

# Latin America in Transition

## LESSON 5: Poverty, Human Rights, and Social Change

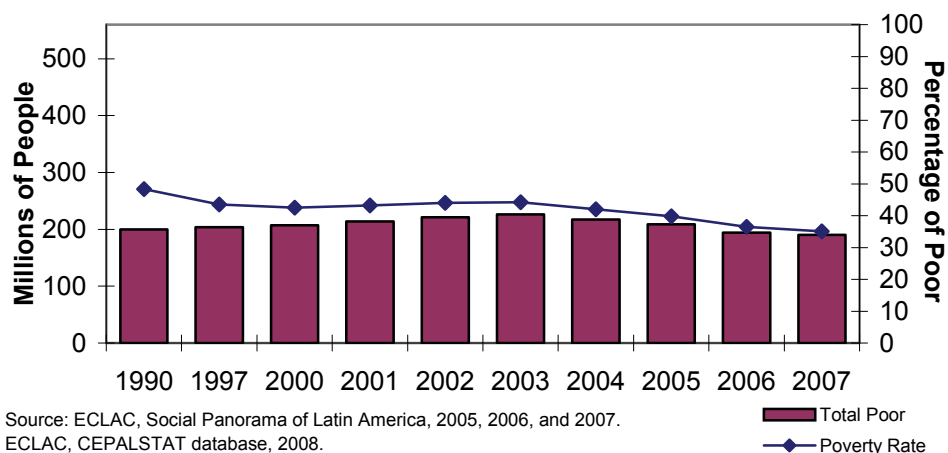
While some Latin Americans enjoy great wealth and live in lavish comfort, over 36 percent live in poverty. Indeed, Brazil continues to have one of the widest gaps between rich and poor in the world. Former Brazilian President Fernando Henrique Cardoso has called his country “unjust.” Human rights violations also remain a significant problem in Latin America, although the scope of government-sponsored murder and torture has been greatly reduced from the horrific levels of the 1960s, 1970s, and 1980s. This update looks at the issues surrounding poverty and inequality, human rights, and indigenous peoples.

### POVERTY AND SKEWED DISTRIBUTIONS OF WEALTH

(insert before “Human Rights” on page 110)

Poverty and inequality remain significant challenges to development in Latin America. As seen in Chart 1, the percentage of Latin Americans considered poor decreased from 48 percent to 42 percent between 1990 and 2000. After rising back to 44 percent between 2000 and 2003 during a global economic slowdown, the percentage subsequently dropped to 36.5 percent as the region averaged over 4.5 percent annual economic growth between 2003 and 2008. Latin America is well on the way to reaching the UN’s Millennium Development Goal of halving the 1990 extreme poverty rate by 2015. Nevertheless, because the region’s population continues to grow, the actual number of poor people is roughly the same as in 1990, around 200 million people.<sup>1</sup> Latin American poverty is much more widespread than its general “middle” level of development would suggest.

**Chart 1: Poor Population and Poverty Rate**



[Click here for larger version of chart.](#)

In fact, socioeconomic inequality is a closely interwoven challenge. For centuries Latin America has been one of the most unequal regions on the planet, and today it is the world’s most inequitable place, rivaled only by sub-Saharan Africa, even with a slight decline in income inequality since 2003. The top 10 percent of the population continues to have over 45 percent of the wealth, while the bottom 10 percent has less than 2 percent.<sup>2</sup> In another measure of

inequality, the Gini Coefficient, where a 0 indicates perfect equality and a 1 means perfect inequality, Latin America is the only world region to average well over 0.50.<sup>3</sup> Latin America's income inequality is in turn mirrored throughout the social and economic spectrum in a way that perpetuates its underdevelopment and greatly frustrates its political and economic stability. To gain a better understanding of the scope of inequality in the region, here we focus on three cross-cutting, socioeconomic areas: land ownership, education, and health care.

**Land Ownership.** Land ownership in Latin America was greatly stratified during colonial times, and the 20<sup>th</sup> century saw a number of land redistribution programs designed to lessen rural poverty and inequality. In the first half of the century, these efforts were spearheaded by Mexico's Lazaro Cardenas, whose administration (1934-40) distributed more than twice the amount of land to peasants laboring on massive *haciendas* than all previous Mexican governments combined. One-third of the country's population benefitted from this land redistribution. However, the communal *ejido* system that was created led to significant inefficiency, as agricultural production became increasingly fragmented, and as government attention and investment in the countryside waned in the push for industrialization. In 1992, the Salinas administration changed the constitution, allowing *ejido* farmers to sell or lease their plots if a majority of the members of their *ejido* cooperative agreed. Nonetheless, *ejidos* continue to constitute over half of Mexico's cultivated land. Some are well run, but most remain fragmented and poorly equipped to face global competition. Because Mexico's farming sector has struggled, many of the country's rural poor have migrated to the United States illegally (see the update for Lesson 6).

Only in more recent decades have other Latin American states enacted significant land reform measures. These efforts have varied considerably, and have often been undertaken in the face of volatile social hardship and discontent. After the 1958 Cuban Revolution, the Cuban government placed a limit on the size of individual land holdings, nationalized the country's sugar plantations, and expropriated the land owned by foreign companies. In the 1970s, a leftist military dictatorship in Peru nationalized the country's feudal estates and created large cooperative farms. Other efforts have been somewhat less abrupt. For example, Brazilian schemes have included taxing or resettling idle plantation lands, and seeking to open the massive Amazon region (see the discussion of rain forests in the update for Lesson 4). Yet, even with stepped-up land redistribution efforts by recent Brazilian Presidents Cardoso and Lula, 56 percent of the country's farmland belongs to 3.5 percent of farmers.<sup>4</sup> Groups representing Brazil's millions of landless peasants, such as the *Movimento dos Trabalhadores Rurais Sem Terra* (Brazilian Landless Workers Movement, or MST) regularly stage protests and land occupations to address this inequality.

Another example of the volatility of the land issue came from Bolivia in 2008, when a dispute over land rights threatened to split the country in two. President Evo Morales sought to break up large estates and distribute land to the long-repressed indigenous majority; large-scale, often light-skinned landowners, such as those in the prosperous province of Santa Cruz, defended their property rights and pressed for autonomy from the national government. In fact, debates over how to lessen rural poverty and injustice, foster sustainable rural development, and respect property rights continue to be tense across the region, as land ownership in Latin America remains highly skewed. Many rural poor, often of African or indigenous descent, criticize

neoliberal economic reforms as a way to keep land concentrated in elite hands in the name of efficiency. They argue not just for land redistribution, but also for technical assistance, loans, and other policies to help new landowners to succeed. On the other hand, large-scale landowners defend their property rights, fight land occupations, and work to increase their efficiency in a competitive global economy.

**Education.** Education is a key source of development in Latin America, as it is throughout the world. Improved education leads to progress across a host of socio-economic indicators, from hunger to hygiene, and it is through better education that Latin Americans will get involved in higher-end, innovative production and service activities. To this end, educational systems have been greatly expanded across Latin America in recent decades, seeing governmental budgetary increases as well as increased attention from private sector and social actors. Primary school education in the region is now almost universal, and two-thirds of Latin American students at least enroll in the secondary level.<sup>5</sup> Grade repetition has decreased considerably.

Still, the quality of teachers, facilities, materials, and curricula is highly skewed by income group throughout the region. Wealthy groups receive superior primary and secondary educational services, often from private schools. Those at the bottom have far fewer educational choices, which in turn perpetuates poverty and socio-economic inequality. Indigenous peoples and African descendants face the most significant disadvantages. Finally, even the superior services provided to the more affluent are often not of the quality found in much of the developed world. Compared to other developing regions—such as East Asia, where a higher premium on education has generally been found—much larger percentages of Latin American students perform poorly on international student assessment tests.

In higher education, Latin America can boast some truly world-class public universities, such as Universidad Nacional Autonoma de Mexico, Universidade de Sao Paolo, and Universidad de Chile. Yet, only 12 percent of the population completes a degree in higher education, compared to one-third in North America (excluding Mexico) and Europe.<sup>6</sup> Most students who go on to college are the ones that received better-quality, often private, primary and secondary schooling. A key variable in Latin American economic development is to build on the gains made in recent decades by improving the quality of education, especially for the large numbers of disadvantaged students, as well as by bringing more people into secondary and post-secondary schooling.

**Health and Health Care.** As with education, broad progress has been made in improving health and health care in Latin America in recent decades. Since 1960, life expectancy has increased from 56 to 73 years, and the infant mortality rate (deaths in the first year of life for every 1,000 live births) has fallen from 104 to 22.<sup>7</sup> Less than one million cases of malaria are now recorded annually throughout the region, a significant drop from the high levels of the 1950s, and a far cry from the tens of millions who suffer from the disease in sub-Saharan Africa.<sup>8</sup> The incidence of tuberculosis (TB) has also declined. Overall, Latin America compares favorably to other developing regions, especially Africa and South Asia, when it comes to health and health care.

Yet, progress in health and health care varies considerably by income group within the region's states, as well as across its countries and sub-regions. Most countries call for universal public health care in their constitutions or health legislation, but in reality limited funding often greatly

undercuts the availability of needed services. Some poor, who generally have no health insurance, resort to out-of-pocket expenses, exacerbating their poverty; many simply do not receive adequate health care. Underprivileged groups are less likely to be immunized, have fewer births attended by skilled health personnel, and suffer disproportionately from communicable diseases (malaria, tuberculosis, measles, etc.), among other statistics. On the other hand, the affluent in Latin America and the Caribbean tend to have health insurance and rely more on private facilities. They increasingly suffer from the non-communicable diseases associated with development and aging, such as obesity, heart disease, and cancer.

The spread of HIV/AIDS presents an additional challenge to this broad health picture, especially in the Caribbean, where 1 percent of the population has the disease, the highest prevalence rate outside sub-Saharan Africa.<sup>9</sup> By far the most difficult situation is in Haiti, Latin America's poorest country, where 2 percent of the population is HIV positive.<sup>10</sup> In absolute numbers, nearly 2 million people in the region are infected; Brazil has the most cases (620,000), followed by Mexico (180,000), Haiti (170,000), Colombia (160,000), and Argentina (120,000).<sup>11</sup> Several governments, including Brazil's, have been very proactive in addressing the epidemic through prevention and treatment programs. Indeed, in the late 1990s the Brazilian government began producing and importing generic antiretroviral drugs, and then distributing them for free. This move angered the pharmaceutical companies that held the intellectual property rights, but it also cut drug prices considerably, reduced hospitalizations, and lowered the incidence of tuberculosis, a major problem associated with HIV/AIDS infections. Still, in Latin America's poorer countries with the highest incidence rates, not just in the Caribbean but also in Central America, HIV/AIDS is lowering life expectancy and threatening the health care gains of previous decades.

## **HUMAN RIGHTS**

(Insert before "Indigenous Peoples and Cultures" on page 111)

Fortunately, the wave of democratization in the late 1980s and 1990s reduced the number of human rights abuses in Latin America from the high levels of the 1960s, 1970s, and 1980s. Nonetheless, violations of basic human rights continue from several sources, including governments, rebel insurgencies, paramilitaries, drug traffickers, gangs, and common criminals. In some countries, the press is harassed and persecuted for uncovering such things as drug rings or government scandals. There are many cases of horrific prison conditions and police brutality. Violence against women, indigenous peoples, and the poor remains far too common.

Colombia is arguably the most difficult case when it comes to human right issues in the region. Roughly 45,000 people have been killed by paramilitaries, rebel groups, government security forces, and drug lords in this country's four-decade-plus civil war. After Sudan, Colombia has the second highest number of internally displaced persons in the world, totaling between 2 and 4 million people. As the conflict continues, the consequences are also felt in neighboring Ecuador and Venezuela, with refugees and armed combatants often crossing these countries' borders. Nevertheless, the beefed-up security efforts of President Alvaro Uribe since 2002, supported by the U.S.'s Plan Colombia, have helped improve the security situation.

One of the most difficult challenges for newly elected democratic governments is how to deal with past human rights abusers. Governments and populations often face stark policy choices. On the one hand, they can forgive past abuses so that healing and national reconciliation can

proceed. On the other hand, they can pursue healing as well as justice by punishing past violators. Indeed, some Latin American governments have established “truth commissions” to investigate past abuses, locate bodies of “disappeared persons,” and assign responsibility. However, these commissions often have not been able to bring to trial and/or punish past human rights abusers. Many of the worst abusers remain powerful, capable of violence, or safeguarded by legal immunity. Nonetheless, in recent years significant progress has been made in bringing the worst human rights abusers to trial in Chile, Argentina, Peru, Mexico, and elsewhere.

## INDIGENOUS PEOPLES AND CULTURES

(insert before “Conclusion” on page 112)

In 2008, indigenous populations account for roughly 40 million people in Latin America, or 7 percent of the total population.<sup>12</sup> Bolivia is the only country where indigenous groups make up the majority of the population; Guatemala, Ecuador, Mexico, and Peru have sizable indigenous populations. *Mestizos* make up roughly one-third of Latin America’s population, with Chile, Colombia, Ecuador, Guatemala, Mexico, El Salvador, Honduras, Nicaragua, Paraguay, and Venezuela all having populations that are over half *mestizo*.<sup>13</sup>

As has been true for centuries, some of the most difficult issues involving indigenous peoples concern cultural respect and equal access to political and economic opportunities. Indigenous groups often struggle to protect their native languages and cultures while not being denied a rightful place in European-dominated societies. Throughout the region, they regularly face police discrimination and brutality. In recent years, the exploitation of indigenous peoples in Bolivia, Ecuador, Guatemala, Mexico, Peru, and elsewhere has contributed to protests and violent conflicts. Even today, 80 percent of the region’s indigenous peoples live in poverty.<sup>14</sup> *Mestizos*, on the other hand, can more easily be found across every socio-economic group. While the vast majority are a part of the European-dominated culture, many continue to maintain indigenous cultural traditions.

In Guatemala, a civil war that lasted from 1960 until 1996 left over 200,000 dead, with the vast majority of violence carried out by a series of U.S.-backed, right-wing, military governments.<sup>15</sup> The situation was especially harsh for the country’s Mayan Indians, who, according to the “Historical Clarification Commission” report published by the United Nations in 1999, suffered 83 percent of the human rights violations committed during the war.<sup>16</sup> The Mayans were thought to be a natural ally of leftist rebels fighting the government and were subjected to genocidal campaigns that included rape, torture, murder, and the burning of entire villages. In 1992, a Mayan woman named Rigoberta Menchú won the Nobel Peace Prize for her work defending the human rights of indigenous people and the poor in Guatemala.

In southern Mexico, indigenous peoples have long been ignored by the central government, and they continue to be oppressed by local elites and officials. In the state of Chiapas, the mostly indigenous Zapatista National Liberation Army took up arms in 1994, demanding agricultural reform, more public spending to alleviate poverty, and more democracy. They briefly took control of several towns, but after limited battle retreated to their rural strongholds. For all practical purposes, they have held control of these areas ever since. They have also worked to organize themselves politically, and have succeeded in gaining attention for the need to improve the conditions of Mexico’s millions of indigenous people.

Like the Zapatistas, other indigenous groups throughout Latin America have begun to organize themselves politically. Indeed, since most indigenous peoples are concentrated in a few countries, they can be an important political force in those countries. Peru elected its first indigenous president, Alejandro Toledo, in 2001. In Ecuador, an indigenous political movement, Pachakutik, was instrumental in driving the president out of power in 2000. It was also instrumental in the election of Lucio Gutiérrez in 2002. After Gutiérrez broke his alliance with them in 2003, Pachakutik led a series of protests against his government. Finally, in Bolivia, indigenous groups were at the heart of a series of mass demonstrations around the turn of the century. In 2003, amid clashes between demonstrators and security forces, President Gonzalo Sánchez de Lozada was forced to resign. By 2005, the country's popular indigenous leader and head of its coca growers' federation, Evo Morales, had become the first indigenous person elected president. He struck an optimistic note in saying: "The most important thing is [that] the indigenous people are not vindictive by nature. We are not here to oppress anybody, but to join together and build Bolivia with justice and equality."<sup>17</sup>

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<sup>1</sup> Economic Commission for Latin America and the Caribbean (ECLAC), "Social Panorama of Latin America, 2006," (United Nations, 2006), <http://www.eclac.cl/cgi-bin/getProd.asp?xml=/publicaciones/xml/4/27484/P27484.xml&xsl=/dds/tpl-i/p9f.xsl&base=/tpl-i/top-bottom.xslt> (accessed December 20, 2007); World Economic Outlook Database, <http://www.imf.org/external/pubs/ft/weo/2008/01/weodata/index.aspx> (gross domestic product; accessed June 26, 2008); and ECLAC, "Social Panorama of Latin America, 2007," (United Nations, 2007), <http://www.eclac.cl/cgi-bin/getProd.asp?xml=/publicaciones/xml/9/30309/P30309.xml&xsl=/dds/tpl-i/p9f.xsl&base=/tpl-i/top-bottom.xslt> (accessed December 20, 2007).

<sup>2</sup> World Bank Group, "Inequality in Latin America & the Caribbean: Breaking with History?," 2003, <http://lnweb18.worldbank.org/LAC/LAC.nsf/ECADocByUnid/4112F1114F594B4B85256DB3005DB262?Opendocument> (accessed January 31, 2008).

<sup>3</sup> ECLAC, "Defeating Poverty Through Social Inclusion," (United Nations, 2008), p. 14, [http://www.eclac.cl/publicaciones/xml/9/32359/dp\\_lcw174eng.pdf](http://www.eclac.cl/publicaciones/xml/9/32359/dp_lcw174eng.pdf), (accessed June 6, 2008).

<sup>4</sup> Departamento Intersindical de Estatística e Estudos Socioeconômicos and Ministério do Desenvolvimento Agrário, "Estatísticas do Meio Rural," 2006, p. 30, [http://www.incra.gov.br/arquivos/estatisticas\\_rurais.pdf](http://www.incra.gov.br/arquivos/estatisticas_rurais.pdf) (accessed June 6, 2008).

<sup>5</sup> World Bank, World Development Indicators Online Database, <https://publications.worldbank.org/register/WDI?return%5furl=%2fextop%2fsubscriptions%2fWDI%2f> (school enrollment, secondary -% net; accessed June 18, 2008).

<sup>6</sup> UNESCO Institute for Statistics, "Global Education Digest 2006," (UNESCO-UIS, 2006), p. 12, <http://www.uis.unesco.org/TEMPLATE/pdf/ged/2006/GED2006.pdf> (accessed June 6, 2008).

<sup>7</sup> World Bank, World Development Indicators Online Database, (life expectancy; infant mortality rate).

<sup>8</sup> World Health Organization (WHO), Global Health Atlas Database, <http://www.who.int/globalatlas/dataQuery/default.asp> (malaria; accessed June 19, 2008).

<sup>9</sup> UNAIDS and WHO, "AIDS Epidemic Update," December 2007, p. 7, [http://data.unaids.org/pub/EPISlides/2007/2007\\_epiupdate\\_en.pdf](http://data.unaids.org/pub/EPISlides/2007/2007_epiupdate_en.pdf) (accessed June 6, 2008).

<sup>10</sup> UNAIDS and WHO, "Caribbean- AIDS Epidemic Update: Regional Summary," March 2008, p. 3, [http://data.unaids.org/pub/Report/2008/jc1528\\_epibriefs\\_caribbean\\_en.pdf](http://data.unaids.org/pub/Report/2008/jc1528_epibriefs_caribbean_en.pdf) (accessed June 6, 2008).

<sup>11</sup> UNAIDS and WHO, "AIDS Epidemic Update," December 2007, p. 7, op cit; UNAIDS and WHO, "Latin America- AIDS Epidemic Update: Regional Summary," March 2008, p. 1-2, [http://data.unaids.org/pub/Report/2008/jc1530\\_epibriefs\\_latinamerica\\_en.pdf](http://data.unaids.org/pub/Report/2008/jc1530_epibriefs_latinamerica_en.pdf), op cit; and UNAIDS, "2006 Report on the Global AIDS Epidemic," (UNAIDS, 2006), Annex 2: HIV and AIDS Estimates and Data, 2005 and 2003, p. 529-535, [http://data.unaids.org/pub/GlobalReport/2006/2006\\_GR\\_ANN2\\_en.pdf](http://data.unaids.org/pub/GlobalReport/2006/2006_GR_ANN2_en.pdf) (accessed June 6, 2008).

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- <sup>12</sup> Estimates vary. See also World Bank Group, “The World Bank and the Indigenous Peoples in the Latin America and the Caribbean Region,” Factsheet, [http://wbln0018.worldbank.org/lac/lacinfoclient.nsf/49a0102c9b95cf028525664b006a17a4/f3de2d59a67251fc85256ab80052fb03/\\$FILE/Fact%20Sheet02final2.pdf](http://wbln0018.worldbank.org/lac/lacinfoclient.nsf/49a0102c9b95cf028525664b006a17a4/f3de2d59a67251fc85256ab80052fb03/$FILE/Fact%20Sheet02final2.pdf) (accessed August 8, 2007); and Gillette Hall and Harry Patrinos, “Latin America’s Indigenous Peoples,” *Finance and Development*, December 2005, vol. 42, Number 4, [www.imf.org/external/pubs/ft/fandd/2005/12/hall.htm](http://www.imf.org/external/pubs/ft/fandd/2005/12/hall.htm) (accessed June 26, 2008).
- <sup>13</sup> Central Intelligence Agency, “The World Factbook,” Field Listing of Ethnic Groups, 2007, <https://www.cia.gov/cia/publications/factbook/fields/2075.html> (accessed July 12, 2007); Library of Congress, “Country Profile: Venezuela,” <http://lcweb2.loc.gov/frd/cs/profiles/Venezuela.pdf> (accessed August 6, 2007); and *Britannica Student Online Encyclopedia*, 2007, s.v. “Chile.”
- <sup>14</sup> Harry Patrinos and Emmanuel Skoufias, “Economic Opportunities for Indigenous Peoples in Latin America,” World Bank, February 2007, [http://siteresources.worldbank.org/INTLAC/Resources/Executive\\_Summary\\_Eng.pdf](http://siteresources.worldbank.org/INTLAC/Resources/Executive_Summary_Eng.pdf) (accessed September 27, 2007).
- <sup>15</sup> Commission for Historical Clarification, “Guatemala Memoria Del Silencio,” (United Nations, 1999), <http://shr.aaas.org/guatemala/ceh/report/english/concl.html> (accessed October 31, 2006).
- <sup>16</sup> *Ibid.*
- <sup>17</sup> Paul Mason, “Evo Morales ‘Padlocked’ in Palace,” *BBC News*, April 5, 2006.