# MOST UNEQUAL IN THE WEST

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In the UK¹ there has never been an official definition of poverty. The current government has in fact indicated that it believes poverty does not exist in this country. However, debates and discussions about poverty among anti–poverty organisations have led to the acceptance of relative poverty with a variety of different definitions. Therefore, in countries such as the UK, poverty is measured against the generally accepted standard of living of the particular country.

In the absence of an official definition, wide use is made of annual Government statistics. The Department of Social Security's *Household below Average Income Statistics* show the numbers of people living on or below 50% average income after housing costs.

Until this year, the statistics<sup>2</sup> were published in calendar years and the time lag meant that 1995 statistics related to 1992/93. This year the statistics have been changed so that 1996 figures relate to **financial** years 1993/94 and 1994/95. An added complication is that the government calls this set of statistics 1993/94 given that they only cover 4 months in 1995. A further change is that data will be based on the *Family Resources Survey* rather than the *Family Expenditure Survey*. There are both advantages and disadvantages: the most significant disadvantage in the short term will be the discontinuity and resulting inability to accurately compare this year's figures to those of previous years.

From the 1997 publication however, statistics will be «rebased» to 1994/95 in order to allow comparisons. Until then it will be difficult to assess the true level of poverty comparatively since 1979 as has been done to date. For this reason, the following account, in some places, will give two sets of figures, one to cover a five year period from 1989–1993 to allow comparisons, and one for 1993/94 to show the most up to date official statistics.

Poverty goes beyond questions of low income to encompass issues such as health, education, housing and employment. It is broadly about exclusion from mainstream society and lack of ac-

cess to rights. Exclusion has been identified as a serious issue by the European Union in its definition of poverty and by the voluntary sector, <sup>3</sup> but the present government in the UK fails to accept the extent to which it is important.

From 1989–1993 poverty and inequality continued to increase steadily among the population as a whole. The risk of poverty has grown for single parents, couples with children and single people. The risk for pensioners has decreased continuously while couples with children continue to make up the highest numbers of those in poverty.

Looking at economic status, the highest risk group is households where the head of the household is unemployed. The risk of poverty for the self-employed and households where one or more is part-time work has also increased.

The data is not broken down by gender or ethnic origin, nor does it separate people with disabilities. It also adopts a national approach, ignoring regional and rural differences. Therefore information on the multi-dimensional nature of poverty has to be drawn from other official and research-based sources. These show the deeper dimensions of poverty as related to different sectors of the population. For example, ethnic minorities face disproportionately higher levels of poverty as a result of higher unemployment rates, lower paid jobs, poorer working conditions, and greater reliance on state benefits. These factors are exacerbated by labour market inequalities and societal discrimination. Another group whose disproportionate levels of poverty are hidden are unemployed youths, especially those affected by long termunemployment.

Inequality continues to be telling feature in a country as rich as the UK; since 1979 the incomes of the richest 10% and the poorest 10% have respectively and continuously risen and fallen dramatically. The 1996 United Nations Human Development Report shows that Britain is the most unequal country in the West, and that the gap between the rich and poor is the same as in Nigeria, and twice that of Sri Lanka or Ethiopia.

This report does not necessarily represent the views of individual Coalition members.

<sup>2</sup> Unless otherwise stated, all statistical information is based on *«Poverty the facts»*, 1992 and 1996 editions by Child Poverty Action Group. Statistics therein drawn from various editions of *Households below Average Income*, a statistical analysis, HMSO.

<sup>3</sup> Non-governmental organisations.

Although the 1996 figures show a decrease in the gap, given that this is a new method of calculation it remains to be seen whether inequality is in fact decreasing. Notwithstanding this, the gap between the rich and people in poverty is still at an unacceptable level given current levels of poverty and the wealth of the country as a whole.

In 1988/1989 12 million people, 22% of the population, were living in poverty compared to 14.1 million people, 25% of the population, in 1992/93. The 1996 statistics, for 1993/94, show that 13.7 million people, 24% of the population are living in poverty. Figures exclude homeless people and other individuals not living in households.

TABLE 1.

Number of people living in poverty				
Year	Numbers living in poverty	% age living in poverty		
1988/89	12 million	22		
1992/93	14.1 million	25		
1993/94	13.7 million	24		

As mentioned, income inequality has been a feature in the UK for many years. In 1990 inequality in income reached the highest level recorded since the war, with the UK displaying a faster growth in inequality than any other industrialised country except for New Zealand. In general, the incomes of the richest have increased dramatically compared to a fall in the incomes of the poorest in real terms. People living in poverty are forced to spend proportionately more of their incomes, compared to those on high incomes, simply to keep up with increased living costs.

TABLE 2.

Changes in real income				
	Change in Income 1979 - 1992/93	Change in Income 1979 - 1993/94		
Poorest 10%	-18%	-13%		
Richest 10%	+61%	+ <b>6</b> 5%		
Average	+37%	+40%		

### THE MOST UNEQUAL

As the data is not broken down by gender, information about women living in poverty has to be gathered from many sources. In

general, women bear a disproportionate burden of poverty. It is estimated that approximately 59% of people living in poverty are women. The main reasons for this stem from the fact that women are more likely to bear the brunt of domestic and caring responsibilities, and to be unemployed, work part—time or work for low pay. Women make up to 70% of lowest earners and 4 out of 5 women employees work part—time.

There is also inequality in the distribution of resources within households, and women suffer from the related stresses of running a household on an inadequate budget which they are less likely to control but more likely to manage. This includes doing without themselves to prevent or reduce the poverty of the family.

Further factors include the high risk of poverty faced by lone parents, 90% of whom are women, and are thus less likely to have access to benefits. 2.25 million working women are excluded from contributing due to low earnings.

Cuts to direct taxation are more helpful to men than women because it is men who have more income. Changes in tax thresholds and personal allowances are generally more beneficial to higher rate taxpayers, the majority of whom are men.<sup>6</sup> Increases in indirect taxation impact on the household budget often affecting lower income families more. For example, they have disproportionately higher fuel bills so any increase to value added tax on fuel is particularly onerous.

#### ACCESS TO BASIC SERVICES

#### **Housing**

Housing problems range from those experienced by the homeless and the temporarily housed to those arising from unsuitable housing. The latter category includes housing affected by damp and poor insulation, as well as housing in poor states of repair. In addition there are problems associated with overcrowding. Over the last 25 years there has been a progressive decline in the number of new houses being built across all sectors of the house-building market. This has taken place against an increase in owner–occupied dwellings and a reduction in rentals from local authorities.

One of the major problems in housing is the lack of affordable rented accommodations. According to Shelter, social housing for 1.8 million households will be needed over the next five years. This is against an estimate of 1.6 million new lettings of permanent homes being available. This would mean a shortfall of at least 48,000 homes per year. The cost of housing is an important consideration. Average household spending on housing is between

<sup>4</sup> Comparison over a longer period of time shows that real growth in poverty. In 1979 there were 5 million people (9%) living in poverty compared to 24–25% today.

<sup>5</sup> Poverty the facts. Child Poverty Action Group, 3rd. edition, Revised and Updated 1996.

<sup>6</sup> Briefing Paper on the 1996 Autumn Budget Statement: Impact on Women. Women's Budget Group.

Factfile 96/97. NCH action for children, 1996.

<sup>8</sup> Ibid.

15% and 17% of total expenditure <sup>8</sup> although this varies with the type of dwelling. People in rented furnished accommodation spend an average of 20% of their income on housing. <sup>9</sup> The British Household Panel Survey shows that 60% of the 20% of households on the lowest income rent their property compared to 33% for the remaining 80% of household. Housing costs for low income households account for 22–23% of total household income while for highest income households it is only 11% of total income. <sup>10</sup>

The availability of affordable housing creates greater problems for women due to their employment situation and low pay. Social sector housing is used by women two to three times more than men. 11 Women are also less likely to be independent home—owners although many women are owner—occupiers as a result of being in a dual income household or being dependent on a partner's income.

#### WATER<sup>12</sup>

Since the early 90s, some people on low incomes in England and Wales have faced a new problem. This relates to the privatisation of water and subsequent introduction of water meters. The number of households which currently use water meters is relatively low although an increasing number of water companies are interested in introducing them more widely.

The most common type of meter is one which charges the consumer for the amount of water used. This may appear fair but it has implications for the low income families who may be forced to cut back on water use to ensure lower water bills. The alternative is to use water freely and face high water bills, which then often lead to debt. Voluntary organisations in the health field also suggest there is a link between health and dependable supply of water.

A second, and unfair, type of water meter is the pre-payment device which charges by units of time. This forces people to pay off arrears and current charges before access to water is restored. Thus if people fall into difficulties and choose not to feed their water meter they face payment difficulties when restoring their supply. This type of meter is being piloted by some water companies, but research has shown its adverse effects. There are also problems related to the use of an access to tokens for the prepayment meters. Tokens are not available in the most affordable denominations and not always available at the most convenient times, or locations. It would seem that access to one of the most

basic services and rights has started to be eroded, the adverse impact being disproportionately felt by those on low incomes.

#### **EDUCATION**

Although spending on education had recovered to 1979 levels in real terms by 1992, the UK still spends proportionately less than most European Union countries. <sup>13</sup> Debates around education provision and standard tend to have been centred on the increase in educational standards in other countries within the context of an increasingly global economy. Cuts in expenditure have systematically eroded and lowered educational standards compared to many developed countries.

Recent controversial measures include the planned introduction of nursery vouchers on a national basis and replacing of student grants with loans for further education. Nursery vouchers may force pre–school children into classes inappropriate to their needs while higher education loans make it harder for young people from disadvantaged backgrounds to access higher education. A further concern relates to those with low skill levels who are trying to enter an increasingly competitive and insecure labour market.

The 1990s have also seen a significant rise in the number of exclusions, with black and African Caribbean pupils being disproportionately affected. 14 The current Education Bill would bring in legislation which would further increase and extend the powers of schools to exclude children. **Financially, the average cost of educating excluded pupils is more than twice that of educating a child in school.** 

Voluntary organisations are responding to the inadequacy of the system and deeper societal breakdown by providing various services such as Kids Clubs and Homework Clubs, some of which are designed to assist children in a broken family environment.

The adult literacy rate in 1985 was 99%. 15 It remained at 99%, for both men and women, in 1993. 16 According to the Basic Skills Agency 33% of all inner city pupils at secondary school age are at least two years behind in reading age.

In 1987 – 89, the secondary education enrolment ration was 80. From 1987 – 88 female enrolment in secondary education was 104% that of male enrolment. 17 In 1992, the secondary full–time net enrolment ratio was 75 (male and female) and 84 for women.

In 1992 the average spending among the European Union countries on education was 6.3% of GNP. The average among industrial countries was 5.9% and for the UK 5.2%.  $^{18}$  In the same period

<sup>9</sup> Ibid.

<sup>10</sup> Ibid.

<sup>11</sup> Bearing the Burden, Women and Poverty, Poverty Network, Church Action on Poverty.

<sup>12</sup> Information drawn from «Water tight: The impact of water metering on low income families». Save the Children, 1996.

<sup>13</sup> Factfile 96/97. NCH action for children, 1996.

<sup>14</sup> Factfile 96/97. NCH action for children, 1996.

<sup>15</sup> Human Development Report 1991, UNDP.

<sup>16</sup> Human Development Report 1996, UNDP.

<sup>17</sup> Human Development Report 1991, UNDP.

<sup>18</sup> Human Development Report 1996, UNDP.

the UK's spending on tertiary education was well above that of the top industrial countries and more than double the average for European Union countries.

The 1996 Budget shows a rise in spending on education for 1996–97 but after the effects of inflation are taken into account there will be a net loss in education spending. In addition, local authorities are in arrears from last year and the increase in spending will not cover last year's deficit.

#### **HEALTH**

In general, people on low income face a higher risk of death from the main diseases, as well as higher rates of severe sickness. Their children are more likely to suffer from health–related problems. Women face higher sickness rates, with the health of women on low incomes being particularly poor.

A recent study by the Health Visitors' Association shows and increase in tuberculosis since 1988, particularly in poorer areas. The survey, based on responses from 500 health visitors, found that 67% of them encountered cases of iron deficiency and 4% reported cases of rickets. This is against a background of poor living conditions characterised by overcrowding and high rates of utility disconnections. In addition, child malnutrition was widespread.

Illness can also be linked directly to social class. According to the General Household Survey, in 1990 the reporting of prolonged illness for professional people was 27% while for unskilled manual workers it was 41% for men and 47% for women. <sup>19</sup> In 1993, the figures for professionals and unskilled manual workers were 28% and 40% for men, and 25% and 42% for women. <sup>20</sup> Many other types of ill health are disproportionately worse among the lower socio–economic groups.

These figures hide a more serious problem. A recent report shows that life expectancy of rough sleepers in London has dropped to 42 years compared to 47 years in 1992. Rough sleepers are also four times more likely to die from unnatural causes 21

Infant mortality rates, for births within marriage only, declined steadily in the early 1990s. However, a gap still exists between mortality rates for well off and low income families. In 1990, infant mortality for Social Classes 1 & V was 5.6 and 11.2 per 1000 births, compared to 5.0 and 7.9 respectively in 1992.<sup>22</sup>

The incidence of child mortality covering children from the ages of 1–5 is rarer. In 1990 the figure was 9.4 per 1000.<sup>23</sup> As with infant

mortality, rates of child mortality rise disproportionately for children in lower socio-economic groups.

The maternal mortality rate for the period 1980–87 was 9 per 1000,000 live births.<sup>24</sup> In 1993 the figure remained the same.<sup>25</sup>

Fertility rates, defined as births per 1000 women, stood at 59, 8 at the end of 1992, compared to 64.2 in 1990 and 62.0 in 1987.

In 1993 among the high human development countries spending on health was 6.1%. The comparative figures for the European Union and the UK are 5.6% and 5.9%.

#### **FOOD-NUTRITION**

Diet and nutrition have significant impacts on health, particularly for low income groups. For women the effect is intensified by the fact that they are more likely to go without in order to feed their families, especially the children.

In a study of 354 families with children under the age of 5 in 1991, NCH Action for Children<sup>27</sup> found that 44% of parents had gone hungry in the last year to ensure that others in the family had enough to eat, and 10% of children had gone without food in the previous month due to lack of money, and nearly 25% had gone without because they did not like what was given to them. No-one in the study was identified as eating a healthy diet. Rather than ignorance being a factor, poor diets were seen to be a result of low income.

The availability and accessibility of cheap, nutritious food is important. With the concentration of low income households in peripheral estates, and the growth of the «hypermarket» and increased numbers of supermarkets causing the demise of local shops, it is difficult for those on low incomes to reach large supplies of cheap, fresh food. For many, the cost of public transport reduces the food budget significantly.

The Low Income Project Team<sup>28</sup> identifies the fact that there are many local programmes designed to tackle the problems, but at the same time recognises that they alone are not enough. These local programmes include food co-operatives, community cafes and information exchange networks. The report identifies the need for an integrated approach at a national level which allows for long-term sustainable development. It recommends a national strategy on food and low income with three components: a co-ordinated national approach, local food partnerships and a national network and database.

<sup>19</sup> General Household Survey, 1990. HMSO, 1992.

<sup>20</sup> General Household Survey, 1993. HMSO, 1995.

<sup>21</sup> Still dying for a home. Crisis, 1996.

<sup>22</sup> Poverty the facts. Child Poverty Action Group, 3rd. edition revised and updated 1996.

<sup>23</sup> Children, Teenagers and Health, the Key Data. Caroline Woodroffe, Myer Glickman, Maggie Barker and Chris Power, 1993.

<sup>24</sup> Human Development Report, 1996. UNDP.

<sup>25</sup> Human Development Report, 1996. UNDP.

<sup>26</sup> Population trends, No. 79, Spring 1995. Office of Population, Censuses and Surveys.

<sup>27</sup> NCH Poverty and Nutrition Survey (1991). NCH Action for children 1991.

<sup>28</sup> The Health of the Nation. Low income, food, nutrition and health: strategies for improvement. A report by the Low Income Project Team for the Nutrition Task Force.

Among the countries of the European Union, the UK has the highest percentage of low birthweight babies, a 7% of all births.<sup>29</sup> A breakdown of the figures shows that the incidence of low birth-

weight babies and infant death are closely related to socio-economic class, with the professional and managerial/technical groups displaying lower levels of both.<sup>30</sup>

## INTERNATIONAL CO-OPERATION AND AID

At the Social Summit Britain opposed the 20/20 proposal, believing it unworkable. However, earlier this year the government signed up to the proposal on a voluntary basis although it has not worked towards implementing it. The official line is that it supports it on a voluntary basis. Therefore, if any country wants to work on 20/20 with it, it will do so, requiring implementation in conjunction with economic reform and growth policies. Currently, only 13–14% of aid is allocated in accordance with the 20/20 proposal.

In terms of bilateral debt, the government takes the position that once countries have received a 67% reduction in their stock of bilateral debt they will not need additional debt rescheduling provided they follow structural adjustment policies. For multilateral debt the position is that the multilateral creditor institutions should take the lead by maximising the use of the international financial institutions' resources, for example through a limited sale of IMF gold stocks to allow more concessional lending.<sup>31</sup>

The proportion of total official development assistance going to the least developed countries in 1989 was 33%. In the period 1993/94 it was slightly less than this.

In 1989, official development assistance was 0.31% of GNP. <sup>33</sup> The 1996 budget cut spending on aid to only 0,24% of GNP, marking a fall to its lowest ever level. The last two years have seen a cut of 12,5% in real terms.

# STRUCTURAL ADJUSTMENT AND PUBLIC SOCIAL SPENDING

The social consequences of adjustment programmes have not been acknowledged by the government. The almost universal features of structural adjustment are increasing unemployment, declining real wages and reduced social welfare provision. The IMF imposed structural adjustment on the UK in 1977 due to fears about levels of borrowing which were far higher than any other European countries. This led to pay restrictions, unemployment and low wages.

The government claims it follows sound and efficient economic policies suited to the current economic climate. Policies follow a similar pattern to structural adjustment based on deregulation, privatisation and public expenditure cutbacks, seeking to reduce the government's fiscal deficit. However, the resulting policies and measures are punitive and have serious social consequences, including increasing poverty and exclusion.

The government views the policies positively, citing falling unemployment rates and low tax rates, but it fails to acknowledge the negative changes such as the increase in poverty and the negative imaging and labelling arising around the "undeserving poor".

Different sectors have also been affected differently. Recent examples include the benefit cuts for 16 and 17 year olds and housing benefit restrictions for young single people.

Although the government does attempt to target fewer benefits at those who need them, it also arbitrarily excludes whole sections of society through punitive measures such as the recent changes to benefit rules for asylum–seekers and the cuts to one parent benefits. In addition, its emphasis on training and back–to–work schemes are ineffective, especially in terms of getting jobs for the long–term unemployed. Instead they are used to reduce the official count of unemployed people and the number of people claiming benefits.

The UK fails to assess economic policy proposals by gender or to accept gender or poverty type analysis. The Women's Budget Group undertakes its own analysis of the budget on the basis that on average women are poorer than men, and they make up the majority of carers. Ironically, the only measures mainly relating to women in the budgets are the various cuts in lone parent benefits.<sup>34</sup>

Although there are programmes aimed at attenuating the effects of adjustment policies, they are punitive and of low quality in general. Additionally, many are subject to financial cutbacks.

<sup>29</sup> Poor Expectations Poverty and undernourishment in pregnancy. 1995 NCH Action for Children and The Maternity Alliance. (Source: World Health Organisation WHO/MCH.9.92, 1992).

<sup>30</sup> *Ibid*.

<sup>31</sup> Update: The Oxfam Declaration - the case for debt reduction. Oxfam.

<sup>32</sup> Human Development Report, 1996, UNDP.

<sup>33</sup> Human Development Report, 1991, UNDP.

<sup>34 90%</sup> of all lone parent families are headed by women.

Measures such as family credit and benefit top-ups while welcome, do not go far enough and are not examples of direct attenuation.

TABLE 3.

Percentage of spending <sup>35</sup>					
% age of spending by year					
Health	1987 - 6.1%	1993 - 5.9%			
Education	1986 - 5.0%	1992 - 5.2%			
Soc. Sec. Benefits unavailable	1980 - 10.6%	1992 - sin datos			

# EMPLOYMENT AND ECONOMIC OPPORTUNITIES

The government has pursued economic policies based on the creation of wealth and economic growth at a macro–economic level, claiming that the «trickle down» theory would then ensure that economic growth eventually filtered down to the poorest. This has failed to happen and was done at the expense of redistributive policies which would have helped to address poverty and inequality. Instead, the effect was to create and keep the wealth with the riches.

The changing nature of employment, with its low wage economy and higher levels of contract and part—time working, coupled with social security cutbacks has exacerbated the plight of the poorest. Resistance to a minimum wage shows a further lack of commitment to tackle the phenomenon of poverty in employment in a country in which over 5 million people, the majority of them women, currently earn less than £4 per hour.

Income distribution is developing in such a way that the rich are getting richer and the poor are getting poorer. This is taking place against a background of increased living costs with the poorest income groups spending proportionately more of their income simply to cover increases in daily living costs.

Most fiscal changes have benefited higher income households at the expense of people on lower incomes. The obsession with reducing direct taxation has hit the poorest hardest through the accompanying increases in indirect taxation. The recent widening of the lowest tax threshold has gone some small way towards helping those on low wages. However, fiscal policies in general fail to tackle the deeper underlying causes of poverty and exclusion. Since the early 1970s, unemployment benefit has not remained proportionate to average earnings. By 1994 it was only 13.8% of average earnings for a single person. Of the unemployed population, only 22% in 1993/94 were supported, fully or partly, by unemployment benefit.<sup>36</sup>

In 1988, 2.5% of GDP was spent on employment programmes compared to 2.2% in 1993–94. $^{37}$ 

In 1989 the total unemployment rate was 6.1% In comparison, it was 7.2% for women. Youth unemployment (20–24) was 14.6% in 1988. In 1993, the total unemployment rate was 10.2% and 5% for women. Male and female youth unemployment for 1991 – 93 was 21% and 13% respectively. Although recent official figures show unemployment rates of around 8% this hides the number of people forced into part–time insecure jobs. It also fails to account to the category of around 1.5 million long–term and youth unemployed who are permanently excluded from the labour market. There are further issues around the number of times that the government has changed the method of calculating numbers of people who are unemployed.

Underemployment is particularly prevalent in the UK with many forced to work part–time for low wages in insecure positions. In 1993 3.2% of the total labour force was involuntarily working part–time.<sup>39</sup>

In 1988 women made up 38.7% of the total labour force. <sup>40</sup> Today 52% of women are in the «flexible» sector which is anything other than a full–time permanent employee. Women working full time currently earn 79.6% of average hourly male earnings. <sup>41</sup>

Between 1985 and 1990, the UK and Sweden were the only two countries in the European Union where average working time did not decrease. In 1994, in the UK average male hours per week were over 50.<sup>42</sup> Average female hours per week are 20 – 24.

Across all sectors 35% of male employees and 29.49% of female employees were unionised in 1995.<sup>43</sup> There has been a general decrease in the number of unionised employees. Between 1986 and 1989 although there was an increase of 1.4 million employees, in 1989 alone union membership fell by 5.5%.

# CITIZEN PARTICIPATION

Disillusionment with the political system is seen in low voter turnouts generally with even lower levels by the ethnic minority and youth populations. There has been limited state concern about levels of participation and the voices of people living in poverty

<sup>35</sup> Human Development Report, 1991 y 1996, UNDP.

<sup>36</sup> Anti-Poverty strategies: Focus on Women. Women's Local Authority Network, October 1996.

<sup>37</sup> Human Development Report 1991 & 1996, UNDP.

<sup>38</sup> Human Development Report 1991 & 1996, UNDP.

<sup>39</sup> Human Development Report 1996, UNDP.

<sup>40</sup> Human Development Report 1991 & 1996, UNDP.

<sup>41</sup> Bearing the Burden, Women and Poverty. Church Action on Poverty, October 1996.

<sup>42</sup> Speech on Women's Local Authority Network Conference. Jane Davidson, National Local Government Forum Against Poverty-Wales.

<sup>43</sup> Labour Force Survey Autumn 1995. Office for National Statistics.

are absent. Most of those who are abstaining from the political process would be likely to boost support for the main opposition parties in any case. The voluntary sector is more concerned about participation issues, and there are many examples of initiatives designed to increase participation among marginalised groups at both local and national levels. A recent example of involving people living in poverty was at the poverty hearings of Church Action on Poverty. Following a series of local hearings across the country by people in poverty, there was a national hearing in London speaking to an audience of politicians, journalists and many others. Another positive example comes from ATD Fourth World. The UK Coalition itself has made a commitment to prioritise the voices of people in poverty.

#### PLANS FOR THE ERADICATION OF POVERTY

No government in the UK, of any political standing, has defined poverty. The current government has no intention of producing a National Poverty Eradication Plan despite the fact that it signed the commitments made at the Social Summit. In response to lobbying efforts of the UK Coalition for the International Year for the Eradication of Poverty, the Government has denied the need for such a plan in the UK, saying that

«...the recommendations in the Programme of Action on the de-

sirability of producing national poverty eradication plans principally relate to the needs of underdeveloped countries...Such plans are not needed in the same form in well-developed industrial nations such as the UK, which already have the infrastructure and social protection systems to prevent poverty and maintain living standards...»<sup>44</sup>

No government department was willing to engage in dialogue with the Coalition which sought to achieve recognition of the cross–departmental nature of poverty, and to ensure that all departments were aware of their commitments to implement anti–poverty goals and targets into their policies.

The next General Election in the UK, which has to take place before 22nd May 1997 may provide an opportunity for more constructive dialogue with a new Labour government. Electoral pressure for tax reduction due to increased privatisation and the inadequacy of public services will play a part.

A Labour government may be open to officially defining, and thus recognising the existence of, poverty. Short of change of government it is extremely unlikely that the UK will fulfil its commitment to produce a National Poverty Eradication Plan.

 UK Coalition for the International Year for the Eradication of Poverty.