

Hilary Benn's speech at AGM 27 March 2004

Thank you very much, Stephen, friends and colleagues. Can I say first of all what a genuine pleasure it is to be invited by you to join you to support the conference? Not least because it gives me the opportunity, as it's the first time I've attended your conference, to acknowledge the enormous influence of the Jubilee Debt Campaign in bringing the issue of debt relief to the forefront of the world's conscience and to thank you for your continued campaign. I really mean that because without you we wouldn't have been able to hear the letter that has just been read out by Stephen about the impact of what you have achieved has had in a country like Tanzania.

I would also want to say that I agree with the debt campaigners who came to see me in my constituency office in Leeds about four weeks ago. In all my experiences as a politician, I have never ever ever met a group of campaigners who were more focused on the matter in hand and the issue they wanted to come and discuss than the debt campaigners who came to see me on that occasion. It's one of the qualities which the Jubilee movement is well-known for and justifiably so. And I think it's worth, and I want to begin by doing this, just to reflect on what has been achieved. I'm a great believer in this, principally because I think it helps to give us new energy and courage and commitment and passion to go on to deal with the things we have yet to achieve.

The truth is the original Jubilee movement attracted unprecedented support around the world from foreign public figures; from British leaders; from academics, people from the entertainment world, but also thousands and millions of people up and down different countries, working in organisations, through churches connected with the debt/aid organisations. And when Jubilee submitted a petition that had 24 million signatures on it, the truth is that world leaders were required to stand up and to listen to the argument that was being made at that time.

Jubilee's huge success was that it did help to create the political climate in which it became possible to launch the original HIPC initiative in 1996. And later on it was Jubilee's simple and very forceful message, and it's a very powerful message, "Debt relief to help reduce poverty" that came to bring about the enhancements of the HIPC initiative in 1999, and to deliver, deeper, broader and faster debt relief. And in that campaign, I also want to take this opportunity today to pay tribute to the contribution that Clare Short made, and Gordon Brown and others in the Government and other politicians around the world, in taking that message and fighting to turn it into something we can deliver on the ground. And it also gives me an opportunity to say to Julia [Drown MP] and to Anne [McKechin MP] right here in the front row that you should be aware, as I'm sure you are, of the tireless work that both of them do in the House of Commons in continuing to make sure that all of us, as elected representatives, do not forget the importance of this issue and they are really powerful and effective advocates for your cause in the House of Commons.

Now Jubilee clearly helped to make the year 2000 a landmark year for the international community, but I now just want to jump ahead to the next year, 2005, which is going to be an absolutely crucial year in this campaign and in the broader campaign to tackle poverty around the world. Why? Because first of all next year we will be just ten years away from the Millennium Development Goals, the targets which we as an international community have signed up to, to measure whether indeed we are going to make progress in lifting people out of poverty around the world. And so in that sense 2005 is going to be a decisive year for multi-lateralism. We will have a UN conference in the Autumn of that year, where the world will gather and ask itself the question, 'How are we doing?' And the answer, as we speak today, we know the answer to that question: 'We are not doing well enough.'

And therefore, the world will look to us and say, 'Ok, well if we're not doing well enough, how are we going to change things, what more are we going to do?' And therefore 2005 will be a year of enormous expectation in the international community, because people will be looking at us to see what we do. And it will be a year in which we will have to fulfil those expectations because if we get to the end of the year feeling that we haven't made sufficient progress and we're not clear what we could do to make that happen in the future it would be a really tragic lost opportunity.

It's also important because 2005 will be the year that the UK holds both the presidency of the G8 and also in the second half of the year the presidency of the expanded European Union, which is also an opportunity to show leadership, but also a great responsibility.

Now progress towards the Millennium Development Goals is and remains my single greatest priority in doing the job that I have the privilege to do. and in doing that job, I am very conscious about the very large footsteps of Valerie Amos, who was before me, Clare Short and all that she achieved, Linda Chalker before her, because I walk past the pictures every day on the way to my office. Figures like Judith Hart and Barbara Castle. I must say that probably explains why when I first met my Norwegian opposite number, Hilde Frafjord Johnson, she said, 'Ah, Hilary, I see the British Government has failed to find another woman, but at least they found a man with a woman's name.' This is indeed very true. I do get the odd letter addressed to Mrs Hilary Benn. Indeed I got a letter today from Gordon' Brown's office, not from Gordon, but obviously someone who decided they were not quite sure about my gender or my marital status. But we'll leave that to one side.

Last month was also significant looking ahead towards 2005, because the Prime Minister announced the launch of the Commission for Africa. Now this is a generation on from the Brandt Report and credit to Bob Geldof who's idea it is. Now Bob came to us and said a generation ago the Brandt was a 'North look at the South'; a generation on we should have a North-South joint look at what more we need to do to enable the continent of Africa to progress. Why? Because in asking that question next year in 2005, why we're not making sufficient progress, it is in sub-Saharan Africa that, as we know, we are most distant from achieving those goals - Africa being the only continent on this planet

to have got poorer in the last generation, the only continent which has seen its share of world trade halve during that period, the only continent which is unable to hang on to about half of the savings that it generated and the continent where the biggest development challenges are to be found. And what we will need to do, next year and the year after and all the years up to 2015 and beyond is to see how, through action on aid and trade and governance and health and tackling conflict and debt relief, we can create the circumstances which maximise the chances of making a difference to the lives of billions of our fellow human beings.

Now, objectively, the single most important challenge that we face is to find now the resources that we need to finance the full implementation of the HIPC initiative and to ensure that no country is hindered in its progress towards the Millennium Development Goals, because of the burden of unsustainable debt.

Now the HIPC initiative is not perfect. [*I agree!*] Progress rarely is perfect, but it is important that we do recognise what has been achieved, because it has had considerable success, both in the levels of relief it has delivered and ensuring this relief has been channelled towards poverty reduction. So far, as you know, debt relief worth over \$70 billion, has been agreed for 27 countries, reducing these countries' debts by around two-thirds on average. As a result expenditure on health and education is set to rise by around \$4 billion a year in these countries.

During the recent visit that I paid to Ghana, I was able to see for myself the use to which the government of Ghana has put the resources that have now been freed up because of HIPC debt relief for spending on improved infrastructure: health, education, water and sanitation. And I have two photographs that I brought back from Ghana, which I, in a sense, treasure more than any other because I stopped the car on both occasions and said can we get out and take a pic. Because one was of a new toilet block in a town, we were visiting the Akwapim district, just about forty minutes' drive north of Accra and the other was of a new school building. And what they're doing in Ghana is as those new facilities are built with the product that the debt relief, that you and others helped to bring about, they paint a rainbow on the side of the building and underneath they write the words 'HIPC benefit'. So I stopped to have a picture taken at both of these, because it's a really graphic way to illustrate, to bring to light, that this campaign that you have waged and which you have led brings about tangible benefits, real change, real improvements that people can touch and feel and study.

What's so interesting about Ghana, as I'm sure you know, is that, at the time, there was a huge political debate in Ghana about whether they should go for HIPC debt relief. And I was questioned about it when I gave an interview on one of their radio stations because, as the presenter put it to me, 'in Ghana we looked at the words "highly-indebted poor" and we weren't entirely sure we wanted to be associated with this.' And one of Clare's achievements was to work to persuade the Government of Ghana that this was something they should go for, but what's so interesting now is that that debate has gone away. Why? because people can see the buildings with the words 'HIPC benefit' and they can see the tangible result of this process. And the letter we just heard from

Benjamin Mkapa is another result of a tangible real benefit. In the end, that's what I'm interesting in trying to achieve with my job as I'm sure you are trying to achieve: things changing. So let's not allow a wish to do more to get in the way of recognising what has been achieved so far.

Now the achievements of HIPC go beyond this, particularly in helping to consolidate the introduction of the poverty reduction strategy process. Because as you know each country that has qualified for HIPC relief is developing and implementing nationally-owned and nationally-led poverty reduction strategies, which form the framework for spending all donor resources, not just debt relief. The aim of that approach is to try and put countries in the driving seat. One of the consequences of this is that it has resulted in significant ways, significant changes in the way in which donors deliver their resources. And DfID has been at the forefront of trying to deal with all of this and trying to ensure that all the donors, including the World Bank, the IMF, the African Development Bank, the European Union and bilateral donors, make sure that the programmes and support that they wish to give actually come in behind the policies which countries have set for themselves.

We remain committed, and I remain committed, to ensuring maximum country ownership of PRSPs, which are a means to an end. One of the things about development, one of the things about my job, is that we spend a lot of time focusing on the process, and it's right to get the process correct to make things happen, but it's the end that matters, it's the difference that's made that really interests all of us. We are also using our influence in the IMF and the World Bank to ensure the way that we do things as donors helps to ensure that country ownership becomes a reality and not just a piece of rhetoric.

Now to build on these successes, I am committed, as a first priority, to ensure that the enhanced HIPC initiative is fully implemented for all eligible countries, because we need to finish what we started. Now I hear the argument from some quarters that HIPC has run its course and it's now time for a new debt relief initiative. However, I think that working to ensure that the HIPC framework, including topping up, is implemented in the most generous way possible, is the most important thing that we can do now and will have a real measurable impact. That's why we're supporting a range of measures to ensure that this happens. Small examples: contributing £4 million towards the 'HIPC debt strategy and analysis of capacity building programme' - one of those terrible things of development jargon that we have to wrestle with in doing this job. What's it about? It's about providing advice to the 33 HIPC governments to enable them to develop their own capacity to manage their own debt in and beyond the HIPC initiative.

We would also like to see, all of us, HIPC relief extended to as many as countries as possible. Now most of the countries that have not yet reached decision point are involved as we know in continuing conflict or are dealing with the aftermath of conflict. It's imperative that the international community works effectively with these countries to help bring peace and stability to support the development of action to tackle poverty and to ensure that these countries receive the benefits of HIPC. Because without peace and stability there is no prospect of

development because we know that wars kill development as well as people. And therefore we are working hard to ensure, for example, that countries like Sudan, which are in the process of emerging from conflict, are given the assistance they need to reach decision point as soon as possible after a peace agreement has been signed. And I was in Sudan, just before Christmas, talking to the people who are trying to negotiate peace, because if they can do it then this will bring to an end the longest running civil war in the continent of Africa. And what I took back from those talks was that there was a real thirst and an expectation after all the suffering and all the years that now is the time for the politicians to make this happen.

Now at the other end of the process, for countries already at completion point, I strongly support granting additional relief, 'topping up' in the jargon, to all those countries that risk exiting the HIPC initiative, with debts above the debt sustainability threshold.

Now, it was agreed, as you know, in 2001 that topping up could be granted where a country's debts had risen from an external shock, for example falling commodity prices. This happened for Burkina Faso, but as we know there will be a number of countries reaching completion point this year who will also need assistance and Niger and Ethiopia are the first two in the queue. And we have got to keep up the pressure to make sure that that additional debt relief is provided and I am working with Gordon Brown and others to ensure that that is the case.

This leads me on to what should happen next in terms of debt relief. Because, as more and more countries complete the process, we recognise, I recognise, the new challenge is how to ensure continued debt sustainability afterwards. The key there will be to ensure that countries can access sufficient concessional resources to finance their poverty reduction plans without incurring unsustainable levels of debt. This is important not only for HIPC countries, but for all developing countries. The solution must lie in a new country-specific approach to assessing debt which provides a much more flexible approach to selecting the aid that's going to be given and the financial instruments that are going to be used. In other words, countries' aid allocations should be delivered in a way, in a mix of managing grants and further debt relief, which is actually tapered to their ability to pay.

When we look to the future of debt relief, we must constantly ask ourselves the question, 'What contribution is this going to make to achieving our objective which is the Millennium Development Goals just over a decade away in 2015?' You called for 100% cancellation of debt for all HIPC countries, but the truth is that debt relief alone will never provide sufficient resources to finance the Millennium Development Goals. Debt servicing in HIPC countries after debt relief has been provided is equal to only 2% of GDP. And, if the Millennium Development Goals are to be met, resources more like 10-15% of the GDP of HIPC countries will be needed. In other words, without additional resources, the full cancellation of debt will not increase available resources going to poor countries for reasons that I think that everybody understands. Therefore, the fundamental question that we face is how do we raise additional resources in the

international system to fill the gap that has been identified, and was at Monterrey, to enable us to make faster and better progress towards those Millennium Development Goals.

I know suggestions have been made that there's a quick fix, for example, further debt relief can be financed by using additional resources generated internally from the international financial institutions. That may be a point that you may want to pick up in the questions - I will be very happy to try and address it. But the other main message I simply wish to convey today was about this key point about finding additional resources. That's why one of the things I've come here to ask you to help me to do is to support the UK's proposal for an International Finance Facility (IFF) to provide those resources. Now as you know, the proposal for an IFF, Gordon Brown's proposal for an IFF, will bring in, if everybody supports it, an additional \$50 billion each year up until 2015. The sum of money, identified at Monterrey, that we are short of in order to make progress towards the Millennium Development Goals. And these additional resources will be allocated in a way to maximise the effectiveness of aid. Put very simply, the IFF is the rich world taking out a mortgage to help the poor world. so the people of that world can improve their lives.

Now we're all familiar with that type of borrowing, it's how we buy our own homes if we are doing so. And rather than tell the developing world that they have to wait until there's enough money in the system to help tackle third world poverty, isn't it better to do this now, so we can make faster progress earlier. And so the IFF, and there have been other ideas around the system: the Tobin Tax - a great idea in principle, but it only works if everybody signs up. Is everybody going to sign up to the Tobin Tax? No, they're not, which is why need to look at the practical proposal which is on the table. And as many of you have argued very eloquently, debt relief is a transparent predictable and efficient way of transferring resources and a portion of IFF disbursements, if we get it, if we get this additional resource, could be to provide further debt relief. But we have to get the money first in order to make this happen.

I wanted really to finish on this point. Action on debt is working but on its own it won't solve the problem. That's why I said earlier, it is the combination of things that we do on aid and trade and debt relief and good governance and the avoidance of conflict and the establishment of peace and stability that is really going to make a difference. And 2005 matters for another reason on trade, because one of the things we have to do as a world community is to ensure that world trade talks get back going, because the contribution, as we all know, of freeing up trade and agricultural goods for example, would make to lifting people out of poverty improving the life chances of billions of our fellow human beings is actually worth more than the value of all the aid which the rich world currently gives. And if we meant what we said in Dohar, that we wanted to make this round of world trade talks development orientated, then the world will look at all of us in 2005 and ask itself the question, 'Did they mean it? Are they going to do it?'

That's another reason why I describe 2005 as being a year of expectation. I believe that we are in a sense a turning point in history. We live, a large number

of human beings, on a very small and a very fragile planet. We are more connected and interdependent as a human race than we have ever been than at any time in human history. And I happen to believe that there is an argument which is better understood than any other time in human history. And it is very fundamentally this: If we don't tackle poverty, injustice and inequality in the world, then we are never going to have a safe and secure world, wherever it is we happen to be.

Now, insofar as there was a time when people said, 'We are very sorry about the human condition, but we really don't think we can do much about it, so we're going to shut the curtains and close the doors and wish that the world would go away while we get on with our lives', it won't work, because we've learnt in this country that the consequences of what happens in other parts of the world inevitably comes and effects us. I see that every time I do a surgery as a constituency Member of Parliament. Why? Because 30-35% of the people that come to see me have had to flee there, from another part of the world, to seek shelter in Leeds because of conflict in their home country and that's just one example of how what happens in other countries affects those of us in the United Kingdom. At the same time, we need to acknowledge the possibility of progress, and we have made progress - debt relief, I have talked about. Average life expectancy in developing countries is now 18 years greater than it was when Barbara Castle was doing the job that I'm doing now. We are very close, but not quite, to eradicating polio across the world. If 50 years ago I had been here and been talking to an audience and said, 'you know in 50 years' time we could be close to eradicating polio', what would people have said? They would have said that would be absolutely wonderful to achieve. We are nearly there. A generation ago, just three leaders in Africa were democratically elected, it's now 32. The number of conflicts in sub-Saharan Africa has fallen dramatically in recent years. And that's progress.

And yet today 1.2 billion of our fellow human beings don't have one of those to drink a glass of treated water. There are over 113 million children in the world today who don't have a classroom, a teacher, a desk, a textbook, a window on the world, a chance in their life. Why? Because they don't go to school.

There are far too many women dying of complications in pregnancy. I was in Sierra Leone two weeks ago. Sierra Leone has a maternal mortality rate which is double the sub-Saharan African average, 10 times the rate in Ghana and 200 times greater than the maternal mortality rate in the country in which we happen to live. And perhaps the biggest challenge we have in terms of development is HIV/AIDS, because in truth in a country like Malawi, where as we speak teachers are dying of AIDS faster than they can be trained, what are the prospects for getting the remaining kids in Malawi who don't go to primary school, who don't have a teacher, or a classroom and a desk and a textbook into school? They're non-existent.

And the challenge which we face across the world, but particularly in sub-Saharan Africa, is that this entire generation of grandparents is having to do something that they never expected they'd have to do which is to look after an entire generation of their grandchildren. Why? Because the generation in

between is in the process of dying off. And in south sub-Saharan African countries all of the gain in life expectancy that has been achieved since Barbara Castle was doing the job that I do now is in the process of being wiped out by HIV/AIDS. And it's not just a human tragedy, not least for the parents, because the one thing that as parents that we hope for above anything else is that we are going to die before our children die, because that's the way it ought to be, but for many people that is not the case. And they are all reasons why we have to do something about this.

My final point is simply this. This is a test of our political system, both nationally and internationally, because if democratic politics, and it has all its faults, but it's better than all the other systems, is to survive and prosper, then it has to demonstrate the power of the political process to make a difference. And that means we have to be able to answer the questions - What did we do? What difference did we make? What's changed people's lives? That, in the end for me, is what this is all about and we should never ever forget it. And with your continued campaigning, I'm sure we won't. Thank you very much indeed.

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