

# SOCIAL INEQUALITY AS A STRONG OBSTACLE FOR DEMOCRACY

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STUDYING SOCIAL INEQUALITY IN LATIN AMERICA requires a perspective that considers not only economic inequalities, but also those which have permanently affected the political sphere, and more specifically the consolidation of Latin American democracy. For a long time the tension between inequality and democracy has been disregarded. The questions addressed in this article imply a turn in our ways of understanding the meanings of high social equality. Higher levels of social equality cannot only be achieved by overcoming poverty through social or redistributive policies. To complement these policies, it is necessary to address the substantial ethical dimension of *the principle of equality* through a focus on social and political rights. The latter should be placed as the ultimate goal of any government that wishes to call itself democratic.

## APPROACHES TO INEQUALITY IN LATIN AMERICA

Research about social inequality in Latin America plays a key role in academic discussions, debates in international organizations and national governments' programs. This is not only due to the fact that our region has been historically one of the most unequal regions of the world.<sup>1</sup> Besides, despite years of implementing social policies to overcome this problem, it is still complicated to find improvement indicators of social equality in most of our countries.

In this context, international organizations such as the World Bank (WB), the United Nations Development Program (UNDP) and the Economic Commission for Latin America and the Caribbean (ECLAC) have done relevant research on social stratification, income, social inequality and economic growth. Since the late nineties these agencies have also provided many



recommendations for public policies against poverty and the prevention of an intergenerational transfer of social inequality.<sup>2</sup> Furthermore, they have been involved in the assessment of governmental policies on the aforementioned issues. In this context, a largely celebrated approach against inequality has focused on both *direct or indirect income transfers* aimed at the poorest strata of society.

In recent years, there has been a growing interest to understand social inequality from inside the governments and societies themselves paying special attention to the forms of conflict taken by social inequality in several countries. This is mainly a consequence of the massive mobilizations of society groups that have claimed equitable access to goods and social rights (increased levels of political representation, education, health, environment, etc.). These manifestations have exposed the incomplete democratic process in the region. In this new scenario, it is important to

reconsider the conflictive relation between inequality and democracy and the obstacles that it generates with regard to social inclusion and citizenship.

UNDP and ECLAC have called attention to the need to incorporate institutional changes at the state level which guarantee *equality of rights* to the different segments of society as well as their inclusion into the political system and capacity to influence decision-making processes. These are considered necessary conditions for higher levels of democratization and human development.<sup>3</sup> Moreover, the debate about inequality furthered by the theory of political transition has been of equal importance in the region. According to this discussion, the democratization of political regimes would reshape the relationship between democracy and equality –understood in terms of opportunity creation and an active inclusion of the subaltern groups.<sup>4</sup> This perspective has been highly criticized due to the inability of democracy let alone to produce the amount of public goods necessary to the consolidation of the democratic regimes<sup>5</sup> and thus to achieve an egalitarian distribution of the opportunities generated.



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#### INEQUALITY ON THE NEW PUBLIC SPHERE

With the transitions to democracy in Latin America since 1980s, two main concerns emerged: 1) the institutional reconstruction after dictatorships and civil wars; and 2) the challenge to overcome the immense ‘social debt’, mainly extreme poverty.<sup>6</sup> In order to face this second problem many Latin American states initiated programs of social assistance. Such programs have changed during the 1990s with the attempt – at least on the paper - to make them tools to tackle not only poverty but also inequality.<sup>7</sup> These ‘public policies’, as they were known from then on, tried to address the demands for State welfare and social services. They played an important role in trying to regain political, economic and social rights for the whole population –now seen as a prime vector of democratic development. Governmental actors



and political elites thus turned to a political discourse centered on inclusion and social cohesion as a tool to obtain political legitimacy.<sup>8</sup> Although these public policies managed to significantly reduce poverty indicators in countries like Brazil, Mexico and Chile, among others, they did little to diminish the gap between the rich and the poor.<sup>9</sup>

Moreover, it is important to point to the negative effects of such policies, such as the production of relations of total dependence between the state and the most vulnerable groups who in turn are prevented from fully acting as participative subjects. As a result, social actors turn into mere *objects of politics* whose role as political subjects is inhibited.<sup>10</sup> In other words, clientelism has emerged with great influence in the election of political authorities, which grants political control to the elites. In a complex paradox, this situation has had the effect of turning such tools aimed at poverty alleviation into mechanisms that legitimize and reproduce social inequality.

These developments are the consequence of a process of systematic privatization of social goods and services, which resulted from the introduction of structural adjustment policies. This includes the privatization of health care, education and social protection as processes that reflect the withdrawal of the state from the public sphere.<sup>11</sup>

#### WHAT TO DO THEN?

The task to demount social inequality is not only an economic but also a political enterprise, which Latin America is urged to accomplish. This endeavor implies understanding the fact that social policies have mainly a palliative effect and are not directly linked to the expansion of social, political and economic rights – despite optimistic opinions in official documents. As long as there is no equality before the law, fairness between citizens and legitimate recognition of differences between the social groups, democracy will not be achieved. Our challenge is then to move from the discussion on reforms of basic services (such as

education, health care and social security) to a *political reform* that guarantees the equal possession of these rights by all citizens. Only under these conditions, Latin Americans will have a fully-fledged democracy.

#### NOTES:

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1. Paramio, L (1994), Klisberg, B (2002), Cortés, F (2011)
2. UNDP (2010) and ECLAC (2010)
3. UNDP (2010) and ECLAC (2010)
4. Burchardt, H (2008)
5. Pzeworski, A. (1998)
6. In the nineties as well as in the eighties debate discussion was focused on the theme of poverty. Inequality start being relevant only around the year 2000. See Lanzarotti and Mora (2004)
7. Especially meaningful were the politics of conditioned transfer applied in many Latin-American countries which profited from the support of international organisms. Among others we can find: “Fome Zero” [zero hunger] from Brazil, “Chile Solidario” [solidarian Chile] in Chile and “Oportunidades” [opportunities] in Mexico.
8. Chile under the governments of “la Concertación” proves being an iconic example in this matter. See Moriconi, M (2009).
9. This can be exemplified with the case of Chile where indicators of inequality actually grew under the democracy. (European Commission, 2007)
10. Regarding the constitution of social groups as objects of public policy, Chatterjee, P (2008) presents relevant information in the analysis of the case of the suburbs of Calcuta in India.
11. The notion of a Minimal State was enlarged by the structural reforms of the Washington Consensus, whose effects have had profound and long lasting impacts in the continent until today.