

2005: The year of MAKEPOVERTYHISTORY

THE CALL TO ACTION

One of the most powerful sounds of 2005 was the sound of fingers clicking. A stark illustration of a shocking fact: that a child dies as a result of poverty every three seconds. It was a reminder of the vulnerability of billions of people living a life of poverty perpetuated not by chance or nature, but by human decisions.

The click was a call to action from **MAKEPOVERTYHISTORY**, the campaign launched in January 2005 to challenge these decisions. 2005 presented a series of exceptional international opportunities with the G8 taking place in Scotland; the UK Presidency of the European Union, the UN's planned review of the Millennium Development Goals and the World Trade Organisation ministerial in Hong Kong. By empowering a new generation of campaigners to take action **MAKEPOVERTYHISTORY** believed that governments could make fundamental decisions that would improve the lives of millions of people.

The campaign was organised by a coalition representing all aspects of civil society from schools and faith groups to trade unions, international development and aid organisations to grassroots campaigners. They were all united in the belief that a sea change was needed and, through mobilising massive public support, it would be possible to bring about a fundamental rethink of the rules of the relationship between the poor and the rich world.

JUSTICE NOT CHARITY

Instead of asking for charity, the campaign called for justice: for the governments of the richest countries to make the political decisions that deliver justice for the world's poorest people. Through the G8 and Presidency of the European Union (EU), the UK Government was challenged to take a lead internationally at the G8, the UN World Summit and the World Trade Organisation, to make radical changes to its own economic policies and push for long-term changes internationally on three critical and inextricably linked areas: injustice in global trade, the huge burden of unpayable and unjust debt and insufficient and ineffective aid.

Crucial to the call for justice is allowing developing countries the freedom to decide their own economic policies. Rich countries continue to have a huge influence over poor countries through the conditions they apply to aid and debt relief. We recognise that conditions that encourage greater transparency and empower citizens to hold their government to account can be helpful in eradicating poverty. But a core demand of the campaign was an end to the undemocratic and damaging conditions that often hurt rather than help those most in need through inappropriate privatisation of public services such as water, the forcing open of markets to rich-country goods and cut backs in spending on health and education.

CAMPAIGNING ACROSS THE UK

In February, when Nelson Mandela stood in front of 20,000 people in Trafalgar Square, no one could have anticipated the response to his rallying cry. In unprecedented numbers, people answered the call. Seasoned activists and first-time campaigners from all over the UK stood up to show that they were the generation to take action against the injustice of global poverty.

The UK coalition rapidly grew, representing over 540 organisations, and the massive participation of the UK public exceeded all expectations. After just six months, 87% of the UK population had heard about the campaign.

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Around the UK campaigners organised marches, bike rides, vigils, drama, walks, concerts, debates and rallies. The white band – global symbol of the campaign to make poverty history – was worn on wrists, draped on buildings, tied to lampposts, trees, statues and landmarks including London's St Paul's Cathedral. Over three million children asked Prime Minister Tony Blair to urge the G8 leaders to 'Send My Friend to School', highlighting the vital importance of education for generations of children as a way out of poverty. The C8 Children's Forum brought young people from across the world together to take action on global issues. Over 1,500 attended a Global Student Forum and pupils from G8 countries presented their own communiqué to the G8 leaders. Over 10,000 people took photos of their eyes to stress that the 'World is Watching' and waiting for AIDS treatment for all by 2010.

Supporters lobbied their MPs in huge numbers. In April, 25,000 people took part in an overnight vigil for trade justice in Westminster; the biggest protest during the 2005 UK election period. Over 500,000 people contacted the Prime Minister and over 800,000 activists campaigned online through the **MAKEPOVERTYHISTORY** website alone. Eight million people in the UK wore a white band and, on the biggest public demonstration on global poverty the UK has seen, a quarter of a million people marched in Edinburgh ahead of the arrival of the G8 leaders - over half joining a protest for the first time.

Ahead of the World Trade Organisation (WTO) meeting in December, 375 MPs were lobbied in a single day in the largest ever mass lobby of Parliament and over 750,000 people in the UK cast a Vote for Trade Justice to show their support for change. No politician in this country can claim not to have heard their demands.

THE GLOBAL CAMPAIGN

The UK was not alone in its efforts but part of an astonishing global movement: 31 million people from 84 national coalitions around the world united in the Global Call to Action against Poverty.

Across the world campaigners gathered together on three co-ordinated White Band Days on July 1st, September 10th and December 10th to pressure their governments through a vast array of events and activities. In Delhi, 10,000 people from across South Asia attended the South Asian People's Summit Against Poverty. Massive concerts took place in South Korea and Ghana. Brazilian campaigners marched on Rio's Ipanema beach. Thousands of Kenyans joined 'The People's March For Justice' and in Niger, campaigners toured G8 embassies for a breakfast lobby. In Dublin 20,000 took part in one of the biggest-ever gatherings of people in Ireland.

As in the UK, the white band was hung on churches, mosques, town halls, schools and landmarks to demonstrate solidarity with the global movement: the Brandenburg Gate in Berlin, the Coliseum in Rome, the Tokyo Tower, Istiqlal placate, the largest mosque in Jakarta and in Peru a white band was displayed at San Martin Square, the site of the biggest demonstrations of Peruvian social movements.

The Live 8 concerts around the world introduced the campaign to a huge global audience, playing an important role in boosting popular international mobilisation in key G8 countries. The combination of grassroots activism, popular campaigning and global action focussed worldwide attention on rich country governments to demonstrate a dramatically different level of political commitment and tackle global poverty through action and not words.

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INTERNATIONAL POLICY CHANGE

The incredible level of public commitment and face-to-face lobbying was undoubtedly influential in ensuring global poverty was placed higher on the national and global agenda than ever before.

Important progress was made through the G8 in securing promises of extra financial resources for developing countries in the form of extra aid and the proposed deeper debt cancellation for some poor countries. In addition, several rich countries promised to meet more ambitious aid targets further in the future. Importantly, three crucial international principles were established at key international forums:

- The international acceptance of the principle of 100% multilateral debt cancellation.
- The undertaking at the G8 summit that developing countries have the right to “decide, plan and sequence their economic policies to fit with their own development strategies.”
- Support for as close as possible to universal access to treatment for HIV and AIDS for all who need it by 2010.

These principles provide important levers for campaigning in the future, though they do not yet live up to the scale of the challenge set by campaigners.

UK POLICY CHANGE

The UK Government expended considerable political capital internationally on the broad agenda of global poverty and in many specific areas of development. In particular, the Government demonstrated leadership at the G8 summit in July and worked hard to deliver significant steps towards debt cancellation and more and better aid. Mention of policy changes on aid, trade and debt also featured heavily in UK political party manifestos during this year's election campaign and in domestic political debates this year, though progress has often focussed on the more easily attainable policy demands.

In terms of UK policy change, a number of important new changes in approach were established and campaigners are now looking for urgent evidence of them being turned into practical action:

- The UK Government's recognition that donors' imposition of economic policies on developing countries is inappropriate and ineffective for poverty eradication.
- The commitment to no longer make UK bilateral aid conditional on recipient governments making specific economic policy decisions.
- The promise to make UK aid more predictable so action against poverty can be more effective.
- The UK Government and Labour manifesto statements that poor countries should not be forced to open their markets and provide assurances that this is a priority approach in regional and multilateral trade negotiations.
- The UK demonstrated a shift in its support for the Global Fund to Fight AIDS, TB and Malaria by doubling its contribution to the Fund from the previous year.

These advances must now be turned into a strong platform to build on. Challenges remain and in some areas, especially on trade, the UK has failed to stop an EU agenda that runs counter to **MAKEPOVERTYHISTORY's** demands. For instance, they have failed to block further attempts by the EU to straightjacket poor countries into liberalising their service sectors and campaigners are questioning the role they have played at the WTO in the push to pressure poor countries into liberalising their trade in industrial goods.

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1) MORE AND BETTER AID

MAKEPOVERTYHISTORY called for donors to immediately deliver at least \$50 billion more in aid per year and set a binding timetable for spending 0.7% of national income on aid. Aid must also be made to work more effectively for poor people.

The 2005 G8 summit signalled an extra \$48 billion a year by 2010, which included between \$15 and \$20 billion of new commitments. If this promise is kept and delivered without imposing economic conditions, millions of lives could be saved. This will be a lasting legacy of 2005. However, the aid pledges made this year are not on the scale needed to make poverty history. The rate of progress towards the long overdue target of 0.7% is still far too slow.

Fifteen members of the EU have set themselves the goal of spending 0.56% of GDP on world development aid by 2010, and reaching the UN target of a minimum of 0.7% of GDP by 2015. This will mean increasing public development aid by more than €20 billion over the next five years. The EU commitment to reaching 0.7% by 2015 is encouraging but individual Member States must now ensure they fully deliver on their pledges and do not backtrack on their commitments.

On the call to ensure better quality and more effective aid some limited progress was made. G8 countries recognised that developing countries have the right to decide their own economic policies, although they failed to translate this into concrete changes in the conditions attached to aid. Donors agreed to be monitored on targets to ensure that aid is better aligned to needs and priorities, more focused on poverty reduction, is more coordinated and reduces the reporting burden.

Furthermore, Africa has been identified as a priority for Europe. The European Commission has called for the formulation of a European response to the continent's problems encompassing issues such as the quality and quantity of aid, elements of good governance, infrastructure, etc. Half of the increase in aid that EU Member States have agreed to (up from €46 billion in 2006 to €66 billion in 2010) will go to Africa. However, the targets and indicators fall short of campaign demands, especially on the crucial area of untying all the aid to all developing countries.

2) DEBT

MAKEPOVERTYHISTORY called for the unpayable debts of the world's poorest countries to be cancelled in full, by fair and transparent means.

The G8's debt deal, which has still to be finally agreed by the IMF and World Bank, should be worth up to \$1 billion per year for the 18 countries that qualify (around 20 more could also become eligible). This compares to the minimum of \$10 billion debt cancellation per year needed to help developing countries achieve the Millennium Development Goals.

The deal made by Nigeria's creditors to cancel roughly two thirds (\$18 billion) of its debt was a welcome addition to the package of debt cancellation this year. We do not support some aspects of this deal; for example Nigeria, in spite of its huge poverty needs, will be required to make a large upfront payment of \$12.4 billion. We hope creditors will return this money immediately for the benefit of people who are poor.

The principle of cancelling 100 per cent of the debt owed to multilateral institutions and recognising that debt relief must extend further than the current list of eligible countries are important breakthroughs but major issues remain unresolved. Most indebted developing countries still do not qualify for debt relief and the debts owed to other creditors such as the Inter American Development Bank have not been cancelled. Damaging economic policy conditions remain attached to financing debt relief and there is still no fair and transparent arbitration mechanism for resolving debt crises.

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3) TRADE

MAKEPOVERTYHISTORY called for:

- **Action to ensure that governments, particularly in poor countries, can choose the best solutions to end poverty and protect the environment.**
- **An end to the export and other subsidies that damage the livelihoods of poor rural communities around the world.**
- **Laws that stop big business profiting at the expense of people and the environment.**

In 2005 the UK Government changed the language it uses on trade justice including positive statements on reducing European agricultural subsidies, a changed policy position on trade related conditionality (the strings attached to financing) and important new statements on stopping forced liberalisation. Campaigners looked to December's World Trade Organisation (WTO) Ministerial for urgent evidence of their implementation, particularly around stopping forced liberalisation.

However, despite having the ability to correct some of the gross imbalances in world trade, rich countries at the WTO, including those of the UK Government and its European Union (EU) partners, favoured their own interests over the world's poor. The approaches of some, particularly the EU and United States (US), showed no respect for the poor countries whose demands and concerns were repeatedly sidelined.

In WTO services negotiations, the UK Government verbally committed to opposing mandatory approaches. Yet in direct opposition to developing countries, the EU continued to demand mandatory targets for the liberalisation of trade in services. This means poor countries will be pushed into negotiations that could see essential services such as water, health and education opened up to foreign competition.

Major developed countries failed to end the dumping of agricultural products in developing countries. The fact that the EU and the US are retaining the domestic agricultural subsidies that continue to damage poor and vulnerable farmers in developing countries, renders the agreed 2013 date for ending export subsidies an empty gesture. These subsidies account for only a small proportion of current agricultural support – less than 5% in the case of the EU's Common Agricultural Policy – and would in any case have been scaled down to almost nothing by 2013. Until the dumping of all subsidised crops and products on poor countries' markets is ended, small-scale farmers face worsening poverty. There was however progress in this area, special measures to protect vulnerable farmers in poor countries from liberalisation based on criteria such as food security, livelihood security and rural development, something trade justice campaigners have been calling for.

In manufacturing and industrial trade, the WTO introduced the most extreme method of cutting tariffs. These tariffs enable poor countries to stop the flood of industrial goods which can destroy local businesses. Unfair competition from rich countries' multinational corporations also raises the threat of massive job losses and lost revenue to poor country governments.

Urgent changes are still needed if developing countries are to protect and cultivate their economies. As the WTO reconvenes at its headquarters in Geneva, campaigners will continue to press the UK Government for urgent action within the EU to deliver on its promise of no forced liberalisation.

Two thirds of global trade is carried out by multinationals and, outside of trade talks, a key demand was for the UK Government to regulate companies. As it stands, the Company Law Reform Bill will not provide a legal framework to ensure that UK companies do not pursue profits at the expense of workers' rights, human rights and environmental sustainability. Provisions requiring companies to report on their social and environmental impacts have been removed from the bill. No meaningful steps have been taken to prevent trade rules undermining core labour standards. Campaigners are organising to insist these happen.

Trade justice is crucial to making poverty history and campaigners across the world, encouraged by the solidarity shown by developing country governments will continue to call for an end to unfair trade.

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4) HIV & AIDS

MAKEPOVERTYHISTORY called for commitment to universal access to HIV & AIDS treatment by 2010 and replenishment of the Global Fund for HIV, TB and Malaria.

The G8's commitment to access to HIV treatment was the clearest success of the campaign, a significant and important policy shift to commit to "as close as possible to universal access to treatment for all those who need it by 2010". The target was endorsed at the UN World Summit and became an international commitment.

However, the concerns that the target would be undermined by the insufficient new aid announced at Gleneagles were proved right in September when the final pledges to replenishment of the Global Fund to Fight AIDS, TB and Malaria fell drastically short of the \$7billion it needed. This puts expansion of the Fund in jeopardy.

Whilst WHO and UNAIDS are taking forward the planning for meeting the target, campaigners will be watching to make sure the G8 do not forget the commitment they made. Achieving this target will require advances in UK policy and practice to generate increased resources, make drugs affordable and accessible and strengthen health systems.

OTHER CHANGES

There have been significant changes outside of the direct demands of the campaign: the focus on ownership and conditionality has sparked a major debate on the role of rich countries in creating poverty.

Equally, many have questioned the role of poor countries own governments in delivering change, with many developing countries robustly challenging their governments to be more open and transparent and there has been a marked increase in the quality of debate around governance issues in the UK and beyond, though it is too early to say whether these gains are sustainable.

The recent impasse in high-level discussions for improving Export Credit Agency procedures on bribery suggests that not all G8 countries are taking their commitments seriously enough. In some key areas of international negotiation on anti-corruption and transparency measures there has been slow progress. Promises made by several governments, including the UK Government to ratify the UN Convention on Corruption have been slow to materialise, although the UK is still promising to do so. We hope these debates will prompt further action in the future.

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MOVING FORWARD

It is impossible to look at **MAKEPOVERTYHISTORY** in isolation. 2005 has been a year of unbelievable tragedy with lives all over the world devastated by a series of shocking events: the Asian tsunami, famine in Niger and Mali, the earthquake in South Asia and the hurricane in Guatemala. All were stark reminders of the vulnerability of the billion-plus people on our shared planet who live on less than \$1 a day. Yet instead of reacting with a sense of helplessness, people have responded with an outpouring of compassion for humanity, solidarity and respect for the value of human life.

The unprecedented level of global campaigning on poverty in 2005 was very much a part of that incredible response. By raising awareness of the impact of global economic injustices, the campaign highlighted two key points: that poverty is not inevitable and that it is possible to make poverty history if political leaders have the will to do so.

MAKEPOVERTYHISTORY is part of a powerful people's movement that believes in progress through democracy. The campaign has shown that it is possible for governments to deliver real change when faced with such public demand – change that can mean the difference between life and death for millions of people.

There is little doubt that the political decisions taken during the year would not have been taken without the passionate commitment of campaigners. If governments follow through on their promises without imposing harmful conditions, millions of lives that would have been lost could now be saved.

Campaigners have seen real progress but governments internationally could have done more. They have the ability and power to deliver what is demanded of them.

The billions of dollars added to aid budgets will make a difference but this must be promptly followed by further increases as billions more will be needed. Up to 40 countries could benefit from the cancellation of debts; meanwhile many are still spending more on debt repayments than on health and education. If promises hold fast, by 2010 virtually all those who need life-saving AIDS treatment will have it, but this promise risks being broken without a further injection of new resources.

While governments have made important statements of principle against forced liberalisation and economic policy conditions, these words must urgently be turned into action if trade is to be used to help developing countries protect and cultivate their economies. The continuation of injustices around trade will perpetuate poverty for generations. Any progress on aid and debt will not make poverty history without trade justice being delivered.

In 2006, the challenge will be different. The spotlight will not be on the UK in the way it has been in 2005, but the British Government must play an important role in sustaining international pressure. The Global Call to Action Against Poverty will continue to campaign, organising a global forum and at least one co-ordinated international event in 2006. Campaigners in the UK will continue to play their part and together they will hold leaders to the promises they made in 2005 and increase the pressure on them to go a lot further in the right direction to end poverty. Campaigners will maintain the push for the UK Government to change their policies and expend their political capital in the interests of the world's poorest people.

2005 is a year for campaigners to remember. They were part of the biggest ever anti-poverty movement and in doing so they made history. The fight against poverty continues and the passion, energy and momentum of 2005 will fuel future campaigning for the years to come.

The call to **MAKEPOVERTYHISTORY** has inspired a generation: 2005 marks the beginning of something incredible.