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UK Election 2005: Where the parties stand on justice for the world's poor

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1. Key policies

WDM has chosen the ten policies to give an indication of how committed the parties are to economic justice for the world's poor. All but item two, calling for alternative taxes, are demands of the Make Poverty History coalition:

For each policy we will award a score of 0 (not met), 0.5 (partially met) or 1 (entirely or almost entirely met). WDM has looked at the party manifestos, and recent policy announcements and documents as the best indicator of the policy of the party. Where the party's record in Government contradicts their policy this has been mentioned. The policies we have measured the each party against are:

1. Spend 0.7% of national income on aid within one parliament
2. Promote international taxes as a way of raising more money for development and dealing with some of the excesses of corporate globalisation
3. Get rid of the economic policy conditions on aid that force poor Governments to adopt damaging free market policies
4. Demand 100% cancellation of unpayable debts for poor countries without economic policy conditions attached
5. Create a fair and transparent insolvency process to resolve future debt crises
6. End agricultural export subsidies that lead to dumping on poor country markets
7. Keep water provision out of the General Agreement on Trade in Services (GATS) at the World Trade Organisation (WTO)
8. Remove demands for reciprocal trade liberalisation and to include issues like investment in the Economic Partnership Agreements (EPAs) the EU is negotiating with former colonies
9. Introduce legislation to hold companies accountable for social and environmental impacts in developing countries
10. Fundamentally reform the IMF and World Bank to introduce democratic control and a stronger voice for the developing countries in their management

2. Labour

- 1** Aid is currently 0.36% per cent of national income and they have committed to raise to 0.47% by 2008. Their manifesto says they have a “timetable – 2013 – for achieving the UN target of 0.7 per cent”.¹ **0.5**
- 2** No clear support for international taxes to address global problems and raise funds for sustainable development. Tony Blair has publicly stated that he will not “slap some huge tax on cheap air travel”.² **0**
- 3** New policy introduced in March 2005 removes economic policy conditions from all UK aid. Also aid no longer has to be tied to IMF conditions, but might still be, depending on how the policy is implemented. **1**
- 4** Gordon Brown has committed the UK to paying debt servicing payments for many indebted poor countries and has proposed mechanisms for cancellation of debts owed to the World Bank and IMF. However this debt relief is still conditional on IMF and World Bank economic conditions, and the money comes from the aid budget rather than being additional. **0.5**
- 5** Current proposals on debt relief contain nothing on a fair and transparent arbitration process for resolving future debt burdens. **0**
- 6** “Committed to ending the scandal of dumping agricultural exports on developing countries.” **1**
- 7** Although, under pressure from campaigners, the Government is no longer actively calling for water to be included in the GATS agreement, publicly they maintain that: “we believe the GATS could make a useful contribution to the international efforts towards the achievement of the Millennium targets for water.”³ **0**
- 8** Until March 2005, the Government supported EPAs in their current form. They have now changed their policy, publicly stating that the EU should not make demands of developing countries through EPAs, including not demanding inclusion of issues like investment, and not calling on developing countries to liberalise for the next 20 years (the longest allowed under WTO rules). Also committed to WTO reform for increased flexibility. **1**
- 9** Labour have continually blocked the introduction of a CORE bill which would seek to introduce accountability for UK companies overseas, the latest occasion being in 2004. The government proposes that “encouraging” companies to enter voluntary agreements is the “right way forward”.⁴ **0**

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10 In December 2000, the Labour Government committed to “work with others to build a stronger, more open and accountable international system, in which poor people and countries have a more effective voice”, and “support open and competitive processes for the selection of the top management of international institutions.”⁵ However, it keeps missing major opportunities to initiate change. For instance it has supported the status quo by backing the appointments of Rodrigo Rato to the IMF in 2004 and Paul Wolfowitz to the World Bank in 2005. In their manifesto they continue to say they will “press for reform of the World Bank and IMF to improve transparency and give more say to developing countries.”⁶

Total = 4 / 10

3. Conservatives

- 1** Have set the same targets as the Labour Party: 0.47% by 2008 and 0.7% by 2013. Their manifesto states, “We will work to meet the UN target of spending 0.7 per cent of national income on overseas aid by 2013.”⁷ When last in government between 1979 and 1997, aid almost halved. **0.5**
- 2** No support for international taxation. **0**
- 3** “We will use our aid to create incentives for good governance and economic policies which assist the poor.”⁸ By dictating economic policies to developing countries the Conservatives will promote a development model that harms the poor. **0**
- 4** “We support the principle of 100 per cent cancellation of debts to multilateral institutions.”⁹ But they also support the imposition of economic conditions **0.5**
- 5** No policies on a fair and transparent arbitration process. **0**
- 6** Nothing specific on export subsidies but a more general commitment to “press the EU to reform the CAP and to remove our unfair trade barriers.”¹⁰ **1**
- 7** Claim that GATS is not a problem as countries are free to commit whichever sectors they want to the agreement. **0**
- 8** Their policy sets out support for “pro-poor” EPAs but as this language has been used to defend the status quo it cannot be taken as support for necessary reform. At time of printing they have not had a chance to review policy in light of Government announcement. **0**
- 9** The Conservatives have no policy on the need for international regulation of multinational companies. In their policy on regulation of UK companies within the UK and Europe, they state they will re-establish “deregulation as government policy”.¹¹ **0**
- 10** “Conservatives believe that the IMF and the World Bank should act with far more openness and transparency. We want them to be accountable for their decisions with open access to their minutes, proceedings and decisions.”¹² But no policies on increased control of these institutions for developing countries or for introducing greater democracy. **0**

Total = 2 / 10

4. Liberal Democrats

- 1** If elected they promise in their manifesto to increase aid to “at least 0.5 per cent by 2007/08, and set out detailed plans for it to reach and 0.7% by 2011 at the latest”.¹³ This is two years before the other parties. The Liberal Democrats have consistently committed to reaching 0.7% within two Parliaments. **0.5**
- 2** They commit to support international taxes on currency transactions “where politically practicable”.¹⁴ They are also in favour of exploring the possibility of an air fuel tax. **0.5**
- 3** Have criticised the impact of current economic policy conditions and called for change in those conditions but rather than allowing developing countries to be in control of their own policies instead suggest that the policies should be subject to an impact assessment. However, they also support measures like the International Parliamentarians Petition for increased democratic sign off on these policy conditions. **0.5**
- 4** Support 100 per cent cancellation for the poorest countries, and want this to be funded through new money rather than existing aid allocations. Also have said that the IMF and World Bank should “stop forcing poor countries to jump through inappropriate hoops, such as the privatisation of basic services,”¹⁵ but they do not support removing all economic policy conditions, just those they define as inappropriate ones. **0.5**
- 5** The Liberal Democrats propose creating an International Finance Authority, which would arbitrate over the causes of debt in a crisis, delineate which debts should not be repaid (including writing off odious debt) and set up a bankruptcy procedure for countries.¹⁶ **1**
- 6** Their manifesto states, “We will work to end the dumping of subsidised agricultural exports by developed economies which is wrecking farmers in Africa and other parts of the world.”¹⁷ **1**
- 7** Their position is that water should remain within GATS. Do think there should be revisions to GATS, including allowing countries to reverse commitments after 10 years. Such minor changes would not alter the fundamental problems with GATS. **0**
- 8** They support reform of EPAs giving far greater flexibility to poor countries and to take out issues like investment. **1**
- 9** The Liberal Democrats call for companies benefiting from more open markets to act responsibly, even in countries where regulation is weak. To deliver this they suggest an international investment agreement which balances rights with responsibilities, including high environmental, social and labour standards. The value of this would depend on the detail. **0.5**

10 The Liberal Democrats would call reviews of both the IMF and World Bank, with proposals on reforms such as removing their role of micromanaging economies. They call for reform of the IMF to make it more accountable, including all decisions to be taken by voting and funding being independent of members' political influence. However, they do not set out voting reform to give developing countries a fair say in the two institutions. **0.5**

Total = 6 / 10

5. Other parties

5.1 UKIP

Lacks any party policies in this area, with the exception of CAP reform, which seems more by accident than intent.

5.2 Green Party

The Green Party is extremely progressive and hard to fault on development issues. It would probably have scored extremely highly. They would:

- Increase the aid budget to 1 per cent of Gross Domestic Product by 2010. This is a commitment far beyond any of the main parties. The Brandt commission in 1980 recommended that rich countries should spend 1 per cent of GDP on aid by 2000.
- Support a tax on speculative currency exchanges, the proceeds of which would go towards aid funds.
- Oppose the inclusion of water within the General Agreement on Trade in Services (GATS).
- Push to democratise the International Monetary Fund (IMF) and World Bank.

5.3 Respect

- Want a major increase in aid spending, but don't specify any figures.
- Would introduce a tax on currency transactions.
- Would take action to curb the power of multinationals.

5.4 SNP

- Want to increase the aid budget to 0.7 per cent by the end of the next Parliament. Have called on all parties to make a joint pledge to do so, to ensure that it does happen.
- Want radical reform of the World Trade Organisation (WTO) to create a level playing field between rich and poor countries. No more details are specified.

5.5 Plaid Cymru

Individual MPs from the party have made strong contributions at Westminster, scrutinising current UK development policies. They support:

- An increase in aid to the 0.7 per cent target;
- Taxes on international travel, and a currency transaction tax, the proceeds of which would go towards international development;
- Full and real cancellation of the debt burden in the poorest countries;
- A fundamental democratisation of the IMF and World Bank.

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- ⁸ Conservative Party. (2005). *Action on global poverty: Conservative manifesto 2005*. Conservative Party. London. March 2005.
- ⁹ Conservative Party. (2005). *Action on global poverty: Conservative manifesto 2005*. Conservative Party. London. March 2005.
- ¹⁰ http://www.oxfam.org.uk/what_you_can_do/campaign/election/qa_tories.htm (Viewed on 21/03/05).
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- ¹² Conservative Party. (2005). *Standard MP response to WDM supporter letters*.
- ¹³ Liberal Democrats. (2005). *The real alternative: Liberal Democrat Manifesto 2005*. Liberal Democrats. London. April 2005.
- ¹⁴ Liberal Democrats. (2005). *A world free from poverty: Liberal Democrat Policy Briefing 21*. Liberal Democrats. London. January 2005.
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