

Statement by Alicia Bárcena

Executive Secretary of the Economic Commission for Latin America and the Caribbean (ECLAC) at the meeting to celebrate the tenth anniversary of the Declaration on Security in the Americas

Organization of American States (OAS)

Washington DC

28 October 2013

Dear friends,

Exactly a decade ago today, at the invitation of the Organization of American States, the representatives of the Inter-American system met in the Tlatelolco conference rooms for the Special Conference on Security. On that occasion, prompted by the firm commitment of Mexico, the countries of the region signed the Declaration on Security in the Americas, embodying a multidimensional, integrating approach and, as the then Secretary-General, César Gaviria, pointed out, “strong support for multilateralism as the mechanism for confronting existing security problems”.

I wish to thank the Government of Mexico, represented here by Vanesa Rubio, Under-Secretary for Latin America and the Caribbean and Ambassador Emilio Rabasa, for the privilege of celebrating this tenth anniversary, together with my friend, José Miguel Insulza, Secretary-General of OAS, Ambassador Walter Alban, Chair of the Permanent Council of OAS, and all of you here present.

From the perspective of this forum, we believe that public and private stakeholders and civil society, together with international organizations must build a version of security that breaks with the monopoly of conservative visions, which usually cite security concerns as the political justification for demands for greater repression and control involving the use of violence.

At ECLAC, we believe that, in order to reduce crime and insecurity within the population, we need to build up a progressive and effective citizen-based perspective of security in close correlation with economic and social development with equality.

As Latin American and Caribbean nationals, we aspire to having more security, but security based on peace, underpinned by democracy, with respect for human dignity. We have learned that we are all responsible for protecting our democracies, that, at present, the region is well-placed to consolidate democratic stability with respect for the rule of law. Admittedly, much ground remains to be covered in terms of forging social and political covenants, supported by sound and stable institutions.

Economically and socially, the region feels more resilient than in the past. Paradoxically, however, in terms of crime and insecurity, the situation is different.

The Latin American and Caribbean region has experienced a boom period. For more than ten years, the region had recorded steady growth, poverty levels had fallen and, in recent years, the degree of inequality has actually lessened.

For 2013, ECLAC has projected 3% growth, which will assuredly exceed the international average (forecast at 2.3%). The region can boast a controlled level of inflation (6%), sound fiscal, monetary and exchange-rate policies and a lower and better-structured public debt (below 35% of GDP) and an unprecedented level of gross international reserves (in excess of US\$ 800 billion).

Moreover, in the past two decades, thanks to decisive action by States, the percentage of the population living in poverty declined from 48.4% in 1990 to 28.8% in 2012. Extreme poverty or indigence diminished by more than 10 percentage points from 22.6% to 11.4% over the same period. Employment has increased in quantity and improved in quality. At 6.7%, unemployment is lower today than just before the crisis.

In recent years, there has been an unprecedented, albeit timid, improvement in income distribution thanks to a better distribution of labour income and redistributive policies. According to the most up-to-date figures, the degree of inequality showed a slight but statistically significant decrease in Argentina, Brazil, Colombia, Ecuador and Uruguay. Nevertheless, the changes are slight and are not sufficient to alter Latin America and the Caribbean's overall situation as the most unequal region in the world. Inequality militates against development and security.

The document we presented In 2010 at the thirty-third session of the Commission was entitled *Time for equality: closing gaps, opening trails*, and sought to give expression to a claim that had long been asserted and overlooked by Latin American and Caribbean societies. We stated that inequality in the region was rooted in five centuries of racial, ethnic and gender-based discrimination, the population was divided into first- and second-class citizens and the pattern of income distribution was the worst in the entire world.

We believe that equality and economic growth are not incompatible and the great challenge for the region is to find synergies between the two. In 2010, ECLAC proposed that we should grow to equalize and equalize to grow. In future, economic growth, environmental sustainability and equality must go hand in hand.

The document presented in 2012 at the thirty-fourth session of the Commission was entitled *Structural change for equality: an integrated approach to development*, because, as already explained in 2010, equality, for us, means disseminating capacity-building, technological progress, full employment opportunities and universal access to social protection benefits and social safety nets throughout the production structure and the social fabric. We affirmed that macroeconomic policy and industrial policy could not continue to move along separate paths but must operate in tandem in order to build synergies in the context of a wider technological revolution of humanity that encompasses the new information and communications technologies, biotechnology and nanotechnology. Only then will our civilization be able to address the issue of climate insecurity that is threatening our planet and which will have a negative effect, especially on small-island States such as those of the Caribbean. The State must embrace a more active role and greater commitment to universalist policies.

Today, as we gather to reflect on security in our region, reference must be made to one of the most crucial dimensions of security: economic security, security that goes hand in hand with a stable basic income and guaranteed social protection. Let us not mince our words: informality and low productivity generate inequality, insecurity and wide gaps which segment society into formal core groups with access to private goods and other, poor communities with access only to the public option, with the further difficulty that public has become synonymous with substandard.

It is a matter of great concern to the region that when crime escalates, the informal sector grows and, in turn, causes a decline in the acceptance of social norms.

Violence also leads entrepreneurs and the private sector to modify their conduct. They move from formality to informality, abandon their businesses and conceal their profits in order to attract less attention from criminals. This situation can lead to a vicious circle. On the one hand, the increase in informality with concealment of earnings, apart from being an offence or a crime, could promote tax evasion thereby increasing the fiscal gap, hence inequality; on the other, informality in a context of violence and crime undermines the culture of decency within poverty –honour, honesty, temperance and faith and engenders, exacerbates and breeds dishonour, dishonesty, intemperance and indifference and increases the perception of the risk of downward mobility.

The economic dimension of regional security also proves vulnerable to the constant, latent pre-eminence of the balance of payments, while the trade mix stands out as another external risk factor, since imports predominate and the economy is over-reliant on commodity exports. Latin America and the Caribbean remain on the periphery and this is true especially of the small economies.

Insecurity, uncertainty and vulnerability are characteristics of the prevailing pattern of development.

The question is: To what extent do democracy, as a form of government, the market, as a place for growth and an active State, as a promoter of equality and a better standard of living for citizens, help to reduce violence and crime in Latin America and the Caribbean? And to what extent is inequality linked to the levels of violence and fear of the citizens in the region?

For ECLAC, the major challenge facing the region is to guarantee a legitimate security for all, where the State recovers its central and monopolistic role and thus reduces inequality in this area.

Notwithstanding the positive statistics that the region has displayed over the past few years, it should not be forgotten that for decades, growth in the region was lacklustre and distribution very poor. We belong to the most unequal region in the world. This is linked to decades of

poverty and a predominantly informal economy, which, among other consequences, have led to heavy involvement by families, communities and neighbourhoods in criminal behaviour, which in extreme cases includes drug trafficking and organized crime. We know that, for many, formal job creation, which is on the rise in Latin America and the Caribbean, does not prove to be economically attractive especially not in a context where values and conducts associated with violence, crime and drug trafficking have taken root. Formal employment holds no appeal for persons with links to the drug trafficking world, nor is repression effective when dealing with young people in favelas, young neighbourhoods, in cities in Latin America and the Caribbean who take it for granted that their lives will be short and, consequently, live it intensively on the fringes of legality.

One may speculate that part of the complexity of violence and crime stems from the fact that economic changes (growth) have no immediate, direct impact on values and criminal conducts, as for example in the drug-trafficking culture. It is wrong to assume that macroeconomic signals will, as a matter of course, be effective. This causes us to underestimate the weakness of institutions, the failings of imperfect, segmented or incomplete markets and the significance of externalities.

In this complex process, the State must have a strong role. There must be a halt to the privatization of security; security must be promoted as a public good. Insecurity has generated challenges in Latin America and the Caribbean. First, privatization of security is a fact that elicits great concern in our region, as it widens the social divide with respect to access to this good. In Latin America, private security services have grown out of all proportion, so much so that they outnumber the police force. In Chile, a country that takes pride in its police force, there are twice as many private guards as policemen. These security agents are the most heavily armed in the world with rates of firearm possession ten times higher than in Western Europe.

What this reality reveals is that there are a number of unanswered questions in terms of security expenditure, questions that are paradigmatic of a participatory covenant dynamic: Should more be spent on security? Is there any certainty that this expenditure is used efficiently? Is spending affected during periods of recession or economic crisis?

An additional question concerns how security is financed and the nature of the trade-offs, which raises a further question: Is the public prepared to pay higher taxes?

When the State does not provide security for all its inhabitants, it sets the stage for privatization, which generates great social inequities, with differential economic costs depending on income or ethnicity, among other characteristics. This occurs in most of the countries of Latin America and the Caribbean. According to information from the Office of the United Nations High Commissioner for Human Rights, the market for private security goods and services in the region has expanded by 11% in the past 15 years. Security ceases to be a public good and, moreover, is inefficient in economic terms. But security is a natural monopoly; once there are two or more bidders, the overall context is more insecure. The security of the few becomes the insecurity of the many.

In Latin America and the Caribbean, we know that our origin, status, age and sex, among other variables, determine the way we face crime, violence and fear, whether as victims or perpetrators. Women and youth are the most seriously affected and this situation needs to be improved.

Paradoxically, privatization of security leads to higher levels of general insecurity. Security for the few is always insecurity for the outsiders. As a rule, security for the few results in disproportionate measures, fosters discriminatory practices or identifies “scapegoats” among the vulnerable groups.

As the United Nations Development Programme has stated, insecurity inhibits the consolidation of democracy in the region and forces us to reflect on the relationship between citizens and the State.

Situations where violence is rife are conducive to the consolidation of authoritarian political forces as it becomes impossible for the State to provide security for all within the framework of guarantees of rights and freedoms. Thus, ECLAC believes it is vital to strengthen the State in this and other areas.

Weak States generate inequalities and lead to a breakdown in society. Violence and crime are the cause and consequence of poverty, insecurity and underdevelopment. In the same way,

crime and violence restrain democracy and freedom and detract from the quality of life of citizens.

Hence, we believe it is indispensable to build the foundations for social covenants for equality, initiatives that recognize citizens as autonomous subjects (insofar as they have the capacity to be agents), but also as vulnerable since they depend on others for the realization of their life plans. This approach implies paying special attention to the material and cultural circumstances of individuals to ensure their complete integration into the life of the society. But, it also implies viewing individuals as beings who are capable of drawing up (agreeing) with other persons the laws that will regulate their lives.

The ECLAC approach, which goes beyond individual rationality and incorporates self-determination and consideration of others –along with the conception of equality, which is the overarching goal for ECLAC– suggests that public policies and especially security policies should be conceived of as covenants between the stakeholders involved.

This approach implies that the citizen is a rights-holder, and that this forms the basis of his equality. Denial of the other –and, consequently, of his rights– is a historical feature of incomplete citizenship in Latin America and the Caribbean and is one of the root causes of inequality in the region. Alternatively, the solidarity of subjects who are included towards those who are excluded can help to achieve a basic civilizing thread that will guarantee for society as a whole access to certain social goods, including security.

This solidarity may also stem from the fact that citizenship implies not only entitlement to rights but also, as an offset, the adoption of commitments that range from respect for the rule of law to participating in matters of public interest and which can be translated into greater solidarity as a factor conducive to equality.

The specific ways in which social covenants manifest themselves are highly varied, ranging from efforts to re-establish the State to agreements, which, without altering the traditional obligations assumed by citizens (acceptance of the legitimacy of the exercise of power, imposition of obligations by the State, renouncement of private violence and acceptance of

State monopoly over force) may be centred on certain particular areas, such as security itself, fiscal security, social security, management of natural resources or investment.

Covenants that help to establish these credible long-term relationships between the main stakeholders will prove especially useful for addressing any problems of legitimacy that may exist in societies subject to erosion, weakening and dizzying transformation of the linkages between the individual and society as a result of insecurity, modernization, transformation of the division of labour and globalization.

They are also important for fostering the development of citizenship, an asset that is indispensable for our societies in times of change and risk, and the basis of social resilience.

At ECLAC, we believe that the countries of Latin America and the Caribbean, given the huge income inequalities that exist, are more likely to be affected by violent crimes than more equitable societies. On the other hand, economic growth, better income distribution and greater transparency help to avoid violent crime.

According to data available to ECLAC, in 2011, 79% of the regional population felt that income distribution in their country was unjust or very unjust. Moreover, six out of every ten Latin Americans had little or no trust in political institutions or in the State. According to our studies, between 1997 and 2011, the perception of redistributive injustice is associated with lack of trust in the legislative and judicial powers as well as in the political parties.

UNDP estimates that in most countries in the region the cost of insecurity exceeds 5% of annual GDP, with appreciable differences ranging from 2% in Chile to 11% in El Salvador (State expenditure on security is taken into account as well as costs incurred directly by citizens).

These estimates yield similar figures to those obtained by ECLAC for Central America (Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua). On the basis of the information available for 2006, ECLAC estimated that the economic costs of violence stood at 7.7% of subregional GDP. These costs include health losses, institutional costs, public security, justice, private expenditure on security and material losses.



According to ECLAC information, between 2007 and 2010, public expenditure on defence, security and justice in Central America as a whole grew slightly but steadily both in nominal terms and as a percentage of GDP. This expansion occurs mainly in the three traditional establishments: the police force, the justice system and the prison system. In 2010, expenditure on defence, security and justice in Central America ranged from 1.7% to 3.3% of GDP.

Insecurity is another gap in the region that must be reduced in order to achieve development. Currently, it is impossible to speak of economic and social development in Latin America and the Caribbean without mentioning the issues of democracy or violence. Since the 1970s, no single common issue has been so important for the countries of Latin America and the Caribbean as a whole.

At ECLAC, we know that when people in Latin American and Caribbean call for more security, they are at the same time demanding more public goods and services, more courtesy, more calm. In a highly urbanized continent, insecurity deprives citizens of what the city has to offer, by causing citizens to abandon public spaces and by generating gated and socioeconomically segmented neighbourhoods, as well as by fostering support for repression, associated with the loss of trust by citizens in police and judicial institutions and in democracy itself.

One of the concerns of Latin America and the Caribbean must be the association between urbanization and high crime rates; indeed, over the next 25 years the urban population will be six times as large as the rural population and will have doubled in relation to 1990. The urban population will increase from 313 million to 628 million inhabitants, while the rural population will decrease from 130 million to 104 million. And it should be borne in mind that in those countries that urbanized earlier, growth will be concentrated in cities of relatively smaller size, while in those where urbanization occurred later, the main city or capital will continue to grow significantly.

Special attention should be paid to the vulnerability affecting women, boys and girls and youth, who are the main victims, direct and indirect, of the problem of insecurity in region. Women are the main direct victims in cases of domestic violence, trafficking in persons and femicide, with devastating effects for human development.

The Gender Equality Observatory for Latin America and the Caribbean teaches us that there are two types of instrument for measuring violence against women: administrative records and surveys of violence against women. Both are inadequate and underdeveloped in the region. Regional diagnostic assessments show significant advances compared with the situation twenty years ago, but also reveal that information generation varies considerably from one country to the next, that records are not always comparable with each other and that there is no inter-agency consensus at national levels for agreeing on official figures. Nevertheless, the Gender Equality Observatory notes that violence against women continues to plague the region in a dramatic way. In 2011, 466 women were killed by their current or former intimate partner in ten countries of the region (Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Nicaragua, Paraguay, Peru, Puerto Rico and Uruguay). In that same year, 1,139 gender-based homicides were committed in eight countries of the region (Chile, Costa Rica, Dominican Republic, El Salvador, Nicaragua, Paraguay, Peru and Uruguay). This demonstrates that close to 30% of gender-based murders of women in this group of countries were committed by the victim's boyfriend or ex-boyfriend, husband or ex-husband, partner or ex-partner. For the Caribbean, the figures are just as alarming as for Latin America.

Young men are the main victims and also the main perpetrators of violence in the region, a region which —according to information supplied by the United Nations— exhibits some of the highest rates of crime and violence worldwide. With a population equivalent to just 8% of the world population, the Latin American and Caribbean region accounts for approximately one third of homicides in the world: an average of 25.6 homicides for every 100,000 inhabitants, compared with 8.9 in Europe.

This overall figure encompasses a variety of problems relating, on the one hand, to youth in the public sphere —given the extent of their involvement as victims and perpetrators of violence and the fact that homicide rates among young men in Latin America are twice as high as the rate for the general population and, on the other, to the experience of boys, girls and women as victims in the private sphere. The high rates of crimes involving possession or use of fire arms and drug-trafficking are further cause for concern.

Many of the children and youth of Latin America and the Caribbean involved in violence and crime have been abandoned or neglected by the family, but also many of them are members of families and social groups whose life is built around violence and crime, who are socialized in an authoritarian, macho context that breeds and legitimizes the use of violence.

There are now approximately 160 million persons aged 15 to 29 in the region —that is young people account for 25% of the population. The demographic dividend, normally viewed as a unique opportunity for sustainable development seems to be invalidated or cancelled out by crime and violence. And 20% of young people are NEETs (neither in employment nor in education or training).

ECLAC has noted that crimes are being imputed to globalization, which calls increasingly for regional or subregional approaches. This shift is illustrated by a specific case.

While globalization has not done away with borders, it has redefined them. Like everything else, violence changes, crimes change, fears change. And in border regions and, particularly at the borders themselves, crime and violence change, they take on different attributes compared with other parts of the territory. Integration promotes international exchanges but, unfortunately, these are accompanied by crimes.

In these new situations, highly profitable new crimes emerge (or old crimes become more sophisticated); this is the case, for example, with drug-related or arms-related crimes, and these call for a supranational approach that takes precedence over national sovereignty.

Insecurity has adverse effects on the region and these must be examined: in terms of relationships, the fragmentation of the social fabric and, at the structural level, segregation and exclusion. Insecurity has bred an authoritarian culture of violence that has led to slogans such as “a strong hand against crime” or “zero tolerance” in a region where what is needed is for people to take each other’s hand and treat each other with more respect. Contrasting with this framework are different bold and original analytical efforts such as the recent report on the drugs problem in the Americas, presented by Secretary-General Insulza and which constitutes a “watershed” for a debate that called for new approaches and different paths.

We are concerned that the efforts made in the region to reduce poverty may be undermined by crime and its attendant insecurities, that the negative impacts of the perception of insecurity may be comparable to the impact of losing one's job; that the loss of an economically active person in a middle-income household may make that household slide into poverty; or that for each homicide (as indicated by studies conducted in Mexico) there may be as many as three indirect victims.

Dear friends,

I will never tire of repeating it: there may be no magic formulas, but there is no doubt that the greater the degree of equality of rights, opportunities and well-being, the greater one's sense of belonging to the society, and this is fundamental as we reach a turning point in modernity where insecurity, fragmentation, displacement and exclusion are recurrent syndromes.

Equality must be at the heart of any attempt to combine economic growth with peace, social inclusion and respect for diversity, terms that have not always been part of the development equation in Latin America and the Caribbean.

Perceiving oneself as an equal in rights means seeing oneself as a citizen. This sense of belonging in terms of values is complemented by social equality, because when gaps narrow and inclusion is broadened, it is clear to all that in this society the mechanisms are being put in place so as to improve opportunities for well-being and fulfil aspirations for the future. If lack of equity makes it difficult for individuals to find fulfilment, inequality, that is, the distance caused by socioeconomic status or power erodes the legitimacy of the life in society, leads to a contraction and exacerbates conflict.

Equality promotes a sense of belonging in which contributing to the common good and to economic progress results in more effective rights and greater protection —and security— for each individual. Egalitarian societies, in which the State plays a more active role in providing well-being for all, are more willing to forge social covenants and to develop more widely shared visions of long-term development.

Speaking of equality and of equality of rights leads us to the most neglected areas of social justice and to the following questions: How are assets, benefits and various resources distributed throughout the society? What is the redistributive role of the State as the chief guarantor and promoter of equality? How are economic productivity gains distributed among the different stakeholders? How does an explicit normative framework of social rights that require fiscal covenants take shape around universal benefits? Lastly, what are the different fields of development in which equality is affected, whether positively or negatively?

In the context of Latin America and the Caribbean, equality of rights and solidarity-based autonomy should be established as the ultimate rationale for development in order to reassert the humanist heritage of modernity, a heritage that advocates fairer and more democratic societies, where development of the whole is predicated on developing the potential and freedoms of all citizens. In such a society, the sense of belonging combines the full autonomy of subjects with their progressive access to more and better opportunities and its ultimate values will be to develop a universalist focus in which belonging also implies a willingness to show solidarity and to give up special privileges for the common good, a society, dear friends in which there is no room for criminality, unlawful violence or brute force to take root, a society that can be achieved here in the region that is our homeland, because we can make the most of the social and natural endowment that sustains it.

Thank you.