November 2012

ISSN: 1649-4954

Policy Briefi

OCIAL JUSTICE IRELAN

Social Justice Ireland
Arena House
Arena Road
Sandyford
Dublin 18

Phone: 01 2130724 www.socialjustice.ie

Ireland and the Global South

here are 920m people in the Global South living on less than \$1.25 a day. In a world with resources many times what is required to eliminate global poverty this situation is intolerable

There has been some progress in Asia but the situation has changed little since the 1980s in Sub-Saharan Africa and in Lain America.

The elimination of poverty in all countries should be a global priority until it is achieved. But that's only a part of what is required.

The Millennium Development Goals (MDGs) sought to bring a range of issues to the centre of policy-making. They set goals to be achieved by 2015.

A certain amount has been achieved but nothing on the scale hoped for when these goals were first identified. As we look to the period beyond 2015 we should learn from this experience and follow a process that includes three core, interlinked elements:

 i) it must involve people, especially those who are vulnerable and/or affected, in the decision-making process in a meaningful way;

- ii) it must seek out and be guided by a development model that has economic, social and environmental sustainability at its core; and
- iii) all countries of the world should be incorporated into this sustainable development process.

The world's dominant development model is obviously failing. Whether we focus on the whole world, the Global South or Ireland these failures are clear and consistent.

The current development model has not brought secure economic development.

There are many failures on issues such as governance and accountability. It does not promote human development effectively.

The promotion of human dignity, human rights or equality is not a priority for this model. Above all it is not sustainable economically, socially or environmentally.

An alternative development model is required.

Central to the process of agreeing the essential components of such a model should be the engagement of all stakeholders including civil society. Ireland has had substantial engagement with the countries of the Global South in one form or another for many years. Ireland's missionaries and volunteers have been involved in some cases for more than a century.

From modest beginnings in 1974, when the aid Budget was £1.5m, Ireland's programme of assistance to developing countries has grown substantially to its 2012 level of €639m.

While this marks a fall of more than €280m since 2008 it is still a substantial contribution and one that should be increased in the years ahead to the UN's target of 0.7% of GNP.

In the period ahead Ireland should seek a sustainable development model for itself as well as for the world's poorest and most vulnerable people and nations.

Inside this issue:		Policy Reform/Global South Debt	6
Development to Date	2	HIV/AIDS / Tackling Hunger	6
Millennium Development Goals	3	Priorities: Ireland & Global South	7
Ireland's Aid Budget	4	Key: Sustainable Development	7
ODA Strategy: Now and Future	5	Need to be Consistent in Policy	8
A Role for Tobin Tax	5	Nothing About Us Without Us	8

Policy Briefing is a regular publication issued by Social Justice Ireland. It addresses a wide range of current policy issues from the perspective of those who are poor and/or socially excluded. Comments, observations and suggestions on this briefing are welcome.

Development to Date: Progress, but challenges remain

ver the past three and a half decades much has been achieved in terms of world development. The benchmark indicator of poverty, measured as the percentage of the population living on less than \$1.25 per day, has shown marked improvement in all regions; yet there are still 920m people worldwide living below the poverty line.

However, progress for this and most other indicators of development, has been uneven. While most regions across the world recorded consistent declines progress in sub-Saharan Africa remains slow and limited. Indeed as Chart 1 shows, that region has been reasonably static since the start of the 1980s in contrast to decreases elsewhere.

A broader view of the current scale of underdevelopment and the remaining challenges is outlined in table 1. It reports data from the most recent *United Nations Human Development Report* and shows the sustained differences in the experiences of different regions in the world.

There are sizeable differences in income levels (GDI per person) between the most developed countries of the world, those in the most developed regions, and the rest (i.e. the vast majority) of the world. These differences go beyond just income and are reflected in each of the indicators reported in both tables.

Today, life expectancies are almost 25 years higher in the richest countries than in Sub-Saharan Africa. Similarly, the UN reports that more than 1 in 3

Southern Asians and Sub-Saharan Africans are unable to read.

The UN *Human Development Report* shows that almost 13 per cent of all children born in Sub-Saharan Africa died before their first birthday. The comparable figure for countries with a very high development index was 6 per cent. However, there has been some progress on this front as the deaths of children under five years has declined from 12.4 million in 1990 to 8.1 million in 2009.

Despite many successful health aid programmes, however, maternal mortality rates remain very high in developing countries. Table 1 shows that there were 537 deaths per 100,000 live births in the Least Developed Countries as against 16 in the most developed countries.

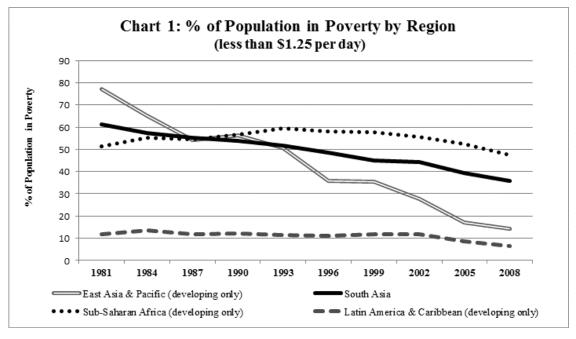


Table 1: UN Human Development Indicators by Region and Worldwide

Region	GDI per capita (US\$ PPP)*	Life Expectancy at Birth (yrs)	Adult Literacy	Maternal mortality rate [#]	Under-5yrs mortality rate	Net ODA received %GDP
Least Developed Countries	1.327	59.1	59.2	537	120	12.0
1	,					
Arab States	8,554	70.5	72.9	192	49	1.9
East Asia + Pacific	6,466	72.4	93.5	79	26	0.4
Europe + Central Asia	12,004	71.3	98.0	29	19	-
L. America + Caribbean	10,119	74.4	91.0	80	22	0.4
South Asia	3,435	65.9	62.8	252	69	1.4
Sub-Saharan Africa	1,966	54.4	61.6	619	129	9.9
Very High HDI***	33,352	80.0	n/a	16	6	-
Worldwide total	10,082	69.8	80.9	176	58	2.2

Source: UNDP Human Development Report 2011 (2011: 130,142, 160, 165)

Notes: * Gross National Income (GNI) data adjusted for differences in purchasing power

The comparable rates for Ireland are: GDI per capita: \$29,322; Life expectancy: 80.6 years; Adult literacy: not available but high by Very High HDI standards; Maternal mortality: 2 (per 100,000); Under-5 mortality: 4; Net ODA: 0.50%.

^{**} Adult defined as those aged 15yrs and above

^{***} Very high HDI captures the 47 countries who the UN define as the most developed countries in the world

[#] Number of maternal deaths to live births per 100,000 live births

A Development Agenda: Millennium Development Goals

n response to these problems the UN Millennium Declaration was adopted in 2000 at the largest-ever gathering of heads of state. It committed countries - both rich and poor - to doing all they could to eradicate poverty, promote human dignity and equality and achieve peace, democracy and environmental sustainability. World leaders promised to work together to meet concrete targets for advancing development and reducing poverty by 2015 or earlier. Emanating from the Millennium Declaration, a set of Millennium Development Goals (MDGs) was agreed. These bind countries to do more in the attack on inadequate incomes, widespread hunger, gender inequality, environmental deterioration and lack of education, healthcare and clean water. They also include actions to reduce debt and increase aid, trade and technology transfers to poor countries. These goals and their related targets are:

Goal 1: Eradicate extreme poverty and hunger

Target 1: Halve, between 1990 and 2015, the proportion of people whose income is less than \$1 a day.

Target 2: Halve, between 1990 and 2015, the proportion of people who suffer from hunger.

Goal 2: Achieve universal primary education

Target 3: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.

Goal 3: Promote gender equality and empower women

Target 4: Eliminate gender disparity in primary and secondary education, preferably by 2005 and in all levels of education no later than 2015.

Goal 4: Reduce child mortality

Target 5: Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate.

Goal 5: Improve maternal health

Target 6: Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio.

Goal 6: Combat HIV/AIDS, malaria and other diseases

Target 7: Have halted by 2015 and begun to reverse the spread of HIV/AIDS.

Target 8: Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases.

Goal 7: Ensure environmental sustainability

Target 9: Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources.

Target 10: Halve by 2015 the proportion of people without sustainable access to safe drinking water.

Target 11: Have achieved by 2020 a significant improvement in the lives of at least 100 million slum dwellers.

Goal 8: Develop a global partnership for development

Target 12: Develop further an open, rule based, predictable, nondiscrimina-

tory trading and financial system (includes a commitment to good governance, development, and poverty reduction - both nationally and internationally).

Target 13: Address the special needs of the least developed countries (includes tariff and quota free access for exports, enhanced programme of debt relief for and cancellation of official bilateral debt, and more generous official development assistance for countries committed to poverty reduction).

Target 14: Address the special needs of landlocked countries and small island developing states (through the Programme of Action for the Sustainable Development of Small Island Developing States and 22nd General Assembly provisions).

Target 15: Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term.

Target 16: In cooperation with developing countries, develop and implement strategies for decent and productive work for youth.

Target 17: In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries.

Target 18: In cooperation with the private sector, make available the benefits of new technologies, especially information and communications technologies.

Progress on the MDGs: New development model needed

Progress on the MDGs has been mixed. The UN suggests that East Asia and the Pacific are progressing satisfactorily but that overall human development is proceeding too slowly.

While the achievement of the MDGs would mark real progress it is widely acknowledged now these goals were dictated by donors, written by donors, and made sense in the Aid Effectiveness agenda and process (Paris 2005 – Accra 2008 – Busan 2011), rather than in the development agenda. As a con-

sequence, there was very little ownership of the MDGs by development actors, very few countries attempted to localize them, most of the MDGs national reports were actually drafted by officers at UNDP country offices. Even the innovative UN Financing for Development process never really owned the MDGs agenda. And the UN had to create in 2003-4 the Millennium Campaign to help build ownership among governments and stakeholders.

In the years ahead a different approach is needed, one that engages the people who are meant to benefit from this process. It is also essential that the focus be on development that is sustainable (environmentally, economically and socially) and focused on all countries, not just the poorest.

Social Justice Ireland believes that the international community needs to play a more active role in assisting less developed countries achieve their potential. The provision of additional financial support is central to this as is engagement by all with the search for a sustainable development model for all.

Ireland's ODA Contribution has Grown Significantly

espite their limitations the Millennium Development Goals have laid down a clear

challenge to the international community to address development and both facilitate and fund its achievement. As

Table 2: Ireland's ODA in €m since 2000

Year	Net ODA	Year	Net ODA
2000	254.9	2007	870.9
2001	319.9	2008	920.7
2002	422.1	2009	722.2
2003	445.7	2010	657.8
2004	488.9	2011	636.0
2005	578.5	2012	639.0
2006	814.0		

Source: CSO and Budget 2011/2012.

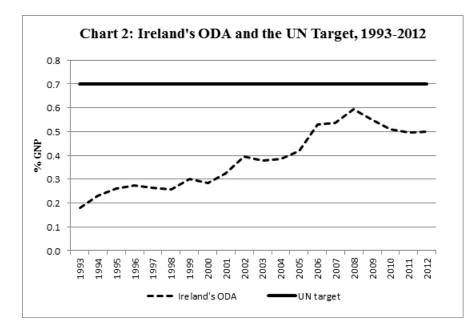


table 2 and chart 2 show, over time Ireland has achieved sizeable increases in its ODA allocation.

Looking back to the early 1990s, the proportion of national income allocated to development by Government has notably increased; something *Social Justice Ireland* has consistently called for and welcomed. Indeed, we note the persistent high levels of public support for these ODA allocations despite the recent economic challenges.

However, despite commitments and promises, Ireland has yet to reach the UN ODA target of 0.7% of Gross National Product (or GNI). It has been a welcome achievement that the ODA budget has been reasonably protected over the past two years and we hope Government will continue to do this until such time as economic conditions improve.

Strengthening our commitment to ODA and honouring the UN target should be important policy paths for Ireland to pursue in the years to come. Not only would its achievement be a major success for government but it would also be of significance internationally.

Ireland's success would not only provide additional assistance to needy countries but would also provide leadership to those other European countries who do not meet the target. Despite the challenges, we believe that this commitment should be honoured.

Irish Aid: Focused on some of the poorest nations

Treland's ODA budget is administered by Irish Aid, the Government Development agency within the Department of Foreign Affairs. Overall, Ireland supports development projects in over 90 countries, either directly, via support for Governments in those countries or via various NGOs.

A key element of the Irish Aid programme is a focus on some of the most needy countries which are deemed partner countries. To date Ireland has adopted nine partner countries and has built on existing relationships in these countries to establish a stable and fo-

cused aid programme there. These countries are:

- Ethiopia
- Uganda
- Tanzania
- Zambia
- Malawi
- Mozambique
- Lesotho
- Timor Leste (East Timor)
- Vietnam

Accompanying these countries, bilateral aid is also provided to Zimbabwe,

South Africa, Liberia, Sierra Leone, Palestine, Eastern Europe and the Western Balkans.

Social Justice Ireland welcomes the continued commitment of Ireland's aid programme to assisting many of the world's poorest nations. While we are a small nation, Ireland's has an honourable and long track record of contributing to development; be it by Government, Development Organisations, Missionaries and volunteers.

A continued commitment by Government and society to ODA enhances that records and augments Ireland's many achievements in this area.

Ireland ODA Strategy: now and in the future

rom modest beginnings in 1974, when the aid Budget was £1.5m, Ireland's programme of assistance to developing countries has grown to the scale outlined earlier (see page 4). It both complements and builds upon the long history of assisting development that derived from Ireland's missionaries and volunteers over much of the last half century.

Administered by Irish Aid, the current aid programme can be summarised as having six key principles:

A Poverty Focus

Ireland's ODA programme has as its absolute priority the reduction of poverty, inequality and exclusion in developing countries.

A Geographic Focus

Since 1974, Ireland's ODA has had a strong geographic focus on Sub-Saharan Africa. Approximately 80% of our ODA goes to Africa.

Untied Aid

Ireland aid, unlike that of many other countries, is 100% untied. This implies that aid is not conditional in any way on the use of Irish goods, services or labour. This approach reflects much of the research on aid which highlights that tied aid is less effective in its impact on development than untied aid.

Partnership

An implicit part of the delivery of Ireland's aid programme is the close rela-

tionship and partnership with recipient countries, with other donors and international organisations, NGOs and missionaries. Partnership with the recipient countries is important in fostering a country's ownership of its own development and in encouraging the development of sustainable structures for indigenous public administration. Aside from working relationships with other donors and international organi-

Looking to the future, there remains a number of challenges for Ireland's ODA programme

sations, Irish Aid has also built a partnership with the various NGOs and missionaries working in development. In recent years, these partnerships have been formalised with the introduction of multi-annual funding, the creation of a Missionary Fund and the establishment of a consultative Development Forum.

Effectiveness and Accountability

Using Programme Country Strategies and performance indicators, the effectiveness of Ireland's ODA programme is monitored to ensure that society generally, and the relevant Oireachtas subcommittees, can examine the use of aid and the impact it is having on various development targets.

Policy Coherence

The objective of policy coherence is that ODA policies interact with and complement other areas of Government policy including on issues such as agriculture, trade, environment, fiscal issues and the basic development model. Looking to the future, there remains a number of challenges for Ireland's ODA programme. In particular:

- Securing additional public funds for the programme so that it can reach the UN target of 0.7% of GNP in ODA by 2015.
 - Maintaining the widespread institutional and public support and respect for the programme.
- Building further understanding of the ODA programme among the Irish population
- Retaining our commitment to aid being 100% untied
- Maintaining policy coherence between the Global South and the Global North. This requires that development in future focus on what is required of all countries, not just the South. Sustainability requires recognition of our interdependence in all spheres.

Social Justice Ireland has been a strong supporter of our ODA policy and we look forward to inputting into its future development as new Strategic Plans are developed.

Funding Development: A role for a Tobin Tax

If the world is to provide the additional resources to meet the MDGs and their successors, it is clear that the world's developed nations need to increase their financial commitment to ODA; ideally by achieving the long-standing UN target of 0.7% of Gross National Income. To date few countries have reached that benchmark, with the latest figures for the EU showing that only Luxembourg, Sweden, Denmark and the Netherlands achieved it in 2010.

One possible source of additional funds would be a tax on financial speculation and transactions known as a Tobin Tax or a Financial Transactions Tax (FTT) or the Robin Hood Tax. A proposal for

such a tax has recently been made at EU level and accepted by 10 member states, not including Ireland.

The Tobin tax, first proposed by the Nobel Prize winner James Tobin, is a progressive tax, designed to target only those profiting from speculation. It is levied at a very small rate on all transactions but given the scale of these transactions globally, it has the ability to raise significant funds. For example, the October 2011 EU Commission proposal for an FTT, proposes that it would be levied on transactions between financial institutions when at least one party to the transaction is located in the EU. The exchange of shares and bonds would be taxed at a rate of 0.1% and

derivative contracts, at an even lower rate of 0.01%. Overall the Commission projects that the FTT would raise €57 billion per annum. While these rates may seem very small to consumers, relative to VAT rates and income taxes, the impact on the margins of currency speculators would be enough to generate significant funds and in some cases curb superfluous speculative activities. The FTT is aimed at taxing the 85 per cent of financial transactions that take place between financial institutions. Citizens and businesses would not be taxed, meaning that loans, mortgages, insurance contracts and other normal financial activities carried out by individuals or small businesses would fall outside the scope of the FTT proposal.

Other Development Issues

Trade Policy Reform

further implication of the data highlighted earlier in this *Policy Briefing*'s tables (see page 2) is to underscore the totally unacceptable division that currently exists between rich and poor regions of the world. The fact that this phenomenon persists is largely attributable to unfair trade practices and to the backlog of un-payable debt owed by the countries of the Global South (see story opposite) to other governments, to the World Bank, the International Monetary Fund (IMF) and to commercial banks.

The effect of trade barriers cannot be overstated; by limiting or eliminating access to potential markets the Western world is denying poor countries substantial income. A decade ago, at the 2002 UN Conference on Financing and Development, Michael Moore, the President of the World Trade Organisation, stated that the complete abolition of trade barriers could "boost global income by \$2.8 trillion and lift 320 million people out of poverty by 2015".

Research by Oxfam further shows that goods from poor countries are taxed at four times the rate of goods from rich countries and that 120 million people could be lifted out of poverty if Africa, Latin America and Asia increased their share of world markets by just 1 per cent.

It is clear that all countries would gain from trade reform. Such reform is now long overdue.

Global South Debt

he high levels of debt experienced by Global South countries have disastrous consequences for the populations of indebted countries. Governments that are obliged to dedicate large percentages of their country's GDP to debt repayments cannot afford to pay for health and educational programmes for their people. Africa alone spends four times more on interest on its loans than on healthcare. For every €1 given in aid by rich countries, poor countries pay back nearly €4 in debt repayments.

It is not possible for these countries to develop the kind of healthy economies that would facilitate debt repayment when millions of their people are being denied basic healthcare and education and are either unemployed or earn wages so low that they can barely survive.

A process of debt cancellation has been argued for over a number of years and should be further developed beyond the basic schemes introduced in recent years.

Social Justice Ireland welcomes moves in this direction and in particular we welcome the on-going commitment of the Irish government to support such a move. It is now important that Ireland campaign on the international stage to see this process implemented.

Given Ireland's current economic circumstances, the Irish population now has a greater appreciation of the implications of these debts and the merit in having them reduced.

HIV/AIDS

In July 2012 the UN AIDS Report showed that there are 34.2 million people living with HIV. This is an almost 30% increase since 1999. Globally nearly 25% of all people living with HIV are under 24 years and people aged 15-24 years account for more than 33% of all people becoming newly infected. The poorer African countries are the most severely affected, accounting for 69% of all people living with HIV. They also have 71% of AIDS deaths.

Speaking at the launch of the most recent UNAIDS Global Report (in 2011; the next is due in early 2013) the UN Secretary General Ban Ki-Moon noted, "Every day 7,000 people are newly infected, including 1,000 children. Weak national infrastructures, financing shortfalls and discrimination against vulnerable populations are among the factors that continue to impede access to HIV prevention, treatment, care and support services".

The current uncertain economic climate is very challenging to those combating the HIV/AIDS epidemic. The UN notes that globally funding has fallen as the recession continued.

Despite our difficulties *Social Justice Ireland* urges Government to continue to meet its commitments in this area – one where Ireland plays a key role internationally in responding to this continuing crisis.

Tackling Hunger

iven our history, it is appropriate that the Irish Government has prioritised the eradication of hunger (the first of the MDGs- see page 3) as part of its ODA approach. Today it is estimated that almost one billion people do not have enough food to meet their daily requirements. This is equivalent to one in every six people in the world being unable to produce or purchase enough food for themselves and their families. The knock on consequences of this are severe with, for example, almost 3.5 million child deaths each year from lack of adequate nutrition – deaths which are entirely avoidable.

Based on the advice of its Hunger Task Force, the Irish Aid programme has prioritised three main actions in the fight against world hunger. These are: (i) Improving Smallholder Agriculture: Assisting small farmers, women especially, to produce more food for themselves and their families by supporting them to access seeds, tools and fertilisers. (ii) Preventing Maternal and Child Undernutrition: Implementing programmes which ensure that pregnant women and children during their early years are adequately nourished. (iii) Political Commitment and Leadership: Keeping the issue of hunger high on the agenda of the international community.

Social Justice Ireland strongly endorses this commitment and focus for our aid programmes and encourages Government to continue to focus on building international commitment in this crucial area.

Key Priorities: Ireland and the Global South

CORE POLICY OBJECTIVE

To ensure that Ireland plays an active and effective part in promoting genuine development in the developing world and to ensure that all Ireland's policies are consistent with such development

Social Justice Ireland suggests that the following should be Ireland's key priorities in framing and implementing its Overseas Aid programme in the years to come:

- Ensure that Ireland delivers on its promise to meet the United Nations target of contributing 0.7% of GNI to Overseas Development Assistance by the EU deadline of 2015.
- Take a far more proactive stance at government level on ensuring that Irish and EU policies towards countries in the South are just.
- Continue to support the international campaign for the liberation of the poorest nations from the burden of the backlog of un-payable debt and take steps to ensure that further progress is made on this issue.

- Work to develop global targets beyond 2015 that recognise the interdependence of all countries in the world and consequently, focus on development both globally and locally that is sustainable economically, environmentally and socially (cf. story below).
- Effectively engage all, especially the most vulnerable, in this process.
- Engage pro-actively and positively with the outcomes of the Rio+20 process.
- Work for changes in the existing international trading regimes, to encourage fairer and sustainable forms of trade. In particular, resource the development of Ireland's policies in the WTO to ensure that this goal is pursued.
- Adopt a more critical perspective towards the development policies of the World Bank and the IMF.
- Ensure that the government takes up a leadership position within the European and international arenas to encourage other states to fund programmes and research aimed at resolving the AIDS/HIV crisis.

- Deepen Ireland's leadership role on the issue of Global Hunger and continue to focus international attention on this issue.
- Support the further development of an understanding within Ireland of the significant role that Ireland's ODA programme, and Irish Aid, plays in addressing international poverty and inequality. In that regard support Ireland's Development NGOs and Development Education programmes to develop a deeper appreciation of the crucial role of ODA.
- Support the introduction at EU level of a Financial Transactions Tax and ensure that a large proportion of the funds generated to ODA.

For more on the Developing World, see our 2012 Socio-Economic Review 'Shaping Ireland's Future' available on our website:

www.socialjustice.ie

Sustainable Development: A Key Objective

lobally, in both the developed and developing world, the search for a humane, sustainable model of development has gained momentum in recent times. After years of people believing that markets and market forces would produce a better life for everyone, major problems such as resource depletion and pollution have raised questions and doubts. Furthermore, the slow and uneven process of international development (see pages 2 and 3) has spawned a growing awareness that sustainability must be a constant factor in all development, be it social, economic or environmental

Sustainability is about ensuring that all development is socially, economically and environmentally sustainable. Sustainable development is defined as 'development which meets the needs of the present, without compromising the ability of future generations to meet their needs (World Commission on Environment and Development, 1987). As we have outlined on page 3 of this Policy Briefing this approach has not been incorporated into the MDGs.

Sustainability encompasses the three pillars: environment, society and economy. All three pillars must be addressed in a balanced manner if development is to be sustainable. Maintaining this balance is crucial to the long-term development of a sustainable, resource-efficient future for Ireland and all countries in the world.

While growth and economic competitiveness are important, they are not the only issues to be considered and cannot be given precedence over others. They must be dealt with using a framework for sustainable development which ensures equal consideration is given to the environmental, social and economic pillars.

It is also important to note that although economic growth is seen as the key to resolving many aspects of the current crisis across the EU, this very growth may be damaging the possibility of securing sustainable development in the Global South – something that may undermine the coherence of policy across various Governments' economic and development portfolios.

Sustainable development is our only means of creating a long term future for the world in which the environment, growth and social needs are met in a balanced manner with consideration for the needs of future generations.

Sustainability and the adoption of a sustainable development model presents a significant policy challenge irrespective of where such policies are implemented. It requires environmental policy decisions with varying distributional consequences to be made in a timely manner while also ensuring that a disproportionate burden is not imposed on certain groups, for example, poor nations, those on low incomes within nations or rural dwellers.

Need to be Consistent in Policy

t various points throughout this Policy Briefing Social Justice Ireland has raised the issue of policy consistency i.e. that different Government policies should not be working against each other. In Ireland's case this is particularly important where aid to poorer countries is concerned.

One has only to look at how Ireland deals with corporation tax to realise its implications for a region such as sub-Saharan Africa.

Much of global trade now occurs within multinational corporations. The Organisation for Economic Co-operation and Development (OECD) estimates that close to 60 per cent of global trade is now conducted in this manner.

What these corporations do in practice is pay their taxes in countries that offer them the best combination of large tax breaks and/low tax rates to enable them maximise their profits.

There are major multinational corporations based in Ireland who, for example,

are responsible for retail sales in places such as Africa and the Middle East. These can ensure their taxes are paid in Ireland rather than in Africa.

Ireland's ODA budget should be focused on putting itself out of business i.e. working to ensure countries in the Global South no longer need aid. In practice this should, among other things, mean that Ireland focuses on securing the tax base of countries in areas such as Africa.

Instead of that it appears that Ireland may be a key player in weakening Africa's tax base as Ireland promotes the practice of multinational corporations taking their profits in Ireland rather than in countries where they really make those profits.

For decades we have argued that Ireland's tax system is profoundly unfair because its tax base is too narrow and its total tax-take is too low. It is also at odds with our ODA policy. A just taxation policy would be consistent with an enlightened ODA policy.

Nothing About Us Without Us

ivil society organisations engaged with the post-2015 development agenda have adopted the disability organisations' slogan 'nothing about us without us'. It is a slogan civil society organisations in Ireland might well adopt as part of their on-going engagement with policy making processes

If policy-making in Ireland or across the planet is to be successful it must engage with people in a real and effective manner. Likewise, if we are serious about building a post-2015 development agenda, it has to be done with people especially those most affected.

On this issue the MDGs process is instructive. Those who were to benefit from these Goals being implemented were not engaged when they were developed as noted on page 3. Because of this failure there was very little ownership of the MDGs by those who were targeted.

Government should learn from this mistake when developing policy at home or abroad.

Social Justice Ireland

Recent Publications from Social Justice Ireland

- Shaping Ireland's Future: Socio-Economic Review 2012
- Does the European Social Model have a Future?
- Policy Briefing on Poverty and Income Distribution
- Policy Briefing on Budget Choices 2013
- Sharing Responsibility in Shaping the Future
- The Future of the Welfare State
- Building a Fairer Tax System: The Working Poor and the Cost of Refundable Tax Credits

All of these and more are available on our website at www.socialjustice.ie. Printed copies can be purchased from the Social Justice Ireland offices.

Support Social Justice Ireland

If you wish to become a member of *Social Justice Ireland* or make a donation to support our work are welcome do so through our website at *www.socialjustice.ie* or by contacting our offices directly.





Social Justice Ireland is a research and advocacy organisation of individuals and groups throughout Ireland who are committed to working to build a just society where human rights are respected, human dignity is protected, human development is facilitated and the environment is respected and protected.

Social Justice Ireland

Arena House Arena Road Sandyford Dublin 18 Phone: 01 2130724

Email: secretary@socialjustice.ie

Web: www.socialjustice.ie Charity number: CHY19486