

LASA 2019 Boston: On Employment, Social Inclusion, and Justice

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As the recent caravan of Central American women, men, and children tirelessly traveling through Mexico to finally face, on the US border, a wall of xenophobic anger and rejection painfully reminded the world, Latin America still has a long, long way to go in its quest for social and economic development. What can better illustrate the current tragic combination of social deprivation in our region and the political indifference cum incompetence of the United States government than the death of a seven-year-old girl from Guatemala in US border control custody?

To better understand this plight, let us recall that in Latin America in 2017, 80 million (31 percent of its total population) lived in poverty. Moreover, sharply marked by multidimensional forms of discrimination, Latin America is the most unequal region in the world. On average, the wealthiest quintile of its population accrued 45 percent of total household income, while the poorest barely got 6 percent. In fact, according to data from the BBC, except for South Africa and Rwanda, eight of the ten most unequal countries in the world are in Latin America. The region's stark inequality in the distribution of income and wealth is, perhaps not surprisingly, combined with increasing violence and a conspicuous contrast between the haves and the have-nots in access to legal justice. Latin America, with 8 percent of the world's total population, nevertheless registers 33 percent of the total number of murders (Economic Commission for Latin America and the Caribbean, *The Inefficiency of Inequality*, Santiago, 2018). Today, Pablo Neruda's succinct depiction of our region's acute mix of injustice and inequality still rings with stinging accuracy: "For the thieving nobleman, privilege—for the man who steals bread, jail."¹

"Nuestra America," LASA's forthcoming congress in Boston in May 2019, is a timely and most welcome opportunity to join forces with Latin American peoples and friends to reaffirm the commitment to work together for greater inclusion and justice, both within the region and with the rest of America. During the third week in May we invite you to celebrate Latin America's talents, creativity, diversity, and progress on many fronts, and to join forces with prominent scholars and members of civil society to examine strategies and options to tackle the region's blatant exclusion and injustice. In this regard, let me share with you that in my many years of experience as a development economist, working first for the Economic Commission for Latin America and the Caribbean (ECLAC) and since 2015 for Universidad Nacional Autónoma de México, I have come to the conclusion that the self-perpetuation or intergenerational reproduction of injustice and exclusion in our societies is to a major extent rooted in the most distorted operation of our labor markets, combined with an extreme weakness and insufficiency of our social protection systems.

Indeed, in our region, as in the rest of the developing world, a family's economic and social situation, currently and in the future, is markedly determined by the role its adults play in the market in order to earn their living. To an important extent, a child's economic future is the result of a random act of nature that led her to be born in a house whose head is, say, a large entrepreneur in finance or industry, a small-scale family shopkeeper, an employee, a farmer, a peasant, or a chronically unemployed person. Such differences in the cradle give rise to drastic inequalities in children's nutrition patterns and in their access to high-quality health and education services, not to mention parental

attention and care. These inequalities in turn lead to extremely different opportunities for work in our globalized economies, with the select few being able to enter leading, well-paid positions with full access to social protection and services, and the very many pushed to low-quality jobs, scantily paid, with little or no social and medical protection.

In such a context, Latin American people's quest for social justice and inclusion has been and continues to be strongly linked to its struggle on work-related issues, in particular to its struggle to guarantee the right to work under fair and decent employment conditions, and to earn a living wage with access to social protection. These conditions are more the exception than the rule in the region.

I strongly believe that labor markets are the key economic and social spaces that mark, in a fundamental way, whether a nation is advancing in its quest for equality, justice, and social inclusion. Wages, employment, and work conditions and the extent to which employees are formally organized and democratically represented are main factors that determine whether a society is on a path of reproduction of vicious circles of inequality, exclusion, and scant mobility or—on the contrary—of virtuous circles of high-quality employment creation, dynamic productivity, and real wage improvements, inclusion, and equality.

Unfortunately, today, ten years after the financial crisis of 2009, it is evident that labor markets in Latin America are far from working well to improve the lives and hopes of our peoples. Unemployment, informal markets, exploitation in low-value-added routines, poor wages, lack of social mobility, and dim prospects of decent retirement mark our labor markets. While the 1 percent privileged at the top of our societies amass most of the benefits of the economic recovery of recent years, the harsh job reality and prospects facing the vast population at the bottom 50 percent remind us that too many of our brothers and sisters in Latin America are being left behind.

It is urgent for all of us committed to social and economic progress and justice in Latin America to have a better understanding of the deficiencies and challenges that face our labor markets and

our social protection systems in order to identify strategies and policy options to improve them and thus strengthen equality, inclusion, and social justice. LASA 2019 will offer a great opportunity to explore these issues in the presidential session that we will host with Ms. Rebeca Grynspan, currently head of the Ibero-American Secretary-General (SEGIB) and one of the 50 leading intellectuals of Latin America. Before joining SEGIB she served as deputy secretary-general of the United Nations, regional director for Latin America and the Caribbean of the United Nations Development Programme, and head of ECLAC-Mexico, vice president of Costa Rica, and minister of Economic and Social Affairs. Her professional excellence reflects, besides her first-class technical training, her empathy with and strong commitment to improving the lot of the underprivileged in Latin America. She is a renowned advocate of human development who has helped to focus the world's attention on the reduction of inequality and all forms of social exclusion.

I am sure that our session with her at LASA 2019 in Boston will be intellectually fascinating, politically illuminating, and an unforgettable and endearing experience, given her talent as a captivating speaker and her knowledge of the difficult policy issues and political challenges in designing and implementing strategies in favor of social inclusion and justice, combined with her remarkable sense of humor. I hope to see you there!

Note

Quoted in Gavin O'Toole, "The Poverty of Inequality in Latin America," *Public Finance International*, September 8, 2017. //