

INSIDE

2 From the Director
Social risks management

International
Development Committee
inquiry

3 Implementing labour
standards in construction

4 The electronic debate:
Continued pages 5,6 & 7

7 EAP's work in upstream
oil and gas

8 Make Poverty History: a
post mortem

10 ICE Triennial Conference

11 Engineering in the news

12 Supporter profile: Wardell
Armstrong

International forum debates the role of engineers in poverty reduction

The achievement of the Millennium Development Goals in Africa is being seriously hampered by insufficient engineering capacity. This was one of the key messages that emerged from a recent UNESCO sponsored International Forum on 'Engineering and Technology for Poverty Reduction' held in South Africa.

Dr Tony Marjoram, of the Division of Basic and Engineering Sciences in UNESCO, pointed out that there is declining interest amongst young people in a career in engineering. "This" he said "would have serious consequences for future human resource capacity in engineering and constrain social, economic and infrastructure development, particularly in developing countries".

This point was further reinforced by Allyson Lawless of the South African Institution of Civil Engineering, who recently published the results of research into engineering capacity in South Africa. Amongst the startling facts that emerged from the research

was that of 231 municipalities in South Africa, Africa's richest nation, 79 had no civil engineers, technologists or technicians and only 45 have any civil engineers (see www.civils.org.za/n_and_n).

Another key message to emerge from the Forum was the importance of increasing investments in infrastructure. In his address to the delegates, EAP's Director Petter Matthews said that NGOs have a critical role to play in ensuring that investments in infrastructure help deliver pro-poor outcomes. He described a number of ways they could achieve this including developing innovation in delivery systems, extending employment and training opportunities to the poorest and through ensuring that capacity building is integrated into the core business operations of the companies involved.

A full report of the conference proceedings is being produced and it will appear on EAP's website.

Framework for the professional development of engineers

EAP have teamed up with the Development Education Association (DEA) to develop a framework for the global dimension within the engineering profession. The framework is aimed at individuals and organisations responsible for the professional development and training of engineers and provides guidance on how to better incorporate global perspectives and the social, ethical and environmental dimensions into the professional development of engineers.

The framework consultation document (available from our website) builds on the article 'Skills for the Global Engineer' featured in the last edition of Spark and describes the global challenges facing engineering

and the importance of developing the required skills, knowledge and attitudes amongst engineering professionals in order to address them.

EAP and the DEA will distribute the document to key organisations working in engineering, international development, training and development education and invite readers to submit feedback and comments by July 1 (either in writing or directly to the authors). It is intended to hold a roundtable forum later this year to bring together current thinking and initiatives in this area.

If you have an interest in the professional development of engineers and/or our framework, please contact i.neal@engineersagainstopoverty.org.

Petter Matthews

Economic growth is good. Isn't it? It would be understandable if your first (and even your second and third) response to this question was yes, of course it is. Some ideas have entered our consciousness so completely that we no longer question them. But perhaps we should. If ending extreme poverty really is the 'moral challenge of our generation', then we should critically examine all aspects of public policy to see how they affect our efforts to improve the lives of poor people.

The New Economics Foundation (NEF) address this issue in their recently published report "Growth isn't working". The title is a clue to which side of the argument the NEF comes down on and it offers a closely argued case in support of its claim. But we wanted to test the argument further, so we invited co-author of the report, David Woodward, to debate the issue with Alex Singleton, Director General of the Globalisation Institute. Alex is a regular contributor to TV and radio, he has been called "the high priest of globalization" and is well equipped to accept this challenge. You can read their exchange of views in our new feature 'the electronic debate' in this edition of the Spark and make up your own mind.

The Make Poverty History campaign

helped place issues of international development at the centre of public attention last year, but it too has been criticised for underestimating the importance of economic growth. Kurt Hoffman, Director of the Shell Foundation, for example, has argued that the MPH call for more aid to help reduce poverty is short-sighted and that "the only thing we know for sure from history is that economic growth offers the best route for poor people to escape poverty." EAP is part of the MPH coalition and we believe it is essential to subject its strategy to scrutiny. In 'Make Poverty History: a post-mortem' EAP Programme Officer Ian Neal offers a personal account of the campaign's strengths and weaknesses.

Regular readers will know that winning the support of corporate partners and remaining relevant to industry are key elements of EAP's programme strategy. We see the private sector as a key player in fighting poverty because it has the reach and scale to help bring benefits to poor people. We know that the solutions we develop are more likely to be effective, if they can be easily integrated into corporate policy. As always, you can read about our latest efforts inside.

Whilst we can debate the merits or

otherwise of economic growth, there is one area of growth that I hope our readers will support unreservedly - growth in the circulation of the Spark. And with that in mind, I extend a challenge to you. If each one of our readers would consider introducing a friend or colleague to this edition of the Spark, we could double our circulation in one step. We want to tell more people about the innovative work we are doing with our corporate partners and I hope that you will help us to reach them.

EAP addresses Parliamentary Committee

EAP has been invited to provide oral evidence on the role of infrastructure in private sector development to the International Development Committee (IDC) of the House of Commons.

The oral evidence session is part of an inquiry by the IDC into private sector development. The invitation arose after EAP contributed to a written submission to the inquiry, by the Appropriate Development Panel (ADP) of the Institution of Civil Engineers. Peter Cameron, Chairman of the ADP, will also provide oral evidence in the session.

Social Risks and Opportunities Management Toolkit goes for public consultation

A social risks and opportunities toolkit, produced by EAP and International Alert, will be available for public consultation in the first week of April.

The toolkit has been developed to help manage the social risks and opportunities associated with engineering projects in developing countries. It will comprise guidance that can be easily integrated into existing project and business risk systems.

As EAP Programme Officer Matthew Lynch explains "the toolkit has been structured to complement the Risk Analysis and Management for Projects (RAMP) Guide developed by the Institution of Civil Engineers and the Institute of Actuaries. For those working in industry it should be easy to read, easy to understand and easy to use.

This is the first in a series of corporate social performance toolkits that EAP has been developing with partners and it is available on EAP's website.

For further information, contact Matthew Lynch at m.lynch@engineersagainstopoverty.org.

Improving occupational health and safety in Tanzania

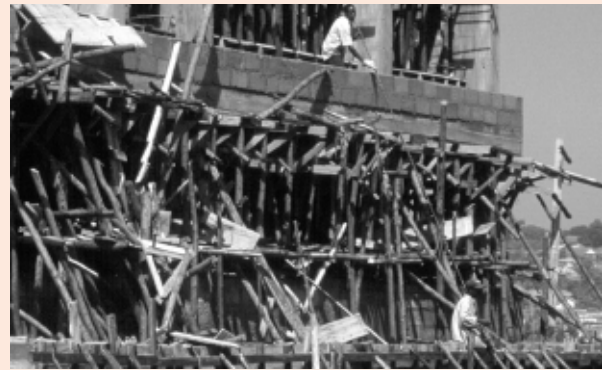
EAP is in negotiation with potential partners to try and help improve occupational health and safety in Tanzania's construction sector. EAP Programme Officer, Dr Jill Wells, who is leading the discussions, said that

"Employment is the main route out of poverty. But if the work is dangerous or the workplace unhealthy (as is so often the case in the construction industry) workers are liable to get sick or injured, or they may even die. They and/or their families will be worse off than before. Ignoring such issues misses an opportunity to have an impact on poverty."

Implementing labour standards in construction

a series of briefing and guidance notes

The construction sector is one of the largest employers of temporary workers globally. Employment practises in the process of infrastructure development therefore have the potential to be a major influence on the livelihoods of these (usually) poor workers, if an approach is taken to enhance workers' social, human and financial well-being. Such an approach can be promoted through commitment to - and application of - the International Labour Organisation's (ILO) four core labour standards, together with five broader labour standards.



What are the Labour Standards?

Core labour standards	Broader labour standards
<p>The ILO Declaration on Fundamental Principles and Rights at Work (1998) covers 4 core labour standards:</p> <ol style="list-style-type: none">1. Freedom of Association and the right to collective bargaining;2. Elimination of forced or compulsory labour;3. Effective abolition of child labour; and4. Elimination of discrimination in respect of employment and occupation. <p>These core labour standards apply in all countries that have accepted the ILO Constitution.</p>	<p>Other broader labour standards, based on international conventions of the ILO and provisions within regional and national law are:</p> <ol style="list-style-type: none">5. Health and safety to be addressed;6. Wages to be paid in full and on time;7. Limited working hours and protected overtime pay;8. No repeated casualization (maintaining workers on casual contracts for long periods, to avoid paying standard wages and meeting other legal benefits); and9. Social security regimes applied. <p>The ILO's Code of Practice considers HIV/AIDS as a workplace issue, to be addressed alongside other standards.</p>

Construction companies, consultants and contractors all have a role in supporting the principles of decent working conditions and monitoring the application of labour standards in practice. In reality though, while standards may be present in national laws and conventions, mechanisms to ensure their application and monitoring are often ineffective. The application of decent labour standards is influenced by the form of contract – be it formal (conventional) or community-based contracting, or schemes involving unpaid labour. While each approach involves specific considerations and challenges, the contract itself is instrumental in establishing the basis from which labour standards are to be upheld.

A recent DFID-funded study piloted the application of labour standards in construction programmes in Ghana, India and Zambia. The approach involved government, private contractors, trade unions and NGOs working together to find ways of implementing labour standards through the contracting process, with the aim of enhancing the livelihoods of workers and helping them realize their rights. The findings provide guidance on the collaborative process and contractual issues involved in implementation and monitoring of labour standards. They offer an opportunity to learn lessons for improving workers' conditions through procedures in the planning and management of construction programmes.

Drawing on experience of the pilot programmes and a review of international literature, WEDC has recently

published a series of Briefing and Guidance Notes on Implementing Labour Standards in Construction, comprising:

- Guidance Note 1: The International Context and National Implications
- Guidance Note 2: Making Labour Standards Operational
- Guidance Note 3: Including Labour Standards in the Contract
- Briefing Note: Lessons from Pilot Studies

These Notes offer concise guidance on how to incorporate international and national labour standards into procurement contracts and procedures, in a way that enables those standards to be effectively applied and monitored. The Notes will be of particular interest to those in infrastructure procurement, construction management, contract supervision, social protection and labour rights.

The original project output, *Implementing Labour Standards in Construction: A Sourcebook* is also available from WEDC.

Visit the project website to view and download the Notes and Sourcebook.

http://wedc.lboro.ac.uk/projects/new_projects3.php?id=55

To order printed copies, email k.j.betts@lboro.ac.uk

The electronic debate: Is growth the best way to reduce poverty?

There has been a lot of interest recently in the role of growth in reducing poverty. Hilary Benn dedicated one of his six White Paper speeches to Growth and poverty reduction? Creating more and better jobs in poor countries (www.dfid.gov.uk/wp2006) and the UK parliament's International Development Committee has been holding an inquiry in to Private Sector Development to which Engineers Against Poverty contributed.

With several high profile initiatives such as the Commission for Africa, the Business Action for Africa and the Investment Climate Facility placing growth and business at the heart of the development debate, we thought the question: "Is growth the best way to reduce poverty?" a particularly topical and important question to ask in our first electronic debate. Below the directors of the New Economics Foundation, David Woodward and The Globalisation Institute, Alex Singleton explore the issues.

Dear Alex

Poverty eradication is a moral imperative. One-sixth of the world's population (a billion people) live below the "\$1-a-day" line, and nearly half (nearly 3 billion) below the "\$2-a-day" line. In most developing countries, around one in ten of children born to the next 20% of the population above the "\$2-a-day" line die before the age of five, compared with an average of one in 140 in developed countries. This is a moral outrage when the rich are richer than ever before.

But global growth is barely benefiting the poor at all. Since 1990, the incomes of the ("\$1-a-day") poor have increased by only 60 cents for every \$100 generated by global growth. This is only half their already minuscule share in global income, barely one-thirtieth of their share in population, and only a quarter of their share in growth in the 1980s - a decade so devastating for developing countries it was dubbed the "lost decade for development".

This means that each \$1 of poverty reduction through growth takes \$166 of extra production and consumption, with all the associated environmental costs. At best, this is appallingly inefficient. Worse, the world is already producing and consuming 20% more than it can sustain environmentally, and needs to cut its carbon emissions by 60% by 2050 if we are to avoid irreversible, and potentially catastrophic, climate change.

Technological improvement is simply is happening far too slowly to achieve this, even at our current rate of growth; and our current rate of growth is barely making a dent in poverty. The

proportion of the developing countries' population below the "\$1-a-day" line, which fell by 1.4% pa in 1981-90, slowed to 0.9% pa in 1990-96, and further to 0.3% pa in 1996-2001.

Thus relying on growth for poverty reduction not only forces us to choose between the moral imperative of tackling poverty and the practical necessity of averting climate change - it makes it almost inevitable that we will fail miserably to achieve either.

David Woodward

Dear David,

You are correct in saying that the benefits of world growth are not evenly distributed, but that's not a reason to be against growth itself. As the economist Paul Ormerod has pointed out, the world became a less unequal place in the second half of the twentieth century as a result of formerly poor countries, principally what we now call the Asian Tigers, becoming rich. The problem we have is that some countries haven't been growing. In essence, we're talking about sub-Saharan Africa.

It seems to me that rather than being anti-growth, we should support policies that actually increase growth. A study by Jeffrey Sachs and Andrew Warner of 117 countries between 1970 and 1989 showed that open developing countries had an annual growth rate of 4.5 percent, compared with 0.7 per cent in closed developing countries. The simple fact is that much of Africa just isn't open for business. Robert Guest spent many years as Africa Editor of The Economist and retells his story in a book called The

Shackled Continent. He explains how a trip in a Guinness truck should have taken three-quarters of a day, but because they were continually stopped by roadblocks and officials demanding payments, the trip took four days and they lost a third of their truck's cargo. In Cameroon, less than a tenth of roads are paved, and the kilometres of road per person has been on the decline. African farmers find mechanisation difficult because of high tariffs on imported agricultural machinery and lack of access to credit. There are real problems here, and I just don't think the answer is to say: growth isn't working. It's to say: how can we help boost growth in Africa?

I'm not saying that growth is the only policy instrument governments should use, but growth is important because it creates the wealth to pay for everything else.

Alex

Dear Alex,

This isn't about being "pro-growth" or "anti-growth". Growth isn't just the wrong answer, it's an answer to the wrong question. The problems of some African countries you mention highlight this: they're not a problem because they impede growth, they're a problem to the extent that they impede poverty reduction.

The problem is that the policies we have been pursuing in the name of growth have sacrificed income distribution, social protection and public services, but have failed to generate faster growth. Global growth slowed dramatically in the 1970s, slowed further in the 1980s, and further still in

the 1990s. And while inequality between the “convergence club” of high- and middle-income countries may have fallen, the poorest countries are falling ever further behind. This is an inevitable consequence of a competitive global economic model. Moreover, inequality within countries has turned around, from a generally declining trend before 1980 to a consistently increasing trend since.

Trade liberalisation is a key case in point. The “evidence” that trade openness promotes growth (including Sachs and Warner) is now widely seen as discredited by fundamental methodological flaws, following Rodriguez and Rodrik’s comprehensive demolition. Even Alan Winters, a World Bank economist writing for the WTO, was forced to acknowledge this. But recent World Bank research has found evidence that trade openness increases inequality in low-income countries.

Our obsession with growth has led us to promote policies which increase the incomes of the rich – globally and within countries – in the hope that the benefits will trickle down to the poor. But they have not trickled down, because policies go on favouring the better off to generate more growth. By making the rich ever richer, we are adding unnecessarily to our environmental problems, while having a minimal effect on poverty. This is the fundamental question: how can we eradicate poverty while avoiding environmental catastrophe? A growth-focused approach is simply incapable of squaring this circle.

David Woodward

Dear David,

Growth and poverty reduction go together. We are not going to be able to deliver sustainable rises in living standards for the world’s poorest without economic growth. The evidence showing the relationship between trade openness and growth is not related to one study. As economists Dr Razeen Sally and Fredrik Erixon have said: “Most studies - in-depth country studies going back to the 1970s and 1980s, and more recent (though less dependable) studies using cross-coun-

try regression analysis - suggest strongly that countries with more liberal trade policies have more open economies and grow faster than those with more protectionist policies.”

There is no long term conflict between the growth and environmental quality. In fact, as Bjorn Lomborg has pointed out in his book *The Skeptical Environmentalist*, the world’s environment has been getting better, not worse. In the 21st Century mankind will deal and defeat human-caused climate change by moving to cleaner energy source. Of course, as countries first industrialise, they pollute badly, but as they get wealthier, they value the environment more. It is easy for sanctimonious, affluent intellectuals in the West to complain about the environmental damage caused by industrialising. I say that we should reject eco-imperialism and instead let poor countries off the hook and instead worry about what we, in the rich parts of the world, are doing.

Alex

Dear Alex,

To say that the global environment is improving, when we are on the brink of catastrophic and irreversible climate change, seems bizarre – and Bjorn Lomborg is hardly the most credible source to cite.

Neither do I share your extraordinary optimism about tackling climate change. On post-1990 trends, global growth will leave 550 million people below the “\$1-a-day” poverty line. But even this growth rate will generate carbon emissions four times their sustainable level in 2050, at the post-1990 rate of reduction in carbon intensity. Far from helping to eradicate poverty, the growth-oriented economic model actually makes it virtually impossible. (And even the World Bank recognises that the great majority of developing countries are too far below the point at which rising income might reduce carbon emissions for this to make a difference.)

But we do agree on one thing. It is for the rich world, not the poor, to reduce its environmental footprint. In fact, the rich world needs to reduce its carbon

emissions by much more than the 60% required globally by 2050, to allow the developing world the environmental space they need to raise their living standards. Given the long timelags involved in developing and applying alternative energy technologies, and the lack of the progress made to date, or incentives to make progress, this will require less consumption and production, not more.

Finally, on openness and growth: Rodriguez and Rodrik don’t limit themselves to one study, but divide existing studies into four broad methodologies, which they systematically demolish in turn. And I’m afraid I put greater faith in a rigorous, peer-reviewed academic study, whose validity is widely recognised, than in an unsubstantiated and unreferenced assertion in a newspaper “comment” article.

David Woodward

Dear David,

I’m confused by your argument: you say you’re not anti-growth, but then say that growth is going to destroy the planet. Call me an optimist, but I believe humankind will overcome challenges – it always has. The move to new energy sources in our lifetimes is justifiable both on environmental reasons and on economic ones: oil is going to become too expensive relative to other energy sources.

I’m confused by your claim that “Far from helping to eradicate poverty, the growth-oriented economic model actually makes it virtually impossible”. The countries which have enjoyed high levels of economic growth have also seen millions of people lifted out of poverty. We have seen growth transform the living standards of the Asian Tiger economies. In 1961, the average resident earned about a quarter of someone living in Britain. By the early 1990s, average incomes in the colony were higher. Sir John Cowperthwaite, the governor of Hong Kong, made the most economically free economy in the world and pursued free trade, refusing to make its citizens buy expensive locally-produced goods if they could import cheaper products. Income tax was never more than a flat rate of

Continued on page 6

Links to references:

Rodriguez and Rodrik <http://ksghome.harvard.edu/~drodrik/skeпти1299.pdf>

Winters http://www.wto.org/english/res_e/booksp_e/special_study_5_e.pdf

World Bank (Squire and Milanovic)

http://econ.worldbank.org/external/default/main?pagePK=64165259&piPK=64165421&theSitePK=469372&menuPK=64216926&entityID=000012009_20050425134759

Continued from page 5: **The electronic debate**

15%. We do not need a Commission for Asia because Asia, on the whole, has enjoyed excellent economic growth.

Unfortunately, too many economies are not pursuing policies that promote growth. In Africa, the wrong sort of regulators, and to little good governance, is holding Africa back. Barriers to trade mean that most people are forced to buy expensive locally-produced products, unable to buy and sell easily with other Africans. As Dr Marian Tupy of the Cato Institute has pointed out, sub-saharan Africa (SSA) "continues to be one of the most protectionist regions in the world. While the rich countries reduced their average applied tariffs by 84 percent between 1983 and 2003, SSA countries reduced theirs by only 20 percent. In fact, Oxfam says: "Increasing trade and investment between developing countries by reducing trade barriers could bring real benefits in terms of employment and incomes."

It is important that we in the rich parts of the world tackle climate change, and use technology transfer to help developing countries take advantage of new technology, when cost-effective for them. But is important that both rich and poor countries alike to do reject economic growth and follow the ideology of "new economics". Slower growth in the rich parts of the world also means slower growth in poor countries because there are fewer consumers buying the products and services of poor people. New economics is really old economics: by forcing people to act locally, it would return the world to the feudalism of the local economic. It did not surprise me to meet someone from your foundation who told me he was working on devising how to establish a non-money economic world. The idea, he said, was that people would barter rather than use cash. If we are all forced to reject economic growth and progress and buy locally, it is easy to see how we could reject money.

Growth is a great liberator. Over the last twelve months alone, growth has lifted millions of people in India and China out of poverty. Rejecting growth would kick down the ladder for millions of people the world over. It would

be a truly depraved attack on the world's poorest. Growth is too important to reject.

Alex

Dear Alex,

I'm afraid I haven't much time to reply, having received this so close to the deadline, so let me just single out a few of your points to respond to.

"humankind will overcome challenges – it always has."

This is easy to say sitting in London on a comfortable income. Humankind has always solved our problems, but usually at the expense of others. Our prosperity is built on colonialism, the slave trade and our rapacious use of the global environment. But try telling one of the billion people living on less than a dollar a day, with more than a fifth of their children dying before their fifth birthdays that human kind has overcome their challenges.

"I'm confused by your claim that 'Far from helping to eradicate poverty, the growth-oriented economic model actually makes it virtually impossible'."

Let's suppose (very conservatively) that the poorest households in the world live on \$0.25 a day. With no change in income distribution, we would need to increase global income (and production and consumption) per person by a factor of eight for them to reach even the \$2-a-day line. (Even the next 20% of the population above this level have under-five mortality rates typically between one in six and one in 25, mostly through poverty-related diseases, compared with one in 150 in developed countries.) But in fact, with our present growth-oriented economic model, the poor are getting only half the share in growth (0.6%) that they have in income (1.2%). That doubles the growth required, so that poverty eradication requires increasing global production and consumption by a factor of 16.

At the post-1990 global growth rate (1.6% pa) this would take 175 years. It also requires us to triple the rate of reduction in the carbon intensity of our production to avoid catastrophic change, from 1.5% pa to 4.5% pa.

There is no sign of this happening; and if it doesn't the devastating climatic effects will obliterate any improvement in the incomes of most poor people at best in a matter of decades. Does this make the point clearer?

Hong Kong

It makes a nice change for a proponent of free market policies to cite the only example where they have succeeded. Every other country, whether developed (eg the UK, the US and Japan) or developing (eg Korea, Taiwan, Thailand and China) has used managed trade and extensive state intervention as a major part of its economic strategy, particularly in the "launch" phase of its economic development. (See, for example, Ha-Joon Chang's book, "Pulling Up the Ladder").

"Asia, on the whole, has enjoyed excellent economic growth"

On the whole, it has. And nearly half the population of East Asia, and more than three-quarters of the population of South Asia, still live below the \$2-a-day line. I'm not quite sure how this helps your argument. It is probably better to try to grow and succeed than to try and fail. But poor people in Asia and Africa would be better off if their governments tried to reduce poverty, and we stopped pushing them to pursue growth instead.

"Slower growth in the rich parts of the world also means slower growth in poor countries"

Yes, because developed country governments have spent the last 25 years abusing their power in global economic institutions to create an economic model in which developing countries are totally dependent on the North. Just throwing global economic growth into reverse will not help. It is this process of dependency creation that we need to reverse, to allow developing countries to develop without the ever-greater over consumption in the North which has given rise to the impending climate change crisis.

"New economics is really old economics: by forcing people to act locally, it would return the world to the feudalism of the local economic".

DID YOU KNOW? It takes \$166 of global growth to reduce poverty by \$1, up from \$45 in the 1980s.

See nef's new report, "Growth Isn't Working" at http://www.neweconomics.org/gen/z_sys_publicationdetail.aspx?pid=219

New economics is not about feudalism, but empowerment, and escaping from the modern feudalism of corporate power. It is not about forcing people to do anything, but reversing the forces which pressure them into actions which, taken collectively, have a counterproductive effect. It is also about removing the global feudalism which makes developing countries dependent on the goodwill and unsustainable growth of the rich, and leaves their policies largely dictated by global institutions run by the developed countries in their own interest.

"Growth is a great liberator."

45% of the world's population live below the \$2-a-day line. Tell them that the growth-oriented model of the last 25 years has liberated them

David Woodward

Dear David,

I think you make an intellectual error when you talk about the need to raise global income by a certain amount in order to affect the incomes of the poorest countries. Global growth has very little effect on the poorest countries which are not integrated into the world economy. What is needed is for the poorest countries themselves to

pursue pro-growth policies, like India and China have been doing to great effect.

I'm surprised you favour infant industry protection given the empirical record. Protection of infant industries largely failed in southeast Asia, just as it did in Latin America, Africa and south Asia. The Malaysian car industry is the most obvious recent example. Instead, these economies have latched on to fast catch-up growth through manufacturing exports driven by foreign direct investment. This is the path China has taken. Hong Kong and Singapore have grown through very clear free trade, of course. Northeast Asia is more complicated. There are sectoral examples where infant industry protection has probably worked, especially in South Korea. But one can point to lots of other examples in Japan, Taiwan and Korea where it hasn't. America created a huge continental free trade zone, and British performance was helped before the Corn Laws by the integration of the national market and then the Industrial Revolution, both more pronounced in Britain than other countries. Trade liberalisation from the early 1840s, virtually completed by the late 1850s and held right up to 1914, had

a huge effect on transformation of the British economy. In fact, protecting infant industries makes exporting more difficult, not less: as Professor Tony Venables, the Chief Economist of DFID, has pointed out, imports are the flip-side of exports. If you try and protect yourself from imports, your exchange rate will rise and you will find exports difficult.

To conclude, the real problem is not that growth is bad, but that too many poor countries are not enjoying growth. It is sometimes (wrongly) believed that wealth is a zero-sum game. I fear that thinking comes through in your e-mails: that if one country grows, it must either be stealing from poor countries or from the environment. I don't think your views on colonialism fit with the facts: colonialism was bad not just because it involved invading other countries, but also because the cost of colonialism outweighed any economic gain.

Good chatting with you.

I'll be sure to keep reading your output: ours can be found at www.globalisationinstitute.org

Best wishes, Alex

Sources used for para 2: World Development Indicators online (World Bank);

<http://iresearch.worldbank.org/PovcalNet/jsp/index.jsp>;

http://cdiac.esd.ornl.gov/ftp/ndp030/global.1751_2002.ems;

http://www.neweconomics.org/gen/z_sys_publicationdetail.aspx?pid=219

Introducing a poverty reduction perspective into the upstream oil and gas sector

EAP staff recently visited Timor Leste and West Papua, to work with contractors, clients and inter-governmental agencies, to increase the poverty reducing impact of investments in the upstream oil and gas sector.

In Timor Leste, EAP is working in partnership with the Overseas Development Institute, to help the Clough AMEC Joint Venture, who are implementing a maintenance services contract on the Bayu-Undan Gas Recycle project in the Timor Sea, to maximise employment, training and other opportunities for Timor Leste nationals.

In West Papua, EAP met with representatives of BP, the International Finance Corporation and the United Nations Development Programme, to explore if EAP could help support local enterprise development through the Tangguh LNG project in Berau Bintuni Bay.

EAP and ODI will soon publish an 'economic and social performance framework' to help maximise the positive social and economic benefits of the oil and gas industry. Details of the framework will soon be available on our website and will appear in the next edition of the Spark



Make Poverty History: a post mortem

What lessons can we learn from the experience of the Make Poverty History (MPH) campaign and associated events such as Live 8 in 2005? How should we move forward? When the opportunity next presents itself to put global justice and poverty at the top of the agenda, what would we do differently?

What 2005 confirmed as never before is the strength of public support both in the UK and around the world for action to end extreme poverty. If we were measuring the success of MPH in terms of media coverage generated, it was hugely successful. Over 3 billion people tuned into Live 8, millions in the UK and around the world pledged their support, making MPH arguably the biggest civil movement in history.

I attended the initial meeting which helped frame the core messages of the MPH campaign. At the time, the three pillars of trade, aid and debt seemed like obvious and potentially radical messages around which a coalition could unite. With the benefit of hindsight, I feel the campaign might have missed a major opportunity. This is a personal view of how the message of MPH needs to be reframed.

Understand the causes and not just the symptoms

We all recall the significance of the three second finger clicks representing another life lost, over 50 000 avoidable deaths each day. Many will know the headline poverty figures that shame us all. Over 20% of the world's population live on less than a dollar a day and 50% on less than 2 dollars a day. Over a billion people without safe drinking water and over 2 billion without adequate sanitation. But these are the symptoms. They tell us nothing about how we got here. Live 8, unlike Live Aid, didn't intend to raise money. Its intention was to raise awareness and political pressure. But awareness of the symptoms is not the same as awareness of the root causes.

Keeping it simple: there is 'no excuse' for failure

Nelson Mandela at the launch of MPH in Trafalgar Square said "like slavery and apartheid, poverty is not natural. It

is man-made and it can be overcome and eradicated by the actions of human beings". Tony Blair speaking at the launch of the Commission for Africa report said "there can be no excuse, no defence, no justification for the plight of millions of our fellow human beings in Africa."

Both of these statements are true. Poverty is man-made and there are no excuses for it. The global economy is approximately 35 trillion USD and the poorest 50% of the global population scrape by on less than 8% of this total. Doubling the incomes of the poorest half of humanity, would require the richest half to redistribute less than 10% of its income. Annually, the world spends over 2 trillion USD on tourism and 1 trillion USD on its military. As UNESCO have pointed out:

"The total cost of implementing the Primary Health Care Program, which would provide basic health care to all those in the world who are currently in need would cost \$15 billion per year or 1.9% of the world's total annual military expenditures (less than seven days worth), or less than 18% of what the United States spends on alcohol each year"

The leaders of the G8 have the power and ability to consign extreme poverty to history. There are no excuses for extreme poverty now, nor were there a decade ago or 5 decades ago. On the eve of the G8 conference, Bob Geldof summed it up, "We've never been

healthier. We've never been wealthier. We know what it costs. We know what to do. Do it. Do it." So did we 'do it'?

'How can these 8 men refuse us now?'

Bob Geldof proclaimed at Live 8, "we come to you tonight with 3.8 billion people in our back pockets. How can these 8 men refuse us now?" How indeed? Politicians and personalities queued up to endorse the campaign. Hilary Benn for example said:

"Last July, I was one of 200,000 people who marched around Edinburgh: the biggest demonstration the city has ever seen. We were brought together by a shared desire to end world poverty. We were asking for action: not charity, but justice.... We can no longer claim that we cannot see what is happening and that we do not have the means to do something."

With so much support, it is hard imagine the campaign failing. According to some, we succeeded. Bob Geldof famously declared, "a great justice has been done ... on aid, 10 out of 10; on debt, eight out of 10 ... mission accomplished frankly." In Kofi Annan's words, Gleneagles delivered, "the greatest summit for Africa ever". However, it is worth remembering MPH's original call for: "a fundamental shift in the relationship between rich and poor nations". Amongst the major campaigning NGOs, the verdict was clear. Mission unaccomplished.



The World Development Movement described the agreement as "a disaster for the world's poor". ActionAid complained that "the G8 have completely failed to deliver trade justice". Christian Aid called July 8 "a sad day for poor people in Africa and all over the world". Oxfam lamented that "neither the necessary sense of urgency nor the historic potential of Gleneagles was grasped by the G8".

This verdict was compounded by the lack of progress on trade at the WTO meeting in Hong Kong and the current impasse on the proposed UN Human Rights Council.

So is the glass 'half full' or 'half empty'?

No one would deny that some progress was made. In a normal year, the progress would be acknowledged as significant. But 2005 was not a normal year.

In recent speeches, Hilary Benn, has been keen to talk up the achievements of 2005 whilst acknowledging that much remains to be done. He talks up the grand coalition of the anti-poverty movement with the UK government at its heart and the importance of the development and NGO community, as he puts it 'keep[ing] us on our toes by pressing us ...to ensure everything government does assists development.' And he acknowledges the need to listen and debate since 'none of us yet have all the answers'

All of this is to be welcomed. We need friends in high places and his approach stands in sharp contrast to his predecessor, Clare Short, who heaped criticism on NGOs following the Genoa summit of G8 leaders in 2001. There is no reason to doubt the sincerity and openness of Mr. Benn and others who proclaim the achievements of last year. However, I just can't help feeling that some of those who see the glass as half full lack the urgency and ambition required to genuinely make poverty history.

The danger is that with all this talk of what 'we' achieved last year, we lose the power of the MPH message. The G8 leaders do have the power to fundamentally reform the global system, to make it accountable, sustainable,

equitable and just. True, they require the support of the people in order to act, but that is what 'we' delivered. True, 'we' all have a part to play: individuals, civil society, business and government, but the leaders of the G8 set the lead and the agenda. After all, if the G8 leaders do not hold this power and responsibility, then who else does?

If not the G8 leaders, then who?

The G8 nations shape the global economy and are responsible for its governance. They shape international aid architecture and its policies. And they shape the global institutions such as the UN and the International Financial Institutions. Their dominance isn't absolute but it dwarfs the influence of all others. The G8 nations have both the power and the obligation to transform the global system.

Often the failure of past attempts to address extreme poverty is laid at the development community. Critics point to the painfully slow progress despite over 600USD being spent on development assistance since the 1980s. But such analysis fails to acknowledge the scale of the challenge. 600 billion USD may sound significant, but spread over 25 years and set against a scale of the global economy and the extent of global poverty, such investment is insufficient. Such analysis also fails to recognize that the development community is not a coherent whole with a common agenda and strategy but a bewildering patchwork of competing organisations whose work is shaped by the framework set by the international donor community, itself dominated by the G8 nations

The development community has grown up over the past 50 years largely addressing the symptoms rather than the structural causes of poverty. It is really only in the last 10 years that the debate has moved on from raising money for charity to seeking justice and a voice for the poor. MPH rightly put responsibility to act at the door of the G8 leaders.

Where MPH was less successful is in raising awareness and understanding of who is principally responsible for causing global poverty by placing poverty in the wider context. In order

to understand this context I suggest 5 interconnected themes matter: power, history, economics, politics and the environment. When taking a global view, the inequity and injustice that define poverty is a direct legacy of 400 years of empire, 50 years of cold war inspired conflict and cronyism and the current trade, aid and foreign policies of the G8 nations. By clearly communicating the primary role of the G8 nations in causing and perpetuating world poverty, MPH would have been better placed to challenge and hold accountable the G8 leaders.

We often hear that development and poverty reduction is immensely complex and difficult to achieve, but the eradication of extreme, stupid poverty, the sort of poverty that kills 50,000 children a day for lack of life's essentials is not especially complex. What is so complex about ensuring everyone has access to 15 litres of clean water a day or improved sanitation or primary health care? All it takes is money, the political will and a commitment to put the poor at the heart of decision making.

How this money is raised and redistributed whether through trade, aid or tax reform, can be placed in the hands of those who have the power to make it happen: the G8 leaders. Given that the current G8 leaders are unlikely to agree to such a plan any time soon, perhaps this is the real lesson from MPH. If global justice is so important to so many people, perhaps it is time to use this power to ensure elected leaders enact the will of the people.

Bob Geldof said that "this is not about politics, it is about morality". When we are talking of such a fundamental transformation, it is about both. It is about reconnecting politics with people and making politics connect the global to the local. Such a transformation should be guided by the principles of integrity, legitimacy, transparency, accountability, equity, justice and sustainability. These are the tools we must use to construct a future consistent with the aspirations of the majority who want to Make Poverty History.

These are the personal views of Ian Neal, Programme Officer

Safety, Security and Sustainability: Can engineers rise to the global challenge?

ICE Triennial Conference

3-4 July 2006 - Institution of Civil Engineers, London, UK

“What we build, or create, is the permanent record of our achievement as a civilization – the KPIs of civilization if you will. And, they are far more relevant than political speeches or transient events.”

Gordon Masterton, President, Institution of Civil Engineers

ABOUT THE CONFERENCE

Solving global problems requires civil engineers to work in partnership crossing disciplines to ensure that key decision makers take a global view of sustainability issues and enable global solutions. This conference will contribute to the growing scientific and political debate surrounding global warming. By bringing the three greatest civil engineering institutions in the world together to agree a joint protocol for a sustainable future for the planet, it will achieve real results. The conference forms part of a week of celebrations marking Brunel's bicentenary and it is fitting that a conference tackling planet-sized problems is taking place as part of celebrations for a famous engineer who had global vision.

Monday 3 July 2006	Tuesday 4 July 2006
0930 ICE Building Tour	0900 Sessional Chair Jean Venables, ICE Vice President (Membership)
1030 Registration/Refreshments	0905 Ethics/Anti-Corruption Initiatives Bill Henry, President, ASCE
1100 President's Session Chair: Gordon Masterton, President, ICE Keynote Address: Lord Broers, President, The Royal Academy of Engineering Address: ASCE, CSCE and ICE Presidents	0925 World Bank Speaker tbc
1230 Lunch	0945 Transparency International Neill Stansbury, Transparency International
1345 Sessional Chair Doug Oakervee, Chairman, Engineers Against Poverty (EAP)	1005 <i>Discussion</i>
1350 Keynote Address: Poverty Reduction Initiatives Speaker tbc	1015 Refreshments
1415 Civil Engineering Issues in the Millennium Development Goals – A US Viewpoint Hank Hatch, Chair, ASCE-IAC	1035 Sessional Chair Dennis Martensen, President-Elect, ASCE
1440 Water Ian Smout, Director, Water, Engineering and Development Centre	1040 The role of civil engineering in mitigating natural and human-induced hazards and protecting critical infrastructure against such hazards Dr Murat Saatcioglu, University Research Chair, University of Ottawa
1505 <i>Discussion</i>	1100 Keynote Address: The Climate Change and Global Flooding Challenge Lord Hunt, Professor of Climate Modelling, University College London
1515 Refreshments	1125 Disaster Risk Management Professor Erik VanMarcke, Princeton University and Chair of the ASCE Council on Disaster Risk Management
1535 Sessional Chair Alistair Mackenzie, President, CSCE	1150 International Disaster Recovery Bobby Lambert, Chief Executive, RedR
1540 Keynote Address: Secure Living, Development and Democracy Sir Anthony Pigott, Senior Defence and Security Advisor, Qinetiq	1215 Ecological Issues Professor Sir David King, Chief Scientific Advisor, Office of Science and Technology
1600 WFEO Capacity Building Initiatives Dr Russell J Jones, Managing Partner, World Expertise LLC	1240 <i>Discussion</i>
1620 Pollution Control and the Environment Speaker tbc	1300 Lunch
1640 Global Strategies to overcome the world water management crisis, Dr Slobodan Simonovic, Chair Hydrotechnical Division, University of Western Ontario	1430 Sessional Chair Alec Osborn, Senior Deputy President, Institution of Mechanical Engineers Engineers Manifesto for Global Government Action Launch Creating the Brunels of the Future Paul Jowitt, Executive Director, SISTech
1700 Infrastructure Professor Tony Ridley, Emeritus Professor of Transport Engineering, Imperial College	1515 Closing Address Gordon Masterton, President, ICE
1720 <i>Discussion</i>	1900 Evening Reception
1900 Evening Reception	

High risk deters water company investment in developing countries

The second UN World Water Development Report was launched during World Water Day, on 22 March 2006, at the 4th World Water Forum in Mexico City, Mexico. The report found growing doubts about privatisation projects amongst some of the world's largest water companies as they pull out of developing countries.

The reluctance of OECD-based water companies to engage in poor country markets seriously undermines the plans of the G8 and World Bank. The report found that less than 1% of private sector investment in water in the last 10 years had gone to sub-saharan Africa and that the very poorest were often excluded from the benefits. The report suggests these risks are due to the highly political nature of basic services like water that contribute to the complexity and market uncertainty.

Business Action for Africa invites engineering companies to join its network

Business Action for Africa has updated its website with details of its network and programme focus. At a recent meeting with EAP, Programme Co-ordinator Zahid Torres-Rahman stressed the importance of engineering and infrastructure and invited engineering companies to join the network. Zahid said "engineering lies at the heart of the contribution of business to development. Laings are already a member and we invite other engineering businesses and business organisations to join us at Business Action for Africa". Email: Zahid@BusinessActionforAfrica.org

This research reinforces EAP's analysis that business needs to better understand the social and political context and risks when operating in developing countries and the importance of forming strong relationships and alliances with government and civil society actors. A strong legitimate and accountable regulatory system is the key to establishing a stable market.

The UN report follows on a critical report, "An Empty Glass" from the British NGO, Tearfund that found the EU's principle delivery vehicle to meet the Water MDG's, the EU Water Initiative, has serious failings and that EU aid funding for water and sanitation had actually fallen over the past 5 years.

Business Action for Africa Funding Portal Launched

Business Action for Africa has launched its funding portal, www.businessactionforafrica.org/fundingportal. The funding portal has been developed free-of-charge by the Emerging Markets Group www.emergingmarketsgroup.com to bring together accessible information on the top 39 subsidized sources of funding available to companies expanding their business into Africa.

Publish What You Pay calls on ExxonMobil to refuse Chad's request to pay oil revenues directly to government instead of into a set aside account for poverty reduction Full statement at www.publishwhatyoupay.org

Better water management is the key to agricultural development

A report, by the International Water Management Institute (IWMI) and nine partners, challenges researchers to find ways of making farming more water-efficient. "It takes 70 times more water to grow the food we eat every day than we need for drinking, cooking, bathing and other domestic needs," says IWMI director general, Frank Rijsberman. Unless major changes are made to the way water is managed for agriculture, Hundreds of millions of people in developing countries will remain trapped in poverty IWMI has established a new website (<http://www.iwmi.cgiar.org/WWF4>) "Beyond more crop per drop" to help researchers to find solutions to these challenges.

What is the Economics of Climate Change?

The call for evidence is drawing to a close on the Stern Review, the British government's comprehensive review on the economics of climate change. The report is due to be published in August 2006. Read the submissions from hundreds of influential individuals and organisations on the Stern Review website. How should the Britain and the world react to climate change? How grave and urgent are the risks. What role should markets and economic instruments play in framing a global response?

According to the Independent (March 25), the consequences of climate change for the developing world were the focus of a recent private review by DFID for the Treasury. The briefing paper warns over 70 million Africans and an even greater number of farmers in the Indian sub-continent will suffer catastrophic floods, disease and famine if the rich countries of the world fail to change their habits and radically cut their carbon emissions. This stark warning coincides with the week the UK government is due to announce its renewed strategy for tackling climate change and amidst reports that Britain is set to drop emissions targets for business.

Equator Principles and IFC social and environmental standards revised

Following a review, revised draft of the Equator Principles, a framework for banks to manage the environmental and social issues of project financing have been launched. The Principles incorporate the recently updated International Finance Corporation (IFC) standards.

www.equator-principles.com/

Wardell Armstrong is a multi-disciplined consultancy, with engineering and environmental experts who operate nationally and internationally. We offer services in civil and structural engineering, land reclamation, waste management and landfill engineering, along with renewable energy, environmental assessment and pollution control, health and safety engineering, minerals management, geology, geotechnics and mining engineering. Examples of typical projects undertaken internationally include, exploring the prospects for lead and zinc mining inside the Arctic Circle on the west coast of Greenland, helping to reduce greenhouse gas emissions from Chinese coal mines, studying the feasibility of nickel mining in Kazakhstan, and helping to find a

sustainable future for some of Africa's poorest miners. We worked in Zambia to prepare due diligence studies in preparation for privatisation, to confirm limestone reserves belonging to a state-owned cement company. In Tanzania we established an environmental management framework for the mineral sector, as part of the country's revised mining legislation.

In addition, Wardell Armstrong is involved worldwide in the assessment of the technical, environmental, social, legal and economic issues of small scale mining for the UK's Department for International Development. Whilst giving a talk on corporate social responsibility in Peru, John Eyre, technical director of Wardell Armstrong's International subsidiary said "Wardell Armstrong is skilled in all aspects of

environmental and social assessment of mining developments internationally. We are well placed to advise on corporate social responsibilities, assessment criteria and best practice."

Wardell Armstrong operates from 9 offices spread throughout the UK with over 300 staff. Our breadth of experience allows us to think innovatively when it comes to determining practical, cost effective solutions to development problems.

Colin Brown, Regional Director at the Head Office in Stoke on Trent said "Wherever possible we employ local people where their skills, expertise and importantly, enthusiasm, match our requirements. Wardell Armstrong is very supportive of Engineers Against Poverty"

Anti-Corruption Forum launches newsletter

The Anti-Corruption forum recently launched its first newsletter. It is a factual publication intended to update members on recent developments in anti-corruption efforts.

The Anti-Corruption Forum is an alliance of UK business associations, professional institutions and companies who are committed to

fighting corruption. EAP is one of two NGOs that support the work of the Forum, the other being Transparency International.

The Forum's newsletter is also a public document and will be of interest to anyone interested in industry led actions to help eliminate corruption. It is available on EAP's website.

The Freeport Mine in West Papua centre of protests

The Government of Indonesia has announced an inquiry into the Freeport mine in West Papua after protests against the world's richest mine turned violent leading to the deaths of 4 protestors. The protests threatened to widen to other international businesses such as Exxon and Newmont.

<http://www.business-humanrights.org/Links/Repository/718856>

EAP Supporters

- Anglo American
- AMEC
- Balfour Beatty
- BHP Billiton
- British Telecom
- The Chartered Institute of Water and Environmental Management
- Department for International Development
- The Institution of Civil Engineers
- Institution of Diesel and Gas Turbine Engineers
- The Institution of Mechanical Engineers
- Institution of Structural Engineers
- Society of Operating Engineers
- The South African Institution of Civil Engineers
- Thames Water
- Wardell Armstrong

Engineering Civilisation from the Shadows : Brunel Lecture 2006

This year's Brunel International lecture, marking the bicentenary of the birth of Isambard Kingdom, will be given by Professor Paul Jowitt. As well as being an EAP board member, Paul is Vice President of Ethics and Professional Conduct at the ICE and Chairman of the Presidential Commission, Engineers without Frontiers.

Registration: 17:30, Lecture 18:00, Free entry

Institution of Civil Engineers, 1 Great George Street, Westminster, London, UK, SW1P 3AA

**ENGINEERS
AGAINST
POVERTY**

Chair: Douglas Oakervee, OBE

Director: Petter Matthews

The Institution of Mechanical Engineers, 3 Birdcage Walk, London, SW1H 9JJ

Tel: +44 (0)20 7304 6871. Fax: +44 (0)20 7973 1308

E-mail: i.neal@engineersagainstpoverity.org

Web: www.engineersagainstpoverity.org

Charity number: 1071974. Company number: 3613056

The views expressed in this newsletter are not necessarily those of EAP