

Latin-America and The Human Opportunity Agenda

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Director

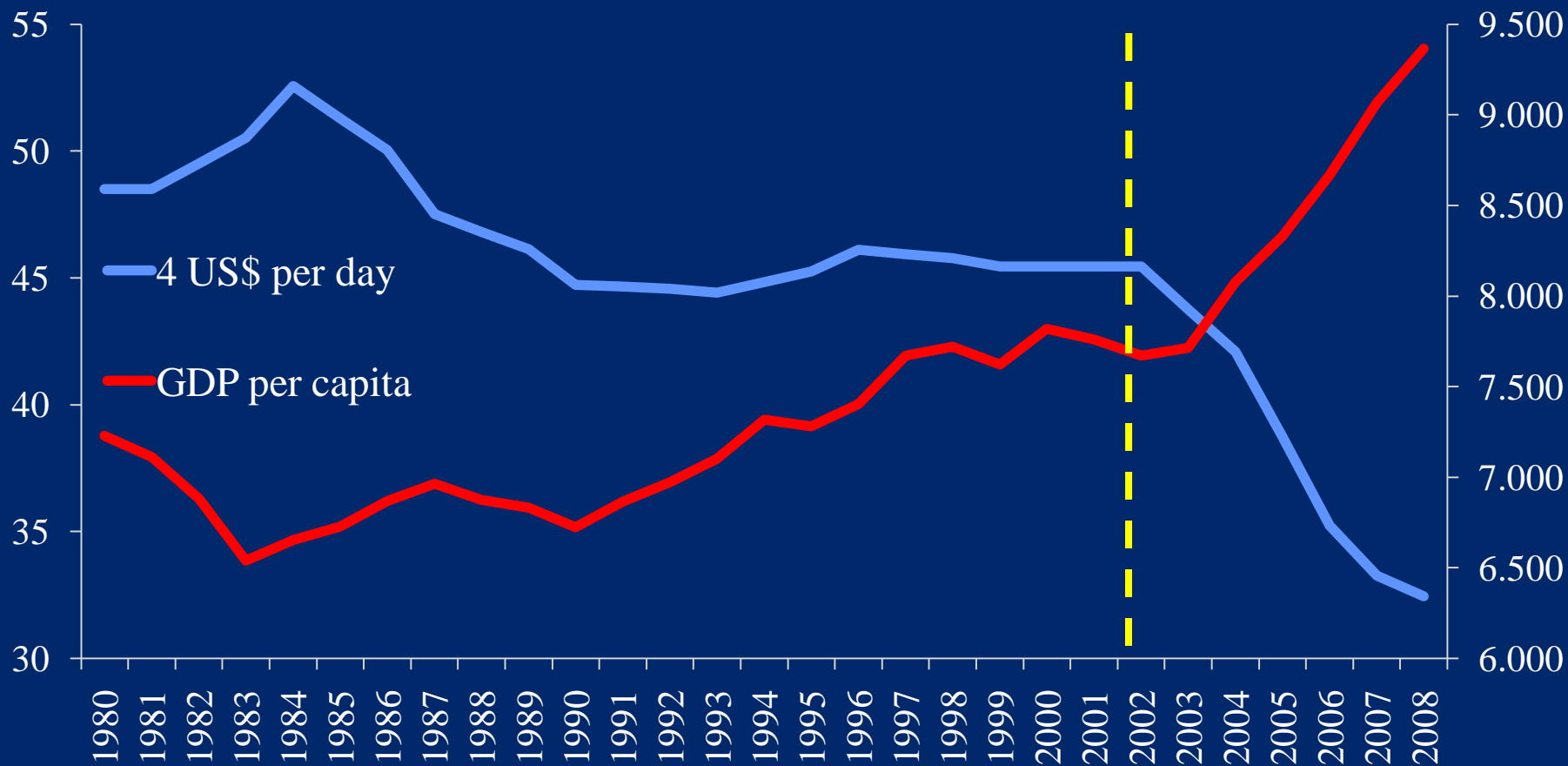
Poverty Reduction and Economic Management

Latin America and the Caribbean

The World Bank

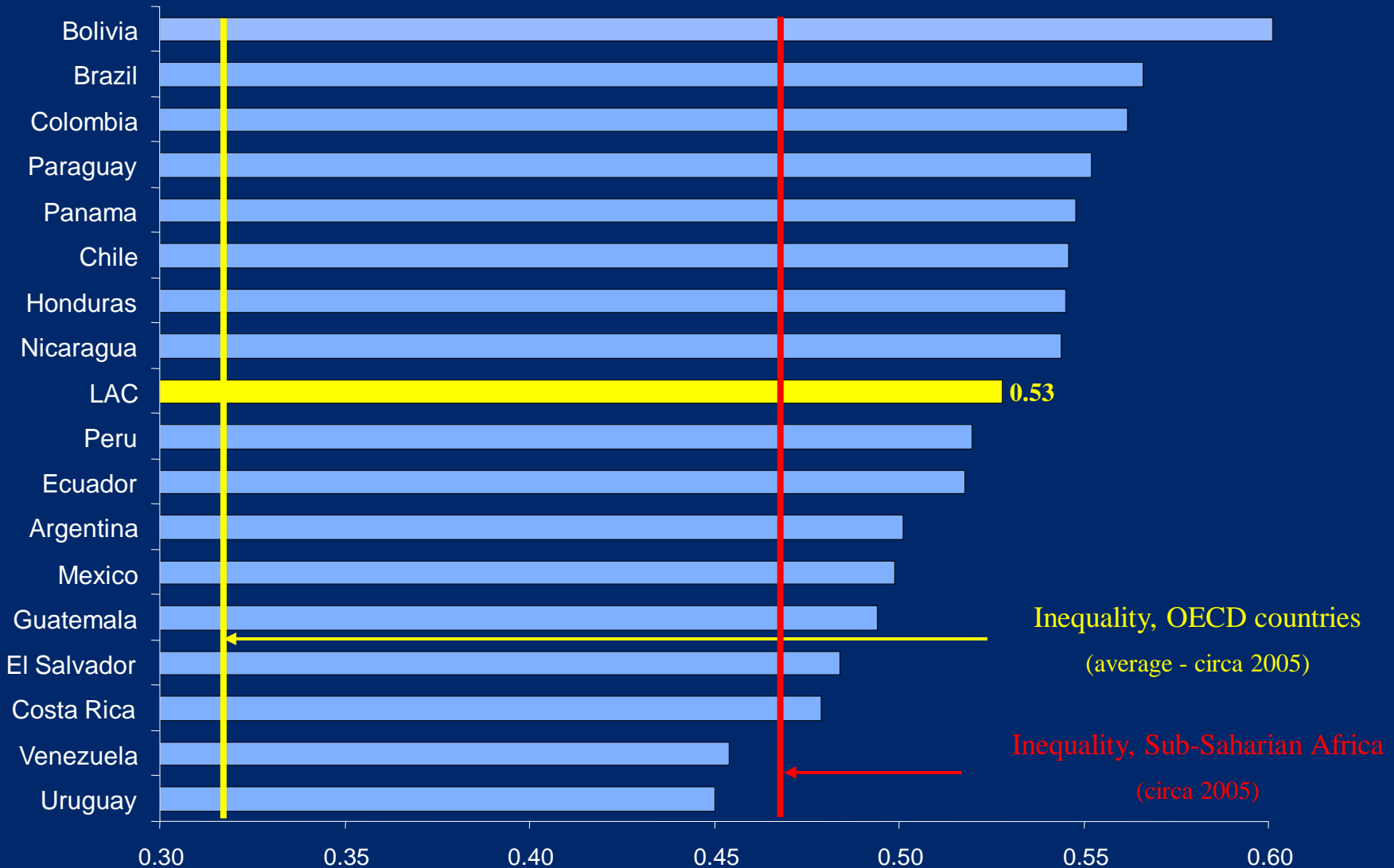
Poverty in LAC has been falling...

Evolution of Poverty (4 US\$ per day) and GDP 1980 – 2008 in LAC



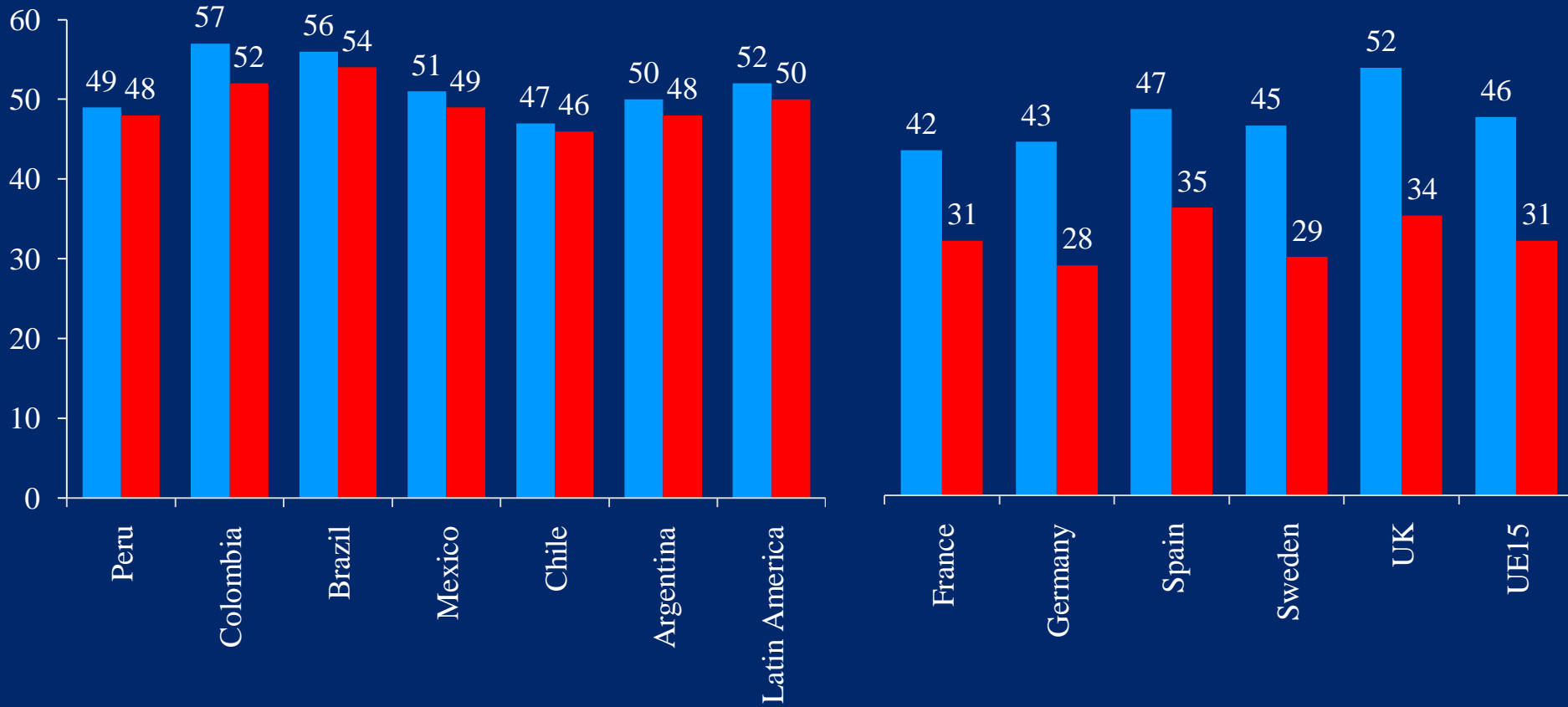
But inequality remains very high...

Income inequality in Latin American countries
(Gini coefficient, circa 2004-2005)

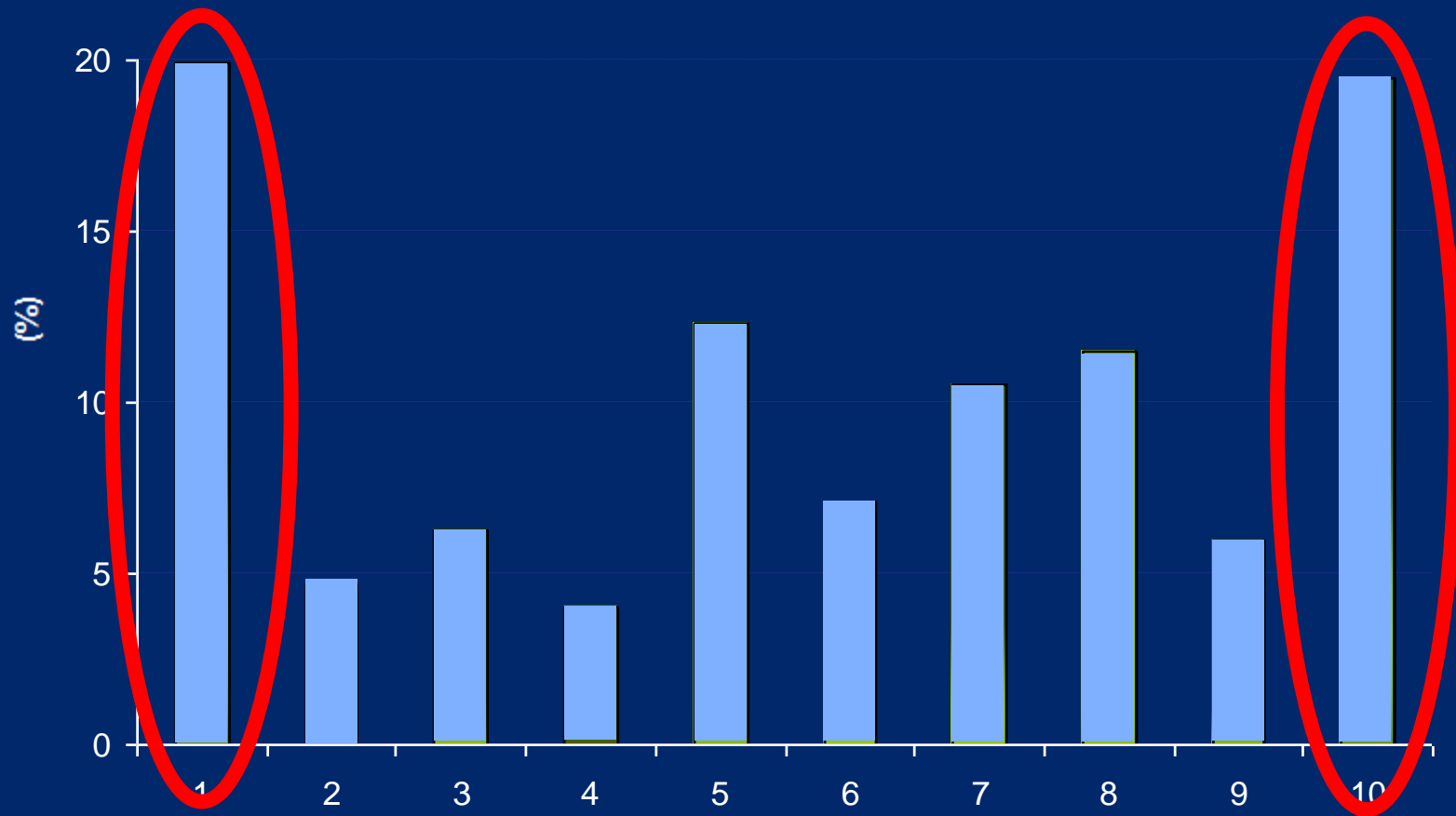


Fiscal Policy And Inequality

Inequality (Ginis) before and after taxes and transfers



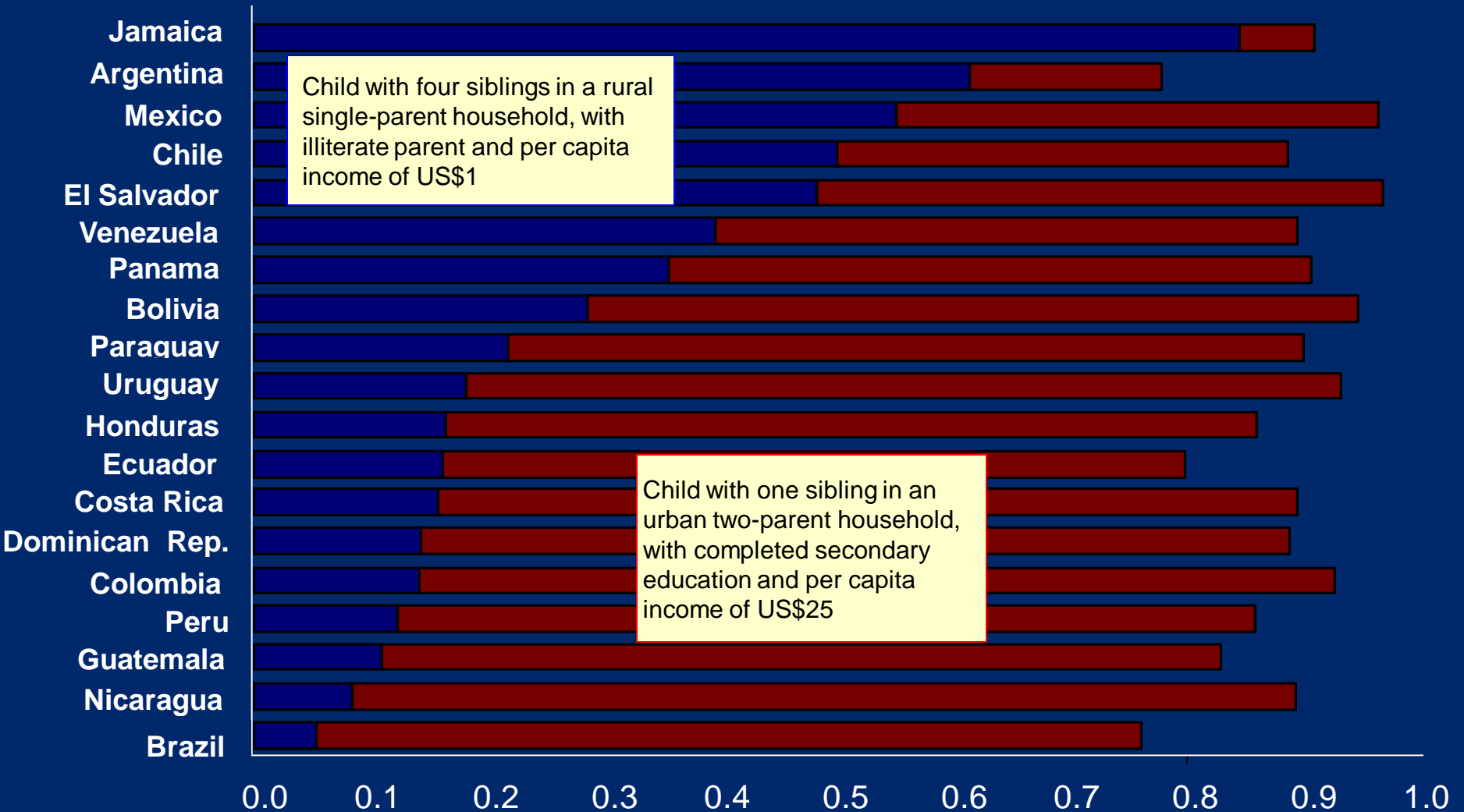
Inequality polarizes politics...



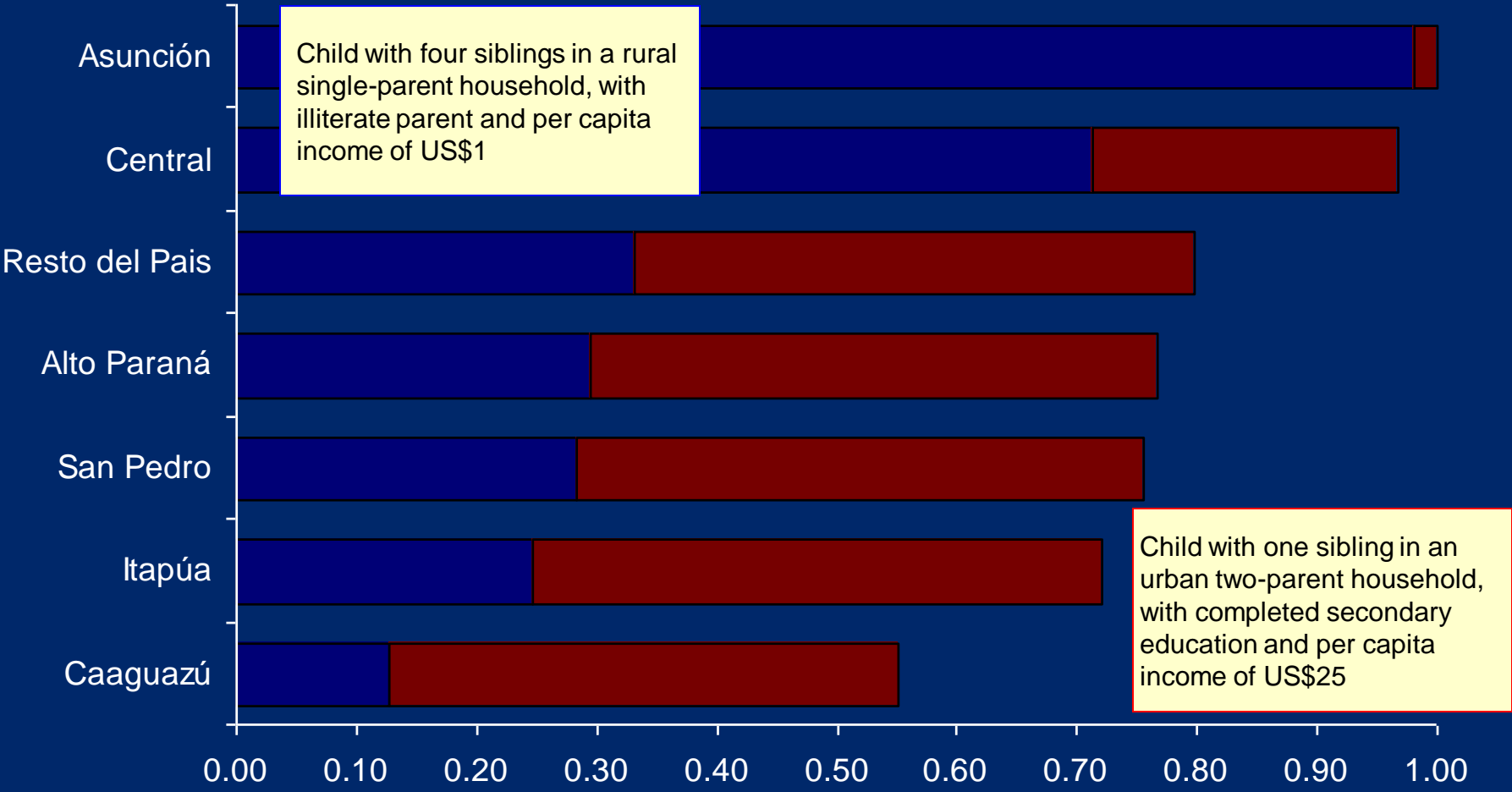
1 = "Incomes should be more equal"

10 = "We need more differences in incomes as an incentive to individual efforts"

Two Latin American Children: Probability of completing sixth grade on time

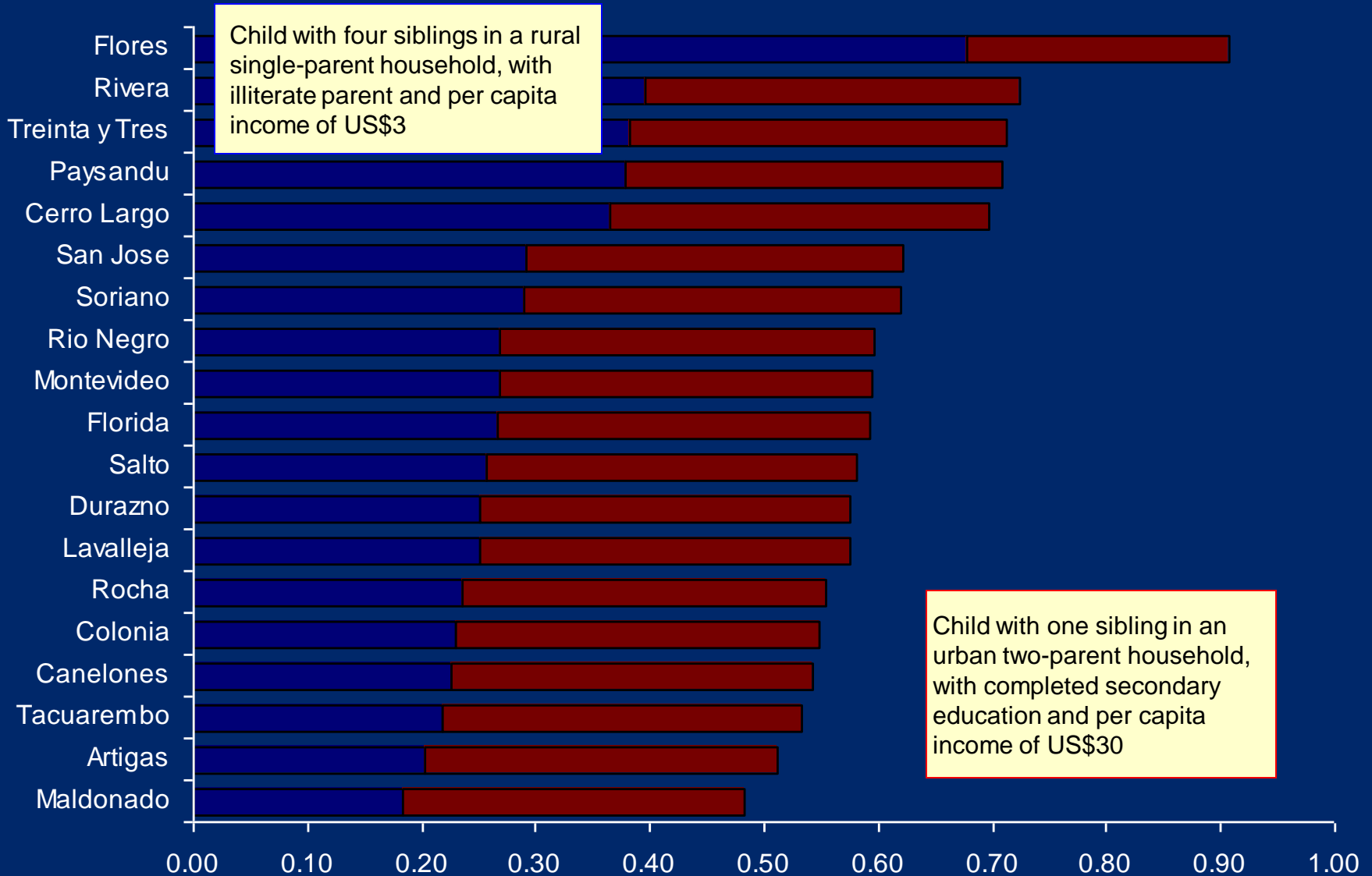


Two Paraguayan Children: Probability of having potable water in the house



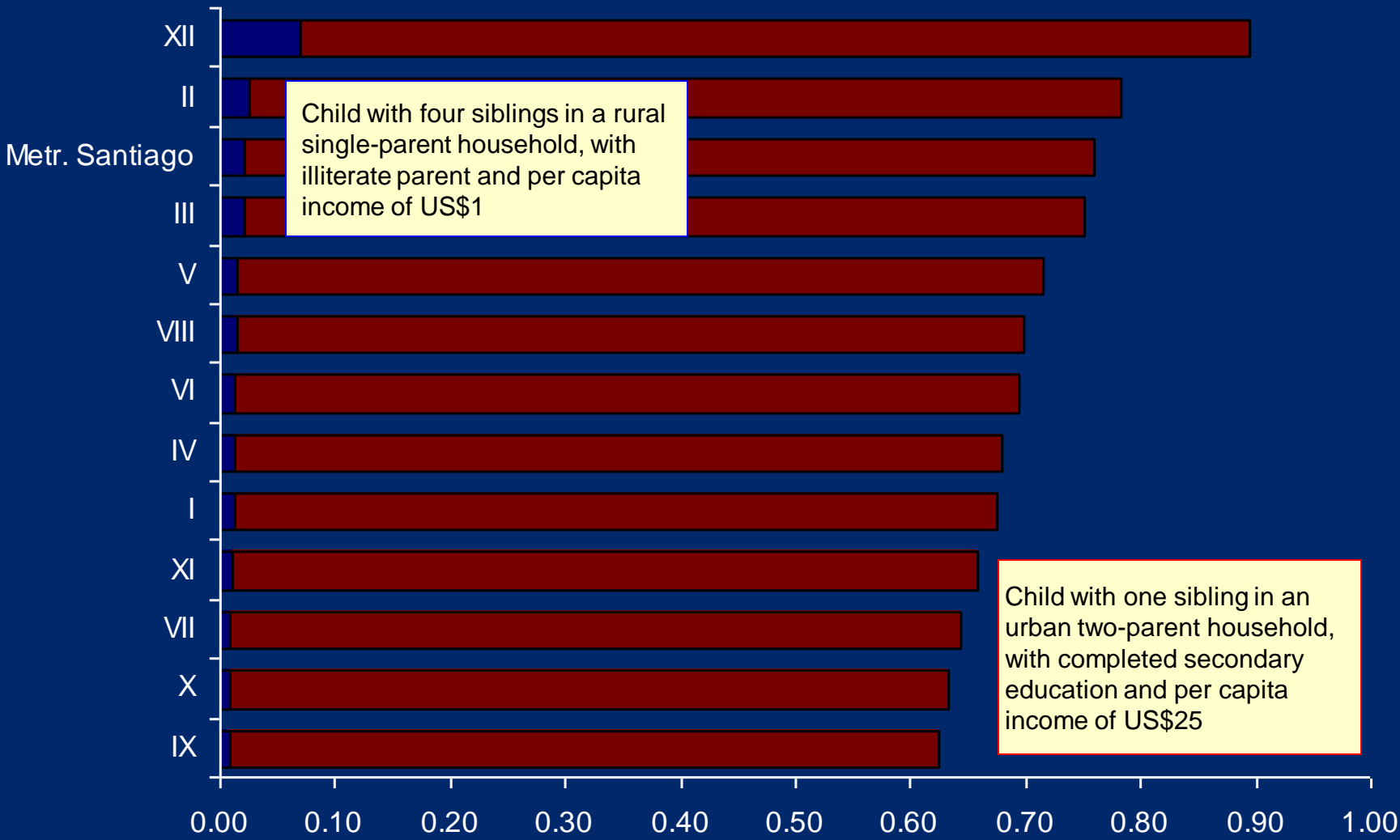
Two Uruguayan Children:

Probability of a preventive dental visit (previous 6 months)



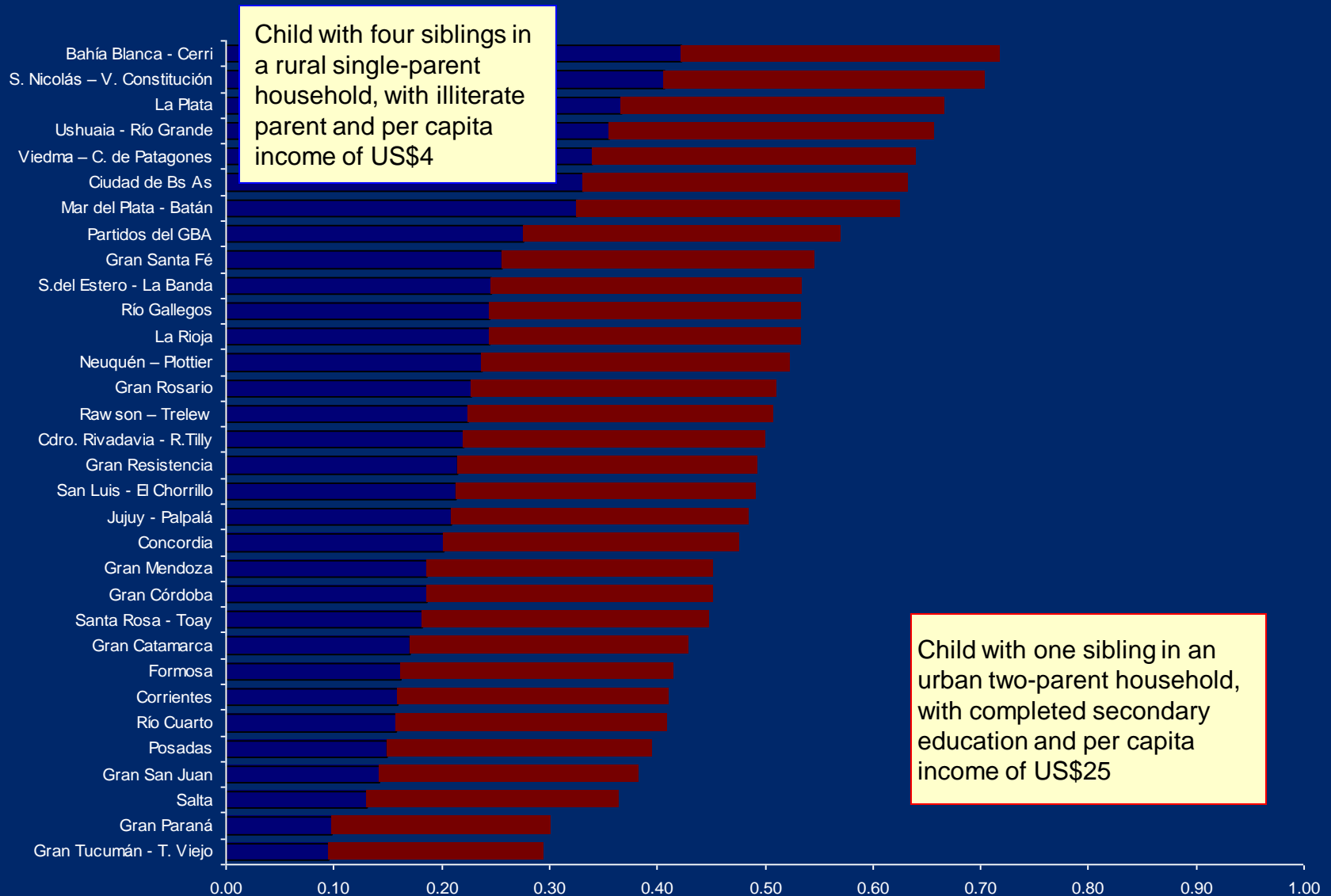
Two Chilean Children:

Probability of living in a household with access to computers



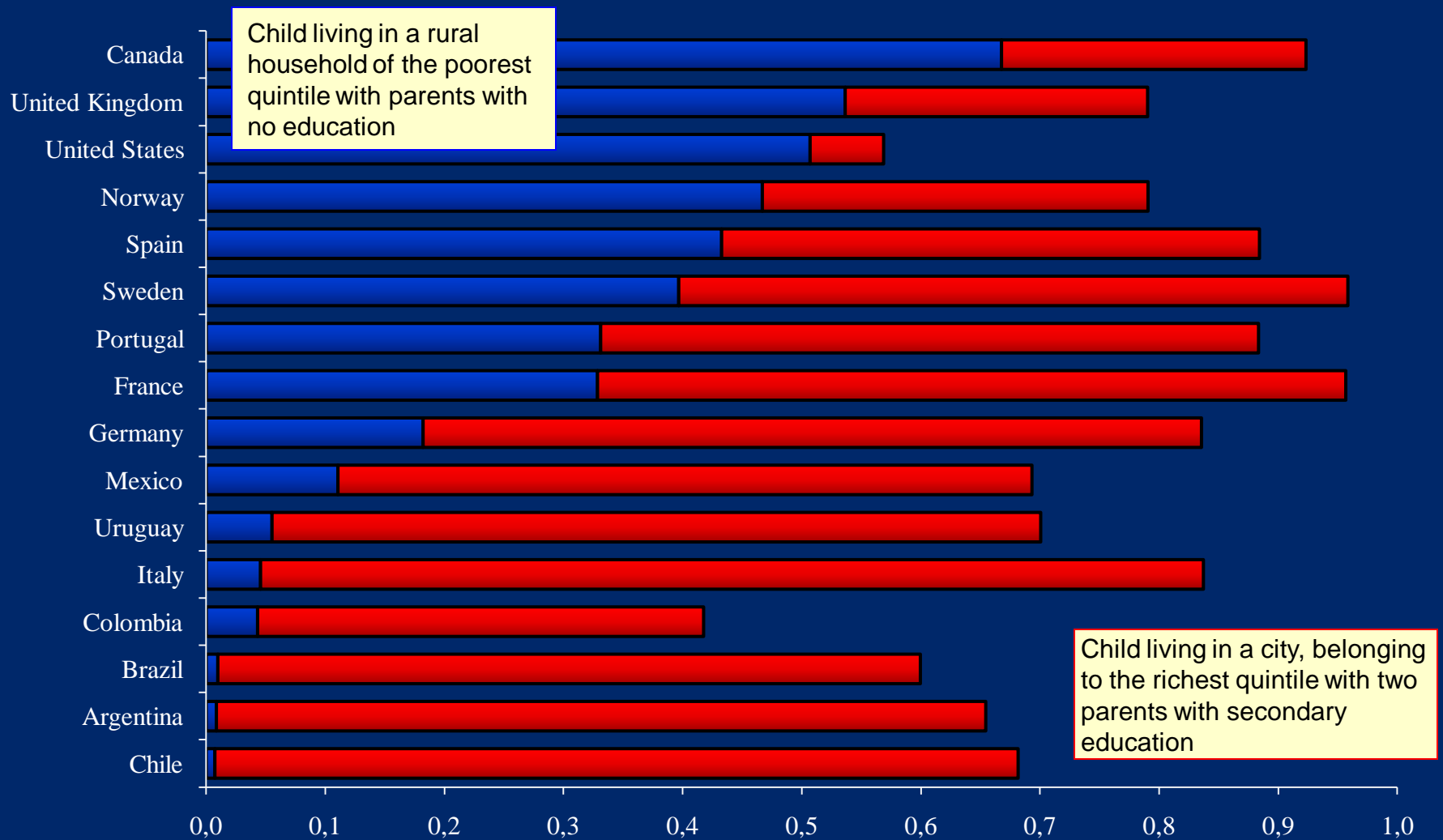
Two Argentinean Children:

Probability of 2-5yo children receiving early education



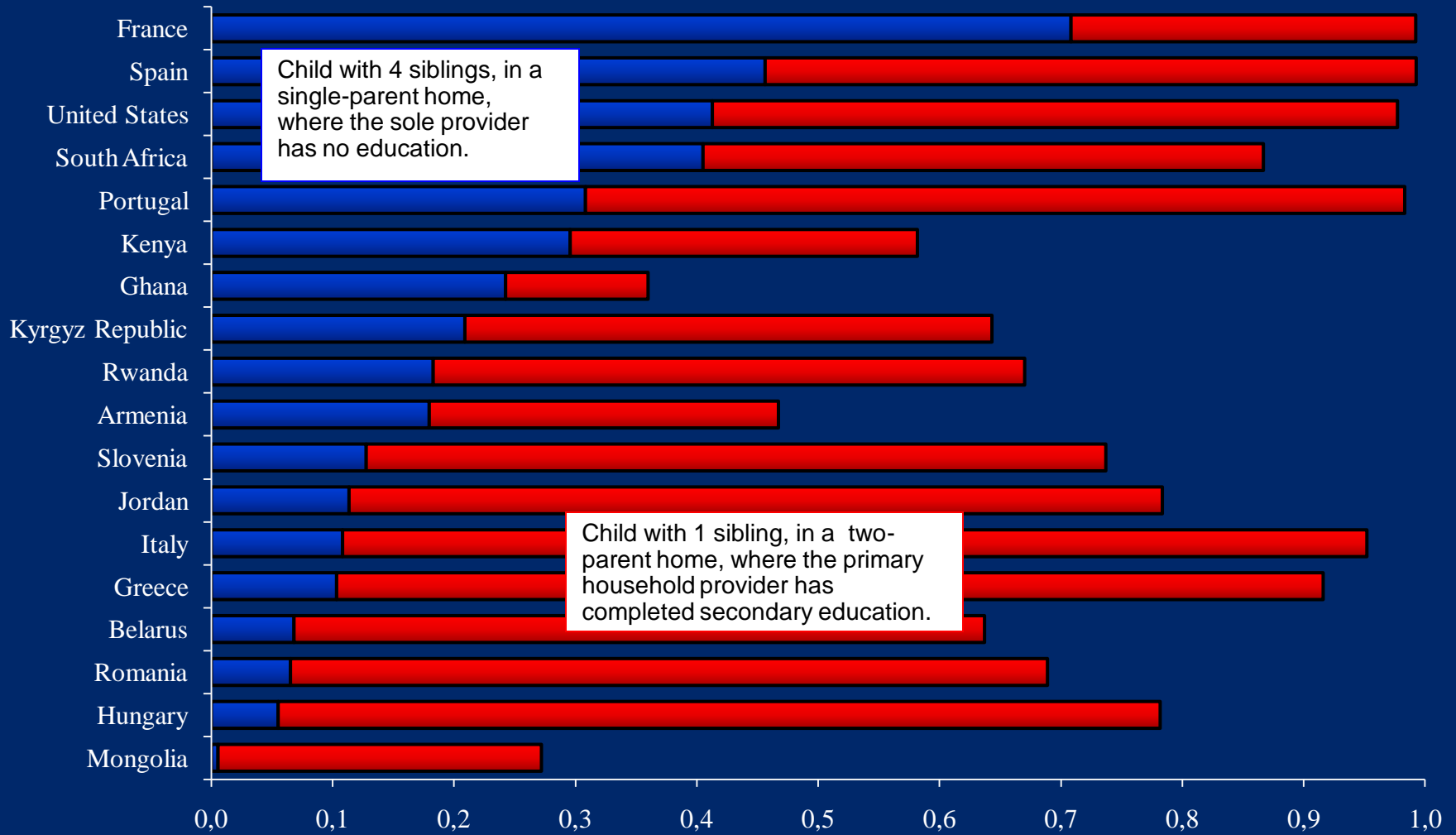
European and Latin-American Children:

Probability of reaching an adequate level of mathematical knowledge (Level 2 of PISA)



Children from Different Regions of the World:

Probability of living in a home free of overcrowding (more than 1.5 people per room)



Rank

Human Oppurtunity Index

Human Doing Business Development Index

1

Chile

92

Mexico

2

Uruguay

91

Peru

3

Argentina

88

Colombia

4

Costa Rica

88

Chile

5

Venezuela

87

Panama

6

Mexico

86

Jamaica

7

Jamaica

85

El Salvador

8

Colombia

84

Dominican Rep.

9

Ecuador

84

Guatemala

10

Brazil

84

Paraguay

11

Dominican Rep.

83

Argentina

12

Paraguay

83

Nicaragua

13

Bolivia

82

Uruguay

14

Peru

81

Costa Rica

15

Panama

81

Brazil

16

El Salvador

80

Ecuador

17

Guatemala

79

Honduras

18

Honduras

78

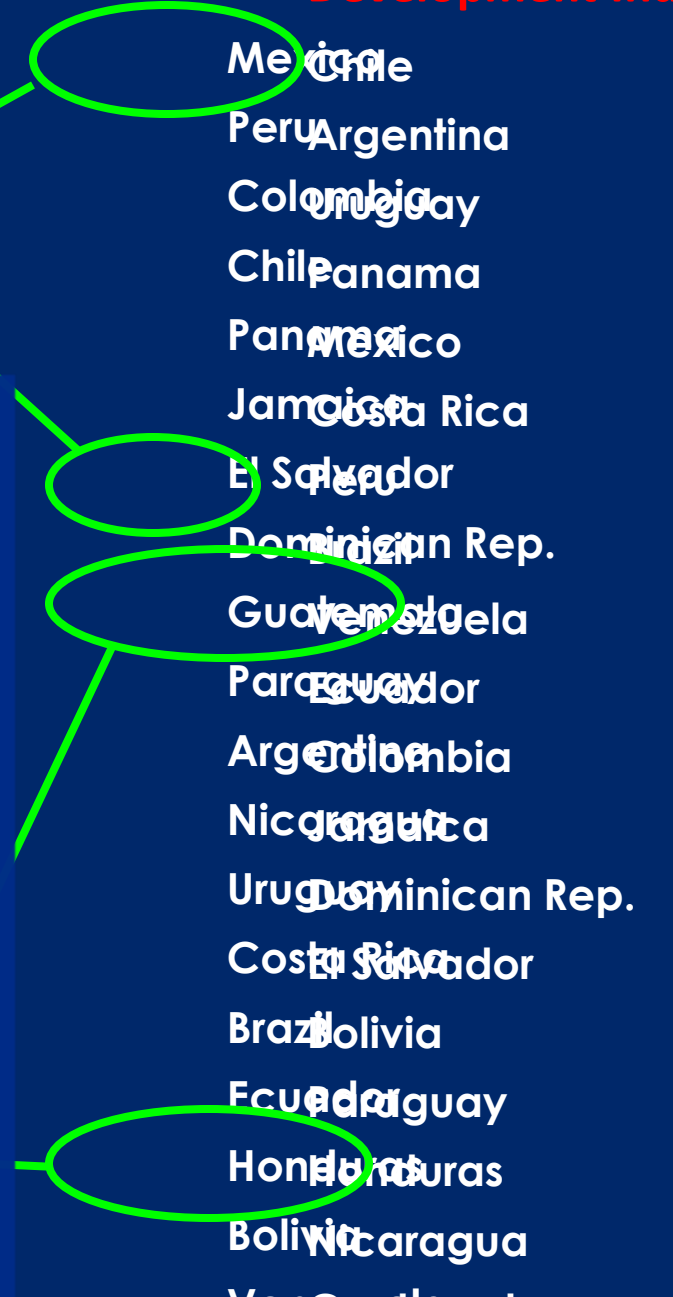
Bolivia

19

Nicaragua

76

Venezuela



Rank	Human Opportunity Index (Education)	Human Doing Business Development Index
1	Canada	US Norway
2	UK	UK Canada
3	Sweden	Canada Sweden
4	Germany	Norway France
5	Norway	Sweden US
6	France	Germany Spain
7	Spain	France Italy
8	US*	Portugal UK
9	Portugal	Spain Germany
10	Italy	Italy Portugal

* HOY for education calculated as a simple average of HOIs for reading, mathematics and science in PISA. For the US average of mathematics and science only.

The Human Opportunity Agenda and the New Social Policy

1. More Emphasis on **Early Childhood**:

1. Pregnant Mothers
2. Institutional delivery
3. Vaccination
4. Nutrition
5. Epigenetics

2. Invest More on **Primary Education**:

1. Reading Standards
2. Critical Thinking
3. Mathematical Skills

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3. Protect **Teenagers:**

1. Detect Talent
2. Physical Security
3. Sexual Education
4. Mentorship

4. Finance (Don't Give Away) **High Education:**

1. Loans
2. Scholarships
3. Differentiated Taxation
4. On-going Training

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5. Ensure **Legal Identity**:

1. Birth Certificate
2. Property Titles
3. Voter Registration Cards
4. Public Defender

6. **No Discrimination** of People and **Monopolization** of Markets.

7. Open Access to **Information**:

1. Libraries
2. Local Governments
3. Wireless Cities

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8. Target **Subsidies**:

1. Water
2. Sanitation
3. Electricity

9. Offer Services to **Microenterprises** (beyond credit)

10. Share the Benefits of **Globalization**:

1. Indirect Exporters
2. Transfers of Technology
3. Commercial Opportunities

Thanks

www.worldbank.org/lacopportunity