Phone: +598(2) 902 0490. Fax: +598(2) 902 0490 ext 113 © ITeM 2009, SOCIAL WATCH, www.socialwatch.org

agricultural production, are less developed. other aspects of food security, such as increased national distribution programme has achieved significant levels of success, Rights, does not yet exist in Venezuela. Although a low-cost food the United Nations Committee on Economic, Social and Cultural food security strategy, as suggested by General Comment N° 12 of from food purchased abroad. A comprehensive and systematic the average 2,460 calories consumed daily in Venezuela came country, imported 70% of the items on offer. By 2008, 45.6% of distributes subsidized products in working-class areas of the resorted to increased imports. MERCAL, the social programme that

region for the third consecutive year. The real rate of inflation in 2008 was 30.9%, the highest in the current period, four points above the inflation stipulated for 2008. indices. Nevertheless, an inflation rate of 15% is estimated for the programmes – known as 'missions' – and to reduce the poverty made it possible for the Government to develop a variety of social of imports and a high level of public debt. The oil bonanza also large income and monetary surplus, which resulted in a steady rise The rise in the price of crude oil during much of 2008 produced a

> Programa Venezolano de Educación-Acción en Derechos Humanos by Rafael Uzcátegui

unprecedented opportunity for real change. change. The United States cannot afford to squander this proposals and stepping up their demands for real and structural fair trade, healthcare and housing are advancing innovative development. Domestic movements for human rights, green jobs, economic recovery and a new direction in domestic economic Government intervention is a critical element for ensuring

education, employment and access to justice. longstanding trends in inequality, particularly in the areas of 3.5 percentage points, respectively. These differences also reflect Blacks, Hispanics and Whites reflected increases of 4.4, 5.2, and employment prospects. As of March 2009, unemployment among weeks. Minorities have been disproportionally affected by declining includes those who have actively sought jobs in the last tour understate the true picture, as the official unemployment rate only more than at the start of the recession. However, these figures noillim 8.2 – noillim 1.81 of beyoldmenn for abdmun betsmitse Since December 2007, job losses in the UE have increased the

> Center of Concern, Action Aid USA, Hunger Notes by Global-Local Links Project, Institute for Agriculture and Trade Policy,

Unprecedented opportunity for real change UNITED STATES

April 2007 to September 2008. by the violence that internally displaced a million Somalis from in trying to introduce food into the country; the task is hampered agencies. These agencies, however, are facing extreme difficulties on food aid and emergency services provided by international In 2008, nearly a third of the population became totally dependent

facing an acute food and livelihood crisis by the end of next year. continues to lose value, more than 4 million Somalis could be and the elderly. If food prices increase further and the shilling worsens the plight of those affected, especially women, children health facilities to adequately respond to these emergencies not have enough food. The fact that Somalia lacks basic functional Despite its promotion of food autonomy, the Government has urgent aid, 2 million people living in both rural and urban areas do in 2009. In addition to the 1 million displaced persons who need More than 3 million people in Somalia will need humanitarian aid

> (Secretariat of Social Watch Somalia Coalition) Organization for Community Development Activities əldozO buomadaM ilA yd

> > Insufficient responses AIJAMOS

Government figures show that job losses will top 30,000 in 2009. greatly reduced production as a result of falling European demand. beginning of 2009. The car industry, an industrial powerhouse, has the global crisis, a more sober assessment was reached at the despite initial predictions that it would be minimally affected by deepening and neo-fascism is on the rise. In Slovakia in particular, by the current financial and economic crisis, where poverty is The whole Central Eastern European region is one of the worst hit

Slovak Political Institute, Faculty of Economics, Technical University of Košice

Unemployment on the rise SLOVAKIA

wages, just like their counterparts in the informal sector. million labourers and unskilled workers, are earning poverty-level composed of 12.1 million farmers and fisherfolk and about 10 guarantee a decent life: a majority (51%) of the labour force, before the global crisis hit. Indeed, employment itself does not at 8-10%, underemployment had already climbed to 22% even underemployment. While the unemployment rate currently stands Filipinos cannot afford a scenario of increasing unemployment and

other companies in industrial parks. electronics sector but also among garment manufacturers and goods declining by 47.6%. Factories are closing not only in the comparison with the previous year, with exports of electronic of 6-10%. Export earnings plummeted by 40.4% in 2008, in Kong. Overseas remittances are projected to slow down at a pace particularly in South Korea, Taiwan, Macao, Singapore and Hong lose their jobs in the United States and other countries, (around 8 million people). Up to 575,000 overseas Filipinos could working abroad comprise one tenth of the total population for instance, made up 13% of the GDP in 2007 and Filipinos The impacts are already widespread. Remittances from abroad,

> Unemployment: an unaffordable scenario PHILIPPINES

another Mexico and another world possible. international human rights framework is the key to making of the crisis and as a way to prevent future crises. Respect for the and fomenting a fairer economic and social model, as a way out areas. This historic moment provides the opportunity for designing refocusing priorities and reducing administrative costs in certain highlight social sustainability by reducing operating expenses, maintain its spending levels, it is urgent that budgetary allocations Although the Federal Government has asserted that it will

conntry) drop. (which are received by 60% of the poorest households in the among Mexican immigrants in the United States, remittances most severe recession since that time. As unemployment rises mid-1990s. Analysts agree that this year Mexico will undergo the 13.2%, the worst statistics since the so-called tequila crisis of the unemployment was at 5.3% and industrial activity declined by thousands of people had lost their jobs. By February 2009, By November 2008, exports had plummeted and hundreds of

> by Social Watch Mexico Time to rearrange priorities

rne previous year. had to cope with 2,775 new arrivals, compared to 1,702 during months of 2009. The system is currently overloaded: in 2008 it owt terif end in bas 8002 ni gaiviring elqoed feod fo sedmun and, in some respects, it has also worsened due to the record The situation of migrants and asylum seekers has not improved

exports of 6.2%. exports of 14%, compared with an EU-wide average rise in was the worst affected in the entire EU: there was a fall in highest rate in the Euro area. In addition, Malta's export market onsumer prices and an inflation rate of 4.7% in 2008 – the The rise in international food and fuel prices resulted in higher

Worsening conditions for migrants and asylum seekers

by Joseph M Sammut

tew strategic public assets, further dispossessing Kenyan taxpayers. anachronistically authorizing the bargain price sale of the country's resources into these entities, the Kenyan parliament is their banks in order to inject massive quantities of taxpayer the crisis-ridden Western countries are frantically nationalizing worshipers at the temple of the Washington Consensus. Even when same neo-liberal fantasies that confound even the most devout making Kenya a middle-income economy by 2030, reflects the exemplified by Vision 2030, the flagship policy instrument for on The Kenya We Want, organized by civil society organizations, However, the ideological vision debated at the recent conference

to go ashore before they sink in the turbulent waters of hem that the boat they are sailing in is leaking and that they need decision-makers, isolated voices from civil society keep reminding will pass. In contrast to the deafening silence from political burying its head in the sand, hoping that, once again, the storm The Kenyan political elite, like the legendary desert ostrich, is

and Alliance; Migori Clan; KETAM; Kenya-Cuba Friendship Association; Bunge la EACON; Daraja; Futa Magendo Chapters; Mazira Foundation; Haki Elimu; Kenya yy Social Development Network; SEATINI KENYA; Kenya Debt Relief Network;

> Yrotebnem si bnuorenrut A KENXA

eavings simply vanished. iskier, registered a loss of 8.6%. In most cases, these workers managed by pension funds was lost in 2008; open funds, usually increased by 48.2%. Due to the financial crisis, 5.9% of savings

where the number of over indebted families has increased to There is a dramatic increase in usury, particularly in the South, projections estimate that there are at least 900,000 jobs at-risk. compared to the same period in the previous year. Some 2009, 370,561 workers lost their jobs, an increase of 46% 6.4% during the previous year); between January and February During 2008, the unemployment rate reached 7.1% (compared to

69.4% in the last year, and the recourse to usurers' loans

A dramatic increase in usury and unemployment

economic relief to 250 million people still living in extreme poverty. economic reforms agenda and its duty to provide social and Government is to strike a judicious balance between its ongoing has translated into an export slump. The challenge for the current with whom 75% of India's goods and services trade is conducted, downturn in the economies of the US, the EU and the Middle East, loans from 13.2% in February 2008 to 8.5% one year later. The 12% in February 2008 to 7.5% in February 2009, and personal credit, the rate of growth declined substantially in housing, from with 7.7% in March of the same year; banks are cutting back on hunger. Inflation peaked at 12.9% in August 2008 in comparison already suffering from massive inequalities and alarming levels of The current crisis poses a new set of problems for a country

by Himanshu Jha

Fresh problems for an already afflicted country

nationalization of all of the country's energy generation plants. of marches and public demonstrations demanding the In response, social and popular organizations carried out a series Energy Company while substantially benefiting the private plants. aggravate the already critical situation of the National Electric which does not stipulate for any control mechanisms, would establishing a dramatic cut in electric energy rates. This measure, In early 2009 the National Congress submitted a bill for a decree

generated by plants which operate on fuel oil. increased, since 70% of the energy consumed in the country is Honduran population. The production costs of electricity have also basket of provisions and a drop in the purchasing power of the skyrocket. This led to a dramatic increase in the price of the basic caused the prices of producing and transporting food and goods to The increase of the international price of crude oil during 2008

> entro de Estudios de la Mujer - Honduras by Suyapa Martínez, Ana Ferrera and Mauricio Aguilar

Out of control RONDURAS

non-indigenous population. high and extreme poverty is three times higher than among the hectare. Among the indigenous population, poverty is twice as rural areas and 51% of them lack land or own less than one additional poor people. Some 1,300,000 poor households are in 000,007 of gnifruoms ,ylevifixeqs respectively, amounting to 7.00,000 19.7% in extreme poverty). Between 2008 and 2009 these indices bns (1946) have fallen below the poverty line (56.4% in poverty and Et to noifill population be out of a total population of 13

put the achievement of this objective into serious doubt. had shown modest results. However, the ongoing food crisis has actions designed to eradicate extreme poverty and hunger (MDG1) progress made in the fight against hunger and poverty. State half of 2007, leading to a profound questioning of the scant The world food crisis became evident in Guatemala during the last

Poverty and extreme poverty affect more than half the population.

coordinación de ONG y Cooperativas by Zully Morales and Helmer Velasquez

**AJAM3TAU** 

Indigenous peoples and peasants unprotected

and for an increase in widespread poverty. setting the course for a further dismantling of the welfare state unabated in the wake of the massive bank bailout, thus possibly policies being carried out in the social sector will continue reasons: 648,800 more than the previous year. The austerity applied to put 700,000 workers on short time for economic of short-time workers: in February, more than 16,900 companies The real surge, however, has occurred in relation to the category

almost 4 million before the end of 2009. ot ,noillim 4.E trasrup ath mort, dmils thgim eseldof to redmun and including January 2009, is estimated at around 120,000. The number of temporary workers dismissed in recent months, up to Non-standard employment relationships are the first to go: the on the rise and the ugly face of deregulation is being revealed. on the social welfare of several million Germans. Unemployment is It is already clear that the financial crisis will have a major impact

Social Watch Germany

The ugly face of deregulation is being revealed

economic crisis but also from severe political repression. members of the population, who are suffering not only from the most effective emergency plan to ensure the survival of the poorest monitored by independent international NGOs appears to offer the the international community. Meanwhile, humanitarian aid transition to a democratic system of governance with the support of suffered in the country, Eritrea needs to embark on an immediate To address the economic crisis, and begin to tackle the deep poverty

independent reports (which are dismissed as enemy propaganda). evident from the country's miserable ranking on numerous the global financial crisis manifested itself in late 2008, as is local economies both had reached a breaking point long before due to the Government's failed economic policies, the national and difficult to accept these accounts at face value. The reality is that Eritrea and the impossibility of obtaining reliable data make it morbidity. However, the extremely repressive political climate in the MDGs, such as reducing infant mortality and maternal Reports from different sources indicate progress in certain areas of

Eritrean Movement for Democracy and Human Rights

Between hunger and oppression

and industrial productive capacity and generates social welfare. for a sustainable development model that reconstructs agricultural El Salvador should change course and strengthen the foundations

at the end of 2008. It is estimated that remittances will fall 3% in suffer when exports, tourism and family remittances began to drop ot neged, seafet betinue on trade with the United States, began to tace the worldwide crisis. The national economy, which is purchasing power, thereby weakening the country's capacity to trade liberalization policies have led to inflation and decreased security, instead of concentrating on importing basic grains, while resulted in the failure to invest in agricultural production for food The privatization programmes implemented in recent years have

> by Mario Paniagua, Armando Pérez and Scarlett Cortez Social Watch El Salvador (APSAL, CIDEP, CODEFAM, FUMA, MEC) Change course, immediately

> > **EL SALVADOR**

large percentage of women losing their jobs. experience a continued decline in revenues, probably resulting in a Tourism, an industry that employs mainly women, is expected to which is expected to rise from 3.9% in 2008 to 4.5% in 2009.

rapidly escalating economic crisis. Government's ability to respond promptly and effectively to the

Unavoidably, Cyprus will also have to deal with unemployment,

productivity in the public sector, which will reduce the negative effects of the crisis. Furthermore, there is persistent low public investments and programmes in order to alleviate the market. This will minimize the Government's flexibility to stimulate source, are poised to fall dramatically as a result of the shrinking It is gradually occurring that taxes, the State's largest revenue

> by Charalambos Vrasidas, Sotiris Themistokleous and Michalinos Zembylas Women out of Jobs

million, more than 26% of the total resources. amounting towards the end of 2008 to a loss of USD 27,000 considerable reduction in the population's retirement savings, financial assets, has affected financial markets, causing a pension fund resources, which are invested in Chilean and foreign endencies, the Chilean economy entered a recession. The fall in general economic activity. By 2009, in step with similar worldwide rate of exchange, the terms of trade, the balance of payments and with low added value. The fall in the price of copper affects the dependent on the export of a limited range of primary products acutely, as the country's economic and trade structure is heavily The fall in the international price of commodities has been felt

de Estudios Nacionales de Desarrollo Alternativo

An economy in recession CHIFE

sustainability standards will drop. on reversing the economic downturn, environmental and Civil society organizations are concerned that, as Canada focuses part-time and precarious work and are often the first to be laid off. male dominated industries, while women are over-represented in Jobs that are being created by Government investments are in

could just get the economy back to normal. of the downturn, and treating the stimulus as something that consistently underplaying both the severity and potential duration care and child care), the Government chose to address the crisis by public infrastructure (including soft infrastructure such as heath equality, the reduction of climate change and the improvement of number of things on a better track such as social and gender citizens. But, instead of using Government stimulus funds to get a blow of the recession by focusing on Canada's most vulnerable 2009 saw an opportunity for the Federal Government to lessen the Canada become more frequent and more devastating. The Budget As the recession continues to deepen, reports of job losses in

Centre for Policy Alternatives and Gender Budget Coordinator/Coordinatrice, budget genre by Canadian Feminist Alliance for International Action; North South Institute; Canadian

Opportunity lost

### THE HUMAN COST **VOICES OF THE CRISIS**

## ► Chile

In Puerto Montt, in addition to the difficulties caused by salmon infectious anaemia, detected in 2007, the global economic crisis must now be added. Olga Paredes, employed by Marine Harvest, a fish farm, says: "I was laid off in April 2008 together with 600 other people. During the five months I was unemployed, I used my severance pay to cover expenses because I have two children. Now I can't work at ease because I have a month-by-month contract."

Olga adds that there are other effects on families' daily lives: "Marine Harvest used to pay for the children's kindergarten until they were two years old, after which one had to pay thirty thousand pesos and the company paid for half of this. But I no longer have this; how am I going to pay for their kindergarten? I have had to stop buying things for the house every month; now I buy for the week, or for the day."

With regard to how to confront the crisis, Olga says: "One goes to the municipality or the town council to ask for a box of food and you're told that you have to wait four months for another box of food. Does this mean I have to feed my children every four months if I do not get another income?"

As far as the future is concerned in this crisis scenario, Olga thinks that: "My future is very dark. All I want is a home and a job, and Philippines the way things are this frightens me. I have thought of going somewhere else, but with two children this is difficult."

## ▶ Italy

The crisis has notably affected my work, says Ricardo Tranquili, employee of the Bank Credito Fondiario FONSPA. "As Credito Fondiario is 100 per cent owned by an American bank, Morgan Stanley, this has seriously compromised our present and future work. Perspectives are currently null and our company has been marked for sale by the shareholders. We received an indecent proposal by our management: begin to dismiss yourselves so we will be able to sell you better."

The salaries of Morgan Stanley managers are only a small part of their annual income. It is based on bonuses and rewards that they got, according to the several projects they pushed forward. The job was project-based and, when a project was successful, the managers' bonuses were very substantial.

The Government has the duty to start reconsidering the current nic model: we should look at less free trade and more State involvement

Valerie Vinakpon Gbaguidi, chef and author. "In our markets, all the products are expensive without any exception, regardless of if they are imported or local. Before, we used to provide for ourselves here in Cotonou, but we could not make profits so it was necessary to change our habits. Instead of buying chicken in Cotonou, as always, for instance, I now go to the surrounding villages. I go to the source to provide for myself. For my vegetables, I go to the gardeners. I am thankful for the Government's efforts, for instance lowering taxes on some products. However, I would have liked the politicians to re-examine taxation. Taxes, taxation, it is really hell."

## Maurice Tchibozo, farmer.

"Although I produce, I have nowhere to sell my products and, even if I can find a market, I have to sell them for less than what I have invested in them. This is the point with the crisis. When you do not have much in your pocket, you are forced to get into a lot of debt. You are living with less than what you need. Instead of selling 1,000 francs, you sell 500 francs. You cut down on your budget. When you have to pay, you are in trouble and this makes you panic. The government has mentioned many things, but vegetable production was not taken into account. I have not seen any ministerial team coming and asking for vegetables, or asking us about our needs."

Mr. Mario M. Cruz, 59 years of age and a resident of Pasig City, has been working as a foreman at the Republic Asahi Glass Corporation (RAGC) – a subsidiary of Japan's Asahi Glass Corporation – since 1979. He is a former President of the RAGC Labor Union; serving as its chair for more than 20 years.

The Corporation is the only glass factory in the Philippines. Every time the factory loses a group of clients, many workers lose their jobs. According to Mr. Cruz, the crisis for the labourers of RAGC began back in the year 2000, when about 300 employees of the Process Glass Division lost their job when this division closed down, due to tough competition from manufacturers from China. Something similar happened in 2002, when more than 200 employees of the Fabricated Glass Division lost their job.

After the outburst of the global financial crisis, in 2008, many of RAGC's clients in the Philippines closed down. Because there were no sales, RAGC's mirroring plant closed down in December 2008. Mr. Cruz and about 300 other workers were on forced leave from December 2008 to January 2009, since there was no production work available.

## WHAT NEEDS TO BE DONE

Hundreds of civil society organizations from around the world have endorsed a common statement which includes the following substantive paragraphs:

We are facing a global systemic crisis, which originated in the rich countries of the North, their unsustainable consumption and production patterns and the irresponsible economic behaviour of their dominant social actors. The crisis affects billions of people all over the world, pushing many millions of them into unemployment and poverty, and violating their economic, social and cultural rights.

The response of the G20 was not sufficient to address the root causes of these multiple crises of food, climate, financial markets and sustainable development.

The global crisis needs a global response involving all societies that are affected by the crisis. Therefore, the United Nations is the only legitimate forum through which the crisis can be resolved. This is the reason why we highly welcomed the decision of governments in Doha to hold a UN Conference on the world economic and financial crisis and its impact on development.

Decisions that have to be implemented immediately as a response to the current crisis, include the sufficient funding for a global stimulus package, and long-term

measures, such as the establishment of a new Global Reserve System or the proposal for a Global Tax Authority. We agree that the UN has to come up with immediate responses to the crisis and simultaneously decide on an intergovernmental time-bound process towards the long-term reforms.

Among the decisions that are of high priority and could be taken without any further delay are the following:

The initiative to establish a Global Panel on Systemic Risks in the World Economy, following the model of the Intergovernmental Panel on Climate Change, bringing together academics, civil society and policy makers. The decision to upgrade the Committee of Experts on International Cooperation on Tax Matters to an intergovernmental Commission on Tax Matters as a functional commission of ECOSOC by the end of 2009. The political commitment to introduce an internationally coordinated Financial Transaction Tax in order to mobilize additional resources for a short-term Global Stimulus Fund and the longer-term implementation of the Internationally Agreed Development Goals, including the MDGs. The establishment of a Global Economic Coordination Council within the UN system.

The decision to review the Agreement between the UN and the Bretton-Woods-Institutions (BWIs) in order to enhance coordination and policy coherence by integrating the BWIs as specialized agencies completely into the UN system.

signatures (as of June 02, 2009); Jens Martens and James Paul, Global Policy Forum; Roberto Bissio, Social Watch; Beverly Keene, Jubilee South; Andrea Baranes and Antonio Tricarico, Campagna per la Reforma della Banca Mondiale; Mirjana Dokmanovic, Women and Development Europe (WIDE); Gigi Francisco, Development Alternatives wirh Women for a New Era (DAWN); Patricia Blankson Akakpo, Network for Women's Rights in Ghana (NETRIGHT) and ABANTU for Development (ROWA); Josep Xercavins i Valls; Philo Morris, Medical Mission Sisters; Aldo Caliari, Center of Concern; Rudy De Meyer, 11.11.11; Verena Winkler and Simon Stocker, Eurostep; Eva Friedlander, IWAC, the International Women's Anthropology Conference; Luke Fletcher, Jubilee Australia; Anne Jellema, Action Aid; Mark Herkenrath, Alliance Sud, Switzerland; Klaus Schilder, terre des hommes Germany; Magaly Pineda, CIPAF, Rep.Dominicana; Feminist Task Force of the Global Call to Action against Poverty; Arjun Karki, LDC Watch; Sarba Khadka, South Asia Alliance for Poverty Eradication-SAAPE; Mana Dahal Rural Reconstruction Nepal-RRN; Edward Oyuqi, Social Development Network, Nairobi, Kenya; Oksana Kisselyova, Liberal Society Institute, Ukraine; Cartas A. Kapele, Children Education Society (CHESO), DAR ES SALAAM – TANZANIA; Fernanda Carvalho, IBASE - Brazilian Institute for Social and Economic Analysis; European Network on Debt and Development (EURODAD); ATTAC Hungary; Milan Smrz, Czech section of Eurosolar; Joseph M. Sammut, Social Watch Malta; Christine Andela - COSADER (Collectif des ONG pour la Sécurité Alimentaire et le Développement Rural) - Cameroun; Marta Benavides - Instituto Internacional de Cooperación entre Pueblo: (IICP) - El Salvador; GCAP - Sudan; Jubilee Debt Campaign (UK); Tom Kucharz, Ecologistas en Acción (Spain); Transnational Institute; Institute for Policy Studies, Global Economy Project; Dr. Hassan Abdel Ati - National Civic Forum - Sudan; Malgorzata Tarasiewicz - Network of East-West Women, NEWW-Polska; AWID (Association for Women's Rights in Development); Rede Brasil sobre Instituições Financeiras Multilaterais; Marek Hrubec, Centre of Global Studies, Czech Republic; Zelená Pro Planetu, Czech Republic; Henri Valot, Policy Advisor CIVICUS: World Alliance for Citizen Participation; Professor Aijaz Qureshi: Social Watch Pakistan- IDF; Zulfiqar Halepoto- Sindh Democratic Forum (SDF) and Social Watch Pakistan; Nazeer Memon- Sindh Agriculture Forum; Abrar Kazi SDF- water expert and technocrat; Rural Reconstruction Nepal (RRN); Public Finance Monitoring Center; Women's Working Group on Financing for Development; Egyptian Association For Community Participation Enhancement (EACPE); CARDET, Cyprus; National Social Watch Coalition - India; Action for Economic Reforms; Philippine Rural Reconstruction Movement (PRRM): Arab NGO letwork for Development (ANND); Ziad Abdel Samad; Mariama Williams, Integrated Policy Research Institute (IPRI); Yves Conze, Integrated Policy Research Institute (IPRI); Carla Bakboord, MSc Cultural Anthropologist, Executive Director Equality & Equity for Gender&Social Development, Suriname; El Amel Association For Social Development in Algeria; Women for Change; Genoveva Tisheva- Bulgarian Gender Research Foundation; Development Network of Indigenous Voluntary Associations (DENIVA), J.B. Kwesiga; Network of Ugandan Researchers and Research Users (NURRU), lavid Obot; Tomas Tozicka - Jubilee Czech; Hanaa Edwar, Iraqi AlAmal Association; David Obot (NURRU), Kampala-Uganda; J.B.Kwesiga (DENIVA), Uganda; Hamarneh, Vanda, Syria; Consumers Association of Penang; Friends of the Earth, Malaysia; KOPIN (Koperazzjoni Internazzjonali) Malta; Instituto Latinoamericano de Servicios legales Alternativos (ILSA) - Colombia; Klaus Heidel, Werkstatt Ökonomie e.V., spokesperson Social Watch Deutschland/Forum Weltsozialgipfel (Social Watch Germany); International Gender and Trade Network (IGTN).; Rene Suša, Humanitas, Society for human rights and supportive action, Slovenia; Africa Development Interchange Network (ADIN); Sanayee Development Organization (SDO). Kabul, Afghanistan; UK Coalition Against Poverty. Eileen Devaney; Baudouin Schombe, Coordonnateur National Reprontic; Bretton Woods Project (UK); FOCO - Foro Ciudadano de Participación por la Justicia y los Derechos Humanos; DECIDAMOS Campaña por la Expresión Ciudadana, Paraguay; Social watch Mocambique; Jiri Silny, Ecumencial Academy Prague, Czech Republic; Vagn Berthelsen, Secretary General of IBIS; Sisters of Mercy (of he Americas); Marta Scarpato, Consultora sindical, Italia; Mayalu Matos Silva, Brazil; Carlos Martinez Garcia, Presidente de ATTAC España; Martín Pascual, Fundación Cenda, Chile; CIDEP, Asociación ntersectorial para el Desarrollo Económico y el Progreso Social (El Salvador)l; Reseau Marocain pour le Droit a la Sante, Dr Aziz RHALI. Maroc; Antonio J. González Plessmann, Activista venezolano de Derechos Humanos; WEDO (Women's Environment and Development Organization); Red de Control Ciudadano, Costa Rica; Secours-Catholique/Caritas France; Instituto de Estudos cioeconômicos – INESC, Brasil; Lunaria, Italy; War on Want; Carlos Martinez Garcia, Presidente de ATTAC España; Socio Economic Rights Initiaitive/Social Watch Nigeria; Global Economy Program Coordinación de ONG y cooperativas - CONGCOOP; Uganda Coalition for Sustainable Development; SLUG - The Norwegian Coalition for Debt Cancellation; African Women's Development and Communication Network/FEMNET Africa; K.U.L.U.-Women and Development, Denmark; Plataforma 2015 y más, España; Third World Network; CAP; SAM; Red Latinoamericana sobre Deuda, esarrollo y Derechos – LATINDADD; Women Headed Households Empowerment (PEKKA); Kerstin Sack, Áttac Germany; John Y. Jones, Networkers SouthNorth Oslo Norway; Carol Barton, Community Action Program, United Methodist Women; International Council for Adult Education (ICAE); For the French and Spanish versions of this statement and an updated list of signatures see: <www.choike.org/nuevo\_eng/informes/7515.html>

# **SOCIAL WATCH**

# Who pays?

THE GLOBAL CRISES AND WHAT NEEDS TO BE DONE



SOCIAL WATCH IS AN INTERNATIONAL NETWORK OF CITIZENS' ORGANIZATIONS STRUGGLING TO ERADICATE POVERTY AND THE CAUSES OF POVERTY, TO ENSURE AN EQUITABLE DISTRIBUTION OF WEALTH AND THE REALIZATION OF HUMAN RIGHTS. WE ARE COMMITTED TO SOCIAL, ECONOMIC AND GENDER JUSTICE, AND WE EMPHASIZE THE RIGHT OF ALL PEOPLE NOT TO BE POOR.

IMPACTS OF THE CRISIS AROUND THE WORLD **SOCIAL WATCH REPORTS** 

Civil Society to the fore

by Social Watch Benin

The increase in the cost of a barrel of oil, the development of agro-fuels and international speculation affected Benin through a BURMA general increase in the price of basic goods. For example, the price of corn – the most widely consumed product – increased by 220%. Low farm productivity and growing demand led to the over-consumption of locally produced foodstuffs and caused difficulties regarding distribution of these products to consumers' homes. The Government reduced taxes and, through the Office Nationale pour la Sécurité Alimentaire (National Office for Food Security) created buffer stocks – temporary stocks to be used as reserves – that ameliorated the effects of the crisis to some extent, but above all enriched middlemen, who continued to sell is a myth, and the rights to develop industries within the country at high prices and make large profits at the expense of consumers and the State. The poorer and more vulnerable consumers still have great difficulty in obtaining food and receive The global financial crisis has further worsened the country's few real benefits from the subsidies.

Civil society has carried out awareness-raising campaigns in various inhabited areas regarding the degradation of the mangrove swamps which reduces the productivity of lagoons considerably and threatens this ecosystem. It has also collaborated both as a partner and in liaison with the Government in promoting the means to combat the crisis, the green revolution and food for schools.

# The Government's timid response

by Fernando J Cardim de Carvalho

Although the domestic banking system was not exposed to the kind of speculative investments that hit the financial systems in the

The most vulnerable are those peasants living in the Tonle Sap United States, Europe and part of Asia, Brazil is paying the price of being integrated into the international economy. In the last quarter resort to selling their productive assets, or take their children out of 2008, the GDP fell 3.6% in comparison with the previous quarter. Every sector of the economy contracted, manufacturing being hit the worst, falling more than 7%. In the short term, a still more somber scenario is likely to unfold, with increasing unemployment and social disruption. In case the Government rises to the challenge, Brazil still has a chance of attenuating these risks, but until now the monetary policy has been incompetent and the Federal Government's spending policy has been extremely timid. As important as it is to stop the economic decline in the short

term, it is even more important to prepare for the future and reset frontier of investment and innovation, promoting environmentally sustainable growth strategies that increase the efficiency in the generation and use of energy. New regulatory and supervisory strategies are to be defined by focusing on how to make financial systems work in the promotion of development and the distribution of income and wealth. The current crisis offers a clear opportunity to attain the effective democratization of international institutions, a chance that cannot be missed.

The crisis was already there

Burma has long been suffering an internal domestic financial crisis. Inflation in basic commodity prices, including food and fuel, led to widespread protests as individuals could no longer afford them and the price increases translated into job losses. The market for consumer or small business credit is functionally non-existent. At its heart, the development of a free market economy in Burma are reserved for the ruling junta, their families, and their cronies.

economy. The fishing, mining, garment, food processing and advertisement industries, for instance, have all suffered. Burmese living abroad are also financially distressed and thus unable to send as much money back to their families as they had before.

# The two sides of the grain of rice

by Social Watch Cambodia

The price of food and oil skyrocketed in the first semester of 2008 and began dropping slowly in the second semester of the year. The sudden increase in the global price of rice, which has reached 100%, has made some rice surplus traders a handsome profit, but it has seriously affected the food security of 31% of the population (up to 4 million people).

region, who went into debt just to make ends meet. They had to of school to help with household income generating activities. The Government has responded with a USD 40 million programme to provide food aid to vulnerable people around the Tonle Sap region.