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Poverty, Promises, and Political Accountability: How a Lack of Accountability Caused New Zealand’s Child Poverty Reduction Act to Fail

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*The fact that twice as many children now live below the poverty line than did in 1984 has become New Zealand’s most shameful statistic.*¹

Eleanor Ainge Roy, *The Guardian*, August 16, 2016

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¹ Eleanor Ainge Roy, *New Zealand’s Most Shameful Secret: ‘We Have Normalised Child Poverty,’* THE GUARDIAN (Aug. 16, 2016), <https://www.theguardian.com/world/2016/aug/16/new-zealands-most-shameful-secret-we-have-normalised-child-poverty>.

*The purpose of this Act is to help achieve a significant and sustained reduction in child poverty in New Zealand by provisions that . . . facilitate political accountability against published targets.*²
Child Poverty Reduction Act 2018, s 3 (N.Z.)

INTRODUCTION

It is an unfortunate truth that poverty does not discriminate. Although absolute poverty principally afflicts low-income countries, relative poverty is a universal issue. New Zealand, a small but powerful country in the South Pacific, knows relative poverty's truth all too well. Despite its status as a liberal democracy with a strong gross domestic product and membership in the Organization for Economic Co-operation and Development (OECD), New Zealand harbors an alarming statistic: almost one-quarter of its children live in relative poverty.³ Academics and politicians alike have considered child poverty a "growing concern"⁴ since the 1980s, when New Zealand experienced a "substantial and dramatic increase in income inequality."⁵ However, even as New Zealand's child poverty rates approached 25%, for many years the appetite to address the problem was nonexistent.⁶ It appears previous successive governments thought the problem was simply insurmountable.⁷ Such an argument is not without merit, as there is no straightforward solution to alleviating poverty. Absent international intervention and aid, a domestic government must embrace one of two options for creating the change required to elevate its citizens out of poverty: introducing a legislative agenda or implementing a social

² Child Poverty Reduction Act 2018, s 3 (N.Z.).

³ See Michael Fletcher, *New Zealand's Dismal Record on Child Poverty and the Government's Challenge to Turn It Around*, THE CONVERSATION (Apr. 26, 2019), <https://theconversation.com/new-zealands-dismal-record-on-child-poverty-and-the-governments-challenge-to-turn-it-around-115366> [<https://perma.cc/6TQB-LY7C>], referencing *Child Poverty Statistics Released*, STATS NZ (Apr. 2, 2019), <https://www.stats.govt.nz/news/child-poverty-statistics-released> [<https://perma.cc/XK8S-LKPC>].

⁴ STATISTICS NEW ZEALAND, *MEASURING CHILD POVERTY IN NEW ZEALAND: ISSUES AND PRACTICALITIES* 22 (2012), <https://www.occ.org.nz/assets/Uploads/EAG/Working-papers/Statistics-NZ-Measuring-Child-Poverty-final.pdf>.

⁵ MICHAEL O'BRIEN, *POVERTY, POLICY AND THE STATE: THE CHANGING FACE OF SOCIAL SECURITY* 4 (2008).

⁶ See Renee Liang, *A Kete Half Empty: Why Poverty in New Zealand Is Everyone's Concern*, NOTED (Jan. 15, 2020), <https://www.noted.co.nz/currently/currently-currently/poverty-new-zealand-kete-half-empty> [<https://perma.cc/QZ8B-SY6Q>].

⁷ *Id.*

welfare policy. More importantly, the government must then hold itself accountable for achieving that change.

In 2018, New Zealand chose the former option and introduced the Child Poverty Reduction Act 2018 (the Act), which was heralded at its inception as a definitive step in the right direction toward easing child poverty.⁸ However, the once-praised Act has failed thus far, as the number of children in poverty has increased since the introduction of the Act.⁹ This is thought to be because the Act is ineffective, as it lacks proper accountability mechanisms. Although legislators swore it imposed political accountability, the Act was entirely silent on any consequences that would be levied in the event the government failed to reduce child poverty numbers as promised.¹⁰ New Zealand has, therefore, made itself a case study for analyzing whether effective and tangible political accountability is the determinative factor of success in any domestic government program to ease poverty.

In order to examine this thesis, this Article is organized into four parts. Part I provides background on poverty, including the definition of poverty, an analysis of the history of social and economic policy in New Zealand that resulted in the emergence of high levels of relative poverty among New Zealand children, and a brief examination of how New Zealand has previously engaged in attempts to address the issue. Part II introduces the government's historical Child Poverty Reduction

⁸ See, e.g., The Salvation Army, *The Salvation Army New Zealand Fiji and Tonga Territory Oral Submission*, N.Z. PARLIAMENT (May 23, 2018), https://www.parliament.nz/resource/en-NZ/52SCSS_EVI_76267_1312/169a2197c75654ebc28c94236a73df73c78bd4a5 [https://perma.cc/A8PH-TELG]; National Council of Women of New Zealand, *Submission to the Social Services and Community Committee on the Child Poverty Reductions Bill*, N.Z. PARLIAMENT (Mar. 26, 2019), https://www.parliament.nz/resource/en-NZ/52SCSS_EVI_76267_751/79c2c2bfc7c6c4b3e17376a49dd86706b875d764 [https://perma.cc/UP2Y-LQR7]; New Zealand Human Rights Commission, *Submission on the Child Poverty Reduction Bill*, N.Z. PARLIAMENT, https://www.parliament.nz/resource/en-NZ/52SCSS_EVI_76267_1027/eebb52e8c8fe5715eaf74ba7579daf63e59d681f [https://perma.cc/2T2Q-PCNS]; Child Poverty Action Group, *Submission on the Child Poverty Reduction Bill and Changes to the Vulnerable Children Act 2014*, N.Z. PARLIAMENT (Mar., 2018), https://www.parliament.nz/resource/en-NZ/52SCSS_EVI_76267_789/db4fb04b21fd2b46421e10fcbfaab213979b3fe7 [https://perma.cc/MVL4-JAH6].

⁹ Jenée Tibshraeny, *New Stats NZ Data Shows Little Change to Child Poverty Measures in Recent Years, with 151,700 Children Living in Material Hardship*, INTEREST.CO.NZ (Feb. 25, 2020, 11:07 AM), <https://www.interest.co.nz/news/103778/new-stats-nz-data-shows-little-change-child-poverty-measures-recent-years-151700#:~:text=Stats%20NZ%20has%20just%20released,can't%20afford%20the%20essentials> [https://perma.cc/3D55-MH7G].

¹⁰ See Child Poverty Reduction Act 2018 (N.Z.).

Act 2018. The Act is contextualized with reference to the current progressive government, led by Jacinda Ardern, before the purpose and language of the Act are examined with particular attention paid to the inclusion of any accountability mechanisms and how they would be realized in practice. Building on Part II's analysis, Part III analyzes political accountability generally, and notably, the role it plays in effectively implementing substantial social policy change and the intrinsic need for some form of sanctions to be in place in order to see true accountability realized. By way of example, this Part also considers New Zealand's own recently failed social housing policy—KiwiBuild. Finally, as no critique is complete without presenting a viable alternative, Part IV introduces and considers Brazil's Bolsa Família program. This successful program, introduced over fifteen years ago, initially courted intense skepticism, as it involves a government providing direct cash transfers to vulnerable families. This Article also examines whether it was the nature of the program (i.e., a direct social welfare policy as opposed to a goal-setting legislative agenda) that resulted in its success or whether it was because the Brazilian government was truly accountable to its people in accomplishing the program's goals.

This Article concludes by determining how important political accountability is to domestic governments when they attempt to reduce poverty. Specifically, this Article concludes by examining whether such accountability can be codified and self-imposed by a government, and ultimately, whether New Zealand could have done more to realize its goal of reducing child poverty nationwide.

I

BACKGROUND

A. The Difficulty with Defining Poverty

Although poverty is a widely recognized and widely used term, poverty is a difficult concept to define. “Absolute poverty” is said to be “a condition characterized by severe deprivation of basic human needs, including food, safe drinking water, sanitation facilities, health, shelter, education and information.”¹¹ However, “absolute poverty” is not the same as “relative poverty,” which is based on disparity in income¹² and

¹¹ O'BRIEN, *supra* note 5, at 44.

¹² See OECD, EQUITY INDICATORS, SOCIETY AT A GLANCE 2005: OECD SOCIAL INDICATORS 53 (2005).

most notably afflicts the child population of New Zealand.¹³ There is a general consensus that an income level set to 60% of median household disposable income after housing costs is a reasonable level of income to protect people from the worst effects of poverty;¹⁴ therefore, anyone sitting below this level of income after housing costs lives in relative poverty. In accordance with this definition, New Zealand self-reports that almost one-quarter of all children in the country live in relative poverty.¹⁵

Even if relative poverty is not equivalent to absolute poverty, which can be defined by reference to a specific income level,¹⁶ the true “cost” of relative poverty is no less important than the cost of absolute poverty. As one New Zealand academic writes, “The costs of income inequality are clear: they are measured in the diseased lungs of children, in the lives wasted behind bars, in the stress and despair of those battling mental illness, and even in the gated communities sheltering the rich.”¹⁷ Even more concerning is that the effects of poverty are cumulative, and the “1 in 4 children” statistic has been around for almost thirty years.¹⁸ New Zealand’s statistics in this area have also garnered international attention. The OECD’s 2005 “Society at a Glance” report singled out New Zealand’s poor statistics on child poverty and noted that, while countries with higher poverty rates for the entire population generally do have a higher poverty rate among children, “the difference between the two is especially large in New Zealand, the United States and the United Kingdom.”¹⁹ As a high-

¹³ See David Haigh, *Poverty in New Zealand*, 4 WHANAKE: PAC. J. CMTY. DEV. 102, 103–04 (2018).

¹⁴ *Facts About Poverty in New Zealand*, N.Z. COUNCIL OF CHRISTIAN SOC. SERV. (Apr. 25, 2020, 4:48 PM), <https://nzccss.org.nz/work/poverty/facts-about-poverty/> [<https://perma.cc/TM4Y-23Q6>].

¹⁵ BRYCE WILKINSON & JENESA JERAM, POORLY UNDERSTOOD: THE STATE OF POVERTY IN NEW ZEALAND, 11 (2016).

¹⁶ Absolute or “extreme” poverty has been defined by the World Bank as a person living on less than US \$1.90 a day. See WORLD BANK, POVERTY AND SHARED PROSPERITY 2018: PIECING TOGETHER THE POVERTY PUZZLE 1 (2018). See also Amy Frykholm, *Ending Extreme Poverty: Economist Ana Revenga*, THE CHRISTIAN CENTURY (June 2, 2016), <https://www.christiancentury.org/article/2016-05/ending-extreme-poverty> [<https://perma.cc/JV6P-RMEE>].

¹⁷ INEQUALITY: A NEW ZEALAND CRISIS 167 (Max Rashbrooke ed., 2013).

¹⁸ Susan St John & Jeni Cartwright, *Get Our Children Out of Poverty*, 237 TUI MOTU MAG. 10 (2019).

¹⁹ OECD, *supra* note 12, at 56.

income democratic country, how did New Zealand reach these incriminating numbers? The answer lies in its unique colonial history.

B. A Historical Analysis of Poverty in New Zealand

By global standards, New Zealand is a relatively young country. Although the indigenous Māori population has been present in the country since the early fourteenth century,²⁰ New Zealand was colonized by England and entered a new age as a Western democracy in 1840,²¹ before gaining statutory independence in 1947.²² Initially, New Zealand's economic and social policies were nothing short of egalitarian by world standards and, after landmark social welfare reforms by the government in the early twentieth century, the country "was said to be leading the world in creating a 'modern, inclusivist liberal democracy.'"²³ New Zealand also prospered by being insulated from the rest of the world and engaging in a successful produce export trade with Britain.²⁴ However, one historian characterized New Zealand's boastful, early, low levels of poverty as having "an element of mythology,"²⁵ not least of all because, even from the outset, some of the "equal" wealth division among New Zealanders was at the expense of the Māori population through "land grabs."²⁶

Regardless, the achievement of normalized economic equality did not last. In the 1970s, New Zealand's economy began to lag, as globalization made New Zealand's insular economy a thing of the past, and the effects of international oil shortages and high inflation took

²⁰ Richard Walters et al., *Mass Migration and the Polynesian Settlement of New Zealand*, 30(4) J. WORLD PREHISTORY 351, 360 (2017).

²¹ Ministry for Culture and Heritage, *Crown Colony Era*, HISTORY OF THE GOVERNOR-GEN., <https://nzhistory.govt.nz/politics/history-of-the-governor-general/crown-colony-era> (last updated July 14, 2014).

²² John Wilson, *Nation and Government*, TE ARA – THE ENCYCLOPEDIA OF N.Z., <https://teara.govt.nz/en/nation-and-government/page-2> [<https://perma.cc/SCM5-2GHK>] (last updated Sep. 16, 2016).

²³ INEQUALITY: A NEW ZEALAND CRISIS, *supra* note 17, at 25.

²⁴ *Id.* at 27. Tim Shoebridge & Gavin McLean, *Feeding Britain*, MINISTRY FOR CULTURE AND HERITAGE (May 4, 2016), <https://nzhistory.govt.nz/war/public-service-at-war/feeding-britain> [<https://perma.cc/4WB2-RHLJ>].

²⁵ O'BRIEN, *supra* note 5, at 4.

²⁶ This and other discrimination against the Māori population caused economic harms that echoed into the twenty-first century. See INEQUALITY: A NEW ZEALAND CRISIS, *supra* note 17, at 25.

their toll.²⁷ Concurrently, unemployment began to rise,²⁸ and the 1980s and 1990s were a time of notably low wage growth.²⁹ Although New Zealand had pioneered the establishment of a comprehensive welfare state by providing generous social assistance for all families with children,³⁰ in an example of poor planning, New Zealand dismantled its robust welfare system at the same time that unemployment began to grow.³¹ Significant poverty eventuated,³² which had a disproportionate effect on both children and marginalized groups, such as the Māori and Pacific Islanders.³³

The collapse of income equality and a healthy welfare system across the last two decades of the twentieth century, and the extremes of poverty (and especially, child poverty) that eventuated, are problems that successive New Zealand governments have grappled with but have been unable or unwilling to resolve. While in 2018 former Prime Minister Bill English touted his party's record on child poverty,³⁴ when he previously served as Finance Minister he stated that he was "comfortable" with the level of income inequality in New Zealand and raised doubts about whether the government could even combat the high levels of entrenched poverty, suggesting it did not "have the levers."³⁵ Irrespective of the excuses for relative inaction by governments, the extremes of wealth and poverty and the issue of child poverty have festered to the point where the proportion of children living in deepest poverty has not decreased over the past ten years.³⁶

²⁷ See *id.* at 26.

²⁸ BRAD PATTERSON & KATHRYN PATTERSON, *NEW ZEALAND: WORLD BIBLIOGRAPHICAL SERIES*, VOLUME 18, at liii (1998).

²⁹ Emma Davies et al., *Preventing Child Poverty: Barriers and Solutions*, 39(2) N.Z. J. PSYCH. 20, 21 (2010).

³⁰ JONATHON BOSTON & SIMON CHAPPLE, *CHILD POVERTY IN NEW ZEALAND*, at viii (2014).

³¹ ANGELINE BARRETTA-HERMAN, *WELFARE STATE TO WELFARE SOCIETY: RESTRUCTURING NEW ZEALAND'S SOCIAL SERVICES*, at xvi (1994).

³² BOSTON & CHAPPLE, *supra* note 30, at viii.

³³ ANDREW BECROFT ET AL., *THE BIG QUESTIONS: WHAT IS NEW ZEALAND'S FUTURE?* 113 (2018).

³⁴ *Govt Poverty Target 'Makes No Sense' - Bill English*, NEWSHUB (Jan. 30, 2018), <https://www.newshub.co.nz/home/politics/2018/01/govt-poverty-target-makes-no-sense-bill-english.html> [<https://perma.cc/V7TP-PLYN>].

³⁵ INEQUALITY: A NEW ZEALAND CRISIS, *supra* note 17, at 34.

³⁶ RONJI TANIELU ET AL., *STATE OF THE NATION REPORT 2020*, THE SALVATION ARMY 8 (2020). See also INEQUALITY: A NEW ZEALAND CRISIS, *supra* note 17, at 25.

C. Addressing Poverty in New Zealand

Now that the prevalence of child poverty in New Zealand has been established, this Article next examines New Zealand's attempts to address this problem. The government, nonprofits, social workers, and think tanks have proposed various strategies and policies over the years, from "a more comprehensive and effective indexation regime [for social assistance]"³⁷ to simply increasing welfare assistance.³⁸ Hypothetical strategies materialized into actions when Jacinda Ardern took power as Prime Minister of the country in 2017.³⁹ One of Ardern's election platforms was the promise to alleviate child poverty⁴⁰ and, once in office, Ardern personally appointed herself Minister for Child Poverty Reduction. New Zealand also committed to the United Nations' Sustainable Development Goal target of reducing all indicators of income poverty by 50% by 2030.⁴¹ Perhaps due to numerous, pressing issues that have plagued the later stages of Ardern's first term in power,⁴² the goal of reducing child poverty has been somewhat neglected, and certainly has not been addressed in the meaningful ways the Prime Minister probably envisioned. As recently as February of this year, two and a half years into the Prime Minister's three-year term, the Salvation Army declared in its "State of the Nation" report that it does not see the change required to deal with "normalized, entrenched inequality and poverty in New Zealand."⁴³

³⁷ Jonathon Boston, *Redesigning the Welfare State: Rethinking the Indexation of Cash and Non-cash Assistance*, 15(1) *POVERTY Q.* 1, 4 (2019).

³⁸ Charlotte Graham-McLay, *Poverty 'Entrenched' in New Zealand Despite Progress on Social Issues - Report*, *THE GUARDIAN* (Feb. 12, 2020), <https://www.theguardian.com/world/2020/feb/12/poverty-entrenched-in-new-zealand-despite-progress-on-social-issues-report> [<https://perma.cc/CX3F-GQ5H>].

³⁹ Jacinda Ardern's Labour Party promised that, if elected, they would lift 100,000 children out of poverty. *See Labour Would Lift 100,000 Children Out of Poverty by 2020 - Ardern*, RNZ (Sept. 5, 2017, 1:22 PM), <https://www.rnz.co.nz/news/political/338701/labour-would-lift-100-000-children-out-of-poverty-by-2020-ardern> [<https://perma.cc/3TDW-KXX5>].

⁴⁰ *Freedom in the World 2018: New Zealand*, FREEDOM HOUSE (Apr. 26, 2020, 11:31 AM), <https://freedomhouse.org/country/new-zealand/freedom-world/2018> [<https://perma.cc/74KD-RAA9>].

⁴¹ MAVIS DUNCANSON ET AL., *CHILD POVERTY MONITOR: TECHNICAL REPORT 2017*, at 3 (2017).

⁴² Such issues include a terrorist attack on a Christchurch mosque, the eruption of a live volcano resulting in loss of life from a tourist boat expedition, and the COVID-19 pandemic.

⁴³ TANIÉLU ET AL., *supra* note 36, at 3.

Nonetheless, the government did take one notable step to directly address child poverty: it introduced the Child Poverty Reduction Act 2018. The Act was commended by commentators and academics alike, and received near universal support when it passed Parliament.⁴⁴ Before any critique is proffered, it is important to consider the contents and language of the Act itself.

II

THE CHILD POVERTY REDUCTION ACT

A. History and Language of the Act

The bill for the Child Poverty Reduction Act was first introduced into Parliament on January 31, 2018.⁴⁵ It was the product of a long public consultation and inquiry period, in which numerous nonprofit organizations, charities, and religious institutions sent in submissions outlining the issues they faced and what they believed the bill needed to address in order to achieve change.⁴⁶ A committee then determined the best language for the bill.⁴⁷ When outlining the contents of the bill in Parliament, Prime Minister Ardern stated that “the essence of this bill is to build enduring political accountability, consensus, and action on reducing child poverty. It provides a framework for measuring and targeting child poverty, and it creates a commitment to action on the part of the Government to address the well-being of all [children].”⁴⁸ The bill passed through Parliament and received royal assent on December 20, 2018.⁴⁹ The introduction of the Act was met with apprehensive but genuine support from local organizations and nongovernmental organizations.⁵⁰

⁴⁴ (18 December 2018) 735 NZPD 9035–58.

⁴⁵ *Id.* at 21.

⁴⁶ For the Child Poverty Reduction Act’s complete submissions and advice history, see *Child Poverty Reduction Bill*, N.Z. PARLIAMENT (Dec. 7, 2020, 8:46 PM), https://www.parliament.nz/en/pb/bills-and-laws/bills-proposed-laws/document/BILL_76267/tab/submissionsandadvice.

⁴⁷ (27 November 2018) 735 NZPD 8252–68.

⁴⁸ (31 October 2018) 734 NZPD 7885.

⁴⁹ *Child Poverty Reduction Bill*, N.Z. PARLIAMENT (Apr. 26, 2020, 10:18 AM), https://www.parliament.nz/en/pb/bills-and-laws/bills-proposed-laws/document/BILL_76267/child-poverty-reduction-bill.

⁵⁰ After describing the troubling level of child poverty in the country, an article in *New Zealand Social Work* explains that the “Child Poverty Reduction Bill” (as it was then titled) “may yet reduce poverty-related demand [for social services].” See Emily Keddell, *Harm*,

The Act is structured almost like a checklist: it sets out the various obligations placed upon the New Zealand government to account for child poverty. The Act also outlines agreed-upon child poverty indicators⁵¹ before introducing target setting, requiring reports be furnished, and stipulating child poverty be considered in the annual national budget.⁵² These are the alleged accountability tools that reflect Ardern's promise to create a commitment to action on the part of the Government through a system largely concerning self-reporting on self-defined targets.⁵³ Officially, the Act primarily requires the government undertake three tasks: to report annually on a set of measures of child poverty,⁵⁴ set three-year and ten-year targets for each of the four defined primary measures of poverty, and report their progress to Parliament.⁵⁵ The government immediately released its three-year and ten-year targets, which were as follows:

Three year intermediate targets:

- low income households on the *before housing costs* primary measure from 16 percent of children to 10 percent—a reduction of around 70,000 children.
- low income households on the *after housing costs* primary measure from 23 percent of children to 19 percent—a reduction of around 40,000 children.

Care and Babies: An Inequalities and Policy Discourse Perspective on Recent Child Protection Trends in Aotearoa New Zealand, 31 AOTEAROA N.Z. SOC. WORK, no. 4, 2019, at 18, 32.

⁵¹ The poverty indicators are as follows: low income before housing costs (below 50% of median income, moving line); low income after housing costs (below 50% of median income, fixed line); a measure of material hardship (reflecting the proportion of children living in households with hardship rates below a standard threshold); and a measure of poverty persistence (currently being developed, reflecting the proportion of children living in households experiencing poverty over several years, based on at least one of the measures above).

⁵² Child Poverty Reduction Act 2018, s 30 (N.Z.). See also Phil Mercer, *How New Zealand Is Trying to Take on Child Poverty*, BBC NEWS (Oct. 16, 2018), <https://www.bbc.com/news/world-asia-45819681> [<https://perma.cc/4AGK-4MXT>].

⁵³ See *supra* text accompanying note 39.

⁵⁴ Child Poverty Reduction Act 2018, s 30 (N.Z.).

⁵⁵ Child Poverty Reduction Act 2018, s 21 (N.Z.). See also Michael Fletcher, *New Zealand's Dismal Record on Child Poverty*, THE CONVERSATION (Apr. 26, 2019, 9:13 PM), <https://theconversation.com/new-zealands-dismal-record-on-child-poverty-and-the-governments-challenge-to-turn-it-around-115366> [<https://perma.cc/BD9N-3V8R>].

- material hardship from 13 percent to 10 percent—a reduction of around 30,000 children.⁵⁶

Ten year longer term targets:

- low income households on the before housing costs primary measure from 16 percent of children to 5 percent—a reduction of around 120,000 children.
- low income households on the after housing costs primary measure from 23 percent of children to 10 percent—a reduction of around 130,000 children.
- material hardship from 13 percent of children to 6 percent—a reduction of around 80,000 children.⁵⁷

B. The Promise of Greatness and the Failure to Realize It

Jacinda Ardern herself noted that the Act was intended to be an instrument for change and not necessarily the change itself, stating “the bill in and of itself does not contain the measures that reduce child poverty,” but instead the Bill creates “the impetus, the transparency, and the accountability mechanisms to make sure that successive Governments put this issue at the heart of their policy making . . . it’s a piece of infrastructure.”⁵⁸ Additionally, the government’s primer for the legislation states the purpose of the Act is to “*encourage* a Government focus on child poverty reduction.”⁵⁹ At face value, the Act still appears to be a sound instrument for effecting change through heightened scrutiny of government activity. However, as one academic notes, “by any standards, this child poverty reduction target is ambitious. In order to achieve it, the incomes of the country’s poorest families will need to be raised to median disposable household incomes.”⁶⁰

⁵⁶ *Child Poverty Measures, Targets and Indicators*, DEP’T OF PRIME MINISTER AND CABINET, (Mar. 26, 2020), <https://dpmc.govt.nz/our-programmes/reducing-child-poverty/child-poverty-measures-targets-and-indicators> [<https://perma.cc/6M7R-SJ97>].

⁵⁷ *Id.*

⁵⁸ (27 November 2018) 735 NZPD 8252.

⁵⁹ *Child Poverty Reduction and Wellbeing Legislation*, DEP’T OF THE PRIME MINISTER & CABINET (emphasis added), <https://dpmc.govt.nz/our-programmes/reducing-child-poverty/child-poverty-reduction-and-wellbeing-legislation> (Mar. 26, 2020).

⁶⁰ Boston, *supra* note 37, at 6. See also Michael Fletcher, *Towards Wellbeing? Developments in Social Legislation and Policy in New Zealand*, MAX PLANCK INST. FOR SOC. L. & SOC. POL’Y: SOC. L. REPORTS 02/2019 9 (2019).

Although the Act was supposed to be a tool to encourage change, seemingly no politician or executive officer was sufficiently encouraged to meet the government's ambitious targets because two and a half years later, New Zealand's child poverty numbers "haven't budged."⁶¹ A *Guardian* headline in December 2019 used even plainer language to frame the disappointment: "Ardern government fails to reduce child poverty in New Zealand."⁶² The three-year and ten-year nature of the goal-setting aspect of the Act will inevitably induce the response that the government simply needs more time to realize its ambitious targets, but as the deadline for the 2021 goal approaches, it is not just a case of the child poverty numbers stagnating: they have gotten worse.⁶³ Therefore, a strong argument exists that Ardern's treasured experimental piece of legislation simply does not work. Overly ambitious targets aside, the true foil of the government's novel legislative agenda is that its efficacy relies on the government's branches, be they legislative or executive, adhering to the reporting requirements and meeting their ambitious goals. But should these government branches fail (and it appears that, at least in the short term, they will fail), what are the consequences? Such a question logically leads to the next: if there are no real consequences, then what was the point of introducing this ambitious Act in the first place?

This is, of course, not the first time a democratic government has made a promise it failed to keep. In fact, this is not even the first time the Ardern government has been unsuccessful in adhering to its own targets. One of the Ardern government's other signature policies was KiwiBuild, the plan to construct 100,000 affordable houses within the

⁶¹ DEP'T OF THE PRIME MINISTER & CABINET, *supra* note 56; Belinda Luscombe, *A Year After Christchurch, Jacinda Ardern Has the World's Attention. How Will She Use It?*, TIME (Feb. 20, 2020, 6:47 AM), <https://time.com/5787443/jacinda-ardern-christchurch-new-zealand-anniversary/> [<https://perma.cc/J8XJ-LPNG>].

⁶² Eleanor Ainge Roy, *Ardern Government Fails to Reduce Child Poverty in New Zealand*, THE GUARDIAN (Dec. 9, 2019, 9:36 PM), <https://www.theguardian.com/world/2019/dec/09/ardern-government-fails-to-reduce-child-poverty-in-new-zealand> [<https://perma.cc/D6YM-EGEM>].

⁶³ Statistical data show that, in the first financial year following the introduction of the Child Poverty Reduction Act, the rate of low-income families declined, but not to a level that was statistically significant. Material hardship levels remained the same, and rates of hardship for Māori and Pacific people are higher. See Child Poverty Statistics: Year Ended June 2019, STATS NZ (Feb. 24, 2020, 1:45 PM), <https://www.stats.govt.nz/information-releases/child-poverty-statistics-year-ended-june-2019> [<https://perma.cc/SZX4-HM34>].

decade.⁶⁴ Launched in July 2018, only forty-seven homes were built within the first six months, causing the government to retract its ambitious policy.⁶⁵ While amending the KiwiBuild scheme, Housing Minister Megan Woods stated it was “overly ambitious” and said that when policies do not work the government was “honest about that and [would] fix them.”⁶⁶ The difference, therefore, between KiwiBuild and, one could say, the equivalent failure of the targets set by the Act, was the government’s acknowledgment of KiwiBuild’s failure and the consequences for those involved: the head of the KiwiBuild program resigned six months into the role,⁶⁷ and the Prime Minister stripped the then Housing and Urban Development Minister, Phil Twyford, of his cabinet portfolio.⁶⁸ Meanwhile, the Child Poverty Reduction Act 2018, a piece of legislation heralded as the bedrock of political accountability in the area of child poverty reduction, is silent on what consequences the government faces should it fail to deliver.

Consequently, the expected inability to meet any of the three-year intermediate targets set under the Act is not the real issue. Rather, the Act’s silence regarding consequences the government faces should it fail to deliver is the issue. While it may be difficult to codify self-accountability, the New Zealand government, in openly claiming the Act’s use as a tool of political accountability, has found itself with yet another empty promise. The Act will therefore become a case study to

⁶⁴ Ben McKay, *We Are Changing It’: New Zealand Backflips on 100,000 Affordable Home Pledge*, THE SYDNEY MORNING HERALD (Sept. 4, 2019, 1:26 PM), <https://www.smh.com.au/world/oceania/we-are-changing-it-new-zealand-backflips-on-100-000-affordable-home-pledge-20190904-p52nw1.html> [<https://perma.cc/MAG9-9EZ3>].

⁶⁵ Eleanor Ainge Roy, *New Zealand Housing Crisis: Just 47 ‘Affordable’ Homes Built in Six Months*, THE GUARDIAN (Jan. 27, 2019, 10:00 PM), <https://www.theguardian.com/world/2019/jan/28/new-zealand-housing-crisis-just-47-affordable-homes-built-in-six-months> [<https://perma.cc/TK9Q-YQGM>]. See also AAP, *Ardern Scraps 100,000 Affordable Homes Plan*, THE AUSTRALIAN (Sept. 4, 2019, 10:34 PM), <https://www.theaustralian.com.au/world/ardern-scraps-100000-affordable-homes-plan/news-story/c2f44766184ab9cee8f4417c16605f35>.

⁶⁶ Jason Walls, *KiwiBuild Reset: Government Axes Its 100,000 Homes over 10 Years Target*, N.Z. HERALD (Sept. 4, 2019, 1:00 PM), https://www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=12264757 [<https://perma.cc/KR6X-KJQC>].

⁶⁷ Zane Small, *Labour’s Flagship Policy: Where Did KiwiBuild Go Wrong?*, NEWSHUB (Sept. 4, 2019), <https://www.newshub.co.nz/home/politics/2019/09/labour-s-flagship-policy-where-did-kiwibuild-go-wrong.html> [<https://perma.cc/Y3S2-WCLW>].

⁶⁸ Henry Cook, *PM Takes Housing Off Phil Twyford in First Major Reshuffle*, STUFF (June 27, 2019, 3:50 PM), <https://www.stuff.co.nz/national/politics/113821469/pm-takes-housing-off-phil-twyford-in-first-major-reshuffle> [<https://perma.cc/4Z62-X6CG>].

examine the role of government accountability in improving poverty levels generally. To highlight the importance of practical political accountability and its application by domestic governments, examining government accountability and the critical role consequences play in attaining effective accountability remains important.

III

POLITICAL ACCOUNTABILITY AND EFFECTING CHANGE

The successful realization of accountability is an issue that plagues poverty-alleviating programs. The World Bank has often reported on the significance of accountability and analyzed a range of mechanisms that can be used to achieve optimal accountability.⁶⁹ This is particularly important when governments manage public money, as a government must be transparent both because the public has a right to information and because the risk of corruption is endemic. The New Zealand government certainly acknowledged the importance of accountability throughout the stages of crafting and finalizing the Act. During a committee hearing regarding the proposed Child Poverty Reduction Bill, Prime Minister Ardern stated that the Bill “facilitates” political accountability.⁷⁰ Later, when introducing the Bill to parliament, she made a similar pitch, saying the “essence” of the Bill was, among other things, to “[build] enduring political accountability.”⁷¹ Priyanca Radhakrishnan, the Parliamentary Private Secretary for Ethnic Affairs, echoed this sentiment, claiming that “at the heart of this bill . . . is political accountability.”⁷² Even the Act itself refers to the concept in Section 3, titled “Purpose of the Act:”

The purpose of this Act is to help achieve a significant and sustained reduction in child poverty in New Zealand by provisions that—

- (a) encourage a focus by government and society on child poverty reduction:

⁶⁹ E.g., Stefano Migliorisi & Clay Wescott, *A Review of World Bank Support for Accountability Institutions in the Context of Governance and Anticorruption* (Indep. Evaluation Grp., Working Paper No. 5, 2011).

⁷⁰ (27 November 2018) 735 NZPD 8252.

⁷¹ (31 October 2018) 734 NZPD 7885.

⁷² (31 October 2018) 734 NZPD 7890.

- (b) *facilitate political accountability against published targets:*
- (c) require transparent reporting on levels of child poverty.⁷³

Therefore, it is clear the New Zealand government would agree with the World Bank about the importance of accountability. The importance of accountability and the need for governments to implement it, however, does not mean accountability is not “an elusive concept”⁷⁴ that is difficult to define and contextualize. According to the Cambridge Dictionary, accountability is “the fact of being responsible for what you do and [being] able to give a satisfactory reason for it, or the degree to which this happens.”⁷⁵ In terms of practical accountability, this is having “to answer for one’s action or inaction, and depending on the answer, to be exposed to potential sanctions, both positive and negative.”⁷⁶ Similarly, the World Bank states that accountability means “the obligation to give an account of one’s action to particular individuals, groups, or organizations.”⁷⁷ In terms of *political* accountability, this is said to be the accountability of governments. Specifically, representative democracies are “accountable” if their citizens can discern representative from unrepresentative governments and can sanction unrepresentative governments appropriately.⁷⁸ The World Bank has notably commented that political accountability is a citizen’s right, but it is also a citizen’s duty to demand it.⁷⁹

⁷³ Child Poverty Reduction Act 2018, s 3 (N.Z.) (emphasis added). *See also* Child Poverty Reduction Bill 2018 (14-2) (Social Services and Community Committee report) at 1 (N.Z.).

⁷⁴ Kerina Wang, *How to Make Sense of Government Accountability*, WORLD BANK BLOGS: GOVERNANCE FOR DEVELOPMENT (Jan. 21, 2015), <https://blogs.worldbank.org/governance/how-make-sense-government-accountability> [<https://perma.cc/AV3Y-ZFEY>].

⁷⁵ *Accountability*, CAMBRIDGE DICTIONARY (2020).

⁷⁶ Ronald J. Oakerson, *Governance Structures for Enhancing Accountability and Responsiveness*, in HANDBOOK OF PUBLIC ADMINISTRATION 114, 114 (James L. Perry ed., 1989).

⁷⁷ Wang, *supra* note 74.

⁷⁸ DEMOCRACY, ACCOUNTABILITY AND REPRESENTATION 10 (Adam Przeworski et al. eds., 1999).

⁷⁹ Idah Pswarayi-Riddihough, World Bank Country Dir. for Sri Lanka & the Maldives, *Transparency and Public Accountability Is at the Core of Good Corporate Governance*, (Apr. 10, 2018), <https://www.worldbank.org/en/news/speech/2018/04/10/keynote-address-transparency-public-accountability-the-core-good-corporate-governance> [<https://perma.cc/U4TY-Y7Z7>].

From these various definitions arises a commonality: all satisfactory definitions of accountability include, explicitly or implicitly, two essential features: information and sanctions.⁸⁰ The New Zealand government has already satisfied the information feature of this test by providing their constituents with information on child poverty in the form of yearly reports, recognizing the need to ease child poverty in all government budgets, and publishing the government's three-year and ten-year goals.⁸¹ The missing piece, therefore, is sanctions. If government accountability were as simple as threatening sanctions, however, then the World Bank would not expend so much time and energy on the issue. The problem with sanctions lies in the execution: when a government fails to act, who sanctions it and how?

A. The Need for Sanctions and Issues in Applying Them

The question of how to hold governments to account has a long history. Once an issue largely concerning the proper management of money, accountability has evolved to the broader concept of good governance. In the 1940s, political scientists Carl Friedrich and Herman Finer famously engaged in a debate concerning the best method of political accountability.⁸² Finer believed that accountability was guaranteed by maintaining external constraints (i.e., the government is answerable to oversight commissions or the judiciary), whereas Friedrich argued that self-control is possible, provided there is an agreed-upon set of internal norms and values.⁸³ Ultimately, contemporary discourse reaches a general consensus regarding the idea of “answerability” in political accountability, which concludes that aspects of both Finer’s and Friedrich’s arguments are true. Contemporary discourse’s general consensus states the *pre factum* rules of control by which the government must abide are as important as the consequences for the violation of the rules.⁸⁴

⁸⁰ Robert O. Keohane, *The Concept of Accountability in World Politics and the Use of Force*, 24 MICH. J. INT’L L. 1121, 1124 (2003).

⁸¹ *Child Poverty Measures, Targets and Indicators*, DEP’T OF THE PRIME MINISTER & CABINET, <https://dpmc.govt.nz/our-programmes/reducing-child-poverty/child-poverty-measures-targets-and-indicators> [<https://perma.cc/V6ME-ECSS>] (July 2, 2020).

⁸² Tom Willems & Wouter Van Dooren, *Coming to Terms with Accountability*, 14 PUB. MGMT. REV. 1012, 1013 (2012).

⁸³ *Id.*

⁸⁴ Roy Heidelberg, *Political Accountability and Spaces of Contestation*, 49(10) ADMIN. & SOC’Y 1379, 1383 (2017).

We now turn to the New Zealand government. The “consequence” the New Zealand government undoubtedly had in mind in the instance they did not fulfill their promise was the condemnation of their constituents, also known as “electoral accountability” or “vertical accountability.”⁸⁵ In democracies such as New Zealand’s, politicians are elected based on the determination of their electorates. Since they typically seek reelection, or election to a higher office, the potential “sanction” of being removed from office is said to be a “powerful inducement” for politicians to “explain their actions to electorates and serve in their electorates’ interests.”⁸⁶ Politicians additionally face criticism from those who may run in opposition to them, and they are held accountable through critical debate and scrutiny in the public forum.⁸⁷ Nevertheless, some recent work suggests that, even in democracies, retrospective electoral accountability is not as powerful a sanction as conventionally thought. One author writes that “contemporary analyses of accountability, both academic and political, tend to be rather pessimistic. They generally contend that the central idea of ministerial responsibility has eroded and that the once solid democratic pyramidal chain of delegation is broken; as a result, ‘accountability gaps’ and ‘democratic deficits’ are identified.”⁸⁸

In the case of the Child Poverty Reduction Act and the New Zealand government’s failure to adhere to its self-stipulated goals with seemingly little or no consequence, the theory of “accountability gaps” and “democratic deficits” holds true. Of course, the voters had the opportunity to vote out the Ardern government in the October 2020 national election, but instead retained the government in a landslide victory.⁸⁹ Retaining the Ardern government, in spite of its failure to adhere to its own promise to alleviate child poverty, touches on research on corruption and voting that shows that citizens sometimes

⁸⁵ John Joseph, *Accountability in Governance*, THE WORLD BANK (Apr. 27, 2020, 9:37 PM), <https://siteresources.worldbank.org/PUBLICSECTORANDGOVERNANCE/Resources/AccountabilityGovernance.pdf> [<https://perma.cc/9DGB-7SUE>].

⁸⁶ Keohane, *supra* note 80, at 1131.

⁸⁷ Willems & Van Dooren, *supra* note 82, at 1019.

⁸⁸ *Id.* at 1012.

⁸⁹ The election, which was postponed until October 17, 2020, due to COVID-19, was won by Prime Minister Ardern’s Labor Party in a “landslide” victory. See *New Zealand Election: Jacinda Ardern’s Labor Party Scores Landslide Win*, BBC News (2020), <https://www.bbc.com/news/world-asia-54519628> (last visited Dec 7, 2020).

fail to punish corrupt regimes through elections.⁹⁰ While no allegation exists that the New Zealand government is in any way corrupt, this research echoes the idea of “accountability gaps” and raises the question whether a vote every three to five years as the ultimate accountability method is an accountability method that will fall short of its intended purpose. At the very least, waiting for an election removes any sense of immediacy for political accountability.

Another sanctioning option is accountability through scrutiny by Parliamentary opposition parties. Bill English, former Prime Minister and member of the opposition, promptly criticized the government before the introduction of the Act, saying that the Ardern government’s policy of reporting and targets “made no sense,” and that the government did not have the means to measure progress. He also remarked that the Ardern government should be better held to account for “spending our money to change lives.”⁹¹ He then promised that the National Party would hold the Ardern government accountable if the government did not do that itself.⁹² In addition to playing an important role in questioning policies and providing a voice of dissent, Mr. English hinted at a valid measure of accountability that the New Zealand government has not tried. Ultimately, this measure of accountability could have kept the government in check, and ultimately, could have helped the Act succeed. This referenced measure is horizontal accountability.

B. Horizontal Accountability

Horizontal accountability consists of “formal relationships within the state itself” whereby other state actors have the formal authority to investigate branches or sections of the government and demand explanations or impose penalties.⁹³ Typical institutions of horizontal accountability include legislative committees, oversight agencies, ombudsmen, and prosecutors, all of whom demand information, question officials, and, possibly, punish improper behavior.⁹⁴ Such a style of accountability “not only embraces internal and external

⁹⁰ Anna Lührmann et al., *Constraining Governments: New Indices of Vertical, Horizontal, and Diagonal Accountability*, 114 AM. POL. SCI. REV. 811, 817 (2020).

⁹¹ *Govt Poverty Target ‘Makes No Sense’ – Bill English*, *supra* note 34.

⁹² *Id.*

⁹³ ANNE MARIE GOETZ & ROB JENKINS, *REINVENTING ACCOUNTABILITY: MAKING DEMOCRACY WORK FOR HUMAN DEVELOPMENT* 11 (2005).

⁹⁴ See Lührmann et al., *supra* note 90, at 813.

constituencies and mechanisms, but also embraces different functions such as monitoring, evaluation, and review.”⁹⁵ Therefore, given the failure of an equally ambitious policy (KiwiBuild) that had a much more definitive goal, the New Zealand government should have established a Child Poverty Reduction Committee or appointed a Child Poverty Reduction Ombudsman as part of the Child Poverty Reduction Act. The role of either a Committee or an Ombudsman would have been to periodically review the government’s progress, question both executive public servants and politicians as to the advancement toward the state’s three-year and ten-year goals, and ultimately recommend appropriate sanctions for any unsuitable or inadequate work to the Prime Minister.

Even if horizontal accountability mechanisms were implemented, a successful marriage of information and sanctions may still not even be possible when dealing with the unwieldy beast that is alleviating poverty. With goalposts constantly shifting and the demographic and population makeup of any one society constantly changing, it is easy to see why previous New Zealand governments balked at the idea of tackling child poverty. Now New Zealand has a government that has tried and fallen at the first hurdle. Is the solution amending the Act and stipulating consequences for the government if it fails to meet its own targets, such as the redistribution of budget money or extra parliamentary sitting days to resolve problems? Or should an entirely different approach be taken?

In order to make an informed suggestion, a different poverty reduction method from a different country needs to be examined. In this instance, this Article will consider Brazil’s more successful Bolsa Família program.

IV

BY WAY OF COMPARISON: BRAZIL’S BOLSA FAMÍLIA PROGRAM

Due to what the World Bank once labelled “non-inclusive growth models” and “regressive social policy,” Brazil was plagued by inequality for many years.⁹⁶ In 2003, following years of unprecedented

⁹⁵ MEREDITH EDWARDS ET AL., PUBLIC SECTOR GOVERNANCE IN AUSTRALIA 19 (2012).

⁹⁶ Deborah Wetzel & Valor Econômico, Opinion, *Bolsa Família: Brazil’s Quiet Revolution*, THE WORLD BANK (Nov. 4, 2013), <https://www.worldbank.org/en/news/opinion/2013/11/04/bolsa-familia-Brazil-quiet-revolution> [<https://perma.cc/P3XB-XKXP>].

levels of poverty, the Brazilian government introduced a social welfare program that few countries would have ever considered: a program directly offering a stipend to the poor with few questions asked.⁹⁷ At its inception, the program had many detractors, with concerns ranging from whether the money would actually be spent responsibly to whether the program would even lift families out of poverty.⁹⁸ Interestingly, however, when writing about the poverty problem in New Zealand and considering options for change, social welfare researcher David Haigh determined that successful overseas strategies to reduce child poverty generally involved increased cash transfers to families, both working and nonworking.⁹⁹ Haigh pointed to other academics that have noted the best way to ensure that children thrive is to provide their families with sufficient income so that they can make their own choices.¹⁰⁰ The program in Brazil, christened Bolsa Família, did just that.

President Lula introduced the Bolsa Família program and its radical but “powerfully simple” concept.¹⁰¹ The concept entrusted the poor with cash transfers.¹⁰² The concept also conditioned continued receipt of cash transfers on recipients keeping their children in school and continuing to have their children attend health care visits.¹⁰³ The program was created in October of 2003, following the merger of four existing cash transfer programs.¹⁰⁴ It was officially incorporated into Law No. 10.836 on January 9, 2004, with the proclamation: “the Bolsa Família Program is created, within the scope of the Presidency of the Republic, for income transfer actions with conditionalities.”¹⁰⁵ The law contains sanctions for public servants who are in charge of maintaining the register of cash transfers who commit an infraction, stipulating

⁹⁷ See CHRISTIAN VAN STOLK & SUNIL PATIL, UNDERSTANDING THE FACTORS THAT MATTER IN THE IMPLEMENTATION OF BOLSA FAMÍLIA 1 (2015), https://www.rand.org/pubs/research_reports/RR705.html [<https://perma.cc/GYK2-99HC>].

⁹⁸ *See id.*

⁹⁹ Haigh, *supra* note 13, at 109.

¹⁰⁰ *Id.* at 108–09.

¹⁰¹ Wetzel & Econômico, *supra* note 96.

¹⁰² *Id.*

¹⁰³ *Id.*

¹⁰⁴ Kathy Lindert et al., *The Nuts and Bolts of Brazil's Bolsa Familia Program: Implementing Conditional Transfers in a Decentralized Context* 6 (The World Bank, Working Paper No. 709, May 2007).

¹⁰⁵ Lei No. 10.836, de 9 de Janeiro de 2004, Diário Oficial da União (D.O.U.) de 9.1.2004 (Braz.).

violators must repay the embezzled amount and a fine that is “never lower than double” but never more than four times the amount embezzled.¹⁰⁶ Furthermore, any beneficiary under the program who provides false information or uses “any other illegal means” to take part in the program would be required to reimburse the amount received should they wish to remain in the program.¹⁰⁷

The Bolsa Família program was not without its own teething problems. During the first two years of the program, there were operational issues that caused the government to entirely rethink the administration of the program.¹⁰⁸ Notably, the government not only acknowledged these issues and sought to correct them but it also successfully introduced a new program while maintaining the first iteration of Bolsa Família until the changeover was complete.¹⁰⁹ Thus, the government ensured there were no interruptions in the payment of benefits for beneficiary families.¹¹⁰

Although Bolsa Família alone appears to be a monumental undertaking, Bolsa Família was only the first step in Brazil’s much more substantial plan to eradicate poverty. In 2011, the government introduced the “Brazil Without Extreme Poverty Plan,” which had the ambitious goal of moving 16.3 million Brazilians out of poverty.¹¹¹ Bolsa Família was integrated as one factor of this plan. In this way, the Brazilian government moved in the opposite direction to the New Zealand government: Brazil started with a small, clearly defined policy and then later combined several already-successful programs into a program with an ambitious goal to eradicate poverty, which made their ambitious target that much more attainable.¹¹²

In implementing Brazil’s radical program, accountability remained key. Although there were fears of corruption, Brazil’s government ensured the accountability of the program through two distinct

¹⁰⁶ *Id.*

¹⁰⁷ *Id.*

¹⁰⁸ ALINE GAZOLA HELLMANN, HOW DOES BOLSA FAMILIA WORK?: BEST PRACTICES IN THE IMPLEMENTATION OF CONDITIONAL CASH TRANSFER PROGRAMS IN LATIN AMERICA AND THE CARIBBEAN 5 (2015).

¹⁰⁹ *Id.*

¹¹⁰ *Id.*

¹¹¹ Romulo Paes-Sousa & Jeni Vaitsman, *The Zero Hunger and Brazil Without Extreme Poverty Programs: A Step Forward in Brazilian Social Protection Policy*, 19 CIENCIA & SAUDE COLETIVA 4351, 4352 (2014).

¹¹² See GAZOLA HELLMANN, *supra* note 108, at 5–6.

mechanisms: complete transparency by the government, including full disclosure of all aspects of the welfare program, and external oversight. And while neither of these methods of accountability may be identically replicated in New Zealand or offer a workable solution for New Zealand's unique piece of child-poverty-fighting legislation, there are still lessons to be learned from both.

First, the Brazilian government sought to ensure its accountability through extensive ongoing evaluations of the program. The Inter-American Development Bank reported that since the program began in 2004, there have been a total of twenty-three evaluations of the program.¹¹³ These evaluations were also made publicly available via the government's online Secretariat for Evaluation and Information Management (SAGI) portal.¹¹⁴

Second, and this is the more distinct point of difference between Brazil and New Zealand, Brazil did not "go it alone." The first phase of Bolsa Família was supported by a USD \$520 million loan from the World Bank.¹¹⁵ Later, in 2010, the World Bank approved an additional USD \$200 million loan for a second iteration of the program.¹¹⁶ Not only was this financial aid critical to the success of the program but the World Bank's financial aid also played an incredibly important role in the successful delivery of Bolsa Família in a way that New Zealand may not be able to replicate: the World Bank acted as a third-party auditor of accountability. Before even approving the loan, the World Bank conducted an extensive investigation into the program.¹¹⁷ It concluded Brazil would need to establish "a solid monitoring and evaluation system" that should include formal information mechanisms "such as surveys and audits" and "citizen oversight mechanisms."¹¹⁸ As the World Bank stated in documentation confirming the loan, a whole

¹¹³ *Id.* at 35.

¹¹⁴ *Id.*

¹¹⁵ THE WORLD BANK, REP. NO. AC720, BRAZIL – BOLSA FAMÍLIA PROJECT (ENGLISH) (2004), <http://documents.worldbank.org/curated/en/663251468235464044/Brazil-Bolsa-Familia-Project> [<https://perma.cc/A5K7-UGZX>].

¹¹⁶ THE WORLD BANK, REP. NO. 92408, LIFTING FAMILIES OUT OF POVERTY IN BRAZIL: BOLSA FAMÍLIA PROGRAM (ENGLISH) (2005), <http://documents.worldbank.org/curated/en/253131468237869685/Lifting-families-out-of-poverty-in-Brazil-Bolsa-Familia-Program> [<https://perma.cc/8KSM-RZM7>].

¹¹⁷ THE WORLD BANK, REP. NO. 28533-BR, PROJECT APPRAISAL DOCUMENT ON A PROPOSED ADAPTABLE PROGRAM LOAN IN THE AMOUNT OF US\$572.2 MILLION TO THE FEDERATIVE REPUBLIC OF BRAZIL FOR A BOLSA FAMÍLIA PROJECT 12–14 (2004).

¹¹⁸ *Id.* at 13.

component of the loaned amount (USD \$6.7 million) would be put toward a monitoring and evaluation (M&E) system for the program.¹¹⁹ The M&E system would consist of several aspects including the development of mechanisms to monitor the program and provide feedback on both the quality of service delivery and to detect problems. The M&E system included three, relevant mechanisms:

- a) inter-government processes;
- b) annual quality control reviews (including verification of health and education conditionalities, the selection of beneficiaries, and payments); and
- c) support for citizen oversight (“social control”).¹²⁰

These nuanced mechanisms of horizontal government accountability were absent from New Zealand’s Act. Such mechanisms do not require external oversight by a third party. Rather, these mechanisms require a government that is aware of its own limitations and is willing to submit to scrutiny from specialist committees to achieve compliance with its tasks and ultimately achieve its goals.

In summary, using New Zealand as a case study in this area reflects that accountability cannot just be assumed from annual reporting; it must be spelled out and constantly evaluated. Likewise, accountability is not achieved just through the publication of targeted goals; it is achieved through constant transparency and evaluations, citizen input, and internal and external reviews.

There are many reasons why New Zealand’s Child Poverty Reduction Act has been unsuccessful. However, when it comes to implementing a welfare policy such as the alleviation of child poverty, a government cannot codify its own accountability, cross its fingers, and hope for the best. Absent the presence of a well-organized, international third party monitoring the government’s success, it was incumbent upon the New Zealand government to outsource its own accountability. Moreover, the New Zealand government should have realized that without rigorous, ongoing, and independent evaluations of whether they were meeting their three-year and ten-year child poverty goals, not only would there be no government incentive to reach those goals but also there would be no punishment for their failure to do so.

¹¹⁹ THE WORLD BANK, *supra* note 115.

¹²⁰ *Id.*

CONCLUSION

The cavernous gap between a government's promise and its success is accountability, which is guaranteed by ensuring both the dissemination of information to the public and the implementation of sanctions should the government fail at its tasks. New Zealand, a democratic country, recently put government accountability to the test by attempting to codify accountability within its ambitious Child Poverty Reduction Act. With a year to go before the self-proclaimed three-year targets to alleviate child poverty fall due, the government, led by the internationally renowned Prime Minister Jacinda Ardern, looks certain to fail.

Of course, the Prime Minister and her government should be commended for taking positive steps to reduce child poverty, particularly after decades of incriminating statistics showing New Zealand's children were suffering in the grips of mass relative poverty. However, much like Ardern's plan to create 100,000 affordable houses, her government once again over-promised and under-delivered. This Article has shown that when a government attempts to reduce poverty, the government's actions must be implemented in a way that allows the government to be held accountable. Here, the New Zealand government chose to implement a piece of goal-setting legislation, which it heralded as a covenant of its accountability. As discussed in this Article, political accountability, although a cornerstone of good governance, is an elusive concept to define and enforce. This Article concludes that government accountability requires both the offer of information and the guarantee of sanctions if the government fails to deliver on its promise. New Zealand certainly provided an abundance of information on child poverty, yet there have been no sanctions for its failure to meet its own targets. Drawing on academic analyses in this area, this Article hypothesizes that instead of relying on vertical accountability as a means of checks and balances against its desired goals, the New Zealand government should have codified horizontal accountability into the Act and had its progress examined by an independent commission or ombudsman. While New Zealand's government cannot emulate Brazil's Bolsa Família program, as a new decade starts in New Zealand with child poverty rates as high as they have ever been, the government should heed the lesson of Bolsa Família regarding horizontal accountability. New Zealand should properly consider how it will deliver on its promises in the future and save its children.