

St Paul's Institute

A New Global Order?

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Panel Discussion, St Paul's Cathedral

Transcript

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PANELLISTS

Douglas Alexander MP, Secretary of State for International Development

Elizabeth Koepping, Lecturer in World Christianity, University of Edinburgh

Paul Vallely, Associate Editor of *The Independent* and Director of *The Tablet*

Salil Shetty, Director of the UN Millennium Development Campaign

Chaired by Richard Chartres, Bishop of London

Dean of St Paul's Cathedral: Good evening ladies and gentlemen and welcome to St Paul's Cathedral for this, the last in our public debates *Money, Integrity, Wellbeing*. On behalf of the Chapter, may I welcome you. I am Graeme Knowles, the Dean of St Paul's, and it is my privilege to introduce the panel to you this evening. But, first of all, to introduce the Bishop of London who is chairing this evening's session. For those of you who don't know, he is the other one wearing the purple shirt.

So, my Lord, over to you.

Bishop of London: Thank you very much indeed Mr. Dean. In a moment I will introduce our panellists, but may I remind you of the format of these occasions. I'm going to ask each of the panellists an opening question, so they will be able to make the point on this subject of poverty and a new global order. Then, after that, there will be a discussion between members of the panel. Meanwhile, if you have questions, perhaps you would be kind enough to write them – pithy, incisive questions – on the back of your leaflets, hold them up, and they will get collected and we will try and

get through as many of them as we possibly can to make sure that your voice can be part of this discussion.

Our contract is that we end promptly at eight o'clock, but before you leave the cathedral I'd be very grateful if you have a look at the bookstall at the back – which has got some relevant literature – and if you feel moved please give generously to the retiring collection, which appropriately enough for this evening's subject is going to the City of London Social Investment Fund. This is a new venture, run from St Mary-le-Bow, and its intention is to raise a million pounds for micro-finance projects in Mozambique and Tanzania. There are more details in your programme and, if it's appropriate, you have also got a Gift Aid envelope.

We know that the acoustic is quite difficult, so if you move around to position yourself to hear what's going on we shall, of course, understand. Curiously enough, it's sometimes better in the nave and it is quite good next to one of the long speakers. But, if you want to listen again or miss anything, there are audio files available already of the first three debates of the series – they are on the St Paul's website – and this one will be there later this week.

I'd also like to take the opportunity to thank our sponsors, HSBC Bank, who have made it possible to put on this series of debates.

Now, it gives me very great pleasure to introduce our panel.

Douglas Alexander is Secretary of State for International Development. He is in origin a Glaswegian, he is a lawyer, son of the Kirk, elected to parliament in 1997 at the age of thirty. He has held many positions in government prior to heading up the department for international development.

Elizabeth Koepping is a theologian and an anthropologist. She has worked extensively in Borneo, in Australia and also – most exotically of all – Scotland. She is now lecturer in World Christianity at the University of Edinburgh, and her many publications include *Food, Friends and Funerals*.

Paul Vallely is a leading British writer on development issues. He is the Associate Editor of *The Independent*, and is also co-author of the report which was issued as a result of the Commission for Africa. He covered the 1984/85 Ethiopian famine for *The Times* and, as a result, won the International Reporter of the Year award and coined the phrase 'from charity to justice'. His publications include *Bad Samaritans: First World Ethics and Third World Debt*.

Last, but not least, Salil Shetty is the Director of the United Nations Millennium Campaign to end poverty by 2015. He is an expert on issues of governance, microfinance and credit among many other things. He was reminding me just before this meeting, that he was present in the cathedral

during the epic encounter of Kofi Annan, the Secretary General of the UN, and Gordon Brown. He has previously been Chief Executive of Action Aid, and has worked in the field in South Asia and Sub-Saharan Africa.

Would you welcome our very distinguished panel?

[Applause]

So first, Douglas Alexander, how would you say the credit crunch is affecting the world's poor?

Douglas Alexander: What started as a crisis in the banking system in the developed world, and has now manifested itself as an economic crisis in the developed world, has operated almost in reverse in the developing world. It started as a real economy problem and has increasingly become a financial as well as an economic problem.

The best estimates from the United Nations are that approximately a hundred million more people are now being pushed into lives lived in extreme poverty as a consequence of the financial crisis that we witnessed twelve or thirteen months ago. That means lives lived on less than \$1.25 a day. That is because the transmission mechanisms, in economists speak, whether that is the price of commodities, whether that is remittances, whether that is aid flows public or private, have all come under pressure as a consequence of the worst shock to the global financial system that we've seen for sixty or seventy years. In essence, if the recession is impacting on the livelihoods of people here in Britain it is threatening the very lives of people across the developing world.

Bishop of London: Thank you very much indeed. Salil Shetty, are the Millennium Development Goals more or less likely to be realised in this new financial climate?

Salil Shetty: Thank you, Bishop, and I also want to thank St Paul's Institute and Cathedral for hosting us here today. I want to at least start with a disclaimer from the outset that I am by no means speaking on behalf of the entire United Nations, but I certainly speak on behalf of myself.

I think the Millennium Development Goals are an interesting animal. There are many people in this room, I'm sure, who would have felt very sceptical, when they were first announced, that they would achieve anything at all. But, over the first eight years – from 2000 to 2008 – we have seen significant progress on many counts. There is no question that the economic crisis has put many of the very difficult gains that we have achieved at risk. I think estimates vary, but as Douglas Alexander has already said the numbers of poor people are likely to rise. There is an estimate that about 300,000 more children are likely to die as a result of the economic crisis. Some of the impacts,

we have to remember, are irreversible. For example, if we take child malnutrition it is a one way ticket – there is no way of getting back.

But, more fundamentally, I think the problem that we have is that poor people in poor countries simply don't have the capacity to bear these kinds of shocks. They don't have the additional coping capacity which you need to handle such a crisis. Worst of all, I think the crisis has got nothing to do with these people. It is not being caused by them. In fact, I was in Dakar just last week speaking to the women in the textile workers union there. They were asking me to explain why so many of them had lost their jobs for no fault of theirs. It was quite difficult to explain the connections between what the women there are doing in the textile factory and what has happened in the City here or on Wall Street. You have heard many of these lines before, but these are people who have no street at all – they don't even have a bank account – so when you explain that this is a banking crisis they find it very difficult to understand this I think.

We have to also remember that a lot of the problems have been caused in these countries because a bunch of policies have been thrust down their throats through a whole, sort of, neo-liberal agenda to cut-down the State and liberalise the economy. So, all the kind of shock absorbers they had have been removed systematically over the last twenty years and they have now had to deal with a really big crisis.

I am sure we will come back to many of these things later, but I want to just headline that we describe the crisis – we can describe the implications – but I would suggest that this has been caused by an unjust ideology and an unjust set of policies, a dysfunctional set of institutions, and individual and corporate greed and impunity.

[Applause]

Bishop of London: Thank you very much indeed. Paul Vallely, quite a bit of the polling evidence from this country suggests that the political establishment are more committed to overseas aid than the majority of the population. How can we change hearts and minds to orientate the world towards greater justice for the poor?

Paul Vallely: Well, I think the important to say is that the reason that the political establishment is committed – and all three parties at the last general election, and we certainly know that the manifestos have not yet been written but all the indications are that the parties are going to commit to maintain aid levels where the Gleneagles Agreement placed them – but it's important to say that the reason that those politicians have committed to that is because of a huge amount of effort of behalf of activists, and a change in the political climate. So, you can always get the kind of taxi driver

response of it's all terrible and why should we be giving money in a time of hardship to people living abroad? But I think there is a much greater residuum of feeling of outrage at the injustice of the situation, and I think it is important to maintain that.

I would say that the first thing in achieving that change of heart is to say that telling the truth is not enough. I remember when I was in Ethiopia in 1984 and then subsequently went on to Sudan, Chad, Niger and across that belt, I realised that there was a commonality of problems that these countries were facing and that it was rooted in the relationship between the first and the third world, as we called it then, and that it wasn't just a question of drought. I had this rather naive view that if I just could explain that to the British public then things would change, well we all know how naive that was. Telling people the truth does not confront vested interests, and we've seen that particularly in the current global economic crisis. So, yes there has to be levels of information out there but it won't be enough. It needs campaigning and activism.

You need to make tactical decisions about what is the best way to do that. Let me give you very briefly one example. When I was Chair of the Fairtrade organisation Traidcraft, we had at one point to decide whether we were going to try and build the business and sell as much fairly traded stuff as we could – and there were about 10,000 people depending on us then for their livelihoods – or whether we were going to try and push the Fairtrade message more widely. Found a Fairtrade Foundation, set up a FairTrade mark, try and press for supermarkets to make the Fairtrade change. As you well know, we opted for the latter. The decision was a difficult one, because we thought we might well undermine the commercial viability of Traidcraft, and that that might have a deleterious impact on the people who depended on us for their livelihood. But we took a calculated decision, and I am pleased to say that it has proved to be the right one. But that's not an ethical issue. That's a question of political and economic tactics. So there is a certain level of shrewdness that is needed in the calculations that we make.

The final thing that I would say, is that if you look at Jubilee 200, or if you look at Make Poverty History, what you see is where big change has been made there has been a particular kind of coalition. You've got aid agencies who work on the ground and also work on policy as their baseline; you've got this huge baseline of activists, a lot of them church people which I'm sure Elizabeth will talk about so I won't say too much about that; and then you've got the celebrity factor, which is much derided amongst aid agency supporters but which my experience, having worked with Geldof and Bono on Live 8 and the lead-up to the Gleneagle's Summit, shows to be extraordinarily important and displays real political muscle. Then you have to have politicians, and we were blessed with Tony Blair and Gordon Brown with people who were seriously personally committed to bringing

this kind of a change, and what we had there was something that meant that the controllers of BBC television felt that yes there was enough of a constituency here to put it on the television. You got Make Poverty History marching in Edinburgh on the eve of the summit, the biggest march for poverty that has ever happened in this country. You had tens of thousands of school children taking photographs of their eyes and sending them to the Prime Minister and saying 'we are watching you'. You had 800,000 people campaigning online, and I could go on, but there was a huge groundswell which the politicians then could make use of.

Tony Blair didn't have to invite Bob Geldof, Bono, and the heads of the global aid agencies into the hotel in Gleneagles, but he chose to do so. He made a calculation, which if you read the introduction to the white paper before Gleneagles – which Blair wrote personally – he clearly felt two things. One, that there was a moral imperative to do something about poverty. But the other was that it was in Britain's best national interest to do that, because a whole range of things on international conflict, on organised crime, on epidemics like aids, all of those things which are routed in problems of poverty in the third world do impact upon us. So, that was a clear case of a very canny political blend of political idealism and political pragmatism.

All of these forces interacted with one another - the celebrity pressure on the media, the activists pressure on the politicians – and created something which was pretty unprecedented. We've seen something similar with Jubilee 2000, but the message about bringing change in hearts and minds seems to me to be clear. You need to build effective coalitions, you need to be shrewd tactically, and you need to make sure that everybody is rowing in the same direction and that the efforts of all these different groups are complimenting one another.

Bishop of London: Thank you. That opens the door, Elizabeth, to the question of whether there is a role for spiritual leadership in combating poverty.

Elizabeth Koeping: Thank you. I'll start with the prophet Job, because Job went through his equivalent of the credit crunch by losing an enormous amount of money – he was incredibly rich. He lost his money, his children and his health. He slowly learnt that he couldn't control his world, and that he didn't know everything. When he had learnt that, he ends up twice as rich and with another ten children; but he didn't carry on as usual, which looks as if that might happen if we get through this problem. Because what he had learnt about equity led him voluntarily to allocate shares to his daughters, as well as his sons.

So, experience, if we both to experience it with our eyes open and not shut, can point out the responsibility that each person has to each other person. Around 60% of the world's people identify

as Christian, Muslim, Buddhist, Jewish. Each one of those traditions has key texts about widows and orphans, which stands for the powerless, the needy, and the marginalised. Each one of those traditions makes clear that love and equity, that is distributive justice not power retaining gifting, is not an optional extra but a logical consequence of faith. So, if we think can spiritual leadership jolt consciences around the world to keep promises? There is one point I have to make. There is no agreed spiritual leadership in many religious traditions; beyond the local mosque, or the temple, or the synagogue and indeed in some Christian traditions. So all people of faith – as well as, of course, all people – have a responsibility to accept the challenge of their particular tradition to empower the needy, rather than, as so often we do, find excuses as to why yes it's a great idea...but, in this particular case, not quite.

In terms of leadership, those with time to read and reflect and perhaps with skill to speak – and this may include local ritual leaders – can usefully set out justice and equity issues in relation to the tenants of their faith tradition. This is a necessary step, but it is insufficient without challenging those within and beyond the active faith community to think through the justice and equity implications of this course of action, or that, in daily life. In a sense, it is living the texts of faith everyday that a recommitment to the Millennium Development Goals will start. Spiritual reflection and action, in the manner that Job did it a long time ago, is possible for every person.

Bishop of London: Thank you very much indeed. We've heard something about the individual response, and what activists can do to set the scene. But, just at the moment we've gone through a number of campaigns. What are the public policy changes that we should be campaigning for now if we seriously want to reduce the poverty of the world which, as the speakers have said, has only been deepened by the current financial troubles and crisis. What are the main policy changes that we ought to be campaigning for? Aid budgets, of course, are significant; but everybody would agree that that is only a very small part of the picture. What policy changes should we be campaigning for, Douglas?

Douglas Alexander: I would say that the top of the inbox is probably a global deal on carbon in 40 days time in Copenhagen. With the greatest of respect to the work that Paul and others did in preparing for Gleneagles, and the work that the politicians in Gleneagles undertook. I think there is an arguable case that the right global deal on climate change could have an even greater impact on the lives of the world's poorest people than the agreement that was reached in Gleneagles.

That deal will really turn not simply on the science, but also on the numbers; and there are very key issues which are still hanging in the balance with just 40 days to go. So, whether that is the

developed world recognising its responsibilities for historic levels of emissions and committing to real cuts in levels of carbon emissions; whether that is the developed world recognising the need to provide genuinely new and additional sources of finances to help the developing world deal with the consequences of climate change. I think that is going to be an absolutely central issue in the weeks ahead. It's not, actually, an issue on which there is complete cross-party consensus in Britain at the moment. We are the only political party, as the governing party at the moment, that has said we will limit the amount of overseas development assistance that can be counted as climate finance. We've said that we think about US\$100 billion a year will be needed as new, and additional, financing for climate change; and we've said only 10% of the British overseas development aid budget should rightfully be counted towards the public financing element of that global deal. That is because, when I travel in the developing world, the politicians in those countries – and the activists – tell me that they are deeply concerned that when the world comes together in Copenhagen we will simply rebadge the money that was previously committed to the Millennium Development Goals and call it climate finance. So, in terms of issues of public policy that is absolutely central.

Second issue I would identify, and I accept that aid is only part of the story – global aid flows are about 100 billion dollars every year – but we've now said that we want to legislate, in our manifesto, for the 0.7% commitment. We are almost closer as a country than we have ever been to the UN gold standard of 0.7% of our gross national income being committed every year as overseas international development aid. The Prime Minister, Gordon Brown, announced last month that we wanted to place that promise in the laws of the country; and, in that sense, there is a real opportunity in the months between now and the general election to see if we can convince other political parties to make that a commitment for their manifesto as well. So those would be my two starters.

Bishop of London: Do you have a list Salil?

Salil Shetty: Thank you, Bishop. I must say that, when we started the debate, Douglas set the trend by speaking very briefly so I was constrained a little bit. Just give me a couple of minutes more this time around.

Bishop of London: That's a very virtuous trend to have started! [Laughter]

Salil Shetty: A very virtuous trend indeed, yeah. [Laughter] First of all, I would like to say that I think that Douglas and Gordon Brown are personally committed to these issues, so if I do any UK government bashing it's not anything personal.

To start with, the 0.7%, for those of us who have campaigned for many years for 0.7% of the national income, are for the first time very nervous, because national incomes are coming crashing down. So we need to make sure that we have a sterling, or a dollar, figure alongside the 0.7% as well.

On the climate issue, I think that really brings me to the point that I was going to make. When we look at the economic and the financial crisis, and we look at the offenders – the people who caused the financial crisis – it's very interesting, because we have to take a holistic view. These countries are the exact same countries. The ones who caused the climate change crisis, the ones who caused the financial crisis, the ones who spend the maximum on defense expenditures, the ones occupying the seats on the Security Council, the ones who are occupying the seats on the World Bank and the IMF. I don't think this is a complete coincidence, that it is the exact same people who are holding all of these posts. So, I want to just say that if you ask what are the policies that we need to change – I would say that the first point, really, is to address the unjust ideology and policies which we have thrust down poor countries throats. It's kind of a profits before people ideology, the market fundamentalist ideology which went in waves through the Structural Adjustment Programs, and which was marshalled by the Bretton Woods institutions to become the kind of pallbearer of increasing poverty.

Bizarrely enough, when the rich countries, for the first time after the Second World War, faced a serious economic crisis they did completely the opposite of what they prescribed to poor countries. What was being prescribed to poor countries was to cut public expenditure, reduce deficits, don't bailout your companies etc. – and rich countries did all of those things. If we say that we don't have money, in the space of one year we have found eighteen trillion dollars to bail out companies; whereas in the entire course of foreign aid, forty nine years, the total amount of aid given is two trillion dollars. In the last year, in 2008, we spent over 950 billion on arms. In fact, it increased by 4% last year, in the middle of the economic crisis. So to suggest that there is no money, we have to face this squarely. The unjust ideology, and the kind of arrogance which came with that – putting profits before people – I think first we need to address this.

Second, the dysfunctional institutions. We have a situation where we promoted economic integration in such a big way, but the global governance institutions which have to go alongside this globalisation were simply not keeping pace. So, we have the Bretton Woods institutions which are run by the richest countries, the poor countries have no voice. We have the United Nations, which is by and large sidelined on most debates. If you look at the G8, you look at the G20 – which is, of course, an improvement of the G8 – we have the same people. Bizarrely enough, the countries who caused the biggest problems, we are looking to them now to find the solution. Can you imagine

going to the people who cause a problem to find the solution? We have to ask people who didn't cause the problem, because otherwise you have a conflict of interest I believe.

Which is the last point, the policies which we need to have need to address the issue of individual and corporate immunity which is putting greed before morality. That needs to be addressed head on, because you only need to talk about the ashtrays that these CEOs buy which cost more than the national annual income of most of the people of the world – we don't even have to talk about bonuses. I think we are all deeply compromised, because many people in leadership positions themselves are invested in the Morgan Stanleys and Goldman Sachs. I think most people in this room won't even know what these things are. We read about these things in the paper, things like derivatives, but these people's children work in these institutions and they are kind of deeply compromised. I wouldn't be surprised if even the church is actually investing - nothing personal against St. Paul's. If we don't deal with the accountability crisis we are facing, I don't think we can address this question in a holistic way.

[Applause]

Bishop of London: Paul, if you had to identify now – you've been talking about the tactics, you've been talking about how to direct the energies of activists – what do you think the campaigning agenda is now?

Paul Vallely: I think that, at the risk of going in the teeth of the applause we've just heard, there is a political reality here and you have to face up to the fact that yes the people who created the problem are the people who are in charge of the solution; but that is just the way that world politics works, and we have to work with those people and put pressure on them rather than just rhetorically condemning them.

I think that some of the things that need to be done have been touched on, as Elizabeth said: keep your promises. We need to hold them to the promises that they've committed. As Douglas says, we have got to make sure that they are not just repackaging and rebadging every time they make a new policy commitment. As Salil says, we've got to say that 0.7% is great – but 0.7% of what? If GDP is going down, then 0.7% of the GDP is a lot less than it would have been two years ago. So, keep your promises and we need to keep their feet to the fire on that and keep our eye on the way that they can wriggle.

The second thing, I think that we do need to think about reshaping the economy in ways which are moral. There was an interesting interview with Warren Buffett on the radio yesterday, and he said that let's suppose we were on a desert island, all growing rice, and there were fifty of us. Would we

take the five cleverest people and send them off to start speculating in rice futures? No, we wouldn't. As the Prime Minister said, when he was talking about reshaping the global economic system so that it represents the values that we celebrate in our everyday lives – we encourage our children to work hard, we don't reward them for taking risks that put other people in danger, we don't encourage them towards short-term gratification, we teach them those things – those are the kind of values that the reshaping of the economic order needs to be dependent on.

The issue of climate change is crucial. If you travel around Africa, or Bangladesh, you will see that climate change is not a future threat; it is a present reality and people are dying now because of climate change. Flooding, all kinds of environmental degradation, lowering the amount of crops that can be produced in key places. It is absolutely essential that there isn't a division between the aid lobby and the green lobby on climate change. Development and climate change are inextricably interlinked, and I welcome the undertaking from the government to say that only 10% of the aid budget can be earmarked for climate change – it has to be new funding.

I think that it is important that African countries are given a greater voice at the IMF. Both for the policies which will affect the poor, the poor voice should be represented, but also because African governments need to be held to account too and the IMF is a place to do that.

The final thing, I think, that is really top of the agenda - and it's very wearying for activists because this is the thing for which we have battled for over 20 years and got nowhere – is the question of trade. The trade deal which keeps stuttering and faltering at the World Trade Organisation. That is the single biggest problem for people in developing countries, and the system is loaded, wilfully and deliberately and self-consciously, against them. That is a sin. So trade is something that we need to keep pushing on, and we need to find new and imaginative ways of keeping that on the agenda. As part of that we need to get rid of farm subsidies in the EU, and in the US and Japan certainly they need to be significantly reduced.

Bishop of London: I seem to remember that it was Warren Buffett, wasn't it, who said of crises: it's only when the tide goes out that you can tell who has been swimming without trunks - which seems part of the wisdom that we are learning.

I'm glad that somebody mentioned trade. I was very surprised that it wasn't at the top of people's agenda, and I would like to know what *is* frustrating a more just trade deal? Perhaps I'll come to Douglas on that after I've asked Elizabeth whether she has any general comment?

Elizabeth Koepping: Yes, thank you. I'm interested in various issues to do with this, and particularly the way in which there seems to be a tendency in people – let's say in Britain just as one example –

to talk about Africa as though it is a completely different planet. I think that is quite a problem. There is a common comment that will be made, that if, for example, companies that are mining in Zambia or wherever, if they pay all of the money – the royalties and the company taxes – there, which they are supposed to do, well you don't really need to pay it because people there will use it for corrupt purposes. Now, I found that a hilarious argument in some ways; in that if you here would steal money from somebody whom you think is fairly rich, on the basis that you will spend the money in a much better way, the judge wouldn't usually say 'yeah, that's fine'. They would say you have stolen money. That argument which says we are not going to pay the money because we need it back in London, or because *you* wouldn't use it properly, is an incredibly arrogant and patronising way – and it is merely a way of avoiding doing something. It's a way of behaving indecently but dressing it up, in theory, nicely.

There is the whole issue then, of insisting that mining companies and other multi-national companies *do* pay taxes in the countries where they are gaining enormous profits. If that is insisted upon, then there may be less money here. I don't think we are actually prepared to think through that and say that yes, this might affect our wealth here. I think people will carry on doing that as long as this discrepancy between the, if we like, texts that people have in their faith system are kept totally separate from the way in which people live their daily life – we can have a sort of disjunction, and seem to manage quite happily with this.

Bishop of London: But our civilisation is based on this disjunction, is it not, between facts and value? That is one of the tragedies of the culture in which we are living. That is one of the problems we are facing, isn't it?

Elizabeth Koepping: Yes, it's a problem that you will see in any context; whether I'm working in a tiny village in Borneo, which I do a lot, or anywhere else. But, merely because there is a disjunction doesn't mean that it is a moral issue to keep on supporting.

Bishop of London: Absolutely, but it is how one actually builds a relationship between facts and value.

Elizabeth Koepping: Yes.

Bishop of London: Douglas, have you got a view on why a trade agreement has proved so elusive?

Douglas Alexander: I was actually in Geneva the last time that the World Trade Organisation brought ministers together, and we were there for eight days. We did fail to reach an agreement, but not on the particular issues that most people expected when they arrived in Geneva. The

technical issues were around something called the Special Safeguard Mechanisms and sector rules, but ultimately there was a fundamental disagreement between China, India, and the United States. Actually, for all of our laudable campaigning – of which I am glad to say I played my part against the common agricultural policy in European agricultural subsidies – that actually wasn't the issue on which the talks floundered.

If you move beyond the complexity - and I remember, Richard, that you have preached a sermon on the virtue of simplicity beyond complexity – of the negotiations, the simple fact was that there was a coalition of the unwilling in Geneva. The prior question before any set of technical negotiations, and we'll face the same in Copenhagen in December, is there are sufficient prior political commitment to make an agreement happen. In that sense, there are technical issues which continue to bedevil the negotiators. But, alas, we haven't yet built a consensus amongst the countries that need that global trade deal for the trade deal to happen.

But, let me make another point really sparked by Salil's righteous indignation – because it would be, with great respect to this setting and this audience, too easy for me to adopt a rather defensive crouch at this point as the politician who says it's not that bad, or we've tried our best, or really it will be better in the future. I think the kind of righteous indignation with which you speak, which I respect and I hope I echo in whatever corridors of power I am able to exercise influence, reflect a basic fact that the literal translation of righteousness is 'right relationships'. We need to be careful when talk about power that we don't suggest that power itself is a bad thing. It is in what service, and in upholding what values, that power is exercised that, for me, is ultimately the moral question. I recognise that, as a practicing politician, every day I put myself in circumstances of moral peril – will I exercise that power wisely, or will I not. But I think there is a great danger that we as campaigners uphold our moral purity at the cost of, at times, our irrelevance. We do need to be willing to get our hands dirty, and that's actually why I think religion and politics comes together. If ultimately religion is about the will to share, politics should be about how we share; and both are required at the moment. Because ultimately, while we need to refashion our institutions towards a world that is more inclusive, that is more sustainable, than the world we have inherited, I think we will only be able to build that consensus – the kind of consensus that was missing in Geneva – if we have spiritual leaders speaking up for non-material values. I think, right now, we actually have a moment of great opportunity – despite the immense hardship I started by describing that has been visited upon the world as a result of the financial crisis – because at the moment there is a genuine and real moment of possibility about what is the correct balance between money and power; between market and state; between non-material values and material aspirations and values. But as a

practicing politician, that debate takes place in a context where, if anything, the British public – the public I know the most about – their concern for money has actually increased in the past year and not diminished according to all polling. The anxiety about whether you are going to lose your job, whether you are going to be able to pay for the mortgage, whether you are going to be able to afford a family holiday, means that people’s concern for material well-being has risen and not diminished. That’s why I think there is a huge responsibility, certainly on politicians, to be a convincing and credible voice at a teachable moment; but also for spiritual leaders to infuse and to transcend the conventional day-to-day political discussions with those deeper insights, those timeless insights, about the values that can help us navigate our way out of the crisis.

Bishop of London: Actually, we’re very much on track with what members of this gathering have been asking; because one, very specific, question which has come from the floor is one that already Douglas has begun to address himself to and I am going to go to other members of the panel as well. Isn’t stimulation of world trade key to solving the world economic crisis, why then isn’t completion of the Doha Round being prioritised?

So Douglas has had a look at some of the realities there, Salil do you want to comment on that?

Salil Shetty: I think Paul and, to some extent, Douglas have sort of questioned whether what I am saying is a little bit rhetorical or polemical. I think there is a level of polemic, certainly, in what I am saying but I think that this polemic is going to be shared by a lot of people, in the audience and on the street, so I wouldn’t want to dismiss this as pure polemic. If you take the Stiglitz Commission recommendations, which is where there are very substantive policy recommendations being made on the global governance architecture rethinking, those go into a lot of depth and detail. I didn’t want to list out whether we need a global economic co-ordination council, instead of the position that the G20 has allocated to itself; or whether we need an expanded SDR, and the way in which the SDR is going to be constructed; or whether a new reserve system is required, because I agree with Douglas in a sense that those are details which can be worked out. The fundamental problem is that there is a very serious trust deficit between rich countries and poor countries, between rich people and poor people. I totally agree with Paul that the problem which I am addressing is not just a problem between rich and poor countries. We have the exact same inequality and those questions of elite capture etc. within poor countries, so the issue is the same and plays out in different ways in different arenas. So, I would think that it is pretty easy for me to list what needs to be done – the question is, what is blocking it? We have had the campaigns, and I agree with Paul that nothing has ever changed unless people bring about that change.

Just last weekend, we had 173 million people across the world standing up and taking action for the Millennium Development Goals; and I believe that makes a difference. But I do hope that the leaders who actually control the levers of power are really listening and will make a change early enough. There is no point calling the United Nations like the fire brigade, after it is over. Like we mess everything up in Iraq and then we bring in the UN. I am saying that for the economic crisis that we are facing today, let's try and address these problems collectively. It is a global crisis, and we need global solutions. It's good that 22 countries are taking the lead, but the fact is that we have 192 countries.

Bishop of London: There is a very sharp question here from a member of the audience: could NGOs do more good if there were fewer of them? Paul?

Paul Vallely: There will always be some NGOs which are superfluous to requirements, and there is also an unhelpful tendency in the NGO world to move out of the specialist areas that they have developed particular niches in and try and get into everything because that's the way they think they can look more attractive to the public. There is a lot of rebranding going on in NGOs which is unhelpful. Having said that, the NGOs are the baseline - the people who do the detailed work, get the information which is needed before anybody can do any advocacy or any campaigning; and I don't think now is the time to develop internecine strife amongst NGOs by suggesting that some of them should be done away with.

I would suggest that NGOs develop a more constructive attitude. I have been working with NGOs for the past twenty years, and when I went with Geldof to work with the Commission for Africa and looked at the problem from the other side of the fence it was quite illuminating. I was struck by the extent to which some of the NGO mindsets are oppositional and contradictory, rather than trying to work for the best solution. They are reluctant to give credit sometimes to politicians, when politicians have made achievements. They are unrealistic in their demands, at times. The NGOs are not perfect, but by and large they are a good thing.

Bishop of London: Even in the church, it is sometimes obvious that if a thing isn't invented here one is not very interested in it. A spirit of generosity, and wanting to talk one another up and cooperate, is obviously essential but it is sometimes in short supply. Could NGOs do more good if there were fewer of them, Douglas?

Douglas Alexander: I don't think it is for government to prescribe which NGOs there are. If I had to summarise what I think NGOs actually do well; I think they can innovate sometimes more effectively than government programmes, and that is often the case with small NGOs; they have real

programmatic excellence, if you take an NGO like Oxfam and what they do on water and sanitation it should be a source of pride for any of us in this audience that we have got an NGO like Oxfam originally based here in the UK that is really outstanding its service delivery in some very tough environments. But there is also the issue of advocacy and campaigning, and on that I think, if we are honest, one of the reasons Make Poverty History worked was because a number of NGOs were willing to sublimate their individual brands to a common brand. As somebody who observes the NGO community pretty closely, I don't sense they are rushing to do the same thing again. I think that is a pity, because I think one of the reasons that Make Poverty History was so successful was that there was a genuinely shared consciousness that said we could achieve more working together than we can campaigning towards Gleneagles on our own.

This picks up an earlier point that Paul made. The other thing that I really look at in terms of the NGOs, and the Make Poverty History experience which everybody now quotes in conversations like this, is that there was a degree of subtlety and political sophistication allied to a burning sense of passion and righteous anger about Make Poverty History, which I don't often see reflected by NGOs in their engagement with government. That's because I think there are two models for NGOs sustaining their own supporters. One is to sustain energy and momentum on the basis of perpetual betrayal and disappointment, and to say that because governments have let you down we need to campaign against them all over again. I understand why people do it, but I'm not sure that is always the most effective strategy. I think what we got at the time of Make Poverty History was a very powerful, virtuous circle whereby the NGOs were ahead of a group of politicians – who I think it is fair to acknowledge did want to do the right thing, by and large, by were empowered to do the right thing because there was a public constituency and a public consensus in favour of those actions. The NGOs then celebrated the progressive incremental gains that the politicians made, while setting the bar higher each time and thereby achieving a growing of the progressive space for policy makers to do the right thing. I think that is a lesson from which we could all learn from and, if I'm honest, it is something which I don't think the environmental NGOs have proved as successful at as the poverty NGOs. All too often when you read the commentary of the environmental NGOs you just want to bury your head under the duvet and think it is pretty hopeless. Actually, part of the business of NGOs is the currency of hope; and I think it is a powerful and important lesson as to how you can sustain a sense of hope and possibility leading to political action amongst a large cross-section of the population – if you're not only able to set the bar high, but every now and then celebrate success.

Paul Vallely: Celebrating success is really important, because that dynamic of hope is crucial to keeping campaigning. There is the betrayal dynamic, the notion that we've been led up the hill and

led down again and it is all terribly disappointing, which is there in a lot of the NGO world and is unhelpful. One of the disappointments that I had dealing with NGOs, from the other side of the fence as it were, was that I was saying to them: Blair and Brown are behind this, what the government has committed to you have achieved almost everything you can achieve in this country and should now go on and work with your equivalents in Italy and in France, because they are the people who are laggards and those are the places where the pressure needs to be put on. But some NGOs found it much easier to carry on with the old script of bashing the government and saying no, they have not done enough, then actually doing what would have been most politically effective and most tactically useful.

I think the other thing I would say to Douglas is that the reason that there was some reluctance at the end of Make Poverty History to carry on with an umbrella organisation was that some of the more mainstream NGOs felt that the more extreme NGOs had hijacked the badge of Make Poverty History and made extreme and wild statements on behalf of the coalition, which the mainstream ones were uncomfortable about or felt were politically unrealistic. So, Make Poverty History I think had its moment. The very name – Make Poverty History – was misleading in some ways, because it led certain groups of people to feel that all you had to do was get seven men – and they were men – in a room and it would all be sorted out and poverty would be made history. To anybody that knows anything about how these things work, know that it is an incremental process – a drip, drip, drip – and it is about rebranding and repackaging aid and you have to just be persistent and keep on top of that. Easy solutions are not part of the political reality, so I think that was one of the problems with Make Poverty History.

Bishop of London: Now, we are being deluged with really useful questions from members of the audience; so we want to keep replies relatively brief and answer as many as possible. But, Elizabeth, I think you had something to say on that NGO question?

Elizabeth Koepping: Just briefly, there has been some movement between faith based agencies of different faiths. It doesn't last long, it tends to sort of come together, but at least there are signs. The Muslim agency based in Birmingham, for example, has been working with some other Christian and other groups in particular contexts. So, that is a sign that there are possibilities. But I think it is this problem that people, for a short time, in a sense of the emotion of the incident can lead them to join together and share working – but then when the immediacy drops down, the barriers come up again. But there are signs that this is possible, at some points, in some places.

Bishop of London: One of the questions that we have received is: should religions talk together, as recommend by Hans Kung, towards a common ethic to solve global poverty? I always think that the right place to begin with that sort of question is great humility on the part of spiritual organisations, because they have been rather less successful than, for example, scientists at developing a global conversation. Is that the case, Paul?

Paul Vallely: I think it is, and I think that the risk of that is that it would divert into some kind of theoretical, theological, interfaith activity. Whereas actually what is needed is what Elizabeth has just been talking about, which is practical action on the ground. Islamic Relief is now working with Christian Aid, with CAFOD, effectively in areas where they can reach – in Iraq, for instance – where the Christian agencies can't reach. There are permanent relationships between them now. Islamic Relief is part of the DEC – the Disasters Emergency Committee – now. So these things are actually happening, and it is the practical outworking of religion, I think, which is the way forward rather than Hans Kung, God bless him.

Bishop of London: Should bankers be forced to pay their bonuses to the Third World? That is a fairly sharp question, isn't it, in view of last week's discussion as well.

Salil Shetty: I think I have done my share of banker bashing...

Bishop of London: Oh, come on – you're not getting indignation fatigue are you? [Laughter]

Salil Shetty: In relation to the IMF, Paul suggested that the IMF is a place where governments from Africa should be held accountable. I don't think most African governments would subscribe to that view, given the IMF's track record. In fact, I have heard Strauss Kahn say in the past year, at least on two or three occasions, that the IMF had actually predicted the crisis. But I must say that I think they predicted it after the crisis. If anything, we really completely missed it on our radar completely.

But on the point about the previous conversation that we were having, I think that the core issue is one of an accountability crisis. This is a problem both in rich countries and in poor countries. In rich countries, if the Labour Party is going into the election and they want to make global poverty a major plank of their election I think it is quite difficult because there is only a relatively small proportion of people who really vote on that basis. The UK is a bit of an exception, we already have a relatively well informed public, but you can imagine Berlusconi going to elections in Italy and talking about solving global poverty. People in rich countries still somehow think that this is a problem somewhere else, that this is not going to hit us, in spite of everything. I remember a conversation in the subways of New York a few months ago, suddenly people are discussing what the problem is with the Mexican health system – thanks to Swine Flu – people who were never concerned about

the Mexican health system before. So, you have to have it coming inside your house to feel like something is happening indoors. That's a problem in the rich countries.

In poor countries, one would have expected there would be a more direct accountability relationship between democracy and development; because most of the population there are poor people. But that contract is not working either, because the system of accountability is where we are having problems. That's why I am saying that I agree with Douglas, that it is a question of the nature of power and the in which power is exercised, but I think there is a lot of discomfort that the people in power, and those who are exercising power, are not exercising it towards the benefit of the majority of the population. That is where we come back to how do we create an accountability contract that people can live with and feel comfortable with, believe that it is actually helping us achieve these goals.

Bishop of London: Is there a better chance of these goals, the Millennium Development Goals, being realised with President Obama in the White House? That is another question that we have had from the floor.

Douglas Alexander: Yes.

[Laughter]

Salil Shetty: We've had a situation in the case of President Obama, and there has been a lot of discussion post-Nobel Peace Prize, that he said during the course of the elections that when he became President these goals would become America's development goals; and he said that after he became President. His speeches to the general assembly of the UN last month talked about the Millennium Goals three times. But I think the staff who are actually running the aid programme are still trying to figure out what this means. So I think that there is an intention, but to state that in very concrete policies is something which is yet to happen. I would say that it is not just on the Millennium Development Goals, but on many counts, I think for the US who have been blocking many of these things – whether it is climate, or development etc. – for them to become an active player in moving things forward changes the ballgame considerably. I think we have to be optimistic about that.

Paul Vallely: I would just say that Obama is obviously a more congenial character, but he has still got to deal with congress and there are all kinds of reactionary and regressive elements there. In fairness, one has to say that, although you could make a list of unattractive things about George Bush, he wasn't too bad on Africa and he was an awful lot better than you might have expected him to be. So, I think one needs to keep a sense of factual balance about that.

Douglas Alexander: I'd really like to come back to the earlier question, in terms of bankers, and I should probably join you in paying tribute to HSBC as our sponsors before answering this question. I think one of the difficulties when people talk about bankers at the moment, is the assumption that if they suddenly had the moral values of social workers the world would be a better place. I struggle with that, in think that if you are, say, a foreign exchange trader for the Royal Bank of Scotland in Singapore, what do we actually want you to do differently on Monday morning – after the crisis – from what you were doing on the preceding Friday before Lehman Brothers? I think this comes back to a critical issue, which is what is the relationship between the state and the market? It seems to me that the only basis on which you can credibly import values like an ethic of stewardship, and a sense of responsibility and transparency, into that world of high finance is through the imposition of rules. Ultimately otherwise you are moralising and saying: please be like this, or please be like that. It is actually through the structure of rules that you create that you both give expression to your values, and you incentivise better forms of behaviour and disincentivise the kind of reckless behaviour that we've seen.

That, to me, turns on a very fundamental issue – which is what is the role of government? I actually agree that what we saw with the financial crisis was not only the collapse of bankrupt institutions, but actually, I would argue, the collapse of a bankrupt ideology that says government is always the problem and that the only job for government – whether in financial markets, or in society – is to get out of the way. You can privatise, you can deregulate, you can nudge your way out of every problem that government will otherwise visit upon an unsuspecting population. That's why, notwithstanding all of the challenges, I do think that the circumstances of today call for progressive solutions – because ultimately, politics, to me, is about finding shared solutions to shared problems. Whether that is how do we live together in a community? How do we live together nationally and prioritise services that we care about? How do we work internationally on an issue like climate change or global poverty? If you believe that shared solutions to shared problems is one of the lessons that we need to draw from this crisis – whether the financial crisis or the climate crisis – I believe that brings you back to the argument in favour of government. That's not to say that government always gets it right, it's not to say that government can't be a blunt instrument, but I do think it upholds the importance of Christians, of Muslims, of Jews, people of good will and conscience, not simply standing on the side of the public square and protesting, but actually engaging in the common life of the community in trying to find those solutions.

[Applause]

Bishop of London: There is a very specific suggestion here, in one of the questions from the floor, along those lines. Given the large amount of state investment in Western banks, should they be directed to invest in economic activity and infrastructure in developing countries?

Douglas Alexander: There is a myth which I think sits below this question, which is – with the greatest of respect to what we have heard earlier – that the poor would be better off if we hadn't stabilised the banking system last year. I just tell you on the basis of the experience of the conversations that I have had across the developing world in the last year, that notwithstanding the frustration that people may feel as they watch all of our tax-payers money being spent in sustaining the financial architecture, the world would be less equal and the poor of the world would be poorer people if we had allowed a situation to take hold whereby the world's financial system had collapsed a year ago last month.

In that sense, I think the responsibility, once you have stabilised the financial system, is to say how do you move beyond stabilising the status quo towards building a better and more equitable tomorrow? Personally, I believe, following the answer that I've just given, the better way to achieve that is not to suddenly say: okay, we've got a majority stake in Lloyds, or in the Royal Bank of Scotland, let's make them our instrument for justice. My argument would be to say that the best, and most sustainable, solution is to rewrite the rules of the game. That means we have to start with what are the rules of the road as far as global trade is concerned? How do we make sure that there are sustainable sources of funding going into the developing world? One of the consequences of the credit crunch that we have seen is a drying up of available capital to Africa. If you look at what were the economic ingredients that let Africa grow for the early years of this century, significantly above the growth of the OECD each and every year, it was a combination of relatively easily available capital, relatively low rates of interest, high commodity prices and improving levels of government. In that sense, capital, again, is not per se a bad thing – it's a good thing, as the questioner suggests. The question is: how do we not simply deal with a single institution, but actually rewrite the rules so that there is sustainable capital to the developing world over many years to come?

Bishop of London: If any part of the answer, and the changes that are needed to bring more justice to the world's poor, lies in changes in our own behaviour in this relatively wealthy country, the question that we have had from the floor puts it in perhaps quite a pithy way. The Bishop of Reading recently said that Jesus would have shopped at ASDA, how can we reconcile our desire, and increasingly our need, for cheaper goods with the rights of people who produce them?

Salil Shetty: You're looking at me Bishop. [Laughter] I think the solution to ensuring that there is proper working and labour conditions in developing countries, goes back to the question of the kind of leadership and government systems we have in those countries. I'm not sure that the solution is for us to buy less goods from poor countries, because that would be a good excuse for us to keep them poor. Of course, there has to be some core labour standards and some basic parameters on which goods are allowed to come into rich countries in the first place; but that could be an argument easily to exclude more products, more goods, more services from poor countries for which there is enough basis for exclusion already which is one of the big debates within the Doha Round.

I would say that if you start looking ahead from here, I agree with Douglas that there are some positive things that could come out of the financial crisis. There is a kind of demise of market fundamentalism. We've gone from the G8 to the G20 overnight, which would have otherwise taken probably twenty years. We say that these things take a long time, they are incremental, but it's happened just like that. So, I don't think we need to wait for another twenty years to see change. If we look at the next year, 2010, which is a year when heads of state are coming to the UN to review progress on the Millennium Development Goals – we've already talked about the Obama factor, which is a kind of positive ingredient in the whole thing –there is no reason why we can't have a Make Poverty History Mark II, with people across the world telling our leaders that we need an action plan, a five-year action plan, to achieve these goals. I strongly believe that the goals are still achievable. Not all goals are achievable in all countries, but despite the economic crisis, despite the climate crisis, I think we can see significant progress if we come in with a positive and clear agenda. I believe that this has to be accompanied by changes in the global governance mechanism, including the IMF, and the first steps towards changing the Security Council as well.

Bishop of London: Would Jesus have shopped at Asda, Paul?

Paul Vallely: Well, by my very non-theological reading of the Gospels it seems to me that Jesus always sent someone else to do the shopping.

[Laughter]

But I think the serious part of that question, is that there is a clash between us wanting everything as cheap as we can get it and our responsibility to people in the developing world. There will always be some people who will support charities; there will always be people who support organisations like Traidcraft. But they will be a limited number of people, and if we are to make changes in the world on a big scale – as Douglas was suggesting, there is no point in taking one big and saying this is the 'just giving' bank and from now on we will use it as an arm of the DFID or whatever. You need

changes throughout the system. You need regulations on banks on their lending and capital ratios, on their bonuses – what’s paid and when it can be paid – and that needs to be across the board, it’s no good just being in one bank. It’s also no good with shopping; trying to suppose that through altruism we can reach a way forward here. We have to find a system which feeds the self interest of all parties, and that is why it is important to get progress on trade.

Earlier on you were saying that I was being kind of one-sided about the IMF. I’m not being one-sided about the IMF. I think Africa should be accountable at the IMF, and by golly it is and it has been over the past two decades. But I’m saying that is a quid pro quo, and the IMF should also be taking the views of the poor into account. At the moment it is a one-way process. All of these things have to be two-way processes; we have to find a way of making the system work so that it works for everybody. If we talk about sacrificial giving, about the West having to give up for the developing world, I’m afraid in practical terms it won’t happen. So, let’s plod on a track that is tactically and politically realistic.

Bishop of London: You’ve already kind of answered this question, Elizabeth, but we’ve been asked from the floor: how can the local management of aid distribution be improved? Is there not a problem of fraud, corruption, and incompetence?

Elizabeth Koepping: Yeah, of course. But there is fraud, corruption and incompetence anywhere. As I said before, I think the way in which it is very easy to get out of fulfilling proper accounting procedures, for example, or shifting money between different parts of a multi-national corporation and doing it in a way that benefits the corporation but not the place – this excuse of corruption is really just a game to cover up the corruption of the company, actually. They will blame somebody else, but they themselves are behaving corruptly and which in some contexts would be called ‘money laundering’. But if you can do it in a particular way that looks for the better, you can give it a different name.

Bishop of London: But isn’t the problem of corruption one of the causes of disenchantment with aid, Douglas?

Douglas Alexander: Corruption is both a cause and a consequence of poverty. If we are serious as the Department for International Development, Traidcraft, Oxfam, Save The Children, TearFund or whichever aid agency or organisation is called to work in very poor countries in circumstance of great and extreme poverty, then of course we are going to encounter corruption. I think the responsible course is not to deny that, but to put in place systems which address it effectively. That is because, certainly speaking as a government minister, we have got a dual responsibility: of course

we've got a responsibility towards the British tax-payer whose money is being spent on their behalf by my department; but it's at both ends of the aid chain that this matters, because every pound of British tax-payers money that would be lost is also money that is not spent inoculating a child, paying the salary of a teacher, or building a clinic. In that sense, it should be a core part of our business to be relentless in addressing this question – never to deny it, but equally never to allow it to become an excuse for inaction when all the evidence indicates that if you spend aid effectively it is a vital, if insufficient, condition of the scale of progress that we want to see.

Paul Vallely: I think it is also worth saying, when you are talking about fraud, corruption and incompetence, you need to include in the list Enron, Lehman Brothers, Northern Rock, Sylvia Berlusconi. Italy is worse on the international corruption indices of Transparency International than Botswana is. So, it is easy to point the finger on this. Of course corruption is a problem in Africa, but there are whole rafts of mechanisms on good governance, on NEPAD, on working with churches in which this can be addressed. It is so often an excuse for people who don't want to dip their hand in their pocket to feel self-righteous about their meanness.

Bishop of London: Salil?

Salil Shetty: Now Paul is starting to sound like me, and me like him, so I'm not sure where this debate is ending up. [Laughter] I certainly wanted to say that, in terms of how to address the issue of corruption which is obviously an issue, it's a global problem. But that doesn't justify corruption in Africa or Asia just because rich countries have Madoffs, or whatever, that doesn't justify the fact that our leaders in Africa and Asia are stealing our money. This is a fact, and we have to face this squarely. But the way to address that is to make sure that our leaders are accountable to their own citizens. That's where we come back to this problem, that currently most of the projects and programmes which are being run through the aid missionary, the government missionary, the people who are supposed to be recipients of these programmes don't have a voice. There is no feedback mechanism.

Certainly in ActionAid, where I worked for many years, if we had to evaluate our programmes there is one very simple thing to do: ask the people who are supposed to be receiving the money as to whether they are getting it or not. We have the most elaborate evaluation system set up by all the agencies, which doesn't really include systematically talking to the people who are supposed to be receiving the money, it's amazing. Even in the case of DFID, and we've always been saying this to our colleagues there, the amount of money that they invest in strengthening citizens voices in these countries is a fraction of the total investment which they put into the country. It is amazing how this

is seen as relatively low priority. I know the political sensitivities etc., but if you look at the balance of investment between strengthening local voices of people in civil society; as opposed to all the hardware and budget support, all of which is very important and I am totally in support of the idea that national governments should be support – but not without the voice of the people balancing that. The two things have to go together.

Bishop of London: I'd like to come to all the members of the panel now for some concluding reflections on the basis of quite a lot of the questions that we have received. Questions like: how is complacency to be combated? What do you think is the most effective thing that I can do about this now? What can Christians do to make the biggest contribution? What should be included in a new Millennium Development Goal plan? What would success look like in five, ten, fifteen years time?

So it's really a question about the future, it's a question about my response, it's a question about what we can do about it. There's obviously an appetite in the group here not just to point the finger at government, but also to say how can we be active in this cause.

Perhaps I could begin with Elizabeth?

Elizabeth Koepping: I've just got something here, I just happen to have it, from the Scottish Episcopal Church on what they are doing; and it's something which all congregations have. It's very small scale things. But I also what to just give a brief comment from Bonhoeffer: because it's actually very hopeful and of course, as we know, Bonhoeffer's life ended early. He says: *'freedom exists only in action. Step forth from anxious hesitation into the chaos of action, supported just by God's law and your own faith and freedom will joyously embrace your spirit'*. That may sound very vague and wooly, but I think it is actually quite practical to say yes 'talk talk talk' but we can do small things if we take the responsibility ourselves and in our communities.

Bishop of London: Paul, what can we do about it and what do you think progress will look like?

Paul Vallely: Well, I don't think we need new Millennium Development Goals – if you look at them they look pretty good still. If we could do those that would be sufficient. As I said before, I think trade is the thing at the top of the agenda. It is complicated, because whereas in the past we were talking about the rich and the poor now we are talking about emerging economies and you've got a three-way process instead of a two-way; and concessions which the rich countries might make for the poor countries could get them into problems with the emerging economies. It is much more complicated.

We have a responsibility to try and get to grips with this issue, educate ourselves on it, and then find imaginative ways of igniting the interest of the public on it. The church has got a major role to play in that. In our secular society the church is often downplayed. People often talk about churches, trade unions, aid agencies and campaigning blah blah – but in fact the motor, in my experience, for Live 8 and for Jubilee 2000 came from church people; whether they were working in a church organisation or within Oxfam. So the church has got a key role to play in this.

The final thing I would want to say is that one of the things, as church people, that we understand is that there is a difference between optimism and hope. It is very difficult to be optimistic about the present situation. The poor are in a worse position than they were two years ago, everybody is but the poor will be particularly so and the problems of climate change will exacerbate that quite significantly. But the Christian virtue is hope, not optimism, and that means carrying on because we believe that something could happen; even if we can't see what it is. In our lifetime people would have said that there was no hope of peace in Northern Ireland, there was no hope of an end to Apartheid, there was no hope of the Berlin Wall coming down. All of these things happened in our lifetime and it is possible, as Nelson Mandela said, that we may be the generation to end poverty. We just have to carry on in that hope and with that commitment.

Bishop of London: Thank you very much. Salil?

Salil Shetty: I think it was Hillary Clinton who said that we shouldn't really waste a good crisis, and we've got a few of them coming together in a kind of perfect storm. I think we can't go for a first-aid, sort of band-aid, solution; we have to go for a comprehensive set of solutions which includes going from an unjust ideology and unjust set of policies to a just set of ideologies and policies; from a dysfunctional set of institutions to a functioning, democratic set of institutions; and from impunity to accountability. In my view, if you think of one thing which is too big to fail: it's not Lehman Brothers or AIG, it is the Millennium Development Goals. 2010, next year, offers us an opportunity for us to come together and I strongly believe that at the end of the day the change is not going to come from governments or leaders, it has to come from the people. I think the audience here, a lot is in their hands. They might think that they are one or two people – the churches, the NGOs, are ordinary citizens – but that's where the hope lies.

Bishop of London: Thank you very much indeed. Douglas?

Douglas Alexander: The first thing I would say, and I say this with real humility, is the churches should keep doing what they have always done through the generations in being a timeless voice for the poor – to have a bias for the poor – and to be a voice speaking up for justice. Long before I was

the Development Secretary, I pushed my daughter's pram as part of that vast crowd in Edinburgh on July 2nd 2005. Anybody who was part of that vast sea of humanity would recognise, as I did, that the real spine of that crowd were church people. With the greatest of respect to political parties and trade unions, it was people who had travelled in mini buses, on coaches, on trains from every part of the United Kingdom to Edinburgh that day, from their own parishes and congregations, which made that an extraordinary rally and demonstration of the plea that people were uniting behind to encourage political change. Frankly, we need the church to continue to fulfil its prophetic role of being a voice for the powerless.

But I think there is something beyond the conventional development campaigning that I would like to suggest this evening, which is to be both a reservoir and a transmitter of non-material values. Money and fame are greatly overrated in our society today, and actually the number of institutions, individuals, and voices who speak up for values like care, concern, what we might call fellowship, what others might call solidarity, has never been more relevant to the political debates and discussions that will shape this age. I say that, because in many ways what we have discussed this evening is the need for politics to catch up with the way our world has changed. The global financial crisis is the worst market failure in sixty years. The global climate crisis, which we are only now beginning to understand, is the worst market failure in human history. It calls forth institutions that are not simply the institutions that were invented fifty or sixty years ago in a world that didn't recognise the threat of climate change, it calls for institutions which allow us to find those shared solutions to shared problems. I think politicians will be able to come up with those technical solutions, if there are publics that are demanding politicians come up with those solutions. That's why I would echo the words that have been said: we are a generation which has witnessed the end of Apartheid, the civil rights movement in the United States, the coming down of the Berlin Wall, peace in Northern Ireland. The people who made that happen are the kind of people gathered in this room, because actually there has been no greater force in human history for that progress than people of conscience and goodwill who decided to come together and act.

I was there that day that they Make Poverty History coalition was launched, just down the road from here in Trafalgar Square. It was a very frosty February morning, and the first time in my life that I had heard Nelson Mandela speak. He challenged that vast crowd that day with the words: sometimes it falls to a generation to be great. I do believe that we have within our capacity to be the generation that meets the Millennium Development Goals. We know how to train teachers, we know how to build schools, we know how to inoculate children against preventable diseases. What has been lacking has been the political will, and that's not simply a means by which we apportion

responsibilities to immoral politicians – it's to say, in the most honest way that I can, that we get the politicians that we deserve and the churches have a powerful, powerful role in making sure that we have politicians in the future who recognise the potency and the urgency of the conversation the we have had. Who have the intellect to try and find the solutions, but even more critically the will to try and make it happen.

[Applause]

Bishop of London: While acknowledging what has been said, I have to say that there is a somewhat sceptical note from a member of the audience; who simply says: can't church leaders equip themselves to say more and to say it more confidently? Obviously, the message isn't getting across and we have got to take that very seriously and with proper humility.

Thank you very much indeed to members of the panel for a discussion about a complex area, which didn't lack passion and didn't lack an acknowledgement of the complexity of the issues involved. Thank you very much indeed for questions, most of which have been covered by comments that the panel have made. If your particular question didn't come up I am very sorry indeed, but there really were questions of very great quality.

At the back you will find the bookstore, there is also an opportunity to subscribe, if you wish, to this microfinance initiative which covers Mozambique and Tanzania.

Could we end by thanking our panel very much indeed for what they have given us this evening.

[Applause]

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