# Democracy, Integral Development, and Combating Poverty

Sherry Tross
Executive Secretary for Integral Development
OAS
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## Development & Democracy: 1948 -

"The elimination of extreme poverty is an essential part of the promotion and consolidation of representative democracy and is a common and shared responsibility of the American States"

OAS Charter, Chapter II, Art. 3

#### Integral Development



"Integral development encompasses the economic, social, educational, cultural, scientific, and technological fields through which the goals that each country sets for accomplishing it should be achieved."

-Charter of the OAS, Art. 30



#### Development & Democracy: The Mandates

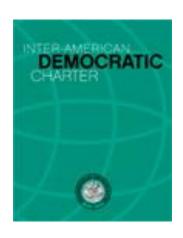
- Charters (3)
- General Assembly
- Summit of the Americas

"Democracy is based, among other fundamentals, on free and transparent elections and includes the right of all citizens to participate in government. Democracy and development reinforce one another."

Declaration of Principles, I Summit of the Americas

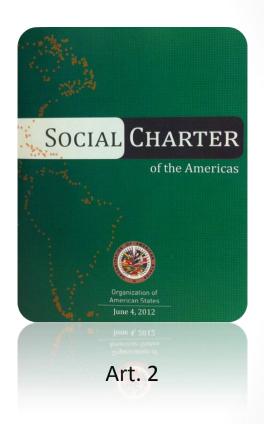


"Democracy is essential for the social, political, and economic development of the peoples of the Americas."

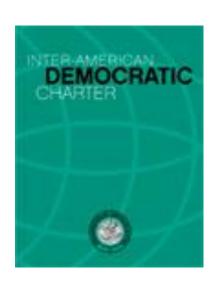


Art. 1

"The promotion and observance of economic, social, and cultural rights are inherently linked to integral development, equitable economic growth, and the consolidation of democracy in the hemisphere."



"It is the right and responsibility of all citizens to participate in decisions relating to their own development. This is also a necessary condition for the full and effective exercise of democracy."



Art. 6

"Democracy and social and economic development are interdependent and are mutually reinforcing."

IADC Art. 11

"Development with equity strengthens and consolidates democracy, since the two are interdependent and mutually reinforcing"

Social Charter, Art. 1

"The promotion and observance of economic, social, and cultural rights are inherently linked to integral development, equitable economic growth, and to the consolidation of democracy in the states of the Hemisphere."

IADC Art. 13; Social Charter, Art. 2

"The elimination of extreme poverty is an essential part of the promotion and consolidation of representative democracy and is a common and shared responsibility of the American States;"

OAS Charter, Art. 3

"Democracy is essential for the social, political, and economic development of the peoples of the Americas."

Inter-American Democratic Charter, Art. 1

"The promotion and observance of economic, social, and cultural rights are inherently linked to integral development, equitable economic growth, and the consolidation of democracy in the hemisphere."

Social Charter of the Americas, Art. 2

### Why a Social Charter?

"A Social Charter has to follow and complement the Democratic Charter. In it, we should reaffirm the commitment and our common and shared responsibility to eliminate critical poverty."

Amb. Juan Manuel Castulovich, Permanent Rep., Panama, 9/6/2001, DC

"Venezuela proposes that, in the framework of the Permanent Council, a working group be created that would begin preparing the draft of a Hemispheric Social Charter, as we have suggested several times."

Luis Alfonso Davila, Head of Delegation, Venezuela, 9/11/2001, Lima, Peru

### Initiating the Process

October 2003, Isla de Margarita, Venezuela – "High Level Meeting on Poverty, Equity, and Social Inclusion"

- o Member States declared the need to address the problems of poverty, inequality, and social exclusion in the region
- Negotiations begin Sept.2005

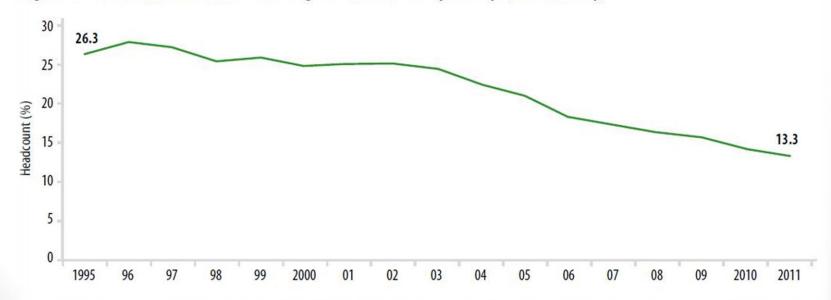


#### Challenge: Poverty

"extreme poverty constitutes an obstacle to development and, in particular, the full democratic development of the peoples of the Hemisphere..."

- Preamble of the Social Charter

Figure 1: Latin Americans are moving out of extreme poverty (\$2.50 a day)



Source: Authors' calculations using SEDLAC data (CEDLAS and the World Bank). Note: Estimates of poverty at the regional level are population-weighted averages of country estimates. In order to analyze the same set of countries every year, interpolation was applied when country data was not available in a given year. For methodological details, please refer to Annex 1.

#### Challenge: Inequality

	Country	Gini Index
1	Lesotho	63.2
2	South Africa	63.1
3	Botswana	63
4	Sierra Leone	62.9
5	Central African Republic	61.3
6	Namibia	59.7
7	Haiti	59.2
8	Colombia	58.5
9	Honduras	57.7
10	Guatemala	55.1
11	Hong Kong	53.7
12	Thailand	53.6
13	Paraguay	53.2
14	Bolivia	53
15	Chile	52.1
16	Panama	51.9
17	Brazil	51.9
18	Papua New Guinea	50.9
19	Zambia	50.8
20	Swaziland	50.4
21	Costa Rica	50.3
22	Gambia, The	50.2
23	Zimbabwe	50.1
24	Sri Lanka	49
25	Mexico	48.3

Of the top 25 countries with the highest inequality, 11 are from Latin America & the Caribbean

LAC most unequal region in the world

Source: CIA World Factbook

#### Challenge: Exclusion & Vulnerability

Poverty not uniformly distributed across the population.

Recent trends show a decrease in % of the population in poverty but an increase in the representation of vulnerable groups within the impoverished population including children, women, rural inhabitants, individuals belonging to an ethnic group, and individuals with disabilities.





#### Challenge: Exclusion & Vulnerability

10% of the population of LAC is of indigenous origin

30% is of African origin

-UN ECLAC



70 million women joined the workforce but participation in professional fields is still limited and a gender wage gap remains

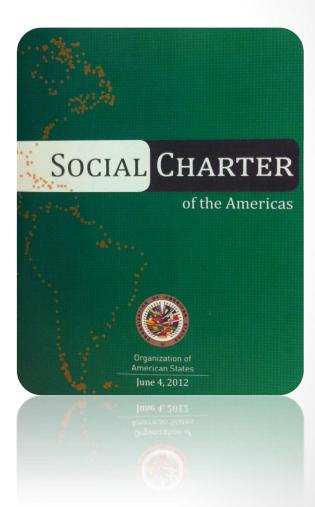
-World Bank

20.3% of the working-age population in Latin America is comprised of 15-23 year-olds who are not in work, school, or training

#### Social Charter of the Americas

#### **Chapters:**

- 1. Social Justice, Development with Equity, and Democracy
- 2.Inclusive and Equitable Economic Development
- 3. Social Development, Equal Opportunity, and Non-Discrimination
- 4. Cultural Development, Diversity, and Pluralism
- 5. Solidarity and Collective Endeavor in the Americas



#### Social Charter of the Americas

"The peoples of the Americas legitimately aspire to social justice and their governments have a responsibility to promote it."

-Social Charter, Art. 1, paragraph 1



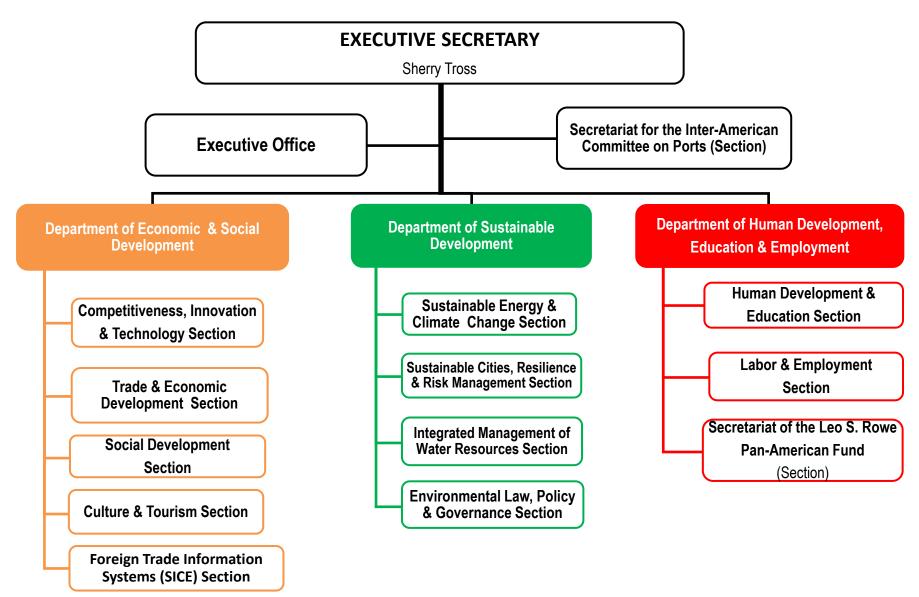
After more than 6 years of negotiation, the Social Charter was adopted in Cochabamba, Bolivia on June 4, 2012

# Democracy, Integral Development, and Combating Poverty



"Hemispheric cooperation contributes to the integral development of individuals; to the elimination of poverty, social exclusion, and inequity; to the consolidation of democracy; and to prosperity for all people in the Americas."

#### **EXECUTIVE SECRETARIAT FOR INTEGRAL DEVELOPMENT**



"We must move forward in consolidating our democracies and strengthening democratic governance; protecting human rights. In the consensus that integral development is more than just economic growth and incorporates the principles of inclusiveness and equity as the basis for prosperity."

SG Jose Miguel Insulza, Inaugural speech