzalez is a Research Associate of the Canadian Foundation for the Americas (FOCAL). See a graph of how Latin American homicide rates measure up against the world in the on-line version of the September 2008 FOCALPoint.
Canada and the Americas, One Year After Mr. Harper’s Visit

Carlo Dade

This summer marked the anniversary of Prime Minister Stephen Harper’s tour of Latin America and its public debut as Canada’s most important foreign policy priority after Afghanistan. With federal elections looming this fall, now is a good time to review how the government has done on “Canada’s number two foreign policy priority.”

Our ties to the Americas dwarf those to Africa and, bearing in mind that the U.S. is also part of this hemisphere, are more significant than those with Asia and Europe. We are physically, commercially, and institutionally a part of the Americas. Nowhere else in the world do we belong in the same way, nowhere else is home, and nowhere else can we have as meaningful an impact.

Yet, despite the wisdom, necessity and benefits of focusing on the Americas, our commitment to the region remains one of the best kept secrets in the hemisphere as well as in Canada. This is a shame because the government has largely hit the right notes in its Americas engagement with a focus on Prosperity, Security and Governance. It has also done well to target building closer ties with the region’s emerging powers—Brazil, Chile and Mexico—in an attempt to forge an alliance of common sense and pragmatism to counter the ideological extremes that can paralyze the hemisphere.

The problem, though, is we have not yet seen much in the way of implementation, despite heavy spending by the Canadian International Development Agency (CIDA) at primarily the Organization of American States and Haiti.

The government has had the most success and tangible results with its Prosperity agenda. Free trade agreements (FTAs) with Peru and Colombia are signed and we are negotiating agreements with the Caribbean (Caricom), Central America, the Dominican Republic, and Panama. Even though the volume of our trade with South and Central America is not massive, this is still arguably the most important area in which Canada can make a meaningful contribution to the region. There is a big difference between a NGO giving a fish, a development agency teaching people how to fish, and a trade deal giving people a new market in which to sell their fish.

In contrast with the U.S’s heavy-handed trade negotiations and mudslinging public debate, Canada is making progress, signing FTAs and gaining prestige in the region because its political discourse tends to be more informed and less about the knee-jerk protectionism and xenophobia that characterize debates in the U.S. In this context, parliamentary approval of the Canada-Colombia FTA has gained importance as a signal to the region that the free and fair trade agenda survives with Canada as a more reasonable trade partner. Ottawa now needs to join the rest of the developed world and implement a public-private partnership mechanism to co-fund corporate social responsibility projects with Canadian companies to enable Canadian investments in the region to work for development.

Yet, Canada is struggling to find a role for itself in Security and Governance. What can Canada do? The RCMP is already stretched thin at home. Canada lacks a foreign intelligence service that can deal with international crime. While the Canadian International Development Agency and partners is helping keep Haiti afloat, re-starting its economy and creating more opportunity remains the key challenge for long-term stability.

Perhaps the greatest potential success of Canada’s new engagement strategy is our outreach to the emerging powers in the hemisphere—Brazil, Chile and Mexico. The Brazilian assumption of the military command of the UN Mission in Haiti–where we have only a handful of troops–has been a success and has emboldened the Brazilians, Chileans and others to consider taking on more responsibility in the hemisphere. Similarly, more collaboration in development may result from a recent meeting hosted by the CIDA with Brazil and Chile. From building alternatives to working with Cuba, to integrating social concerns with open markets, Canada actually has more in common with the Brazils, Mexicos and Chiles of this hemisphere than we do with the Americans.

Carlo Dade is executive director of the Canadian Foundation of the Americas (FOCAL), an Ottawa-based think tank on Canada’s relationship with Latin America and the Caribbean.
Announcements

The Business of Inclusion: Sixth Inter-American Conference on Corporate Social Responsibility
December 4-5, 2008
Cartagena de Indias, Colombia

The Multinational Investment Fund (MIF) of the Inter-American Development Bank (IDB) in partnership with the National Business Association of Colombia (ANDI) is organizing the Sixth Inter-American Conference on Corporate Social Responsibility (CSR). The central theme is The Business of Inclusion. An inclusive business is a private sector initiative that contributes to poverty alleviation by incorporating people from low-income or marginalized segments of the population into its value chain. This is achieved by incorporating low-income individuals into its business as suppliers, distributors, clients, workers or partners, thereby fostering their social and economic inclusion.

Visit our web site to register www.csramericas.org.

José Miguel Insulza, Secretary General of the Organization of American States to speak at University of Ottawa

September 22, 2008, 6 pm
RM 1140 Desmarais Bldg, 55 Laurier Ave East, University of Ottawa

The speech is sponsored by FOCAL and the International Development and Globalisation Programme of the University of Ottawa.

Write for FOCALPoint

Articles between 700-1000 words in English, French or Spanish are welcome. All submissions are on a volunteer basis and must be exclusive to FOCALPoint. For full submission guidelines, please contact pmoore@focal.ca or visit www.focal.ca.

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