

# GLOBAL INEQUALITY

## Socialist Equality

We are an international party in which all sections of our party across the world fights for the same program. We advocate the reorganization of the world economy in the interests of the majority of the world's population.

We believe that foreign aid and assistance should be significantly greater than just 0.7 per cent of GDP.

For example in some of the most immediate cases such as Iraq, Afghanistan and East Timor and the Solomon Islands, which are being subjected to invasion and occupation by the US and other foreign powers, including Australia, we call for the immediate withdrawal of all US, Australian and foreign troops from these countries and that Australia, along with others make reparations to the peoples of Iraq and Afghanistan for the damage and suffering inflicted by the war and in the case of East Timor for example we call for the allocation of resources necessary to construct decent housing and social infrastructure – including schools and hospitals – for the local population. This would require billions of dollars rather than just 0.7 per cent of GDP which is given to countries by nations such as Australia not to assist ordinary local people but with conditions attached such as allowing Australian companies to invest and exploit local resources and the local population as cheap labour.

## Greens

The Greens policy commits to increasing our overseas aid budget to 0.7% of GNP by 2010 as recommended by the United Nations, directed to the poorest, which often include women, with a focus on clean water and sanitation, education and high quality accessible health services, including sexual and reproductive health services.

## Australian Democrats

This year is the halfway mark for the achievement of the Millennium Development Goals and the Australian Democrats have used this occasion to renew our call for the Australian aid budget to be increased to 0.7% of GNI. This level was first agreed to in principle by wealthy countries, including Australia, in 1970 and reiterated at the 2002 International Conference on Financing for Development in Monterrey.

Given we have experienced a long run of economic prosperity, the Democrats feel it is well time for the Australian Government to honour the commitment and increase aid to 0.7% of GNI.

We support the Millennium Development Goals not just as a worthy set of goals in themselves but also as a template for future action. Poverty and other global challenges will require international cooperation to be effectively addressed and if we allow the MDGs to become just another empty set of promises, we weaken our capacity for that kind of multinational action.

The Democrats believe that the MDGs should be a guiding principle for aid deployment and priorities.

## Christian Democrats

The Christian Democrat Party ("CDP") supports an increase in foreign aid. Already in September 2005, CDP NSW Upper House member, Dr Gordon Moyes, issues a media release (Aid Increase a Step in the Right Direction) acknowledging that "we have a long way to go before we are pulling our weight amongst developed peers."

Australia's overseas aid contributions is expected to reach 0.36% of GNI by 2010, which is well short of the millennium development goals of 0.5% of GNI by 2010 and 0.7% by 2015. CDP supports increasing overseas aid to match at least the Millennium development goals targets.

With regards to Third World Countries who are unable to repay their country's debt without creating more hardship for themselves, CDP supports Australia writing off the entire debt as part of its contribution to overseas aid in these countries.

## Labor

*The Labor Party did not provide a response for this forum. Policy information has been collated from the ALP website [www.alp.org.au](http://www.alp.org.au)*

Labor strongly supports further international action to provide effective debt relief for Heavily Indebted Poor Countries. Debt relief should be closely linked to social and economic development and poverty alleviation. Australia must be prepared to contribute its fair share of the cost of debt cancellation.

Labor will pursue reforms to ensure the International Monetary Fund, World Bank and Asian Development Bank are held more accountable for their programs in terms of poverty reduction and sustainable development, as well as their impacts on vulnerable groups and communities.

Labor accepts the internationally agreed aid volume target of 0.7 per cent of GNP for overseas development assistance. Labor will ensure that Australia's overseas aid as a percentage of GNP is not further reduced and will work towards the UN goal of 0.7 per cent.

Labor acknowledges the inadequacy of much development assistance in recent years, and therefore will commit to new and innovative approaches in aid delivery. To address the effectiveness of aid delivery, Labor will conduct a thorough review of AusAID's performance and consider whether AusAID should become a department separate to the Department of Foreign Affairs and Trade to ensure its independence in policy making.

To address the accountability of aid delivery, Labor will consider establishing a Legislative Charter on Australian Development Assistance to guarantee that aid is spent on poverty reduction and not political agendas.

## Coalition

The Coalition has delivered seven consecutive real increases in Official Development Assistance (ODA), lifting our commitment to economic development and poverty alleviation by 62 per cent in real terms. In 1996/97 Australia's Aid budget was \$1.4 billion — this year it is \$3.15 billion. The Coalition will boost aid to \$4.3 billion annually by 2010-11. Australian aid is helping the world achieve the MDG5, particularly in the Asia-Pacific region. Our investment in a number of areas including a multi-year \$600m HIV/AIDS commitment, education, health, the environment and climate change closely align with MDG sectors.

The Coalition supports the UN goal of 0.7 per cent ODA/GNI ratio as an international aspiration but does not agree with time-bound targets to reach this goal. While aid is important, poverty cannot be reduced without economic activity and growth within affected countries. Relieving debt and removing trade barriers are also keys to greater prosperity and well-being in developing countries.

## Socialist Alliance

We would operate on similar lines to the people orientated foreign policies of Cuba and Venezuela, where concrete solidarity is provided to help countries get out of poverty and enable real domestic self development. For example Cuba provides 1000 scholarships to East Timor to study Medicine in Havana (unfortunately Australia only provides 8). Recently, Venezuelan Vice Minister Vladimir Villegas, attended the 38<sup>th</sup> Pacific Island Forum declaring that their oil is to be used for liberation, not domination. Particularly they are looking at helping set up refining capacities and a regional fuel depot. Based on principles of solidarity, equality and sovereignty, Venezuela has embarked on many important initiatives such as the Bolivarian Alternative of the Americas and Bank of the South (a development bank, with no strings attached funding) that enable trade between South American countries on the basis of needs, not for profit.

We would lift Australia aid to developing countries to 1% of GDP and devote it to helping lift out of poverty those countries Australian policy has exploited and neglected. This is counterposed to the current approach of AUSAID, known as "Boomerang Aid" because it mostly involves subsidising Australian business activities in the region.