

9. A New Social Contract, A New Social Dialogue – A Community And Voluntary Perspective⁸⁰

Seán Healy

Seizing the chance for real change

In the same way that a flash of lightening can suddenly illuminate a night sky and reveal details of the landscape that might not, otherwise, have been seen, so COVID-19 has lit up parts of Ireland's economic and social fabric which have been neglected up to now. That neglect may not have been intended. However, once it has been seen it cannot again be unseen; if it is neglected subsequently then such neglect is culpable

For much of the 20th century, the primary focus of government policy has been on promoting economic growth. This was the means that would allow governments and society to achieve what they wanted, and it was the metric by which governments would be judged as successful or not. As Benjamin Friedman stated in *The Moral Consequences of Economic Growth* (2005, p. 4):

“...economic growth - meaning a rising standard of living for the clear majority of citizens - more often than not fosters greater opportunity, tolerance of diversity, social mobility, commitment to fairness, and dedication to democracy”.

New research suggests that the relationship between economic growth and social outcomes is much more complex. Social exclusion, poverty and inequality are not the result of poor economic performance, but are factors that can retard economic progress; they are causes and not just effects. Further, these problems present significant costs to society - consuming resources or preventing resources from being developed – so that they make the community as a whole poorer. Instead of promoting GDP and hoping the benefits of economic growth will trickle down to all aspects of society, as well as improving the environment, this line of research suggests that a better way to promote a prosperous economy

⁸⁰ This paper draws on previous work published by *Social Justice Ireland* e.g. Healy, et al, (2020) *Social Justice Matters*; Bennett et al, (2020) *Building a New Social Contract: Policy Recommendations*

is to create a just and fair society. Investing in people, communities and the environment is the better pro-growth policy.

Ireland has seen some very notable positives in recent years. Economic growth has been exceptional. Unemployment has fallen dramatically. Population growth has been steady and ensures that Ireland's dependency ratio is much more positive than most of its peer countries in the EU-15.

At the same time, however, these very positive developments have been accompanied by others which call into question Ireland's social contract between the citizen and the state. The lightening-flash clarity produced by the COVID pandemic has convinced many people of what they already suspected i.e. that serious consideration needs to be given to the failures that have consistently dogged Ireland's approach to policy development and decision-making in recent decades. The experience of COVID-19 has highlighted major challenges being faced by Irish society.

- Many of those who were recognised as heroes while Ireland was in lockdown were people in low paid employment whose work was not really appreciated prior to the pandemic.
- The social welfare system was seen once again to not be fit for purpose in the 21st century.
- The levels of homelessness and insufficient supply of social housing served as a telling indictment of the failure to address some of Ireland's major infrastructure deficits.
- A further example of the country's infrastructure deficit highlighted by the pandemic was the lack of an effective broadband system across the country which severely limited the capacity of people living in some parts of Ireland to work from home when their offices were closed during the pandemic.
- The society's failure to effectively address the growing levels of inequality and deprivation again drew attention to the fundamental failure of a very rich society to make the adjustments required to ensure everybody had the basics required to live life with dignity.
- In the area of services, of particular significance during the pandemic was the obvious inadequacy of the two-tier healthcare system. While its personnel responded heroically to the challenges presented, there was no hiding from the fact that many vulnerable people were not as well served as their better-off fellow-citizens.

- The lack of an adequate supply of quality childcare is another such example that has major implications for addressing issues such as unemployment.
- At a macro-economic level Ireland's pattern of going from boom to bust to boom to bust has become a serious concern and led people to ask questions about why this pattern has to be repeated over and over again.
- At a governance level, more and more people are questioning why they have no real voice in shaping the decisions that impact on them.

There is a growing conviction among many people that Ireland needs to look again at its social contract and devise something that is more appropriate for the world of the 21st century. There would be widespread support for a new social contract focused on delivering a society with a thriving economy; decent services and infrastructure; just taxation; good governance; and sustainability, as proposed by *Social Justice Ireland*. Most Irish people would agree that a society focused on delivering these five outcomes would be well placed to address all of the shortcomings already identified here.

These five outcomes should be focused on simultaneously, not addressed in sequence. Over and over again Ireland has given priority to addressing the economy first, believing that once a thriving economy has been delivered the country will have the resources required to deliver the other four outcomes. What this approach fails to recognise is that a thriving economy cannot be built without decent services and infrastructure, without just taxation, without good governance and without sustainability at its core; so, these five outcomes must be addressed simultaneously.

The present moment presents an opportunity that must not be missed. The world of work is changing rapidly and both the tax and welfare systems need to change so as to be appropriate in that new world. Society needs to appreciate far more deeply the work done by people committed to the welfare of others whether that is in paid employment or work done in the community or in the home or even in developing oneself. Government should have confidence, in this post-COVID world, that the general public would welcome new thinking in these areas.

Likewise, corporations must realise that it is their responsibility to make a fair and just contribution to the developments that are needed if Ireland is to become a just, fair and equal society.

It must be accepted as a core principle of good governance that structures and processes exist to ensure that people's voices are heard in the policy development that is a constant part of any government's ongoing work.

A new vision is required, one that challenges all citizens to be the best that they can be; a vision that provides for everybody's well-being while protecting the environment on which we all depend. Business as usual is not an option; neither is returning to the old normal.

Distribution of Resources⁸¹

Ireland's macroeconomic situation continues to improve with each release of national income figures from the CSO (CSO, 2020). Employment continues to rise at an impressive rate and long-term unemployment was at its lowest in a decade (CSO, 2019). Personal consumption grew at a solid rate of 3.1 per cent year-on-year to end Q2 2018, with exports (+10.7 per cent) continuing the strong growth seen throughout 2018 and into 2019 (Department of Finance, 2019a). Yet despite the economic gains of recent years and before adjusting for the negative impacts of the pandemic, Ireland continued to trail our Western European counterparts in terms of service delivery and infrastructure investment. As a result, a deficit has emerged between Ireland and our peer countries in the EU-15.

It should not need stating that this deficit cannot be closed without increasing our current levels of public investment. Budget 2021 seems to have taken a decisive step in the right direction in this regard.

The profile of Ireland's population is changing, and this requires a bespoke policy response from Government. We must begin planning for these changes now, as a significant increase in investment will be required to meet the challenges associated with issues such as Irish people living longer and Ireland being a more multicultural society

We have already noted the challenge Ireland faces on climate. This includes the need for a Just Transition. This refers to a framework that should encompass a range of social interventions needed to ensure that as the necessary economic and social changes take place to avoid the worst effects of climate change, there are protections for vulnerable groups, including those living in poverty, those

⁸¹ It should be noted that some of the figures included in this paper draw on pre-COVID data so as not to overstate the case in favour of change that could be made if drawing principally on data collected following the onset of the COVID-19 pandemic.

living in energy inefficient dwellings, and those people and regions that rely on carbon-intensive employment, or do not have access to public transport.

Policymakers must acknowledge that a thriving economy is not a goal in itself but a means to social development and wellbeing for all. Substantial evidence has emerged in recent years to support the view that economies and societies perform better across a number of different metrics, from better health to lower crime rates, where there is less inequality (Wilkinson & Pickett, 2009).

There is clearly something fundamentally wrong with the development path Ireland has been taking. While it performs well when measured by some macro-economic standards, the reality for many citizens and for the environment is different. For example, due to the current housing situation and several other factors, many Irish citizens are facing the prospect that their standard of living will not equal that of their parents (Fahey, 2018). It is clear that Ireland's recovery pre-COVID had not been experienced equally by all. This situation has been exacerbated by the pandemic. Public services remain over-stretched.

There is also a growing acceptance of the need to act now to avoid climate catastrophe. For the first time ever, environmental concerns are central to overall policymaking almost everywhere. With this has come a growing acceptance of the need to re-structure the prevailing economic model. If the dominant value of the capitalist system is 'legitimate greed', what is required is a system that delivers mores such as solidarity, mutual support, and communal and collective responsibility, social citizenship and sustainability (Fraser, 2014; Streeck, 2014).

As part of a new model for development, Government should ensure that future tax and spending policy is focussed on building up Ireland's social infrastructure, prioritising areas such as social housing, primary care and mental health facilities, elder care services and supports, and childcare and early education facilities. These are areas in particular where Ireland has been experiencing an infrastructure deficit for quite some time.

Without adequate future planning for the kinds of infrastructure and services we need, it will not be possible to maintain – never mind improve – the current standards of living for all citizens, from children to older people. Society needs to acknowledge that a Universal Basic Income and Universal Basic Services are required if the basic right of every citizen to have the minimum required to live life with dignity is to be met.

Policy initiatives that Government should prioritise in this area of distribution of resources in society include:

- Set ambitious targets for the reduction and eventual eradication of poverty and deprivation in Ireland, especially among children.
- Set core social welfare payments at 27.5 per cent of Average Earnings, and then move them towards the Minimum Essential Standard of Living (MESL) rates over a five-year period.
- Move the National Minimum Wage in the direction of the Living Wage, which is the hourly rate an individual working full time must earn to achieve the minimum socially acceptable standard of living in Ireland⁸².

A system of Basic Income – something long advocated by *Social Justice Ireland* – would go a long way to ensuring that everyone has enough money to live life with dignity. It would place an income floor underneath every individual which can be relied upon regardless of changing circumstances, whilst also structuring Ireland's welfare system in a way that better meets the needs of the modern economy, increasing flexibility for individuals of working age and reducing inequality in society. It would also be a great enabler, giving people greater control over their lives and how they wish to divide their time between work, education, caring, volunteering and leisure. Basic Income should be a key part of a welfare system that is fit for a 21st century economy.

Valuing all people

Social Justice Ireland believes strongly in the importance of developing a rights-based approach to social, economic, environmental, and cultural policy. Such an approach would go a long way towards addressing the inequality Ireland has been experiencing and should be at the heart of the development model for a just society.

We believe seven basic rights should be acknowledged and recognised⁸³. These are the rights to:

1. Sufficient income to live life with dignity;
2. Meaningful work;

⁸² More on the Living Wage at <https://www.livingwage.ie/>

⁸³ These are not the only rights we support and advocate for. However, they are critically important for the development of a balanced society and economy which delivers wellbeing for all.

3. Appropriate accommodation;
4. Relevant education;
5. Essential healthcare;
6. Cultural respect; and
7. Real participation in society (Healy et al, 2015).

Public policy should be working towards vindicating these seven rights. The right to sufficient income to live life with dignity has been addressed in the preceding section of this paper.

On the right to meaningful work, we believe every person in society should have the right to contribute to that society. Part of this means that worthwhile employment should be a genuine option for everyone who seeks it. Jobs should provide decent working conditions and pay a wage that allows employees to achieve a decent standard of living. Recent decades have seen a gradual erosion in the quality and security of employment, not just in Ireland but across the developed world.

Ireland's, pre-pandemic, rising employment numbers and falling unemployment rate were very welcome. However, underemployment remains a significant issue, with an estimated 111,800 people (almost a quarter of all part-time employees) working part-time hours who would take full-time employment if they could find it (CSO, 2019a).

But the definition of work should not be confined to employment. People contribute to society in more ways than simply engaging in paid employment. For example, Census 2016 shows that more than four per cent of the population provides some care for sick or disabled family members or friends on an unpaid basis (CSO, 2017). Many other people do substantial levels of voluntary work in their communities as well as doing unpaid work in their homes. Society needs to recognise the value of all such work and acknowledge the key role it plays in delivering progress, sustainability and social cohesion. Every human being has the right to meaningful work. Our system needs to recognise this and acknowledge the many kinds of work in which people engage.

To vindicate the right of everyone in society to appropriate accommodation, Government must reconceptualise its role in housing provision. The ideological aversion to building social housing directly, or allowing Local Authorities to borrow to build, must end. Budget 2021 recognised this importance in theory, but then went on to put more money into HAP and barely make a dent in the

social housing targets. Indeed, building more social housing is key to everything. Each social housing unit built not only takes one household off the social housing waiting list, but often frees up one unit in the private rental sector, helping to reduce demand and (eventually) cost in the private rental market. Government should also begin investing in housing provision through the cost-rental model.

Ireland's current housing crisis is so severe that it could damage Ireland's competitiveness. While there are certainly other, more socially worthy, reasons for investing in Ireland's productive social and economic infrastructure, there is perhaps no clearer or more obvious example of the need for large-scale government investment to maintain Ireland's medium-to-long-term economic potential, given the prevailing circumstances.

The importance of the right of every person to relevant education should also be recognised in practice. The role of education in improving people's lives and reducing inequality and disadvantage cannot be overstated. Access to appropriate education and skills development from early years to adulthood is one of the key public services that enables participation in society, public life and the labour market, and investment in education at all levels and throughout the lifecycle can help deliver a more vibrant economy and prepare citizens to fully participate in the society in which they live.

The focus of our education system should be to ensure people are engaged and active citizens and have the necessary critical and creative skills to navigate an everchanging employment environment. This is especially important for children and young people today, who upon leaving formal education will be entering a very different employment landscape to their parents.

Policy priorities in this area should include targeted funding for pupils from disadvantaged backgrounds; increased investment in Early Childhood Care and Education; and a greater commitment to lifelong learning, which is an area that Ireland fares poorly at compared with our European peer countries.

People's right to essential healthcare services is fundamental to human wellbeing and contributes to economic success in a range of ways, including improving labour market participation and productivity. Citizens of a developed Western country like Ireland should be assured of the required treatment and care in their times of illness or vulnerability. However, while many aspects of the Irish healthcare system result in very positive outcomes for citizens, many others

experience significant access issues, and Ireland's long waiting lists and regular trolley crises are well publicised. To secure this essential right, policy should:

- Prioritise quality primary and social care services, increasing the availability of each. (Budget 2021 went a substantial distance towards achieving this.)
- Ensure medical card-coverage for all people who are vulnerable.
- Create a statutory entitlement to a Home Care Package.
- Create additional respite care and long-stay care facilities for older people and people with disabilities, and provide capital investment to build additional community nursing facilities.
- Ensure long-term planning and investment in the sector, acknowledging the impending demographic changes in Ireland, to ensure that we can cope with these changes.

Every person has a right to have their culture respected in the country in which they live, so long as it doesn't infringe on the rights and culture of others. This will often involve adapting public services to make them suitable for the needs of cultural or ethnic minorities.

Cultural respect also extends to the words we use when talking about people different to ourselves. Over the last decade, we have seen in several countries how a political focus on immigration, demonising 'outsiders' and ethnic minorities, and increasingly insular, inward-looking attitudes has led to the election of political leaders who have then used their platform to implement regressive legislation and policies that have restricted human rights, increased inequality, targeted the vulnerable, and eroded the services upon which most ordinary people rely to underpin their standard of living. The wellbeing of broader society is often ignored, and reductions in living standards are blamed on 'others'. Ireland has been largely immune from these trends, but there's no guarantee that this will remain the case.

It is also important that Ireland not allow some of the social trends of other countries to occur here. Recently we have seen anti-immigrant sentiment creeping into the Irish political discourse, as well as the sort of language that victimises ethnic minorities. This needs to be called out and confronted by 'mainstream' politicians and the media, and mistruths must be countered with facts and evidence. Resistance to the integration of people from a different culture may be guided by misunderstanding, or fear of the unknown. We must not allow fear to overwhelm our humanity.

The final right listed already, i.e. the right to real participation, will be addressed later in this paper.

Securing the Common Good

Social Justice Ireland also believes that wellbeing and the common good should be at the centre of policy development. In recent years there have been many useful discussions and publications on the issue of well-being. The National Economic and Social Council (NESC) defined well-being as follows: “A person’s well-being relates to their physical, social and mental state. It requires that basic needs are met, that people have a sense of purpose, and that they feel able to achieve important goals, to participate in society and to live the lives they value and have reason to value.” (NESC 2009, p.xiii) This is the well-being that *Social Justice Ireland* would like for all members of all societies.

As far back as Plato it was recognised that the person grows and develops in the context of society. “Society originates because the individual is not self-sufficient, but has many needs which he can’t supply himself”⁸⁴. The person grows and develops through relationships with people; family, neighbours, community, wider society. Down through the ages various philosophies and social arrangements have been proposed to meet the felt need in societies to fulfil their perceived obligations to their members. These varied from Aristotle’s position of favouring private ownership but common use of property to ensure the dire needs of people were met, to the emphasis of both Plato and Aristotle that education should be free and compulsory, to Cicero’s discussion of equality, to the early Christian emphasis on sharing and forming community.

In more recent times the dignity of the person has been enshrined in The Universal Declaration of Human Rights which states: “All human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act towards one another in a spirit of brotherhood.” This core value is also at the heart of the Catholic Social Thought tradition. I support the values of both these traditions. We advocate that the dignity of each and every person must be recognised, acknowledged and promoted effectively. This implies that society’s structures, institutions and laws should exist for the authentic development of the person.

The right of the individual to freedom and personal development is limited by the rights of other people. This leads to another core value, namely, the

⁸⁴ (Plato, in Lee 1987, p58, cited in George, V. 2010, p6)

common good. As noted earlier the concept of the ‘common good’ originated over two thousand years ago in the writings of Plato, Aristotle and Cicero. More recently, the philosopher John Rawls defined the common good as “certain general conditions that are...equally to everyone’s advantage” (Rawls, 1971 p.246). François Flahault notes “that the human state of nature is the social state, that there has never been a human being who was not embedded, as it were, in a multiplicity. This necessarily means that relational well-being is the primary form of common good. Just as air is the vital element for the survival of our bodies, coexistence is the element necessary for our existence as persons. The common good is the sum of all that which supports coexistence, and consequently the very existence of individuals.” (Flahault, François, 2011: 68)

Social Justice Ireland understands the term ‘common good’ as “the sum of those conditions of social life by which individuals, families and groups can achieve their own fulfilment in a relatively thorough and ready way” (Gaudium et Spes 1965:74). This understanding recognises the fact that the person develops their potential in the context of society where the needs and rights of all members and groups are respected. The common good, then, consists primarily of having the social systems, institutions and environments on which we all depend, work in a manner that benefits all people simultaneously and in solidarity. The NESC study referred to already states that “at a societal level, a belief in a ‘common good’ has been shown to contribute to the overall well-being of society. This requires a level of recognition of rights and responsibilities, empathy with others and values of citizenship” (NESC, 2009, p.32).

This raises the issue of resources. The goods of the planet are for the use of all people – not just the present generation; they are also for the use of generations still to come. The present generation must recognise it has a responsibility to ensure that it does not damage but rather enhances the goods of the planet that it hands on – be they economic, cultural, social or environmental. The structural arrangements regarding the ownership, use, accumulation and distribution of goods are disputed areas. However, it must be recognised that these arrangements have a major impact on how society is shaped and how it supports the well-being of each of its members in solidarity with others. These are issues that are of major importance in the development of a new Social Contract. They are also issues that require the engagement of all sectors of society in shaping the direction to be taken.

Ensuring Sustainability

Despite the aforementioned crises in housing and health, our ageing population, and many other issues besides, climate change remains the greatest long-term challenge facing Ireland today. It is all the greater for the fact that Ireland alone cannot control this, and any solutions implemented by Ireland will be of minimal use if not adopted as part of a global effort to curb emissions and move to a carbon neutral economy in the coming decades.

However, that is no excuse for Ireland shirking its obligations, as has been the case until now. *Social Justice Ireland* has in the past called for Government to adopt ambitious statutory targets aimed at limiting fossil fuel emissions and introduce taxation measures necessary to compensate for the full costs of resource extraction and pollution. These should be accompanied by mitigation measures to protect the vulnerable and those whose livelihoods will be severely impacted. The recently published Climate Bill is a step in this direction but doesn't commit Ireland to the scale of response required if disaster is to be averted.

Sustainable development is development which meets the needs of the present while not compromising the needs of the future. Financial and economic, environmental, and social sustainability are all key objectives and are all interlinked. As Nobel Laureate Joseph Stiglitz noted last year, 'GDP is not a good measure of wellbeing. What we measure affects what we do, and if we measure the wrong thing, we will do the wrong thing' (Stiglitz, 2019).

Creating a sustainable Ireland requires the adoption of new indicators to measure progress. National Income figures are limited to measuring the monetary value of gross output, income and expenditure in an economy, and include many activities that are in fact detrimental to society and incompatible with the common good while omitting activities that are essential for society to survive and thrive.

Social Justice Ireland believes that using a country's performance on the Sustainable Development Goals (United Nations, 2015b) as a benchmark would be a more appropriate measurement of progress and wellbeing. A report this year from Professor Charles Clark of St John's University, New York, and Dr Catherine Kavanagh of University College Cork (Clark, Kavanagh & Linehan 2020) seeks to move beyond national income as a measure of societal advancement, encompassing environmental and social indicators of progress as well as economic ones. As noted by Tom Healy in his book, *An Ireland Worth Working*

For, we need to ‘change the language and thinking around ‘economic growth’. What matters is sustainable human development across a range of domains encompassing nutrition, health, education and work’. Growth as captured by GDP must become a secondary policy goal, subservient to others.

The report from Clark and Kavanagh, titled *Sustainable Progress Index 2020*, showed that Ireland’s environmental performance was poor, ranking us 15th, in the EU-15, bottom of the class. This points to policies that have prioritised economic growth above sustainability and this is an approach that cannot be allowed to continue. Commitments made at the COP21 conference in Paris in 2015 (United Nations, 2015a) were based on the growing realisation that the resources of the planet and its environment are finite – a fact that had often been ignored in the past. Failure to tackle climate change immediately will have significant impacts into the future, including on food production, regional and global ecosystems, and on flood-prone regions. However, commitments so far have amounted to only a quarter of what is required to meet the targets agreed in Paris.

Social Justice Ireland suggests that Government begin using an Index such as the *Sustainable Progress Index* to measure Ireland’s true progress. Sustainability is about more than the environment; it can also relate to finances, economics, and social wellbeing. I acknowledge Government’s publication on wellbeing that was published with Budget 2021 – a step in the right direction.

A sustainable social and economic model requires balanced regional development. Government must move to correct the growing disparity in the standard of living and the distribution of population between rural and urban Ireland. Policy must ensure balanced regional development through the provision of public services and through capital spending projects. In this context full roll-out of the *National Broadband Plan* is essential.

In particular, Government must figure out a way to transition to a sustainable economic model in a just manner. The concept of a Just Transition and what it entails should be an issue for consideration in a Social Dialogue involving all stakeholders. Account must be taken of the fact that, done badly, the transition to a carbon neutral economy has the potential to do serious harm to some of Ireland’s most vulnerable, including those on low incomes, those in energy-inefficient dwellings, and those living in areas heavily reliant on carbon-intensive employment. It is worth noting the work of the Nevin Economic Research Institute (2019) which highlights the fact that around 6 per cent of employment in Ireland accounts for 75 per cent of total non-household

emissions, and 8 per cent accounts for 80 per cent of emissions, if Transportation & Storage is included. These are the jobs in most danger. Emissions-intensive sectors are concentrated outside of the Dublin area for the most part, with the exception of Transportation & Storage. There is also a substantial disparity between Irish regions in the proportion of new jobs in ‘low-emitting’ sectors.⁸⁵

Finally, the responsibilities and obligations of the Global North towards the planet and the peoples of East and South must be taken into account. There is a double obligation on the rich world to decarbonise rapidly in its production and consumption practices and to help to fund mitigation and adaptation programmes in the Global South (Gough, 2017: 12). The most developed countries of the world have burned copious amounts of fossil fuels to get them to where they are, and those same countries continue to have the most carbon-intensive lifestyles. There is a not unreasonable expectation in the developing world that they should not have to remain at the current level of development, well behind the living standards of the world’s richest countries.

Gough (2017) characterises this situation as needing what he refers to as ‘speedy contraction and convergence’. The goal must be to respect biophysical boundaries while at the same time pursuing sustainable wellbeing: that is, wellbeing for all current peoples, as well as future generations. ‘Between an upper boundary set by biophysical limits and a lower boundary set by decent levels of wellbeing for all today lies a safe and just space for humanity’. Essentially, it is about deciding what would constitute a moral minimum of need satisfaction across today’s world. Gough concludes that ‘equity, redistribution and prioritising human needs, far from being diversions from the basic task of decarbonising the economy, are critical climate policies’. These are issues that should be addressed in a new Social Contract.

A New Social Dialogue - Engagement in Decision-making

If Ireland is to succeed in addressing the challenges identified here, the pathway to doing so must be founded on consensus, must be well-managed, and must be properly evaluated. It has been widely recognised that Ireland’s governance was poor in certain areas prior to the economic crisis a decade ago. This is particularly so with reference to financial regulation. Moreover, that economic crisis led Government to make rash decisions, particularly on fiscal policy. These decisions were often made without any consultation, and many have since been recognised as very damaging, particularly in the case of the bank guarantee.

⁸⁵ These numbers are based on pre-pandemic figures.

Reforming governance and widening participation must remain a key goal. An increased recognition of the need to include all stakeholders in the decision-making process is needed. A deliberative decision-making process, involving all stakeholders and founded on reasoned, evidence-based debate is required. To secure a new Social Contract, participation by various sectors of society is essential. One component of real participation is recognition that everyone should have the right to participate in shaping the society in which they live and the decisions that impact on them. In the 21st century this involves more than voting in elections and referenda. Ireland needs real, regular and structured deliberative democracy⁸⁶ to ensure that all interest groups and all sectors of society can contribute to the discussion and the decision-making on the kind of society Ireland wishes to build.

Ireland would greatly benefit from having a structure that would engage all sectors at a national level. Social dialogue helps highlight issues at an early stage which would allow them to be addressed promptly. More importantly, it ensures that the various sectors of society are involved in developing mutually acceptable solutions to problems that emerge which in turn would be most likely to ensure their support for such solutions when implemented by Government. For such an approach to succeed it must include all five pillars i.e. employers, trade unions, farmers, community & voluntary and environmental.

As already noted, Ireland faces significant challenges in the coming decades, among them the housing and health situations, an increasing older population and the transition to a cleaner, greener economy. We need to get beyond growth and markets and recognise that, while they do have a role, they are only part of the solution. It is also important that all sectors of society – young and old, urban and rural, businesses, trade unions, farmers, community/voluntary, social inclusion and environmental – have a voice in deciding how these challenges will be met.

The National Economic Dialogue (NED) is an example of the potential for such dialogue. Government held the first NED in July 2015 and has repeated the process annually since. *Social Justice Ireland* welcomed this deliberative approach to policymaking but argued that it should meet more regularly than once a year, and should broaden its deliberations beyond the economy.

⁸⁶ See Gutmann & Thompson (2004) and Healy and Reynolds (2011) for more on the concept of deliberative democracy.

If Government wishes for all of society to take responsibility for producing a more viable social and economic model, it must involve all major sectors in society in shaping it.

Social dialogue involving all sectors of society enables the development of mutually acceptable solutions to problems that emerge. This in turn would make it more likely that support for such solutions can be secured when implemented by Government. People who have been involved in shaping decisions are far more likely to take responsibility for implementing these decisions.

Social Justice Ireland believe that Government should also take further steps to increase the transparency of budgetary and other important decisions, as well as further increase their research and evaluation capacity. The Irish budgetary process leaves a great deal to be desired. The level of engagement in the budget process by the Houses of the Oireachtas is low by EU standards. The level of transparency with the wider public is also too low. I recognise the work done by the Oireachtas Committee and the Parliamentary Budget Office but much more remains to be done. For example, Government should publish its analysis of the distributional impact of budgetary measures on Budget day, and engage in public debate on that analysis. This should be a statutory responsibility for Government.

Conclusion

The model for society outlined earlier in this conference by Colette Bennett and summarised here, and the policy framework underpinning it are based on a very simple premise: that we understand where we are as a society; that we can see where we want to go; and that there is a logical pathway, that will get us there. That is what a genuine Social Dialogue can achieve.

Ireland has for too long been afflicted by a state of affairs whereby we understand the issues, we know what needs to be done to improve matters, yet we find ourselves failing to take the correct steps. It is time to change that.

It is time, too, to acknowledge that the model of development being pursued has serious deficits, leading as it has to unacceptable levels of poverty and deprivation, inferior quality public services, environmental degradation, and an unsustainable future.

Contained in *Social Justice Ireland's* proposals for a New Social Contract (Bennet et al, 2020) is a comprehensive framework setting out the current situation and the issues we face, the goals that we wish to reach as a society, and the policy

changes needed to attain them. It is clear that each of the five dimensions we identified are interrelated and must be acted on simultaneously.

Having expounded on the need for an overhaul of capitalism as we know it, it is perhaps with some irony I give the closing words of this paper to Milton Friedman (1982), that great exponent of neoliberalism and winner of the Nobel Prize for Economics in 1976.

‘Only a crisis – actual or perceived – produces real change. When that crisis occurs, the actions that are taken depend on the ideas that are lying around... Our basic function [is] to develop alternatives to existing policies, to keep them alive and available until the politically impossible becomes the politically inevitable’.

We are now at such a moment. Ireland, and indeed the planet, faces several crises ranging from pandemic to pollution to poverty; a situation where ‘business as usual’ can mean only social and environmental catastrophe. *Social Justice Ireland* has developed alternatives to existing policies and advocated for them for many years. We have reached a point where adoption of a new Social Contract is surely a necessity. These ideas and alternatives to existing policies, ideas that would result in a fairer more just society, are now available. All sectors of Irish society should be engaged in an ongoing Social Dialogue to decide how best to proceed. Ireland needs a new Social Contract and a new Social Dialogue.

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