

## Working together for global debt justice



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The choice facing us at the referendum on Scotland's future is the most important decision of our lifetimes. The decision we make will have significant consequences for our ability to achieve global debt justice. Action on debt justice is best achieved through Scotland remaining part of a strong, powerful and influential United Kingdom.

Through our leadership on debt relief and development, the United Kingdom has proven itself to be a powerful and influential force for good in the world. Since 1945 when we played a pivotal role in founding the International Monetary Fund (IMF) and World Bank (WB) the United Kingdom has been an influential partner in global efforts to reduce poverty. As part of the UK, Scotland is at the top table when key decisions about debt relief and international development are made.

The UK has led the world in cancelling the debts of some of the world's poorest countries. Following the calls of the Jubilee Debt Campaign, it was the UK's influence and leadership at the 2005 G8 summit here in Scotland that led to the finance ministers of the world's eight biggest economies coming together to write-off billions of pounds of debt owed by some of the world's poorest countries to the IMF, WB and African Development Fund. As of April, 35 out of a possible 39 countries had received debt relief through the Heavily Indebted Poor Countries initiative. It is because of this decisive action-led by the UK-there are now schools and hospitals open in some of the poorest countries of the world today.

The UK continues to use the scale and reputation of its development programme, run from Scotland, to shape international efforts. For example, more recently the Prime Minister co-chaired the High Level Panel to shape the framework that follows the Millennium Development Goals (MDGs) after 2015, setting out a vision welcomed by the Secretary General of the UN on how to eradicate extreme poverty from the world by 2030.

Given the IMF and WB have a weighted system of voting, an independent Scotland would not have the same level of shareholder power as the UK to exert the kind of influence in helping tackle debt, world hunger, disease and humanitarian crises as we currently do within the UK. Nor would an independent Scotland be a member of the G8 that has driven forward much of the major progress we have seen. The UK's network of embassies and consulates provides connections and global reach far beyond what a separate Scotland could realistically hope to achieve. The UK diplomatic network

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is much larger than that proposed for a separate Scotland. What's more the United Kingdom was recently named the most powerful nation in the world in terms of soft power. Therefore any suggestion that an independent Scotland would have the same level of influence as the United Kingdom is neither credible nor based on fact.

We must recognise that if our efforts to tackle global poverty are to be truly transformational, we must adopt a holistic approach to development. For debt relief to be successful we must ensure a continued commitment to delivering humanitarian assistance and work to improve health and education, deliver democracy and tackle the infrastructural problems faced by many developing countries. We must look too at the wider global economy and issues such as tax, conflict and sustainability. These challenges within the international system can only be tackled through multilateral action - the UK has a proven record and the economic strength to lead this effort.

While the UK under successive governments, even during times of economic crisis, has upheld its pledge on the MDGs, in providing debt cancellation for some of the most impoverished countries and committing to spend 0.7% of national income on aid, many other European countries have failed to do so. The UK is on target this year to achieve its target from 2013 and in doing so will become the first G8 country to reach 0.7% of national income on aid. On provisional data, in 2012 the UK provided over £8.5 billion of Official Development Assistance (ODA). The UK is second only to the USA for the amount of ODA it provides, just ahead of Germany and France. The size and reach of UK Aid means that the UK has a huge impact across the world, changing the lives of many millions of people. For example, over the last three years UK support has

- supported 5.9 million girls and boys to go to primary school;
- given 19.6 million people access to clean water and sanitation; and
- prevented 12.9 million children and pregnant women from going hungry.

Economies of scale mean that our support is maximised. This means that more partnerships are built with more people in need and that our work has greater impact towards ending extreme poverty. Even with all the good will in the world an independent Scotland, which by the

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Scottish Government's own admission would start out life heavily indebted, would struggle to make anything like the same contribution to tackling the global debt crisis or world poverty.

The UK Department for International Development (DFID) is recognised as one of the world's leading international aid organisations – at the forefront of developing innovative new approaches to development and setting new standards of accountability and transparency. DFID attracts talented people with strong technical and specialist skills.

We can be especially proud to know that it is the efforts and dedication of over 500 people working here in Scotland for DFID which is driving forward action on issues like debt relief which is transforming millions of lives overseas. If Scotland were to leave the UK, it would leave the institutions of the UK - that includes DFID and the life-saving work it does. If there were to be a vote in favour of independence UK public bodies would not automatically perform functions for an independent Scotland. That's part of the choice that people in Scotland are being asked to make. Leaving the UK therefore puts this progress the UK has made in the fight against global poverty and over 500 jobs in East Kilbride at risk.

While we can be proud of the UK's record on tackling global poverty and debt relief, much of course remains to be done. Leaving the UK would put the progress we have made at risk. Looking to the future, it is clear progress on international debt iustice requires leadership, political international influence - not constitutional change. We welcome Jubilee Scotland's recognition that its vision - of a Scotland that is not implicated in unjust or unpayable debts - is achievable by Scotland remaining a part of the United Kingdom. The UK has led the world before and can continue to do so in future. We can look to the future with optimism and be confident that by working together as part of a powerful and influential United Kingdom, we can achieve so much more than we ever could apart. By working together we can deliver a more sustainable and equal world, indeed, we owe it to all those who continue to be afflicted by poverty to do so.

Better Together October 2013 Progress on international debt justice requires leadership, political will and international influence - not constitutional change

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## Want to find out more about Better Together?

Better Together is the pro-UK, grassroots campaign that promotes the view held by millions of people in Scotland that our country is better and stronger as a part of the United Kingdom. We are campaigning for a 'No' vote in the referendum on Scotland's future on 18 September 2014.

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