



Empowered lives.  
Resilient nations.

## Unfair and unequal: new UNDP report sheds light on discontent in Latin America

**New York, December 9, 2019** – The demonstrations sweeping across Latin America and the Caribbean signal that, despite decades of economic growth and prosperity, **perceptions of unfairness and loss of dignity persist, particularly among the region’s middle class and historically marginalized.**

So argues the United Nations Development Programme (UNDP) in its [2019 Human Development Report, entitled “Beyond income, beyond averages, beyond today: inequalities in human development in the 21st century.”](#)

The Human Development Report (HDR), which pioneers a more holistic way to measure countries’ progress beyond economic growth alone, says that just as the **gap in basic living standards is narrowing**, with an unprecedented number of people escaping poverty, hunger, and disease, the necessities to thrive have evolved. The **next generation of inequalities** is manifesting around issues of **technology, education, and the climate crisis.**

“Different triggers are bringing people onto the streets -- the cost of a train ticket, the price of petrol, demands for political freedoms, the pursuit of fairness and justice. This is the new face of inequality, and as this Human Development Report sets out, **inequality is not beyond solutions,**” says UNDP Administrator, Achim Steiner.

The report notes that **in Latin America and the Caribbean, the perception of unfairness in the distribution of wealth has increased since 2012**, returning to levels of the late 1990s. Inequality in self-reported happiness (or subjective well-being as it is also called), which had remained steady in the region until 2014, has risen since.

The report analyzes inequality in three steps: **beyond income, beyond averages, and beyond today**, proposing a battery of policy options to tackle it.

### A history of exclusion and the search for dignity

Among the top 50 very high human development countries worldwide, Argentina has the highest inequality in life expectancy, and Chile has the highest inequality in income, according to the Inequality Adjusted - Human Development Index.

“**Tackling inequality is in everyone’s interest,**” says Pedro Conceição, UNDP’s Director of the Human Development Report Office. “We must put to rest the fallacy that more growth leads to greater inequality, or that greater equality inevitably comes at a cost of reduced growth.”

According to the HDR, many group-based inequalities in Latin America have **roots in colonial times.**

For instance, according to one study cited, ethnicity reduced the probability of transitioning out of poverty in Mexico by 12 percentage points and increased the probability of falling back into poverty from vulnerability by 10 percentage points.

“Inequality is typically associated with patterns of economic, social, and political exclusion. As such, independently of its normative importance, it **leads to significant social and economic costs for society**,” says UN Assistant Secretary-General and UNDP Regional Director for Latin America and the Caribbean, Luis Felipe López Calva.

**Dignity as equal treatment and nondiscrimination can be even more important than imbalances in the distribution of income**, the report asserts. It cites a 2017 UNDP survey conducted in Chile, in which 53 percent of people said they were bothered by income inequality. But respondents expressed more discontent with unequal access to health (68 percent), unequal access to education (67 percent) and unequal respect and dignity in the way people are treated (66 percent).

However, action is not politically easy. The report presents evidence that throughout the region, the **middle class pays more than it receives in social services**. That, coupled with perceptions of low-quality education and health services, can feed resistance to further expanding social policies. One consequence is the preference for private providers: The share of students going to private schools for primary education in Latin America rose from 12 percent in 1990 to 19 percent in 2014. The larger the share of the private sector, the larger the segmentation in social services for different groups.

### **New drivers of development outcomes**

The report identifies **technology and climate change** as two forces that seem **set to shape human development outcomes into the next decades**. Here again, the region shows both progress and enduring challenges.

For example, on environmental sustainability, the report ranks Costa Rica in the top tercile globally.

But as the report makes clear, **the region remains vulnerable to climate change, especially in the small island states of the tropics**. In the Bahamas in 2019, Hurricane Dorian was the strongest hurricane to strike the country since recordkeeping began in 1851. The communities hardest hit included shantytowns populated mostly by poor Haitian immigrants, some of whom had fled the devastating 2010 earthquake in their home country.

### **Beyond income, beyond averages, beyond today**

The report recommends policies that look at but also go beyond income, anchored in **lifespan interventions starting even before birth**, including through pre-labor market investments in young children’s learning, health, and nutrition. Such investments must continue through a person’s life when they are earning in the labour market and after.

And it argues that taxation cannot be looked at on its own, but must be part of a system of policies, including policies for public spending on health, education, and alternatives to a carbon-intensive lifestyle.

Averages hide what is really going on in society, says the HDR, and while they can be helpful in telling a larger story, much more detailed information is needed to create policies to tackle inequality effectively.

Looking beyond today, the report looks at policy options that could help mitigate inequality in the future, particularly through the lens of climate change and technological transformation.

### ### ###

<https://www.dropbox.com/sh/vl0qjm3g1nvcg4k/AABXqgDA86UkT9MLTjURmGE4a?dl=0>

*For more information and media interviews, contact:*

New York: Vanessa Hidalgo; [vanessa.hidalgo@undp.org](mailto:vanessa.hidalgo@undp.org); +1 646 338 9462; Adam Cathro; [adam.cathro@undp.org](mailto:adam.cathro@undp.org); +1 212 906 5326 and Anna Ortubia; [anna.ortubia@undp.org](mailto:anna.ortubia@undp.org); +1 212 906 5964

---

***ABOUT UNDP:*** *UNDP partners with people at all levels of society to help build nations that can withstand crisis, and drive and sustain the kind of growth that improves the quality of life for everyone. On the ground in some 177 countries and territories, we offer a global perspective and local insight to help empower lives and build resilient nations.*