

# **Poverty, Inequality and the Millennium Development Goals in Latin America and the Caribbean**

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## **Summary**

Poverty and inequality have dropped sharply in most of Latin America and the Caribbean in the past decade. Citizens of the region today have far better access to education, health care and basic infrastructure, and nutrition and health indicators have improved markedly. The region is on track to fulfill most targets of the Millennium Development Goals.

Progress, however, is not uniform across the region. Some countries are clearly lagging, and the targets will probably not be met. Extreme poverty is still very high in many places and Latin America remains the most unequal region in the world. Latin American children, by and large, are poorly educated and many never reach secondary school. Little progress has been made in curbing maternal mortality, which is far too high for the region's level of development. While public spending is increasingly directed to the poor, income remains concentrated. Taxes and transfers do little to distribute income.

This study is not an exhaustive analysis of the social development agenda. Instead, it focuses on a few key items that require special attention. Five main recommendations emerge:

1. Implement policies to serve those excluded from existing social protection systems, including especially poor people who are currently excluded from benefits, young people at risk, and those impoverished by adverse shocks.
2. Increase opportunity for all groups, regardless of socioeconomic status, ethnic background, age or gender, particularly by ensuring access to quality education through secondary school.
3. Reduce maternal mortality and other preventable deaths.
4. Make taxes and transfers more redistributive. Above all, use public spending to reduce extreme poverty as much as possible, tax the income and wealth of rich individuals, and eliminate expenditures that worsen income distribution.
5. Improve bases of information to assess effectiveness of public policies in reducing poverty and inequality.

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Two types of initiatives which would benefit from regional cooperation:

1. Improve information and monitoring of social development progress and public policies. Redirect the MECOVI program (Improvement of Living Conditions Surveys in Latin America and the Caribbean) towards its original role to ensure that all countries in the region have high quality nation-wide income-expenditure surveys and share this information with poverty and inequality analyst and researchers in international organizations and academic centers.
2. Strengthen networks to share information.  
The previous summit established the Inter-American Social Protection Network (IASPN). The network still must identify: i. best practices in technical operation; ii. ways to achieve political consensus on redistributive initiatives, and iii. new tools to address special challenges (such as rising food prices or the exclusion of youth from school and jobs). The scope of the IASPN's action, then, must link the technical areas of relevant decision makers to academic entities that evaluate public policies and the political economy dynamics that shape them.

## Introduction

Evidence shows that poverty and inequality have dropped sharply in most of Latin America and the Caribbean in the past decade.<sup>2</sup> (Figure 1) Citizens of the region today have far better access to education, health care and basic infrastructure, and nutrition and health indicators have improved markedly.<sup>3</sup>

Progress, however, is not uniform across the region. Some countries are clearly lagging, and the targets will probably not be met. Extreme poverty is still very high in many places and Latin America remains the most unequal region in the world. Latin American children, by and large, are poorly educated and many never reach secondary school. Little progress has been made in curbing maternal mortality, which is far too high for the region's level of development. While public spending is increasingly directed to the poor, income remains concentrated. Taxes and transfers do little to distribute income.

This paper will not attempt to make an exhaustive analysis of all pending items on the social development agenda, but rather to highlight progress and specific challenges.<sup>4</sup> Section I discusses progress toward the Millennium Development Goals to reduce poverty and inequality and promote education and health. Section II focuses on the most glaring deficiencies of the social development agenda, while Section III recommends action to address these deficiencies.

### I. Progress

Poverty and inequality indicators show progress in meeting the first Millennium Development Goal (MDG1), which calls for reducing the proportion of the population in extreme poverty by half between 1990 and 2015. Three indicators, the proportion of the population living in extreme poverty, the poverty gap ratio, and the share of the lowest quintile in national consumption, measure this progress.<sup>5</sup> Table 1 shows the three indicators, by country, for MDG1 up until 2008,<sup>6</sup> which show that the region as a whole is advancing at the right pace. The countries that have attained a degree of progress greater than 72 percent, since 1990, are considered to be on track.<sup>7</sup> That is, if these countries are able to sustain this rate of progress, they will fulfill the first goal by 2015.

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<sup>2</sup> See, for example, ECLAC (2010a), ECLAC (2010b), Gasparini et al. (2009) and López-Calva and Lustig (2010).

<sup>3</sup> See, for example, UNDP (2010), ECLAC (2010b).

<sup>4</sup> It should be noted that although we have tried to include the Caribbean in this analysis, there is, unfortunately, very little information available from comparative international studies.

<sup>5</sup> Most countries in Latin America do not carry out surveys that measure consumption on a regular basis. Therefore, the ratio that is presented in Table 1 relates primarily to income and not consumption.

<sup>6</sup> Note that ECLAC (2010b) used extreme poverty levels appropriate to each country, rather than the international threshold of U.S. \$ 1.25 per day, measured at purchasing power parity, which is typically used in international comparisons. The reason for using national poverty levels is that for much of the region the international threshold for extreme poverty is too low when compared with the standards set by the countries themselves.

<sup>7</sup> The reader is reminded that MDG1 requires that the proportion of the population living in extreme poverty be reduced by half between 1990 and 2015.

Education has also improved. Almost all Latin American countries met the MDG2 goal of universal access to primary education during the nineties. By 2008, most young people in Latin American countries between 15 and 19 years of age were completing primary school, with only the poorest Central American countries as exceptions (Figure 2). In a number of countries, more women completed primary school than men in this age group, demonstrating strides in gender equality. The ratio, however, remains higher for men in countries with strong indigenous populations. Infant and under-five mortality, indicators of the health-related MDG 4, have fallen across the region. (Table 2) In fact, Latin America and the Caribbean have the lowest infant mortality rate among developing regions, and the fastest reduction in this rate since 1990. However, great disparities between countries, both in Latin America and the Caribbean, remain.

Declining income concentration is the region's most noteworthy improvement. (Figure 1) Regardless of the indicator observed, inequality fell in 13 of the 17 Latin American countries with information available between 2000 and 2010.<sup>8</sup> The poorest 20 percent of households constituted a rising share of national consumption between 1990 and 2008, demonstrating reduced inequality. (Table 1) This is the first decline that Latin America, the most unequal region in the world, has experienced after decades of rising or steady inequality. It is even more impressive compared to the many developed and developing countries that currently exhibit a growing income concentration.

The reduction in income concentration is due in part to a decline in the dependency ratio, especially among poor households, and the resulting demographic transition. However, a narrowing in the wage gap between high- and low-skilled workers as well as more progressive government transfers are the two most important factors.<sup>9</sup> Expansion of schooling raised the population's level of education, contributing to the reduction in the wage gap between workers of different skill levels. In most countries, the number of people with no schooling, or only incomplete or complete primary education has decreased while the proportion with secondary and tertiary education has increased. In other words, public spending has become more "pro-poor," by increasing cash transfers and to transfers in kind, in particular, education and health services.

Some of the many signs of progress throughout the entire region in the past decade, such as the reduction in the concentration of income, are quite surprising. But social development challenges remain, and the next section highlights those requiring special attention.

## **II. Challenges**

Although inequality and poverty have declined considerably over the last decade, there are many areas where progress still needs to be made. If they maintain the same rate of progress, several individual countries and the region as a whole could fulfill the first

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<sup>8</sup> Due to insufficient information (a topic discussed in more detail below), it was not possible to carry out a similar analysis for the Caribbean region.

<sup>9</sup> See Lopez-Calva and Lustig (2010) and ECLAC (2010a).

MDG by 2015. In fact, some have already met this goal. However, as Table 1 shows, 11 of the 17 Latin American countries with available data have not sufficiently lowered national poverty levels. In fact, Latin America and the Caribbean have an excess of poverty: most countries have a higher proportion of people living in extreme poverty than corresponds to their level of per capita income. (Figure 3) Even if these countries cut extreme poverty by half by 2015, they may still have higher levels of poverty than other countries with the same level of development (measured by per capita income or consumption). In order to stay on pace with global development, Latin America and the Caribbean should actually reduce poverty more drastically than MDG1 requires.

Extreme poverty has decreased to date thanks to large-scale government transfer programs. These programs transfer money to poor households in exchange for meeting certain requirements, such as ensuring that children receive periodic health check-ups and maintain school attendance. The largest and best known programs are *Bolsa Familia* in Brazil and *Oportunidades* in Mexico, which serve about 11 and 5 million poor households, respectively, at a modest cost equivalent to less than 0.5 percent of each country's GDP. This type of program emphasizes reducing poverty and improving standards of education, nutrition and education for children and women in poor households (especially in rural areas), with the aim of breaking the intergenerational transmission of poverty and providing more equal opportunities.<sup>10</sup>

Studies indicate that conditional cash transfer programs not only reduce poverty, but also improve school attendance, nutrition and health of children in beneficiary families (in the case of health, other members, especially women, also benefit). In addition to these, other targeted transfer programs have been instituted for elderly adults living in poverty, and in some cases governments have expanded coverage of the pension system to new sectors. This also contributed to reduced poverty among the elderly.

However, a high proportion of people living in poverty do not receive government transfers of any kind. Even in countries where large-scale programs have been implemented, between 30 and 50 percent of the population in extreme poverty do not receive transfers. Preliminary results of the "Commitment to Equity" initiative indicate that this is not so much a result of exclusion by the existing programs but of gaps in the system of social protection as a whole.<sup>11</sup> Beyond the exclusion of members of the target population (children and elderly in extreme poverty, especially in rural areas), no programs exist at all for: i. people affected by certain types of events (e.g., increased food prices and unemployment), and ii. those with certain types of profiles (for example, single men and women who are young and of working age). The few programs that serve these groups do so on a very small scale.

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<sup>10</sup> Many studies report that the principal problem of the region is that inequality of opportunity is an extremely crucial factor in the intergenerational transmission of poverty. See, for example, UNDP (2010) and World Bank (2008).

<sup>11</sup> "Commitment to Equity" or CEQ is a joint initiative of the Inter-American Dialogue and the University of Tulane. At present this study is being carried out in nine Latin American countries: Argentina, Bolivia, Brazil, Costa Rica, Guatemala, Mexico, Paraguay, Peru and Uruguay. For a description of the methodology, see Lustig (2011).

While the reduction of inequality has been significant and widespread so far, the outlook for the future may be less encouraging. In particular, many fear that the decline in the wage gap between skilled and unskilled workers will not continue to fall and may even increase again. In order to consolidate a continued reduction of income inequality, educational expansion must continue, and in many cases, accelerate. In this regard, the region faces major challenges. On the one hand, completion of primary education is still not universal. In 5 of the 7 poorest countries, the pace of progress is not sufficient to achieve universal primary education by 2015. Even worse, in most countries, access to basic secondary education (lower secondary) and upper secondary (high school) is still low, especially for the poorest sectors of the population. (Figure 4) Idle youth between 15 and 19 years of age, who are neither studying nor working (called "Nini"), pose a serious problem. This group represents an estimated 9.4 million people in the region at high risk of early pregnancy, drug abuse and crime. Idle youth make up 18.5 percent of 15- to 18-year-olds, and 22.4 percent of 15- to 24-year-olds.<sup>12</sup>

Moreover, although conditional cash transfers have contributed to the reduction of inequality (it is estimated that in Brazil and Mexico they account for between 10 and 20 per cent of the decline in inequality), fiscal and tax systems (taxes and direct and indirect transfers) redistribute relatively little. (Table 3) This is partly due to tax systems' heavy reliance on indirect taxes rather than direct taxes on individual income for revenue collection. Also, even though spending has become more pro-poor, many policies and programs remain regressive (they make income distribution more unequal) or not progressive enough (the proportion of benefits reaching the non-poor population is greater than their participation in the total population).

Inequalities in health also remain. The infant mortality rate is significantly higher for the poor and for ethnic minorities. (Figure 5) But maternal mortality lacks the most progress. The fifth MDG (MDG5) states that maternal mortality should be reduced by three quarters between 1990 and 2015. The reality is disappointing. On the one hand, the unavailability of data makes it impossible to analyze the evolution of this indicator since 1990 in many countries. In countries where data are available, the maternal mortality rate has stagnated or even increased in most cases. (Table 4) Although the causes of maternal mortality vary by country, hypertensive diseases in pregnancy, hemorrhage during delivery or postpartum, and in some countries abortion, are the most common. Nine countries still have skilled personnel attending fewer than 90 percent of births, even though the majority of countries meet this standard. In addition, the quality of care provided is often low. A significant percentage of deaths occur in the postpartum period (42 days after birth), showing that a skilled level of medical care during delivery is not necessarily enough to prevent maternal deaths. As with education indicators, maternal mortality is higher in poorer regions and households.

Table 1 also clearly reflects a different problem: the lack of information or doubts about its quality. The table does not contain a single statistic for the 25 Caribbean countries officially classified as part of the Caribbean region, nor for Cuba or Haiti, and the

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<sup>12</sup> See, for example, Cárdenas, de Hoyos and Székeley (2011)



information available for the Dominican Republic is insufficient. Evidence also suggests that data on income or consumption for the wealthier sectors of the population is strongly underestimated. In many cases it is not clear whether survey data reflects income before or after taxes and direct transfers. A number of countries do not collect information about consumption, which makes it difficult to analyze the impact of indirect taxes such as value added tax or VAT, and a subset of the surveys do not include explicit questions about government transfers.

### **III. Future actions**

From the above diagnosis, the following recommendations emerge as priorities for public action:

1. Implement policies to serve those excluded from existing social protection systems, including especially poor people who are currently excluded from benefits, young people at risk, and those impoverished by adverse shocks.

Many households in extreme poverty do not benefit from cash transfers programs or other public support provided by current social protection systems. This is, in general, by design. In countries with low per capita income, the major constraint is the availability of public resources. But in middle-income, and especially in upper middle-income countries, resources should not be a constraint; if they are, the government should endeavor to collect additional resources. In most cases, however, social protection schemes do not have sufficient resources to eradicate extreme poverty because most resources are allocated to the non-poor; existing programs are not designed to cover the entire population in extreme poverty; and / or the amount transferred is too low. Expanding existing transfer programs could solve some of the above-mentioned problems and could be achieved fairly easily since the mechanisms for conditional cash transfers are well established, and the best practices already exist for expanding them.

However, transfer programs are not adequate to address the "new poor", including young people 15 to 25 years old, especially singles and idle youth, as well as those impoverished by adverse shocks, such as rising food prices. Most of existing programs were designed to identify and aid the "structural" poor and lack the ability to incorporate people who suddenly experience extreme poverty. Similarly, they are not designed to stop providing services when an adverse pressure ends and assistance is no longer needed. In addition, since cash transfer schemes allocate resources mainly to women (mothers, in general) and to elderly individuals, they are difficult to adapt for young people who make independent decisions. No technology yet exists to support people affected by the escalation of food prices or young people at risk. These are areas that require systematic research and experimenting with different interventions to discover what works best.

2. Increase opportunity for all groups, regardless of socioeconomic status, ethnic background, age or gender, particularly by ensuring access to quality education through secondary school.

Several countries in the region have not achieved universal provision of primary education. Interventions should be made on the supply side (ensuring the availability of schools and teachers in underserved areas) and the demand side (with conditional cash transfer programs, for example) to address this problem. Still, the low quality of education and resulting poor learning performance, and lack of universal coverage at the secondary level remain the complex challenges to overcome. To tackle quality, it would be useful to identify best practices worldwide.<sup>13</sup> At the same time, countries must build more schools, provide more teachers and design mechanisms to support demand. On the demand side, the opportunity cost of lost participation in the labor market to continue attending secondary school (especially at the upper secondary level), is too high for cash grants to cover. The solution will require public-private partnerships with the for-profit and not-for-profit sectors.

3. Reduce maternal mortality and other preventable deaths.

The region has high levels of maternal mortality which have shown very little or no improvement. This indicator is also poorly measured. On the one hand, countries should establish more accurate monitoring and measuring mechanisms.<sup>14</sup> In countries where the chief cause of maternal mortality is a lack of skilled care for childbirth, the emphasis should be on expanding the range and scope of such personnel. However, emphasizing skilled care can cause medical personnel to underestimate of the risks of childbirth and the postpartum period, even within health centers (i.e., when the so-called "triage" process assigns women about to give birth a lower priority than other cases to be treated). Therefore, mechanisms that modify the behavior of the health care personnel and encourage community participation and monitoring can be very important. Also, since part of maternal mortality is associated with abortion (illegal in many countries of the region), systematic reproductive health campaigns, especially for young people, are essential.

4. Make taxes and transfers more redistributive. Above all, use public spending to reduce extreme poverty as much as possible, tax the income and wealth of rich individuals, and eliminate expenditures that worsen income distribution.

Waiting for the market to solve poverty can take far too long, especially considering that we are talking about households facing basic nutritional

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<sup>13</sup> PREAL (Program for Promoting Educational Reform in Latin America and the Caribbean), a Latin American initiative sponsored by the Inter-American Dialogue and by CINDE (International Center for Education and Human Development), can be a source for learning about best practices at the regional level.

<sup>14</sup> It should be determined if the maternal mortality observatory installed in Mexico in 2010 is a best practice.

deficiencies. Therefore, the countries of the region, especially middle- and upper middle- income countries, should aim to completely eradicate extreme poverty (rather than seeking to fulfill the MDG, which only calls for its reduction by half). The only way eradicate extreme poverty quickly is to rely on government transfers. Conditional cash transfer schemes have the advantage of simultaneously expanding investment in the human capital (education, nutrition and health) of children from households in extreme poverty. This would better position these groups to achieve productive jobs and better pay upon entering the labor force. Transfers in this case are not just "social assistance." They help reduce the intergenerational transmission of poverty and improve efficiency and productivity on a much larger scale. Middle- and especially upper middle-income countries have access to sufficient fiscal resources (depending on the case, through increased taxation and/or the reallocation of spending) to achieve the eradication of extreme poverty. All that is missing is political will. It is well known that individual income, especially among the richest groups (who are also among the richest people in the world, not only in the region), is inadequately taxed across the region, due either to legal design or to tax evasion. In order to create more fiscal wherewithal and a more redistributive and equitable tax system, tax rates for these groups should be raised along with mechanisms that truly ensure compliance.

5. Improve bases of information to assess effectiveness of public policies in reducing poverty and inequality.

To improve data quality, household surveys should be representative at least in urban and rural areas and for different ethnic groups. They should also clearly include income levels before and after taxes and direct transfers; measure the contribution of government transfers; and satisfactorily measure the income of the richest sectors of the population. In order to identify both the available fiscal resources, and the specific gaps in existing social protection systems, it would be desirable to have a comprehensive diagnosis of the scope of fiscal policy. For example, the diagnostic tool developed by the "Commitment to Equity" or CEQ initiative of the Inter-American Dialogue and the University of Tulane, could help to accurately develop policies and actions and find the resources for advancing recommendations 1, 2 and 4.

At the level of the Americas, there are two types of initiatives where regional cooperation could yield tangible benefits:

1. Improve information and monitoring of social development progress and public policies. Redirect the MECOVI program (Improvement of Living Conditions Surveys in Latin America and the Caribbean) towards its original role to ensure that all countries in the region have high quality, nation-wide, income-expenditure surveys and share this information with poverty and inequality analyst and researchers in international and academic organizations. When it started, MECOVI was a joint initiative of the Inter-American Development Bank, the

World Bank, the United Nations Economic Commission for Latin America and the Caribbean (ECLA), and governments of the region (especially their offices of statistics). This initiative was very successful and it became one of the projects for which inter-agency and inter-governmental collaboration yielded clear and tangible results. Based on this experience, it should be relatively simple to redirect the project toward its original objectives. The collaboration of the SEDLAC (Socio-Economic Database of Latin America and the Caribbean) initiative, which is a joint initiative of the World Bank and the Universidad Nacional de La Plata, would also help to ensure the standardization of criteria and the comparability of information sources.

2. Strengthen networks to share information.

The previous summit established the Inter-American Social Protection Network (IASPN). The network still must identify: i. best practices in technical operation; ii. ways to achieve political consensus on redistributive initiatives, and iii. new tools to address special challenges (such as rising food prices or the exclusion of youth from school and jobs). The scope of the IASPN's action, then, must link the technical areas of relevant decision makers to academic entities that evaluate public policies and the political economy dynamics that shape them. In this sense, existing networks such as LACEA (the Latin American and Caribbean Economic Association), the Inter-American Development Bank's network of research centers, the World Bank's network of conditional cash transfer systems, the United Nations Development Programmes' Human Development Report offices, and the Commitment to Equity initiative of the Inter-American Dialogue and Tulane University, to name a few, could facilitate this process. Moreover, the academies of science, including those of industrialized countries such as the United States and Canada, could transfer important technical know-how in the fields of measurement, monitoring and the best practices of specific interventions.

Table 1

**LATIN AMERICA AND THE CARIBBEAN: PROGRESS TOWARDS THE  
MILLENNIUM DEVELOPMENT GOALS<sup>[a]</sup>**

Country or territory	<b>Goal 1. Eradicate extreme poverty and hunger</b>						
	<b>Target 1.A Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day</b>						
	<b>Indicator 1.1 Proportion of population below \$1 (PPP) per day<sup>[b]</sup></b>			<b>Indicator 1.2 Poverty gap ratio</b>		<b>Indicator 1.3 Share of poorest quintile in national consumption</b>	
	<b>Level 1990</b>	<b>Level 2008</b>	<b>Progress 2008</b>	<b>Level 1990</b>	<b>Level 2008</b>	<b>Level 1990</b>	<b>Level 2008</b>
<b>Latin America and the Caribbean<sup>[c]</sup></b>	<b>22.5</b>	<b>12.9</b>	<b>85.3</b>	<b>8.6</b>	<b>4.4</b>	<b>3.2</b>	<b>3.5</b>
<b>Latin America<sup>[c]</sup></b>	<b>22.5</b>	<b>12.9</b>	<b>85.3</b>	<b>8.6</b>	<b>4.4</b>	<b>3.2</b>	<b>3.5</b>
<b>Countries with low and medium-low levels of HD<sup>[d]</sup></b>	<b>48.4</b>	<b>35.7</b>	<b>52.7</b>	<b>21.0</b>	<b>13.0</b>	<b>2.6</b>	<b>3.1</b>
Haiti							
Nicaragua	51.4	33.8	68.5	24.3	12.3	2.1	3.5
Guatemala	41.8	29.3	59.8	18.5	11.3	2.7	2.8
Bolivia	39.5	32.4	35.9	9.7	4.5	3.2	4.3
Honduras	60.9	47.1	45.3	31.5	23.9	2.3	1.9
<b>Countries with medium levels of HD<sup>[d]</sup></b>	<b>29.6</b>	<b>21.1</b>	<b>57.8</b>	<b>7.7</b>	<b>6.8</b>	<b>4.1</b>	<b>3.9</b>
El Salvador	27.7	18.2	68.6	9.1	8.1	3.4	3.4
Paraguay	35.0	30.8	24.0	3.6	5.7	5.2	5.0
Dominican Republic		22.6		8.8	8.8	3.2	2.9
Ecuador <sup>c</sup>	26.2	14.2	91.6	9.2	4.7	4.8	4.4
<b>Countries with medium-high levels of HD<sup>[d]</sup></b>	<b>21.0</b>	<b>13.2</b>	<b>74.0</b>	<b>8.8</b>	<b>4.1</b>	<b>2.9</b>	<b>3.9</b>
Peru	25.0	12.6	99.2	10.1	4.0	3.0	4.0
Colombia	26.1	22.9	24.5	13.8	8.3	2.0	2.9
Brazil	23.4	7.3	137.6	9.7	3.3	2.1	2.6
Panama	16.2	13.5	33.3	5.2	1.6	3.1	4.6
Venezuela (Boliv. Repub. of)	14.4	9.9	62.5	5.0	3.5	4.3	5.2
<b>Countries with medium-high levels of HD<sup>[d]</sup></b>	<b>10.7</b>	<b>5.9</b>	<b>88.8</b>	<b>3.5</b>	<b>2.0</b>	<b>4.1</b>	<b>4.2</b>
Costa Rica	10.1	5.5	91.1	4.8	2.2	4.3	4.4
México	18.7	11.2	80.2	5.9	3.2	3.9	4.0
Cuba							
Uruguay <sup>[e]</sup>	3.4	3.5	-5.9	0.9	0.9	4.8	4.9
Argentina <sup>[e]</sup>	8.2	5.8	58.5	1.6	2.6	4.2	3.7
Chile	13.0	3.7	143.1	4.4	1.1	3.5	4.1

**Table 1 (continuation)****Caribbean countries[c]**

Anguila		
Antigua y Barbuda		
Netherland Antilles		
Aruba		
Bahamas		
Barbados		
Belize[f]	13.4	
Dominica		
Granada		
Guadalupe		
French Guinea		
Guyana[f]	5.8	7.7
Cayman Islands		
Turks and Caicos Islands		
British Virgin Islands		
United States Virgin Islands		
Jamaica[f]	2.0	2.0
Martinique		
Montserrat		
Puerto Rico		
Saint Kitts y Nevis		
San Vicente and the Grenadines		
Saint Lucía[f]	20.9	
Suriname[f]	15.5	
Trinidad and Tobago[f]	4.2	

[a] The indicators are presented in numerical order; those for which there is no information have not been included. Unless otherwise stated, the figures correspond to percentages.

[b] The Dominican Republic does not have information on the rate of progress because data for 1990 are not available.

[c] Weighted averages.

[d] Simple averages.

[e] The figures for indicators 1.1, 1.2, and 1.3 refer to urban areas.

[f] Corresponds to the proportion of the population with income below one purchasing power parity (PPP) dollar per day. Data available on the official United Nations site for Millenium Development Goals Indicators: see [on line] <http://mdgs.un.org/unsd/mdg/Default.aspx>.

Note: HD stands for Human Development.

Source: ECLAC (2010b), Statistical Annex Table 2.

**Table 2**

**WORLD REGIONS: INFANT MORTALITY RATE (INDICATOR  
4.2 OF THE MILLENIUM DEVELOPMENT GOALS), 1990-2009[a]**  
*(Per 1,000 live births)*

<b>Geographic region</b>	<b>1990</b>	<b>2009</b>	<b>Percent change between 1990 y 2009</b>
World	63.2	46	-27.2
Africa	103.9	80.8	-22.2
Asia	61.4	39.9	-35.1
Europa	14.2	6.8	-52.1
<b>Latina America and the Caribbean</b>	<b>42.7</b>	<b>20.6</b>	<b>-51.7</b>
North America	8.2	5.7	-31.1
Oceania	31.1	21.9	-29.5

**Source:** Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of United Nations, World Population Prospects: The 2008 Revision [online] <http://esa.un.org/unpp/>.

[a] Linear interpolation of estimates of the probability of dying before reaching one year of age, prepared by the source for 1985-1990 and 1990-1995 (data from 1990) and 2000-2005 and 2005-2010 (data from 2009)

Source: ECLAC (2010b), Table VI.1.

**Table 3**

LATIN AMERICA AND EUROPE (SELECTED COUNTRIES): INCOME  
INEQUALITY BEFORE AND AFTER TAXES AND TRANSFERS, 2008  
(Percentage variation of Gini coefficient)

<b>Latin America</b>	
Argentina	-2.0
Brazil	-3.6
Chile	-4.2
Colombia	-7.0
Mexico	-3.8
Peru	-2.0
Latin America and the Caribbean (6 countries)	-3.8
<b>Europe</b>	
Austria	-34.2
Belgium	-36.2
Denmark	-40.8
Finland	-34.7
France	-24.4
Germany	-34.9
Greece	-25.0
Ireland	-35.8
Italy	-22.9
Luxembourg	-41.5
The Netherlands	-33.3
Portugal	-24.0
Spain	-25.5
Sweden	-35.6
United Kingdom	-34.6
Europe (15 countries)	-32.6

Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of E. Goñi, J.H. López and L. Servén, "Fiscal redistribution and income inequality in Latin America", Policy Research Working Paper, No. 4487, Washington, D.C., World Bank, January 2008.

Source: ECLAC (2010a), Table VII.3.



**Table 4**

**LATIN AMERICA (SELECTED COUNTRIES): TRENDS IN MATERNAL  
MORTALITY RATIOS  
(INDICATOR 5.1 OF THE MILLENNIUM DEVELOPMENT GOALS), 2001-2008**  
*(Per 100,000 live births)*

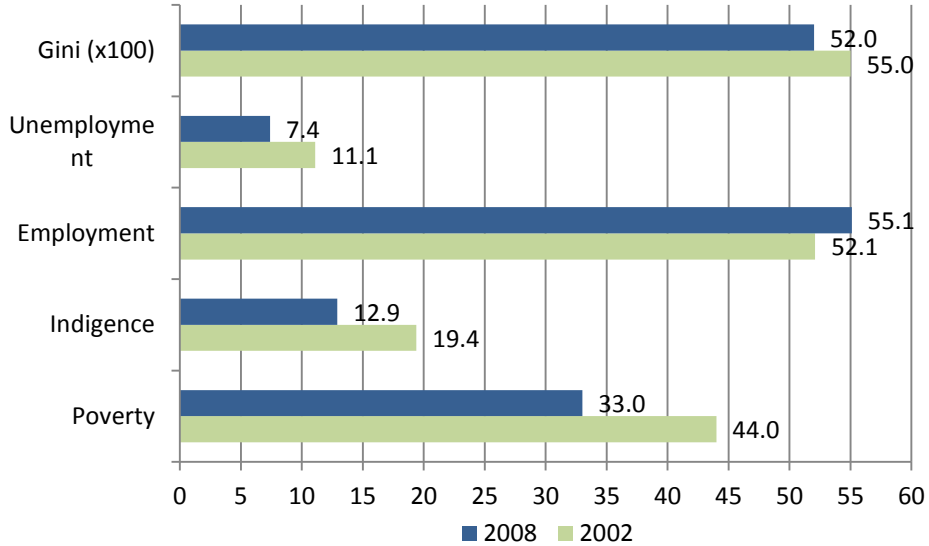
<b>Country</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
<b>Downward Trend</b>									
Paraguay	164	159.7	182.1	174.1	153.5	128.5	121.4	127.3	--
Colombia	104.9	98.6	84.4	77.8	78.7	78.7	72.9	70	75.6
Mexico	72.6	70.8	59.9	62.6	60.9	61.8	58.6	55.6	57.2
Nicaragua	--	87	95.6	82.8	87.3	86.5	90.4	76.5	--
Venezuela (Bolivarian Republic of)	--	60.1	67.2	68	57.8	--	59.9	--	56.8
<b>Little variation</b>									
Brazil	73.3	70.9	75.9	73	76.1	74.7	77.2		
Cuba	40.4	33.9	41.1	39.5	38.5	51.4	49.4	31.1	46.5
Costa Rica	35.8	31.4	38	32.9	30.5	36.3	39.3	19.1	
Chile	18.7		16.7	13.4	17.3	19.8	18.1	18.2	
<b>Upward Trend</b>									
Dominican Republic	--	69	82	63	75.3	91.7	80	72.8	86.3
Argentina	35	43.5	46.1	43.6	40.1	39.2	47.8	43.7	--

**Source:** Pan American Health Organization (PAHO), Basic Indicator Database, February, 2010

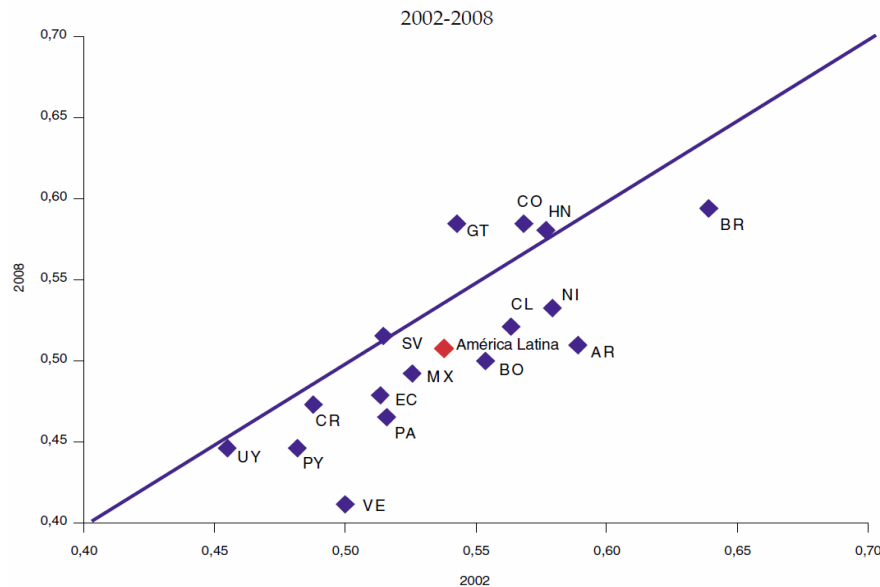
Source: ECLAC (2010b), Table VI.4.

**Figure 1**  
**Latin America: Reduction of poverty and inequality during the last decade**

**(a) Inequality (Gini), unemployment, indigence and poverty**



**b) Gini Index: change between 2008 and 2002, by country**



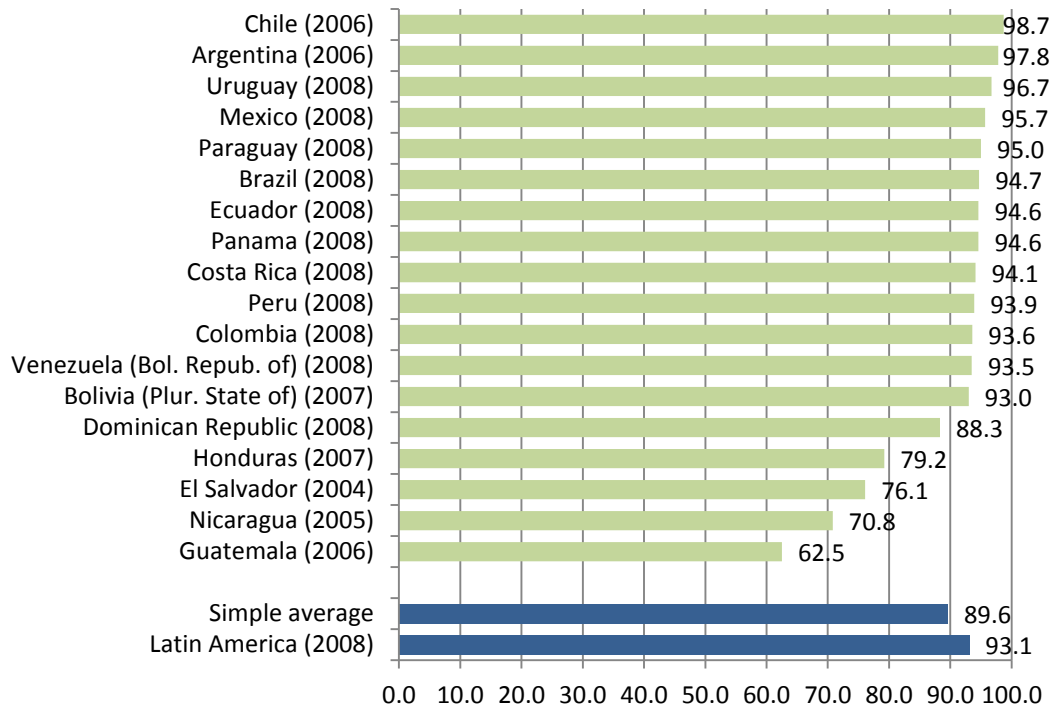
Source: ECLAC (2010a) Figure VI.2; Figure VI.1.

Note: In (a) the Gini coefficient is multiplied by 100 and the rates of extreme poverty and poverty represent the proportion of individuals living below the respective poverty lines established for each country by ECLAC and expressed in percentages. The reader is reminded that the Gini coefficient is an indicator that ranges from 0 to 1 (or to 100, if expressed as a percentage), with a value of 0 expressing perfect equality and a value of 1 (or 100) maximum inequality.

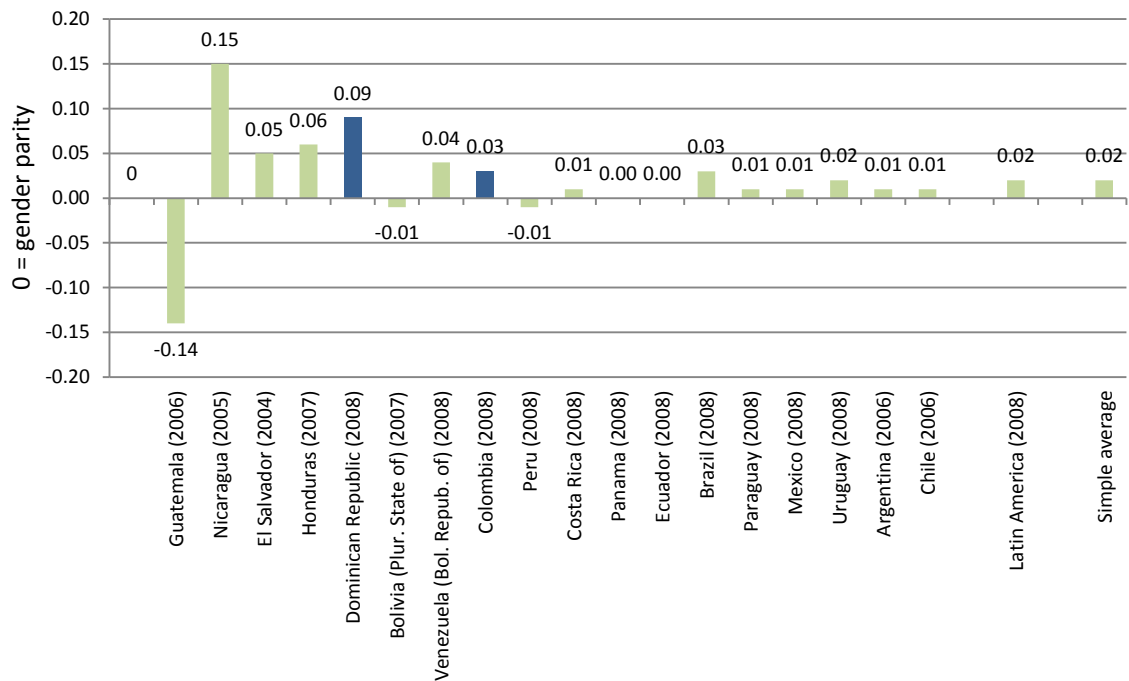
Country names abbreviations and translation: América Latina = Latin America; AR = Argentina; BO = Bolivia; BR = Brazil; CO = Colombia; CL = Chile; CR = Costa Rica; EC = Ecuador; GT = Guatemala; HN = Honduras; MX = Mexico; NI = Nicaragua; PA = Panama; PY = Paraguay; SV = El Salvador; UY = Uruguay; VE = Venezuela.

**Figure 2**  
**Access to education in Latin America: circa 2008**

**(a) 15 to 19 year olds who completed primary education**



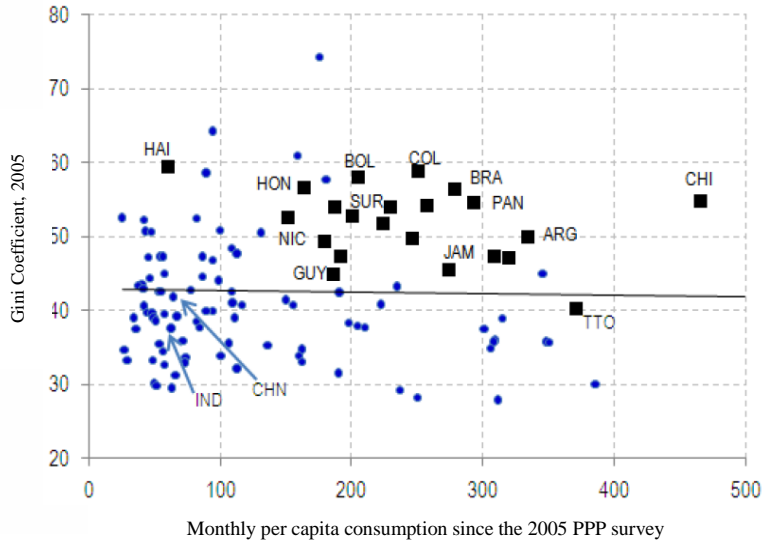
**(b) Gender parity index for 15 to 19 year olds who completed primary education**



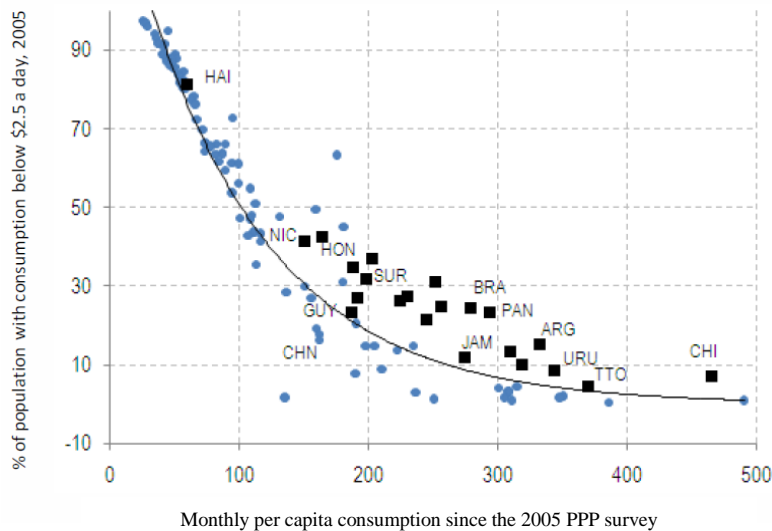
Source: ECLAC (2010b), Figure IV.3.

Figure 3

(a) Gini Coefficient and per capita consumption



(b) Incidence of poverty and per capita consumption

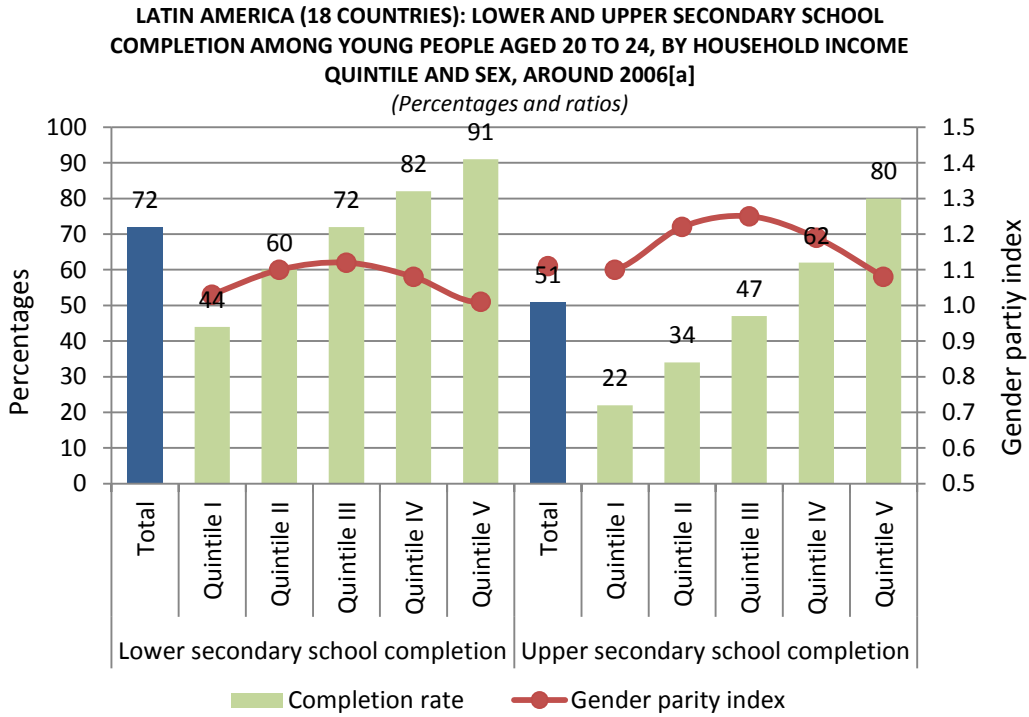


Source: Inter-American Development Bank (2011), Figures A1 and A2.

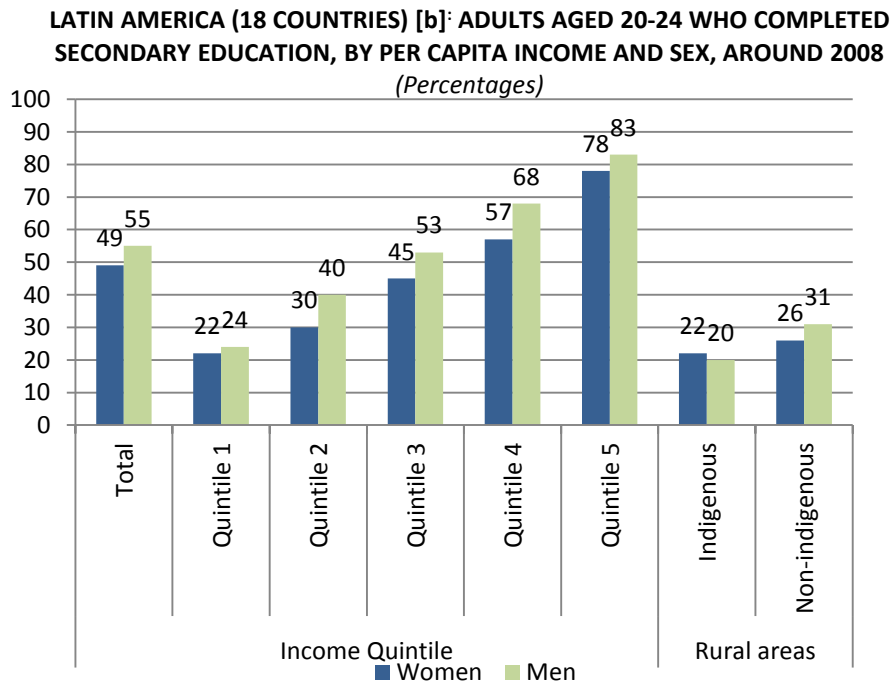
Note: The vertical axis of panel (a) shows the Gini coefficient and of panel (b) shows the proportion of people with income less than US\$2.50/day, expressed in purchasing power parity of 2005. The horizontal axes of both graphs show per capita consumption based on household surveys. In both cases the information is for around 2005. The concept of "excessive" levels refers to the fact that, both in terms of poverty and inequality, virtually all countries in the region are above the predicted level based on their per capita consumption (they are above the line -- or curve, in the case of poverty – obtained by regressing inequality and poverty on per capita consumption for a large sample of developing countries).

**Figure 4**

**Panel (a)**



**Panel (b)**



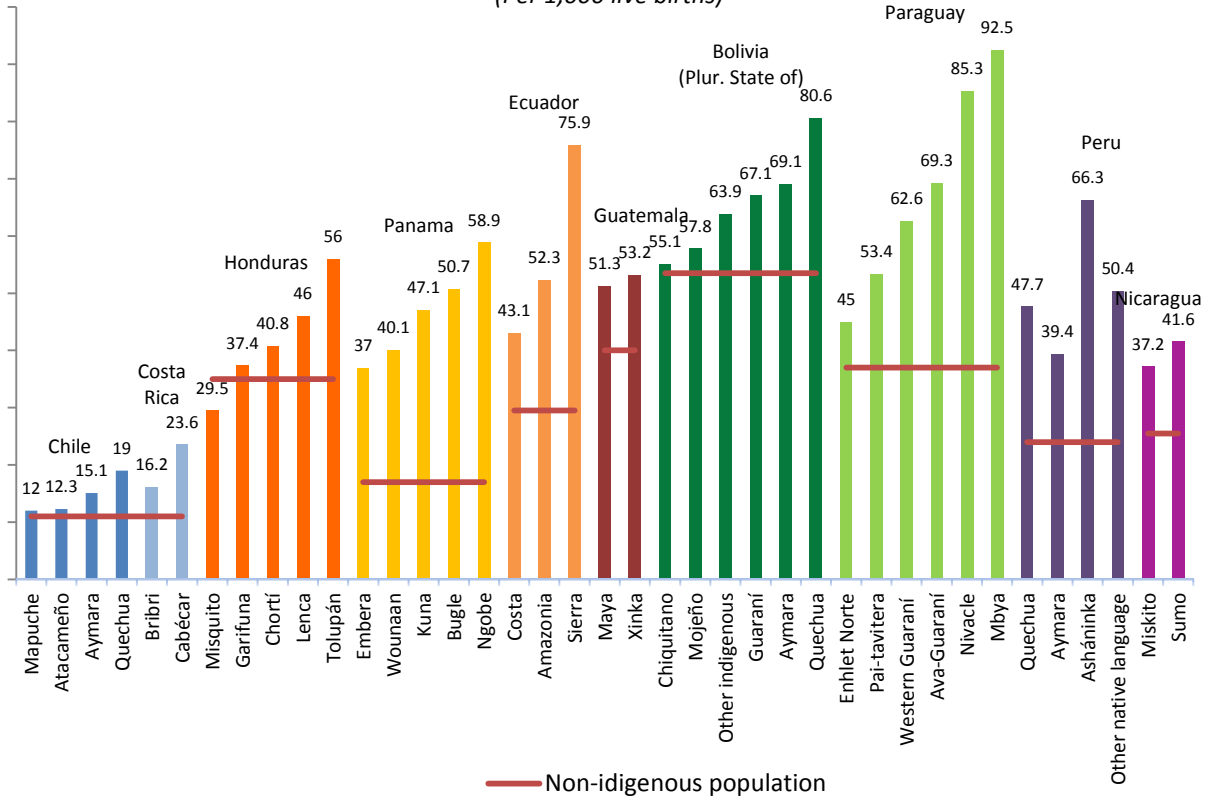
[a] Regional totals may differ from those shown in other figures in the same source because in this case the widest available geographic coverage was used. The right-hand axis here represents the ratio of female to male graduates: values exceeding 1 indicate a higher percentage of female than male graduates

[b] The figures related to indigenous and non-indigenous youth refer to eight countries

Source: ECLAC (2010a), Figure IV.14 and ECLAC (2010b), Figure IV.10.

**Figure 5**  
**LATIN AMERICA (10 COUNTRIES): INFANT MORTALITY RATE, BY COUNTRY AND**  
**INDIGENOUS GROUP, LANGUAGE, LANGUAGE FAMILY AND TERRITORY, 2000 CENSUS**  
**ROUND**

(Per 1,000 live births)



Source: ECLAC (2010b), Figure VI.8.

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