

# ***A Cautionary Tale: the true cost of inequality and austerity in Europe***

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**OXFAM**

# Overview

1. Austerity for whom?
2. We have been there before
3. The future under austerity
4. There are alternatives

# 1. Austerity...for whom?



The EU economic recovery plan vs. aid to the financial sector

## 2. We have been there before

**It could take up to 25 years to regain living standards prior to the economic crisis**



### 3. The future under austerity

**Austerity = more poverty**



### 3. The future under austerity

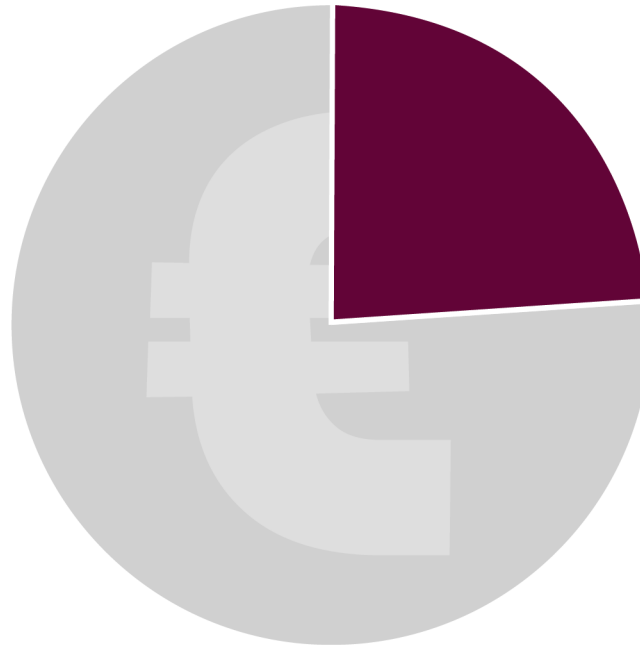
## Austerity= more inequality

*Gap in the UK & Spain could be the same as in South Sudan or Paraguay*

The bottom tenth take home  
3% of all income in the EU



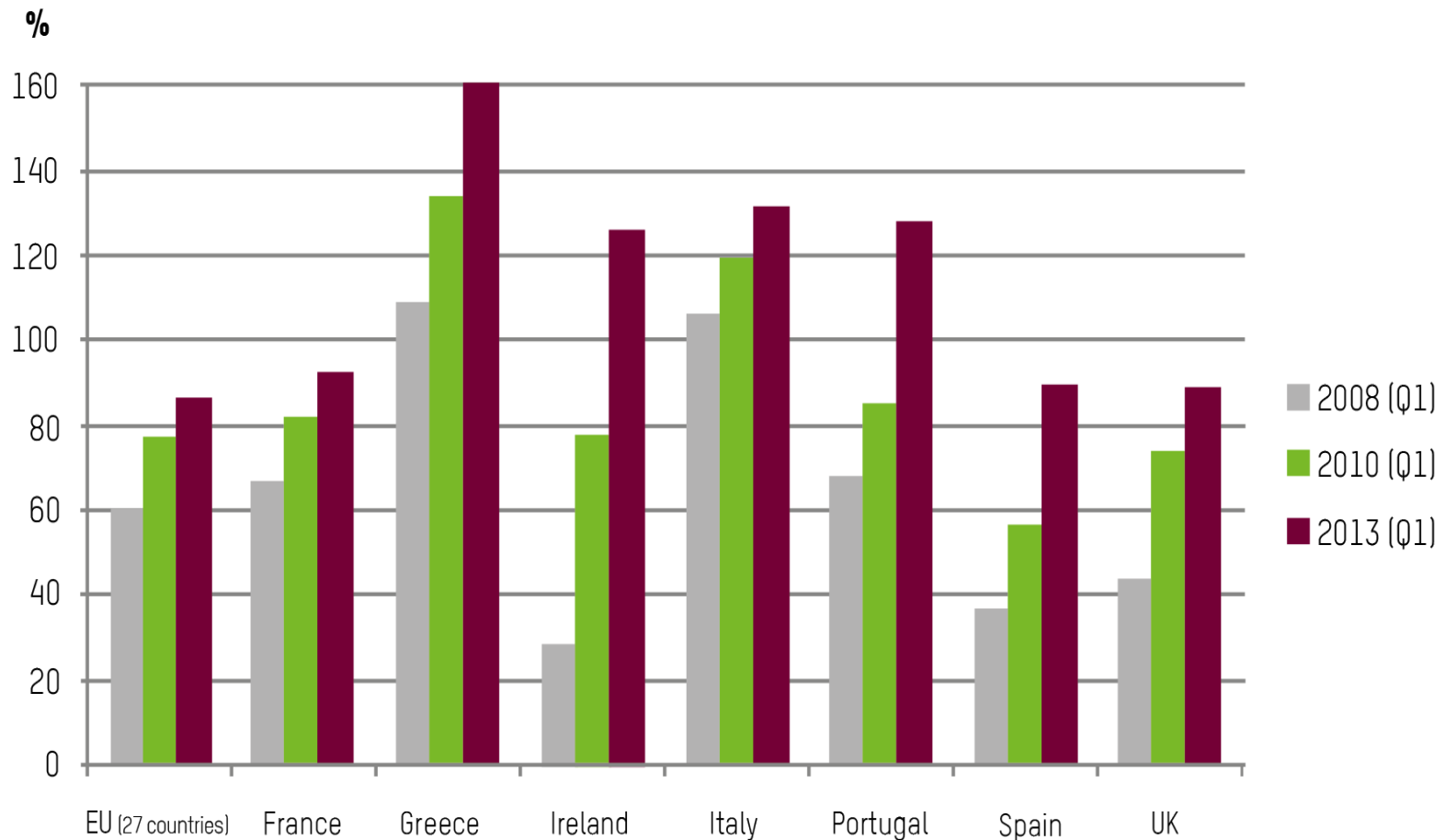
The top tenth take home  
24% of all income in the EU



# 3.The future under austerity

## Austerity = failed to reduce debt

Government debt as a percentage of GDP (2008 – 2013)



## 4. There are alternatives

- Invest in people and sustainable economic growth
- Investing in public services



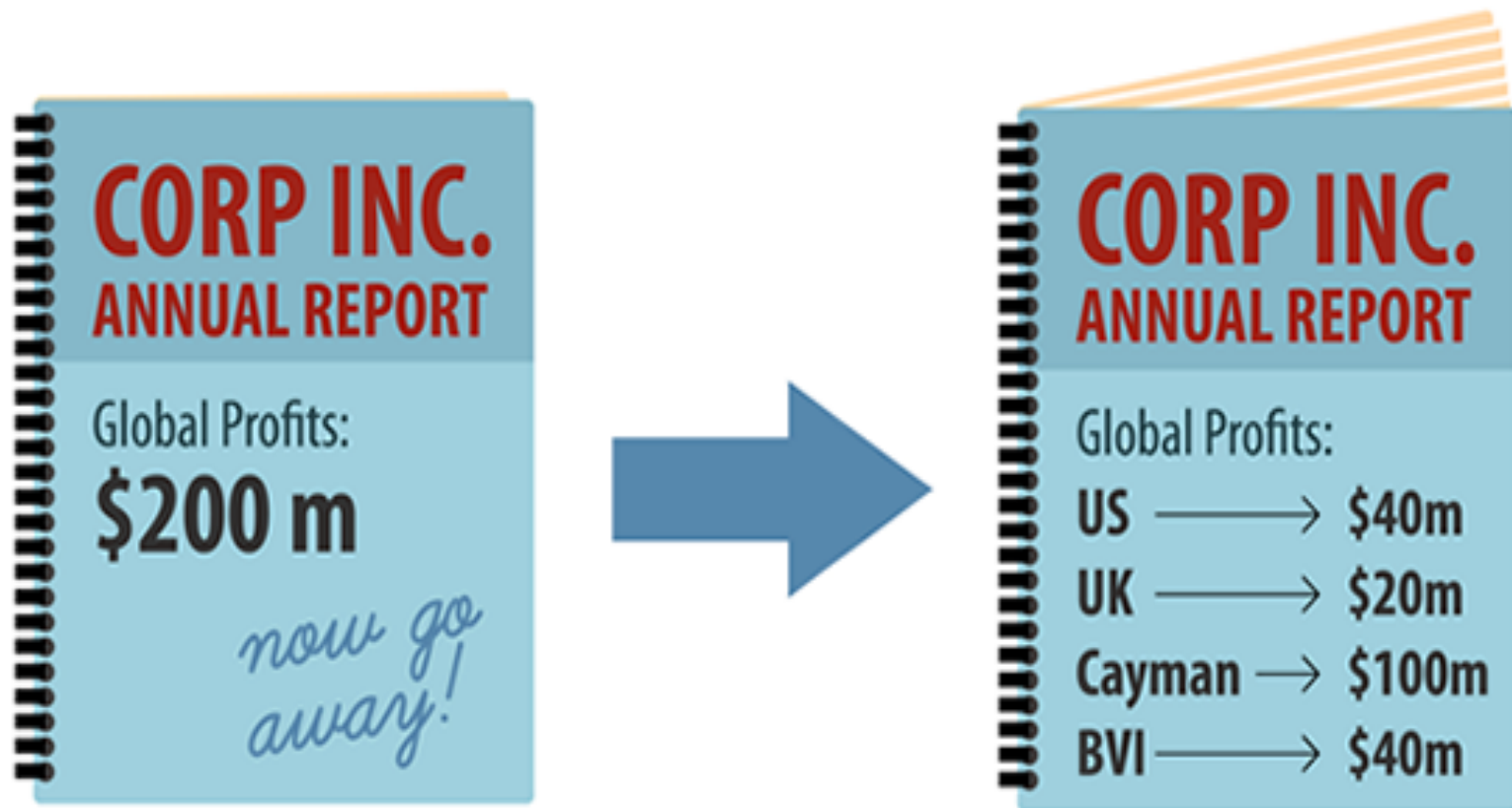
## 4. There are alternatives

- Strengthening institutional democracy



## 4. There are alternatives

### ➤ Building fair tax systems



## 4. There are alternatives

11 COUNTRIES AGREED  
TO PUT IN PLACE AN FTT BY 2014

**HOW MUCH  
MONEY WOULD A  
ROBIN HOOD TAX  
LIKE THIS RAISE?**



**€4.42**  
BILLION  
FROM TAXING  
SHARES



**€8.17**  
BILLION  
FROM TAXING  
BONDS



**€24.47**  
BILLION  
FROM TAXING  
DERIVATIVES



**€37.06**  
BILLION  
FROM TAXING ALL  
THESE MARKETS

# The report and 12 country cases



A 15M Movement protest against austerity measures in Madrid, May 2011. © Miguel Perro

## A CAUTIONARY TALE

The true cost of austerity and inequality in Europe

[www.oxfam.org/austerity](http://www.oxfam.org/austerity)