

Latin America: In Search of the Rule of Law and an Economy Focused on Human Development and Environmental Sustainability

The coronavirus pandemic has led to a general impoverishment of populations around the world. Industrialized countries have managed to lessen the impact due to the strengths of their economies and savings capacity, which allowed them to cope with the temporary closure of economies and enormous and unforeseen expenses generated by the coronavirus. Developing countries, mostly indebted, had to acquire more debt to cope with the pandemic, leaving them in a state of economic precariousness.

And when it was thought that in 2022 the process of economic stabilization would begin, Russia decided to invade Ukraine in February which caused strong economic sanctions on Russia imposed by the United States, the European Union, Japan and other countries, generating a new economic shock at the global level. The Russian invasion blocked Ukraine's grain and fertilizer exports, creating global shortages. In short, this war has generated inflation in all countries, especially in critical areas such as energy and food.

Undoubtedly, the economies of Latin America and the Caribbean countries have been strongly affected by these events, which in turn has generated social explosions in several countries of the region, due to the general impoverishment of the population and the inadequate response of governments.

However, it is well known that before the pandemic, the Latin American and Caribbean region had already been suffering from high and historic levels of social inequality, caused by government policies aimed at protecting the interests and privileges of selfish politicians and unscrupulous businessmen who have only practiced crony capitalism rather than believing in a free market economic system.

Certainly, the general deterioration of countries' economies, coupled with imported inflation and persistent social inequality, has led citizens in different countries to express their deep and accumulated discontent with the inefficient management of traditional power structures.

In fact, the citizens of the region have lost confidence in the traditional political system, which has strengthened the leftist discourse among the Latin American electorate. This situation has led to the democratic election of leftist governments in Chile, Peru, Colombia, and it seems that Brazil will soon join the new leftist wave that is permeating South America.

Indeed, the widespread perception of government corruption, the lack of institutional controls, a distorted free market system (crony capitalism) and a crooked justice system that does not punish the corruption of public and private persons in high positions (except few cases) are the main causes of the debacle in Latin American societies.

Government corruption is an assault to people's resources that prevents citizens from having access to basic services such as security, food, education, health, housing, transportation, decent employment, among others.

To solve basic problems of the population, there is no need to invent the wheel or import foreign ideological formulas. What is needed is to create and believe in a **REAL AND FUNCTIONAL RULE OF LAW**, where government corruption is typified as **A CRIME OF HIGH TREASON TO THE MOTHERLAND** and strongly punished with long years in prison; where an independent and impartial justice prevails and presidents, ministers and other public officials respect and apply the laws rigorously, acting with transparency and being accountable to the people.

The effective application of the **RULE OF LAW** ensures that economic actors operate under the same rules, without privileges or special favors from the government and guaranteeing an effective free market competition (not crony capitalism), in the same way that a referee in a football game guarantees that no player violates or twists the rules to receive an advantage over others.

On the other hand, Latin America and the Caribbean must focus its efforts on **HUMAN DEVELOPMENT**. A developed country is not the one with impressive and sophisticated skyscrapers, smart buildings or high technology. A developed country is the one that is able to **meet the primary needs of the population to enjoy a decent life**.

In this regard, we must define a developed country as the one that is able to provide the population, or at least the majority, with quality and basic services for a good living such as **SECURITY, FOOD, EDUCATION, HEALTH, HOUSING, TRANSPORT, EMPLOYMENT**, among other necessary services. Certainly, I am not saying anything new, and I should also add infrastructure of roads, electricity, telecommunications, aqueduct, sewage, garbage disposal, etc.

However, the current situation must lead us to question why Latin America, after freeing itself from the colonial rule 200 years ago, has not yet been able to provide decent basic services to the population, maintaining persistent social inequality, and consequently, a poor living condition in a region that has a relatively young population and human talent to become First World citizens.

I think that in Latin America, despite inheriting the institutions of the **RULE OF LAW**, the vast majority of countries have not internalized them. They have not yet incorporated the obedience and compliance with laws as part of their national identity and social fabric.

On the contrary, in many countries of the region, bribery and other corruption expressions named in Spanish as "mordida", "el salve", "que hay pa'mi" "juega vivo" are harmful social practices rooted in the mindset of a number of people from high positions of government to low-ranking public officials, having a negative influence on the social behavior.

Because of this pernicious and selfish mentality, many people participate in politics in order to obtain some personal gain or benefit from public office, favoring family, friends, businessmen or electoral clients in violation of the law.

In Latin America, it doesn't matter if the country operates under a right-wing or left-wing ideology since general poverty is observable at both ends, although it is deeper where the state controls all the means of production. In the "capitalist" Latin American countries, the common denominator and root of poverty has been the lack or weak application of the **RULE OF LAW** and use of the government structure for the benefit of economic groups that control the political system.

I wish to highlight that the needs of the peoples are not a matter of ideology or philosophy of government but a matter of providing basic and efficient services to the population. It is an operational matter, related to the functioning of the government to meet those needs.

To provide basic services to the population, no more international studies or consultancies are required. The Latin American peoples already know where the solution lies, and they also have the talent and capacity to solve their own problems. They just need transparent governments that work and focus on solving citizens **BASIC** problems. As the British statesman and philosopher, Edmund Burke said, the administration of the state is a **PRACTICAL MATTER**, not an intellectual or abstract exercise or empty political discourses.

I think that, after 200 years of independent life, it is time for Latin America to move towards the real and effective application of the **RULE OF LAW**, which is the state of civilization that separates us from the jungle, from chaos and anarchy. Only the **RULE OF LAW**, where the law governs, where justice works impartially, will make it possible for Latin America to evolve into more equitable and prosperous societies, substantially reducing the scourge of corruption, and its direct consequence: the poverty of the population.

It is also time for Latin America to analyze and explore the possibility to implement economic systems that have proven successful such as the **SOCIAL MARKET ECONOMY** practiced in Germany and Nordic countries or the **DEVELOPMENTAL MARKET ECONOMY** we observe in Japan and other Asian countries. The design of the economic system must also prioritize **ENVIRONMENTAL SUSTAINABILITY** in light of the existential threat posed by Climate Change.

The above economic models have promoted **HUMAN DEVELOPMENT** and have generated a more equitable economic growth. They have established mechanisms to avoid the excessive accumulation of wealth in a few hands, have prevented social inequalities and have developed policies to reduce the impact of human activity on the environment.

As a child, my father taught me that to move forward in life we have to learn from the best. Thanks to that basic premise, which I adopted as a principle of life, I was able to reach a better level of personal and professional development. My father's teaching also applies to states.

In addition, I believe that a new methodology should be adopted to measure the progress of countries in our region and the world. So far, we have observed international organizations analyzing socioeconomic realities of countries from the perspective of economic growth, instead of prioritizing **HUMAN DEVELOPMENT**. Thus, it is time to measure the progress of nations in terms of the number of people with access to basic and efficient services, in order to achieve a fair measure of peoples' socio-economic development.

Although most Latin American countries has experienced historical social inequalities and the virus of governmental corruption that generates them, I maintain a certain degree of optimism when I observe several countries in the region making serious efforts to enforce the rule of law and contain corruption, against all odds, maintaining a high degree of political maturity, and more importantly, social stability.

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Notes:

This opinion piece is food for thought to generate reflection and debate. And certainly, I don't own the truth, but I do own my opinions. Constructive criticism and honest opinions about this article are very welcome to improve my thinking.

Many thanks to Ayana Diaz Hatada for translating the article into Japanese.