





### **Boots' billion pound tax dodge**

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#### WELCOME



With 2014 marking 100 years since the start of the First World War,

this special 12-page edition of Up Front examines the modern face of warfare. From the militarisation of resources to the campaign to hold private security firm G4S to account, we look at the role corporations play in fanning the flames of war. We also update you on our campaign to secure justice for the victims of the Bangladesh building collapse, bring you explosive revelations about the dodgy tax deals of high street chemist Boots, and news about the exciting expansion of our project in Sri Lanka supporting families to grow their own food.

John Hilany

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FIGHTING GLOBAL POVERTY

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# **FRONTLING ACROSS THE WORLD COMPANIES ARE ACTIVELY FUELLING ARMED CONFLICT IN RESOURCE-RICH COMMUNITIES**

#### The global plunder of natural resources is intensifying. Corporations are increasingly taking over water, oil, gas, mineral and metal deposits, and buying up land in countries across the planet.

Governments have been encouraged by capitalist institutions, such as the World Bank and the IMF, to compete with each other to attract companies by offering massive tax breaks and guaranteeing huge profits. As a result, communities have seen their rights systematically violated in favour of multinational companies which exploit their natural resources. Those who oppose the presence of such corporations in their



territories suffer targeted assassinations, harassment and death threats.

The community of Rumuekpe in the Niger Delta should be one of the richest in the world. But despite the huge oil wealth contained in its territory, Rumuekpe's 20,000 residents live in abject poverty: without electricity, running water, basic drainage systems or any school. This bears sharp contrast to giant Anglo-Dutch corporation Shell which, since 1956, has pumped countless barrels of oil from its installations in Rumuekpe, racking up billions of pounds in profits.

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Traditional subsistence agriculture has grown increasingly futile for the residents of Rumuekpe thanks to decades of oil spills and acid rain caused by the company's illegal 'gas flaring'. Oil operations have also failed to provide employment in the community. One resident, Emeka Eke, told us: "From the day Shell arrived here until today, you will not find one person from Rumuekpe employed by Shell, nor at any of the other oil companies."

While the plunder of its resources and the degradation of the environment have dealt big blows to this rural community, its destruction has been fuelled by deadly armed conflict. The crisis began in 2005 with a minor dispute and quickly reached epic proportions, engulfing the entire community. More than 60 men, women and children lost their lives, most of the houses and school buildings were razed to the ground, and thousands of people were forced to flee.

This war was engineered for profit. In fact, the alarming truth is that oil companies are actively pitching community members in wars against one another. In the case of Rumuekpe, Shell was handing out payments for so-called security contracts to rival factions on opposing sides of the conflict, who used the money to buy more weapons and ammunition to sustain the conflict. Celestine Akpobari of War on Want's partner organisation Social Action explains: "Shell spends so much money and expertise designing ways of creating crisis, because they think that if the community is united then they will make demands on the company. Rumuekpe is not an exception: this is the way they operate in Nigeria." And while the guns were firing, Shell was busy sucking oil from the troubled land, protected by heavily armed soldiers. Despite the violence and destruction which raged on its doorstep, the company never stopped drilling. Not for a single day.

Since 2007, War on Want's partner organisation Social Action has been working to end the crisis that has devastated this community. It has facilitated meetings between opposing factions, highlighting to those involved how Shell has manipulated the crisis for its own benefit. Celestine told us that this hard work helped broker a peace deal between two factions: "There were brothers who had been on opposing sides in the war. It was such an emotional occasion when they hugged for the first time in years."

Due to its unique local ties, Social Action is one of only a few organisations that function effectively in this region, which is why we have recently chosen to develop a partnership with this grassroots movement. Working closely with the oil campaign group Platform, War on Want will support Social Action to end the crisis in Rumuekpe. We will also raise awareness about Shell's role in engineering and sustaining the conflict across the Niger Delta. Social Action is working to empower the community so it can demand accountability from the oil companies and Nigerian state, both of which must take responsibility for the grinding poverty and environmental destruction they have caused. As Celestine says, "We won't stop until peace returns to Rumuekpe and people can go back to their homes." **Find out more: waronwant.org/oil**  Armed militants from Port Harcourt in the Niger Delta

## "My brother was fighting on the other side"

War on Want's partner, Social Action, works to defend the human rights of communities in the Niger Delta which suffer human rights violations, militarisation of their territories and extreme environmental degradation due to decades of oil extraction. It is working to bring lasting peace to the Rumuekpe community, which has been torn apart by a violent conflict between armed factions over contracts and payments dished out by Shell and other oil companies operating there.

Gift Chim, an unemployed father of one, told us how he became embroiled in the armed conflict. "My mentor was shot dead in the community in front of the gates of Shell's installations in 2005. I became angry and decided to take up arms to avenge his death. My brother was fighting on the other side."

Taking up arms was easier than you would think. Gift explained that Shell provided the money to buy the weaponry and the money just kept coming. But not only were Shell giving money to Gift and his faction, they were also adding fuel to the fire by financing opposing factions. Gift says the biggest problem in the community is the level of poverty. "In Rumuekpe, 98% of the people are poor. There is no school, and there are no jobs. We can no longer produce food because of the pollution. That is why people could be tricked into fighting each other." Rumuekpe became a war zone, which has turned it into a near extinct community.

In 2010, Social Action's delicate mediation work brokered a meeting between the opposing sides which led to a peace agreement between two factions. Gift emphasises the importance of Social Action's work in bringing the community together; however, he stresses that much remains to be done, as the oil companies once again look to exploit tensions which remain. "In 2011 people started returning to the community, but the companies keep trying the same trick of divide and rule, so it's very difficult."

Social Action continues to work to end the conflict in Rumuekpe and support the community in its demand that a proportion of profits from the extraction of oil in their territory should be used for the development of Rumuekpe itself.

Gift is no longer at war with his brother. Today he is focused upon a different opponent: "I'm pleading to everyone – let the community come together and let's fight the company and take back what belongs to us. Let's fight for our rights. We want to protest against Shell." **Find out more: waronwant.org/oil** 





It's now 10 years since the International Court of Justice (ICJ) declared the construction of Israel's Apartheid Wall in the West Bank illegal under international law. The ICJ advisory opinion came just two years after construction began and called for the Wall to be dismantled, confiscated land to be returned, and for Palestinian communities affected by its path to receive reparations. And yet construction of the Apartheid Wall continues to this day.

At eight metres tall, Israel's wall is twice the height of the Berlin Wall. Covered in watchtowers, its 'buffer zone' of electric fences, trenches, cameras, sensors and military patrols is 30-100 metres wide.

The Wall cuts deep into the Occupied Palestinian West Bank, confiscating land, appropriating water supplies and imprisoning its population. Thousands of houses have been destroyed and large parts of the Palestinian population have found themselves cut off from schools and health services, and unable to reach their work. In total, 85% of the Wall is located in the West Bank and has already caused the destruction of vast swathes of Palestinian farmland and the farmers' livelihoods in turn. The Wall is devastating virtually every aspect of Palestinian life.

War on Want works in close partnership with Stop the Wall, the grassroots campaign movement that empowers Palestinian communities to oppose the Apartheid Wall. Stop the Wall mobilises popular committees and youth groups in West Bank villages, exposes the destruction and human rights violations caused by the Wall and helps secure compensation for families who have lost their home and their land.

Despite the fact that Israel has ignored the ICJ declaration, the British government conducts business as usual with Israel. War on Want is campaigning for an end to British government ties with Israel until it complies with international law, as part of our wider Boycott, Divestment and Sanctions campaign. Public pressure is vital if we are to force the UK government to impose sanctions on Israel.

Last December, tourists and Christmas shoppers in St James's Piccadilly in London were confronted with a 26ft separation wall – a life size replica of the Wall in Palestine. Erected to draw attention to the reality of life for the residents of Bethlehem who survive under the shadow of an enormous wall that controls every aspect of their lives, it certainly got people talking. The replica wall formed part of Bethlehem Unwrapped, a festival of music, food, art, poetry and debate, which War on Want was thrilled to sponsor.

Throughout 2014, the 10th anniversary of the ICJ declaration, we will continue to pressure the UK government to take meaningful action to halt Israel's violations of international law. Follow us on Twitter and Facebook to hear more about our activities and find out how you can get involved.





# HOLDING G4S TO ACCOUNT



Following the spectacular failure of G4S to fulfil its security contract for the London 2012 Olympics, you would be forgiven for thinking that the only way for G4S was up. However, 2013 was not a good year for the world's largest Private Military and Security Company.

In the wake of his torture at Israel's Al Jalameh interrogation centre, Palestinian prisoner Arafat Jaradat was pronounced dead at Israel's Megiddo prison in February 2013. G4S provides the security equipment for the interrogation centre and presides over security systems at the prison. In July an inquest jury found Angolan deportee Jimmy Mubenga's death on a plane at Heathrow airport was caused by G4S guards "using unreasonable force and acting in an unlawful manner". In October the media



focused on accusations of dozens of inmates tortured at the G4S-run Mangaung prison in South Africa, the second biggest private jail in the world, with almost 3,000 prisoners.

War on Want is campaigning to hold G4S to account for its complicity in Israel's occupation of Palestine. G4S provides systems for prisons which hold Palestinian political prisoners – including child prisoners – from Occupied Palestinian Territory inside Israel. This is in direct contravention of Article 76 of the Fourth Geneva Convention, which prohibits the transfer of prisoners from occupied territory into the territory of the occupier.

To help us build the Stop G4S Campaign, we were honoured to host eminent feminist and prison abolition scholar-activists Angela Davis and Gina Dent for our event *On Palestine, G4S and the Prison Industrial Complex.* In a packed auditorium, the connections between various communities affected by G4S abuses became very clear. Earlier in the year, much to the surprise of its shareholders, War on Want gate-crashed the G4S AGM and organised a protest outside. During the meeting we provided G4S with signed affidavits from Palestinian child prisoners held in solitary confinement inside G4S equipped prisons. G4S directors promised they would look into the allegations, but more than eight months later their contracts with Israel's prison authority are still in place.

> The pressure on G4S is working. The security firm declared that it will leave the Occupied Palestinian Territories by 2015. However, G4S doesn't always stick to its promises – so we will continue our campaign until all G4S contracts with Israel's prison system are ended. We will be holding more speaker events across the UK this year.

Sign up for emails to be the first to know of one in your area and to find out how to get involved in the campaign: waronwant.org/signup

# EXPOSED: BOOTS' BILLON POUND

Together with Unite the Union and US labour federation Change to Win, War on Want has exposed the scale of Boots' tax dodging and launched an official complaint to the OECD over the company's breach of international guidelines on tax and corporate transparency.

Our research shows that Alliance Boots, the high street chemist and pharmaceutical giant, has avoided more than  $\pounds 1$  billion in tax since it was taken over six years ago through taking on excessive debts, profit shifting and corporate restructuring.

While the decision to move Alliance Boots' headquarters from its historic home of Nottingham to Switzerland hit the headlines in 2008, it was the financing of the company's takeover that led to such enormous tax avoidance.

Here's how it worked: Alliance Boots was bought out by a private consortium, led by US private equity firm Kohlberg Kravis Roberts & Co. (KKR) and Alliance Boots' Executive Chairman Stefano Pessina, a billionaire resident of Monaco. The buyout was largely financed with £9 billion in borrowings, more than 12 times the company's annual earnings. Because Alliance Boots pushed almost all of the debt from the takeover onto the company's UK arm, it has been able to deduct its costs of repaying these debts from its taxable profits in the UK.

During the six-year period since the buyout, we calculate that the company was able to reduce its UK taxable income by an estimated £4.2 billion, resulting in a reduction of its tax bill by over  $\pounds I$  billion.

In addition to cutting its tax bills in the UK, evidence we submitted in an official complaint to the OECD against Alliance Boots shows that the company appears to have funded the purchase of its own debt by companies controlled by the Boots' Chairman, Stefano Pessina. Our complaint claims that these deals have enriched Alliance Boots Executive Chairman Stefano Pessina at the expense of both the company and UK taxpayers.



#### What could Boots' billion buy?

With this  $\pounds I$  billion dodged by Boots the government could have funded:

- More than two years of total prescription charges for all of England
- The starting salary of more than 78,000 NHS nurses for a year
- Over 185,000 hip replacements
- More than 5 million ambulance call outs

We are demanding that the UK's tax laws are changed and the UK's tax havens are abolished, so the UK can no longer allow corporate tax dodgers to suck out profits, leaving the rest of society to pay the price.

Find out more about Boots' dodgy deals and take action to demand tax justice: waronwant.org/boots

## BANGLADESH FACTORY DISASTER: 1127 DEAD

## THE STRUCCLE FOR JUSTICE IN BANCLADESH CONTINUES

In the months following the April 2013 Rana Plaza disaster that killed over 1,100 people, mostly female garment workers, campaigners have been demanding change from the Bangladeshi garment industry and the brands that source from it. Real progress has been made, but some major Western brands are still undermining this vital struggle for justice.

A better wage but not a living wage: In December, after huge pressure from trade unions and campaigners, a new minimum wage was announced for garment workers in Bangladesh, with wages for the lowest paid set to rise by over 75% to 5,300 taka (£42) a month. This is a huge step forwards for our partners, the National Garment Workers' Federation, but it falls well short of workers' demands of 8,000 taka a month and of a living wage.

**Brands split on compensation:** The fight to secure compensation for the victims and relatives of those who died in the Rana Plaza disaster goes on, and in January major progress was secured when the terms of a landmark fund were agreed between brands, trade unions and campaigners. While UK retailers Primark and Benetton have pledged to pay in, Matalan, Mango, Benetton and Walmart, the parent company of Asda, had still failed to offer compensation at the time of going to press.

**Gap – the world's worst company**? While over 100 of the world's leading fashion brands joined a life-saving agreement to work to make Bangladesh's factories safe, Gap earned itself the title of worst company in the world in the annual 'Public Eye Awards'. Instead of joining brands like H&M, Tesco and Zara in signing the binding Bangladesh Safety Accord, Gap joined Walmart in creating their own rival 'plan' – a PR sham that continues more of the same voluntary approach to factory safety that so clearly failed to prevent the Rana Plaza disaster.

Join the fight! On 24 April this year we will mark the one year anniversary of the Rana Plaza disaster, the deadliest incident in the history of the fashion industry, and demand a fashion industry that respects workers' rights.

Get involved in actions for the anniversary: waronwant.org/anniversary

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Nadia Idle is War on Want's Activism & Outreach Officer. You may have seen her on a stall at Glastonbury talking passionately about justice, waving a flag on a protest march in Manchester, or running a workshop at a school in London's East End. Here Nadia tells us about War on Want's Love Fashion Hate Sweatshops campaign and how you can get involved.

Some people believe that if you care about social justice, you don't have a sense of style or care about clothes. Well I do! Lots of us love fashion. But we know that high street clothes in the UK come at the cost of workers and their families around the world. And we also know that it doesn't have to be this way.

In 2009 War on Want launched the Love Fashion Hate Sweatshops campaign.We wanted a campaign that would empower the British public and would also highlight the amazing and inspirational people around the world who are fighting for their rights in garment factories.We wanted to make it clear that these people are not victims; they are our partners in a struggle for a world without greed.

The response has been overwhelming. Thousands of you have been part of the growing movement to end exploitation in the garment industry. You have signed petitions, put on fashion shows, swap-shops, fundraisers, craft evenings, coffee mornings and stitch-ins, written blogs and articles, completed school projects, made art installations, put on plays, organised demonstrations and written to MPs. Collectively, your actions have been a game changer. UK brands now know that the British public care about how their clothes are made. They can't ignore you anymore.

I'm particularly excited about how many school students and inner city youth have engaged with the campaign. Check out the fantastic film that Central Foundation students made: **waronwant.org/schoolfilm** 

#### Want to get involved?

Get in touch with me anytime to order free posters, reports, stickers and badges to get other people involved in the campaign. If you want to meet other War on Want supporters in your area, let me know and I can put you in touch!

Ending the exploitation in the garment industry is a big job – permanent change won't come overnight. But every win we get helps change people's lives for the better. Help us grow this campaign in the UK and together we can ensure the dignity of workers everywhere. **Email: nidle@waronwant.org Phone: 020 7324 5059** 



## Killed for demanding a living wage

In January this year, we joined Labour Behind the Label and People & Planet to demonstrate outside the Cambodian embassy to condemn that government's violent repression of workers' strikes.

Garment workers in Cambodia went on strike on 24 December, following a government announcement that the minimum wage would only rise to £60 a month, far short of workers' demands for a living wage of £100 a month. The garment industry in Cambodia employs 700,000 people, 90% of whom are women, producing clothes for a huge range of UK high street companies, including Gap, H&M and Levi's. On 2 January this year, police blocked the route of a protest march, then attacked workers, union organisers and bystanders. The following day armed forces fired live ammunition at workers, killing at least four people and injuring many more.

Around the world, workers face daily violence and repression in their struggle for a living wage.We

continue to support these struggles and to uphold workers' fundamental rights to organise and strike.

Sign up for email updates to find out more: waronwant.org/updates



#### **The Alternative** Trade Mandate

War on Want is part of a European alliance of over 50 civil society organisations which has launched the Alternative Trade Mandate. Its purpose is to make EU trade and investment policy work for people and the planet, not just the profit interests of a few. Detailed proposals are outlined to place human and labour rights and environmental sustainability at the heart of EU strategies on food, jobs, finance and public services. War on Want will be joining other UK groups in lobbying candidates for the European Parliament elections in May to support the principles enshrined in the document.

#### Find out more: waronwant.org/trade

Contacting

Over the past few years, War on Want has been working with a company called Ethicall to make some of our telephone calls to supporters. Based in Bristol, the callers are hugely passionate about equality and justice and some are members of War on Want themselves. We make calls to supporters for a variety of reasons, including to update you on our campaigns, to ask for donations and for admin reasons such as asking people to Gift Aid their donations. The money this raises is vital to the sustainability of our work. We do of course understand that people like to be contacted in different ways - so if you'd prefer not to be contacted by phone and prefer letters and emails then just let us know. Many of you have told us that you really enjoy these calls as it gives you the chance to ask questions about our current campaigns. We look forward to keeping you up to date with our progress!

### hank you for donating

Help us stree ethnic clean

A huge thank you if you were one of the hundreds of people who donated to our Christmas appeal. Your amazing generosity has raised more than £37,000, which will help us pay for the vital research and resources we need to grow the campaign to stop the demolition of people's homes in Palestine and bring an end to Israel's destructive policy of ethnic cleansing.

**MPs visit occupied** Western Sahara

In February, War on Want's Executive Director John Hilary took part in the first UK parliamentary delegation to occupied Western Sahara, together with MPs Jeremy Corbyn and Mark Williams and the coordinator of the Western Sahara Campaign, John Gurr. Western Sahara is Africa's last colony, as it has been under Moroccan occupation since 1975. The delegation met with Saharawi human rights defenders and workers' representatives, as well as with families of political prisoners held in Moroccan jails.

## Securing food justice in Sri Lanka



Together with our long-standing partner organisation in Sri Lanka, the Movement for National Land and Agricultural Reform (MONLAR), War on Want has been helping thousands of people escape poverty and hunger by training poor communities in farming methods which are sustainable and inexpensive, such as mixed-cropping, organic farming and seed preservation. They have also been able to earn an income by selling some of their produce locally, giving them the opportunity to pay for education and healthcare.

War on Want has secured funding from the Big Lottery Fund to bring this sustainable approach to thousands more poor small-scale farmers, fisherfolk and tea plantations workers in the north, northwest and south of the country. For the first time, MONLAR will be able to support families whose villages and livelihoods have been completely destroyed by the 25-year civil war.

Find out more: waronwant.org/SriLanka

## Leaving the world a better future

If you've decided that now is the time to write your Will or update an existing one, then after friends and family please do consider leaving a gift to War on Want. Get in touch for a copy of our free guide to making a Will and see how you could make an amazing difference through a gift of this kind. **Call 020 7324 5040 or email legacies@waronwant.org and ask** for your copy.

Do you know a will/probate solicitor (or are you one yourself) who could help fight poverty at its roots by providing free or reduced cost wills for War on Want supporters? Get in touch today and together we can leave the world a better future.



# Raise money for global justice

Run, walk, cycle, swap, bake, party... there are lots of ways to raise money for War on Want. Whatever your fundraising challenge, family and friends are always willing to sponsor you to do something inspirational. For helpful ideas, practical advice, materials and more, please get in touch with us about your fundraising.We're happy to help!

Give us a call on 020 7324 5040, email us at support@waronwant.org or check out our website: waronwant.org/sponsorship



### Trade unionists vs corporate parasites

War on Want is working with the Public and Commercial Services Union (PCS) on a campaign to stop tax dodging and build support in Europe for progressive tax policies that will deliver properly funded public services. We've had some fantastic feedback from our speaker tour of trade union branches around the country. From Merthyr Tydfil to Leeds, we've been demonstrating how we can take on this global scandal, why tax matters, how companies dodge tax, what tax justice is and what ordinary people can do.

Book a speaker for your union branch: waronwant.org/bookaspeaker

#### Donate today to help War on Want support communities in conflict zones and expose the British companies that violate human rights and profit from war.

#### What your donation could help us do:

could help pay for vital campaign materials to put pressure on the UK government for proper controls and regulation on Private Military and Security Companies, holding them to account when they commit human rights abuses

could help us organise actions and engage our online community targeting the UK companies that profit from the Occupation of Palestine, calling on them to divest from Israel until it ends its oppression of the Palestinian people

could help us support our grassroots partners on the ground in conflict zones. We want to give them the support and resources they need to provide tangible help to families and communities in their fight against the corporate takeover of their land and resources



waronwant.org

Yes, I want to support War on Want by making a donation

Please fill in the whole form and return it with your gift to: Freepost RSKC-UCZZ-ZSHL War on Want, 44-48 Shepherdess Walk, London NI 7JP

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I understand that I must pay an amount of Income Tax and/or Capital Gains Tax for each tax year that is at least equal to the amount of tax that War on Want will reclaim on my gifts for that tax year

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War on Want would like to keep you informed about the important work we do. However, if you do not wish to receive any further communications from us or related charities, please tick the appropriate box: 🗌 War on Want 🛛 Other relevant charities NI3AM You can also donate online at www.waronwant.org or call 020 7324 5046