THE ‘GREAT REGRESSION’¹: PROTESTS IN LATIN AMERICA

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LATIN AMERICA IN 2019: A TERRITORY IN TURMOIL DUE TO INEQUALITY

Latin America was in turmoil in 2019. Protests raged across different countries and against governments from across the political spectrum. Widespread mobilization by social organizations denounced corruption and voiced various demands, including greater political freedoms, better and affordable public services, and the urgent need to tackle corruption and inequality, in Mexico, Guatemala, Nicaragua, Honduras, Venezuela, Colombia, Ecuador, Peru, Bolivia, Chile and Brazil. The region ended the year with unfulfilled promises of a new social pact, and the promise of intensified mobilizations.

The increase in social mobilization may be puzzling, since poverty and extreme poverty declined, in conjunction with positive economic growth in the region. Yet, though the levels of poverty in Latin America were relatively low: 30.6% in 2019, according to the United Nations (UN) Economic Commission for Latin America and the Caribbean (ECLAC, or Comisión Económica para América Latina y el Caribe, CEPAL), a substantial reduction compared to the levels of early 2000s, there were warning signs about the stagnation in poverty reduction over the last decade, in addition to a slight increase in poverty and extreme poverty since 2014.

However, measuring levels of welfare and wellbeing within countries by simple averages or single-data indexes cannot present an accurate picture of social and economic development. We must also consider the affordability of, and accessibility to, public services, analyse the creation of formal and secure employment, take into account the coverage and generosity of social protection systems, and understand entrenched inequalities.

Including other indicators and dimensions of poverty and inequality affords us a more nuanced understanding of the forces driving the recent mobilizations in the Latin American region. For example, examining inequality in levels of economic growth reveals a pattern of development. If economic growth produces social losses, the gains of such a pattern should be examined critically across populations, beyond that of a narrow focus on poverty rates. Such is the case in Latin America, a region that experienced a decline in poverty between 2002 and 2019, but where the impact of inequality that the pattern of economic development was simultaneously produced, remains unchallenged by the rift policies financed by the commodity boom of the 2000s. Mobilizations exposed some of the institutions, policies, and practices that create and perpetuate inequalities, which are informed by norms safeguarding existing privileges. Social movements in the low levels of progressive and direct taxation, as well as in the continued efforts to privatize and underfund public services, which leave vast segments of the population in a situation of precarity. Decisionmaking has been poorly aligned with the needs of various collectives, and instead politicized to the benefit of a few. With growing discontent, the 2019 protests constituted a realization of the political and economic systems’ failure to date. Mobilizations are thus an expected societal response to the failure of representation and the democratic processes in the region.

As the region in 2020 grapples with the severity of the COVID-19 pandemic and its amplifying effect, which has exacerbated inequalities, it is crucial to revisit the protests that took place at the turn of the year, as they spoke of ‘[the] enormous costs of mass inequality: inept governance, social distrust, and a huge population of vulnerable people unable to protect themselves from encroaching harms’ (Sachs, 2020). Such is the dire reality in the region, a pre-existing condition of vulnerability exacerbated by the current pandemic, which is likely to worsen and fuel social unrest if the responses from governments continue to protect the privileges of a few.

GRIEVANCES MEET SOCIAL MEDIA AND POPULISM

The increased scale and intensification of mobilizations in Latin America is part of a global trend of discontent, in which emerging levels of ‘unrest’ have met the weakening of democracies, presenting a profound challenge to the sustainability of institutions (Mursheed, 2020). Social connectivity has been central to the rise in mobilizations in Latin America, for 65.8% of the population has access to the internet (World Bank, 2018). Social networks have granted access to broader, more diverse sources of information, while enabling and facilitating the organization of otherwise disconnected groups. Connectivity, in fact, played a key role in the 2019 mobilizations and supported the process of denouncing various abuses committed by state forces.

Whereas social media has indeed facilitated and informed mobilizations, it is also prone to manipulation by different political actors. This is a clear reminder that protests do not occur in a vacuum, as social media is both social and political. Protestors mobilize in response to existing grievances, with social media offering them the possibility to assemble further, magnify and/or manipulate protests.

As the (un)intended effects of recent economic reforms and abuses by governments have gained visibility through social media, there has also been a strong impulse to weaponize misinformation. Populist politicians across the political spectrum have polarized public debate, which has contributed to hollowing out the legitimacy of institutions.

The decline in state legitimacy is also related to the inability or refusal of governments to respond to their citizens’ grievances, as well as populist politicians’ use of misinformation to process that have normalized differences and inequalities and allowed elites to maintain their privileges. Governments’ inability to implement equalizing policies, frequently blocked by these self-interested elites, has led to stratified health, education, and social protection provisioning, segregated labour markets, and institutionalized disparities among populations.

The protests in 2019 brought into question the different governments’ narratives of improved living conditions in the region, signalling that social and power structures have remained unchallenged by the rift policies financed by the commodification of the 2000s. Mobilizations exposed some of the institutions, policies, and practices that create and perpetuate inequalities, which are informed by norms safeguarding existing privileges. Social movements in the low levels of progressive and direct taxation, as well as in the continued efforts to privatize and underfund public services, which leave vast segments of the population in a situation of precarity. Decisionmaking has been poorly aligned with the needs of various collectives, and instead politicized to the benefit of a few. With growing discontent, the 2019 protests constituted a realization of the political and economic systems’ failure to date. Mobilizations are thus an expected societal response to the failure of representation and the democratic processes in the region.

Latin America in 2019: A Territory in Turmoil Due to Inequality

1. For a more comprehensive analysis of the protests in Latin America in 2019, see www.europaworld.com.
take advantage of this. Protests in Latin America can be grouped around four main, intertwined themes: corruption, economic reforms that exacerbate inequality and precarity, gender violence and impunity, and lack of political freedoms. Corruption scandals preceded 2019 and informed mobilizations in Peru, Brazil, and Colombia. The ‘Lava Jato’ and Odebrecht scandals illustrating the degree of corruption and its international dimensions. Corruption-denouncing mobilizations were not exclusive to these countries, as protests in Mexico, Honduras, Argentina and Guatemala also drew attention to allegations of pervasive corruption and the looting of public revenues by political cliques.

Economic reforms informed protests in Ecuador, Chile, and Colombia, countries that attempted to cut state expenditure in order to reduce financial deficit, but were unwilling to increase taxation of their wealthiest citizens, or curb existing tax exemptions. These measures had an immediate effect on the affordability of public services such as health, education and transport, thus increasing the vulnerability of already precarious groups dependent on irregular income and/or debt to survive financially. In light of the threat of increased poverty and precarity, citizens mobilized against such measures.

Central to the mobilizations in 2019 were nationwide protests in Mexico, Colombia, Chile and Argentina depicting gender-based violence, echoing global movements. Latin America has the highest rate of female homicides (femicides) in the world⁵. Yet violence is only one dimension of gender discrimination and human rights violations, part of a spiral of unequal access to resources, opportunities, representation and justiciability on all levels. These protests were not only protestations against governments’ inability to eradicate gender violence, but also addressed society at large, denouncing patriarchal norms and institutions that condone various forms of violence and discrimination.

Mobilizations also took place in 2019 against authoritarian regimes in Venezuela and Nicaragua, the dramatic reversal of democratic freedoms in Bolivia following the disputed elections and their aftermath that ousted President Evo Morales, and the totalitarian tendencies taking place in countries such as El Salvador and Brazil. Such protests against the erosion of democratic rights are unsurprising in a region that holds in its collective memory the legacy of the US-sponsored dictatorships that pervaded policymaking between the 1960s and 1980s. These four grievances are deeply intertwined and were sometimes voiced simultaneously. Furthermore, they remain unresolved and are now magnified by the COVID-19 pandemic and associated lockdown measures, the shock of which is likely mostly to affect those in poverty and vulnerability to poverty.

A PANDEMIC MEETS PERVERSE INEQUALITY

The 2019 protests in the region voiced various claims and demands, none of which managed to ignite structural responses from government. The COVID-19 pandemic of 2020 has met with pervasive levels of inequality, resulting in amplified disparities in health and economic effects on the population. The socioeconomic impact of the pandemic and related measures has the potential further to undermine social cohesion, erode public trust, and deepen political polarization (Sachs, 2020). Whereas it is difficult to anticipate the impact the pandemic will have on inequality, the decisions and initiatives that governments undertake will determine how lasting its effect will be, particularly among vulnerable and precarious populations.

To better understand how this pandemic might have variegated effects, it is important to recognize inequality as intersectional, related to identity markers, such as race, age, gender, and others. It tends to lead to more profound inequality. For instance, limited access to formal employment among historically marginalized groups, and unequal access to programmes around health and social protection. Whereas estimates tend to present national figures, for example on poverty rates, organizations such as the International Labour Organization (ILO), UNDP, UN Women, ECLAC and Women in Informal Employment: Globalizing and Organizing use specific indicators to provide a better measurement of different disparities by identifying vulnerable groups such as women, children, youth, indigenous peoples and persons of African descent, and migrants.

It should be noted, for instance, that in Latin America Afro-descendant and indigenous peoples are over-represented among the rural and urban poor, with inadequate access to high-quality health services and sanitation (Ferreira and Schoch, 2020). Race, understood as an analytical category that captures a hierarchical system with tangible social and economic consequences, explains processes of social exclusion and marginalization from public services. Racialized outcomes have become particularly evident through, as inequality, poverty and marginalization are higher among historically under-represented groups. Both infection and death rates are higher among these groups, either because they are excluded from mechanisms of protection, such as no access to social insurance as a consequence of higher informality rates, or adversely included in markets in terms that do not benefit them and force them to continue working amid lockdown measures. Processes of exclusion and marginalization are quite extreme in some settings such as Brazil, where the Government of Jair Bolsonaro is, arguably, blocking the provision of public health services to indigenous communities (Al Jazeera, 2020).

More than 54% of Latin American workers operate in the informal sector. Labour markets in the region are precarious: a high proportion of informal employment: 53.1% in 2016 (ILO data, as cited in ECLAC’s report, 2020). This means that more than one-half of the population in the region has no security of income, no observance of rights at work, such as paid sick leave, social security, or unemployment insurance related to formal workers. However, even among those in formal employment, the low levels of labour regulation compliance in the region result in a transfer of risk from capital to labour, casualizing employment and operating under a constant threat of dismissal. Furthermore, given the levels of precarity in the region, a vast segment of the population survives on debt, with increasing risks to face the health-related clusters. Many precarious workers are neither covered by social security (as they are part of the pool of informal employment) nor deemed poor enough to access social assistance programmes, thus joining the ‘missing middle’ (ECLAC/ILO, 2020).

Employment outcomes have a clear gendered dimension in Latin America. Women are over-represented in low paid and mostly informal occupations, such as domestic work, home-based work, street vending—occupations at greater risk of the pandemic—and perform most of the unpaid care work, while having limited access to social protection (Ferreira and Schoch, 2018). The impact of the current pandemic on the lives of women is compounded, whose double burden of paid work and unpaid care work has intensified with lockdown measures and closure of childcare centres.

Thus, under-represented groups living on the margins of the state but integrated into markets have remained ineligible for meaningful social protection, excluded from labour policies and social security schemes. Others, though included, only have access to narrowly targeted interventions, such as cash transfers. A vast share is missing from both. These elements of vulnerability help to understand the predicted increase in (absolute) poverty, from 186m. people in 2019 to 214m. people in 2020 as a consequence of the pandemic in Latin America. Extreme poverty is also predicted to increase significantly in the region, from 67m. people in 2019 to 83m. people in 2020 (ECLAC, 2020).

The high levels of inequality, informality and precarity, with the resulting distrust in formal public institutions, has curbed the effectiveness of lockdown measures and policies—where and when implemented, with limited success. For example, President Bolsonaro in Brazil, the threat of the virus was considered to be overstated, resulting in unnecessary delays in implementing combative measures that left a trail of suffering and death. The infection curves in the region quickly mirrored patterns of structural inequality, with two different infection trends: one for the rich (under control given their privileged access to private health providers), and one for the poor (which rose rapidly and remains out
of control). As a result, in late May 2020 the World Health Organization (WHO) announced that the Latin American region had become the epicentre of the COVID-19 pandemic.

Despite the high number of deaths, such numbers remain under-recorded. Equipment and personnel are overburdened, and even young patients, with treatable diseases, are dying as a result of being unable to access to the health system. This is also owing to the limited capacity of healthcare systems in the region—a result of years of under-funding instigated by international financial institutions as part of their push towards austerity and downsizing of the state. According to ECLAC, it is estimated that Latin America, on average, assigns just 2.2% of gross domestic product (GDP) to health expenditure, far from the 6% standard recommended by the WHO. However, the region spends 2.6%, on average, in debt repayments (ECLAC, 2020).

Because of this institutional weakness, entire populations are thus left to their (scant) means to navigate the hardship of privatized and stratified health systems without state-provided social protection. Collectives also seem to distrust a state that is associated with coercion rather than security, while governments use the police and the army to enforce curfews. When precarious workers are forced to break these measures to eke out a living, they are abused or fined by state forces. This is why the social ‘disorder’ in some communities, expressed in theを目指된 lockdown measures, is not a material feature of some groups—read clearly representing the elitism that pervades public opinion in the region. It instead manifests the weaknesses, contradictions and limitations of formal public institutions. Latin America is a region in which ‘order’ continues to be seen as more important than wellbeing.

Given the significant discontent manifested in the 2019 protests, and the mistrust, lockdown measures have not been effective. This mistrust is further exacerbated by selective measures, prone to corruption. In Ecuador, selection mechanisms put in place to provide social assistance allowed the wealthy to access benefits targeted at the poor, while in Colombia, the Government proposed three days in which shopping could take place without value-added tax in response to the protests of 2019, exposing the great detachment from the own means in a context of marketized and stratified provision of health services and social protection. Hence, this crisis is also affecting the precarious population, as the trend of low unemployment, a result of inadequate or non-existent unemployment insurance, has been reversed in the region. This is likely to result in increasing indebtedness of households and a compulsion to take any job available—informal, precarious, intermittent and insecure. Taking everything into account, the trend is towards higher unemployment, informality and precarity.

Informal dwellers, the homeless, migrants, self-employed and casual workers, as well as small businesses, cannot afford to be idle nor contemplate the cessation of all activities. Migrants and refugees (many from Central America and Venezuela) were not allowed to move across or within countries, and as a result, many lost their livelihoods, together with whatever small gains they had achieved in previous years. This movement of refugees and migrants will create tensions, as the return of expatriates increases the demand on already frail health systems, as in the case of Venezuela.

In this context, discussions on basic income have gained prominence. The provision of a basic income could not necessarily act as an equalizing instrument, but can work to provide some form of revenue support and help populations observe lockdown measures. Yet, this crisis has made evident the limited policy space of Latin American economies, owing to the pressures of international actors or the low levels of progressive taxation. With reduced financial flows and strict debt restructurings, alongside dramatic levels of tax evasion, elites are unlikely to implement universal and publicly funded measures.

**THE COMING AGE OF DISCONTENT**

Latin America awaits progressive measures as the world awaits a COVID-19 vaccine. Even if progressive measures are suggested by governments, they are filtered by social structures and power differentials, and might not necessarily be accessible to all, or they might be set in place too late. This final section discusses the future of mobilizations in Latin America in the aftermath of the pandemic, higher levels of inequity, the weaknesses of the measures exacerbated by the economic responses to the COVID-19 crisis.

The pandemic has the potential to deepen existing fissures in the social contract, voiced in the 2019 protests in the region. Discontent is expected to increase in the years to come, following grief over hundreds of thousands of lives lost, and anger at the inaction or coercive approaches taken by various states. These grievances will also be informed by the measures different governments adopt, which will have uneven conse-
quences on people according to existing patterns of inequality, vulnerability and precarity across the region.

The current levels of inequality in the region are the result of policy decisions that have made economies less resilient to shocks. The COVID-19 pandemic is a systemic shock of unprecedented reach and its economic impact might be comparable with the worldwide recession that began in 1929—or rather, with a war economy. When the region eventually steps out of the hecatomb caused by the pandemic, it will have to deal with the impact that the uneven responses of governments have had on economies and societies. It will also have to face the way the priorities of the global financial architecture, governments and elites have further stratified social protection systems and breached the promise of a different social contract.

What happens next depends on the shared vision that collectives and governments can develop during and following the pandemic. Given the historical wounds of exclusion and marginalization deepened by the systemic shock experienced in 2020, social groups might seem even more alienated and antagonized, distrusting governments across the region. The fear ignited by populists, left and right, with their strategy of restraining critical voices, dismantling collective visions, and creating more fissures, presents a hostile context in which to rekindle social contracts in the future.

Despite this uncertain context, social mobilizations taking place before, during and after the COVID-19 pandemic present both an opportunity for and a risk to the stability of the region. These prospects are defined by the role of both mobilizing organizations and the responses from governments, and can be understood as bounded within two scenarios.

In the best case scenario, mobilizations are a vehicle that can facilitate negotiation between society and governments. Mobilization has the potential to conduct new social covenants in which the citizens can make their needs known and can help to re-legitimize the state and its institutions if they address the structural inequalities and multiple dimensions of the grievances deepened by the pandemic. For economies suffocated by inequality and elite capture, this could provide a new space for social dialogue, outlining what needs to be done and the specific needs of different populations. Such a process has the potential to inform policymaking and reweave the political covenant between citizens and governments.

In the worst case scenario, governments could continue and even deepen their contemptuous response to citizens’ grievances while maintaining their pledge to specific elites. This would manifest in the use of repression or sheer incompetence. In that case, the post-pandemic scenario would be one of a further reduction in state legitimacy and democracy, together with weaker institutional capacity, which would fuel different expressions of discontent and feed the growth of illegal organizations (gangs, drug traffickers). General discontent can lead to new waves of conflict, leading to greater instability and deepening inequality. As states are left hollowed out by the greed of elites and the incapacity of governments to involve or listen to their citizenry, the shock of the pandemic will be the starting point in a worsening trend in higher inequality, poverty and instability in the years to come.

The outlook from these two scenarios departs from the immediate aftermath of the COVID-19 pandemic. The response from different governments (in the best case scenario) can minimize, but not subdue, the unequal impacts of the pandemic. The (in)capacity of governments to respond to the challenges of pervasive inequality will foreground the path to recovery or to instability. Plagues and pandemics have left behind major social transformations. With COVID-19, Latin American governments can rewrite the region’s socioeconomic path, engaging different actors and recovering the legitimacy of their social contracts above the interests of particular elites and international stakeholders.

FOOTNOTES
2 Investigations into the ‘Lava Jato’ or Operation Car Wash, scandal at the Brazilian state oil company Petrobras began in 2014. The scandal led to the departure from office of President Dilma Rousseff and the incarceration of former President Lula da Silva. The Odebrecht corruption scandal emerged from investigations into the Operation Car Wash, related to bribes paid by the Brazilian construction company Odebrecht to officials in other South American countries.

BIBLIOGRAPHY


