

Social Justice Ireland

Review of the White Paper on Irish Aid

Submission to the Department of Foreign Affairs and Trade on the
Review of the White Paper on Irish Aid.

April 2012

1. Introduction

Social Justice Ireland welcomes the opportunity to contribute to the reflection process of Irish Aid in the context of the review of the 2006 White Paper. As an organisation *Social Justice Ireland* is committed to building a world where human rights are respected, human dignity is protected, human development is facilitated and the environment is respected and protected. In preparing this submission we draw on the vast experience of many of our members in their work for development in many areas of the world.

This submission follows the outline proposed by Irish Aid in its request for responses to the review and so looks at four areas:

- Progress Made
- Changing Context
- Key Issues
- Ways of Working

2. Progress Made

Social Justice Ireland welcomes the opportunity to endorse the main thrust and principles of the White Paper. It is very important that this thrust is maintained and developed in the years ahead. In the service of these principles Irish people should be proud of the work of Irish Aid and the international reputation it has gained. Ireland's aid is highly rated internationally for many reasons but particularly because it is untied. It is not fettered by commercial, trade or business interests. It is important to maintain this stance.

While recognising the progress made since 2006 we regret the target of allocating 0.7 per cent of GNI on Overseas Development Aid (ODA) has not been achieved. More worryingly we are moving away from the target. In 2008 the Irish Government allocated 0.6 per cent of GNI to ODA. This has dropped to 0.5 per cent in 2012. In terms of cash this is a reduction of €281.7m or 30 per cent in four years. This major drop in the Budget allocation leads to major problems for those working at some of the most

difficult poverty coal-faces in the world. Lack of predictability and transparency make it very hard to do long term planning and consequently to ensure that real development is always the major focus of expenditure.

In this context we fully acknowledge the deep economic crisis in which Ireland finds itself at this time. However we must maintain a focus on the world's poorest people. Maintaining public support for the work of Irish Aid is a challenge. More public awareness and education is necessary to keep the issues of world poverty, inequality and hunger on the national agenda.

Progress on the White Paper could be greatly strengthened by a whole of Government approach. There is need for integration and ownership on the part of all Government for the agenda of Irish Aid.

3. Changing Context

We have already noted the changes in the economic context in Ireland since 2006. While this places tight constraints on our budgetary process we should also acknowledge that this has been a global economic crisis which has adversely affected many of the countries of the developing world.

Climate change which has been very obvious in recent years is increasing the vulnerability of many communities leading to migration, poverty and hunger. Poor people are particularly vulnerable to the negative consequences of climate change.

Increasing world population is placing more challenge on food production and soil protection. Wars, inter-community disputes and the easy availability of arms are increasing vulnerability and instability for many communities. Scarcity of resources especially water, energy and land have become more acute and highlight the need for urgent action.

The growth in poverty and inequality is of great concern. The gap between rich and poor people is widening in and between countries at national, regional and global levels. The UN Development Report for 2011 shows that income distribution has

worsened across most of the world. Of particular note is the fact that poor people will be increasingly found in Middle Income Countries which shows that economic growth alone is insufficient to tackle poverty. A focus must be placed on inequality and social exclusion. The focus should be on development which is economically, environmentally and socially sustainable.

There has been a strong growth in civil society organisations who give great energy, innovation and vibrancy to the work of development. Their insights and creativity are essential ingredients to holistic development. They also have a very critical role to play in the development of democracy and holding governing bodies to account. In recent years there is some evidence in many countries that the space for civil society organisations is under threat

4. Key Issues

Social Justice Ireland believes it is important to maintain the focus on the key issues identified in the White Paper. We comment on some of these issues below.

Poverty

Globally, the scale and extent of underdevelopment and inequality remains large. An indication of the size of this problem is outlined in the United Nations Human Development Report. The following tables present an insight into the scale and extent of these problems using UN data from the *2011 Human Development Report*. Tables 1 and 2 show the sustained differences in the experiences of various regions in the world.

There are sizeable differences in income levels (GDP per person) between the most developed countries of the world, those in the OECD, 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 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.

Table1: United Nations development indicators by region and worldwide			
Region	GDP per capita (US\$ PPP)*	Life Expectancy at Birth (yrs)	Adult Literacy %**
Least Developed Countries	1,327	59.1	59.2
Arab States	8,554	70.5	72.9
East Asia + Pacific	6,466	72.4	93.5
Europe + Central Asia	12,004	71.3	98.0
L. America + Caribbean	10,119	74.4	91.0
South Asia	3,435	65.9	62.8
Sub-Saharan Africa	1,966	54.4	61.6
Very High HDI [^]	33,352	80.0	n/a
Worldwide total	10,082	69.8	80.9

Source: UNDP (2011: 130, 161)

Notes: * Data adjusted for differences in purchasing power.

** Adult defined as those aged 15yrs and above

[^] 47 Countries including the OECD with very high human development indicators

These phenomena are equally reflected in high levels of absolute poverty (there are over 920m people worldwide living below the international poverty line of \$1.25 a day) and in the various mortality figures in table 2. The 2011 *Human Development Report* shows that almost 13 per cent of all children born in Sub-Saharan Africa died before their fifth birthday. The comparable figure for countries with a very high development index was 6 per cent.

There has been some progress on this front as the deaths of children under five declined from 12.4 million in 1990 to 8.1 million in 2009. Despite many successful health aid programmes maternal mortality rates are still very high in developing countries. Table 2 shows that there are 537 deaths per 100,000 live births in Least Developed Countries as against 16 in OECD countries.

Poverty and its associated implications remains the root cause of regional conflicts and civil wars in many of these poor countries. States and societies that are poor are prone to conflict. It is very difficult for governments to govern adequately when their people cannot afford to pay taxes, and industry and trade are almost non-existent. Poverty is also a major cause of environmental degradation. Large-scale food shortages, migration and conflicts lead to environmental pressures.

Table 2: Maternal and Infant Mortality Rates		
Region	Maternal Mortality Ratio#	Under-5yrs mortality rate*
Least Developed Countries	537	120
Arab States	192	49
East Asia + Pacific	79	26
Europe + Central Asia	29	19
L. America + Caribbean	80	22
South Asia	252	69
Sub-Saharan Africa	619	129
Very High HDI	16	6
Worldwide total	176	58

Source: UNDP 2011:142, 161

Notes: # ratio of the number of maternal deaths to the number of live births expressed per 100,000 live births

^{^47} Countries including the OECD with very high human development indicators

Clearly poverty in the southern world threatens the very survival of all peoples. It is the major injustice in a world that is not, as a unit, poor. Now more than ever the Irish government must exercise its voice within the European Union and in world institutions to ensure that the elimination of poverty becomes the focus of all policy development.

Governance and Human Rights

Irish Aid should work from a rights based approach to development. It would be important that the Review of the White Paper would spell out its understanding of human rights and how these rights are to be defended and promoted in Irish Aid programme. It should provide a clear framework for developing and measuring all

aspects of this programme. It will be necessary to allocate resources to training on human rights and developing measurement indicators of progress.

Governance is the institutional context within which rights are achieved or denied. It is about how power and authority are exercised in the management of the affairs or resources of a country. Good governance is an issue for both developing countries and the developed world.

Gender Equality

Irish Aid's commitment in the 2006 White paper to gender equality has had good results. It is important to build on this experience. While women and girls play a very significant role in the subsistence of many communities in developing countries they endure disproportionate impacts of poverty, climate change and scarcity. Irish Aid should continue the focus on gender equality and the mainstreaming of gender across all its programmes. The funding of women's organisations is critical in the implementation of this agenda.

Irish Aid's participation in international policy discussions provides a significant opportunity to promote gender equality and development.

Trade

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 (WTO), 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 (2002) 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.

Irish Aid should use its influence in the EU and other international fora to eliminate trade barriers for developing countries, to promote fair trade and ethical trade.

Irish Aid should encourage partner countries to operate within the UN framework and guiding principles for business and human rights. These provide guidelines for host country governments in ensuring that they promote and incentivise the meeting of international standards for the conduct of business entities in developing countries.

Debt

The high levels of debt experienced by Third World 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. In 1997, Third World debt totalled over \$2.2 trillion. In the same year nearly \$250 billion was repaid in interest and loan principal. 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. It is now important that Ireland campaign on the international stage to see this process implemented. Given current economic circumstances, the Irish population now has a greater appreciation of the implications of these debts and the merit in having them reduced.

5. Ways of Working

As we have seen economic growth doesn't guarantee development. The Review should place a strong emphasis on the elimination of poverty, social inclusion, a rights based approach in all its programmes, accountability and transparency. It should recommend structures that would ensure a whole of Government approach to its vision and work.

In order to ensure good governance a strong independent civil society is necessary to articulate the views of the people, challenge injustices, and highlight social exclusion. In all its work Irish Aid should ensure a space for a vibrant civil society.

A framework is needed to govern the relationships between all the actors in the development process. The work done by the Council of Europe in developing a Charter for Shared Social Responsibilities is very helpful in informing organisations in planning their activities into the future. The Charter requires that organisations *acknowledge and take into account the contribution made by everyone to strengthen social protection and social cohesion, the fair allocation of common goods, the formation of the principles of social, environmental and intergenerational justice and which also ensures that all stakeholders have a negotiation and decision-making power.* (Council of Europe, 2011) This framework advocates the engagement of all stakeholders on the basis of evidence rather than power.

The Review should give a renewed impetus to the implementation of the Millennium Development Goals.

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