

Delegation from
The Student World Assembly (NGO)

Represented by
LaGuardia Community College

Position Paper for the Inter-parliamentary Union

The Student World Assembly (SWA) proudly serves as an organ for students' international learning and critical discussion of pertinent global issues, and views all issues before the IPU important for global security and development. Global participation and democracy foster global citizenship. The SWA, working from that basis, encourages open, sustained and meaningful dialogue between its global student members. It therefore fully supports UN initiatives to address issues by collective negotiation and consensus, in a democratic and transparent fashion.

I. Parliamentary Action to Fight Corrupt Practices

The SWA believes that no nation is immune to corruption. Poor countries are particularly vulnerable to this. When corruption permeates all political and socio-economic facets of a nation, it renders it an ineffective, unchangeable system. Governments of industrial nations become reluctant to extend loans or aid to needy countries for fear that the funds could be mismanaged by corrupt regimes. This has a direct negative effect on developing countries, making them lag behind economically. The SWA strongly recommends that international lenders and industrial nations revise lending methods that cultivate unsound investments in poor countries and nourish a perpetual corruption system.

Lack of democracy in poor countries is another source of SWA concern. Without democratic parliamentary systems, transparency and accountability are absent, helping to promote corruption. From the 1960s up to the 1980s, *coup d'etats* were a common means for usurping power in Africa. These compounded insecurity in the region. After the African Union (AU) members agreed not to recognize any regime that was not democratically elected, however, the rate of *coup d'etats* considerably declined, giving better opportunities for political and economic security in the region.

Increased vigilance, economic pressure, and responsible lending by international lenders can compel corrupt regimes to democratize. Heightened collaboration between lenders and borrower countries will also significantly reduce mistrust between lender and borrower countries. SWA also strongly encourages state leaders to implement transparent and accountable practices within their governments to fight against corrupt practices, and to mitigate distrust from international lenders.

II. Debt of Developing Countries: Impact on Integration into the International System

The SWA favors the eradication of poverty through the annulment of developing countries' debts. The SWA also supports the UN Millennium Development Goals (MDGs) and Jubilee Debt Campaign (JDC) to provide debt cancellation policies for developing countries, especially Heavily Indebted Poor Countries (HIPC). Debt cancellation, coupled with a country's genuine commitment towards debt reduction, offers an opportunity towards valuable economic, social and political growth without the counterproductive burden of servicing debt.

The SWA also denounces certain poverty reduction methods international organizations prescribe for poor countries. Some of the policies of the IMF and the World Bank wield a double-edged sword towards development, failing to provide solutions for sustained development. For example, the IMF usually prescribes birth-control-related programs to combat

poverty. In reality, a United Nations study of more than forty developing countries shows that birth rates fall more as women gain financial independence. This implies that the explosion of birth is an education-related problem; the more educated people are, the more opportunities they have for employment and the ability to make educated decisions regarding reproduction.

Since most current foreign aid goes toward infrastructure development and investments that alleviate poverty in the long run, the SWA endorses additional implementation of micro-credit lending solutions which have more immediate impact on poverty reduction. It agrees with Hillary Clinton's views made at the February 1997 Micro-Credit Summit:

Micro-credit is not just about giving individuals economic opportunity. It is about community. It is about responsibility. It is about seeing how we are all interconnected and interdependent in today's world.... It is understanding how lifting people out of poverty in India or Bangladesh rebounds to the benefit of the entire community and creates fertile ground for democracy to live and grow, because people have hope in the future.

Recognizing the empowering effect of micro-lending, the SWA led education efforts about this by sponsoring the award-winning author David Bornstein to speak about its benefits as he discussed his book, *How to Change the World*, in a Reading Circle event in Feb. 2005. The SWA supports more action in this area.

The SWA also urges developing countries to immediately work with developed countries to change, at least, the quality of life for those living without basic human needs. The IPU has urged developing nations to introduce market-oriented, socially committed and environmentally compatible economic systems. This cannot be achieved, however, if international lenders continue granting billions of dollars with inappropriate economic, social and political conditionality requirements, or without a genuine interest in assisting countries to eliminate debt.

III. Employment in a Globalizing World

Good global governance is essential to generate fair global employment opportunities. SWA does not oppose industrialized countries' production, but believes that globalization processes should be regulated through setting and monitoring of labor standards. If not, workers in poor countries will become more susceptible to exploitative labor practices. Consequently, rapid and unmonitored global production and employment standards could intensify rather than alleviate poverty. The benefits of globalization should be fair to all.

The SWA supports the protection of infant industries in developing countries, while utilizing micro-credit lending institutions. Employment extends economic security for individuals, their families, and their communities. As a result, the whole country will be more prosperous and stable. Thus, the SWA believes that economic improvement is more likely to start from individuals. As many of their businesses are in early stages of development, bulk funding to governments should be directed towards financing self-employed people. This can translate into prosperous economic growth and tremendously improve their countries' balance of payments.

The SWA is convinced that emphasizing just employment standards, like the European Union's holistic employment and social policies, can create mutual benefits for worker and employer. Creating sustainable incomes in developing countries encourages people to work locally, thus avoiding skilled-worker migration, allowing strengthening of family ties and empowering communities. Local success decreases antipathy toward economically well-off nations. The SWA is convinced that the standardization of labor regulations and fairer employment standards could be the principal engines for economic, political and social stability in the globalizing world.