



## ***Ideas to tackle Income Inequality:***

### ***A report from Claiming our Future's Second National Event, Galway, May 2011***

This is the report from the four 'consensors', appointed by the Claiming our Future Co-ordinating Committee to draw together and summarise the key elements of the deliberations which emerged at the second National Event. The report is drawn from the short report sheets which the facilitators at the 23 tables submitted, responding to a series of questions agreed by the Co-ordinating Committee. More detailed reports from each of the tables will also be available on the Claiming our Future website.

#### **What do we mean by income inequality and why should we reduce it?**

In the discussion on the meaning of inequality most of the tables contextualized the issue with reference to the circumstances of those on the lowest incomes. The idea that incomes at this level must be sufficient for people to live in dignity and participate fully in society emerged strongly from this and subsequent sessions.

In the discussion of 'why' income inequality should be addressed, the most frequently mentioned concept was 'fairness'. The understanding of what fairness might mean in this context was developed by the next most frequent set of ideas which related to concepts of rights: with words such as 'ethical', 'averts greed', 'dignity' and 'respect' coming through strongly from all deliberations.

A strong consensus also emerged that more equality is better for *everyone* in society, creating a 'better' society. Key concepts here were "healthier", "humanist", "less crisis-ridden", "sustainable economy" and "sustainable environment".

A number of tables also referred to the personal benefits of living in a more equal society, these were seen in terms of greater "well being", "better health", "less stress", and equal "influence" and "power".

#### **What is stopping progress?**

The largest number of contributions related to ideology or lack of awareness of alternative ways of doing things. Different tables expressed in this in different ways, such as the "power of the dominant narrative", "a culture of winning" or "success equals money" but also as "capitalism", "market forces", "individualism", "the Anglo-Saxon model" and "consumerism" or "greed".

There was strong recognition of the inherent power (through media and politics) of groups who are already wealthy and wish to sustain their position.

Some groups also raised issues such as fear that wealthy individuals would leave the country

and also fear of freeloaders.

Finally there were a number of contributions which emphasized our responsibility to do more, to overcome “feelings of powerlessness”, to be more active and effective.

### **What are the issues around ‘high incomes’?**

The reports from this session showed a remarkable alignment to the reports from the ‘what is stopping progress’ session. There was a consensus that high incomes were linked to disproportionate power, influence and status. Similarly there was a strong emphasis on the need for some form of “cultural shift” in attitudes to high incomes and wealth, and in particular, the need for alternative symbols and rewards to mark success.

Some tables attempted to set a range on low and high incomes. Some approached it as a ratio or proportion between the highest and the lowest – with proposals from 1:4 to 1:14. Other tables attempted to put an absolute figure on maximum incomes – proposals here ranged from €75,000 to €190,000, after tax.

The full range of mechanisms for achieving greater income equality were discussed at the tables, with a consensus emerging that progressive taxation was generally the most appropriate mechanism, where gross incomes were not curtailed. In this context, a large number of tables referred to the need for transparency and efficiency in public expenditure to sustain public support for taxation.

### **What are the issues around low income’?**

In this discussion most tables returned to consideration of how to set the lowest permissible income. There was a common unwillingness to name a minimum level, with several tables saying that “an independent process” needs to be put in place to agree this level. Some tables commented on the limitations of the language of ‘minimum’ and ‘adequate’.

There was a consensus that income itself is not a sufficient measure; there was discussion of issues like “inter-generational poverty”, “housing”, “insecurity”, “education”, “quality of general public services”, and feelings of “stigma”, “alienation” and “powerlessness” associated with poverty.

A wide range of specific problems featured, varying from table to table. Issues included transition from welfare to work, the “bread-winner model of welfare”, funding for community organizations, low pay, minimum wage/JLCs, rural/urban, lack of political organization among those on low incomes.

Some tables proposed “Basic Income” but there was no consensus on the role of ‘universality’ either in adult incomes or child benefit. A number of tables commented that all groups (asylum seekers, migrants, under 26s etc) need to be covered by the minimum income.

### **What actions should we take?**

A very wide range of proposals emerged from the discussion, and the full richness of this can be viewed on the web-site. The ideas captured below are those which emerged most frequently or strongly from the reports.

#### **Institutional and legal proposals**

- Establish an Independent Body to set the level for minimum income in our society
- Establish a High Pay Commission
- Promote the inclusion of a reference to income inequality in the proposed new Irish Constitution

### **Actions to increase transparency/awareness of income inequality**

- Campaign to get every company/public body etc. to include a statement of wage differentials in its annual report/accounts
- Look for individuals to commit to a max wage in their own lives
- ‘Walk in my shoes’ activities – day of action, celebrity participation etc

### **Ideas related to Media**

- Develop our own media – social, local, national
- Actively challenge income myths
- Demand fair access to public media/claim our space

### **Tackle underlying causes**

- Find other ways than money to recognize/mark success
- Research the rich, locally and nationally
- Highlight gender and other underlying causes of income inequality

### **Strategic considerations**

- Make a noise/people power/mobilize/boycott/
- Have a clearer idea of ‘when’ the ‘future’ is.
- Focus energy on a few strategic campaigns

### **Consensors**

The consensors appointed for this event were, Anne Costello, Brian Forbes, Charles Stanley-Smith and Mike Allen.

### **What is “Claiming our Future”?**

Claiming our Future is a national, broad-based, non-party-political movement committed to the emergence of an equal, sustainable and thriving Ireland. Our values are

- Equality for all
- Environmental sustainability
- Accountability from those in power
- Participation by people in decision making that impacts on them
- Solidarity between all sectors of society

At our first National Event, attended by over 1,000 people in October 2010, a number of themes of activity were established:

- A sustainable alternative to our boom-and-bust economy
- A more equal society
- Change in the way we govern ourselves
- Decent and sustainable jobs
- Radical reform of the banking system
- Reform of our public services

This report represents the further elaboration of a number of these themes, and in particular the second theme. This report reflects the deliberations of the second National Event in Galway in May 2011 and web discussions leading up to the event.

A number of participants at the Galway event volunteered to follow up the ideas and proposals on income inequality.

The other themes identified above will be progressed through similar national events and other appropriate mechanisms.