

Hilary Benn, Secretary of State for International Development, Centre for Strategic and International Studies, 28<sup>th</sup> June 2006

*“Ending Extreme Poverty: the Challenge for our Generation”*

Thanks Stephen [Morrison] for your thoughtful introduction. I'm very pleased to be here at the Centre for Strategic and International Studies. Your research is of the highest quality – and you are constantly making us think – keep it up!

I want today to reflect not only on the challenges that both our countries face in fighting poverty on this small and fragile planet of ours, but also on the way in which we do it and how it is seen by others. One of the things I have learned in this job is that you don't spend long talking about development – or, come to think of it, foreign policy, climate change, trade, security, or just about anything else - without the conversation turning to the United States.

A sign, of course, of the pre-eminence of your country – the most powerful in the world and the largest economy – which invites expectation and excoriation in equal measure ! Now, I realise that this may be sensitive territory for a visitor to enter, so can I begin by setting out both my modest credentials and my reasons for wanting to do so.

I am half American. My mother was from Ohio. She came from Cincinnati. Ohio is known as the “Mother of Presidents”, and that's certainly true for Republicans as none has ever entered the White House without winning the state. Cincinnati, of course, is home to that great baseball team the Cincinnati Reds, a name that gave us great comfort as we were growing up reflecting as it did both Mum's home town and the colour of the family's politics – on the British side at least !

Her ancestors came from France – they were Huguenots – and from Ireland. One fleeing religious persecution and the other seeking a better life, like so many who have crossed the Atlantic over the centuries, and like so many millions of people in the developing world today. In 1812, the family – 14 of them - set out from the east coast in two covered wagons and six weeks later reached Butler County, Ohio where they built their first homestead. Seven generations later I was born to a Cincinnati in West London, and that's how I come to stand before you today.

That heritage – our interdependence - has led me to reflect on where half of what I am comes from, and how the country that makes up the other half sees the United States. We have, of course, a great deal in common.

That wonderful guide for GIs coming to Britain during World War Two reminded them that “our common speech, our common law, and our ideals of religious freedom were all bought from Britain when the Pilgrims landed at Plymouth Rock.” Mind you, George Bernard Shaw had other ideas when he talked of “two nations divided by a common language”, but there is no doubting the common bond between us.

But more than anything else, because of your influence and position, what America says and what America does really matters. And I know just how proud you are of your traditions, your passion for liberty and freedom, and of your open society.

So it always difficult for any of us, when we come to discover that others do not all see us in the way in which we see ourselves. That was one of the questions America had to ask itself in the wake of the unspeakable atrocity of 9/11. In talking about it with my American relatives, I shared their shock at what had happened and their fear for the future. We felt the same on 7<sup>th</sup> July last year, as much because the bombers came from Britain, three of them from the constituency – or district – that I represent in Leeds. We know that in parts of the world there is resentment against both our nations, and the west in general, from people some of whom invest great hope in our power to change things and yet measure that power against their own powerlessness. And it is something that we have to face up to as we remain resolute in defence of the common values that we hold dear.

Our growing interdependence as a world means that we are increasingly affected by what happens in other countries, including conflict, terrorism and religious extremism. We are all concerned to ensure our security, but we cannot cut ourselves off. We have global responsibilities, and also a duty to use our influence responsibly and with understanding of how others see us. It is not an easy task.

This global interdependence, and the link between security and development, is one of the reasons why fighting global poverty has moved from the margins of politics 50 years ago to its heart.

Today I talked about this with Bob Zoellick; we worked closely together on the Abuja peace agreement for Darfur. I also met with Ambassador Tobias, whom I know well from his days leading the US fight against AIDS, and with Ambassador Danilovich who has done some quick and impressive work with the Millennium Challenge Account. And I am greatly struck, as I listen to the debate about foreign assistance here in the United States, and see the structural changes that President Bush and Condoleezza Rice have made, by how similar is our analysis about the challenge of fighting extreme poverty, even if our approaches differ.

We both believe that peace and security are the foundation of any progress. That good governance and fighting corruption matter. That creating the right climate for economic growth – including by agreeing a fairer world trade deal - is the best way, in the long term, to raise the finance needed to defeat poverty.

That aid works to help build that capacity. That debt relief lifts from countries that awful choice between paying the debt or paying the doctors and nurses that will save people's lives. That providing education, clean water, and healthcare for all the world's children, and defeating AIDS, is the great moral

and practical challenge of our generation. And that when crisis strikes - drought, flood - we all have a duty to help.

President Bush said recently that "Fighting global poverty reflects this country's values... We know that when a neighbour needs assistance, that we have an obligation to help provide it."

He is right. The truth is this. Here we are at the beginning of the 21<sup>st</sup> century. We know that in the developing world, pregnancy and childbirth claim the life of a woman every minute – women who die alone and afraid on the floor of a darkened hut with no midwife or doctor to help.

We know that 6,000 children will die today from a lack of clean water to drink.

We know that each year, every year, malaria kills one million people, tuberculosis 2 million people, AIDS 3 million people - every one a human life extinguished. Potential unrealised.

And because we see these things, we cannot claim any more that we did not know what was going on.

And we have a choice.

Either we say. I am sorry about the condition of humankind, but we can't do anything about it.

Or we ask – can we do something about this ?

Well, I think we can.

It's the story of my country.

Go back 200 years to a time of enormous change in British society. The movement from the land to the towns and cities as the industrial revolution – fire and water - created a technology that transformed the world. The great social reformers who helped to change things. The pioneers of local government who built the water pipes and the sewers which did so much to improve life expectancy. The dreamers who dared to believe that one day every child in Britain would be able to go to school.

It was the same process here in America. The founding fathers who created checks and balances in a federal system that made local government the building block of a great nation – because power should always lie with the people.

America's great social reformers, from Harriet Tubman helping to bring slaves north to freedom through the Underground Railway – which passed through my mother's home town; to Susan B. Anthony - found guilty of illegally voting for a Republican Presidential candidate - who led the women's suffrage

movement; to Rosa Parkes who refused to be treated as a second class citizen.

That's how both our countries changed. And the truth is that we are going through exactly the same process now, but on a global scale.

And we have made progress.

In the past 40 years, life expectancy in the developing world increased by a quarter.

In the past 30 years, illiteracy has fallen by half.

In the past 20 years, 400 million human beings have been lifted out of absolute poverty.

We've beaten smallpox, and we are nearly there with polio.

But we have so much yet to do; and the task will get more difficult because of three big challenges.

Climate change – least caused by the countries that will be worst affected by it.

The increase in the world's population in the next two generations by 50%.

And the movement from rural areas to towns and cities. By 2020 most people in Asia will be living in urban areas, and the same will be true of Africa ten years later.

And how are we going to do something about all this ? By politics – in our countries and in developing countries. That's what the ONE campaign here in the US – and the Make Poverty History Campaign in the UK – are all about; the global equivalents of the social reformers of the past centuries.

And we made a start on our contribution a year ago at the G8 in Gleneagles we agreed \$50 billion a year in extra aid by 2010, with half to go to Africa.

And aid works.

It has helped: double the number of children in school in Mozambique; abolish health fees, and doubled clinic attendance in Uganda; within 5 years get another 7.5 million people access to safe water and sanitation in Bangladesh, and, since 2003 support an eight-fold increase in the number of people on AIDS treatment in sub-Saharan Africa.

Together we also got agreement on debt cancellation worth \$50 billion. It's in the process of happening now in almost 20 countries. It's helped Zambia to provide free health care in rural areas for the first time, and has helped Tanzania to build over 30,000 new classrooms.

At the UN Millennium Summit, all nations agreed that states have a responsibility to protect their citizens from genocide, and where they fail to do so the international community must act. We also agreed on a new Human Rights Commission, and a Peace Building Commission.

In March we set up a new UN fund to speed up our response to humanitarian emergencies.

And three weeks ago, we agreed in New York a plan to get AIDS treatment to all who need it by 2010.

We have worked together to agree all of this because we know that without a just world we will not have a stable world.

The task now is to turn those commitments into practical help.

So what do we need to do ?

The first, is to recognise that for development to happen there must be peace and security.

Three weeks ago I was in Lashkar Gah in southern Afghanistan. A country in which 1 in 4 children never live to celebrate their fifth birthday, and where life expectancy is 44 years of age – the same as in Britain 100 years ago.

A country where, as the director of education described to me, intimidation by the Taliban has closed 60 out of 224 schools in Helmand. Teachers threatened – and in some cases murdered. Why ? Because they insist on teaching children, and the greatest crime of all, to teach girls.

Six weeks ago I was in Somalia at a refugee camp at a place called Wajid. Home to 11,000 people who fled the countryside when the drought killed their animals and shrivelled their crops – a sign of the world to come, perhaps, if we don't deal with climate change. Yet in this camp I saw rows of children – as many girls as boys – keen and enthusiastic as any pupils I have ever met, enjoying – for the very first time in their lives – the chance to go to school. Something good out of something terrible.

It is places and experiences like these that have taught me – taught all of us – both why development – people being able by their own efforts to change their lives for the better – is so important, and why unless we tackle poverty, injustice and inequality we will never have a safe and secure world in which to live, regardless of where it is we happen to call home.

We have learned that preventing conflict is better than picking up the pieces afterwards – as we know to our cost – look at Darfur.

We know that post-conflict countries have a 50% chance of starting fighting again within 5 years – so we need to work with them for more than just the

short term. We know we need to help build long-term stability as a foundation for future prosperity. We know that this involves providing basic services like education and health – creating a sense of hope, and of good government – including through building institutions.

And we know that if we ignore countries – failed states like Afghanistan, Liberia or Somalia – they can become safe havens for terrorism. We have got to work together better and I hope the Peace Building Commission will help us do that.

We have to ensure that our agreement on “Responsibility to Protect” turns into a willingness to act. We have to do more to reduce the proliferation of small arms and light weapons. We need a International Arms Trade Treaty. And we must help continents like Africa to build their own peacekeeping capacity.

And all of this will require a more effective United Nations.

The second challenge is to invest in helping developing countries to build their own capacity.

Our aid can help poor people go to school and stay healthy - both of which is vital to their economic development. But our support needs to be long-term and predictable if governments are to be able to invest in their people

Take education. The US believes that education is the best investment a society can make, and I welcome Laura Bush’s leadership on this issue.

Going to school saves lives - a woman who’s had the chance to go to school is 50% more likely to have her child immunised.

Being in school fights AIDS – in Swaziland two thirds of girls in school are free of HIV; but it’s the opposite for girls out of school.

Education makes the economy grow - an extra year of education for a girl can raise her future income by 10-20%.

We know all this. So let’s get on with it! And some countries, with our help, are.

The abolition of primary school fees in Kenya helped an additional 1.5 million children into a classroom, and in Zambia, increased girls’ enrolment from around two thirds to over 80% in just two years. Burundi is the latest country to do it; 300,000 additional children turned up.

Political will backed by aid is making a difference. The UK has just committed to spend \$15 billion over the next 10 years supporting long-term education plans in poor countries. We expect at least 22 countries to have prepared plans by the autumn of this year, and they will be asking donors for help in funding them.

And I think this is an issue on which the United States could lead the world, and is a perfect opportunity for the Millennium Challenge Account to provide major long-term funding. You could turn your “No Child Left Behind” campaign here in the USA into a global campaign on behalf of the world’s poorest children.

Third, we need to work in a way that helps build this capacity.

It is a lack of capacity that is the biggest cause of death and the absence of school places, how much help we give and how we give it, really do matter. With great power comes great responsibility. But I also believe that with great wealth should come great generosity. These are British values – seen most clearly when disaster strikes – and they are American values too.

The most prominent private expression of this has been the work of Bill and Melinda Gates – and most recently of Warren Buffet who is giving away most of his fortune. Acts no different in kind, but only in scale, from those of many millions of Americans who give so generously to those in need. It was de Tocqueville who nearly 200 years ago identified this characteristic. “When an American needs the assistance of his fellows, it’s very rare that it be refused.”

As governments we need to do the same. And we are. Over the past decade UK aid has more than trebled. Under this administration, American aid has more than doubled, and in new ways too, with PEPFAR and the Millennium Challenge Account. And it is taxpayers’ dollars and pounds that are paying to drop the debt and bringing new money for health and education.

But is it enough ? I don’t think so. In the UK we are committed to achieving the long-held global target of allocating 0.7% of our national wealth in aid by 2013. Europe has committed to do this by 2015 – an extra \$100 billion a year. If the United States did the same it would be another \$100 billion a year. Think what a difference that would make.

The other issue here is how we work. Let me take two examples, the way we give our aid and the fight against HIV and AIDS.

In the UK we now ask three questions of our development partners. Are you serious about reducing poverty ? Do you uphold human rights and international obligations ? And do you promote transparency, reform of public financial management, good governance and make sure the money goes where it was intended ?

Based on the answers we give our aid in different ways. In Zimbabwe, we don’t give aid to the government; but we do provide food and we run an AIDS programme. In Tanzania, on the other hand, we give a lot of our aid in the form of support to the government’s budget – to their treasury. To enable them to get on and do the things they want.

I know the arguments about budget support; we have them too. The worry that it is hard to track where the dollars and the pounds went. The fact that

the USA does not do budget support is one of the differences in our approaches, and it does separate you from other donors.

What I would say is that in the right circumstances it is a very useful tool, as the recent independent evaluation carried out for the UK by the OECD shows. One of its benefits is that it helps to build that very capacity and improved financial management that is at the heart of your policy.

And if our shared goal of accountable government is to be realised, so that people in developing countries look to their own governments to sort out their problems, and not us, then we need to help build the capacity to do exactly that.

That is why I welcome so much Ambassador Tobias's recent speech to the Advisory Committee on Voluntary Foreign Aid when he spoke about the parallel systems of service delivery that have "...allowed governments to shirk their responsibility... Citizens must understand that their governments are responsible, they must make demands of their governments, and reject excuses for failure."

Fighting AIDS is also an issue of capacity, and it is one where the US has shown great leadership. We are the two biggest donors in the global fight against AIDS.

You, like us, were one of the founders of the "three ones" - vital to make sure that the way we offer help actually assists those fighting this disease on the ground.

Like us, you are a big supporter of the Global Fund, which has helped raise more money. You also recognise, like us, that we need to do more to help countries build their healthcare – doctors, nurses, drugs and clinics, if we are to defeat AIDS. It's that lack of capacity that is the biggest issue.

But on some of the other issues – abstinence and condoms - we have a different approach. I agree that there is good evidence that fewer sexual partners and delaying starting sex help reduce AIDS, but the truth is that:

- not everyone can or is able to abstain from sex
- some women sell sex for money or food
- some people inject themselves with drugs
- some men have sex with other men

Now I know that these are difficult and embarrassing issues for some human beings and some societies, but people should not die because human beings like having sex. Embarrassment is temporary, while death is permanent. And therefore we need to be open and honest, fight stigma, and give people the knowledge and the means to protect themselves, if we are to win this fight.

Fourth, progress in developing countries will depend above all on good governance

Good governance is about the capacity of governments to ensure security, to be able to get things done, to give people the chance to be heard and to respond to what they want.

It's about creating a climate in which people – local and from abroad - will want to come and invest their money.

It's about ensuring the rule of law and effective policing.

And it's also about fighting corruption.

We, like you, care about this. We use proper safeguards and a rigorous system of audit and inspection. When we see a problem, we take tough action, to prevent any repetition and send a clear message that corruption will not be tolerated. Those guilty of criminal offences should be prosecuted and punished.

But where problems arise some people argue that we should suspend our aid. I don't agree. Why should a child be denied education, or a mother healthcare, or a HIV positive person AIDS treatment, just because some in their government are corrupt?

If all poor people lived in well-governed countries fighting corruption would be much easier. But they don't. Poor people live in countries affected by conflict, in countries with few resources and poorly paid public sector workers, and where governments and institutions are often weakest.

Walking away from our responsibilities to poor people is not the right thing to do. If necessary, we will change the way we give our aid, but if we are going to help weak and fragile states transform themselves into well governed states then we need to work with them and not around them.

Corruption is however the result of a failure of governance; and the best check on corruption is to strengthen the governance with which to fight it. And that means encouraging demand for good governance by supporting civil society and the media, parliaments and trade unions, and communities so that people's voices are heard and governments are held to account.

In the end, it is politics that provides the means by which those who govern – and those who give their consent to be governed – reach decisions on what is to be done.

Fifth, economic growth is the best way to reduce poverty.

It's how we did it in our own countries.

It's also the best way to end the dependency of poor countries on aid. Poor people are the private sector – they are the farmers, the entrepreneurs, the shopkeepers – and they are also the people we are trying to help.

And we know that a decent job is their single best chance of escaping poverty. The US – through the MCA – is using its funding to help countries trade more and to invest in the infrastructure necessary to do that. That's aid helping to increase growth. And it's a UK priority too.

But it is very hard to trade when the rules are unfair. That is why Doha is so important and why I'm pleased that President Bush has said that the US is ready to eliminate all tariffs and subsidies to trade. I share his view that the time has come for all of the world's richest countries – including those in Europe - to make these tough decisions.

In his words, "now is the time for the world to come together, not only for the benefit of our own economies but as an important part of the strategy to reduce poverty around the world."

What better way to start that process than ending the tariffs on the goods we import from the world's poorest countries. The WTO has got to agree a credible timetable for moving from 97% access to 100% market access.

I find it hard to see how we can justify putting up barriers to the world's poorest countries – in the US, dairy products receive a tariff of almost 300%; in the EU rice is covered by 39 separate tariff lines.

And we have to move on cotton, where subsidies - \$2 billion a year in the US and almost \$1 billion in the EU – are making life really hard for 12 million poor people in West Africa. Is that fair?

And finally, on this list of things to do, we have to act to stop climate change.

Climate change and depletion of natural resources will be the ultimate test of global good governance. Sea level rise, too much or too little rain – you know all about this in Washington this week! And more frequent storms will lead to mass migration, fragile economies being undermined, water and food shortages, and potentially wars.

Agreeing a stabilisation target – what rise in temperature the earth can cope with – and then dividing up the CO2 emissions we can absorb will be the greatest challenge of all.

And as the developing world's need for energy increases, we will have to help them invest in cleaner forms of energy supply including through the World Bank's Energy Investment Framework, and well as support them on adaptation and mitigation.

So there we have it.

This in my view is what we need to do.

The task is enormous, but we know in our hearts that it must be done.

Because defeating poverty is the moral and practical challenge of our generation, and one which our two countries - for reasons of a shared history and shared values – should and must rise to.

Just think what we could achieve if we acted together – in increasing aid, carrying on writing off debt, and making trade fair, while helping people in developing countries to deal with conflict, fight corruption and demand good governance, and earn their way out of poverty.

That really would be an historic alliance across the ocean that so many have crossed in search of freedom and a better life.

Like my forbears – and yours – they carried with them a burning hope that they could change things for the better.

And that same hope should inspire us – in this generation – to accept the responsibility that has fallen to us as together we seek to honour their memory, and play our part in building that better world and passing it on to those who will come after us.

ENDS