

Table 7
LATIN AMERICA AND THE CARIBBEAN:
HUMAN DEVELOPMENT INDEX IN 1992

No	Country	Rank in world total	HDI	Per-capita GNP (1989 USD)
High human development (HDI 0.800 to 1.0; countries 1 to 47)				
1	Barbados	20	0.927	6,350
2	Uruguay	29	0.880	2,620
3	Trinidad and Tobago	30	0.876	3,230
4	Bahamas	31	0.875	11,320
5	Chile	36	0.863	1,770
6	Costa Rica	42	0.842	1,780
7	Argentina	43	0.833	2,160
8	Venezuela	44	0.824	2,450
9	Mexico	46	0.804	2,010
Intermediate human development (HDI 0.500 to 0.800; countries 48 to 95)				
10	Dominica	52	0.783	1,680
11	Antigua and Barbuda*	53	0.781	3,690
12	Grenada	54	0.758	1,900
13	Colombia	55	0.758	1,200
14	Suriname	56	0.749	3,010
15	Brazil	59	0.739	2,540
16	Cuba*	61	0.732	2,000
17	Panama	62	0.731	1,760
18	Jamaica	63	0.722	1,260
19	St. Lucia	65	0.712	1,810
20	St. Vincent *	66	0.693	1,200
21	St. Kitts and Nevis *	68	0.686	2,630
22	Belize	73	0.665	1,720
23	Ecuador	77	0.641	1,020
24	Paraguay	78	0.637	1,030
25	Peru	81	0.600	1,010
26	Dominican Republic	83	0.595	790
27	Guyana	92	0.539	340
Low human development (HDI 0.000 to 0.500; countries 96 to 160)				
28	El Salvador	96	0.498	1,070
29	Nicaragua*	97	0.496	830
30	Guatemala	100	0.485	910
31	Honduras	101	0.473	900
32	Bolivia	109	0.394	620
33	Haiti	124	0.276	360

Note: (a) Per-capita GNP data are for 1988

Source: UNDP 1992.

assistance. Finally, medium- and long-term strategies should be oriented toward a search for a definitive solution of the problem. Accordingly, the keys are economic growth and better access of the poor to productive resources, such as credit, technology, and land for small-farm peasants and landless rural workers. In urban areas, this requires programs to support self-employment and small businesses based on access to credit, technology, and training.

In this direction, the UNDP's "Regional Project to Overcome Poverty," having collected various contributions and experiences from Governments and NGOs in the region as well as from other international organizations, has systematized the most important components of the strategy for confronting poverty:

- Growth with equity, which involves economic revival, productive transformation, the consequent creation of jobs, and major increases in real wages.²¹⁸
- Massive support of the "popular economy." Promotion, marketing support, and technical assistance and credit for cooperative activities in the "popular economy," selfemployed workers, and small businesses, largely in the informal economy, are vital in meeting the challenge presented by the more than 50 million job-seekers who will join the active population by the year 2000. Support for the popular economy also requires a legal and institutional framework providing simple "formalization" procedures.²¹⁹ The social approach in this proposal is made concrete in support for new kinds of productive organization by the

- poor in which the subjects themselves help overcome the problem, which additionally strengthens their levels of education and organization and so reduces their vulnerability.
- c) A social policy directed toward satisfying basic needs, which involves profound changes in present social policies. A social policy aimed at overcoming poverty would be guided by the following criteria: (i) full linkage of economic and social policy; (ii) a guiding role for the state in a context in which public initiative, private profit-making initiative, social or voluntary initiative (NGDOs, foundations), and community solidarity networks interact; (iii) coordination, joint efforts, and cooperation of different initiatives; (iv) decentralization of the public sector and participation of service consumers; (v) a search for equity by accepting the principle of positive discrimination favoring the weakest; (vi) efficiency, so reducing costs, and (vii) focusing and scaling of subsidies and support, without excluding the goal of universality in coverage and access.²²⁰ Improving access to state social programs and services, especially in health care and education, would make it possible to include the poor more equitably in society since such services provide a "social income" with direct effects on improving basic human development indicators. At the same time, it means effective productive investment in a country's human resources and a way to prevent intergenerational reproduction or transfer of poverty.

These policies would be carried out in a framework of state reform and modernization in order to establish a participative, flexible, and adaptive managerial style, and would incorporate the gender dimension in order to complement social equity with gender equity. In addition, they would be complemented by sociocultural development activities to strengthen the leadership and capacities of the poor.²²¹

The financial cost of policies to deal with poverty is not insurmountable, according to various estimates. According to Victor Tokman, it would be necessary to transfer about 4.8% of

the GDP to eradicate poverty and only 1% to end extreme poverty, or indigence.²²² Other estimates, made by the World Bank in 1990, calculated the resources needed to end poverty in the region to be considerably lower—around 0.7% of the GDP—which, according to that agency's estimates, would equal a 2% tax on the richest 20% of the population.²²³

Health for all in the year 2000

The health challenge that various countries and the World Health Organization have set for the year 2000 is still very far from realization in the region, especially in countries with low and intermediate human development. The primary health care (PHC) strategy adopted at the Alma-Ata conference in 1978 continues to be completely valid for the morbidity and mortality profile of the most disadvantaged, and its guidelines are congruent with the region's principal health problems and the characteristics of and deficiencies in its health systems. These are emphasis on health and prevention education, promotion of an adequate supply of food and adequate nutrition, provision of potable water and availability of environmental sanitation facilities, general immunization, endemic disease control and prevention, appropriate treatment of the most common diseases, and provision of essential drugs.

The challenge to Latin America and the Caribbean is enormous. It is a challenge closely linked to efforts aimed at dealing with the inequality, poverty, and discrimination that are at the root of the main causes of death in the region. It is a matter of providing essential health services to a third of the region's population that now lacks access to them, and of responding at the same time to the demands of demographic growth. Overall, realizing the goal of "health for all" means extending coverage, around the year 2000, to 250 million people,²²⁴ as well as taking into account that many countries will continue to have a large proportion of children and that demographic projections in other coun-

tries are for a significant increase in the population older than 60 years, which creates specific demands on health systems. As for children, the World Summit on Children, held in 1990, adopted the commitment of fulfilling a set of goals in the area of maternal and child health that seem feasible and financially attainable by the year 2000. These goals, which are relevant to the region, especially in countries that have the worst indicators in this area, are reduction of the mortality rate in children younger than 5 years by a third; a 50% reduction in maternal mortality and child malnutrition rates; general access to prenatal care and family planning services; eradication of poliomyelitis and neonatal tetanus, as well as reduction of diarrheal mortality by half and of that caused by acute respiratory infections by a third.²²⁵ All of these proposals agree with the principle of "maximum priority for children" set out by UNICEF, which takes concrete form in the primary dedication of social resources to protecting the physical and mental development of children.²²⁶

In this area, such challenges demand greater responsibility and intervention by the state to lessen inequalities, as well as reform and reorientation of state health services, by improving their efficiency and giving priority to primary care to increase coverage without wasting funds.

PAHO has pointed out certain strategies for the needed reorganization of the health sector: development of local health systems; reform of social security systems in order that they become effective instruments in increasing coverage and promoting equity; focusing priority on prevention and environmental sanitation over the curative and hospital orientation; social participation; elimination of malnutrition and, as a consequence, achieving food security; and, finally, mobilization of the resources and potential of the private sector, NGOs, and communities.²²⁷ The cost of these strategies is unquestionably high, but it is not beyond the reach of many of the region's countries. PAHO has estimated, for example, that the cost of a potable water and environmental sanitation investment plan to cover the enormous infrastructural deficit in this area

would require 1.5% of the regional GDP. Part of this cost would be met, however, by decreasing expenditures on treating water-borne diseases such as the diarrheal conditions responsible for a good portion of deaths in the region.²²⁸

The challenge of education

In the 1990s, the region will face the challenge of creating educational and training conditions and assimilating scientific and technological progress that will make it possible to transform the region's productive structures in a framework of progressive social equity.²²⁹ Meeting this challenge, according to the proposals of ECLAC and UNESCO, will require fulfilling the following objectives:

- a) Bring about universal coverage and raise the quality of basic education, since at present there are still around 1.5 million school-age children who are not in the educational system, by extending the educational opportunities of adults and vocational training, particularly for the most vulnerable, e.g., the poor who work in the informal sector.
- b) Overcome the isolation of the educational system with respect to the requirements of society and the labor market through curricular reforms, autonomy for centers, and participation of companies in the system.
- c) Facilitate universal access to basic social training since literacy, in itself, often conceals functional illiteracy and does not guarantee complete entry into society.²³⁰
- d) Improve the system's effectiveness, efficiency, and flexibility through decentralization and continuous evaluation methods; and, finally,
- e) Develop educators' professionalism and leadership capacity through training, remuneration, and incentives.

These goals obviously require a greater financial commitment by society to education in which, in addition to larger allocations by the public sector, private resources can be mobilized, as from businesses in the sphere of vocational

training. As with other human development goals, financial costs are high but possible. According to estimates by these agencies, it would be possible to fulfill the goals during the decade by allocating 3.9% of the GDP in addition to the present 7%. The region would thus have figures similar to those in certain OECD countries, but lower than those other countries that have made large advances in growth and equity, such as South Korea and Taiwan.²³¹ To evaluate the feasibility of allocating additional resources to education, it is estimated that this figure is equivalent to half of the region's debt service, plus 50% of military outlays. This shows that, through a tax increase and budgetary reallocations as, for instance, of defense funds (the "peace dividend"), it would be possible to finance this challenge.²³² It must be noted, as has been done above, that expenditure on education and knowledge represents a long-term investment that in the future would lead to better performance of the economy.

Reducing vulnerability to disasters

The impact of disasters can obviously be lessened if higher levels of human development are achieved. But this is not enough. In a continent characterized by continuing risk of disaster-causing natural phenomena, extraordinary efforts must be made to invest in low-cost disaster preparedness measures which decrease the population's vulnerability, and not just in high-cost relief operations. Such measures include the training and organization of communities at the local level, an activity in which the costs are as low as the benefits are high when an emergency occurs. This message, as reiterated as it is ignored, is especially important at a time when the impact of disasters is gradually increasing, needs for humanitarian assistance worldwide are

multiplying, and, in consequence, funds available for emergency operations are ever-more scarce.²³³

In this context, one of the most effective approaches to reducing the impact of natural events is to include threat evaluation and mitigation in planning integrated development and formulating and executing investment projects. Toward that end, it is necessary to develop more information about the causes, effects, and dynamics of disasters with support from the social and environmental sciences, which would allow prevention, control, and reduction of their effects. "Risk maps," early-warning systems making use of the potential of communications technology, and centralized geographic information systems including not only physical risk factors but also the critical components of human vulnerability are needed, for example.

At the same time, a change in the way Governments and the NGOs which conduct activities in this area define disasters is needed so that their prevention and mitigation relates directly to environmental management and the problems of development, and especially to poverty abatement. Specific legislation and coordinated action by different governmental agencies and NGOs, with clear and precise assignment of duties and responsibilities, are needed. Policies must be regionalized on the basis of particular risk areas and decentralized by strengthening the intermediate decision-making levels—municipalities and communities. As a result, it is important to promote the population's participation as active individuals and not passive victims of disasters by strengthening their community organization. In this context, greater effectiveness of institutional organization when emergencies occur, and of popular organization to ensure initial response and guarantee that help reaches the neediest effectively, are also important. The absence of such organizations is a fundamental limitation in dealing with future emergencies in the area of disasters.²³⁴

The future role of the Red Cross in Latin America and the Caribbean

As we said in the beginning, all this socioeconomic analysis defines a new scenario in which there are matters of great relevance to the present and future activities of the Red Cross in Latin America and the Caribbean. We shall very succinctly describe some of these challenges since they will be taken up in greater detail later in the chapter on general recommendations that closes this Study.

First, the number of men, women, and children who are poor and thus vulnerable has so increased that it is the most important feature of Latin America's social panorama and is, in short, a legacy of the "lost decade" governing the social scenario in which the Red Cross will conduct its efforts in the future, creating new strategic challenges in "humanitarian action," as the general recommendations in this study note. The increase in poverty and urban marginalization and deterioration of indicators of basic needs, together with population growth and migration, which have formed larger human concentrations, are also factors that, in addition to being potential sources of instability and violence, are worsening the impact of the disasters that recur in most of Latin America and the Caribbean. Furthermore, democratization, which implies major changes in the sociopolitical and sociocultural spheres, patterns of behavior, and forms and channels of social participation, entail redefinition of the relationship of the National Societies with their respective societies as well as reorganizing meth-

ods of recruiting and employing the participation of volunteers, the Movement's basis.

Lastly, the changes and transformations that have occurred in the functions, institutions, and policies of the state in the social arena, as well as the proliferation of NGOs and agencies in fields of action matching or similar to those of the Red Cross create a changing, more diversified, and much more competitive scenario than in the past. This inevitably leads to a redefinition of the role and area of activity of other social agents that intervene in the social sphere, such as NGOs, the private sector, and social initiative. This reality is particularly important for a body such as the Red Cross that defines itself as an "auxiliary to the public authorities" in its area of operation, humanitarian action. The strategic challenge is thus created of rethinking and redefining the Red Cross's sphere of action and its relationship with the state and other NGOs. The "reshaping" of the state and the growing participation of NGOs in social policy open up a large gamut of possibilities for cooperation between the Red Cross, the public authorities, and other organizations in which there is great potential for development in the 1990s.

In short, all this defines a new scenario for humanitarian action, which we can safely define as accelerated change and growing complexity, diversity, and competitiveness. For an organization such as the Red Cross, with a long tradition of work, this means a general adaptation of its strategies and priorities, as well of its organizational structure, which in the future will have to be much more flexible and have greater capacity to adapt to much more complex and changing environments.

SOURCES

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2. Francisco Alburquerque. *La situación económica actual en América Latina y el Caribe*. Madrid, Consejo Superior de Investigaciones Científicas, January 1992, p. 3.
3. Alburquerque 1992, p. 2.
4. This diagnosis is essentially that underlying the so-called "Washington consensus," according to John Williamson's phrase in "What Washington means by policy reform" and "The progress of policy reform in Latin America," in John Williamson (ed.), *Latin American adjustment*, Washington, D.C., Institute for International Economics, 1990. Also see Luis Carlos Bresser Pereira, "La crisis de América Latina. ¿Consenso de Washington o crisis fiscal?", *Pensamiento Iberoamericano*, 19:14 (January-June 1991).
5. For different views of the crisis see, among others, Oscar Altimir, "Desarrollo, crisis y equidad en América Latina," in Adolfo Gurrieri and Edelberto Torres-Rivas, *Los años noventa. ¿Desarrollo con equidad?*. San José, FLACSO/ECLAC, 1990, pp. 63-124; Bresser Pereira 1991; Sergio Bitar, "Neoliberalismo vs neoestructuralismo en América Latina," *Revista de la CEPAL*, 34:45-60 (April 1988); and Joseph Ramos and Osvaldo Sunkel, "Hacia una síntesis neoestructuralista," in Osvaldo Sunkel (ed.), *El desarrollo desde dentro. Un enfoque neoestructuralista para América Latina*, México City, FCE, 1991, pp. 15-32.
6. ECLAC. *Estudio económico de América Latina y el Caribe 1991*. Santiago, Chile, ECLAC, 1992, vol. 1, Table VII-6, p. 152, using UNCTAD and IMF data. Only copper, bananas, and zinc rose in price.
7. Menjivar 1992, p. 4.
8. Rafael Menjivar and Edelberto Torres-Rivas. *Centroamérica. crisis y perspectivas de los años noventa*. San José, Federación Internacional de Sociedades de Cruz Roja y Media Luna Roja/FLACSO, 1992, mimeo, pp. 5 et seq.
9. ECLAC 1992, Table 11-2, p. 30.
10. Gert Rosenthal. "América Latina y el Caribe: bases de una agenda de desarrollo para los años noventa." *Pensamiento Iberoamericano* 19:56 January-June 1991).
11. ECLAC. *Anuario estadístico de América Latina y el Caribe, 1991*. Santiago, Chile, ECLAC, 1991, pp. 182-183, 186-193.
12. Rafael Menjivar and Pedro Vuskovic. *Políticas industriales en América Latina*. San José, FLACSO, 1991, p. 11.
13. Plants that process or assemble imported components whose output is destined for the world market are called *maquilas*. Such factories, which carry out parts of the production process that are labor-intensive, have proliferated in the developing world because of low labor costs; in Mexico, additional factors are its closeness to the United States, the incentives created by the Salinas de Gortari administration, and favorable U.S. legislation. *Maquilas* in Central America and the Caribbean have been favored by the Caribbean Basin Initiative (CBI), initiated by the Reagan administration in 1984, and policies promoting foreign investment such as creation of free-trade zones.
14. Menjivar and Vuskovic 1991, p. 78.
15. SELA. *Desarrollo industrial y cambio tecnológico. Políticas para América Latina y el Caribe*. Caracas, SELA/Nueva Sociedad, 1991.
16. Menjivar 1992, p. 10.
17. Menjivar 1992, p. 12, using ECLAC and SELA data.
18. Bresser 1991, p. 18.
19. SELA 1991, p. 26.
20. ECLAC data, based on official figures. See ECLAC 1992, Table III-2, p. 39.
21. ECLAC 1992, Table VII-10, p. 156.
22. ECLAC 1992, Table VIII-3, p. 171.
23. Rosenthal 1992, p. 140, and ECLAC 1992, Table VII-10, p. 156.
24. ECLAC 1992, Table VII-4, p. 160.
25. ECLAC 1992, Table VII-13, p. 159, and VIII-1, p. 169, based on IMF data.
26. ECLAC 1992, Table VIII-3, p. 171.
27. José Antonio Ocampo. "Perspectivas de la economía latinoamericana en la década de los noventa." *Pensamiento Iberoamericano* (Madrid) 19:70 (January-June 1991).
28. Víctor Tokman. "Pobreza y homogeneización social: tareas para los noventa." *Pensamiento Iberoamericano* (Madrid) 19:84 January-June 1991).

29. World Bank. *Informe sobre el desarrollo mundial 1990: La pobreza*. Washington, D.C., World Bank, 1990, Table 11, p. 218.
30. "Social debt" is a concept that enables identification of the increase in conditions of poverty and deterioration in the living standards of the middle and lower classes who depend on income from work, and is the result of both structural conditions of inequality and stabilization and adjustment policies. To estimate its extent, the Regional Program on Employment in Latin America and the Caribbean (PREALC) notes that while the GDP grew by 1.1% between 1980 and 1989, the per-capita GDP increased by only 0.2% because of the transfer of resources abroad, among other factors, something that represented about 6% of the GDP annually on average. See PREALC, *Ajuste y deuda social: un enfoque estructural*, Santiago, Chile, PREALC, 1987.
31. During the 1960s and 1970s, most of the World Bank's credits were for productive projects, infrastructure creation, and execution of social policies. During the 1980s, however, many of the credits were for reforming economies and were called *structural adjustment loans* (SALS) or *sector adjustment loans* (SECALS). The similarity of the orientation, policies, and credit activity of the World Bank and IMF, subordinated in both instances to structural adjustment, became so great it has been proposed that they merge, despite the fact that both institutions were founded with quite different purposes. See "Sisters in the wood. A survey of the IMF and the World Bank," *The Economist*, October 12, 1991, pp. 15 and 47.
32. IRELA. *La deuda externa latinoamericana: propuestas y perspectivas*. Madrid, IRELA, 1990, p. 7.
33. Menjívar 1992, p. 72.
34. IRELA 1990, p. 7.
35. Altimir 1990, p. 113.
36. UNDP. *Desarrollo humano: Informe 1992*. Bogotá, UNDP/Tercer Mundo, 1992, p. 177. The principle of joint responsibility was adopted at the VII United Nations Conference on Trade and Development, in 1987. This principle is based on the active role the countries and creditor banks had in contracting the debt in the 1970s, and so it calls for all parties involved to take part in solving the debt problem.
37. IRELA 1990, p. 1.
38. Nohra Rey de Marulanda. "Poverty in Latin America. dimensions and options." In: OECD, *Development and democracy: Aid policies in Latin America*, Paris, OECD, 1992, p. 21.
39. IRELA. *La "revolución silenciosa": Las nuevas economías en América Latina*. Madrid, IRELA, 1992, p. 2.
40. ECLAC 1992, p. 9.
41. Ocampo 1991, pp. 65-79.
42. Ocampo 1991, p. 68.
43. Ocampo 1991, p. 67.
44. Ocampo 1991, p. 68.
45. Menjívar 1992, p. 91.
46. Ocampo 1991, p. 75.
47. Michael Witter. *The Caribbean: a situational analysis against the background of the crisis of the 1980's*. Kingston, Federación Internacional de Cruz Roja/FLACSO, 1992, mimeo, pp. 5 et seq.
48. Banana exports from the Caribbean, primarily to the United Kingdom, are protected by the European Community's trade preferences. Liberalization of the EC banana market, which would grant free access to Central American and Ecuadorean bananas, which are much more competitive, could have disastrous effects on the English-speaking Caribbean economies, which depend heavily on this product.
49. IRELA 1990, pp. 17 et seq.
50. IRELA 1990, p. 36.
51. Fernando Fajnzylber. "Transformación productiva e integración: tareas impostergables de América Latina." In: *Pensamiento Iberoamericano* Special issue 1991. "La Nueva Europa y el futuro de América Latina," p. 412.
52. ECLAC. *Transformación productiva con equidad*. Santiago, Chile, ECLAC, 1990, p. 14.
53. ECLAC 1990, pp. 51-56, and ECLAC 1992, Table III-4, p. 46.
54. Rosenthal 1991, p. 56.
55. Mónica Hirst. *Los nuevos rumbos de la integración regional en América Latina: estrategias políticas y actores sociales*. Rio de Janeiro, IUPERJ, August 1992, mimeo, p. 2.
56. María Eugenia Gallardo. *Centroamérica 1988-1995: escenarios económicos*. San José, FLACSO, 1990, p. 58.
57. World Bank. *Informe sobre el desarrollo mundial 1989*, Washington, D.C., World Bank, 1989; and *Long-term prospects of low and middle-income countries*, Washington, D.C., World Bank, 1990.
58. UNDP. *Desarrollo sin pobreza*. Santiago, Chile, UNDP, 1990.

59. PREALC. *Empleo y equidad: el desafío de los noventa*. Geneva, ILO, 1991.
60. Ocampo 1991.
61. Menjívar 1992, p. 94.
62. Gert Rosenthal. "Balance preliminar de la economía de América Latina, 1991." *Comercio Exterior* (Mexico City) 42(2) (February 1992).
63. ECLAC 1992, pp. 22 and 25.
64. Menjívar 1992, p. 19.
65. ECLAC. *Panorama social de América Latina; edición 1991*. Santiago, Chile, ECLAC, 1991, p. 5; and ECLAC. *La equidad en el panorama social de América Latina durante los años ochenta*. Santiago, Chile, ECLAC, 1991, p. 12.
66. Menjívar 1992, p. 23, using PREALC data.
67. PREALC 1991, p. 28.
68. PREALC. *Dinámica del subempleo en América Latina*. Santiago, Chile, ECLAC, 1981.
69. ECLAC. *Anuario estadístico...*, 1991, pp. 6, 20, and 44; and IICA-FLACSO. *Centroamérica en cifras*. San José, IICA-FLACSO, 1991, p. 153, using PREALC data.
70. Menjívar 1992, p. 30.
71. PREALC data cited in ILO 1991, p. 9.
72. Menjívar 1992, p. 27, using ILO data.
73. PREALC 1991, Tables 2 and 3.
74. ECLAC. *Transformación ocupacional y crisis social en América Latina*. Santiago, Chile, ECLAC, December 1989.
75. Juan Pablo Pérez Sáinz. *Crisis, pobreza e informalidad urbana en Centroamérica*. San José, mimeo, Liga de Sociedades de Cruz Roja/FLACSO, August 1990, p. 7.
76. PREALC 1991, p. 27.
77. Menjívar 1992, p. 34, based on Juan Pablo Pérez Sáinz, *Informalidad urbana en América Latina: enfoques problemáticos, e interrogantes*, Caracas, FLACSO/Nueva Sociedad, 1991; R. Mizrabí, *Informality and microproducers in Latin America*, Paris, DAC Development Center, 1990, and other studies by Víctor Tokman, Alejandro Portes, and Bryan Roberts.
78. Víctor Tokman. *El sector informal, 15 años después*. Mexico City, El Trimestre Económico, 1987.
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80. Dirk Kruijt. "La informalización de América Latina." In: Yesid Barrera, Miguel Angel Castiglia, Dirk Kruijt, and Rafael Menjívar, *Informalización y pobreza*, San José, FLACSO, 1992.
81. Pérez Sáinz 1990, p. 7.
82. Menjívar 1992, p. 32. This is the approach of Hernando De Soto, *El otro sendero*, Lima, El Barranco, 1986.
83. Víctor Tokman. "El sector informal en América Latina. de subterráneo a legal." In: PREALC. *Más allá de la regulación: el sector informal en América Latina*. Geneva, ILO, 1990, pp. 4-5.
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88. Ana Isabel García. *Informe sobre la situación de las mujeres en Centroamérica y Panamá*. San José, Liga de Sociedades de Cruz Roja/FLACSO, 1990, mimeo, p. 14.
89. ECLAC, *Panorama social...*, 1991, p. 39.
90. ECLAC. Women and Development Unit. *La vulnerabilidad de los hogares con jefatura femenina: preguntas y opciones de política para América Latina y el Caribe*. Santiago, Chile, ECLAC, 1991.
91. Durston 1992, p. 17.
92. ECLAC 1990, p. 81.
93. IRELA. *América Latina y Europa. hacia el año 2000*. Madrid, IRELA, 1992, p. 5.
94. Durston 1992, p. 12, using ECLAC and CELADE data.
95. PREALC 1991, p. 56.
96. ECLAC, *Panorama social...*, 1991, p. 11.
97. PREALC 1991, p. 36.
98. ECLAC, *Panorama social...*, 1991, p. 15.
99. World Bank 1990, p. 161.
100. UNDP 1992, p. 21.
101. Fajnzylber 1991, pp. 411-429.
102. Menjívar 1992, p. 47.
103. Menjívar 1992, p. 47.
104. ECLAC data cited in Tokman 1991, p. 82.
105. This method is based on a comparison of family income with the cost of a standard food basket, using basic nutritional requirements, which can be

- determined with solid scientific support, and the consumption patterns of the population. The cost is calculated from prevailing retail prices. The "basic basket" becomes an "overall basket" that includes other basic needs such as education, transportation, housing, and clothing. Households with incomes less than the cost of the latter are considered to be below the poverty line, and so poor. Households whose incomes do not allow purchasing the basic food basket are considered to be extremely poor or indigent. See ECLAC-UNDP. "Procedimientos para medir la pobreza en América Latina con el método de la línea de pobreza." In: *Comercio Exterior* (Mexico City) 42(4):340-353 (April 1992).
- 106 In this method, in contrast to the foregoing one, attention focuses on the final result of the process of satisfying the basic needs of families instead of on income. That is, on the actual consumption of a set of goods and services held to be essential.
- 107 ECLAC and UNDP data cited in Tokman 1991, Table 2, p. 85
108. Julio Boltvinik. "El método de medición integrado de la pobreza." In: *Comercio Exterior* (Mexico City) 42(4):354-365 (April 1992).
109. Julio Boltvinik. "Estructura y contenido de desarrollo sin pobreza." In: UNDP *Hacia un desarrollo sin pobreza en América Latina y el Caribe. Memorias de la II Conferencia regional sobre la pobreza. Quito, noviembre de 1990.* Bogotá, UNDP, 1991.
- 110 The data are not always comparable because they are for different years and are arrived at by different measurement methods. In this regard, see the sections in which the socioeconomic reality of the different countries is analyzed. The data for Central America are estimates in ECLAC, *Transformación productiva y pobreza en Centroamérica*, San José, FLACSO, 1992, p. 21. Other studies give even higher figures for some countries for 1986: 69% in Nicaragua, 79% in Honduras, 83% in Guatemala, and 87% in El Salvador. See Rafael Menjivar and Juan Diego Trejos, *La pobreza en América Central*, San José, FLACSO, 1992, p. 75.
111. ECLAC 1991, *Panorama social de América...*, p. 19.
112. Orlandina Oliveira and Bryan Roberts. *Urban development and social inequality in Latin America* Austin, Texas Population Research Center Papers, 1991-1992, p. 4.
113. Tokman 1991, Table 1, p. 82.
114. UNDP 1992, Table 25.
115. IICA. *América Latina y el Caribe: Pobreza rural persistente* San José, IICA, 1990, pp. 28 and 54.
116. Menjivar 1992, pp. 96-97.
117. ECLAC 1991, *Panorama social de América ...*, p. 23.
118. ECLAC. *Población, equidad y transformación productiva*. Santiago, Chile, ECLAC, 1993.
119. Menjivar 1992, p. 49
120. ECLAC 1991, *Panorama social de América...*, pp. 27 et seq.
121. José Matos Mar. "Los pueblos indios de América." In: *Pensamiento Iberoamericano*, Madrid, ICI, 19 (January-June 1991), p. 184. And CELADE "América Latina: Información censal sobre pueblos indígenas." In: *Boletín demográfico*. Santiago, Chile, CELADE, xxv, No. 50, 1992.
- 122 UNHCR-CIREFCA. *Documento de Antigua Guatemala*. UNHCR, 1989, p. 10.
123. Menjivar 1992, p. 95.
- 124 Such situations demand greater attention from the Red Cross for varied reasons. First, they are an indication of social vulnerability. Second, they may give rise to emergency situations "of a new kind" involving Red Cross humanitarian activity on behalf of victims. Finally, they may lead to situations that, whether or not covered by International Humanitarian Law, would require different kinds of reaction by the National Societies, Federation, and ICRC, such as assistance to displaced persons and refugees, improvement of detention conditions, activities against torture and forced disappearances in the face of violent acts against defenseless persons, as well as other actions to safeguard basic personal rights. In this regard, see ICRC. *El Comité Internacional de la Cruz Roja y los disturbios y tensiones interiores. Actividades de protección y asistencia del CICR en las situaciones que no abarca el Derecho Internacional Humanitario*. Geneva, ICRC, 1986.
125. Tokman 1991, p. 95.
126. UNDP-Regional Project to Overcome Poverty. "Magnitud y evolución de la pobreza en América Latina." In: *Comercio Exterior* (Mexico City) 42(4):381 (April 1992).
127. Tokman 1991, p. 95
128. On this concept of disasters, see Anders Wijman and Lloyd Timberlake. *Desastres naturales. ¿Fuerza mayor u obra del hombre?* London, Earthscan/IED/Swedish Red Cross, 1984, p. 23; Alan Lavell. *Desastres naturales, medio ambiente, prevención y asistencia en Centroamérica* San José, Liga de Sociedades de Cruz Roja/FLASCO, August 1990, mimeo, p. 5; and International Federation of Red Cross *World disasters report*

1993. Geneva, IFRC, 1993, pp. 11 and 13. The following definition is adopted in the report: "A disaster occurs when an agent of disaster (the event) reveals the vulnerability of individuals and communities in such a way that their lives are directly threatened or such harm is caused to social and economic structures that their survival capacity decreases "
129. OAS *Desastres, planificación y desarrollo: Manejo de amenazas naturales para reducir los daños*. Washington, D.C., OAS/OFDA, 1991, p. xi.
130. Lavell 1990 (*Desastres naturales*...), p. 15.
131. OAS 1991, pp. 38 and 72, based on T. Simkin, et al., *Volcanoes of the world*, Stroudsburg, Pennsylvania, Hutchinson Ross, 1981.
132. International Federation of Red Cross and Red Crescent Societies. *Plan Estratégico de Trabajo para el decenio de 1990. Versión actualizada 1992 (Aprobada por la 29a Reunión del Consejo Ejecutivo, Córdoba, 7 de mayo de 1992)*. Geneva, IFRC, 1992, p. 12.
133. Lavell 1990 (*Desastres naturales*...), p. 6; and Mary B. Anderson and Peter J. Woodrow, *Rising from the ashes: Development strategies in times of disaster*, Boulder, Colorado, Westview Press/UNESCO, 1989.
134. UNDP 1992, Table 25.
135. Lavell 1990 (*Desastres naturales*...), pp. 24-26, and national reports.
136. Lavell 1990 (*Desastres naturales*...), p. 19.
137. See the chapters on the various countries.
138. Lavell 1990, p. 21.
139. "Sustainable development" means "development that meets the needs of the present without compromising the ability of future generations to meet their own needs." See World Commission on Environment and Development (Brundtland Commission). *Our common future*. Oxford, Oxford University Press, 1987, p. 43. According to the economist H. E. Daly, economic development is not sustainable if renewable and non-renewable resource use rates are higher than regeneration rates and if waste emission rates are higher than ecosystems' natural assimilation capacities. It is evident that the current economic model in Latin America and the Caribbean makes use of resources and emits pollutants at unsustainable rates. See Herman E. Daly, "Criterios operativos para el desarrollo sostenible," *Debats* 35-36:29 (March-June 1991).
140. Alan Lavell. *Ciencias sociales y desastres naturales en América Latina: un encuentro inconcluso*. San José, May 1990, mimeo.
141. Nicolo Gligo. "Medio ambiente y recursos naturales en el desarrollo latinoamericano." In: Osvaldo Sunkel (ed.), *El desarrollo desde dentro: Un enfoque neoestructuralista para América Latina*. Mexico City, FCE, 1991, p. 238.
142. Gligo 1991, p. 239
143. On the environmental consequences of adjustment, see Gligo 1991, pp. 263 and 274, University of Central America, "¿Los planes de ajuste desajustan la ecología?", *Envío* 144 (April 1991); and Carlos A. Pinillos García. "Centroamérica crisis y medio ambiente." In: Marta Casaus and Rolando Castillo. *Centroamérica: Balance de la década de los ochenta, una perspectiva regional*. Madrid, CEDEAL, 1993, p. 505.
144. Conventional economic science and, in consequence, national accounting do not take many of the "externals" of the harmful productive system on the environment into account as "costs." These "costs"—as production costs—should be heeded. Pioneer studies in this field, dealing with Costa Rica, show the importance of this question. When such costs are included in the national accounting of Costa Rica, one of Latin America's countries with satisfactory economic development, with growth rates of between 2.5% and 4% a year since the mid-1980s, an opposite result is obtained—specifically, a negative GDP growth rate of -5% annually. See Robert Repetto and William B. Magrath. *Wasting Assets: Natural resources in the national income accounts*. Washington, D.C., World Resources Institute, 1989.
145. Rolando Franco. *Nuevos lineamientos en la política social*. San José, ILPES, n.d., pp. 1 et seq.
146. UNDP *Desarrollo humano: Informe 1990*. Bogotá, UNDP/Tercer Mundo, 1990, p. 101.
147. The contrast between Argentina and Costa Rica is very illustrative in this regard. Governmental participation in the GDP is similar in both countries. Compared with governmental expenditure, the proportion of social expenditure in Argentina is 30% lower than in Costa Rica. Human expenditure in Argentina is 42% lower, however. See UNDP 1991, p. 95
148. Rolando Franco. "Fondos de desarrollo social, autoridad social y bancos de proyectos para una política racional contra la pobreza." In: Ernesto Cohen, Rolando Franco, and Dolores María Rufián, *Los fondos de desarrollo social*, San José, FLACSO, 1991, p. 17.
149. Franco n.d. (*Nuevos lineamientos*...), p. 4
150. PAHO-WHO. La salud como pilar fundamental del desarrollo social de Iberoamérica (Documento

- presentado por la OPS a la I Cumbre Iberoamericana de 1991." In: *Comercio Exterior* 41(9):886.
151. PAHO-WHO 1991, p. 887.
152. Enrique Roldós. "Exceso de médicos, mala asistencia." In: *Desarrollo y Cooperación* 6:16 (1992)
153. Carmelo Mesa-Lago. "La seguridad social en América Latina." In: Inter-American Development Bank. *Progreso económico y social en América Latina. Informe 1991*. Washington, D.C., IDB, 1991, pp. 187 et seq.
154. These are defined as systems to protect against social risks created by the modern state through legal instruments which include social security, social assistance, family allotments, and national health systems or comparable instruments.
155. Mesa-Lago 1991, p. 196
156. Mesa-Lago 1991, p. 196.
157. Mesa-Lago 1991, p. 210
158. Mesa-Lago 1991, p. 189.
159. Carmelo Mesa-Lago. "Protección del sector informal en América Latina y el Caribe por la seguridad social o por medios alternativos." In: PREALC *Más allá de la regulación: el sector informal en América Latina*, ILO/PREALC, 1990, p. 294; and Mesa-Lago 1991, p. 197.
160. Mesa-Lago 1991, p. 198
161. Mesa-Lago 1991, p. 190.
162. Mesa-Lago 1991, p. 212
163. Mesa-Lago 1991, p. 212.
164. Mesa-Lago 1991, p. 213
165. Mesa-Lago 1991, p. 217.
166. The IDB report calls this model "Bismarckian" because it is based on Bismarck's social security laws of the end of the 19th century, though influences of recommendations by the ILO and the Beveridge Report can be seen in its shaping. See Mesa-Lago 1991, p. 192
167. Mesa-Lago 1991, p. 198.
168. ECLAC and IMF data cited in Menjivar 1992, p. 56.
169. PAHO *Boletín epidemiológico* Washington, D.C., PAHO, 13(1) (March 1992)
170. PAHO-WHO 1991, p. 886.
171. Mesa-Lago 1991, p. 187
172. Juan Carlos Tedesco. "Estrategias de desarrollo y educación. El desafío de la gestión pública." In: *Pensamiento Iberoamericano* (Madrid) 19:109+ (January-June 1991).
173. ECLAC 1991 (*Panorama social de América...*), p. 26.
174. ECLAC 1991 (*Panorama social de América...*), p. 24.
175. ECLAC 1991 (*Panorama social de América...*), p. 25.
176. ECLAC 1991 (*Panorama social de América...*), pp. 31, 32, and 35.
177. Tedesco 1991, p. 113.
178. Sergio Molina Silva. "Políticas sociales, coordinación y fondos de desarrollo social." In: *Los fondos de desarrollo social. Experiencias en América Latina. Documentos del I Seminario Internacional sobre Fondos de Desarrollo Social*. Santiago, Chile, FONVIS, 1990, p. 11.
179. ECLAC 1990, p. 37, and Inter-American Development Bank, *Progreso económico y social en América Latina y el Caribe. Informe 1989*, Washington, D.C., IDB, 1989, p. 69.
180. The term "focusing" has been adopted for policies that focus attention on specific target groups which it is wished to favor. It is a literal adaptation of the English verb "to focus."
181. This is reflected in Mesa-Lago 1991, p. 200.
182. Percy Rodríguez Noboa. "La compensación social: alcances y posibilidades." In: FONVIS. *Los fondos de desarrollo social. Experiencias en América Latina. Documentos del I Seminario Internacional sobre Fondos de Desarrollo Social*. Santiago, Chile, FONVIS, 1990, pp. 43 et seq.
183. Ana Sojo. "La focalización en política social." In: *Pensamiento Iberoamericano* (Madrid) 18:307-310 (July-December 1990)
184. World Bank. *Financiamiento de los servicios de salud en los países en desarrollo*. Washington, D.C., World Bank, 1991, p. 2.
185. The first social development fund appeared in Bolivia in 1987 as the Emergency Social Fund, and its purpose was to alleviate the social cost of the stabilization and adjustment process begun in 1985. The Fund was created for a term of three years, a period in which it was hoped that economic revival would make it unnecessary. In 1989, though, a new presidential decree made it permanent because of its success and the persistence of the social problems it was to deal with. Very similar institutions have appeared since 1987 in other countries in the region, such as the Greater Buenos Aires Fund, in Argentina; Solidarity and Social Investment Fund (FOSIS), in Chile; Solidarity and Emergency Fund, in Colombia; Social Development and Family Allotment Fund (DESAF), in Costa Rica, Social

- Compensation Fund (FCS), in the Dominican Republic; Emergency Social Investment Fund (FISE), in Ecuador; Social Investment Fund (FIS), in El Salvador; Honduran Social Investment Fund (FHIS), National Solidarity Program (PRONASOL) and Municipal Solidarity Funds, in Mexico; Emergency Social Investment Fund (FISE), in Nicaragua; Social Emergency Fund (FES), in Panama; National Compensation and Social Development Fund (FONCODES), in Peru; Social Investment and Emergency Fund (FISE), in Uruguay; and the Social Investment Fund of Venezuela (FONVIS).
186. FONVIS. *Los fondos de desarrollo social. Experiencias en América Latina. Documentos del I Seminario Internacional sobre Fondos de Desarrollo Social*. Santiago, Chile, FONVIS, 1990; Rolando Franco. *Los fondos de inversión y de emergencia social en Centroamérica y Panamá: su papel en el desarrollo social*. Santiago, Chile, ILPES, n.d., pp. 4 et seq.; and Dolores María Rufián. "Aspectos jurídicos, organizativos y financieros de los fondos de desarrollo social." In: Ernesto Cohen, Rolando Franco, and Dolores María Rufián. *Los fondos de desarrollo social*. San Jose, FLACSO, 1991, p. 55.
 187. Franco n.d. (*Los fondos*...), p. 18.
 188. Mesa-Lago 1991, p. 208.
 189. Franco 1991, p. 20.
 190. Eduardo S. Bustelo and Ernesto A. Isuani. "El ajuste en su laberinto. Fondos sociales y política social en América Latina." In: FONVIS. *Los fondos de desarrollo social. Experiencias en América Latina. Documentos del I Seminario Internacional sobre Fondos de Desarrollo Social*. Santiago, Chile, FONVIS, 1990, pp. 21 and 28.
 191. Bustelo and Isuani 1990, p. 28.
 192. ECLAC. *Opciones y falsos dilemas para los años noventa. Lo nuevo y lo viejo en política social en América Latina*. Santiago, Chile, ECLAC, 1989, cited in Sojo 1990, p. 307.
 193. ECLAC. *Equidad y transformación productiva: un enfoque integrado*. Santiago, Chile, 1992.
 194. Franco n.d. (*Nuevos lineamientos*...).
 195. Félix Bombarolo, Luis Pérez Coscio, and Alfredo Stein. *El rol de las organizaciones no gubernamentales de desarrollo en América Latina y el Caribe*. Buenos Aires, FICONG, 1992, p. 28, based on a specialized bibliography on the subject.
 196. Asociación Latinoamericana de Organismos de Promoción (ALOP). *Apoyo a experiencias de gestión económica popular urbana*. Quito, ALOP/CESAP, 1989.
 197. Alfredo Stein. "Las organizaciones no gubernamentales y su rol en el desarrollo social de América Latina." In: *Pensamiento Iberoamericano* (Madrid) 19:347 (January-June 1991).
 198. In recent years a large group of Protestant organizations, often fundamentalist in nature, has appeared which conduct assistance and development projects linked to the proselytizing work of these churches. See "The Protestant surge in Latin America." In: *The Economist* No. 7,807, April 17, 1993, p. 46.
 199. Bertrand Schneider. *La revolución de los desheredados*. Madrid, Alhambra, 1986, pp. 76 et seq.
 200. Inter-American Foundation. *Guía de directorios de ONG*. Rosslyn, Virginia, 1990.
 201. Torres-Rivas and Menjivar 1992, p. 40.
 202. See Bombarolo *et al.*, 1992, p. 21; Inter-American Foundation 1990; and the following chapters in this study, which are devoted to the socioeconomic reality of the region's countries.
 203. Félix Bombarolo, Jorge E. Hardoy, Pablo Perelman, and Luis Pérez. *El rol de las organizaciones no gubernamentales en la reducción de la pobreza. Lecciones de América Latina y el Caribe*. Washington, D.C., Economic Development Institute, World Bank, 1992, p. 7, and José Ernesto Ibarra. *La cooperación internacional al desarrollo. La ayuda pública al desarrollo y las organizaciones no gubernamentales (un enfoque preliminar)*. San José, Liga de Sociedades de Cruz Roja/FLACSO, 1990, mimeo, p. 63.
 204. The conclusions of the Study, conducted at the end of the 1980s in Central America, coincide strongly with what was observed in other analyses conducted in the rest of Latin America. See CRIES-ECAI. *Las ONG y la sociedad civil en Centroamérica. Informe síntesis regional*. Managua, CRIES, November 1990, mimeo.
 205. CRIES. *Las ONG y la crisis centroamericana*. Managua, CRIES, 1988, mimeo.
 206. CRIES-ECAI 1990, p. 19.
 207. Stein 1991, p. 349.
 208. Stein 1991, p. 350.
 209. CRIES 1988.
 210. An example of this approach is the Central American Coalition of Development Agencies. See the Coalition's *Cooperación externa y desarrollo en Centroamérica. Documentos de la II Consulta Internacional de Cooperación Externa para Centroamérica*, San Jose, Concertación

- Centroamericana de Organismos de Desarrollo/Editorial Porvenir, 1990.
211. CRIES 1990, p. 22; and Peter Sollis. "Multilateral agencies, NGOs, and policy reform." In: *Development in Practice* 2(3).163 (October 1992).
 212. Bombarolo *et al* 1992, p. 90.
 213. UNICEF. *Estado mundial de la infancia 1992* Barcelona, UNICEF, 1992, p. 87
 214. Population Crisis Committee. *The international human suffering index* Washington, D.C., 1987
 215. UNDP 1990 (*Desarrollo humano*), p. 33
 216. The methodology for constructing the Human Development Index is set out in UNDP 1992 (*Desarrollo humano...*), p. 203.
 217. UNDP. "Una estrategia para la superación de la pobreza en América Latina." In: *Comercio Exterior* 42(5):455 (May 1992)
 218. The UNDP has incorporated ECLAC's ideas in its own proposal, "Productive transformation with equity." See ECLAC 1990.
 219. UNDP 1992 (*Desarrollo humano ..*), pp. 458-459.
 220. UNDP 1992 (*Desarrollo humano*), p. 461.
 221. UNDP 1992 (*Desarrollo humano...*), pp. 455-456.
 222. Tokman 1991, p. 84.
 223. World Bank 1990, p. 161.
 224. PAHO 1991, p. 857.
 225. UNICEF 1992, p. 61.
 226. UNICEF 1992, p. 15.
 227. PAHO 1991, p. 888.
 228. PAHO 1991, p. 894.
 229. ECLAC-UNESCO. *Educación y conocimiento: eje de la transformación productiva con equidad* Santiago, Chile, ECLAC-UNESCO, 1992, p. 125.
 230. Such training, called "modernity codes" by ECLAC and UNESCO, consists of ability to solve basic arithmetic problems, read and understand a basic text, written communication, observation, description, and critical analysis of one's environment, reception and interpretation of messages in the communications media, and participation in designing and carrying out group activities. See ECLAC-UNESCO 1992, p. 157.
 231. ECLAC-UNESCO 1992, p. 218.
 232. ECLAC-UNESCO 1992, p. 222.
 233. International Federation of Red Cross and Red Crescent Societies 1993, p. 12.
 234. Lavell 1990, p. 4.