

# Election Matters

With growing numbers of people facing poverty, hunger, harmful environmental change and threats of increased violence, it is imperative that those elected to the next New Zealand parliament have the knowledge and commitment to formulate legislation and policy that benefit poor people and improve life on the planet. CWS is encouraging people to ask questions on these matters during the election in order to broaden public debate into areas of global importance. CWS does not support a specific political party.

## The Seven Defining Issues

### 1: Crunching Credit

The daily reports of governments bailing out the world's banks are becoming increasingly worrying. The money set aside to help them out of their current difficulties has now reached thousands of billions of dollars and the end does not seem to be in sight. This so-called credit crunch is defined as a lack of credit or liquidity, meaning there is less money to go around. The crisis originated in the rich countries, principally the USA, but its impacts are likely to be felt most keenly in developing countries facing higher prices, the demand for loan repayments and cuts in aid spending. The economies of countries are much more tightly linked these days, leaving little room to escape from the devastation currently afflicting the global economy. On 15 November G20 countries are meeting to discuss the future of the global economic system but this is an issue that affects everyone. The debate needs to be widened and we have serious doubts that those who have created the problems are those best able to provide a more just and stable global financial system.



**The Question:** I am concerned about the global economic system. Can you please tell me how your party if elected to be the next government will protect the interests of all New Zealanders and those who live in poverty throughout the world in these unstable economic times?

### 2: So more don't go hungry

The World Bank released a report in October suggesting that the number of hungry people will increase to 967 million as a consequence of the hike in food and fuel prices. The World Bank has also recalculated its baseline figure for defining the global level of poverty, stating that 1.4 billion people live in extreme poverty on less than USD \$1.25 a day. Unfortunately the needs of the world's most vulnerable people have not received the same attention as the banking system. The World Bank has set up a comparatively modest fund of just USD \$1.2 billion (compared with the reported US government's \$700 billion bailout of the nation's banks for example) and the world's richest countries are not devising special programmes to meet the gap between having enough to eat and malnutrition.



**The Question:** The New Zealand Government signed up to the United Nations' Millennium Development Goals. The first goal is to eradicate extreme poverty and hunger. What will your party, if elected to the next government, do to help the world meet this commitment?

### 3: and money is spent to stop poverty

The global economic system serves to benefit those who already have more than their share of resources. Rich countries control most of the markets for food and raw

materials mined or grown in developing countries. This imbalance has contributed to growing inequality between and within countries and has fermented conflicts in places like the Democratic Republic of Congo, a country where the people are impoverished and resources extensive. People in developing countries have a lower life expectancy, are more likely to be sick or hungry and lack access to a decent education.

New Zealand can afford to address poverty overseas and at home - it is a matter of balancing priorities. Government aid or Overseas Development Assistance (ODA) is supposed to help people and countries improve their prospects in order to participate more fully in the global society where we are all members. Like other rich governments New Zealand has committed to providing 0.7% of the Gross National Income for ODA by 2015. For the financial year 2007/8 it was 0.30% and the closest NZ came to reaching that goal was in 1975 when it reached 0.52%. To be effective aid needs to meet the agreed needs of the local community or country with their full participation in planning and implementation. It should address the causes of poverty and the money spent fully accounted for in a transparent way. (See <http://www.pointseven.org.nz>)



**The Question** I think the New Zealand government should make a greater contribution to eliminating poverty both here and overseas. What is your party's position on meeting the UN pledge to give 0.7% of the GNI on ODA and what will you do to help make it happen?

### 4: Debt cancelled

On average poor countries are paying \$5 in debt repayments for every \$1 they receive in aid. The debt is costing these countries hugely in terms of the loss of development opportunity and in the living conditions of their people. The international Jubilee movement to cancel debt estimates that in 2007 developing countries owed a staggering USD \$2.9 trillion. They estimate that at least USD \$400 billion should be cancelled for around 100 countries in order to enable them to provide essential services for their people. Over the last ten years the leaders of the rich countries have made much of their agreements to cancel debt but so far a mere USD \$88 billion has been knocked off the bill.

Every day developing countries pay the world almost USD \$ 100 billion in debt repayments. The unfair burden of unpayable debt and the stringent demands of the IMF and the World Bank on lending are stopping efforts to eradicate poverty. Indebted countries have been pressured into following the market model, cutting public spending (including education and health), privatising state-owned services like water and marketing boards designed to help people sell their produce, and opening up markets to cheap subsidised imports that harm local producers. For more information check out the Jubilee Aotearoa website: [www.debtaction.org.nz](http://www.debtaction.org.nz)



**The Question** Poor countries are still paying unjust and unpayable debts. This is preventing them from meeting essential services and keeps people poor. What will your party do if elected to government, to ensure that more debt is cancelled and that the IMF and World Bank stop pressuring poor countries with harmful conditions attached to new loans?

## 5: agreeing fairer international trade

Rather than helping people and countries out of poverty, international trade rules have been making many of those in developing countries poorer. Free trade or trade liberalization has been the model that countries like New Zealand have vigorously supported with a clear eye on the markets of Europe and the USA for our agricultural produce. While competing with heavily subsidised food produced in these countries is unfair for our economy, it has proved more hazardous for poor countries. Countries like Mexico and the Philippines once self-sufficient or almost so are now dependent on imported, heavily subsidized corn on the global market. Millions of small farmers have been squeezed off the land with no where to go and now with ballooning food costs based on the global market rate they do not have enough to eat.

The international trade rules “negotiated” under pressure at the rich country-dominated World Trade Organisation have made sure that it is developing countries that lose the most. The one model of trade for both rich and developing countries has been strongly reinforced by the World Bank and the IMF under the guise of conditions attached to new loans. According to the United Nations the current unbalanced trade rules cost the developing world USD\$700 billion a year - money that could be better spent on ending poverty at home. The current economic crisis ought to provide the basis for a revision of trade rules in the interests of developing more equitable practice. CWS has been promoting fair trade as a tangible expression of how different economic priorities would deliver a greater benefit to poor people.



**The Question** If elected is your party willing to reconsider New Zealand’s negotiating position at the World Trade Organisation in the light of the current economic situation to argue for fairer international trade rules?

## 6: Ending war and the weapons of war

Conflict is a reality for many of the world’s people. It can be at the personal, community or national levels and it can be positively dangerous. In places like the Philippines, people are regularly “disappeared” and millions of people have been uprooted by war in Darfur, Sri Lanka and many more of the world’s regions. Civilians are increasingly being used as weapons of war and there are consistent reports of the widespread rape of women in places like the Congo. Violent conflict has a huge impact on development and some of the world’s longest wars are seriously undermining prospects for development. The world spent USD\$1339 billion on arms last year, 6 % up on the previous year and 45% up from 1998. This is equivalent to 2.5 % of the world’s GDP or USD\$202 per person ([http://www.sipri.org/contents/milap/milex/mex\\_trends.html](http://www.sipri.org/contents/milap/milex/mex_trends.html)).

Earlier this year a Convention on Cluster Munitions was agreed. A cluster munition is a weapon comprised of lots of tiny sub munitions or bomblets that kill and injure people long after the initial weapon has been dropped. Nations are set to sign the treaty in Oslo, Norway on December 3. The ambassador to the United Nations, Don McKay, has signaled New Zealand will sign.



**The Question** I am glad that New Zealand will sign the Convention on Cluster Munitions this year. What more can New Zealand do to help stop the fighting in (name a country you know about) and protect civilians caught up in the fighting?

## 7: For a changing climate

The changing climate is affecting people the world over but it is the poorest people who are bearing the brunt of the harm. Drought, hurricanes, floods and other extreme weather are forcing many from their homes and livelihoods. For small farmers the lack of rain means famine and for those living in places like Tuvalu the rising sea level means they will no longer be able to live on their traditional islands. The Intergovernmental Panel on Climate Change (IPCC) has said that industrialized countries must reduce their emissions 25-40% below 1990 levels by 2020 and 80-95% below 1990 by 2050. It is not simply a matter of changing light bulbs and walking a little more frequently. Major changes are needed in the way energy is used so as to cut carbon emissions but in such a way as to allow developing countries the opportunities provided by development. The contested carbon trading scheme is only the beginning of the radical changes that we all must make to improve the chances of survival.



**The Question** I am concerned about the way that the changing climate is affecting the prospects for the world’s poorest people. What will your party do if elected to ensure that New Zealand cuts emissions, allows poor countries opportunities for development and helps Pacific communities who have been made homeless by climate change to resettle?