

General election 2005
Hustings briefing

March 2005

The election is expected to be called soon. Many constituencies will hold events known as hustings, for local people to question prospective parliamentary candidates. These events give you the chance to get politicians talking about the issues that you care about. This briefing will help you make sure that trade justice and global poverty get the attention they deserve.

Global poverty is a scandal. Nearly half the world's population (2.7 billion people) live on less than US\$2 per day. But this year the UK will be a particularly influential player on the world stage, giving us a great opportunity to challenge the policies and systems that keep people poor. The UK government hosts the G8 gathering of the leaders of the world's richest countries in July, and will hold the presidency of the European Union (EU) in the second half of the year. During the year there will also be a United Nations conference on poverty and a major meeting of the World Trade Organisation.

The UK election campaign is likely to coincide with the Global Week of Action (10-16 April), when people in more than 70 countries will be campaigning for trade justice.

What you can do

- Find out about any hustings being held in your constituency. Check local newspapers and notices. A useful website for church groups is www.churcheselection.org.uk
- Tell other local campaigners.
- Go along and question the candidates. Suggested questions are listed overleaf.
- Don't be intimidated! Remember, the candidates are there to seek your vote.
- Note any specific commitments candidates make so that you can follow them up.
- If one of the candidates hosts their own event, do go along and ask questions.

During the election period

- Parliament will be dissolved at least three weeks before the date of an election.
- Every candidate, including the current MP if they are standing for election again, must be considered equal once the election has been called. This means that any public events or campaigning activities need to involve every candidate in your constituency. But this can be very tricky to ensure when there could be a large number of independent candidates standing alongside the main parties. For this reason, please do not organise hustings events in the name of Christian Aid. However, it is fine to say that you are a Christian Aid supporter when you ask a question.
- If you plan to hold a local campaign event during the Global Week of Action for Trade Justice, remember that it is best not to involve any candidates directly in your event if the election has been called by then. Any publicity should also treat candidates equally and not give prominence to any particular party or candidate.

After the election

- Did the successful candidate make any pledges on international development before the election? Use them to hold your new MP to account in the next term of parliament.

Note: Christian Aid does not endorse any particular party or candidate. Our aim is to raise international development issues and get candidates to engage with the arguments.

Suggested questions

1. Do you agree that the UK should stop pushing developing countries to accept free-trade policies?

Free trade means a country's economy is run without intervention from its government. The theory is that it will create a level playing field between countries. It sounds fair, but in reality this means pitting rich and poor producers against each other. With producers in rich countries having so many more advantages (such as superior technology, and better transport), the result is devastating for poor people.

Dr Robert Aboagye-Mensah, the general secretary of the Christian Council of Ghana, explains: *'International trade between my country and the West is like an antelope and a giraffe competing for food which is at the top of a tree. You can make the ground beneath their feet level, but the contest will still not be fair.'*

Free trade (or liberalisation) is being pushed onto poor countries through:

- trade agreements between two or more countries
- conditions and economic 'advice' given to poor countries in return for loans from the International Monetary Fund (IMF) and the World Bank
- agreements at the World Trade Organisation (WTO).

Further questions

- **Do you agree that developing countries should have the right to decide their own economic policies?**
- **In particular, do you agree that they should have the right to protect vulnerable producers and support new industries?**

In the right circumstances, choosing to liberalise a particular sector is exactly the right policy for a country to adopt in order to reduce poverty. It might create healthy competition, or attract investment. But if used in the wrong circumstances, liberalisation can and does cause suffering on an enormous scale. Liberalisation should not be prescribed as a 'one-size-fits-all' strategy for all countries all the time. And it should be poor countries themselves, in consultation with their communities, who decide when they are going to use it.

- Almost all industrialised countries, including the UK, have used a variety of policies during their development, choosing to liberalise only when it suited them.
- Recent industrialisers, such as the east Asian states, relied on a range of trade policies to develop and maintain their new sectors, not simply free-trade policies. For example, in Korea successful companies were given a range of subsidies and protected from competition with foreign firms.
- The IMF ranked Mauritius as one of the most protected economies in the world in the 1990s. At that point Mauritian industry was almost twice as protected as that of the rest of Africa. Yet between 1975 and 1999, the Mauritian economy grew, productivity increased, income inequality fell and life expectancy rose by ten years.

2. The EU is currently negotiating free-trade agreements with former colonies in Africa, the Caribbean and the Pacific. In return for giving these countries access to European markets, the EU is demanding that these countries open their economies to European companies. What is your party's position on these agreements?

The UK is a leading player in EU trade negotiations. The EU is currently negotiating a trade agreement with 77 former colonies. As part of this agreement, poor countries will have to accept Economic Partnership Agreements (EPAs) that open their markets further and limit the help they can give to their farmers and industries. This would leave millions of farmers

and producers vulnerable to cheap imports from the EU that would wipe out their local markets.

An impact assessment commissioned by the EU in west Africa and carried out by PricewaterhouseCoopers concluded that EPAs could stifle efforts to develop a modern industrial base, reduce exports of traditional crops and lead to internal conflict and struggles over resources.

In their current form, the EPAs will be free-trade deals that have little to say about tackling poverty. The UK should take a lead in calling for the EU to stop forcing countries to open their markets to European imports, which could destroy many thousands of livelihoods in some of the world's poorest countries. The UK should use its influence in the EU to support the rights of poor country governments to protect and support their farmers and industries.

3. Does your party support or oppose the trade and economic conditions that the IMF and World Bank attach to poor countries' loans and debt cancellation?

The IMF and World Bank have enormous power over poor countries. They use loans and debt cancellation to dictate free-trade policies to poor countries. Sometimes this is done by explicitly attaching conditions to loan agreements, but it can also be done through the advice that they give to countries or by selecting which countries will or won't receive loans.

These conditions hit the poorest communities hardest and undermine the right of elected governments to choose trade policies that work for the development of their countries. The UK Treasury and Department for International Development should use their influence at the IMF and World Bank to argue for an end to these conditions. Otherwise more debt relief may undermine, or even be counterproductive, to reducing poverty.

Ghana: Agatha's story

'Our government is not allowed to help us,' explains chicken farmer Agatha Yumbia. Agatha struggles to support her elderly mother and extended family by selling chickens. But her business simply can't compete with the cheap, intensively farmed, subsidised chickens imported from Holland and Canada.

The Ghanaian government tried to help farmers such as Agatha by increasing the tariff on imported chicken. The proposal was stopped by the IMF. *'We just want to take care of our children, but our government is not allowed to help us,'* says Agatha.

4. Do you agree that poor countries should have special treatment when international trade rules are negotiated – for instance when rules are agreed at the World Trade Organisation (WTO)?

In theory the WTO is a democratic international organisation, with all decisions taken by consensus. But rich countries have used their power and influence to ensure that many of the agreements work in their favour.

One way to make the WTO fairer is if poor countries had a much stronger agreement guaranteeing them special treatment. This would mean they did not have to commit to everything that the rich countries have committed to. Rich countries have often promised to prioritise such an agreement but it quickly drops off the agenda once poor countries have agreed to whatever the rich countries are pushing at that time.

5. Do you agree that the unpayable debts of the world's poorest countries should be cancelled in full, and without any economic policy conditions attached?

Rich countries have not delivered on the promise they made more than six years ago to cancel unpayable poor countries' debts. Rich countries and the institutions they control should act now to deliver on their promises. They should not do this by depriving poor countries of new aid, but by digging into their pockets and providing new money.

Debt relief is currently on offer to only those countries that jump through economic hoops set by the World Bank and IMF. And even then, some countries are not on the list, such as Indonesia, which is crippled by debt and where more than 100 million people live in poverty. Debt relief must be widened to include all countries in debt crisis, without exposing them to harmful economic policy conditions.

The task of calculating how much debt should be cancelled must no longer be left to creditors concerned mainly with minimising their own costs. Instead, a fair and transparent international process is needed to make sure that human needs take priority. To avoid another debt crisis hard on the heels of the first, poor countries need to be given more grants, rather than seeing their debt burden piled even higher with yet more loans.

6. Does your party agree that the UK should set a binding timetable for spending 0.7% of national income on aid to developing countries?

As well as trade justice, reducing poverty will require an immediate and major increase in international aid. Rich countries have promised to provide the extra money needed to meet internationally agreed poverty reduction targets. This amounts to at least US\$50 billion per year, according to official estimates, and must be delivered now.

Rich countries have also promised to provide 0.7 per cent of their national income in aid. They must now make good on their commitment by setting a binding timetable to reach this target.

However, it's about quality as well as quantity. More aid should be spent on areas such as basic healthcare and education, and aid should no longer be tied to being spent on goods and services from the donor. The World Bank and the IMF must become fully democratic in order for poor communities' concerns to be heard, and aid should no longer be conditional on recipients promising economic change, such as privatising or deregulating their services, cutting health and education spending, or opening up their markets. Aid also needs to be made predictable so that poor countries can plan effectively.

And finally, don't let them off the hook!

Candidates may shift their replies onto the things they would prefer to talk about. If this happens, politely ask them to answer your specific question. Watch out for replies that:

- **muddle free trade with fair trade or trade justice.** They are not the same things! Buying fairly traded goods is a fantastic sign of wanting to see a fairer international trading system. But it is important that politicians are not able to get themselves off the hook by promoting fairly traded goods, while continuing to support the rules that keep the rest of trade unfair!
- **only talk about ending EU subsidies or increasing market access.** Both of these issues are important, but politicians often talk as if these are the solutions to all the problems of trade. The fact is that producers in rich countries have many advantages over producers in poor countries – not just subsidies. Poor countries need the right to make their own development policies if the balance is ever to be redressed.

- **only talk about corruption.** Corruption thrives in areas of high poverty. Corruption is an enemy of the poor. It would be of little long-term benefit to concentrate on dealing with corruption without also tackling the poverty which fuelled it in the first place. Many organisations in poor countries are campaigning to tackle it, but international pressure and assistance is needed. Nor is corruption confined to poor countries. Our government should take stronger action to tackle the international companies that fuel this corruption.
- In the six years since an international anti-bribery convention came into force, there have been more than 40 allegations of bribery by UK companies, but so far only four allegations are being investigated, and not a single company has been convicted.

For more detailed reports, visit www.christianaid.org.uk/indepth
For campaign resources, visit www.christianaid.org.uk/campaign

Christian Aid is a member of the Trade Justice Movement and the Make Poverty History coalition.