Political and social compacts for equality and sustainable development in Latin America and the Caribbean in the post-COVID-19 recovery

Introduction

The coronavirus disease 2019 (COVID-19) pandemic hit Latin America and the Caribbean in a period of economic, social and environmental vulnerability (ECLAC, 2020a). Tackling the health crisis—which has outlasted initial forecasts—and its deleterious economic and social effects will require political and social compacts built on broad multi-stakeholder participation that universalize social protection and health and, above all, refocus development on equality and on fiscal, production and environmental policies for sustainability. Compacts must be directed towards laying the foundations for a welfare state that, among other things, ensures universal access to health, redistributive taxes, increased productivity, better provision of public goods and services, sustainable management of natural resources and more substantial and diversified public and private investment.

These social compacts will have to be far-reaching agreements that may even culminate in new constitutional processes. Political leadership will be required to ensure the participation of a broad variety of stakeholders whose voice is usually expressed through the popular vote and involvement in political and social organizations, but who are now playing a broader role and becoming increasingly influential in ensuring that democratic institutions, government and parliaments take effective action. In this process, regional and international solidarity will be critical to build back better, based on common values and shared responsibilities for the progress of all.

Some parts of Latin American and the Caribbean have become hotspots of the COVID-19 pandemic. As of 3 October 2020, there had been some 9.4 million cases of COVID-19 and more than 340,000 deaths in the region (WHO, 2020). Several countries are far from achieving significant and sustained reduction of transmission to flatten the curve. Among the factors that have made the region particularly vulnerable are the high level of informal employment, low

Unless otherwise indicated, this report uses data available up to 3 October 2020.
productivity, precarious urban settlements, high levels of poverty and inequality, wide gender disparities, and the fragility and fragmentation of health and social protection systems.

- In the decade following the global financial crisis (2010–2019), regional GDP growth fell from 6.0% to 0.2%. Moreover, growth in the 2014–2019 period was the lowest level recorded since the 1950s (0.4%). The crisis that has been affecting the region in 2020 will be the worst in its history, with GDP contracting by 9.1% according to projections to October by the Economic Commission for Latin America and the Caribbean (ECLAC) (see figure 1). A contraction of comparable magnitude has not occurred since the Great Depression of 1930, when GDP fell by 5%, or even since 1914, when it dropped by 4.9% (ECLAC, 2020c). The pandemic has become an unprecedented economic and social crisis in the region and, if urgent measures are not taken, it could become a food and humanitarian crisis (ECLAC/PAHO, 2020).

Figure 1 | Latin America: GDP growth rates, 1901–2020 (Percentages)

As figure 2 shows, by the end of 2020 the decline in economic activity will take per capita GDP in Latin America and the Caribbean to a level similar to 2010, marking a reversal of 10 years’ growth (ECLAC, 2020b). The pandemic has also highlighted some pre-existing vulnerabilities, such as those of small island developing States: highly indebted and vulnerable to climate change and hurricanes, these States have fragile economies that are primarily dependent on tourism and have limited access to financing due to their classification as middle-income countries. More importantly, the COVID-19 outbreak hit the Caribbean just as the countries were beginning to overcome the impacts of the 2007 global financial crisis (ECLAC, 2018b).

According to ECLAC (2020b), with GDP estimated to plunge by 9.1% and unemployment projected to rise 5.4 percentage points, the number of those living in poverty will increase by 45.5 million, bringing the total from 185.5 million in 2019 to 230.9 million in 2020, which is equivalent to 37.3% of the population of Latin America (see figure 3). Within this group, the number living in extreme poverty is expected to increase by 28.5 million, from 67.7 million in 2019 to 96.2 million in 2020, equivalent to 15.5% of the total population. In the region, 8 in every 10 people will have incomes below three times the poverty line, or US$ 500 per month. Inequality in income distribution will also become sharper: ECLAC projects the Gini index will increase by between 1% and 8% and the worst results are expected in the region’s largest economies.

Another major concern in Latin America and the Caribbean is the large share of the population in informal employment and, thus, without access to social security. As ECLAC notes (2020d, p.1), “labour markets in the region are often precarious: there is a high proportion of informal employment (53.1% in 2016, according to the International Labour Organization (ILO, 2018). In 2018, just 47.4% of the employed were contributing to pension systems and over 20% of them were living in poverty. Women, girls, indigenous people, Afrodescendants and migrants are all overrepresented among informal workers.”
While the crisis affects the entire workforce, the situation of informal workers of both sexes, and especially of women and young people, indigenous people, persons of African descent and migrants, results from the confluence of the axes of inequality and constitutes a hard core of vulnerability (ECLAC, 2020d). In fact, 78% of working women in the region are employed in the sectors of the economy that will be most affected, putting them at higher risk of job loss. In addition, containment measures, lockdowns, school closures and the increase in the number of people falling ill exacerbates gender inequalities, as 72.8% of all health sector employees are women and women spend three times as long as men on unpaid domestic and care work each day in the region. Other elements, such as the increase in domestic violence amid the current crisis, accentuate the vulnerability of women and girls and curtail their autonomy (ECLAC, 2020e).

The pandemic could force children from poorer families into the labour market. This would increase child labour rates to 7.3% of children aged 5–17, some 10.5 million children (ECLAC, 2020a). The burden of unpaid domestic and care work of girls and adolescent girls could also increase. The crisis may deepen the inequalities and social and labour exclusion suffered by indigenous
and Afrodescendent peoples, who account for a large percentage of unskilled self-employed workers (ECLAC, 2020d). According to Kumar and others (2020, p. 16), the informality rate among indigenous workers in Latin America and the Caribbean is 82.6%, 31.5 percentage points higher than among the non-indigenous population (51.1%).

The region must learn from its past. The economic crisis that struck the region in the early 1980s gave rise to a complex period of imbalances and adjustments that, in most cases, prompted countries to undertake structural reforms intended to build more stable and internationally integrated economies capable of significant and sustained growth (ECLAC, 1996, p. 7). The region took 14 years to regain the pre-1980s level of per capita GDP and 25 years to bring poverty back to the pre-crisis level (ECLAC, 2020d). ECLAC has described this period as a lost decade.

It should be recalled that this recovery coincided with the return of democracy after lengthy and bloody military dictatorships, especially in South America. Central America also endured a long spell of dictatorship, with Costa Rica being the only country in the subregion that was not governed by an authoritarian regime into the 1980s. The military conflicts in Central America were brought to an end by the Esquipulas Accords, which were concluded thanks to the work of the Contadora Group on the ground between 1983 and 1985. This continent-wide process of democratic reconstruction had wide public and international support, occurring against the backdrop of the fall of the Berlin Wall and of real socialism in Eastern Europe from 1989 on, when liberal democracy and the market were regarded as enablers of welfare and freedom for all. Later, in the 1990s, the Washington Consensus cemented the idea that the State was the fundamental cause of the stagnation in the region, and that opening up State-dominated domains to the private sector was the solution for achieving growth. This accelerated the privatization of public enterprises and allowed the private sector to gain a significantly larger role in the provision of social services such as health, education, social protection and childcare.

The scenario today is diametrically opposed. Before the COVID-19 crisis, several countries in the region were facing difficult situations as public discontent mounted for various reasons; in all of them, frustrations were mounting over the performance of the model applied since the 1990s and there was a concerning disengagement from representative democracies, as well as mistrust of authorities and institutions. In a region whose origins are marked by colonialism, classism, racism and patriarchy, the deep-rooted culture of privilege remains intact and has only been partially subdued by the COVID-19 crisis.

How authorities perform amid this crisis will be decisive in enabling the use of institutional means to shift the political stage towards greater social inclusion, and to avoid widening the divide between citizens, and between citizens and the State.

The region’s leaders and politicians have had to deal with an unprecedented crisis that will likely last longer than expected, with high uncertainty and few scientific sureties on the progression of the pandemic and how to control it. Immediate and extraordinary containment and isolation measures, updated frequently and inconsistently, have been necessary to mitigate the health, social and economic effects of the pandemic. Some leaders have sought to protect the health of their citizens while trying to reduce the economic and social effects of the health crisis, and to respect civil, political, social, economic and cultural rights. However, the region’s authorities are using public policy tools that, in some cases, are insufficient given the severity of the crisis and are often viewed with distrust by the population. In this respect, as the months have passed, the public has grown weary of lengthy lockdowns, and voices questioning their effectiveness are emerging, jeopardizing the progress made in flattening the curve. With the more than 9 million cases mentioned earlier and 340,000 deaths as of early October this year, the region—with the exception of Costa Rica, Cuba, Uruguay and most Caribbean countries— is in a fragile position to continue responding to the health crisis.

This crisis demands rapid and efficient public action to respond to diverse national realities and make decisions, backed by science, that the general public will perceive as the best public policy alternatives. To this end, authorities must be ready to listen to citizens, change course as necessary, and open up spaces for better use of digital technologies to encourage civil society participation, including by women’s and feminist organisations and movements, as well

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2 In the Caribbean, however, the decolonization process was just ending, and the newly independent democracies were positioning themselves in the international community.
as indigenous peoples, people of African descent, rural populations, grassroots organizations, and the scientific and research community, among others. This participation must translate into coordinated action at the local, national and regional levels that is both timely and appropriate with respect to decision-making.

- It is vital that the critical information underpinning decisions made by authorities be transparent, based on scientific data, and available in readily accessible formats and language that is easily understood by all. The pandemic has laid bare the gaps in access, affordability and speed of digital networks that deepen social inequalities. Digital networks form the basis of communication and interaction infrastructure in contemporary societies and their importance, brought to the fore by the pandemic, will only increase in the coming years. ECLAC supports the idea of guaranteeing a basic digital basket (ECLAC, 2020g), for with the suspension of face-to-face activities, these technologies become the only means by which households can access education and medicine, exercise their social rights or ensure citizen participation, among other activities.

- The region’s political leaders must be capable of listening to citizens, empathizing with their fears, and holding themselves to account. It is also important that they admit to and correct mistakes made in the course of the emergency. They must be quick learners at the various phases of the pandemic and adapt accordingly, as well as promote real adaptive changes in the population to ensure the effectiveness of health measures. These changes include the use of masks, physical distancing and adherence to protocols when returning to economic and educational activity, among others.

- It is therefore a matter of urgency to have a State capable of planning, programming and executing actions at different times and in different geographical areas, and moreover of taking measures despite the unprecedented ways in which democratic institutions are operating (often teleworking or over virtual platforms). Actions must be proportionate and balanced, bearing in mind that if the pandemic transmission curve is not brought under control, the countries’ economies will be unable to recover. There is no question: health comes first (ECLAC/PAHO, 2020). What is clear is that until there is a universal vaccine or more than 80% of the population has acquired immunity, humankind will have to coexist with the virus.

- Isolation and lockdown measures have highlighted significant pre-existing gaps. Poorer populations in rural or urban areas —those who must leave their homes to earn an income, such as paid domestic workers, those living in informal, overcrowded settlements and more densely populated areas, or the homeless— have been disproportionately affected by such measures. In countries such as those in the Caribbean, which are highly dependent on food imports, there is also a risk of food insecurity, especially for vulnerable populations. To close gaps and reduce the inequalities in access to well-being and to eradicate the social footprint of the current development model, a regional commitment is needed to inclusive social development, with a rights-based approach and universalism that is sensitive to differences (ECLAC, 2019).

- The region’s leaders and politicians must espouse the goal to leave no one behind and, more importantly the objective of equality enshrined in the 2030 Agenda for Sustainable Development. The 17 Sustainable Development Goals (SDGs) are more important and relevant than ever for advancing towards a new development model capable of eradicating extreme poverty, closing income, wealth and access gaps, generating quality employment, ensuring healthy lives and promoting well-being for all at all ages, and tackling the climate crisis leaving no one behind (ECLAC, 2020f).

- Now is the time to ensure the health and well-being of all in Latin America and the Caribbean, and to focus especially on the most vulnerable populations, such as women, because containment and lockdown measures exacerbate the care crisis in the region and expose some women to a serious threat of violence in their homes. Special attention must also be given to people of African descent and indigenous peoples, who often suffer discrimination and cultural and geographical isolation. Lastly, migrants, asylum seekers and refugees are particularly vulnerable in their countries of residence and have been overlooked in their countries of origin.

3 Organizations such as the Organization of American States (OAS), the Organisation of Eastern Caribbean States (OECS), the Caribbean Community (CARICOM), the Central American Integration System (SICA) and the Inter-American Institute for Cooperation on Agriculture (IICA) have all promoted subregional initiatives to enhance coordination and cooperation in this area.
A. The rule of law and human rights at the centre of recovery

- Since the beginning of the pandemic, the governments of Latin America and the Caribbean have adopted various types of measures—most of them emanating from the executive branch—such as the following: the closure and conditional reopening of air, land, sea and river borders; declaration of a health emergency or state of emergency owing to disaster; restrictions and bans on the movement of people (preventive and mandatory quarantines); curfews; restrictions on the right to freedom of movement, the right of assembly and the right to education owing to the suspension of educational activities, virtual classes and gradual reopening; physical distancing; teleworking and internal borders or cordons sanitaires. In the economic sphere, the governments have also adopted measures to support supply, such as low and even zero interest rate loans to provide liquidity to companies, financing aimed at micro, small and medium-sized enterprises (MSMEs), and advisory services, training or other tools to reactivate these businesses. In addition, policies have been implemented to secure the income of wage earners or to provide subsidies and unemployment insurance, among other demand-side measures.

- Parliaments have played an important role in this process, as bills and resources have had to be introduced and approved to implement these measures; for example, specific labour laws which temporarily relax contractual relationships in the private sector to safeguard employment, protect unemployed or underemployed workers in the formal and informal sectors, and regularize teleworking. Legislation has also been passed to provide exceptional economic support to vulnerable segments of the population, to create food programmes, and to support MSMEs by providing tax relief and adopting other measures to promote economic reactivation.

- Parliaments are playing the fundamental role of monitoring the performance of the executive branch through virtual meetings with ministers to follow up sectoral measures and newly-created virtual emergency and reactivation committees. For example, in Guatemala, presidential committees on social, citizen, health and environmental protection and on security and justice were created to oversee the measures taken by the executive. In Jamaica, the House of Representatives established a Special Select Committee on Public Health (COVID-19).

- Over the past months, both regionally and internationally, questions have been raised about some institutional responses to the crisis in terms of respect for human rights (IACHR, 2020; OHCHR, 2020b). Concerns have been voiced that the exceptional measures taken in this health emergency could become permanent, incorporated into the “new normal,” or used to allow certain political and social groups to amass power to the detriment of others.

- Other measures have given rise to concerns that certain fundamental rights may be restricted, such as the right to freedom of movement, the right to protest, the right of assembly or the right to privacy. In some cases, concerns have been raised about military institutions possibly taking an active role in the political arena or the remilitarization of some of the region’s democracies. Fears have also been expressed about the adoption of laws exempting military and police forces from criminal liability if they use their weapons in self-defence during a state of emergency declared to prevent the spread of the coronavirus.

- There is also concern about the oversight or neglect of certain vulnerable groups and their agendas, which, with much effort, had carved out a space in various societies. These include the agendas relating to gender, indigenous peoples, Afrodescendants and lesbian, gay, bisexual, transgender and intersex (LGBTI) persons, among others, in addition to the environmental agenda.

- There are concerns, as well, about future uses of camera-based facial recognition tools and the use of body temperature data, which are measures designed to track individuals for the purpose of tracing possible infections. The use of these technologies, particularly artificial intelligence and big data, to enforce emergency and security restrictions, or to monitor and follow up on affected populations, raises concerns in particular that these measures will remain in effect after the COVID-19 emergency is over. All measures should be timebound and justified by...
legitimate public health objectives, and should contain meaningful data protection safeguards that adhere strictly to international law; in other words, they must meet the requirements of legality, legitimacy and necessity (OAS, 2020a).

Another political concern is the emergence or strengthening of authoritarian alternatives through discourses that simplify reality and blame all social ills on certain vulnerable population groups. Ethnonationalism, racism and xenophobia are some other expressions of this process. The risk of stigmatization and subsequent discrimination against migrant populations is increasing in several countries in the region. The fragile situation of migrants could become a humanitarian crisis if they are not allowed to return to their countries of origin.

Various regional and United Nations agencies have developed guidelines for governments to take into account the situation of the most vulnerable groups, such as women, children, young people, older persons, persons with disabilities, Afrodescendants, indigenous peoples, LGBTI persons, people in detention, migrants, refugees and displaced people and, to a lesser extent, homeless persons, those living in poverty or those living in informal settlements. However, little or no mention has been made of the situation of sex workers, people living with HIV/AIDS, people with albinism and other minorities. The Inter-American Human Rights System has also expressed its views on the situation of the rights of the relatives of those who have died in the context of the COVID-19 pandemic. Funeral rites should be allowed to be carried out in a manner appropriate to the circumstances and, in so doing, contribute to preserving the memory of the deceased and paying tribute to them. States have been urged to take measures that enable body identification and traceability and to ensure that potentially wrongful deaths are investigated, to protect the rights to truth, justice and reparation of the families of deceased individuals (OAS, 2020b).

Another aspect to be considered is the fight against corruption in the framework of government responses to the COVID-19 crisis. According to Transparency International (2020), during a crisis such as this, there is a high risk that public decisions will be captured or distorted by vested private interests for their own gain, using a range of methods that can include bribery, undisclosed lobbying and opaque political donations, as well as leveraging situations where there are conflicts of interest or revolving doors between the public and private sectors. Transparency International also stresses that the global financial system as a whole remains profoundly vulnerable to the operations of corrupt networks, with significant gaps in anti-money laundering effectiveness in developed countries and major financial centres. In this context, it is key that countries can identify patterns and red flags and prevent the entry or exit of dirty money.

Confronting corruption is one of the priority challenges in Latin America and the Caribbean, as this problem counteracts the new development model needed to overcome the COVID-19 crisis. Regional corruption corrodes social trust because it calls into question the legitimacy of the authorities and their decisions, and increases the disconnect between citizens and public institutions.5 In recent years, the people of Latin America and the Caribbean have demanded more transparency and integrity from their governments and from all public and private entities, as part of broader calls to improve the quality of essential services, for example, public transport, education and health.

To build stronger and more credible States, it is necessary to strengthen the rule of law, foster a cross-cutting system of integrity, promote accountability and strengthen regulatory frameworks, so that they are able to promote fair competition and limit harmful practices that diminish the quality of goods provided to citizens (OECD/CAF/ECLAC, 2018, p. 19). Transparency International (2020) proposes, for example, the following anti-corruption measures in response to COVID-19: articulate and demonstrate the commitment of OAS and its Joint Summit Working Group (JSWG) to anti-corruption; exercise emergency and state of emergency powers in a reasonable manner; promote transparency and accountability in public procurement and contracting processes; monitor disbursements of public funds through audits by internal and external bodies; and implement existing anti-corruption and anti-money laundering frameworks.

The Secretary-General of the United Nations has called on countries to effectively implement the United Nations Convention against Corruption, and has stated that corruption is a threat to people’s well-being and an obstacle to rebuilding a better world after the pandemic, since it diverts much-needed resources away from schools, hospitals and essential infrastructure.

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5 In 2016, 80% of Latin Americans claimed their government was corrupt, a significant increase from 2010, when the figure stood at 65% (OECD/CAF/ECLAC, 2018, p.19).

6 Effective measures to limit corruption include the use of digital technologies, such as big data analysis, open government, and social networking platforms that open up spaces for citizens to communicate with public institutions and participate in policymaking (OECD/CAF/ECLAC, 2018, p.19).
B. Strengthening democracy and its principles

- In at least 65 countries and 7 territories around the world, national and local elections were postponed or rescheduled owing to the COVID-19 pandemic (IFES, 2020a). In Latin America, this was the case for municipal or local elections in Colombia, Paraguay and Peru, and for the national constitutional referendum in Chile, which was postponed from 26 April to 25 October 2020. In the Plurinational State of Bolivia, the general election, which is now scheduled for 18 October 2020, was postponed for a second time, leading to protests in the streets and tensions between government bodies. Meanwhile, in Uruguay, the departmental and municipal elections, which were originally scheduled to be held on 10 May, took place on 27 September.

- In the Caribbean, 16 national or local elections were scheduled for 2020, four of which were postponed because of the pandemic. The general election in the Dominican Republic, which was set for May 2020, was held on 5 July. The second round of municipal elections in French Guiana, Martinique and Guadeloupe, which was to take place in March 2020, was held on 28 June, except in French Guiana, where the elections were again postponed in light of the increase in COVID-19 cases in the territory.

- In other countries, such as Suriname, Saint Kitts and Nevis, and Anguilla, considering that they had no more COVID-19 cases, the elections were held as planned, on 25 May, 5 June and 29 June, respectively. Elections were held on 10 August in Trinidad and Tobago, on 3 September in Jamaica and on 1 October in Bermuda. Those in Saint Vincent and the Grenadines, Belize, the United States Virgin Islands and Puerto Rico are still scheduled for November, and those in the Turks and Caicos Islands for December. Moreover, this period saw the resolution of Guyana’s institutional crisis related to the outcome of the elections held in March 2020.

- During the crisis, it is crucial to strengthen democratic institutions and spaces for participation and dialogue. Elections allow the population to assess their government’s response to the crisis. The results obtained at the ballot box can be an indication of citizens’ support for or rejection of their current leaders and political parties, and give legitimacy to the elected authorities.

- Democratic electoral processes must be guaranteed, and measures to prevent the spread of COVID-19 must not curb the right of citizens to participate in public affairs; in particular, the right to vote and to be elected. In all voting procedures, including alternative initiatives such as remote voting, international and regional human rights standards must be applied to ensure and promote the inclusion and effective participation of all (OHCHR, 2018). In addition, elections should be conducted in an environment that facilitates democratic dialogue during and after the COVID-19 pandemic, and that ensures freedom of opinion and expression, access to information, physical security and effective access to justice and remedies for violations of these rights. In this regard, the importance of ensuring access to election-related information in the digital era has been stressed at the regional level through a series of recommendations addressed to States, digital entities and other stakeholders (United Nations/OSCE/OAS, 2020). Today, more than ever, promoting universal access to digital technologies is essential for our societies to function and for people to be able to participate effectively in the political arena.

- Electoral processes and their results are an opportunity to promote a renewed social compact with the population, to identify gaps, democratic deficits and institutional weaknesses, and to advance in the fulfilment of SDG 16, which refers to the promotion of just, peaceful and inclusive societies. In particular, with regard to the goal of reducing corruption and bribery in all its forms, effective and transparent institutions must be created that are accountable and guarantee inclusive, participatory and representative decision-making at all levels, in response to the needs of the population.

C. Boosting the action of subnational governments

- The pandemic has fuelled tension in the political arena, where the different policies, programmes and projects are formulated, and where the various stakeholders from community life and political and social organizations that support government actions meet and interact. Governments in the region are being forced to act through a complex decision-making network. The magnitude of the crisis has highlighted, more than before, the need for authorities to act at different territorial levels (global, national and local) and to do so in a comprehensive and coordinated manner.

Guidelines have even been developed to support countries in this process, such as OAS (2020c), UNDP (2020) and IFES (2020b).
COVID-19 has increased the visibility of local authorities’ work, as community leaders, public health authorities, education authorities, employers, other public and private sector partners, and service providers. Local services have faced numerous challenges, such as additional pressure on health and social welfare services; financial difficulties; and the economic impact on local businesses and employers. The various national responses have shown that, to be effective, action must be swift and must include the local level. Local governments have had to gradually put themselves on the front line of efforts to contain the pandemic, engaging in dialogue with national authorities, suspending some services or changing how they are offered, and managing use of public spaces, all of which has benefited from close contact with social organizations and citizens.

During this process, as is to be expected, disagreements have arisen between local and national authorities, reflecting the different technical visions they must consider and the responsibilities they must meet. Subnational authorities have questioned the speed and basis of decisions, and have used their legislative and executive autonomy to enact more restrictive measures. In fact, subnational governments have made their own decisions when they felt that those made by central governments were insufficient or came too late.

Learning from this process can contribute to a better understanding of the scope of the powers of each level of government, and of the urgent need for proper planning, communication and coordination of strategies.

D. Including civil society, academia and the private sector

Citizens are paying attention to and gauging governments’ ability to balance the protection of life and human health with the functioning of society, primarily in the areas of production and work. Governments are facing a complex situation, because the effects of the pandemic on health are being compounded by economic recession and impoverishment. As people are asked to make great sacrifices in their daily lives for the common good, authorities must make a renewed commitment to transparency and citizen participation to maintain the legitimacy of government decisions.

Our societies demand greater and better access to timely and reliable information, as well as more and improved channels for participating meaningfully in the decisions that affect them. A good example in this area is the Regional Agreement on Access to Information, Public Participation and Justice in Environmental Matters in Latin America and the Caribbean (Escazú Agreement), which promotes more informed, participatory and inclusive societies and affirms that rights must be at the heart of sustainable development and are fundamental in times of crisis and for preventing conflict.

It is essential that government actions be based on pertinent and timely scientific information and be clearly and quickly explained to citizens. Now more than ever, citizens are demanding to participate in decision-making, because the vast majority of decisions affect them in specific and personal ways.8 It is vital that the critical information behind government decisions be transparent, based on scientific data, and available in easily accessible formats and clear language.

While the COVID-19 crisis continues, it is clear that governments will need to make better use of technological tools and solutions to engage with citizens. Technology is key to keeping democracy alive in this period of lock downs and physical distancing, because, as noted earlier, this virus can only be dealt with successfully through multi-stakeholder cooperation, addressing its short-, medium- and long-term social and economic effects, and ensuring that no one is left behind. Now more than ever, there is a need for coordination, cooperation, sharing of best practices and solidarity. In this regard, the University of the West Indies (UWI) in the Caribbean has applied a good practice of creating a task force to consider responses and solutions to the crisis in the subregion. In Latin America, the Global Forum on Cities and Coronavirus is an initiative led by the Latin American Faculty of Social Sciences (FLACSO Ecuador), the Municipality of the Metropolitan District of Quito and the University Network of Urban Studies of Ecuador (CIVITIC).9

8 For example, measures have been implemented by the communities in the informal settlements of São Paulo (Brazil), creating a network of “street stewards” who keep track of the residents infected with coronavirus and those who have lost their income, in order to provide support and food. They have also created the hashtag #COVID19Nasfavelas for initiatives in communities across the country. In the Caribbean, the governments of the subregion, civil society, coalitions against domestic violence and the United Nations system have implemented joint initiatives to combat gender-based violence during the pandemic and to support people living with HIV/AIDS.

9 Several forums have been held. At the first Global Forum (Cities and Coronavirus: a Complex Equation), the impact of the measures adopted in response to COVID-19 in cities around the world was discussed; at the second Global Forum (Cities and Coronavirus: the Impacts of Policy), a
Governments should consider civil society organizations as strategic partners in the fight against the pandemic. As shown in table 1, over the past months, different social groups in many neighbourhoods of the region’s cities have stepped up self-care and collaboration based on affection, mutual trust, effective rules and networks. State policies must put these positive actions—which are a product of the social capital of the communities—at the service of the common good. The lessons learned with regard to self-care will be remembered after the pandemic and will be crucial social capital for recovery scenarios and for building social inclusion.

The State should also form or strengthen partnerships with the private sector, as well as fostering business respect for human rights (OHCHR, 2011). Noteworthy initiatives have been implemented in the region in this regard, resulting in significant actions that have helped to purchase ventilators, other equipment and food (see table 2 and ECLAC, 2020h). Important measures have also been put in place in offices and factories, which have promoted teleworking, adjusted working hours and opening times, and set up special mechanisms for some social groups, such as pregnant women, older persons and health-care personnel.

E. Crisis recovery scenarios

As the Prime Minister of Barbados mentioned as early as April, the pandemic requires moral and transformational leadership that regulates individual and collective behaviour in relation to the common good and the duties it entails. As many have said, including the United Nations High Commissioner for Human Rights, the pandemic undeniably poses a colossal challenge to leaders and requires coordinated action.

The COVID-19 pandemic has put States and governments in the limelight, in full view of the world’s citizens, who are judging their performance in terms of infection control, identification and treatment of the sick, and the number of deaths. Once the pandemic is brought under control, the leaders and authorities of the governments of the region and the world will very likely be subjected to the most demanding scrutiny and in-depth and diligent inquiries into their work, and will be held accountable for their actions or omissions. This process will have political or legal effects; for example, legal action may be taken by citizens against the State, for medical malpractice or failure to provide care, as already seen in some European countries.

Given the magnitude of the pandemic and its impact on the economy and on society, among other areas, unprecedented accountability processes may be launched. In fact, both the press and specialized scientific journals are already publishing observations based on comparative analysis of the methodologies and public policies that governments have applied. In addition, universities and internationally prestigious institutions have created rankings of national health system performance, highlighting the countries that have achieved the best results in terms of reducing the rate of infection and controlling COVID-19. At the end of the pandemic, there will be sufficient information to evaluate the performance of health systems, and all the social and economic decisions that were made. A number of articles in the international press, for example, have already begun to rank political leaders according to their response to the crisis, and have defined parameters of good leadership in this unprecedented context.

Contrasting with the negative perspective on the economic and social effects of COVID-19, there are notable commendations of the rapid social transformation that has taken place in during the pandemic and the newfound appreciations and adaptive behavioural changes, as well as the reduction in greenhouse gases and the recovery in the quality of bodies of water, among other aspects. Taking an optimistic view, it is argued that these months will form the basis for social change and the shift in public policies that are needed to address the climate emergency, according to the major global agreements, such as the 2030 Agenda for Sustainable Development and the Paris Agreement.
Several civil society organizations have had to change their agendas and approach from long-term projects to urgent emergency relief. For most humanitarian and development organizations, this is a natural change. Other types of organizations, that work on gender issues, women’s rights, the environment, human rights, rehabilitation, violence or education, have had to reinvent themselves to address the public health crisis. One key example of such repositioning is the campaign launched by the Mechanism for civil society participation in the sustainable development agenda and in the Forum of the Countries of Latin America and the Caribbean on Sustainable Development.⁴

Examples include the Chequeado project in Argentina and the Tómatelo en Serio campaign in Mexico. Several civil society actors have coordinated efforts to hold governments accountable for the actions they have taken and make them strengthen their public health response. Certain international and national organizations monitor and report cases of abuse of power and violence by authorities. Many civil society groups also emphasize the plight of vulnerable or marginalized groups and put pressure on authorities to provide them with specific protection. In parallel, some organizations and groups have organized to combat domestic violence and the harmful effects of isolation.

Others compile and document these advocacy initiatives; for example, the Open Government Partnership.

In several countries, the crisis has also led to the invention of new ways of mobilizing in response to the health and economic measures taken by governments. For example, workers in some essential services, such as input and food delivery businesses, or refuse collectors, who are often dependent on companies or contractors, have protested against insufficient safety measures, increased workloads, inadequate wages and unfair dismissals. Many of these workers are women. Something similar has occurred in slums, where people are protesting against the lack of protective measures, and owners of MSMEs are also protesting against the restrictions that have forced them to limit their services or to close. Although this type of demonstration is not new in the region, the emphasis on health and social protection are clearly different. How these new forms of protest evolve will depend largely on how each country’s health crisis is managed in the near future.


* Civil society representatives on the Liaison Committee at the Forum of the Countries of Latin America and the Caribbean on Sustainable Development launched a campaign on social media and networks to raise awareness of the need to strengthen dialogue between governments and civil society in the region, in the framework of implementation of the 2030 Agenda for Sustainable Development, to overcome the impact of COVID-19 in the short and long terms. The Liaison Committee, with representatives from 20 groups, bring together more than 400 organizations and networks in the region, said that they believe that this crisis we are experiencing creates new challenges and necessitates a new social justice compact for all people. See [online] https://redclade.org/wp-content/uploads/Reclamo-de-la-sociedad-civil-a-los-gobiernos-2.pdf.
Table 2 | Examples of public-private partnerships

<table>
<thead>
<tr>
<th>Countries or regions</th>
<th>Initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colombia and Honduras</td>
<td>Agreements have been reached with telecommunications companies to provide users with free access to government websites that provide information on the spread of the pandemic and associated measures.</td>
</tr>
<tr>
<td>Chile</td>
<td>The Confederation of Production and Commerce has created a private fund to buy 400 mechanical ventilators from China and ship them to the country. The Confederation has also financed the purchase of nearly 1 million rapid COVID-19 tests, the provision of a private clinic, and partnerships with foundations that serve the vulnerable. Currently, it is in discussions with the government to implement further measures to support the health sector.</td>
</tr>
<tr>
<td>Peru</td>
<td>The business sector has been contributing, through the National Confederation of Private Business Institutions Emergency Fund, to the purchase and donation of medical equipment to strengthen the public health system, in response to the health emergency. By April, more than 10 million soles had been raised, enabling a purchase of 137 mechanical ventilators from China, in addition to funding vital signs monitors and KN95 masks for Peruvian medical personnel.</td>
</tr>
<tr>
<td>Colombia</td>
<td>A joint venture between Ecopetrol, Arturo Calle and Bio Bolsa will produce nearly 147,000 protective suits that will be donated to doctors and other health system personnel. Ecopetrol also announced a large donation that will be used to provide protective equipment to doctors and to strengthen the health system and moderate- and high-complexity intensive care units of hospitals in Cartagena, Santa Marta and Riohacha.</td>
</tr>
<tr>
<td>The Caribbean</td>
<td>Companies such as perfumery businesses and rum producers have adapted their production lines to make hand sanitizers. They have also donated sanitization products to support local communities affected by the virus.</td>
</tr>
</tbody>
</table>

Source: Economic Commission for Latin America and the Caribbean (ECLAC).

However, there is also a risk that, in the face of economic recession and increasing scarcity of resources, governments will prioritize only the emergency and neglect the progress made in many areas related to sustainable development. A number of social agendas relevant to the future well-being of the region’s citizens could be postponed—or even reversed—such as those on climate change, biodiversity protection, sanitation and access to safe water, renewable energy, indigenous peoples, education and gender. For example, in the area of environmental sustainability, governments have already decided to postpone or suspend some international and regional meetings that were to be held this year to assess the progress made on commitments and to reach new agreements. Not only was the twenty-sixth Conference of the Parties to the United Nations Framework Convention on Climate Change postponed, but also the World Conservation Congress, the United Nations Ocean Conference and the negotiations for a treaty on the conservation and sustainable use of biodiversity at sea. An alternative date for the Conference of the Parties to the Convention on Biological Diversity, which was to be held in China in October, is now being considered.

All these delays will have a considerable effect on national and local environmental protection agendas and will undoubtedly determine the priority that governments accord this issue in their own countries. The Secretary-General of the United Nations reflected this concern in his report on progress towards achieving the Sustainable Development Goals (United Nations, 2020c) and reaffirmed the need to continue to move forward with the various related thematic agendas. In the report, the Secretary-General stated that “it is essential that recent gains be protected as much as possible and that a truly transformative recovery from COVID-19 be pursued, one that reduces the risk of future crises and brings much closer the inclusive and sustainable development required to meet the goals of the 2030 Agenda and the Paris Agreement on climate change, the first task of the decade of action. Those undertakings will require leadership, foresight, innovation, finance and collaboration among all governments and all stakeholders” (United Nations, 2020c, p. 3).

For most governments in Latin America and the Caribbean, which since March have been designing strategies to control COVID-19, possible exits from the crisis are now a priority. Because of the strategic importance of this issue, it is essential that the political leaders of the region work collectively and in solidarity to find joint solutions and build back better, based on the recognition that “business as usual” will be different and that many convictions and certainties from before the pandemic must be set aside.10

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10 To this end, prospective analyses can be used to explore and identify plausible development scenarios and to formulate new strategies for regional progress.
The Secretary-General of the United Nations has also said that, in the knowledge that there is no system of global governance, the only possible way out of the crisis is through effective international cooperation, and has stressed that “multilateralism is not only a matter of confronting shared threats; it is about seizing common opportunities. We now have the opportunity to build back better than in the past” (Guterres, 2020b).

In the countries of Latin America and the Caribbean, there is a need to prepare and lead with a regional voice in the post-pandemic global arena. Until now, the region’s action has been timorous, and it should be strengthened.

F. The need for transformational leadership

In Latin America and the Caribbean, the exercise of political leadership needs to enjoy social legitimacy and societies need to be inclusive, in order to face the health crisis as successfully as possible and to overcome as quickly as possible the serious economic and social damage associated with the pandemic, through post-COVID-19 social, fiscal, productive and environmental governance compacts, among other measures. It is important for governments to bear in mind that, in some parts of the region, the discontent prior to the pandemic led to a build-up of social energy that will not disappear after the crisis, energy that society as a whole will have to manage by opening up institutional, democratic and fair paths of dialogue and social consultation. Within this complex social framework, ECLAC proposes that the countries of Latin America and the Caribbean consider the following:

- Achieve greater certainty based on strong, determined and quality political action to successfully address the economic and social effects of the pandemic. The preparation and adoption of compacts require the political leadership and management to promote and facilitate institutional spaces specifically for forging broad social and political coalitions. Such leadership and management must also serve to recognize and coexist with the collective conflicts that stakeholders face today as part of their adherence to different social groups, since, as Bobbio (1986, p. 49) points out, in a system that is consensus-based and not top-down, some form of dissent is inevitable. Compacts must be devised in a sovereign manner by various means, in accordance with the institutional culture and the democratic practices and values that have guided and given meaning to the work of citizens, social and political organizations, the government, parliaments and the courts, among other bodies, in each country. Recognizing national sovereignty in this area, it is essential that social compacts be based on a democratic culture that, among other things, respects plurality and human rights, considers the gender perspective and leaves no one behind, in order to achieve the greatest possible representation and social legitimacy. The legitimacy and sustainability of these agreements is ensured not only by the broad-based involvement and representation of the different stakeholders, but also by the subsequent fulfilment of what is agreed, which will facilitate coexistence and the resolution of the redistributive conflicts that will inevitably exist.

- Reinstitute or strengthen the right to welfare, and its provision as a social duty of the State. It is time for the State to resume its role as a provider of social goods and services, and for the public sector to illustrate and promote a collective identity and common goals. Strengthening the State, as well as the role of the public sector, must be a means of opening up institutional paths to achieving greater social inclusion on the road to a culture of equality. Among the most urgent needs facing the region today, is that of recognizing and defending the progress made in the area of social protection policies and programmes, and of addressing the remaining challenges, in order to strengthen social protection systems and ensure their universalization.

- Building partnerships between governments, the private sector and civil society in the countries of the region. These inclusive alliances should be built on the basis of the shared vision and common objectives set out in the social, fiscal, productive and environmental sustainability compacts. The public sector will be responsible for instituting and guiding

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11 According to the conflict transformation approach, one alternative is to create local interaction platforms in an effort to lay and maintain a foundation on which processes of change can be instituted, working on the immediate manifestation of and deeper issues underpinning conflicts. All actors should be invited to be involved in these platforms: those directly involved, active representatives of the various groups that have an interest in the results of the process, and businesses and grassroots social organizations, among others.
the partnership, as well as for ensuring that the frameworks for the review, monitoring and
democratic oversight of the processes operate freely. The region's authorities should open
up spaces in which civil society can participate and express itself with a view to organizing
coordinated collective local, national and regional actions that are timely and relevant in
relation to decision-making. Fostering social inclusion will render unnecessary the sort of
disruptive actions that express discontent, anger or unrest, that create disorder and interfere
with economic and political processes, as well as the daily life of our countries.

• Promote solidarity, cooperation and partnerships among nations at the regional level to tackle
the pandemic and its political and social consequences. The current crisis demands visions
that go beyond national borders and allow for the design and coordination of multilateral
actions. The integrated collaboration of multi-stakeholders will make it possible to tackle the
pandemic successfully and, at the same time, deal with its social and economic effects in the
short, medium and long terms. Coordination, cooperation, the sharing of best practices and
solidarity are now more necessary than ever.

• Foster regional integration. Now is the time for political leaders in Latin America and the
Caribbean to promote regional integration in a new economic geography that will foment
regional value chains and reduce dependence on extraregional supply, especially in terms
of medicines and medical equipment to deal with the pandemic. Along these lines, the
region must make progress towards greater productive, trade and technological integration,
and promote industrial policies that will strengthen productive capacities and create new
strategic sectors. An integrated market of 650 million inhabitants offers important insurance
against shocks from outside the region and, at the same time, opens up the possibility of
reaching the scale needed to make new industries viable and to promote shared production
and technological research networks among countries and subregions.

• Encourage the region to lead and adhere to an inclusive and sustainable international
governance framework based on 2030 Agenda, one that is forward-looking, innovative
and promotes collaboration among governments and all stakeholders. In the words of the
Secretary-General of the United Nations, the region must reaffirm the need to continue
advancing the various global agendas associated with the SDGs, protect recent achievements
and commit to a COVID-19 recovery that is transformative in nature, reduces the risk of
future crises and accelerates the sustainable development needed to meet the Goals of the
2030 Agenda and the Paris Agreement on climate change.

• Combine emergency measures with policies that support recovery in the medium term.
To this end, ECLAC has proposed granting an emergency basic income equivalent to one
poverty line for six months to the entire population living in poverty in 2020; extending the
terms and grace periods of loans to MSMEs; co-financing part of the payroll to support
employment; investing 1% of GDP per year in a basic digital basket to ensure universal digital
inclusion; implementing expansionary fiscal and monetary policies that support a longer
period of expenditure through non-conventional national and international instruments, such
as the Fund to Alleviate COVID-19 Economics (FACE) proposed by Costa Rica; strengthening
international solidarity and alleviating the burden of debt and interest payments, in addition
to creating a resilience fund in the Caribbean; and implementing recovery plans that promote
job creation, environmental sustainability, nature-based solutions and basic infrastructure in
rural and urban areas.

In short, Latin America and the Caribbean need transformative political action to guide and provide
certainty and leadership in order to emerge from the crisis caused by the pandemic. Steps must
be taken to avoid another lost decade and the serious social, economic and environmental
effects that this would entail. Despite the crisis, today the countries of the region have greater
strengths on which to draw and a globally better-recognized voice to leverage.
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This Special Report is the eighth in a series by the Economic Commission for Latin America and the Caribbean (ECLAC) on the evolution and impacts of the COVID-19 pandemic in Latin America and the Caribbean. The economic and social analysis it offers will be updated as the relevant information becomes available. The preparation of the Report was headed by the Executive Secretary of ECLAC, Alicia Bárcena, with the technical support of the Office of the Deputy Executive Secretary, Mario Cimoli, and the Office of the Secretary of the Commission.

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