TOWARD A WHITE PAPER ON SPANISH DEVELOPMENT POLICY
# TABLE OF CONTENTS

PROLOGUE .......................................................................................................................... 1
EXECUTIVE SUMMARY ....................................................................................................... 4
1. INTRODUCTION .................................................................................................................. 8
2. DEVELOPMENT CHALLENGES ........................................................................................ 14
3. SEVEN SPANISH POLICIES WITH AN IMPACT ON DEVELOPMENT ............................. 21
   3.1. QUANTITY AND QUALITY OF OFFICIAL DEVELOPMENT ASSISTANCE .................. 22
   3.2. FAIR TAXATION ........................................................................................................ 28
   3.3. CLIMATE CHANGE, ENERGY AND DEVELOPMENT ................................................. 34
   3.4. PEACEBUILDING AND THE ARMS TRADE ................................................................. 40
   3.5. INTERNATIONAL MIGRATIONS ............................................................................... 46
   3.6. TRADE, INVESTMENT AND DEVELOPMENT ............................................................. 52
   3.7. GLOBAL GOVERNANCE ......................................................................................... 58
4. CONCLUSIONS AND RECOMMENDATIONS ..................................................................... 64
5. REFERENCES .................................................................................................................... 70
6. BIBLIOGRAPHY ............................................................................................................... 76
TABLE OF GRAPHICS

1. GRAPHIC 1 THE CONCEPT OF “INTERNATIONAL DEVELOPMENT POLICY” ACCORDING TO THE CIECODE ................................................................. 9
2. COMPARISON OF COUNTRIES WITH GREATER EXPERIENCE IN DEVELOPMENT POLICY .......................................................... 11
3. EXPLANATION OF METHODOLOGY .......................................................................................................................... 12
4. EXHAUSTION OF BASIC RESOURCES IN AN UNEQUAL WORLD ........................................................................ 16
5. WORLD DISTRIBUTION OF THE POOR BY COUNTRY CATEGORY .................................................................................. 18
6. ASSESSMENT OF SPAIN’S CONTRIBUTIONS TO MULTILATERAL DEVELOPMENT ORGANIZATIONS BETWEEN 2001 AND 2009 ................................................................. 24
7. TAX HAVENS: THE BLACK HOLE OF INTERNATIONAL FINANCE ........................................................................ 30
8. SPAIN’S EMISSIONS OF GREENHOUSE GASES (GHG) AND MITIGATION COMMITMENTS .................................. 36
9. SPAIN’S ARMS TRADE WITH SENSITIVE DESTINATIONS ............................................................................................. 42
10. MIGRATION POLICY: A BOTTLENECK FOR GOOD MANAGEMENT OF MIGRATION FLOWS ............................... 48
11. TRADE’S POTENTIAL FOR DEVELOPMENT OF THE LEAST ADVANCED COUNTRIES .................................. 54
12. EFFICIENCY VS REPRESENTATION IN GLOBAL GOVERNANCE INSTITUTIONS .............................................. 60
13. SUMMARY OF IMPACTS ON SPANISH FOREIGN POLICY PRIORITIES ................................................................. 66
14. COMPREHENSIVE MANAGEMENT OF DEVELOPMENT POLICY: THE EXAMPLE OF THE WORLD FOOD CRISIS ................................................................. 68
In the Development NGO (NGDO) sector we have spent years developing a shared diagnosis and joint proposals on the main challenges that we face in the fight against poverty. An outstanding result of this work is the State Pact Against Poverty which was signed by the major political parties four years ago upon the suggestion of the NGDO Coordinator. This document proposed guidelines for political orientation, specific management measures and legislative initiatives that have made it possible to build a public policy to combat poverty with a broad political and social consensus.

Since the signing of the Pact our world vision has evolved fast. The importance that processes such as climate change, migration flows or insecurity are acquiring, in addition to the rebalancing of power among the countries in the so-called North and South, make it essential to establish a governance framework that guarantees certain global public goods. In the near future, if we do not make human, social and environmental rights universal, it will be impossible to enjoy them in our own country.

Moreover, in the context of Spain, the change of economic and political cycle will also bring changes in international and development policy. Now is the time to consolidate successes such as international presence, gender equality or the dialogue with all stakeholders. However, now is also the time to address matters still pending, such as the coherence of development policies. In a time of budget restrictions we have to be capable of ensuring that other state policies—trade, energy, agriculture, migration, security or climate change—contribute to the struggle against poverty. It is essential to understand the impact of our decisions and progressively introduce changes that can substantially improve the living conditions of the most vulnerable people although costing very little.

On this hard road that we have to walk the work done by the CIECODE and, specifically, the papers assembled for the project “Toward a White Paper on Spanish Development Policy,” are a very substantial and stimulating contribution. Through multiple topics and standpoints they invite all of us to reflect and, above all, to act.
The history of social economy in Spain shows that the private sector must be part of the solution to development challenges and that it is possible to develop models in which companies generate growth that is inclusive and sustainable, creating jobs and wealth.

Companies from developed countries can be agents that promote development in poor countries, just as they do in their countries of origin. With responsible social and environmental behaviour, companies will promote better governance and inclusive growth in these countries. Private sector participation through contribution of its experience and know-how is key in the design and implementation of policies that contribute to promoting development and combating poverty.

As the report “Toward a White Paper on Spanish Development Policy” by the CIECO-DE shows, in the current economic context we must support a development policy model that ensures and incentivizes the participation of all of society’s active members, which includes companies, in order to achieve the international development goals shared by all.

In addition to the impact of its daily business activity, the private sector is gaining importance as the implementer of development cooperation. Social Economy has broad experience in the execution of development cooperation initiatives, strengthening the business sector with its experience and know-how or ensuring access to basic social services in developing countries. The pillars of Social Economy—solidarity, participation and company activity to benefit the common good—should inspire the participation of the private sector in Spanish development policy.

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The idea that global development is a set of communicating vessels, where the prosperity of some must come at others’ expense, has been laid to rest forever by the experience of the last half century. The success of cooperative mechanisms such as the European Union, the domino effect of the economic crisis or the confirmation of a global warming process stemming from the activity of a handful of countries conclusively demonstrates the advanced degree of financial, social and environmental interdependence that exists among regions. On the planet of the 21st century, we sink or swim together.

This report defends the need for a Spanish foreign policy that embraces this principle. It emphasizes that the promotion of a fairer, more prosperous and sustainable planet is not only compatible with Spain’s economic and political interests but can actively contribute to them. The idea of a White Paper on Development suggests that among the principal challenges facing modern foreign policy is that of promoting and consolidating virtuous circles of intelligent selfishness that link the strategic interests of a medium-sized power like Spain with its global responsibilities. This is the road that countries such as Great Britain have followed; its foreign policy combines diplomatic influence, military capacity and the soft power of its international cooperation.

The global food crisis is a good example of the opportunities that this focus offers. For the first time in the history of humanity, there are more than 1 billion hungry people in the world. However, this situation conceals a problem that goes beyond the violation of fundamental rights and which is linked to the extreme volatility that accompanies food production and distribution worldwide. No country on the planet, no matter how powerful it may be, is free from the risks associated with this volatility. Therefore, they all must be interested in reducing it. Virtuous circles can be created in which the solidarity of Spanish development policies shores up our country’s strategic interests: consolidation of international food stocks, stabilization of climate change or the rationalisation of biofuel policies.
Spain must manage in the coming years in a context that is full of examples such as the one we’ve described. In addition to the food crisis, the international community will have to face other global development challenges that include the scarcity of basic resources such as land, water and energy; the worldwide erosion of access to basic services such as education and healthcare, due largely to the drop in development funding sources; the misgovernment of international migratory flows, the intensity of which will tend to grow in proportion to the changing economic cycle; and the consolidation of fragile states and forgotten crises in regions of interest to Spain.

This report has identified the seven Spanish policies having the greatest impact on international development. Their influence goes far beyond what is known as “cooperation policies”, strictly speaking. These are instruments with which Spain can contribute toward responses to global development challenges. Each of them has been analyzed according to a methodology that links them with five strategic Spanish foreign policy goals, which range from Spain’s international credibility to the promotion of its economic interests and the creation of employment. These are some of the conclusions suggested by this analysis:

- The volume and impact of development aid strengthens Spain’s credibility abroad. International cooperation is an essential element in the foreign policy of a medium-sized power such as Spain. Guaranteeing a reasonable minimum amount for aid resources, while improving programmes’ quality and sharpening their strategic focus, will be a decisive factor in increasing Spain’s prestige internationally. Moreover, the implementation of an active strategy in this area could shore up Spain’s position in forums such as the G20, where the presence of our country is still vulnerable. The cutbacks announced recently by the new government are sending precisely the wrong message.

- The consolidation of fair tax systems and the promotion of a European migration policy would contribute to more effective governance of global matters. Tax havens and financial system opacity are “common ills” that benefit terrorism, international organized crime and companies and individuals whose shady practices siphon off financial resources from developed and developing countries alike. The fight against these common ills would create positive externalities in the management of global matters that are of great interest to Spain, such as drug trafficking, tax evasion, illegal immigration or terrorism. This would also offer significant opportunities to collect revenues from taxes that today are dodged or evaded.

By the same token, Spain is one of the European countries most interested in the definition and implementation of a common migration policy that guarantees an orderly flow of migrant workers as well as their fundamental rights and benefits for their countries of origin.

- Responsible investment and trade models strengthen Spain’s economic position and that of its companies abroad. As Canada and other
countries have already shown, promotion of a foreign investment model based on responsibility and social and environmental commitment can give Spanish companies new comparative value, improving their ability to manage the risks inherent in investment in developing countries and facilitating future business opportunities. Spanish participation in so-called “socially responsible” investment funds is still marginal, which is why there is still great potential for Spain to grow in an area that is resisting the crisis better than conventional investments.

- Spain can consolidate safer environments through active peacebuilding policies and a more transparent, regulated arms trade: the 2011 Spanish Security Strategy indicates that “the lines of demarcation between foreign and domestic security have been blurred.” Achievement of a peaceful, safe environment and the establishment of a fair international order providing peace, stability and respect for human rights are of strategic interest to domestic security. In this sense, one of the main advantages of transparent, regulated international arms trade is its potential for avoiding the diversion of conventional weapons into the black market. This is one of the goals of Spanish law and one of the ends pursued through approval of the International Arms Trade Treaty. Governments cannot meet this goal without strict compliance with existing domestic regulations or the existence of a solid, transparent legal framework such as that which would be established by this Treaty.

- Promotion of an ambitious climate policy would reduce the risks of global warming and halt the exhaustion of natural resources in Spain. Spain and the U.S.A. are the only high-income countries with a high climate vulnerability factor. The sectors that are likely to be most affected in Spain are agriculture, tourism and, most of all, the environment, due to desertification and the scarcity of water, especially in the Mediterranean basin. Effective application of the “UE Clean Air Strategy” would avoid 63,000 premature deaths related to respiratory problems annually in the Europe of 2020 and would represent a savings of 100,000 million euros (five times its cost). A decisive climate change mitigation and adaptation policy would simultaneously help Spain’s interests and those of the poor countries that are already suffering from the most virulent effects of the change process.

The definition of a foreign policy based on this comprehensive focus is compatible with a context of public spending reductions, although it does require the guarantee of strategic budget decisions, such as preventing even greater decreases in aid. The most significant implications, however, are linked to institutional mechanisms for coordination among the different policies that affect developing countries, as well as the elaboration of a holistic strategy. This is precisely the role of a White Paper on Spanish Development Policy such as that proposed in this report. In the interdependent world of the 21st century, supporting development is not only fairer; it’s also smarter.
A BROAD CONCEPT OF INTERNATIONAL DEVELOPMENT POLICY IS NEEDED THAT IS NOT LIMITED TO COOPERATION AND ODA

1. INTRODUCTION

At the end of 2011, while this report was being written, the number of people unemployed in Spain was approaching the figure of 5 million. The risk premium paid by the country on its debt reached historic maximums. In September, defaulted loans in the Spanish financial sector reached their highest rate since November 1994. In October 2011 Spaniards’ foremost concerns by far were unemployment and the economy. Politicians as a whole were seen as the third problem and public confidence in them had fallen more than 15 percentage points compared to ten years before. The “15-M” movement reflected the disillusionment and indignation of an important part of the population, which doesn’t feel itself represented by public authorities, who they perceive as serving interests that are not theirs.

Spanish people are aware of this situation and agree that to get out of it a change is needed. There is not so much agreement, however, as regards the nature of that change. Some believe that the social and economic model is still valid and that what are needed are suitable reforms and capable managers. Others think that the only way out of this crisis is to thoroughly review our society’s basic principles, norms and government institutions. But there is one thing upon which the great majority of the Spanish people do agree: the need to analyze the situation “domestically”, putting Spain at the heart of any solutions proposed.

When problems are so close to home, it’s normal to choose actions that offer fast, palpable results in our immediate environment. The costs of these measures, their ability to respond to the root cause of the problems or their implications for third parties are questions that are relegated to the background. It isn’t very common for people in Spain to associate their primary concerns with the major challenges facing humanity as a whole. This may be because they are simply unfamiliar with these challenges or perhaps because, even if they’re aware of them, they don’t think they’re affected by them in a direct or personal way. Few people, for example, feel that the problem of fragile states in other areas of the planet is their problem. Perhaps they are ignorant of the connections that those countries have with our daily lives: the prices of oil, drug trafficking, organized crime or religious fanaticism.

The main argument of this report is that the wellbeing and security of Spain and the Spanish people are connected—not theoretically, but in a real and direct way—with the future of other countries and with events that take place far from our borders. The policies promoting international development and the fight against poverty are a driving force in this relationship and their importance goes far beyond mere budget debates on the amount to be dedicated to Official Development Assistance (ODA).

We live in an intensely interdependent world and we are surrounded by recent evidence that plainly shows this: in just a few days, Japan’s nuclear catastrophe caused a radical change in German energy policy and a consultative referendum on Italy’s nuclear future was convened. What began as a “local problem” in the U.S. mortgage market unleashed the greatest global economic crisis of the last 80 years, the consequences of which we are feeling still. The political crisis in Libya caused world oil prices to rocket upward in mid-2011; the reappearance of swine flu in Mexico caused a global epidemic alert in 2009, resulting in several tens of millions of euros in extra expense for medicine in Spain. The list of examples goes on and on.
Development, security and well-being, therefore, will have to exist for all countries or for none. Spain can try to face the future ignoring this fact, but in vain. The defence of Spain’s interests and those of the rest of the world go hand in hand. What this report proposes is that, in order to lay the foundation for a prosperous future and defend its rights in an intelligent, efficient and strategic way, Spain should include international development and the fight against poverty as key elements in its political decision-making processes.

In practice, Spanish politics is still far from doing this. With regard to the promotion of international development and the fight against poverty, the state’s perception of its area of responsibility is limited almost exclusively to “cooperation policies” in which Official Development Assistance (ODA) is the main tool. When it comes to policies on trade, migration, climate, taxes, agriculture or security—which is where Spain’s greatest impact on development lies—there is only a legal commitment to “development policy coherence” which has not really taken hold in Spanish policy’s *modus operandi* and lacks, currently, any practical political relevance.

**The Concept of “International Development Policy” According to the CIECODE**

The CIECODE understands that the “International Development Policy” concept comprises Spain’s various policies in both the domestic and international areas that influence poverty and international development, as well as the synergies and interactions among them. “Official Development Aid” is just one of these policies, along with the policies on trade, climate, taxes, migration and security.
This lack of comprehensive and strategic political vision does not only appear in relation to international development. It is, rather, a constant in Spain’s “foreign policy” overall. The administration has little institutional history in these matters and lacks the administrative channels needed to adopt multi-faceted policies that would naturally involve different government areas having responsibilities in “foreign affairs” and would allow it to handle these matters in an efficient, consistent way.

This piecemeal management of foreign affairs in a non-strategic way erodes Spain’s image as a serious, reliable participant in international forums. But it isn’t only a question of image. Due to its lack of global vision, Spain uses its resources inefficiently and continually loses opportunities to combine synergies in different areas, maximize the positive return on its policies and establish long-reaching relationships with strategic partners. For example: more than 60 percent of our ODA goes to countries in the African, Caribbean and Pacific group of states (ACP) or with different regional blocks in Latin America. Can Spain adequately detect the risks and opportunities inherent in the EU’s trade negotiations with these countries if the Spanish negotiating team does not include (or only symbolically includes) development experts?

How is it possible that the State Secretariat of Climate Change did not participate in the elaboration and approval of the Environmental and Climate Change Sector Plan produced by the AECID (Spanish Agency for International Development Cooperation)? Has the Spanish government calculated the overall costs and benefits for Spain of having once again become a supplier of defence materials to countries such as Libya, Bahrain, Saudi Arabia or Egypt in 2011?

Spain can learn a lot from neighbouring countries about new institutions, relationships and transversal, interdepartmental ways of working, and also about how to include international development in diplomatic, trade or security decision-making processes (graphic 2). These experiences show that several of these countries have chosen to use a modern management model in their “foreign policy” and a broad concept of international development policy that is not limited to cooperation and ODA. All of them began this maturing process by drawing up a document of reference. Its production process was a fruitful reflection and analysis exercise and an opportunity for debate within the administration and between it and other relevant social actors.

Spain has a difficult period of social and economic recovery before it which, undoubtedly, will provide the opportunity to review, re-think and reform old policies and practices. It would be an error to not take advantage of this context and this occasion to develop a strategic and comprehensive “Spanish international development policy” for the first time that would allow us to fulfil the moral obligation to fight against poverty—an obligation ratified in multiple national and international commitments—and at the same time defend our national interests in the most efficient possible way. In the interdependent world of the 21st century, supporting development not only continues to be ethically correct; it’s also smarter.
In Germany and Canada there are specific initiatives worth mentioning. The German government regularly forms interdepartmental work groups to define political positions on complex matters and possesses administrative instruments to closely coordinate its policies in foreign affairs, security, development, human rights, foreign trade and cultural and educational matters. Canada, on the other hand, has defined a trade strategy called “Building the Canadian Advantage”. It is intended to create a comparative advantage for its multinational extractive companies based on excellence in respect for social, ethical and environmental standards. This is a good example of the practical applications of an advanced development policy that is integrated, coherent and intelligent.

**Graphic 2**

**Comparison of countries with greater experience in development policy**

Several of our partner countries that have greater experience than Spain in development matters offer interesting models of how to gradually incorporate concepts such as “policy coherence,” “integrated foreign policy” or “intelligent selfishness” into normal political practices and how to involve more institutions—Parliament, consultant bodies, civil society—until a real political culture of foreign affairs and development management has been achieved.

**United Kingdom**

The United Kingdom is perhaps the most paradigmatic example. When the Department for International Development (DFID) was created in 1997 on a par with the ministries, the United Kingdom confirmed its firm commitment to ensuring the influence of development in its policy decision-making. Since then, the DFID has been the main energizer and catalyst for analysis, discussion and strategic debate in the British government and has confirmed the transition from a policy of development aid to a real development policy, through which the United Kingdom seeks to combine fulfilment of its development commitments with promotion of its own interests. The solid institutional structure is complemented by consultation and evaluation mechanisms in which various ministries participate, along with the Parliament and civil society. This political process has already yielded concrete results in the definition of their political position in different areas (trade, energy, climate change and the quantity and quality of development aid). The theoretical basis for their activity is to be found in the “Development White Papers” published in 1997, 2002, 2006, 2009 and 2011, which are benchmark reports in this area.

**Sweden**

Sweden also has a Department for Development Policies to manage its Global Development Policy and support consistency in this area among the other departments. The government regularly gives an account to Parliament of its activity relative to development policy and policy coherence, and there are formal and informal mechanisms for consultation and coordination of these matters. Just as in the United Kingdom, the process of producing reports—in 2003 and 2008—energized internal debate and drove the adoption of political commitments in later years.

**The Netherlands**

Although the Netherlands’ experience in this area is a mixed bag, it has made significant progress toward making development coherence a fundamental element of its foreign policy. The incorporation of various ministerial departments and civil society ensures that different perspectives and sensitivities will be taken into consideration that are traditionally absent from decision-making on policies that influence development.

**Germany and Canada**

In Germany and Canada there are specific initiatives worth mentioning. The German government regularly forms interdepartmental work groups to define political positions on complex matters and possesses administrative instruments to closely coordinate its policies in foreign affairs, security, development, human rights, foreign trade and cultural and educational matters. Canada, on the other hand, has defined a trade strategy called “Building the Canadian Advantage”. It is intended to create a comparative advantage for its multinational extractive companies based on excellence in respect for social, ethical and environmental standards. This is a good example of the practical applications of an advanced development policy that is integrated, coherent and intelligent.
A “READING GUIDE” FOR THIS REPORT

In order to make its analysis of Spanish international development policy and how this interpenetrates with Spain’s overall foreign strategy, the CIECODE uses three basic elements in this report:

(a) A series of challenges that define the context that Spain must address in the development area. The report does not attempt to make an exhaustive description of global development challenges, but rather to highlight some trends which, in the CIECODE’s opinion, will be particularly relevant in coming years. Specifically, there are five points that will be developed in the following section:

• The increasing chronicity of global food crises.
• The exhaustion of basic resources and the race for land, water and energy.
• The deterioration in essential services and social protection networks as a consequence of the drop in development funding.
• The misgovernment of international migration flows.
• Fragile states and forgotten crises.

(b) A series of Spanish national policies that directly impact international development. These policies represent the fundamental elements to take into account when evaluating Spain’s economic, social and diplomatic relations with poor countries. The CIECODE has identified seven areas in which Spain’s actions and position can significantly affect the international effort to combat poverty and enhance sustainability. These categories can still be fine-tuned, but it is difficult not to see in them the group of topics that ought to make up a modern international development policy, with obvious implications for the strategic and institutional definition of foreign policy.

• Development aid
• International taxation
• Climate change and energy
• Peacebuilding and the arms trade
• International migrations
• International trade and investments
• Global governance

(c) A series of strategic foreign policy goals for Spain. As in the above case, it isn’t a question of covering all of Spain’s foreign policy objectives, but rather of highlighting those that could be most influenced by Spain’s actions with regard to international development, beyond any ideological consideration or their impact on the poverty or sustainability of other regions.

(1) Spain’s credibility and efficiency abroad: active participation in the resolution of global affairs such as those described in the next section will strengthen Spain’s credibility and leadership in the world, especially in forums such as the G20.

(2) Promotion of efficient global governance: Spain, like any other medium-sized power, is interested in the strengthening of cooperation mechanisms to manage matters that are beyond its control, such as international migrations, climate change or international security.

(3) Promotion of economic stability and job creation in Spain: a responsible, sustainable approach to new productive sectors can bring competitiveness and efficiency to Spain’s economy and open up new trade opportunities. Development consolidation in the regions that are a priority for the government and for Spanish companies will contribute to expanding our markets and generating mutual benefits.

(4) Consolidation of safer environments: Spain is directly linked to some of the least stable regions on the planet. The promotion of peace and social stability in countries such as Libya, Somalia, Guinea Bissau, Mauritania or Guatemala means reducing significant risks associated with international organized crime, military conflicts or forced migrations.

(5) Stopping climate change and the exhaustion of natural resources in Spain: our country is directly affected by the growing impact of global warming and the implications of the productive model on the demand for energy and natural resources. At the same time, the appearance of new energy models represents an impor-
tant strategic opportunity for the Spanish business sector, in coordination with the actions taken in other European countries.

The combination of these three elements (challenges, policies and goals) is intended to respond to a basic question: starting from a given context, how is it possible to create virtuous circles between some of Spanish foreign policy’s strategic goals and the strategic goals of a mature, ambitious international development policy? To do this, the report uses a simple methodology (graphic 3) in which each of the seven national policies affecting development is reduced to three essential proposals (see section 3). These are evaluated according to their impact on each of the five Spanish foreign policy goals (with a link that may be weak, moderate or strong). Each of the seven policies was analyzed in detail in 2011 by experts in the subject matter as part of the CIECODE’s project “Toward a White Paper on Spanish Development Policy”. These analyses provided the CIECODE with a diagnosis of the situation and a work proposal for the next legislature. The CIECODE is aware of the difficulty inherent in implementing these types of recommendations in times of crisis. However, as will be seen throughout this report, the policies proposed are necessary and make it possible to attain quite respectable long term results at low cost.

An attempt was made when performing this exercise to analyze the links the same way that a Spanish head of foreign affairs would: strictly pursuing Spain’s goals. Therefore, a link has only been established when it was sufficiently clear that it existed.
2. DEVELOPMENT CHALLENGES
During the next decade the international community is going to have to face previously unknown levels of risk and vulnerability, and it will have to do so with weakened resources and institutions. Along with the financial deterioration of recent years there have been political, energy and climatic crises that have increased environmental volatility and destroyed the population’s safety nets. More than ever, these events underscore the interdependence of the planet’s different regions and the need to offer global solutions for common ills.

Among the diverse trends that are going to mark development debate over the course of the next decade, this report bases itself on five primary challenges that demarcate the context of Spanish foreign policy in this arena. All of them are interconnected in a more or less direct way:

- The increasing chronicity of a global food crisis.
- The exhaustion of basic resources and the race for land, water and energy.
- The deterioration in essential services and social protection networks as a consequence of the drop in development funding.
- The misgovernment of international migration flows.
- Fragile states and forgotten crises.

The increasing chronicity of a global food crisis

At the beginning of 2011 more than 900 million people around the world were hungry. The extreme climate and the increase in food prices may bring us once again to the figure of 1,000 million (1 billion), a record that was reached in 2008. One third of child mortality is attributable to malnutrition and around 24,000 people die every day of hunger or causes related to hunger.

In large part the numbers have shot up as a consequence of the crisis in basic cereal prices, a phenomenon that encapsulates the challenges of the short and long-term food system. Restrictions on exports, financial speculation or irresponsible incentives for first generation biofuels are behind the nonstop price rises in recent years. The food price index produced by the World Bank shows an increase of 29 percent over its 2010 level. Between 2010 and 2011 corn became 73 percent more expensive and foods such as rice, sugar and oils rose as well.

But these “provoked” phenomena function based on two major structural factors that drive long term trends: the increase in global demand for food and climate change. New research suggests that both variables could worsen in coming decades, as the population grows and the entry of emerging economies intensifies the pressure on natural resources and aggravates...
climate change. This will affect the most vulnerable sections of the population, such as women and children, even more. Response to the challenges of the food system will require decisive action by governments and institutions able to regulate the operators, protect the most vulnerable groups of people and encourage more stable and sustainable production models.

Today it isn’t possible to understand the rest of global equality without considering ecology and the handling of natural resources. How can we feed a world population of 9 billion people in 2050 without reconsidering an agrarian model that contributes in a decisive way to the emission of greenhouse gases? Is it possible to react in 25 years to a 35 percent growth in demand for energy without considering the exhaustion and implications of fossil fuels?

As has become clear in climate negotiations in recent years, the challenge facing the international community is twofold: circumscribing growth’s environmental footprint to the planet’s ecological limits and guaranteeing a fair redistribution of available resources. In a planet in which someone in India consumes seven times less resources than someone in Canada, 1.4 billion people still live without access to electricity and more than 1.1 billion have no access to clean drinking water (graphic 4). Signs of...
future exhaustion of these resources—such as the reduction of food stocks and price volatility—have unleashed a race to stockpile land, water and energy the consequences of which are already tangible for the poorest communities. In Africa fertile land was bought up in 2009 at a rate equivalent to the previous 22 years combined. The financial and economic crisis unleashed in 2008 only served to worsen this situation. In what seems to be a general trend, OECD countries Official Development Assistance (ODA) growth halted in 2010, with an accumulated loss of 36 percent compared to the commitments made by the donors in the Gleneagles Summit (2005). It is supposed that many governments’ ODA amounts were reduced or frozen in 2011; the reduction anticipated in Spain is 30 percent compared to 2009. Moreover, there is a serious risk of aid budgets being conditioned by donors’ strategic interests, deviating in that sense from the aid quality principles established in Paris/Accra. Faced with this situation, the international community has not yet been able to agree on the implementation of “new funding sources” such as the tax on international financial transactions, the fight against tax havens or taxes on maritime transport.

With regard to the outlay made by recipient countries themselves, the timid increase in social spending in the first months of the crisis has given way

THE DETERIORATION OF ESSENTIAL SERVICES AND SOCIAL PROTECTION NETWORKS AS A CONSEQUENCE OF THE DROP IN DEVELOPMENT FUNDING

The Millennium Development Goals Gap Task Force calculates that the funding available for fulfilment of the goals is far below the 454,000 million dollars that would have been necessary in 2010. A good part of this deficit is linked to the weak domestic budgets of developing countries, but international aid in the last year is about 13 billion dollars below what is needed. This lack of resources is going to be decisive in the non-fulfilment of basic goals relating to education, health or child mortality.

to significant cuts in average spending per person\textsuperscript{23}. This growing gap is caused in part by their inefficiency when it comes to increasing their own income and reducing dependence on aid. The tax revenues collected in developing countries are clearly insufficient to cover their development needs and far below those of average- or high-income countries in proportion to their wealth. In addition to the lack of political will, this inadequate collection is due to their particular economic structure (a widespread informal sector and extensive submerged economy), the lack of institutional collection capacity and the tremendous amounts of money that are taken out of the country (legally or illegally) without being subjected to any kind of tax or duty.

In the many countries where aid covers a significant part of the budget for basic social services, the double loss from ODA and their own resources may have very serious consequences for people who were already in a situation of great vulnerability before the crisis, and who depend on public provision of these services. The gap will grow in the near future due to the public expenditure needed for emissions reduction and adaptation to climate change, the increase in food and fuel prices or the increase in raw materials’ price volatility\textsuperscript{24}.

THE MISGOVERNMENT OF INTERNATIONAL MIGRATION FLOWS

Close to 215 million people live and work today outside their countries of origin\textsuperscript{25}—40 percent more than just ten years ago\textsuperscript{26}. Most of them still travel between poor regions in different degrees of development, but south-north movement is growing fast. In the last decade alone close to 65 million people arrived in the developed world according to the latest OECD data, most of them into countries in the EU and North America\textsuperscript{27}. In the best of cases these figures represent an estimate that does not always include the entry and irregular residence of immigrants, whose number may exceed 20 million in the EU and the USA alone\textsuperscript{28}.

International migration flows represent a fundamental development challenge for two major reasons: first of all, for their potential to redistribute wealth toward emigrants’ countries of origin and to the emigrants themselves. World Bank data suggest that this transfer far surpasses other sources of development funding such as aid. Second, because the rigidity of the current migration model imposes intolerable tolls on emigrants’ human and social rights, which are violated at the beginning of the process, during it and at their destinations. The open debate in Europe on Immigrant Detention Centres is just one indication of this.
A basic tenet of this report is that this international movement of workers is a growing and unstoppable phenomenon. A combination of attraction and repulsion—led by the gap in wages and demography existing between the countries of origin and those of destination—constitutes an unstoppable force that even the most extreme measures have been unable to halt to date. Even though the economic crisis may have changed the intensity and direction of migratory flows, the change in economic cycle will rebalance the south-north trend and will reinforce labour power’s mobility as one of the developing world’s competitiveness factors that could offer more global progress opportunities. This is especially true in the case of the least qualified workers, precisely those who have the least possibilities when it comes to access to developed markets.

INATTENTION TO FRAGILE STATES AND FORGOTTEN CRISES
Almost a fourth of humanity, over 1,500 million people, lives in areas that are affected by fragility, conflict or large-scale criminality. According to the United Nations, these areas are those in which poverty is increasing the most on a world scale. This concentration could increase even further as the risk of violence and vulnerability due to the scarcity of energy, water and food increases.

A large part of these people live in countries usually labelled “fragile states”, which are fighting to break out of vicious circles of poverty and violence combined with weak, inefficient and non-representative governance. According to the Brookings Institution, in 2010 40.8 percent of the people who lived on 1.25 dollars a day did it in fragile states—double the number in 2005, partly because of successful development in other places—and this proportion is expected to continue to rise.

A recent World Bank study shows that no country in this category has managed to meet even one of the Millennium Development Goals. Their indicators in the areas of malnutrition, education, child mortality, access to water, poverty and international trade are systematically lower than those of other countries in situations of extreme poverty. Each civil conflict delays a country’s economic growth by three decades, on average, and causes the GDP of each of its neighbouring countries to drop by 0.7%. These countries’ problems also have direct consequences for the international community. Combating sea piracy in the Indian Ocean and Horn of Africa, for example, costs the international community between 1.3 and 2 billion dollars a year in direct costs alone.
The so-called “forgotten crises” (those that do not receive enough political, diplomatic or military attention) could become an even greater challenge in the future as donors confront more serious humanitarian crises or crises that are more attractive to political and media interests. In 2010 the Humanitarian Response Index—an international humanitarian aid indicator elaborated in Spain—estimated that the “growing politicisation of humanitarian aid means that millions of people are not receiving the aid they need.”

As disasters associated with meteorological conditions increase, the vulnerability of most poor people in the world to these phenomena can also increase. There are various factors that lead to this situation. Among them are: a greater number of people living in urban slums in very precarious conditions; greater pressure on farmland because of droughts, population density growth and the increasing demand for meat; and also the threat of climate change and environmental degradation, which mean that more and more people abandon their homes. This greater scarcity of land and food, as well as the increase in migrations, increases the risks of violence. In 2007 a report estimated that 46 countries would face a “high risk of violent conflicts” when the effects of climate change worsened the unequal conditions between social groups that already implied a risk of increased levels of violence.
3. SEVEN SPANISH POLICIES WITH AN IMPACT ON DEVELOPMENT

This report has identified the seven Spanish policies that most impact international development. Their scope goes much beyond what is strictly defined as cooperation policies. They are the instruments with which Spain can contribute to global development challenges.
3.1. QUANTITY AND QUALITY OF OFFICIAL DEVELOPMENT ASSISTANCE*
Spain has become a paradigm of one of the curses of cooperation policies: that of measuring success in terms of spending volume and not by the impact of the resources allocated. Socialist governments’ commitment to cooperation policies in the last two terms of office was demonstrated through an unprecedented increase in aid budgets, which in only six years went from little more than 2 billion euro in 2004 to close to 4.8 billion euro in 2008 and 4.5 bn in 2010 (0.43 percent of the Gross National Income). However, these resources did not translate into an equivalent improvement in programmes and agencies, which gravely affected the quality of aid and the system’s long-term sustainability.

According to the latest Carolina Foundation Barometer (2010), more than half of Spaniards feel that the government should continue to make an effort until reaching the goal of 0.7 percent, but a very similar percentage believes that the aid is not efficient in promoting development. This paradox “on the street” also reflects the political and institutional challenge faced by the Spanish aid system, which is burdened by important deficiencies:

- **Institutional weakness:** in spite of the political strengthening of the Ministry of Foreign Affairs and International Cooperation (MAEC) in the last two terms of government, the administration was unable to correct the institutional fragmentation that affects the system. Thus, for example, the Spanish Agency for International Development Cooperation (AECID) only manages 12.5 percent of total Official Development Assistance (ODA) directly. The rest of the budget is allocated to a myriad of multilateral organizations, funding programmes managed by other departments inside and out of this ministry, decentralized cooperation (autonomous regions and local entities) or subsidies to NGDOs. It is easy to understand the difficulties involved in coordinating and strategically managing this model. But the government has shown little interest in solving this weakness, as is shown by the failure of the two management contracts recently negotiated between the state and the AECID (the second has yet to be approved).

- **Insufficient aid quality:** the absence of a real strategic direction in aid has translated into chaos for the planning processes—which overlap one another, apparently without priorities—and into low programme quality with respect to the amount of resources. Alignment of Spanish aid with international quality commitments would mean reducing the weight

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For the elaboration of this section the document used as a reference was the report by Larmú, JM (2011) *La ACD Española. Diagnóstico sobre su Calidad y Cañitidad*. This report is part of the CIECODE project “Toward a White Paper on Spanish Development Policy” carried out throughout 2011. For additional information and access to this publication see the CIECODE website (http://unmundo-salvadorsoler.org/ciecode/tejolblanco.aspx).
of reimbursable aid by two thirds, multiplying budget aid by 13 and significantly concentrating the geographical and sectoral distribution of resources. Evaluation mechanisms are clearly insufficient, which affects how aid is channelled toward results.

- Inability to translate multilateral financing into greater influence: the funding of multilateral organizations of all kinds has been a safety valve for increasing total aid resources when the bilateral system was unable to absorb them. In the last two years for which consolidated data is available (2009 and 2010) multilateral aid represented 56 and 47 cents, respectively, of every euro of Spanish cooperation. However, this budgetary deployment wasn’t carried out based on a prior evaluation of the quality and efficiency of the international organizations funded or their alignment with Spanish cooperation’s priorities.

- Resource volatility and increase in ODA financial instruments: actual aid budgets vary with respect to previsions and commitments. In 2009 the difference between the resources budgeted and those ultimately allocated was greater than 10 percent of total aid (around 500 million euros). With the major cuts announced in May 2010, Spanish cooperation will score poorly in system “predictability” indicators.

GRAPHIC 6

ASSESSMENT OF SPAIN’S CONTRIBUTIONS TO MULTILATERAL DEVELOPMENT ORGANIZATIONS BETWEEN 2001 AND 2009

A adaptation to Spain’s situation of “Value for Money”, an evaluation of British multilateral ODA done by its development agency (DFID). Organizations highlighted are those that received at least 100 million euros (ODA) in the period from 2001-2009. Spain’s support for multilateral aid was given without a prior evaluation of the effectiveness of the organizations funded or of their contribution to Spanish development objectives.

Note that the development goals referred to are British ones; an exhaustive analysis would require taking Spanish development goals into account. Note also that it was decided not to include entries such as Other contributions to the World Bank Group and Other contributions to Regional Banks and Special Funds because they are too vague, as well as the sum given to BIRD—Banco Internacional para la Reconstrucción y el Desarrollo—because it isn’t among the organizations analyzed by the United Kingdom.

SOURCE: CIECODE analysis based on DFID data (2011b) and MAEC PACI (annual international cooperation plan) follow-up reports (2001-2009).
A new strategic and planning framework built on a guaranteed budgetary minimum: once aid resources are confirmed it is foreseeable that the new government will draw up a new Master Plan during the first several months of its term. This plan should be structured based on multiyear strategies (such as the “Marcos de Asociación”, Association Frameworks) that concentrate Spanish cooperation’s geographical and sectoral priorities, as well as including exit strategies for withdrawing from countries once the objectives established have been met. A priority for the legislature should be strengthening aid management institutions—including a review of the AECID’s contract—as well as the definition of clear and coherent goals in the different development forums.

In a context of restricted public expenditure, the priorities of the next legislature should be focused on this type of consideration more than on the debate over quantities. This said, it is essential to ensure a minimum amount for aid and a commitment to resume increases as the Spanish economy recovers. After the reductions announced by the new government for 2012, the possibility of an additional cut in aid budgets would seriously weaken the government’s credibility in this area and would deprive the institutional reforms undertaken of substance. This is exactly what is happening in some decentralized cooperation agencies, where budgets have been reduced so much that their very existence is in danger.

In the CIECODE’s opinion, what are the three priorities for the next legislature in matters of aid quantity and quality (ODA)?
HOW DO PROPOSALS ON DEVELOPMENT AID FIT INTO SPAIN’S FOREIGN POLICY PRIORITIES?

- **EDUCATION FOR DEVELOPMENT**
  - ODA 3

- **PROMOTION OF ECONOMIC STABILITY AND THE CREATION OF JOBS IN SPAIN**
  - ODA 1

- **STOP CLIMATE CHANGE AND THE EXHAUSTION OF NATURAL RESOURCES IN SPAIN**
  - ODA 2

- **CREDIBILITY AND EFFECTIVENESS OF SPAIN ABROAD**
  - ODA 3

- **CONSOLIDATION OF SAFER ENVIRONMENTS**
  - ODA 2

- **PROMOTION OF EFFICIENT GLOBAL AFFAIRS GOVERNANCE**
  - ODA 2

- **EFFICIENT PLANNING**
  - ODA 1

- **MULTILATERAL EVALUATION**
  - ODA 2

- **EDUCATION FOR DEVELOPMENT**
  - ODA 3

**LINK**
- WEAK
- MODERATE
- STRONG
IN A CONTEXT OF RESTRICTIONS ON PUBLIC SPENDING, THE NEXT LEGISLATURE’S PRIORITIES SHOULD FOCUS ON QUALITY

It is difficult not to associate aid with any of the five foreign policy goals we have defined in this report. However, the proposals made above fit particularly well with these three goals:

SPAIN’S CREDIBILITY AND EFFECTIVENESS ABROAD
International cooperation comprises the third element of a country’s foreign policy, together with its military presence and diplomatic capacity. Ensuring a reasonable minimum amount for aid resources, while increasing programme quality and focusing programmes’ strategic orientation, will contribute in a decisive manner to increasing Spain’s prestige abroad. Moreover, the implementation of an active strategy in this area can reinforce Spain’s position in forums such as the G20, where our country’s presence is still vulnerable (ODA 1, ODA 2 and ODA 3).

PROMOTION OF EFFICIENT GLOBAL AFFAIRS GOVERNANCE
The reform of the multilateral system and the role of new public-private initiatives in development represent one of the main challenges in this area. By contributing to the push for high standards and transparency of the organizations it funds, Spain will contribute to a better quality multilateral system (ODA 2).

CONSOLIDATION OF SAFER ENVIRONMENTS
International aid plays an irreplaceable role in sustaining essential services in many developing countries. Aid that is more strategic and of better quality would make it possible to reduce the inequality gaps within these countries and those that exist between them and most developed economies, reducing social tensions that are linked to insecurity, forced migrations or the deterioration of natural resources (ODA 1).
3.2. FAIR TAXATION*
Generation of their own financial resources is one of the main challenges yet to be met by poor countries. Without resources it isn’t possible to implement public policies to reduce poverty and inequality and start on the path to growth and development. More than two decades after their rollout, the tax reforms proposed for developing countries by the International Financial Institutions (IFIs) have not succeeded in creating balanced, adequate and sustainable sources of funding. International aid has shown its limitations as an engine for progress and the experience of countries that depend on the exploitation of natural resources has ended in failure without exception.

In light of this situation, the construction of fair fiscal systems should become a foremost political priority for developing countries. It is estimated that the potential tax revenues these countries could generate just by applying an appropriate tax policy on a domestic scale is equivalent to between 30 and 60 percent of the annual funding needs of the Millennium Development Goals. However, the truth of the matter is that they face a set of external and internal obstacles that make it hard to take advantage of this tax potential. And the developed countries play an important role in many of these obstacles.

• Imbalance in tax burden support. Due to the influence of the IFIs, the tax structure in many developing countries is very similar: a lot of burden on consumption, little on income from work and very little on income from capital. This means the system is very regressive and that tax pressure in regions like Latin America is half that of Western Europe (20 percent of the GDP versus 38 percent). Tax exemptions for companies, designed to attract foreign investment and endorsed by international trade agreements, have become a “race downward” among developing countries that costs them between 2 and 8 percent of their GDPs. In 2008 alone, Nicaragua lost an amount greater than its Ministry of Health’s annual budget due to tax exemption policies.

• Institutional weakness. Tax policy requires a capable tax administration and an effective regulatory and punitive framework. However, many developing countries have underfunded administrations and weak legal and judiciary systems. For the tax system this means tremendously high bureaucratic costs, low incentives for the formal economy, a growth medium for corruption and inefficient and unjust tax policies.

• Informal economy. The size of the informal economy is one of the

THE CONSTRUCTION OF FAIR FISCAL SYSTEMS SHOULD BECOME A FOREMOST POLITICAL PRIORITY

For the elaboration of this section the document used as a reference was the report by Itriago, D (2011) España y la Construcción de una Fiscalidad Justa Para El Desarrollo. This report is part of the CIECODE project “Toward a White Paper on Spanish Development Policy” carried out throughout 2011. For additional information and access to this publication see the CIECODE website (http://unmundosalvadorsoer.org/ciecode/libro-blanco.aspx).
great fiscal limitations in developing countries, which lose up to 50 percent of what they currently collect (i.e. one third of what they could collect) due to this reason. Any interference with the informal economy has to be carefully analyzed: in most cases it comprises poor workers in a situation of great vulnerability. 700 million informal workers today live in situations of extreme poverty.

- **International financial opacity.** Tax havens are the black hole of international finance in which, according to the European Parliament, 13.5 trillion dollars are concealed. Their low or inexistent taxation represents “unfair competition” for taxation in other countries. Their secret banking and permissiveness toward the creation of shell corporations are the perfect allies for tax evasion, corruption and international organized crime. Developing countries lose one trillion dollars a year due to this (ten times more than the development aid that they receive). The system’s opacity makes it practically impossible to monitor or track these funds (graphic 7).

- **Abusive or irregular corporate practices.** Transnational companies have corporate structures made up of dozens or hundreds of subsidiaries that operate simultaneously in various countries. 60 percent of world commerce occurs within these structures. Legal loopholes allow them to ar-

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**GRAPHIC 7**

700 million euros per year that Inditex will declare in Spain and not in Ireland in 2012

1 Trillón dollars per year lost by developing countries through tax havens (ten times the amount of the development aid they receive)

80% of Ibex 35 companies have subsidiaries located in tax havens

99% of Apple's turnover in Spain goes to Ireland

Amazon just opened a shop in Spain and will invoice all its sales from Luxembourg

**TAX HAVENS: THE BLACK HOLE OF INTERNATIONAL FINANCE**

Thousands of millions of euros escape tax payment each year thanks to tax havens in both developed and developing countries.

SOURCE: Our analysis based on data from the CSR Observatory (2011); Kar, Dandurand; R. (2011); González, A. (2011).
Provide technical assistance for institutional training and reinforcement of the tax administrations and other relevant public institutions in developing countries. Spain should avoid the errors committed in previous, similar experiences, focusing on: a) the construction of information systems (databases and cadastres, mainly) and updated, updatable statistics; b) the provision of computer technology and systems in order to make it possible to really monitor tax evasion and dodging by multinational companies and tax fraud in general; c) the training of human teams (as tax agents or customs agents) and d) the design of effective incentive systems for the gradual, measured formalization of the economy.

INSTITUTIONAL REINFORCEMENT

Spain’s contribution to the effective fight against financial system opacity through: a) the creation of a list of tax havens (following objective criteria) and some effective means of following up on guidelines for information exchange among tax administrations; b) the creation of a regulatory framework to prevent Spain’s sovereign funds from being invested in companies registered in tax havens; c) the strengthening of fiscal responsibility requirements for companies that request public Spanish funding; d) the promotion of international standards on financial transparency that oblige transnational companies to present their annual accounts “country by country” and provide details on “intra-group” operations and payments to governments, among other items (along the lines of the 2010 Dodd-Frank law in the United States on extractive industry transparency).

COMBATING FINANCIAL SYSTEM OPACITY FT 2

Support the creation of conditions in the international context that facilitate the achievement of fair taxation:

SPAIN’s contribution to the effective fight against financial system opacity through: a) the creation of a list of tax havens (following objective criteria) and some effective means of following up on guidelines for information exchange among tax administrations; b) the creation of a regulatory framework to prevent Spain’s sovereign funds from being invested in companies registered in tax havens; c) the strengthening of fiscal responsibility requirements for companies that request public Spanish funding; d) the promotion of international standards on financial transparency.

TAX ON INTERNATIONAL FINANCIAL TRANSACTIONS FT 3

Support the adoption by the EU or the G20 of a tax on international financial transactions that includes a commitment to allocate part of these resources to combating poverty and dealing with the adverse effects of climate change. After the support shown for the tax in 2011 at the G20 in Cannes (November 2011), the 2012 G20 summit in Mexico will be key for this question.
HOW DO THE PROPOSALS ON FAIR TAXATION FIT INTO SPAIN’S FOREIGN POLICY PRIORITIES?
SPAIN’S CREDIBILITY AND EFFECTIVENESS ABROAD
- Support for fiscal reinforcement in developing countries through ODA is symbolic of Spain’s modern, serious vision of development cooperation with its partner countries (FT 1).

- In recent years Spain has maintained a high profile in international discussions on the fight against tax havens and the imposition of a tax on international financial transactions in both the EU and in the G20. Spain even led the Pilot Group on Innovative Financing for Development. It would be important for Spain to maintain its support for these matters, since they are already in an advanced negotiation phase and have the support of many of our partners in the international community (FT 2 and 3).

PROMOTION OF EFFICIENT GLOBAL AFFAIRS GOVERNANCE
- Tax havens and the financial system’s opacity are “common ills” the existence of which benefits terrorism, international organized crime and the companies and individuals whose shady practices siphon off financial resources from developed and developing countries alike. The fight against these common ills would create positive externalities in the management of global matters that are of great interest to Spain, such as drug trafficking, tax evasion, illegal immigration or terrorism.

- A similar argument can be made about the FTT. Its application would facilitate the international fight against poverty, climate change and financial speculation (FT 3).

PROMOTION OF ECONOMIC STABILITY AND THE CREATION OF JOBS IN SPAIN
- A capable tax administration and an effective regulatory and punitive framework in developing countries are guarantees of a stable, predictable and safe environment for Spanish investors (FT 1).

- In 2010 tax fraud represented 59.5 billion euro in Spain (22 percent of the state’s income).

- Although it isn’t possible to know exactly in what measure, many of these fraudulent practices use and benefit from the opacity of the international financial system. 80 percent of the companies on the Ibex 35 have subsidiaries in tax havens and many multinationals pay taxes on income obtained in Spain in these countries. Inditex recently announced that it would return its online sales billing (over 700 million euros a year) to Spain from Ireland (where company taxes are very low). Apple pays taxes on 99 percent of its Spanish turnover in Ireland as well. In the current economic context, this income would be of great value for Spain (FT 2).

CONSOLIDATION OF SAFER ENVIRONMENTS
- A more transparent financial system is synonymous with an international setting that is less favourable for drug traffickers, the mafia, terrorists and corrupt businessmen and politicians (FT 2).

STOP CLIMATE CHANGE AND THE EXHAUSTION OF NATURAL RESOURCES IN SPAIN
- The revenue collected through the International Financial Transactions Tax is one of the few alternative sources of resources that could finance the international fight against climate change at the current economic juncture (FT 3).
3.3. CLIMATE CHANGE, ENERGY AND DEVELOPMENT*

For the elaboration of this section the document used as a reference was the report by Kreiser, I and López-Peña, A (2011) España, En la Confluencia de sus Políticas Climática y de Desarrollo. This report is part of the CIECODE project “Toward a White Paper on Spanish Development Policy” carried out throughout 2011. For additional information and access to this publication see the CIECODE website (http://unmundosalvadorsoler.org/ciecode/libro-blanco.aspx).
The anthropogenic origin of climate change and the seriousness of its human, economical and environmental implications are today beyond any doubt. The most direct impacts and most serious consequences are felt in developing countries. The devastating floods of 2000 in Mozambique, for example, meant a step backward equivalent to 15 years of development, aside from the human costs that cannot be expressed in economic terms. But the effects of climate change are not limited to developing countries; they are global and already affect matters as diverse as the price of food, changes in tourist destinations or the reappearance of diseases in regions where they were believed eradicated. The floods suffered by Thailand in the second half of 2011—the worst in fifty years—were a good example of this interconnection: not only were 300 lives lost and the production of 6 million tons of rice wiped out, but the floods also paralyzed world production of cars, cameras and hard drives, causing billions of dollars in losses.54

In spite of the magnitude of this evidence, the international scientific community warns that this is just the beginning. The latest reports indicate that, regardless of the measures adopted starting now, we are on the road to an average temperature increase of between 0.5°C and 1°C in the year 2035 over preindustrial levels.55 An increase of 2°C is the limit indicated by experts as a point beyond which the effects of the changes predicted are unpredictable and irreversible. In the absence of a joint, rapid and efficient response, the temperature increase will have gotten close to 4°C on average in 2050.56 Living under those conditions would mean annual economic costs equivalent to 5 percent of the world GDP and unacceptable human costs, such as an increase in the number of people facing a chronic scarcity of water (from the 500 million people of today to 4 billion) or the disappearance of various island states under sea level.

A global, efficient response to climate change is urgent. This response will have to come from a coordinated, fair and balanced combination of the three areas below, which are also those that characterize the climate policies of developed countries:

- **Mitigation.** To keep climate change within manageable magnitudes, by 2050 developed countries have to have reduced their greenhouse gas emissions (GHG) by 80 percent with respect to 1990.58 In the face of this goal, the only binding multilateral agreement on mitigation that exists to date (Kyoto) is clearly insufficient. It establishes a joint reduction goal of 5.2 percent for 2012 compared to 1990. The EU has self-imposed a more ambitious commitment for 2020: reduction of emissions by 20 percent with respect to 1990, and several member states have proposed making it tougher, raising the figure to 30 percent. Of the division of obligations deriving from the Kyoto and EU commitments, those that correspond to Spain are relatively easy: not increasing its emissions by more than 15 percent with respect to those of 1990 and not increasing emissions with respect to current levels, respectively (graphic 8).

- **Adaptation.** Responsibility for climate change lies principally with developed countries and they should contribute to funding the enormous costs that developing countries face to protect themselves from its impact and increase their resiliency, with particular attention to their most vulnerable communities. To this end, donor countries as a whole have committed to contributing 100,000 million dollars per year by 2020. The funds would come from different sources (public and private, innovative financing methods, etc.)

- **Transition** by all countries (developed, emerging and developing) toward a sustainable, low-carbon economic model—of production and consumption—that is efficient in its use of energy. Efforts to adapt and transition toward a low-carbon society represent new opportunities for employment, investment and innovation that will benefit the countries and companies that most
quickly and decisively decide to adapt themselves to the new context.

Currently, the Convention on Climate Change (which comprises all the members of the U.N.) is the main world negotiating forum where attempts are being made to reach specific, binding commitments with the largest possible number of countries around these questions. The process is not free of difficulties, since facing the climate challenge with the urgency and determination that are called for requires countries to make not only an important economic effort but also a drastic change in the productive and consumer paradigms upon which they have based their economies in recent decades. Many countries are not willing to commit for now to measures of the magnitude required (United States, India, Australia, Japan, Canada or China, for example, have announced their rejection of any commitment to the Kyoto framework once it is extended in 2012, after the end of the first application period). The EU, however, has taken on a leadership role. Its self-imposition of objectives more ambitious than those reached in multilateral negotiations seems sensible if we take into account that each year’s delay in adoption of the needed measures raises the price of climate change on a world scale by 500 billion dollars.

After the disappointing failure of the Climate Convention of 2009 in Copenhagen, the 2010 Cancun summit represented a positive turning point in the negotiations agenda. The latter’s expectations were only partially satisfied, however, at the meeting one year later in Durban. On the positive side of the equation of this process is the agreement on institutional mechanisms to handle the biggest climate questions for developing countries (adaptation, development of capabilities, technology transfer, mitigation measures that are appropriate for their situation, etc.) and the commitment to open a negotiating process within the United Nations to reach a global agreement on emissions reduction which, for the first time, would include all parties (including emerging countries and the large, developed emitters.) On the negative side is the fact that the adoption of the agreement has been
postponed until 2015 and its entry into force until 2020—and the fact that there is no certainty yet about the legal nature of the agreement or the degree to which it will be binding.

Faced with this panorama, Spain offers a mix of bright and dark areas in its climate policy. It has given firm political and financial support to new climate funds but, at the same time, it is one of the developed countries with the most intensive and inefficient energy use and it is not going to meet its Kyoto emission reductions goal, in spite of the favourable initial conditions that were granted to it. Spain has before it the option of making the most of the EU initiative, Spanish leadership in renewable energies and its strategic situation with regard to Latin America to convert this challenge into an opportunity, at the same time as it contributes to a fairer, safer and more sustainable future.

In the CIECODE’s opinion, what are the four priorities for the next legislature with respect to the convergence of climate and development policies (C&DP)?

**ENERGY SAVINGS C&DP 1**

Make a definitive stand in favour of saving energy. The transportation and building sectors are those that have the greatest mitigation potential: they are responsible for almost half of our energy use and have great consumption reduction potential. Electrification of final energy uses (electric cars and electric heating and cooling in buildings) is also advantageous. The approval and effective application of the Energy Efficiency Law is an urgent, necessary step.

**EUROPEAN MITIGATION OBJECTIVE C&DP 2**

Support the tightening of the European emissions reduction goal (from 20 to 30 percent) for 2020, as proposed by United Kingdom, France and Germany. This would put the EU on track to fulfil its Road Map 2050, which proposes an 80 percent reduction in emissions by that year. The 30 percent goal would be doable for Spain; as it has not yet implemented any major energy savings and efficiency measures, it has an ample margin for improvement.

**FINANCIAL COMMITMENT C&DP 3**

Fulfil the financial commitment made by the international community for climate adaptation (100 billion dollars by 2020), in the measure corresponding to the economic weight of our country. Spain has to be vigilant and ensure that the climate funds contributed are in addition to ODA commitments already made. Spain, moreover, should be consistent and demand that climate financing respect the quality standards set by the donor community in the aid effectiveness agenda. Unfortunately, this has not always been the case: of the climate funds contributed by Spain, 40 percent are loans and some of them have been granted to “highly indebted poor countries”, a practice eradicated in the ODA sphere years ago.

**LOW CARBON ECONOMY C&DP 4**

Take advantage of the opportunities to promote a low carbon productive model. The Convention on Climate Change agreed to promote mitigation measures in developing countries, permitting their validation in global carbon markets. This, in addition to driving sustainable development strategies and the creation of “green jobs” in those countries, opens a new window of opportunity for foreign investors. In many of these countries the estimated increase in energy demand will create significant business opportunities for the renewable energy sector and low carbon economy. With its experience in renewable energies and carbon markets in developing countries, as well as its strategic relationship with various emerging regions, Spain is in an unbeatable position. It should position itself to become a pioneer and international benchmark of foreign investment in low carbon economy, building its competitive advantage on high social and environmental standards that make an impact on development.
HOW DO THE PROPOSALS ON CLIMATE POLICIES FIT INTO SPAIN’S FOREIGN POLICY PRIORITIES?

- **Stop climate change and the exhaustion of natural resources in Spain**
  - **Financial commitment**
  - **C&DP 3**

- **Promotion of efficient global affairs governance**
  - **European mitigation objective**
  - **C&DP 2**

- **Credibility and effectiveness of Spain abroad**

- **Promotion of economic stability and the creation of jobs in Spain**
  - **Low carbon economy**
  - **C&DP 4**

- **Consolidation of safer environments**

- **Energy savings**
  - **C&DP 1**

**Link Strengths:**
- **Weak**
- **Moderate**
- **Strong**
SPAIN’S CREDIBILITY AND EFFECTIVENESS ABROAD

Spain is well positioned in the international debate due to its commitment to and involvement in the area of adaptation and climate financing architecture and the good work done by the State Secretariat for Climate Change in recent years. In the area of mitigation Spain’s credibility and image as a serious, reliable partner are at stake. It must live up to the commitments of its large European partners (C&DP 2).

Now when the “Spain brand” is on the decline, Spain has the opportunity to put itself at the head of world investment in “low carbon economy”, exporting the image of a competitive country and adapting to a market with a lot of future possibilities (C&DP 4).

PROMOTION OF EFFICIENT GLOBAL AFFAIRS GOVERNANCE

As a medium-sized power, Spain has a lot to gain from multilateral, efficient management of global problems. Of developed countries it is among the most vulnerable to climate impact due to its geographic location and because of the weight of sectors such as agriculture or tourism, which depend heavily on the climate. This is why it should strongly support an ambitious, binding, effective and fair climate treaty (C&DP 2 and C&DP 3).

PROMOTION OF ECONOMIC STABILITY AND THE CREATION OF JOBS IN SPAIN

In 2010 the energy deficit cost Spain 25 billion euro—half of our trade deficit and 1.76 percent of our GDP. Spain spends more than 200 million euros a year to purchase emissions rights from other countries, financing their transition to a low carbon economy, instead of investing that money here. If the recent Technical Building Code—which represents an energy savings of 30-40 percent per building—had been passed in 2001 and not after Spain’s real estate boom, every year our country would save the equivalent of all of 2010’s solar electricity production (the subsidies for which cost us 2.8 billion euro that year) (C&DP 1).

Investment in “green” energies has the potential to create up to 1.5 million “green jobs” in the EU through 2020. Moreover, low carbon growth could be a market niche that is of particular interest to Spanish companies in emerging economies, such as Latin America, where Spain plays a key role and where energy consumption is estimated to grow 70 percent between now and 2030. At the end of 2011, various Spanish companies succeeded in winning contracts worth 1.5 billion euro in the first major tender to award the construction of renewable energy plants in Africa (C&DP 4).

CONSOLIDATION OF SAFER ENVIRONMENTS

The Spanish Security Strategy (2011) names energy security as a fundamental component of our overall domestic security. However, as of today, 86 percent of the primary energy consumed in Spain is imported, which makes us a country that is very dependent on others. Savings, energy efficiency and the diversification of energy sources should be the strategic lines of action pursued (C&DP 1).

If the anticipated growth in world energy demand—93 percent of it coming from outside the OECD—is covered with an “energy mix” similar to that which exists today in developed countries, a significant, generalized increase in consumption of scarce fossil resources (mainly oil) as well as nuclear power must be anticipated on a world scale. The serious environmental, political and geostrategic consequences entailed must be anticipated as well (C&DP 4).

STOP CLIMATE CHANGE AND THE EXHAUSTION OF NATURAL RESOURCES IN SPAIN

Spain and the United States are the only high-income countries with a high climate vulnerability factor. The sectors with the greatest anticipated impacts are agriculture, tourism and, above all, the environment, due to desertification and water shortages, especially in the Mediterranean basin (C&DP 2). The effective application of the European “Clean Air Strategy” would avoid 63,000 premature deaths a year in Spain by the year 2020 and would represent savings of 100 billion euro (five times its cost) (C&DP 2).

The promotion and expansion of low carbon industrial and productive models in emerging countries and in development is essential in order to make their development aspirations compatible with maintaining global emissions levels under control. Regardless of its economic potential, the success of this model is of the highest importance for a country with high climate vulnerability such as Spain (C&DP 4).
3.4. PEACEBUILDING AND THE ARMS TRADE*
Satisfaction of basic needs and safety are the two universal aspirations and the basis upon which a fairer, safer and more sustainable world can be built. To this end, the fight against poverty and the building of peace are two sides of the same coin. Both must be central mainstays to development policy and must be pursued in a complementary way.

Peacebuilding is a task characterized by:

- Ongoing activity. This covers the before, during and after of a violent conflict, but its true value is in the “before”; in other words, in providing the conditions to avoid the outbreak of violence or to resolve it by peaceful means.
- Collective, coordinated work. No single actor (governmental or not) has sufficient capacity to take on the risks and threats that affect the safety of human beings.
- Endeavouring to reduce inequalities. Inequality (economic, social and political) constitutes the belligerence factor that most strongly provokes violence.
- Having a fundamentally civil profile. Peace is built with diplomatic, social, cultural, economic and political instruments. However, on occasion it will be necessary for peacebuilding strategies to include military instruments.
- A need for local actors to play a prominent role, especially women as peace builders.

Spain, which has enjoyed solid structural stability for decades, has begun to take steps toward the integration of peacebuilding in its foreign affairs agenda and, more specifically, in its development policy. Our armed forces have been accumulating a certain amount of experience in international peace operations, a Sectoral Strategy of Peacebuilding was approved and an effort has been made to be present in the multilateral efforts coordinated by the United Nations, the OECD or the European Union in this area. However, in recent years these advances have slowed and the concept has not gotten to the point where it influences all of Spain’s foreign policy as a second major pillar of development cooperation policy as was proposed in the Master Plan of Spanish Cooperation 2005-2008. In summary, Spain’s intention of becoming an active peace builder continues to be an unresolved matter.

A transparent, regulated international arms trade is another of the elements essential to peacebuilding. Simply put, without weapons there are no conflicts or they are less violent and harmful to the rights of the population. A large part of the arms and de-

*For the elaboration of this section the document used as a reference was the report by Núñez, J (2011a) España y la Construcción de la Paz y los Retos del Desarrollo. This report is part of the CIECODE project “Toward a White Paper on Spanish Development Policy” carried out throughout 2011. For additional information and access to this publication see the CIECODE website (http://umundosalvadorsoler.org/ciecode/libro-blanco.aspx).
Spanish exports of defence and dual-use materials, weapons and munitions and hunting weapons to countries that do not meet the requirements established by relevant Spanish and European legislation.

fence material used in conflicts around the world is manufactured and sold by developed countries. More than 95 percent of the weapons used in African conflicts, for example, originate outside the continent. Political coherence in the regulation of this market is an essential part of the tools that Spain has available for avoiding or resolving conflicts in a peaceful way. Our country has laws suitable for regulating these activities, however, noncompliance with relevant international and EU requirements along with those of domestic legislation itself is notorious (graphic 9). Improving this situation, which is vital from the standpoint of respect for human rights and protection of civilians, depends in Spain exclusively on the government’s political will.

In the CIECODE’s opinion, what are the three priorities for the next legislature with respect to peacebuilding and the arms trade (PB)?

**Complete the consolidation process in Spain of “Peacebuilding” together with the “fight against poverty” as one of the mainstays of Spanish development cooperation and of its foreign policy as a whole:**

- Identifying the geographical areas and affairs in which Spain can have an added value in contexts that are prone to violent conflict and reformulating its priorities accordingly.
- Establishing a Peacebuilding Unit (in the AECID or in the corresponding State Secretariat) in coordination with the rest of the relevant agencies in the Ministry of Foreign Affairs and Cooperation and the rest of the administration.
- Designing “action protocols” and strengthening the use of the Early Warning System already in existence, implementing mechanisms for participation and coordination among the different relevant stakeholders (in the administration and in civil society).

**Improve the application of Spanish legislation on “defence and dual-use material” trade to avoid having Spanish companies continue to carry out transactions that are openly illegal and unacceptable from the standpoint of the defence of human rights and protection of the civilian population:**

- Fully apply the legal criteria established for authorizing transactions by denying, suspending or revoking authorization for those transfers that clearly do not meet them.
- Publicize the criteria used for authorization and enumerate the guarantees received about the recipients and final use, especially those that refer to the merchandise not being used to violate human rights or to worsen conflicts. The preventive aspect provided for in the law itself should be strengthened.
- Ensure that statistics are provided sufficiently in advance of the government’s appearance before the Congress so that parliamentary public control can be adequately effected.

**Continue to play an active role in the negotiations process for the approval in 2012 of an International Arms Trade Treaty. This should explicitly include a link between the sales of arms and development, by: a) including lightweight and small arms, ammunition (and the technologies associated with their manufacture), defence services and dual-use technology in the treaty; b) including all international transfer modalities (donations, transit passage, re-exportation ...); and c) providing the treaty with effective monitoring and penalization mechanisms.**

FROM 2000 TO 2011 SPAIN EXPORTED 15.1 MILLION EUROS’ WORTH OF ARMS TO LIBYA, FIVE TIMES LESS THAN THE COST TO SPAIN OF THE NATO OPERATION IN THAT COUNTRY
How do the proposals on peacebuilding fit into Spain’s foreign policy priorities?

- Promotion of economic stability and the creation of jobs in Spain
- Promotion of efficient global affairs governance
- Consolidation of safer environments
- Stop climate change and the exhaustion of natural resources in Spain
- Credibility and effectiveness of Spain abroad
- Application of arms trade regulations PB 3
- International arms trade treaty PB 1
- International arms trade treaty PB 3
- Peacebuilding, a mainstay of foreign policy PB 2

Link
- Weak
- Moderate
- Strong
SPAIN’S CREDIBILITY AND EFFECTIVENESS ABROAD

Meeting the commitments made by Spain in the area of peacebuilding would bring us closer to the modern, comprehensive concept of foreign affairs that some of our partner countries have (United Kingdom, the Netherlands, Norway, Canada...) and would contribute to a perception of Spain as a reliable country with its own criteria with regard to foreign security (PB 1).

The discrepancy between our foreign policy’s political goals and Spain’s practices in arms trading puts achievement of the former at risk and can negatively affect our international relations. The repeated appearance of Spain as an arms supplier to the old Egyptian and Libyan regimes and to countries such as Bahrain or Saudi Arabia jeopardizes the role that Spain can play in the reconstruction of the future in these regions (PB 2 and PB 3).

PROMOTION OF EFFICIENT GLOBAL AFFAIRS GOVERNANCE

Fragile states and internal or inter-country armed conflicts are sources of political, social and economic instability for the international community as a whole. The fact that 1,400 million people live in areas that are highly susceptible to conflicts is a time bomb for world stability. This is the reason that both conflict prevention and peaceful conflict resolution are key elements to good governance of global matters in the interdependent world we live in. And this is precisely the added value of peacebuilding (PB 1).

The illegal arms trade is intimately connected to numerous “global ills” such as tax dodging, violent deaths, terrorism or international organized crime. Thus, for example, 50 percent of the bribes in the world have to do with the arms trade and each year there are 300,000 homicides committed with arms aside from those caused by conflicts (PB 2 and PB 3).

PROMOTION OF ECONOMIC STABILITY AND THE CREATION OF JOBS IN SPAIN

Since the year 2000 and up until the imposing of a weapons embargo on Libya by the UN Security Council in February of 2011, Spanish companies exported 15.1 million euros’ worth of arms to that country. Spain spent 85 million euros in the months of NATO’s military occupation of Libya. With this policy, Spain not only provided arms to the Libyan government only to become part of an international military coalition to bring it down months later; it also got a negative economic balance in the bargain. And it is important to point out that in this balance the income was private but the expenditure was public (PB 2 and PB 3).

The existence of fragile states and the upsurge in violent conflicts, in addition to generating vicious cycles of poverty, instability and more conflicts, has negative consequences for the international community as a whole. For example, it is estimated that the additional cost of insurance for the fishing industry due to piracy in Somalia ranges from 460 to 3,200 million dollars a year. As another example, after only four weeks of conflict in Libya, international oil prices had increased by 15 percent (PB 1).

CONSOLIDATION OF SAFER ENVIRONMENTS

The Spanish Security Strategy (2011) states that “the lines of demarcation between foreign and domestic security have been blurred”. The achievement of a peaceful and safe environment and the establishment of a stable and fair international order comprising peace, safety and respect for human rights—goals of peacebuilding—are, therefore, of strategic interest for national security.

One of the main advantages of transparent and regulated international arms trade is its potential for avoiding the channelling of conventional weapons into the illegal market (organized crime, terrorism, etc.) This is one of the goals of Spanish legislation and one of the ends pursued with the International Arms Trade Treaty. State governments cannot achieve this goal without a solid, transparent legal framework such as that which would be established by this Treaty (PB 2 and PB 3).
3.5. INTERNATIONAL MIGRATIONS*
As we indicated in the section that describes development challenges, the intensity of migratory flows has accelerated over the course of the last decade. There is nothing to suggest that this trend is going to change in coming years. An efficient combination of attraction and repulsion factors determines international movements, with an intensity that is beyond government control. The average immigrant arriving in the USA or EU multiplies his or her purchasing power, in addition to gaining access to protection networks that are unthinkable in his or her country of origin. Meanwhile, the trends presented recently by the United Nations Population Fund continue to show a planet in which the youngest generations are concentrated in poor countries and the oldest in the developed world. However, the viability of social protection systems in developed countries depends on a population pyramid with a broad base (more youth than adults, more adults than elderly people).

Just as occurs with technology, family connections or price reductions in transportation, the border controls imposed by destination country governments may increase or reduce the intensity of migratory movements, but they don’t alter their basic trends. However, the cultural and political questions associated with immigration have led the governments of destination countries (the most developed among them, in particular) to impose a global migration system unilaterally—it is defined regardless of the interests and priorities of the other parties affected: the countries of origin and the migrant workers themselves. The migration systems are also closed—oriented toward restricting the flows of workers, more than governing them. Spain is an illustrative example of this approach.

The distortions caused by this model are multiple:

- **Economic inefficiency:** the micromanagement of migration flows—hiring done at the point of origin, “seeking work” visas...—leads to labour markets that are incapable of absorbing the demand for labour power at times when the economic cycle is at its most dynamic, creating pockets of irregular immigration. These same workers become trapped when they lose their jobs during tougher times (graphic 10).

- **Violation of the workers’ fundamental rights** (civil and social) and those of their families: from obstacles impeding employer changes to restrictions on local residence registration and, therefore, access to public services such as health and education. Throughout Spain irregular procedures of detaining “illegals” are multiplying. These immigrants are then imprisoned in Immigrant Detention Centres which continue to exist as exceptions to the law. Border control...
In addition to being unjust, Spain’s migration policy is highly inefficient: its rigidity prevents the entry of immigrants when the job market needs them and discourages their departure at times when the economy is sluggish.

The current migration model (which is applied with few exceptions in all the destination countries in the developed world) creates ethical and practical distortions beyond what is acceptable. Reforming this model constitutes an objective that would generate significant benefits for development, but
also for destination country societies, such as that of Spain. Although the economic crisis that our country is living through has practically cancelled out the political relevance of this topic, everything indicates that the global differences in income and the demographic trends of our labour market will oblige us to rethink this matter when the cycle changes. That’s why it’s important to act now.

In the CIECODE’s opinion, what are the three priorities for the next legislature in the area of migration and development (MD)?

**Promote a European Migration Policy**

With the exception of border controls, the EU has not made sufficient effort to integrate its migration policies and cooperate in the establishment of more suitable management models that guarantee a uniform model of rights and obligations for the immigrants, their families and the destination countries. The recent crisis of the refugees coming from North Africa was one of the latest examples of European incoordination in this area. To some extent the possibilities of greater integration have been highlighted by the approval of the Blue Card for qualified workers; this introduces significant flexibilities in hiring these workers, their mobility and family reunification. But these measures don’t affect unqualified immigration, which represents the bulk of foreign residents and the group that can contribute the most in the effort to combat poverty.

**Guarantee the Human Rights of Irregular Immigrants and the Right to Asylum and Refuge**

There is an urgent need to put an end to the legal and social discrimination that immigrants in irregular situations face in Spain. According to our laws, all of them have the right to have access to education and public healthcare. In particular, the government must put an end to the restrictions imposed by some town halls on local residence registry by the people who live there, regardless of their legal situation. Likewise, it is urgent to pass the legislation that regulates the Immigrant Detention Centres and establishes the inmates’ rights and obligations. Finally, Spain must guarantee the right of asylum and refuge of all the foreigners who request it and can accredit their need according to international regulations.
HOW DO THE PROPOSALS ON MIGRATION POLICY FIT INTO SPAIN’S FOREIGN POLICY PRIORITIES?

- Development Package MD 2
- Promotion of Efficient Global Affairs Governance
- Credibility and Effectiveness of Spain Abroad
- European Migration Policy MD 1
- Stop Climate Change and the Exhaustion of Natural Resources in Spain
- Promotion of Economic Stability and the Creation of Jobs in Spain
- Consolidation of Safer Environments
- Guarantee Human Rights MD 3

Link:
- Weak
- Moderate
- Strong
The migration system of the various European countries is interwoven with practically all the foreign priorities that we describe in our methodology. Strategic handling of political reforms in this area would make it possible to obtain direct benefits for Spain in both the political and economic areas, at the same time as reinforcing benefits for the immigrants and their countries of origin:

**SPAIN’S CREDIBILITY AND EFFECTIVENESS ABROAD**

- Putting an end to European migration policy’s stiffness demands strong leadership from some countries. Taking a proactive position in this area, Spain can bring together the concerns expressed by some member countries (particularly those of the southern EU) and strengthen the improvement of its position in Europe. Moreover, European fragmentation in this area has been an obstacle for shaping migration agreements with regions that are key for Spain, such as West Africa (MD 1).

- Likewise, the protection of irregular immigrants’ civil rights reinforces the credibility of Spain’s position, to the extent to which the government is able to guarantee strict respect for human rights to the international community, showing that these rights are not conditioned by more or less restrictive positions with regard to immigration (MD 3).

**PROMOTION OF EFFICIENT GLOBAL AFFAIRS GOVERNANCE**

- The shaping of a real European Migration Policy is an unprecedented step in the shaping of a multilateral regulation of international worker mobility (MD 1).

- The “incentives package” for the development of the emigrants and their communities, combined with the existence of a common European policy, would facilitate the establishment of migration agreements with the countries of origin, promoting safe, orderly emigration (MD 2).

**PROMOTION OF ECONOMIC STABILITY AND THE CREATION OF JOBS IN SPAIN**

- Current inefficient handling of migration causes a massive loss of tax revenues (unpaid taxes versus public services used) for Spain and a deterioration of business competitiveness deriving from high job market transaction costs. In the case of the United Kingdom, the irregular situation of many immigrants means an annual cost to the state’s coffers of over one thousand million pounds (£1 billion euros), although it’s possible that real figures would be much greater (MD 1).

- Promotion of international mobility for workers that seriously considers the impact on development stimulates economic opportunities and jobs in the countries of origin, concentrating the benefits among society’s poorest sections. In the middle and long term the benefits associated with these migratory flows represent more interesting markets for Spanish companies and investors (MD 2).

**CONSOLIDATION OF SAFER ENVIRONMENTS**

- Human trafficking is fed by the flows of irregular immigration and constitutes an essential element of organized criminal activity in transit areas. The creation of safer migration corridors (MD 1) and the guarantee of irregular immigrants’ human rights (MD 3) are a critical contribution to reducing the mafias’ scope of operations in this area.
3.6. TRADE, INVESTMENT AND DEVELOPMENT*
International trade is on an order of magnitude greater than any other international economic system parameter. On a global scale, world trade in goods, services and investments represented 19.8 trillion dollars in 2010. This figure is 25 times greater than the total credit resources of the IMF (750 billion dollars) after the increase approved in the G20 meeting of 2009. For the poorest countries, international trade also has a decisive influence on the creation and destruction of economic and social opportunities. Income from international trade is, for the group of Least Developed Countries, more than three times greater than the sum of the development aid, debt cancellation and remittances that they receive (graphic 11).

But its importance is not only due to its volume. The rules, principles and agreements that make up the international trade system put limits on the policy space that states have to govern with. How many subsidies can a country give its farmers? What performance requirements can be demanded of an investor before he sets up business in your country? Under what conditions can developing countries produce generic versions of medicines protected by patents? In short, trade influences the daily future of millions of people all over the globe.

The international trade system is, therefore, a fundamental part of both the problem and the solution for many global development challenges. And it is also a critical element in the design of policies on development and combating poverty. If greater trade liberalization in rich countries had been instituted in 2006, together with political reforms and investments in developing countries, between 100 and 400 million people would have been able to leave poverty behind by 2015.

During the last half-century, unfortunately, trade liberalization has been pursued as an end in itself and not as a tool at the service of achieving the common good. This prevailing ideological trend, together with the concentration of political and economic power in the hands of just a few countries, has given rise to a trade system made to order for them and their profit. It lacks sufficient mechanisms to handle its impacts on society (generation and distribution of wealth and poverty, pressure on natural resources...). For example, although the World Trade Organization (WTO) has promoted the progressive and generalized dismantling of trade barriers on a world scale, developed countries have been able to maintain their agricultural protection and subsidies programmes. This has allowed farmers in rich countries to artificially compete in world markets and flood them with cheap surplus, condem-
ning millions of farmers in countries with fewer resources to underdevelop. These market distortions in agriculture are one of the structural causes behind the failed global food system, due to which one out of every seven human beings suffers from chronic hunger 88.

When the system has had to respond to new situations—such as the appearance of emerging economies—or new problems—such as growing poverty and world inequality—it has added timid flexibilities and exceptions which are more like uncomfortable obstacles to free trade exchanges than like real attempts to respond to the system’s failings.

The “traditional” powers continue to try to implement this hegemonic trade model with countries on the periphery—i.e. the problematic trade negotiations between the EU and the 76 African, Caribbean and Pacific countries. But the new balance of forces has made this model unviable on a world scale. It is estimated that the BRICS countries (Brazil, Russia, India, China and South Africa) will represent 50 percent of the world GDP in 2025 89. And the BRICS countries together with developing and transition countries (which in 2010 already attracted more than half of worldwide direct foreign investment 90) are demanding a more level playing field. The stagnation of the WTO’s Doha trade talks round, which has lasted more than 10 years, is living proof of multilateral processes’ lack of adaptation to this new reality.
A multilateral trade system that is orderly, balanced and just is a “global public good” that the international community cannot allow itself the luxury of wasting if it wants to respond to any global development challenges.

In the CIECODE’s opinion, what are the three priorities for the next legislature with respect to the convergence of trade and development policies (T&D)?

Reform the policy on biofuels: since 2005 the EU has had a series of measures that incentivize the production and use of agrofuels. Biofuels already represent an important percentage of the world production of certain crops (20 percent of sugar cane or 9 percent of oily plants, e.g.). This new demand contributes to the increase in price levels and volatility and to the pressure put on the same scarce natural resources that food production depends on. Spain should push in the heart of the EU and the G20 for an immediate agreement to withdraw incentives for the production and use of biofuels.

An “LDC package” in the World Trade Organization: there are different instruments of trade policy among the measures having the greatest potential for reducing vulnerability to food price volatility and strengthening food security in developing countries. However, many of these instruments are forbidden or blocked by international trade rules. Spain should push for the EU to defend the urgent approval in the WTO of an “LDC package” of measures that would make it possible to improve the capacity of the Least Developed Countries (LDC) and the international community to strengthen their food security and respond to situations of food crisis. Among other measures, this package should include: the elimination of export subsidy programmes for developed country agriculture and prohibition of restrictions on food exports when the recipient is the United Nations’ World Food Programme or any of the Net Food Importing Developing Countries.

Responsible investment models: the new government of Spain should guarantee that the announced measures to promote internationalization of Spanish companies promote an investment model that is socially and environmentally responsible and guarantee all due diligence in matters of human rights and development. The government should urgently:
• Champion the idea within the EU that the new “European foreign direct investment model” which is currently being negotiated should include a balance between investor rights and obligations in bilateral investment agreements, as well as a transparent, fair procedure for the resolution of differences between the investor and the state where the investment is made.
• Reinforce the eligibility requirements used in the public credit instruments for the internationalization of Spanish companies in such a way that due diligence in matters of human rights and development are ensured and that their fulfilment is monitored.
HOW DO THE PROPOSALS ON TRADE POLICY AND INVESTMENT FIT INTO SPAIN’S FOREIGN POLICY PRIORITIES?

- Stop climate change and the exhaustion of natural resources in Spain
- Promotion of efficient global affairs governance
- Consolidation of safer environments
- Promotion of economic stability and the creation of jobs in Spain
- Credibility and effectiveness of Spain abroad
- Withdraw biofuel incentives

Link strengths:
- Weak
- Moderate
- Strong
SPAIN’S CREDIBILITY AND EFFECTIVENESS ABROAD
The G20 has accepted global food security and food price volatility as priority lines of work although, to date, with little ability to promote the adoption of specific policies in this area. Spain can lead G20 action on biofuels, a topic that has the support of the relevant international agencies (T&D 1).

Spain’s trade presence in Latin America is strategic in economic, political and diplomatic terms. However, on occasion the behaviour of our companies has been a source of tension with the countries in the region. Spain’s support for a foreign direct investment model that is more responsible and sustainable could contribute to strengthening its leadership and political influence in the Ibero-American forums and in the EU as a bridge with Latin America (T&D 3).

PROMOTION OF EFFICIENT GLOBAL AFFAIRS GOVERNANCE
The WTO’s Doha trade talks round is one of the main unresolved matters with regard to multilateralism and common management of global affairs. An agreement in the WTO on the problem of global food security would contribute to restoring the spirit needed to collectively tackle other global matters, such as climate change or the financial crisis, which are so relevant for Spain (T&D 2).

PROMOTION OF ECONOMIC STABILITY AND THE CREATION OF JOBS IN SPAIN
The promotion of a “Spanish model” of foreign direct investment based on responsibility and social and environmental commitment could give Spanish companies a new comparative advantage, improve their ability to manage the risks inherent in investment in developing countries and facilitate future business opportunities in those countries. This is the spirit behind the Building the Canadian Advantage initiative, through which Canada is attempting to consolidate its world leadership in investment in the extractive sector. Recent evidence shows the relevance of this focus: in Europe the crisis is affecting so-called “Socially Responsible Investments” less than traditional investment funds. The growth potential of these investment funds is very high for our country; of the 1.2 trillion euro that these funds represented in Europe as a whole in 2009, Spain only handled 14,700 million euros (T&D 3).

Moreover, investments with specific social benefit goals (inclusive businesses, social enterprises, etc.) represent a high-potential fishing ground for sustainable employment and significant support for innovation and the creation of new markets. In the end, responsible foreign investment is a fundamental development component in the countries invested in and, therefore, a source of more and better markets for Spain in the future (T&D 3).

CONSOLIDATION OF SAFER ENVIRONMENTS
The approval of an “LDC package” by the WTO would be a decisive factor in the reduction of an important global instability vector: food insecurity in the world. It should not be forgotten that the riots in North Africa in 2011 began with protests over food price increases (T&D 2 and T&D 1).

Investments that are managed more and more responsibly would mean safer environments for our investors and, therefore, less risk and less associated cost (T&D 3).

STOP CLIMATE CHANGE AND THE EXHAUSTION OF NATURAL RESOURCES IN SPAIN
A fair, transparent and balanced international investment system is also a guarantee for Spain in the face of potential conflicts with international investors present in our country. Many of these investor-state conflicts originate with the investment’s environmental impact or with changes in applicable environmental legislation. The system currently in force could limit Spain’s policy space to defend the environment and handle the impact of foreign investments on its natural resources. This is what happened in 2000 in the first case lost by Spain against a foreign investor, where Spain had to pay out substantial compensation. And this is what is happening now in Germany, which is currently facing a compensation claim for more than 1 billion euro stemming from a change in its nuclear legislation after the accident at Fukushima. In 2009 Germany had to deal with another claim for 1.4 billion euro in a polemical case stemming from the toughening of a regional environmental law (T&D 3).
The scenario of overlapping crises (financial, food, climate) within which the planet has developed in recent years has left one lesson quite clear: the international community lacks adequate global governance mechanisms.

The current system of world governance has undergone modifications since World War II. The government agencies of the major international organizations do not reflect the current order of nations in the world; this raises doubts about their legitimacy and democratic character. There is too much fragmentation and duplication of tasks and functions among institutions, in addition to little coordination and collaboration between them. The system’s complexity means it is not very transparent and makes accountability for its actions and their results difficult.

In recent years some progress toward changing this situation has been made (reforms in agency management and the appearance of new forums). In spite of this, there is still a lot to do and the reforms must take place at a faster pace. The implementation of global governance able to efficiently and democratically manage the problems of globalization is one of the great challenges that the international community must address in the coming years.

The appearance of the G20 as the new discussion and decision-making forum for the largest economies in the world is a step forward compared to the more exclusive G7/G8, but it still presents significant problems with re-
The crisis has made one thing clear: the international community lacks suitable global governance mechanisms.

The implementation of some reforms in the Bretton Woods institutions, as well as a superficial reconsideration of the international financial system, intensification of the fight against tax havens and a commitment to reducing food price volatility. All of these matters are greatly relevant for development. However, the drive of the months immediately following the financial implosion and the food crisis of 2007-2008 has given way to a phase of lethargy in which these matters have slowly lost gas and have limited the G20’s credibility. The Cannes Summit in November of 2011 was a good example of this.

After the lack of adequate instruments, a second global governability challenge is related to the international development aid system, which is undergoing significant changes after five decades. The traditional phenomenon of “donor fatigue”, the appearance of new donors such as the emerging economies or the debate around new development funding mechanisms demand re-evaluation of the parameters and institutions which have been worked...
with to date, including the concept of Official Development Assistance itself and the way to measure it. In the mid-term, the OECD’s Development Assistance Committee should be replaced by a more representative agency, such as the United Nations Development Cooperation Forum.

Finally, the international community must address the definition of a new development road map that replaces the Millennium Development Goals adopted more than a decade ago by the United Nations. There is a reasonable consensus about the need to reinforce these objectives with new indicators starting in 2015. In part they must include the previous unfulfilled commitments, but they must also incorporate elements that were ignored in 2000, such as sustainability or inequality. International experts suggest replacing them with some new Sustainable Development Goals that address environmental and economic questions, water access, climate change and energy and social matters.

Spain should aspire to play a significant role in each of these debates. The most logical and effective channel that it has for doing so is the European Union. However, today the EU’s role as a global actor does not correspond to its international weight. The EU is the foremost trading power in the world, the second military power and provides 55 percent of all world development aid funds. However, its
frequent difficulty in acting as one united stakeholder with a common position in international forums and the deficiencies in the EU’s institutional architecture are putting the defence of common interests in danger and dragging the member states and the EU itself into a growing irrelevance. Spain should defend the coordinated and unified action of the member states in the handling of global matters and act with a sense of responsibility in the progressive cession of voice and prominence from the member states to the EU when dealing with international agencies.

During the last eight years there has been a notable expansion in the resources that Spain dedicates to multilateral organizations and initiatives (which has greatly facilitated its presence in the G20). However, these contributions have not been adequately accompanied by defined political strategies, nor yet by the shaping of technical capacity provided with sufficient resources. The opposite is closer to the truth. If Spain wants to consolidate a strategic and influential development policy and play a role that is more significant than merely distributing resources among an indeterminate number of multilateral organizations, it will be necessary to provide these tools.

In the CIECODE’s opinion, what are the three priorities for the next four years in matters of global governance (GG)?

The following three priorities are of an institutional nature, as more specific proposals relating to global governance have been explained in previous sections.

Reinforce the government’s strategic ability in this area through a Delegate Commission on International Development that replaces the current Delegate Commission on Development Cooperation, which is barely active. The new Delegate Commission would include senior members of the office of the presidency, the Ministries of Economy, the Treasury, Foreign Affairs and Cooperation, Agriculture and the Environment, and Trade and Industry. Its goal would be to provide Spain’s foreign policy with greater consistency and a strategic focus with regard to global affairs and multilateral development agencies.

Contribute to the reform of the Agencia Española de Cooperación Internacional para el Desarrollo’s statute (AECID—the Spanish Agency for International Development Cooperation) with a technical and political team able to apply Spain’s strategy in international forums and agencies. To make this possible, experts who are not civil servants and who have technical and management experience and knowledge must be allowed access to jobs. It must be ensured that all of the competencies relating to multilateral development organizations are assigned to the AECID (including multilateral and regional banks).
HOW DO THE PROPOSALS ON GLOBAL GOVERNABILITY FIT INTO SPAIN’S FOREIGN POLICY PRIORITIES?

- **CREDIBILITY AND EFFECTIVENESS OF SPAIN ABROAD**
- **PROMOTION OF EFFICIENT GLOBAL AFFAIRS GOVERNANCE**
- **INCORPORATION OF INTERNATIONAL DEVELOPMENT FOCUS GG 2**
- **AECID REFORM GG 3**
- **PROMOTION OF ECONOMIC STABILITY AND THE CREATION OF JOBS IN SPAIN**
- **CONSOLIDATION OF SAFER ENVIRONMENTS**
- **STOP CLIMATE CHANGE AND THE EXHAUSTION OF NATURAL RESOURCES IN SPAIN**

**LINK**
- WEAK
- MODERATE
- STRONG
Spain is a permanent guest at the G20, but its ability to exert any influence will require something more than a seat. In the absence of the important economic resources that the government allocated to multilateral organizations in recent years, the possibility of establishing a clear and proactive agenda with regard to significant global affairs such as a financial reform, in collaboration with the European Union, could become an important support to the credibility of Spain’s foreign policy. For this to happen it is essential for the mechanism that links the political (GG 1), strategic (GG 2) and operative (GG 3) management of Spain’s presence to function well.

The agenda of the international organizations in which Spain participates covers many of the fundamental challenges faced by the international community. These include financial system reform, the fight against tax evasion or the reduction of the extreme volatility of food prices. Adoption of the international development focus proposed here would make it possible for our country to be seriously involved and have a reasonable ability to innovate in the resolution of these problems, which would justify its presence in these forums (GG 2).

Global forums’ agendas for discussion include the possibility of creating significant alternative sources of funding. The approval of a Financial Transactions Tax, which could extend beyond Europe thanks to the initiative of the G20, could generate 6.3 billion euros per year in Spain alone for financing the fight against the crisis, poverty and climate change, without representing any additional charge for the public deficit. Something similar occurs with the potential that global government agencies have in the fight against international tax evasion (GG2).
4. CONCLUSIONS AND RECOMMENDATIONS
The 21st century is underway, and in its first decade the risks—climate, finances, food and security—have acquired a global dimension and unprecedented intensity. The combined effect of these risks on the planet’s poorest populations has exacerbated their vulnerability. This reality creates a new paradigm for the fight against poverty and the promotion of development: the factor that best explains the current rise in extreme poverty on a world scale is individual vulnerability more than the level of wealth of the society one belongs to.

For many Spaniards the fight against poverty, injustice and inequality in the world is a moral imperative for our society that must be given the highest political priority. Unfortunately, this point of view has not been able to sufficiently mobilize our country’s social and political will, and these questions take a back seat to other political priorities. Although Spain has made advances toward more responsible and sustainable management of its actions abroad (approval of the law to regulate the arms trade, more development aid, support for the implementation of a tax on international financial transactions...), these advances are partial and incomplete. They are quite unstable because they are not part of a consolidated political strategy and are accompanied by many other elements (trade, migrations, energy, taxation or security) which, as has been shown throughout the report, negatively counterbalance the positive impacts of the advances that have taken place. It is therefore necessary to design an International Development Policy that integrates the different Spanish policies that affect poverty and international development, as well as the synergies and interactions among them.

Spain finds itself at a complicated juncture, where the temptation and opportunity to roll back the reforms undertaken and shift toward a re-nationalization of foreign policy are clear. However, the premise advanced at the beginning of this document has been shown to be true. This report is rich in examples that suggest that promoting a fairer, more sustainable and equal international order is not only not incompatible with defending Spain’s interests, but that in fact it is oftentimes the most intelligent and efficient way to lay the foundations of a prosperous, stable future in our country.

Therefore, this report is particularly aimed at those individuals who need additional arguments in order to be open to investing in, legislating or supporting measures that will become the mainstays of a fairer, more sustainable and more equal global system. Each of the political proposals in the report—chosen exclusively for their contribution to development—creates employment in Spain, strengthens our position on the international stage and/or contributes to the construction of a safer, more stable domestic environment. This is more than can be said for the majority of conventional political propositions in our country.

Although it is difficult to pinpoint the return for Spain of each of the reforms proposed, the report analysis (graphic 13) seems to indicate that the areas that would most benefit from a Spanish change in course toward fairer management of its foreign policy would be “credibility and effectiveness abroad”, “promotion of efficient global affairs governance” and the “consolidation of safer environments”. While these results were predictable, the number of links that exist between the reforms proposed and the “economic stability and creation of jobs in Spain” is a welcome surprise, since normally these elements are considered to be unconnected, or even divergent.
SPAIN’S CREDIBILITY AND EFFECTIVENESS ABROAD

PROMOTION OF ECONOMIC STABILITY AND THE CREATION OF JOBS IN SPAIN

- AEOI REFORM ODA 1
- INTEGRATION OF INTERNATIONAL DEVELOPMENT FOCUS ODA 2
- REINFORCED STRATEGIC GOVERNMENT CAPACITY ODA 3
- RESPONSIBLE, SUSTAINABLE INTERNATIONALIZATION T&D 1
- WITHDRAWN BIODIVERSITY INCENTIVES T&D 2
- SPAIN’S CREDIBILITY AND EFFECTIVENESS ABROAD
- EUROPEAN MIGRATION POLICY MD 1
- EFFICIENT PLANNING ODA 1
- MULTILATERAL EVALUATION ODA 2
- EDUCATION FOR DEVELOPMENT ODA 3
- INSTITUTIONAL REINFORCEMENT FT 1
- CONBUS CAMINO INTERNATIONAL FINANCIAL TRANSACTIONS FT 2
- TAX ON INTERNATIONAL FINANCIAL TRANSACTIONS FT 3
- EUROPEAN MITIGATION GOAL C&D 4
- PEACEBUILDING, A MAINSTAY OF FOREIGN POLICY PB 1
- INTERNATIONAL ARMS TRADE TREATY PB 2
- APPLICATION OF ARMS TRADE REGULATIONS PB 3
- PEACEBUILDING, A MAINSTAY OF FOREIGN POLICY C&D 4
- PROMOTION OF ECONOMIC STABILITY AND THE CREATION OF JOBS IN SPAIN
- INTEGRATION OF INTERNATIONAL DEVELOPMENT FOCUS GG 1
- RESPONSIBLE, SUSTAINABLE INTERNATIONALIZATION GG 2
- WITHDRAWN BIODIVERSITY INCENTIVES T&D 1
- SPAIN’S CREDIBILITY AND EFFECTIVENESS ABROAD
- EUROPEAN MIGRATION POLICY MD 1
- EFFICIENT PLANNING ODA 1
- MULTILATERAL EVALUATION ODA 2
- EDUCATION FOR DEVELOPMENT ODA 3
- INSTITUTIONAL REINFORCEMENT FT 1
- CONBUS CAMINO INTERNATIONAL FINANCIAL TRANSACTIONS FT 2
- TAX ON INTERNATIONAL FINANCIAL TRANSACTIONS FT 3
- EUROPEAN MITIGATION GOAL C&D 4
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- APPLICATION OF ARMS TRADE REGULATIONS PB 3
- PEACEBUILDING, A MAINSTAY OF FOREIGN POLICY C&D 4
- PROMOTION OF ECONOMIC STABILITY AND THE CREATION OF JOBS IN SPAIN

LINK
- WEAK
- MODERATE
- STRONG
Throughout the seven policies analyzed there have been continual references to the five global development goals presented at the beginning of this report. This gives an idea of the extraordinary complexity of these goals, which transcend the limits of traditional policies. Addressing them in a fair and efficient way, while keeping an intelligent eye out for Spain’s interests, requires the ability to govern “foreign affairs” in a comprehensive way, strategically managing transversal matters.

The “increasing chronicity of the world food crisis” shows the number of different policies that must be combined in order to provide—from Spain—a definitive response to this challenge.

1. **Development aid**: strengthening of productive capacities, establishment of social security networks and adequate, efficient emergency aid.

2. **Trade**: cessation of the agricultural subsidy programmes that are prejudicial to farmers in developing countries.

3. **Finance**: regulate speculative investments in basic cereal markets to reduce food price volatility.

4. **Taxation**: end tax havens and abusive corporate practices that harm the ability of developing countries to implement the public investment needed in agriculture.

5. **Climate change**: finance the adaptation of agriculture to climate change, using alternative funding sources.

6. **Global governance**: promote and defend the role of international organizations able to galvanize the political action needed (e.g. G20).

Each of these policies is important in and of itself when it comes to resolving the global food crisis challenge. However, the greatest potential lies in their combined action; in the creation of a sort of “virtuous circle” in which some actions feed back into the impact of others. The negotiation of fair trade regulations or the consolidation of functional, transparent and progressive tax regimes (through the G20 and other modes of global governance) is an essential complement to any measure supporting poor rural sectors through development aid. This aid can take the form of climate change adaptation programmes, and will in turn be driven by a global mitigation effort that reduces the most harmful consequences for agricultural production in poor countries. Not only do these measures support each other: the ultimate success of this poverty reduction strategy depends on the ability to consolidate these virtuous circles.

The same logic must govern the revitalization of the agricultural sector in poor countries. Rural investment also contributes to redressing their balance of payments, since it reduces dependence on external food markets, and it also contributes to increasing internal tax resources.

It also makes it possible to promote competitiveness abroad and reduce long-term costs associated with climate change by introducing adaptation measures. Ultimately, these are measures that reduce dependence on aid and stimulate the collaboration between donors and recipients through more efficient management and governance systems.

The opposite is also true, as we know. The permanent abandonment of small farmer activity accelerates and intensifies the consequences of climate change, increasing countries’ financial vulnerability. It diverts essential resources from development and puts the right to food at risk. Greater volatility in agricultural markets has created problems in both rich and poor countries, fomenting unilateral solutions that weaken global governance mechanisms.
PROMOTING A FAIRER, MORE SUSTAINABLE AND EQUAL INTERNATIONAL ORDER IS COMPATIBLE WITH DEFENDING SPAIN’S INTERESTS.

Holistic management of the issues that the CIECODE proposes for incorporation into “Spanish development policy” is a task that is technically and politically complex. The government will have to seek a balance between goals that are opposed at times. Without sufficient political and institutional support—including specific instruments, resources and procedures—it is not very likely that the perspective of combating poverty and promoting development will be taken into consideration in political decision-making processes. Spain’s failure in the fulfilment of its commitment on policy coherence for development confirms this.

To this end, to advance toward the construction of a “development policy” in Spain, the CIECODE recommends concentrating efforts on strengthening, improving and training key agencies and mechanisms that already exist within the government. Given the tight budget that the coming years will undoubtedly bring to Spain, our country’s administrative capacity and tradition, a comparative analysis of our partner countries and the opinion of domestic experts in these issues, the CIECODE recommends:

- Strengthening the means and capacities of the Policy Coherence Unit (currently made up of literally one person), in order to increase its capacity for technical and political incidence.
- Creation of a “focal point” network in all the ministries that manage any policy that affects development. Its primary function should be to galvanize processes, create a working agenda and follow up on inter-departmental groups in which their respective ministries participate.
- Replacement of the Comisión Delegada de Cooperación al Desarrollo (Delegate Commission on Development Cooperation) with the Delegated Commission on International Development. Its mandate should be arbitration and promotion of more consistent, coherent and coordinated policies among the different ministries and providing Spanish foreign policy with a strategic focus in global matters and multilateral organizations. It must be given specific political weight and a specific agenda and work groups.
- Strengthening the role of the Parliament as a forum for debate and consensus for the adoption of the government’s major commitments in its development policy. The Comisión Permanente de Cooperación al Desarrollo (Permanent Development Cooperation Commission) is the ideal framework for the presentation and discussion of documents and strategies, such as the upcoming Master Plan and the White Paper on Spanish Development Policy.
- Maintaining the existence of the Consejo de Cooperación (Cooperation Council), changing it into an International Development Council and adapting its agenda to its real capabilities. Its main added value should be that of advising on relevant policies proposed and on strategic reports, such as the Annual Report on Policy Coherence.

Many of our partner countries—which manage their foreign policy in a fairer and more intelligent way and which have domestic social and economic models that are more prosperous and sustainable—began to build their “development policy” through a process of reflection, discussion and consensus that led to the creation of a document of reference. Through publication of this report, the CIECODE is encouraging Spain’s new government to launch an open, courageous and rigorous process to elaborate a “White Paper on Development”. This can be undertaken in the confidence that the process itself will be as beneficial as the final result and that it will represent a small step toward another way of doing politics—one that contributes simultaneously and in an efficient way to the construction of a less poor and unequal world and a safer, more prosperous and sustainable future for Spain.
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