

• LIC. FELIPE RIVAS¹
DR. CARLOS ALEMÁN²

Social organisations in Central America, Panama and Mexico that are members of the Social Watch network are carry out a regional evaluation of fulfilment of the commitments made at the Social Summit in Copenhagen. This is a preview of that document, which will discuss the results and impact of the commitments from the non-governmental perspective.³

One hundred eighteen heads of state, international organisations and many NGOs have given great social and political recognition to the Declaration and Plan of Action outlined at the Copenhagen Summit. This recognition is because the Summit emphasised a strategic orientation for resolving the most sensitive social problems of humanity: *poverty eradication, creation of productive jobs, attainment of equity and equality between men and women, and strengthening society as a whole by promoting solidarity, co-operation and consistent government action.*

The regional reality over the last five years shows significant progress toward macro-economic stability. Despite cyclic tendencies, the countries as a group have achieved small but positive economic growth, control over inflation and monetary stability. Likewise, there are important achievements in democracy, pacification and tolerance, and in the development of companies from a micro-economic perspective. All of this is based on a development model oriented toward opening markets and globalisation. Structural adjustment programmes have been a significant factor in regional economic processes.

These results are important when comparing the «lost» decade of the eighties with the nineties. But when the Copenhagen commitments and the historical evolution of all economic, social and political indicators are evaluated, the apparent improvements

THE CHALLENGE OF REGIONAL INTEGRATION AND SUSTAINABLE HUMAN DEVELOPMENT

become quite relative, for there are few nations that demonstrate true progress.

In the last five years, Central America finds itself with «*precarious economic and political achievements, with negative results in social justice and environmental sustainability, and also with important regional fractures.*»⁴ Neither Mexico nor Panama escape this reality. When commitments are contrasted with actual achievements, the results show that the levels of poverty and unemployment and the gap between the rich and the poor have increased in all the countries. This situation is aggravated by a clear decline in the regional balance between rural and urban zones in every country. The scenario is further complicated by increasing inequalities in access to basic services and employment, especially among women, which unveils the permanence of discriminatory structures in the area of gender.

In this framework, a central problem is the development model that prevails in all the countries considered. It is a concentrating and excluding model based on the traditional neoliberal conception applied to its full extent. Thus, accelerated commercial liberalisation, increased vulnerability, reduced government with constraints on authority, structural adjustment and stabilisation programmes (without compensation for the resulting social costs), and ambiguous and controversial modernisation and privatisation projects are common points on the political agendas of all the nations of Central America, Mexico and Panama—naturally with differences concerning their periods of execution.⁵

The opening of markets and the process of globalisation have been accelerated in the domestic economies of these countries to favour mega-corporations, without adequately countering and compensating for the impacts on the majority of the population.

1 Regional Investigation Coordinator, Director of CIDEP.

2 Consultant.

3 The complete document, which includes strategic recommendations, will be published in May by Social Watch in Central America, and included in the Social Watch website: www.socialwatch.org

4 *Estado de la Región en Desarrollo Humano Sostenible*, Costa Rica, 1999.

5 The pioneers in this field have been Mexico and Costa Rica, since they applied the first readjustment programs since 1982 and 1985, respectively.

Furthermore, the concept of regional integration has been diluted, as liberalisation implies the sacrifice of all forms of joint protection and a focus on unilateral commercial treaties rather than commercial blocks or allies. All this makes evident the lack of political will to eradicate poverty or to seek a shared vision of people-centred development.

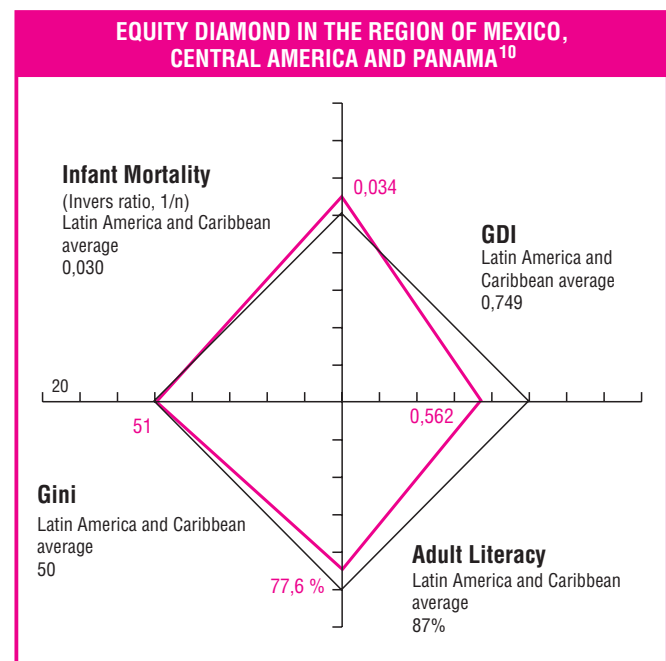
The entire concept of human development, which should be the central foundation of the region, is being ignored. In this concept of development, regional integration would bring more efficiency, create economies of scale and generate investment. It would stimulate technological progress, commercial exchange, and address rural problems with regional agricultural policies. It would promote development of «*human capital*» and equity between women and men, and it would resolve the most urgent aspects of social equity, and economic and environmental vulnerability. As UNDP establishes, human development should incorporate *productivity, equity, sustainability and participation*.

THE COMMITMENTS OF THE SOCIAL SUMMIT

The commitments each government made at the Social Summit contain important aspects of this human development model. Nevertheless, the results obtained in these five years are insufficient:

- Although there has been progress toward **eradication of poverty**, the high percentage of population living in absolute poverty and indigence (unable to satisfy basic nutritional needs) has not been reduced. In the mid-1990s, an average of 60% of the population of Central America and Panama lived in absolute poverty, of which 40% were indigent. Poverty was concentrated in rural areas (71% of absolute poverty and 52% of indigence), revealing the historical regional inequities between country and city.⁶ In Mexico in 1996, 76% of the population lived below the poverty line and approximately 45% of these were indigent.⁷ According to estimates, this situation had not changed essentially at the end of the century: although there has been a slight decrease in absolute poverty, inequities have grown inside each country.⁸
- At the root of the problem is the absence of serious and specific political commitments to eradicate poverty and unemployment. This is expressed by the **non-existence of plans or strategies that directly benefit the poorest segment of the population**. Programmes dedicated to these purposes share a common generality and ambiguity, which makes it difficult to engage in any continuous action that will help to resolve the problem.

The Equity Diamond. A useful graph for expressing the present state of the region formed by Mexico, Central America and Panama, is the Equity Diamond; this graphic illustrates the situation based on four indicators: the infant mortality rate for children under five, the literacy rate, the Gini index, and the Relative Gender Development Index of UNDP. The following graph presents an estimation of the Equity Diamond for the region considered for the years 1995–1999;⁹ we have also added the averages for the regions of Latin America and the Caribbean, for purposes of comparison.



We observe that, in general, the countries of the region present values inferior to the average in Latin America and the Caribbean for three of the four indicators (GDI, Gini and Infant Mortality Rate), while the value for adult literacy is similar to the average. This offers some lines of action where advances are needed, namely modification of the structures of income concentration (these structures ultimately explain the high levels of poverty), and improvement of education and adult literacy campaigns. It should be noted that the average of the seven countries considered is negatively affected by the situation in Guatemala, Nicaragua, and Honduras, and positively affected by

⁶ *Estado de la Región...*, op. cit., p. 176.

⁷ Social Watch. *The starting point*. Uruguay, 1996, p. 87.

⁸ www.lanic.utexas.edu/, Central America's as well as Mexico's.

⁹ It is based on provisional data, since for certain years (1995-1996) it was not possible to obtain coherent information for every country (principally Nicaragua and Honduras).

¹⁰ Sources: Social Watch 1996, 1997, 1998, 1999; World Bank, same years.

some improvements in the indicators of Mexico, Costa Rica and Panama.

In social areas, our evaluation indicates the following:

- *Education.* The indicators show positive results in the last five years, especially in the increase of coverage and budgets, in Mexico, Costa Rica and El Salvador. This progress is still insufficient: none of the countries considered has attained adult literacy and universal access to a primary education for all children of school age (measured by the primary school enrolment ratio), and Honduras and Guatemala¹¹ show stagnation or even setbacks in education.
- *Gender Equity.* Gender equity has not significantly increased, nor has the situation of women ostensibly improved. On the contrary, large differences still prevail in the areas of human and social development. This is expressed in the differences between the Human Development Index (HDI) for each country and the Gender Development Index (GDI). In 1998, for example, there were on average four points of difference between one indicator and the other for the total region.¹² Likewise, the GPI, or Gender Potential Index, presents on average eight to ten points less than the GDI for the region, which indicates far worse conditions for women regarding their position in the work force and political participation. The main differences observed over the last five years are the creation of government institutions for the «protection» of women, an increasing conscience of the gender problem among the population, and a greater number of crimes against women that are reported. In this manner, the vacuum persists because the orientation of policies is more abstract than practical, the level of resources and investment is insufficient, and the participation of women continues to be limited by cultural and structural factors within each country.
- *Citizen Participation and Democracy.* Progress in the democratisation of the region is undeniable: it is the first time that all the countries under consideration have democracies at the same time. Nevertheless, many tasks remain unfinished, one of the most important being creation of a *climate of personal and legal security*. In each country considered, personal security is permanently threatened by violence and

crime. The case of El Salvador is a paradigm: in 1997, the murder rate rose to 109.1 for every 100,000 inhabitants, while in neighbouring countries it averaged not more than 10 for every 100,000.¹³ Likewise, in that same year 28,048 human rights violations were reported to authorities in Costa Rica, El Salvador, Guatemala, and Honduras. The rise in violence and the slow development of state institutions have limited the development of democracy.

- *Vulnerability.* Another common aspect in the region is the social fragility and vulnerability to natural phenomena. Hurricane Mitch made this especially evident. These countries suffer «*natural catastrophes*» with greater frequency, and this is nothing more than the result of environmental deterioration and the high level of vulnerability of families, particularly within rural populations. When Hurricane Mitch hit the isthmus, it directly or indirectly affected 23.6% of the total population of the region, approximately 6.7 million Central Americans. Among these were 32,184 dead, injured or disappeared, 456,135 refugees, and 1.2 million evacuees throughout the region.¹⁴ The total cost of all losses is estimated at USD 5.3 billion. Honduras (USD 3.6 billion) and Nicaragua (USD 0.9 billion) were the most affected.¹⁵ Mexico, although not affected by Hurricane Mitch, suffered damage from rains and an earthquake at the end of the nineties, which caused millions of dollars in losses and made thousands of people homeless.

The year 2000 has begun with great difficulty and an elevated social debt for the inhabitants of the region. This same year, the five-year evaluation of the Social Summit in Switzerland provides an opportunity to revise, evaluate and reorient the international agreements on social development and to achieve eradication of the most difficult problems of humanity: poverty, unemployment, and inequity. To build a more human, just and democratic society must be the imperative of social and economic development in the region.

- Social Watch, Central America, Panama and Mexico. cidepnet@es.com.sv

¹¹ Social Watch, 1999, Uruguay, p. 21.

¹² *Estado de la Región...*, op. cit, p. 49.

¹³ The only exception is Honduras, which presented a rate of 52.5 for every 100,000 inhabitants in 1997. *Ibid.*, p. 208.

¹⁴ *Study on the impact of the Natural Phenomenon Mitch*. CIDEP, San Salvador, May, 1999.

¹⁵ Primary source UNDP y ECLAC, cited in CIDEP. *Ibid.*, p. 11.