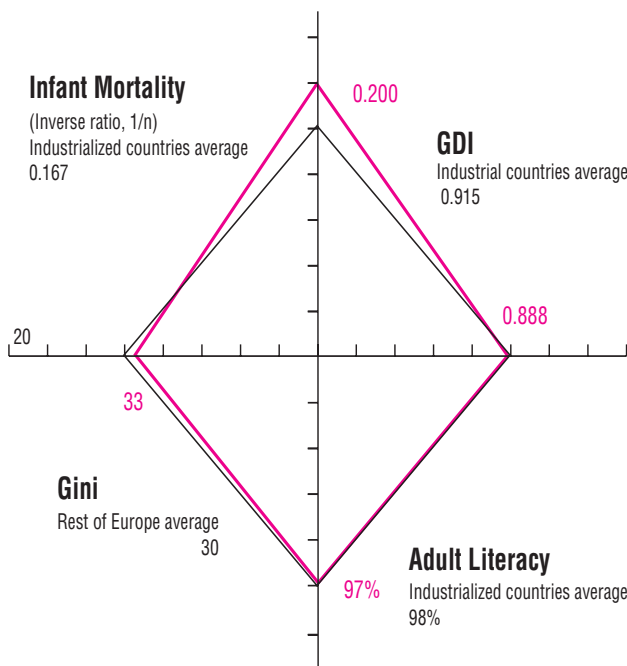


• MARTA ARIAS
• VÍCTOR RENES



The Equity Diamond: National values in terracotta compared to regional ones in blue.
 Source: **Infant mortality:** UNICEF, *The State of the World's Children, 1998*; **Adult literacy:** UNICEF, *The State of the World's Children, 1998*; **GDI** (Gender Development index): UNDP, *Human Development Report 1998*; **GINI:** World Bank, *World Development indicators 1998*. (The regional average for this indicator was calculated by *Social Watch*).

The action in the struggle against poverty¹ in Spain over these five years has been marked by the evolution of economic growth. Social Watch 1999 reported that growth and poverty have not evolved at the same pace, at least

DASHED EXPECTATIONS

regarding severe poverty. This underscores the implications of the finding that poverty has not been specifically addressed as such; instead, improvement in the poverty situation continues to depend on economic growth in two substantial aspects: growth of employment and social security.

THE STRUGGLE AGAINST POVERTY

Growth of employment is still not reaching the most underprivileged sectors of society. An active policy should be developed to promote measures that facilitate employment for persons in precarious situations and excluded sectors. It should include promotion of specific enterprises for employment that are awaiting legislation.

The future of social security pensions has been consolidated under the Toledo Pact, which was signed by all the political and social actors, and the agreement to improve the minimum pension signed by the government and the trade unions in 1999. However, the low level of protection afforded by minimum benefits is still an issue.

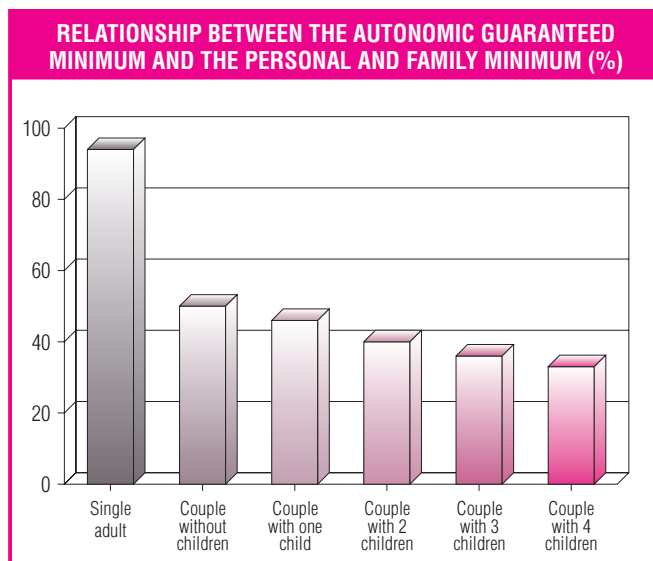
Fiscal year 1999 saw the establishment of a Personal and Family Minimum (MPF) supplement, which is based on the criterion of satisfying basic needs as defined in the Budget Law. If we compare what the MPF promises with actual payments, however, we obtain a clear indicator² of the insufficiency of coverage measures. The only beneficiaries receiving payments higher than the minimum established by budget are pensioners without spouses.

In the Autonomous Communities, MPF supplements are systematically below the basic needs minimum. Their insufficiency increases with the size of the family unit, and in the case of large families, the mean minimum income is little more

1 At the initiative of Caritas and Intermón, the report «Spain and Social Development: Balance—sheet and Recommendations regarding the '95 Copenhagen Summit Commitments» was submitted in May 1999 with major impacts on public opinion.
 2 Rosa Martínez, Jesús Ruiz—Huerta, Luis Ayala. «El mínimo vital en la reforma del IRPF.» Supplement of *Revista Caritas* No. 395, June 1999.

than one-third of MPF criterion for basic needs. This conflicts with the objective of these measures to guarantee a minimum income. As the burden of these measures falls upon the Autonomous Communities, they reproduce inequalities manifest in other parts of the country.

GRAPHIC 1



Note: The degree of coverage is the coefficient between the benefit and the pertinent MFP, expressed as a percentage.

Source: Prepared by the authors based on the Economic–Financial Report on Social Security Budgets 1999, Ministry of Labour and Social Affairs.

During this five-year period, Parliament adopted a new law on Immigrants' Rights. The 1985 law needed urgent changing, since it was one of control and not rights; a new law was needed to establish clear measures to protect the rights of immigrants, a group with serious problems of poverty and exclusion. This new law is an important step toward establishing rights, such as allowing families to regroup and offering the possibility of permanent residence during the obligatory educational period. Yet it still restricts the right to health care to emergency situations and is insufficient in one of the most decisive contexts, labour.

The insufficiency of the new law means that a state plan on poverty, as requested by the Social and Economic Council in 1997, continues to be a demand. This plan would link the various social policy measures with specific actions directed at different

social groups, and in particular, it would link government action with that of the Autonomous Communities, local institutions and social initiatives. This is a need that must be given first priority on the official agenda..

OFFICIAL DEVELOPMENT ASSISTANCE³

As in previous issues of *Social Watch*, we again express our disappointment regarding Spain's contribution to the international struggle against poverty. **In spite of the expectations awakened (basically since the 1998 adoption of the Law for International Development Cooperation), we still do not have a defined strategy that makes poverty reduction (or more specifically the fulfilment of the Copenhagen commitments) a priority objective of Spanish cooperation.** Although some progress has been made in specific fields, we cannot affirm that this progress was the fruit of a decisive policy for action towards social development. In general, we can only confirm the unfortunate trend, often repeated in different contexts—Spain's scant involvement in multilateral fora, either for drafting proposals or for implementing them.

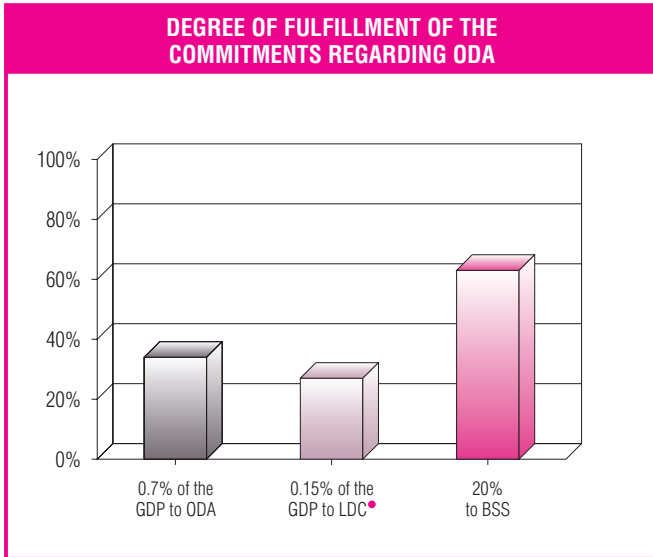
Regarding quantitative support, **the Spanish government has failed systematically to keep the commitment of allocating 0.7% of GDP to development cooperation.** It has likewise failed to fulfil the intermediary commitment of reaching 0.5% taken on by all political parties in 1996. Granted that budget items have increased in recent periods, but at all events, Spain is still the next to last donor country in the EU and fourth from last in the OECD Committee for Development Assistance. Other unfulfilled commitments are those regarding the allocation of 0.15% of the GDP to the least-developed countries (Spain allocated 0.04% in 1997—better than only Italy and the United States) and 20% of bilateral ODA to Basic Social Services (despite an important improvement in this item, Spain is only at 12.5%).

Furthermore, if we look at more qualitative aspects of assistance, we find ourselves at a time of uncertainty. The expectations that arose following adoption of the Cooperation Law (positively valued by nearly all the sectors involved) are now frustrated by its slow regulatory development. The most important task was approval of a pluri-annual master plan to define objectives and strategies for Spanish cooperation. At the time of preparing this report, the plan was unjustifiably held up.

SUPPORT FOR UNIVERSAL BASIC EDUCATION

Ten years after the World Conference on Education for All in Jomtien and the commitment on «promotion and achievement of

³ All the data included in this section are taken from *La Realidad de la Ayuda 1999/2000*, edited under the responsibility of the Gonzalo Fanjul, Intermón, Madrid, 1999.



• Países Menos Adelantados.

the objectives of universal and equitable access to quality education.» Spanish bilateral ODA still has no specific strategy for dissemination of basic education. Basic education has received minor attention in comparison with higher educational levels and more especially with other spheres of cooperation (ODA for basic education is less than three per cent of total bilateral ODA). The commitments taken at the Jomtien conference have not been incorporated into technical cooperation projects and programmes, despite the fact that a very significant part of the Spanish contribution to basic education comes from the work of an NGO and local and regional bodies. On the international scene, Spain has not been pro-active on education and is absent from debates and work carried out by the Forum on «Education for All.»

ADDRESSING THE FOREIGN DEBT

The attitude of the Spanish government on debt has gone from a cold, strictly commercial treatment to a more open approach that is more sensitive to social development—at least on paper. The Spanish government is committed to the HIPC Initiative and to providing resources for the fund set up by the IMF to launch the new phase of this Initiative. All this is in compliance with a series of principles that are valuable *per se* because of their links to development and social participation. Putting these principles into practice, however, is challenging and gives rise to serious concern. The Spanish government has neither a deliberate public policy for managing foreign debt nor the stable resources it would need to take advantage of the flexibility offered by multi-lateral organisms. Our country has been characterised as meticulously abiding by international commitments at a time when a greater degree of leadership and commitment toward the objective of human development is required.

- CÁRITAS Spain is an NGO leader in the struggle against poverty in the country. It works in all fields of the struggle against social exclusion. This report for Social Watch was written in collaboration with the research department under the leadership of Victor Renes. Caritas publishes the Foessa Report, the most prestigious study on the situation of poverty in Spain.
- INTERMÓN is the Spanish member of OXFAM INTERNATIONAL. It is an independent, non-profit foundation that has been operating since 1996 to eradicate poverty in the South through development projects, appeals, awareness raising and fair trade. <marías@intermon.org>