

Latin-America and the New Agenda of Human Opportunity

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Director

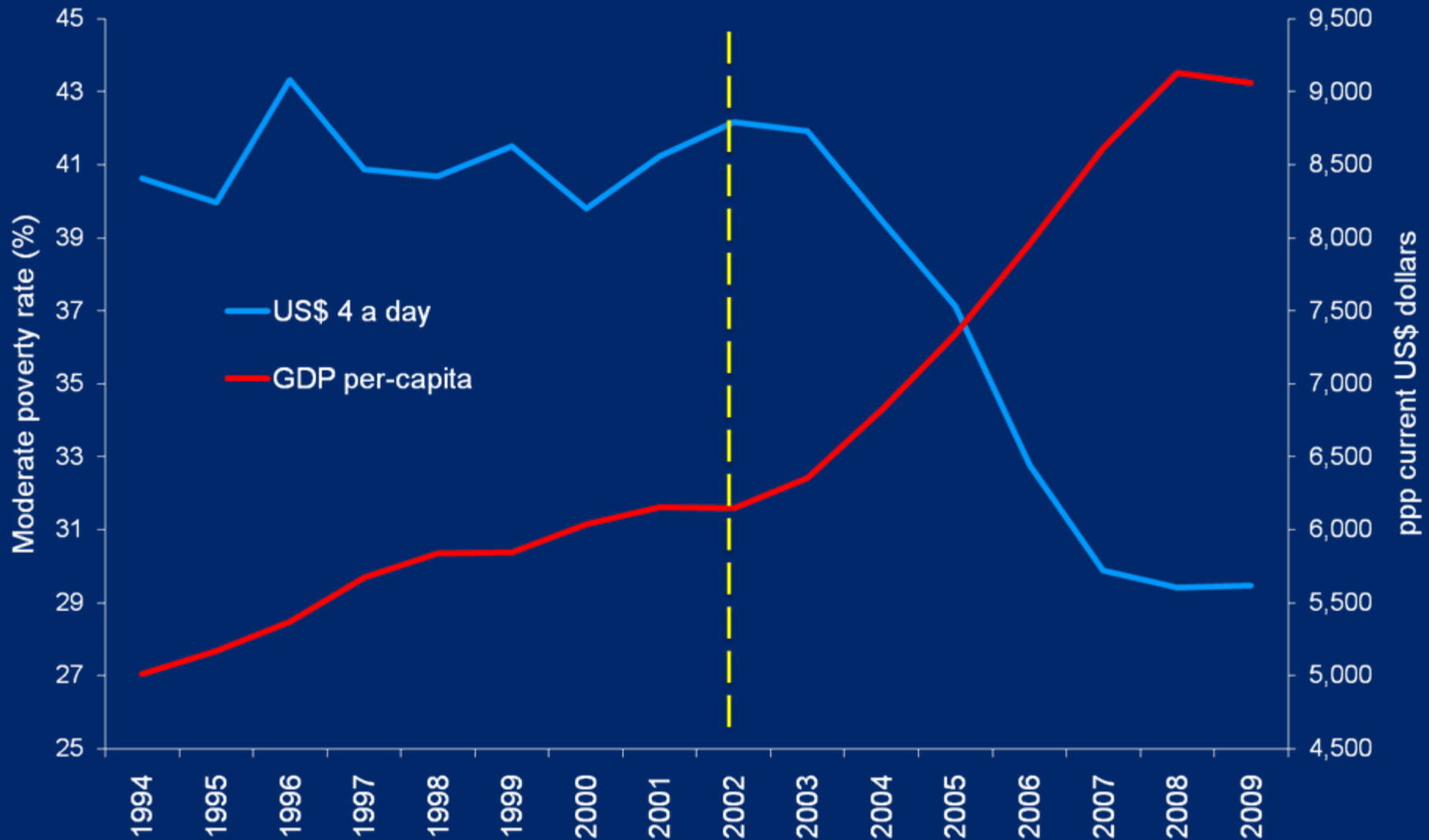
Poverty Reduction and Economic Management

Latin America and the Caribbean

The World Bank

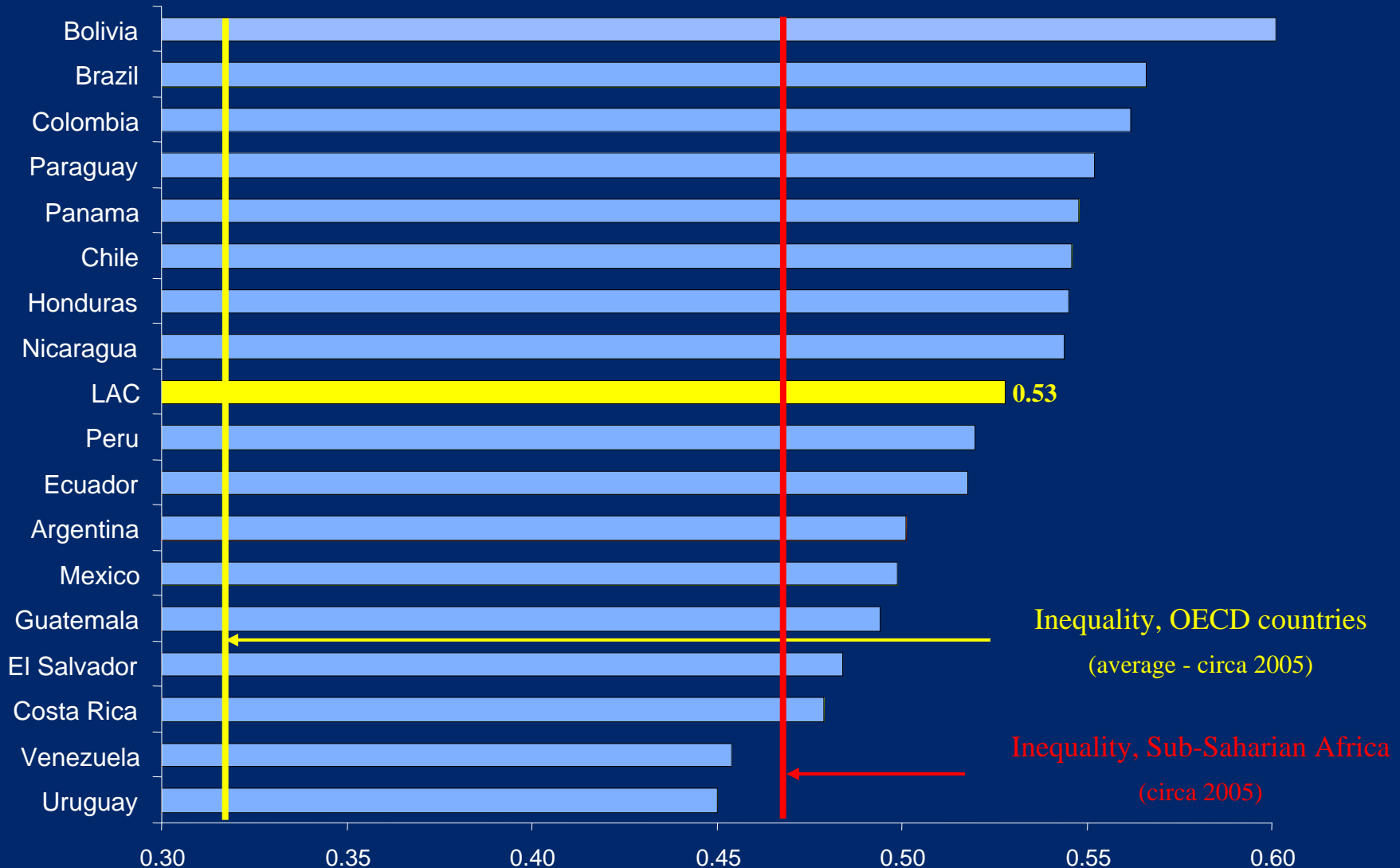
Poverty in LAC has (finally) been falling...

Evolution of Poverty (4 US\$ per day) and GDPpc 1994 – 2009 in LAC



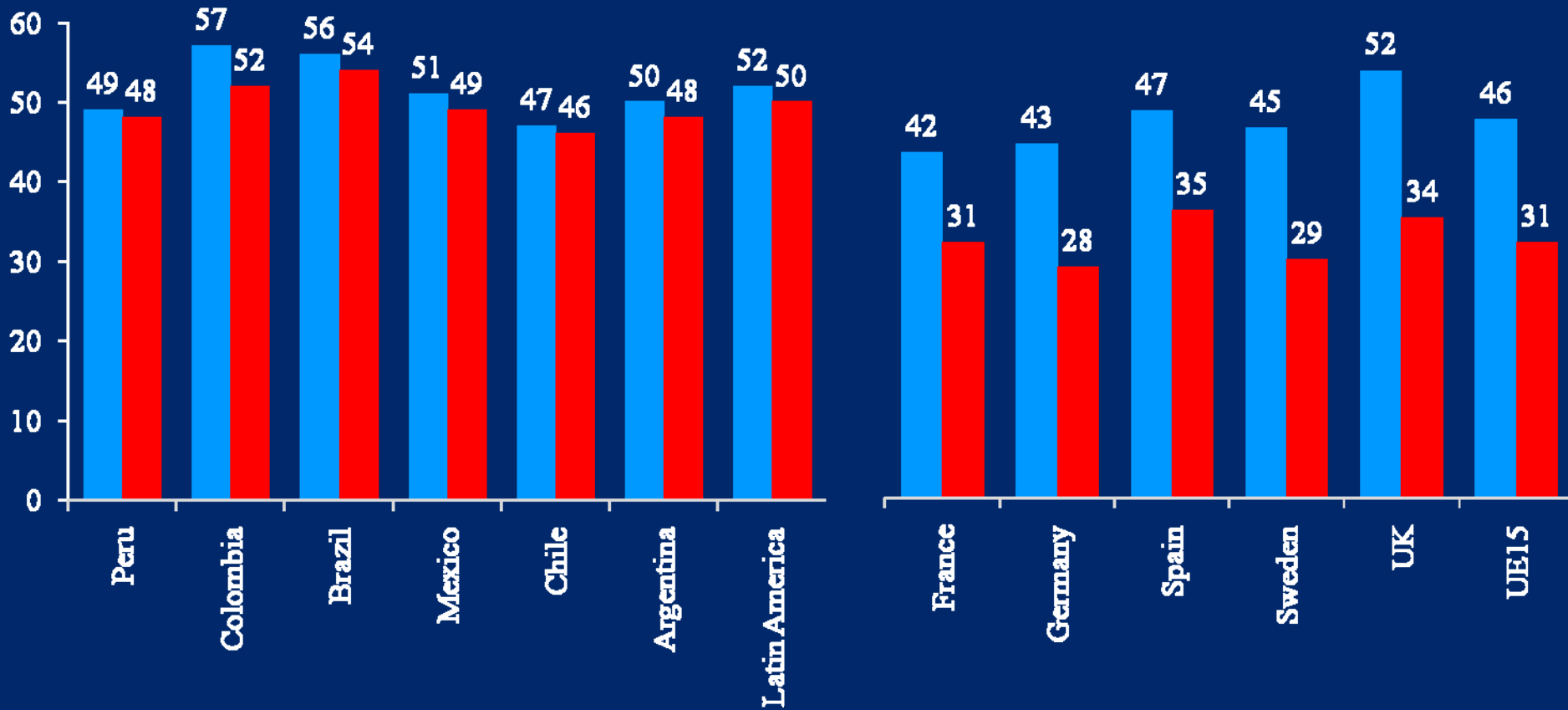
But inequality remains very high...

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

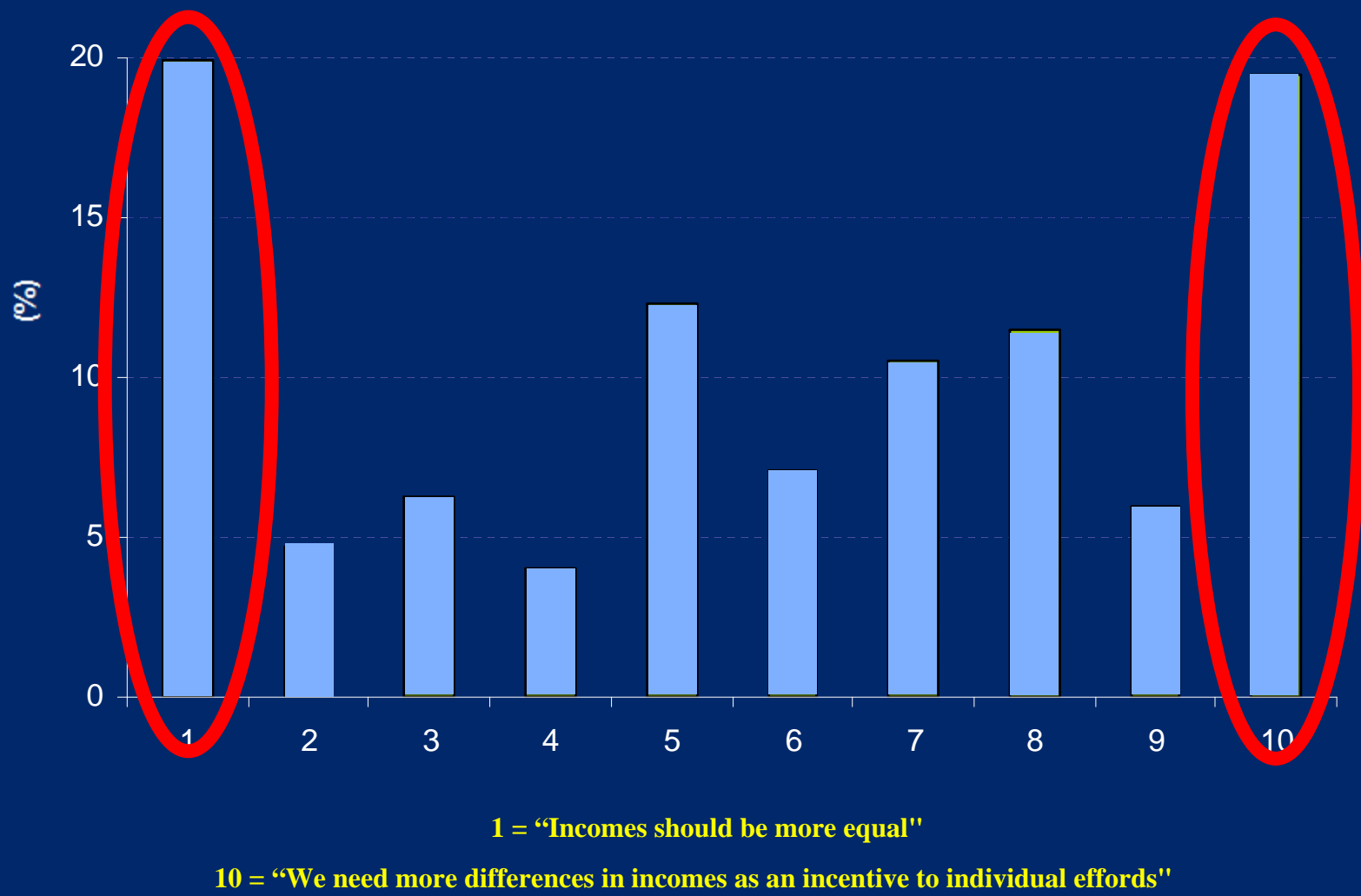


Inequality and Fiscal Policy

Inequality (Ginis) before and after taxes and transfers

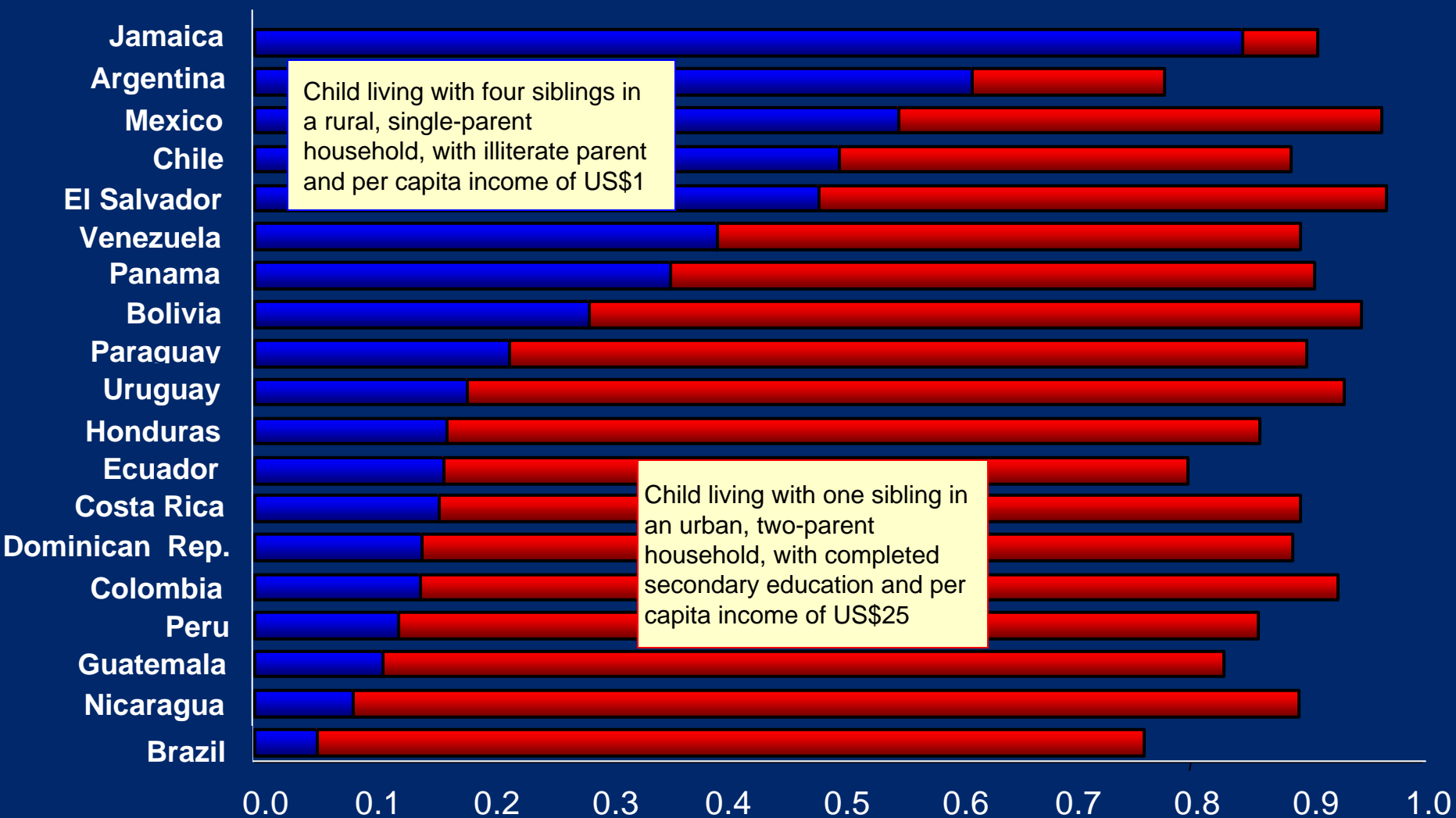


And Inequality Polarizes Politics...

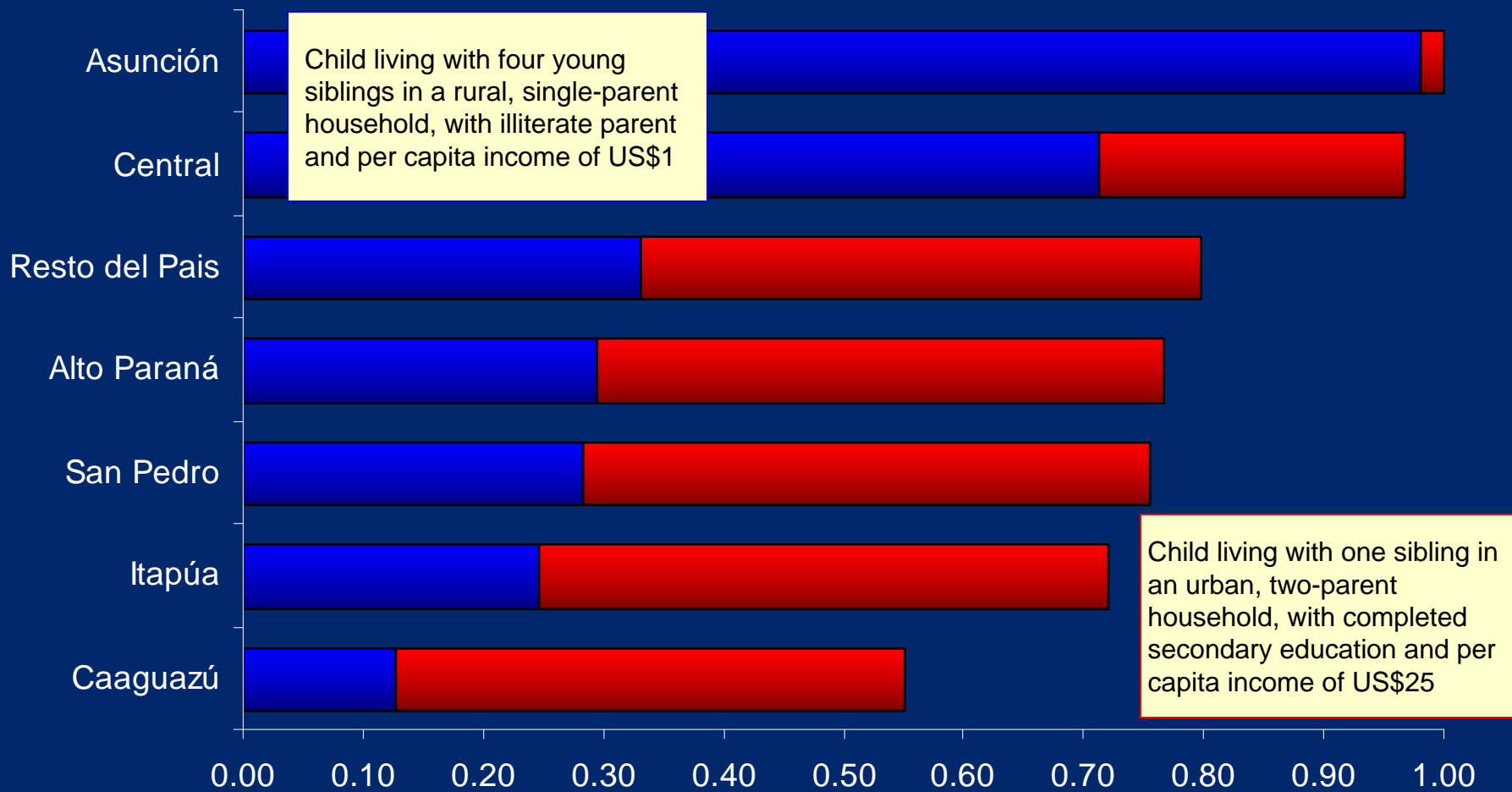


Source: "Encuesta Mundial de Valores", University of Michigan, 2004.

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

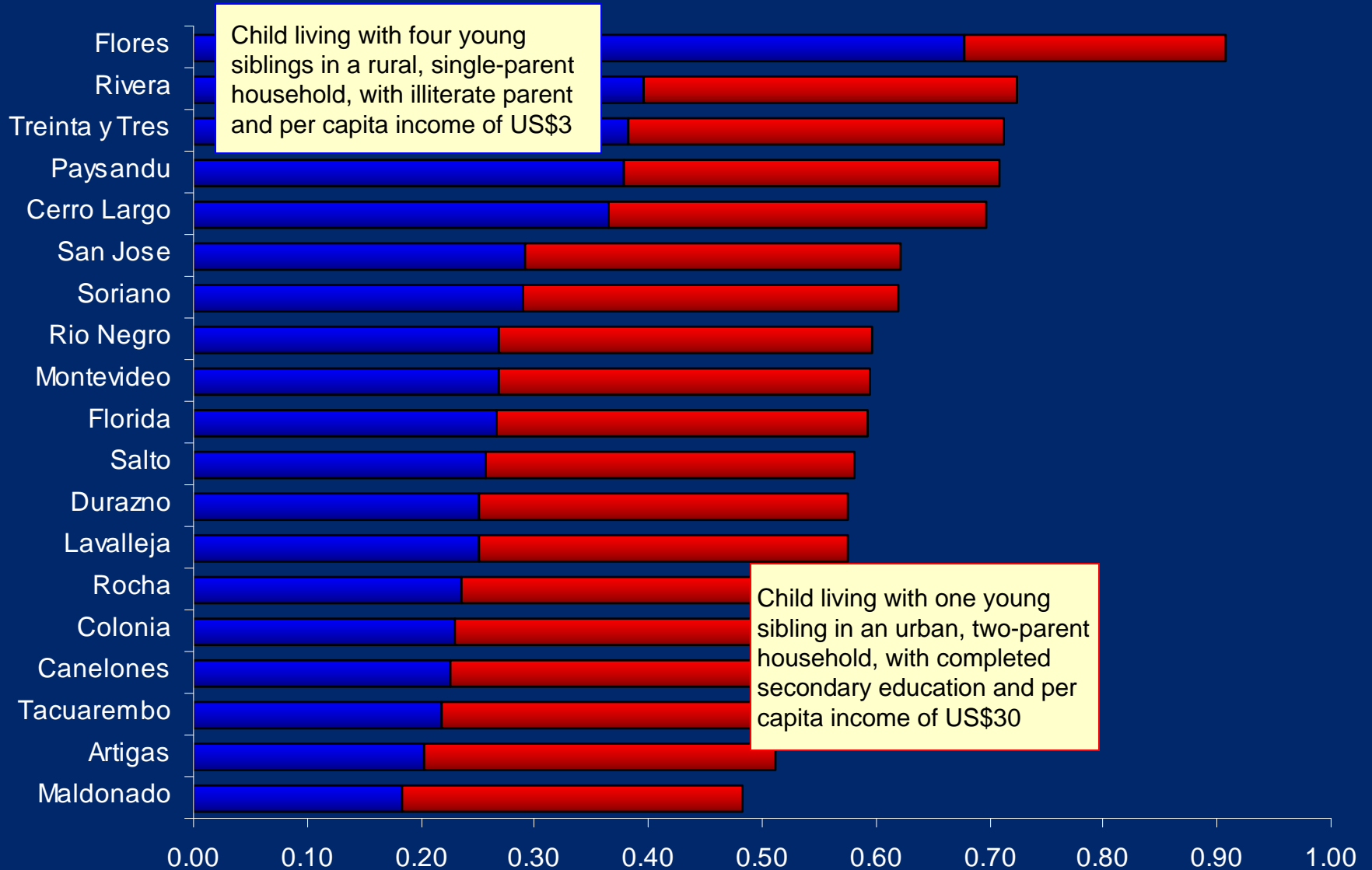


Two Paraguayan Children: Probability of having potable water in the house

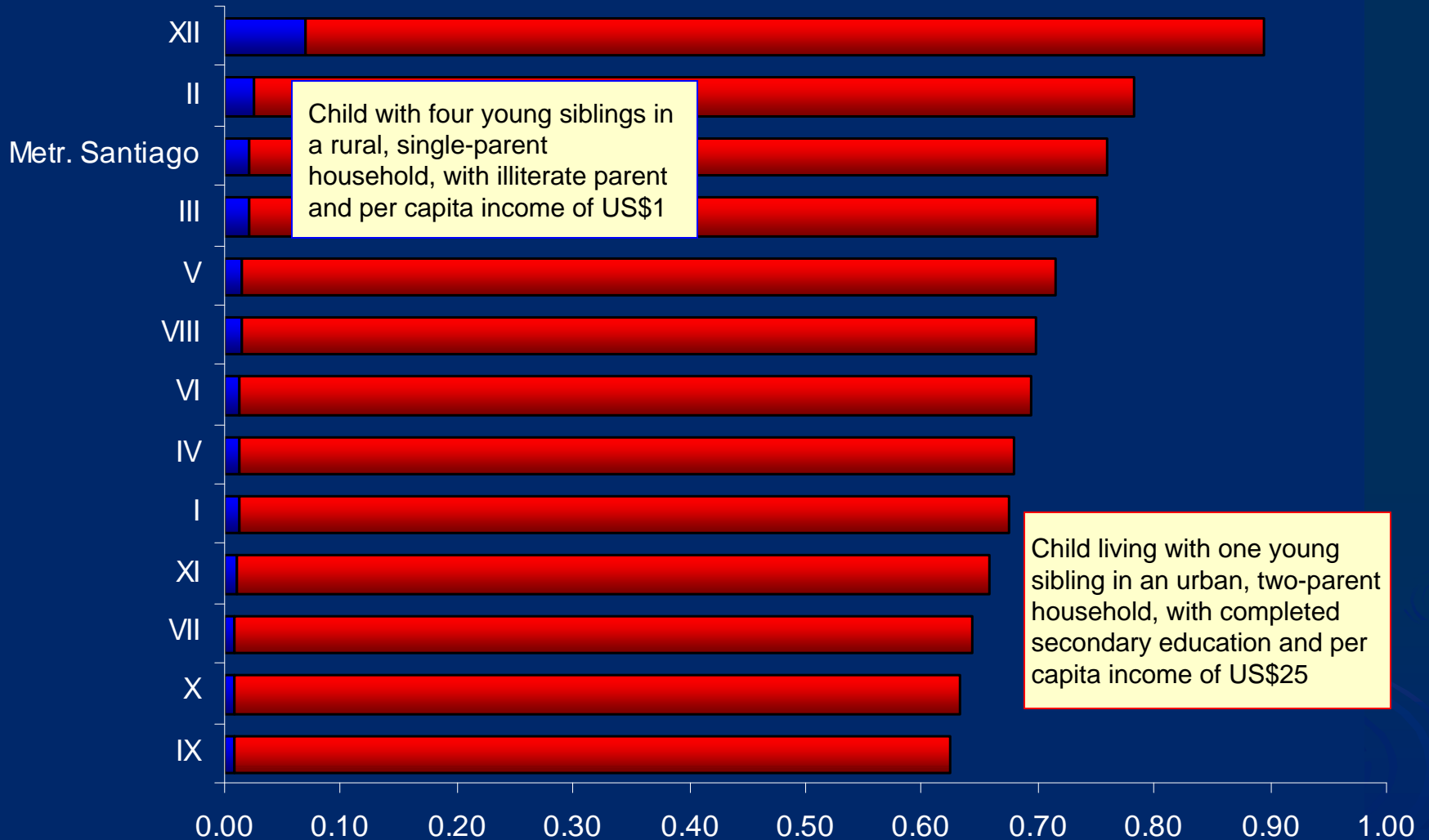


Two Uruguayan Children:

Probability of Making Preventive Dental Visit – Last 6 months

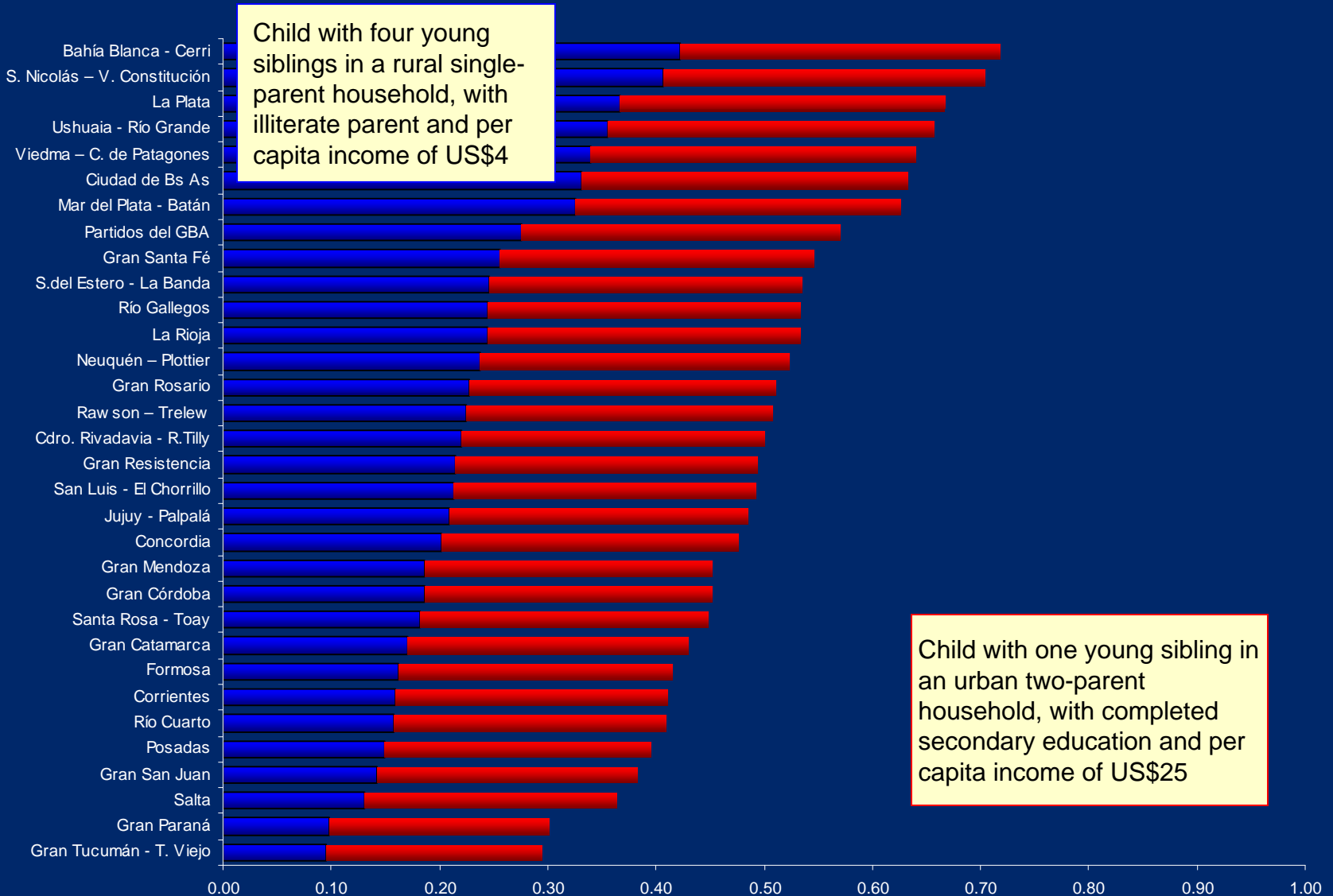


Two Chilean Children: Probability of Access to Computers



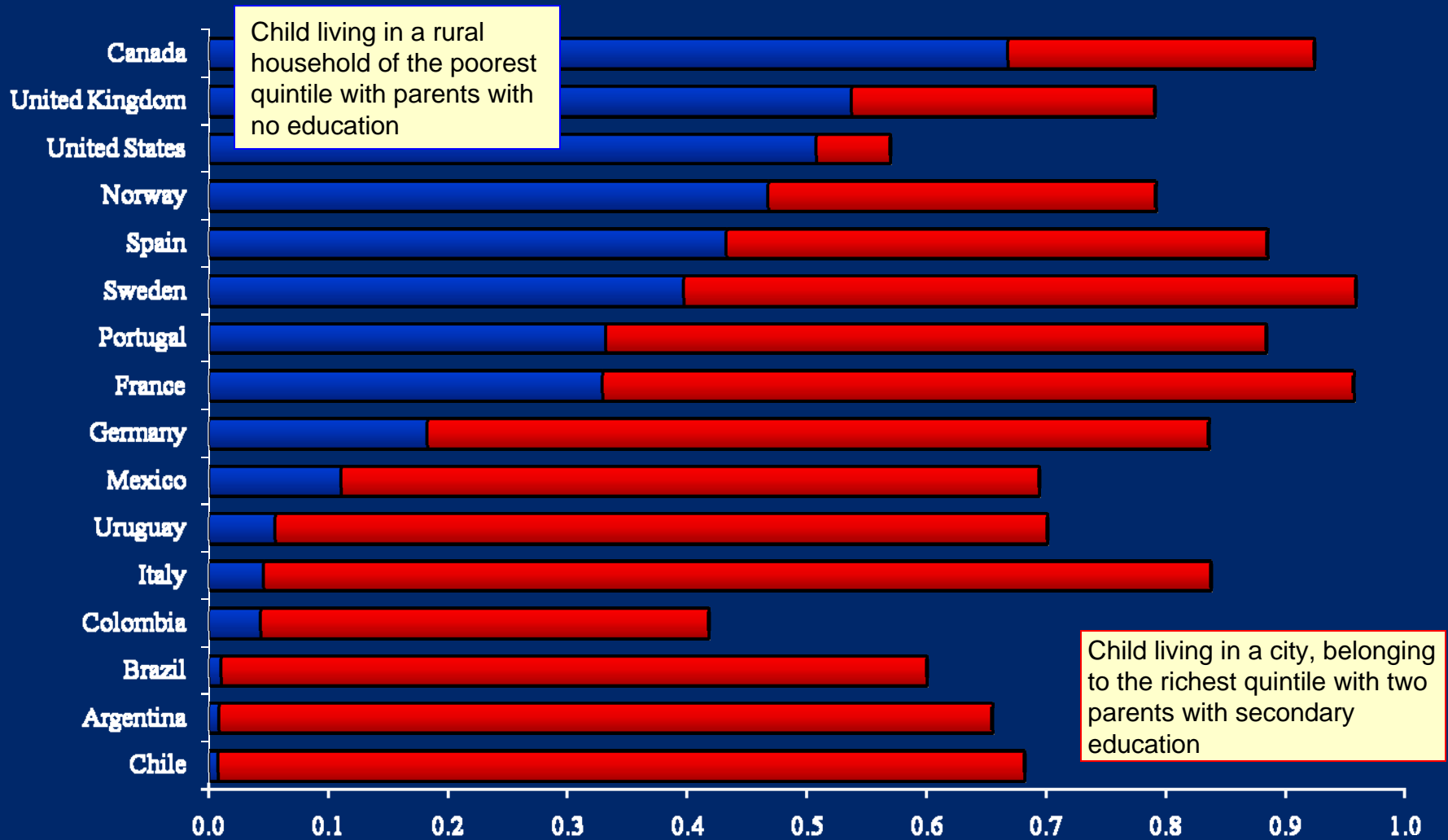
Two Argentinean Children:

Probability of Receiving an Early Education at Age Between 2 and 5



European and Latin-American Children:

Probability of Reaching an Adequate Level of Mathematical Knowledge (Level 2 of PISA)



Rank

Human Oppurtunity Index

Human Doing Business Development Index

1

Chile

95

Colombia Argentina

2

Uruguay

92

Chile Chile

3

Mexico

90

Mexico Uruguay

4

Costa Rica

89

Peru Costa Rica

5

Venezuela

89

Jamaica Mexico

6

Argentina

89

Panama Panama

7

Jamaica

84

El Salvador

8

Ecuador

82

Dominican Rep. Venezuela

9

Colombia

81

Guatemala Colombia

10

Brazil

79

Uruguay Dominican Rep.

11

Dominican Rep.

75

Nicaragua

12

Paraguay

73

Argentina Ecuador

13

Panama

72

Costa Rica Paraguay

14

Bolivia

72

Paraguay Jamaica

15

Peru

71

Brazil El Salvador

16

Guatemala

57

Ecuador Nicaragua

17

El Salvador

56

Honduras Honduras

18

Nicaragua

54

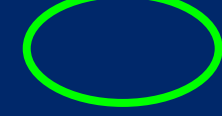
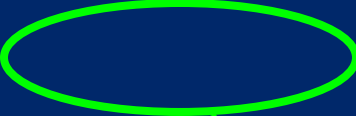
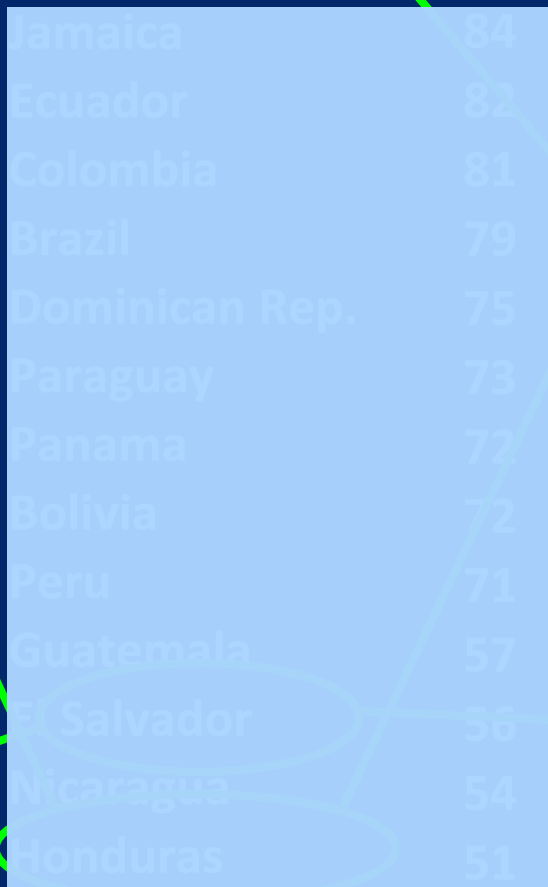
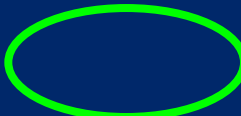
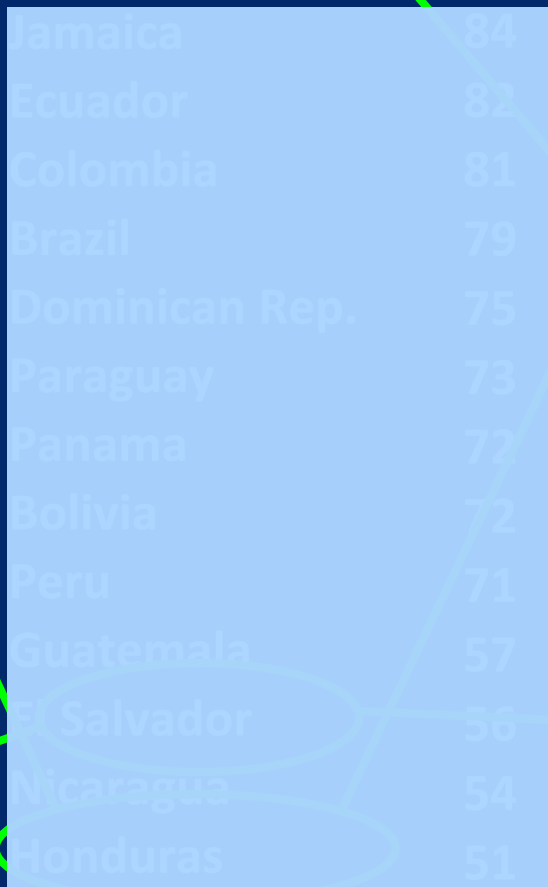
Bolivia Bolivia

19

Honduras

51

Venezuela Guatemala



Rank **Human Opportunity Index (Education)**

Human Doing Business Development Index

1	Canada	89	US	Norway
2	UK	83	UK	Canada
3	Sweden	82	Canada	Sweden
4	Germany	81	Norway	France
5	Norway	77	Sweden	US
6	France	77	Germany	Spain
7	Spain	73	France	Italy
8	US*	71	Portugal	UK
9	Portugal	69	Spain	Germany
10	Italy	67	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 focus on **Early Childhood**:

1. Pregnant Mothers
2. Institutionalized Delivery
3. Vaccination
4. Nutrition
5. Epigenetics

2. Results in **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) **Higher Education:**

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

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5. Ensure **Civil Identity**:

1. Birth Certificate
2. Property Titles
3. Voter Registration Card
4. Public Defenders

6. Enforce **Anti-discrimination** and **Anti-Trust Laws**

7. Access to **Information**:

1. Libraries
2. Local Governments
3. Wireless Cities

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8. Focus **Subsidies** on The Poor:

1. Water
2. Sanitation
3. Electricity

9. Offer Services to **Micro-entreprises** (not Just Credit)

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

1. Indirect Exporters
2. Technology Transfer
3. Commercial Opportunities

Thank You

www.worldbank.org/lacopportunity



Oportunidades Básicas

➤ Educación

- Completar 6^{to} grado a tiempo
- Asistencia escolar, niños de 10 – 14 años

➤ Vivienda

- Agua Potable
- Electricidad
- Saneamiento

- Criticas para el desarrollo individual
- Universalidad es un objetivo social valido

Índice de Oportunidades Humanas

$$O = \bar{p} (1 - D)$$

→ Acceso promedio (\bar{p})

→ Desigualdad de Oportunidades (D)



$$D = \frac{1}{2\bar{p}} \sum_{i=1}^m \beta_i |p_i - \bar{p}|$$

\bar{p} Acceso promedio

p_i Acceso específico por grupo i

β_i Proporción del grupo i en la población total

Ningun estado en Brasil tiene un indice de Oportunidades similar a Chile. Varios tienen un indice inferior a Guatemala

Indice de Oportunidades de completar 6to grado a tiempo (c. 2005)

