

CiD



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**COUNCIL for
INTERNATIONAL
DEVELOPMENT**

*Te Kaunihera mo te
Whakapakari Ao Whanui
o Aotearoa*

*CiD is the umbrella
organisation that
represents 94
New Zealand based
aid and development
agencies.*

The other financial crisis

A financial crisis is nothing new for the 1.4 billion people the World Bank estimates are living in poverty worldwide say international development NGOs.

The Council for International Development, Christian World Service, Family Planning International, and Caritas say that for over a billion people, a state of financial crisis is the permanent reality of their lives. However, rather than declining house prices, bad loans or a falling share market, their financial crisis is marked by an increasingly desperate struggle each day to be able to afford to eat.

This Friday (October 17th) is the UN International Day for the Eradication of Poverty, when development organisations will call for renewed efforts by governments to meet the Millennium Development Goals (MDGs), particularly the commitment to halve the number of people living on less than a dollar a day by 2015. The groups are calling on the New Zealand government to meet the internationally agreed target of giving 0.7 percent of Gross National Income to developing countries and to increase its focus on poverty reduction in the Pacific.

“Germany, the United Kingdom and the United States can together find \$2300 billion to bail out their banks, but only \$103 billion to bail out the genuinely poor. It’s the same in other rich countries, the urgent response to the current financial crisis stands in stark contrast to the slow and half-hearted response to the on-going food crisis in developing countries,” says Mike Smith director of Caritas.

“There’s clearly money in the kitty, just not the political will to spend it,” says CID executive director David Culverhouse.

New estimates from the World Bank indicate more people than previously thought are living in extreme poverty (now defined as people living on less than US\$1.25 per day). A recent UN report highlights the Pacific’s lack of progress towards meeting the MDGs.

“The Pacific region is ranked as lowest in the world’s regions in women’s participation in political decision-making. This comes with high rates of maternal and child deaths in some Pacific countries. Sexual and reproductive health, including family planning and HIV, are also key issues. We need to work with our Pacific neighbours on these challenges,” says Joanna Spratt, Family Planning manager.

“On this day, we are calling for the government to take their commitments to the MDGs seriously and treat the situation with the urgency it requires,” says Christian World Service national director Jonathan Fletcher.

More follows...

Notes:

- The combined US, UK and German annual aid budget is US\$103 billion according to the OECD DAC. The combined sum the same governments have announced in response to the recent banking crisis is reported as \$2300 billion.
- Poverty figures are from the World Bank's 2008 International Comparison Programme.
- The Millennium Development Goals are an internationally agreed set of eight targets to be met by 2015 which will aim to allow people to live free from poverty.

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