

## **How the coalition government will affect WDM & our campaigns**

As the dust from the May UK General Election settles, we have begun to see the shape of things to come emerge from the new coalition government with regards to campaigning on global justice issues.

The political agenda is, unsurprisingly, dominated by the cuts to public spending and increases in tax to address the public deficit. Most of the evidence suggests the cuts announced in the emergency budget will hit the poorest people in Britain hardest. Not a good omen for the rest of the world then.

But let's start with a positive. The coalition government has protected the overseas aid budget, and DfID has been one of only two government departments protected from cuts (the other being Health). There are however, big questions marks hanging over how and for what aid money will be allocated.

On climate, WDM has been calling for a tax on planes rather than passengers, and cancellation of any new runways at Heathrow, Gatwick and Stansted and both have been included in the coalition's 'programme for government' document. This is an excellent achievement for campaigners from WDM and elsewhere - but what about airport expansion outside London?

On energy, the coalition government say they will bring in an emissions performance standard for new power stations. This could be a key policy for stopping new coal power stations from being built. But much depends on the detail. The picture is even less clear in terms of the government's approach to securing a fair global deal, limiting itself to a commitment to "work towards an ambitious global climate deal" and "explore the creation of new international sources of funding" for climate adaptation and mitigation. Before the election, the Liberal Democrats said climate money should go through the UN rather than the World Bank, whilst the Conservatives fully supported money going through the World Bank. The Liberal Democrats said climate money should be additional to aid. The Conservatives did not. Which of these choices will they make now?

Turning to the banks, both coalition parties support the creation of a Green Investment Bank to boost lending to renewables industry and to create green jobs in the UK. This is very welcome, but with the Royal Bank of Scotland draining the public purse and pouring the finance into high carbon projects – it is also a case of throwing good money after bad. The Lib Dem policy is to end the use of public money channelled through RBS to support tar sands projects – this needs to be pushed forward.

Meanwhile wider financial reforms are to be examined and addressed through a new banking commission, co-chaired by George Osborne (Con) and Vince Cable (LD). The commission could take up to a year to examine and report on proposals to break up the banks. So as the US and EU attempt to press ahead with serious reforms to the financial services sector, including cracking down on dangerous speculation on food, the UK continues to drag its heels. And while the Chancellor has introduced a new bank levy, cuts to corporation tax have left the banks once again feeling like they've dodged the bullet while the rest of us suffer.

Overall, the picture for global justice campaigners will undoubtedly be challenging over the coming few years. But while domestic public spending cuts, rising unemployment and painful tax rises could well pre-occupy the attention of the public and the media, the harsh new economic environment presents a number of new opportunities for campaigners. A divided government will undoubtedly mean that progressive elements of both ruling parties will demand concessions to sweeten the pill of cuts. Furthermore Labour in opposition could become more radical in its support for policies in support of global justice. Finally, a reconfigured civil society landscape will see the emergence of new allies and coalitions for us campaigners to partner with to hold the government to account.

We've achieved some amazing things with governments of all hues over the past forty years. Now is the time to re-double our efforts and chart our path to the victories that lie ahead!