Guest Article #2: Latin America and the Caribbean on the Road to Rio+20

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Versión en Español

Both globally and regionally, the Rio+20 Conference comes at a time that differs radically from that of 1972, when the concept of sustainable development was coined. Globally, the world is confronting multiple crises: economic and financial, food security and climate change. The three are urgently calling for a new development paradigm, one that moves the world towards a "new deal."

At the regional level, in 1972 environment was barely on the public agenda and in 1992 the region was stepping out of a "lost decade" of weak growth, high inflation, negative transfers and no political space to negotiate. By 2002, the region was emerging from a period in which reforms had severely debilitated the capacity of governments to implement the strong policy measures required for a significant change towards sustainability.

Next year, in 2012, our region will probably be growing with low inflation but still with great inequality. Undoubtedly we have stronger environmental and social institutions and more solid macroeconomic administrations than in the past. Brazil, the host of Rio+20, is one of the most successful countries in our region.

It is urgent to move towards a "social compact" based on the transformation of production patterns with full employment and environmental criteria. The challenge is to move beyond the political stances of Rio '92, avoid going backwards and ensure appropriate reforms on the trade, financial and technological fronts.

For more than 20 years countries from the developing world have been calling, without success, for technological and financial transfers from the developed world. But now the developed world is in trouble and it is time to close the gaps to achieve sustainable development with social equality. It is not enough to eradicate poverty; we need to eradicate inequality on all fronts.

This is a critical stage of humanity in which there is no choice but to share economic progress both horizontally and vertically, with innovation for all, and with political clarity so we can focus on social equality and ecological and environmental security.

Today we have stronger democratic systems and a more organized civil society. There is greater public awareness and institutional knowledge on the two-way links between social and economic issues and the environment.

This scenario is therefore conducive to exercise leadership and make sure that we emerge from Rio+20 with stronger global environmental governance and a world ready to move towards a "low carbon" economy.

This has to be a summit on development, but on a new kind of development. It offers the opportunity to change the development paradigm.

Some are calling for a transition to a green economy; others are convinced that sustainable development needs to be fully implemented as conceived back in Rio '92. From my perspective, it is not enough to try to integrate environment and economics. Issues such as poverty, inequality, the number of people living in slums, energy intensity patterns and the quality of life in our cities show that there is considerable opportunity to make the right choices and investments, to close these gaps and to open new roads towards sustainability.

Rio+20 should be an opportunity to develop new markets, new sources of economic activity, and new community choices, while taking care of the environment (which is a driver of a productive transformation). We must uncover these opportunities, they are far from being a given.

Latin America and the Caribbean has specialized in low-value-added, natural resource- and energy-intensive industries, or in the low-value-added end of global production chains. In addition to strong pressure on the environment and natural resources, reliance on these industries has maintained productivity gaps, stifling the potential for long-term economic growth and contributing to persistent high levels of inequality.

Our experience of the past two decades has shown that markets need a well-articulated...
set of macroeconomic, industrial, innovation and competitiveness policies to generate productive transformation if they are to take advantage of the new technological paradigms. This has been advocated by ECLAC, most recently in the document *Time for Equality* (2010).

In the trail of past landmark development conferences, Latin America and the Caribbean has always taken a firm position and a leading role in the expression of the interests and challenges of developing countries. Under these new circumstances, our capacities for looking forward have grown, along with those of other countries. This could be described in terms of an emerging South: a reinvigorated South with initiative and self-assurance.

ECLAC is in charge of the organization of the Rio+20 regional preparatory meeting for Latin America and the Caribbean, which will be held in Santiago, Chile (September 7-9). All the United Nations agencies in the region will participate in a joint effort to assess the progress and shortfalls in the implementation of sustainable development commitments.

There is an historic opportunity to do everything possible to build a model of globalization that breeds greater collective awareness of global public goods, awakens democracy across the planet. We need policies with a long-term vision in order to remain one step ahead of the climate and the technological, demographic and cultural scenarios.