



# GLOBAL CENTER FOR DEVELOPMENT AND DEMOCRACY

## *Executive Summary*

### **SOCIAL AGENDA FOR DEMOCRACY IN LATIN AMERICA FOR THE NEXT TWENTY YEARS**

#### *Public and Private Policy Recommendations*

In the next two decades, Latin America's nations can create the conditions for sustained economic growth, deepen their democracies, and transform their societies. To do so requires a plan and a commitment to reduce the region's endemic poverty, to incorporate marginalized populations into the democratic process, and – simultaneously – to play an increasingly influential role in the global economy.

The Social Agenda for Democracy is a plan specifically formulated to achieve these objectives. This Report was produced by a group of 20 Latin American ex-presidents (in collaboration with development experts from various sectors), who will present the document to the sitting heads of state participating in the 2009 Ibero-American Summit<sup>1</sup>. The Social Agenda delivers a series of policy recommendations that, when implemented systematically, will greatly improve the lives and social mobility of Latin America's poor, will produce a new dynamic for economic growth, and will strengthen Latin America's still-fragile democratic institutions.

This summary document gives a brief background to the plan, describing the process by which a politically diverse group of democratically elected Latin American former presidents developed these policy recommendations; then, the document presents the recommendations and explains how their implementation will be monitored on an annual basis.

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<sup>1</sup> The former presidents would like to thank Martin Carnoy, Avi Tuschman, and Thomas Luschei for their help in preparing this document.

## I. THE NEED FOR A NEW APPROACH

Latin America has made a great deal of progress in the last twenty years, but still has immense economic and social problems, and often-weak political institutions with which to solve them. The current global financial and economic crisis will exacerbate poverty, and make it more difficult to integrate the region's poor into the mainstream economy. Yet this crucial objective can be achieved through the political commitment to the right set of strategies. How Latin America's leaders confront these challenges will play a vital role in determining the conditions in which the region's citizens find themselves a generation from now.

Some argue for continuing the growth promotion and trickle-down policies of the "Washington Consensus." These policies have left Latin American economies much better structured to compete in world markets than in the past, and have contributed to increased economic output. Nevertheless, they have not diminished the great gap between rich and poor that continues to make the region politically unstable.

Others are tempted to choose a confrontational, demagogic path, where the leader, rather than the reform project, takes center stage, and national belligerence rather than cooperation dominates inter-American relations. This path leads to an escalating arms race, which detracts from the region's efforts to fight against poverty. Based on past performance, neither market fundamentalism nor authoritarian populism is likely to help the region achieve sustained and equitable long-term development, and neither is likely to deepen Latin American democracy.

The Social Agenda for Democracy proposes that the way forward must be along a new road. This road should continue to emphasize economic growth. Democracies must have a solid grasp of the fundamentals of economic policy in order to continue raising the average standard of living. However, the new road should also engage with the massive loss of human potential in Latin America's impoverished, marginalized populations; it must reform political institutions to make government leaders accountable to a much wider constituency, which needs to include the poor, women, and indigenous peoples. It should build broader and more inclusive democracies, committed to protecting the political, social, economic, and environmental rights of men and women from all social classes and ethnic groups.

The Social Agenda for Democracy is a unique Latin American effort to define the details of that road. The Agenda evolved from a meeting of democratically elected Latin American former presidents in Washington, D.C., in November 2007. At that meeting, they designed the framework of the Former Presidents' Forum, a dialogue that would develop the main issues of the Social Agenda and influence the region's political decision-makers and its public opinion.

## II. THE PROCESS

Over almost two years, beginning in November 2007, the Social Agenda initiative was put forward by the Global Center for Development and Democracy (GCDD, [www.cgdd.org](http://www.cgdd.org)), under the leadership of former Peruvian President

Alejandro Toledo. This initiative brings together a steadily growing number of former presidents with world-class academics, entrepreneurs, development experts, multilateral institutions, non-governmental organizations, and religious leaders from the region to discuss policies capable of achieving this new set of goals. Thus, this inter-sectoral dialogue took place among leaders who are uniquely aware of the problems and possibilities of implementing change in Latin America's diverse and complex societies as they navigate a changing global environment. As such, the Social Agenda is firmly rooted in Latin American ideals and realities.

In four Meetings (held in Washington, D.C., Lima, Guayaquil<sup>2</sup>, and São Paulo<sup>3</sup> between 2007 and 2009), invited experts made detailed presentations on eleven policy areas directly related to reducing poverty, increasing political and social inclusion, and promoting a new path of inclusive, environmentally responsible economic development. In the order that they were presented in Lima, Guayaquil, and São Paulo, the eleven policy areas included:

- Democracy and Poverty in Latin America;
- Quality and Fairness in Education and Poverty;
- Conditional Direct Cash Transfers and Poverty;
- Food Security and Poverty;
- Healthcare and Nutrition in the Fight Against Poverty;
- Decent Work and Poverty;
- Fiscal Policy and the Poor;
- Potable Water and Sanitation for the Poor;
- Access to Energy and Poverty;
- Access to Microfinance and Poverty; and
- Climate Change and the Poor.

Each presentation reviewed past policies and recommended new directions for action within the framework of the broader Social Agenda. The former presidents commented on the experts' presentations and contributed policy suggestions of their own, followed by a general discussion between the presenters and other key invitees.

At the end of the São Paulo meeting, the former presidents recommended including a presentation and discussion of five additional policy areas that had not been specifically covered during the four meetings:

- Indigenous Peoples in Latin America and the Deepening of Democracy;
- Women in Latin America and the Deepening of Democracy;
- Remittances and Poverty Reduction;
- Armed Violence, Personal Security, and Poverty; and
- Decent Housing and Poverty Reduction.

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<sup>2</sup> Co-organized with President Carlos Mesa's Fundación Comunidad.

<sup>3</sup> Co-organized with the Instituto Fernando Henrique Cardoso.

Once these five policy areas were prepared, the Report of the Social Agenda for Democracy was drafted by a working group of professionals associated with the Global Center for Development and Democracy. The drafting process was based primarily on presentations made and subsequent discussions at the four meetings of former presidents. Additional input was provided by various experts on the themes explored in the Social Agenda. When the working group completed the first draft of the Report, it was distributed for review by the former presidents and select expert participants. In addition, the draft Report was reviewed and revised by a board of distinguished development professionals specialized in Latin America. The review process concluded with the approval of the Report by the former presidents, who will present the Social Agenda to the current heads of state participating in the Ibero-American Summit in Portugal in November 2009, and to the President of the United States, the Prime Minister of Canada, and the heads of state of the European Union. In addition, the Report will be made available to the governments of Asian and African countries.

The policy recommendations emerging from these papers and discussions constitute a call for action based on the best thinking in the region on what *needs* to be done and what *can* be done within the current democratic framework to reduce the region's destructive inequality, and to make its political institutions more inclusive.

The power of these policy recommendations comes mainly from the sustained process of interaction among former politicians, policy experts, and leaders from the private, academic, and multilateral sectors; moreover, this two-year process included a wide spectrum of political views. The Social Agenda's power also comes from the interlocking nature of many of the recommended policies. Implementing all or most of them over the next two decades should – through their combined impact – drastically reduce the worst effects of inequality and change the course of Latin American development.

### **III. THE POLICY FRAMEWORK**

The Social Agenda for Democracy has developed recommendations for combating poverty and reducing inequality in Latin America in 15 overlapping policy areas. These recommendations are highly interrelated. There is a mutually influential relationship between “Strengthening Democratic Institutions” and “Increasing Capacity to Govern” and the other policy areas; in other words, deepened democracy and better government make possible the effective implementation of more equitable public policies. More effective poverty-reduction and inclusionary public policies, in turn, strengthen democracy. In addition, there are myriad interacting effects between the 15 policy recommendations.

To give just one example, expanding loans to micro-enterprises can impact the spread of small-scale alternative energy (such as solar power) to rural villages, food security, decent work, and the empowerment of women and indigenous peoples; more microcredit also means increased tax revenues, as well as the socioeconomic inclusion of the individuals and communities benefited by such lending.

## IV. THE POLICY RECOMMENDATIONS

### 1. *Reform Fiscal Policies*

*“We must measure the results achieved by our fiscal policy and budget. We must have medium-term budgets with an evaluation of cumulative goals. This objective requires an improvement in the professionalism of public servants and administrative careers.”*

*Nicolás Ardito Barletta / Ex-President of Panama*

- Governments should make tax systems fairer and more efficient by reducing evasion, closing loopholes, and lowering the minimum income levels subject to tax. The chief emphasis should be on personal income taxes (particularly among the wealthy), where collection rates are extraordinarily low in most countries. Governments should systematically measure and publicize tax evasion. They should also strengthen agencies responsible for collecting taxes, providing them with adequate funding, technical expertise, authority, and political support.
- Provide free tertiary education only to the poor, and charge tuition on a sliding scale to those who can afford to pay.
- Governments should establish a single social-insurance system (pensions, unemployment) that effectively protects all workers, formal and informal, and treats them equally. Separate public-pension schemes for specific groups should be eliminated. Services should be readily available in rural areas and poor neighborhoods. Governments should reduce dependence on payroll taxes (which are generally regressive and raise the cost of labor) and fund reasonable benefits from general revenues. In the case of pensions, the primary focus should be on eliminating public subsidies for excessively generous benefit schemes.

### 2. *Expand Conditional Cash Transfers*

*“We need a democracy that delivers concrete and measurable results – that creates conditional cash-transfer programs for the poorest of the poor. We need a democracy that fosters sustained economic growth, with social inclusion and opportunities for all.”*

*Alejandro Toledo / Ex-President of Peru*

- Significantly increase spending on conditional cash transfers to cover 100% of the extreme poor, thereby establishing an income floor for chronically poor households. These programs should serve a specific purpose within a broader strategy for building the human capital of the poor. They should be

well-targeted, publicly evaluated, and designed to prevent dependence. The programs should promote increased participation by the poor in practices that improve their and their children's health and education, including early childhood development, school attendance, vaccination requirements, and food-purchase programs. Programs should also include incentives for effective implementation and should minimize political manipulation.

- Increase accountability and transparency of conditional cash transfers to assure that transfers are made to all eligible recipients, and not on the basis of political patronage, by regularly publishing CCT distributions against poverty statistics by municipality and region.

### ***3. Facilitate Increased Remittances (to be pursued jointly with the United States and European countries)***

- Increase, and rationally regulate, competition among remittance service providers (RSPs) to reduce fees. Remittance Price Databases for key corridors can be a useful tool to help remittances senders make informed choices of providers, thus enhancing competition and ultimately lowering costs. In addition, governments should introduce licensing and reporting requirements, and restrict anti-competitive practices. Specifically, laws or regulations could be used to discourage exclusivity agreements and other practices that block competitors' access to core payments infrastructures.
- Promulgate regulations or executive orders to improve consumer-protection regulation of RSPs. This objective requires better payment and settlement systems (including foreign-exchange transactions), and expediting dispute-resolution mechanisms.
- Encourage and facilitate low-income immigrants' use of regular banks for remittances. Financial education programs should inform remittances recipients about possible benefits associated with using financial services, and about their rights as consumers. Support new business models to increase access to financial services, such as branch-less banking and micro-finance services.

### ***4. Enable and Expand Micro-Finance***

*“We must clearly know that the ultimate goal is to have a financial system that is able to serve everybody – from the poorest people to the most distinguished – to serve companies, to serve institutions, and to serve people.”*

*Vicente Fox / Ex-President of Mexico*

- Expand the micro-finance system so that it commits to micro-lending to the extreme poor who want to create their own businesses.
- Create a regulatory framework that allows microfinance institutions to accept on-lend deposits, and which does not require an ownership structure that pushes the microfinance institutions (MFIs) away from reaching the poor.
- Prohibit declining balance interest rates—make “flat” interest rates illegal—and legislate “truth in lending” legislation requiring all lenders to state the annual percentage rate (APR) of all loans purchased by their clients. Provide a regulatory framework that promotes transparency on the financial side (effective annual interest rates, elimination of commissions) and on the social side (social balance, impact on clients, statistics on beneficiary populations, etc.).
- Encourage investors, including multilateral development banks, to create high-quality national or sub-regional autonomous wholesale funds so that MFIs can build their capacity and more easily serve rural areas, and facilitate instruments that allow MFIs to hedge against the foreign-exchange risk of their own currency.

### **5. Improve Educational Quality**

*“Today’s digital civilization, with its formidable scientific and technological advancements, has created what has been called the ‘society of knowledge’... The digital revolution has opened up the educational potential of a new era.”*

*Rodrigo Borja / Ex-President of Ecuador*

- Invest in universal, quality, center-based pre-school education for low-income children. Many studies suggest that investing in young children, from the pre-natal health of their mothers to quality pre-schools, yields a very high social payoff.
- Increase the number of classroom hours per day and per year for the average student, and especially for low-income students, by reducing teacher and student absenteeism and increasing the length of the school day.
- Design national and regional systems for evaluating both public and private schools to make them more accountable for student learning.

- Reform the teacher-education system by increasing and testing the content-knowledge and content-teaching skills required of new teachers. The quality of pre-service teacher training is crucial to improving student achievement.
- Develop a teacher-assignment system that assures equal distribution of quality teachers (according to their education and experience) across schools serving students of different socioeconomic backgrounds.
- Create national and regional academies for training highly qualified school directors who can be instructional leaders.

## **6. Increase Food Security**

*“A fundamental question is how to define a change in our food customs. In some of our countries, we cannot have wheat bread as a basic element in the family food-basket when we produce almost no wheat. We must change this focus - not only basing it on a balanced diet, but also on the economic and productive conditions in our countries.”*

*Carlos Mesa / Ex-President of Bolivia*

- Expand programs that buy foodstuffs from small farmers for use in nutrition programs, and that provide farmers with training, investment subsidies, and technology to increase production. This policy’s purpose is simultaneously to produce more and better farming, to improve the market for agricultural products, and to increase the cash income of the productive unit.
- Support conditional cash transfers that can be used by very poor families to buy food.
- Implement curricula and programs in schools for adults that teach about healthy eating and nutrition.
- Target groups that face particularly high risks of being undernourished, and that will reap particularly high benefits from adequate nutrition (mainly low-income school children, nursing mothers and their young children, and other adults who suffer high chronic or temporary food insecurity).

## **7. Improve Nutrition and Access to Quality Healthcare**

*“Healthcare cannot be a private industry; the State must play the main role, which means that there must be hospitals and health centers of the highest possible quality. The concept that we must develop is that medicine should be made available to all. What good are medical*

*advances if they are not universalized, and if they only reach one particular sector of the population?”*

*Fernando De la Rúa / Ex-President of Argentina*

- Provide universal access to health services.
- Expand the prevention and treatment of tuberculosis, parasitic diseases, and infection in low-income populations.
- Participate in creating a Latin American Regional Center for Public Health Policies, and cooperate with other countries through that Center to share successful health policies and practices.
- Promote breastfeeding exclusively, avoiding powdered and canned substitutes, until 6 months of age.
- Provide nutritionally fortified foods to pregnant and lactating women, as well as for infants and preschool children, and maintain and improve programs for the fortification of foods with micronutrients.
- Improve emergency food-assistance systems for conflicts and natural disasters, with more direct support for children and their mothers.

#### **8. Promote Decent Work**

*“I believe that it is very important to work for the poorest people. There must be international aid, as well as the commitment of the State to make fundamental political decisions, since the economic and political situation demands this.”*

*Vinicio Cerezo / Ex-President of Guatemala*

- Increase the benefits and reduce the cost and complexity of participating in the formal, regulated economy, so as to attract the inclusion of small and micro-entrepreneurs currently in the informal sector. Simultaneously include all formal and informal workers in the national social-security and healthcare-insurance systems, financed from general revenues rather than payroll taxes.
- Make micro-credit available for investment in small, self-owned urban businesses, local energy production, and improved and sustainable food production. This will improve the quality of work in informal labor markets.
- Improve the quality of labor relations in workplaces with 100 or more employees, through government-sanctioned employer-employee work

councils, with the goal of increasing worker productivity, job mobility, working conditions, and wages.

- Use pressure from developed-country labor unions for fair-labor practices in Latin America, to make constructive improvements in Latin American workplaces, including the conditions of work and pay. These improvements increase costs but also productivity (while improving labor-management relations).

## **9. Improve Water and Sanitation**

*“Without a doubt, it seems to me that water could be an articulating axis of the Social Agenda. As Hipolito Mejia [Ex-President of the Dominican Republic] pointed out, water is related to agriculture, global warming, public services, and the food crisis; it is connected with everything.”*

*Ernesto Samper / Ex-President of Colombia*

- Assign political priority to the water and sanitation sectors, by creating a Ministry of Water and Sanitation. They are often bundled with other infrastructure or public-works activities, losing visibility and relevance. A lack of access to potable water and to adequate sanitation is mainly a rural issue in Latin America. Governments will need to attract considerable outside funds or invest state funds (totaling about \$12.5 billion for water and \$18 billion for sanitation) to build the necessary infrastructure to meet Millennium Development Goals.
- Make a sweeping review of rate policies for water and sanitation. Current rates heavily subsidize some users (usually regressively supporting higher-income users who can afford to pay), leaving the public sector without sufficient funding to provide low-cost access to low-income users. This leaves many low-income users paying much higher prices for water.
- Promote the grouping of operators serving more than one community, raising the management scope to multi-municipal, regional, or state levels. In rural areas, systems should be run by communities. Experience shows that, with proper training and project ownership, communities can operate and maintain services, thereby financing their basic requirements and making them sustainable.

## **10. Increase Rural Access to Energy**

*“Electricity is indispensable for sustainable development. Modern energy alone allows for lighting and telecommunications, which condition the efficiency of education, as well as the transportation and mechanization necessary for production. Improving access to energy, from a sustainable-development perspective, implies technological progress in fuels. In this*

*field it is necessary to increase energetic efficiency and to make progress in the capture of carbon dioxide”*

*Lionel Jospin / Ex Prime Minister of France*

- Reduce the inequality in access to energy as measured by a coefficient of energy distribution.
- Reduce the percentage of GDP and household income spent on energy.
- Promote the use of renewable energy in rural communities. Micro-enterprises represent the preferable model to operate isolated systems employing renewable energy, but in the case of systems in very small communities, schemes organized by communities should be considered. With training and ownership of the project, these communities are capable of operating and maintaining services in a sustainable way.

### **11. Provide Ownership of Decent Housing**

*"In a house one finds the home, the center of the family, where emotions and values are shared, and from where parents and children draw motivation for their development and self-realization. Ensuring that the poor and marginalized have access to better housing, in stable communities, with the ability to constructively resolve conflicts with their neighbors, is an essential step in strengthening their well-being, democracy, society, and the economy."*

*Nicolas Ardito Barletta, Former President of Panama*

### **Policy Recommendations**

- In accord with the policies outlined in previous sections, pursue strategies to assure access for all households to potable water, proper sanitation facilities, and electricity.
- Provide access to titles to those low-income residents of houses on property that effectively belongs to them but for which they have not established legal claim.
- Provide credit funds, either through savings/credit cooperatives or other organizations similar to the micro-financial institutions described in a previous section, to low-income families to invest in improving their homes or buying (with title) government or privately built affordable housing. Such affordable housing should meet established decent living standards for a family of four.

## **12. Reduce Carbon Emissions**

*“The climate change generated by the indiscriminate use of natural resources and fossil fuels is jeopardizing life on the planet for the first time in history. Humanity can no longer withstand the current model of the use and abuse of natural and productive resources.”*

*Fernando Henrique Cardoso / Ex-President of Brazil*

- Restore forests and halt deforestation by creatively using carbon credits. Promote public investment in reforestation projects, and in restoring other ecosystems, such as grasslands.
- Change current methods of agricultural and livestock raising, from the intensive use of fossil-fuel-based chemical fertilizers to organic materials. Scale-up to commercial farms, indigenous agricultural methods that return carbon to the soil and that can raise yields in a sustainable manner. Support projects to protect and increase biodiversity, improve water-harvest and micro-irrigation systems, and protect natural resources, focusing on rural and indigenous areas.
- Establish a bridge between micro-credit and environmental protection. For example, many successful reforestation projects in Latin America are carried out on a small scale and are good for the poor and the environment. Other micro-credit projects promote alternative energies in rural areas. Projects in the environmental field that are successful at the community level should be considered for scaling-up to the national level.
- Continue to develop renewable substitutes for fossil fuels, such as in the case of Brazil’s ethanol production, and reduce emissions in urban areas by subsidizing metro construction and mass-transit surface systems in urban corridors, by optimizing building construction to provide cooler spaces with less need for air conditioning, and by using more efficient equipment in refrigeration and air conditioning.
- Reduce the ratio of CO2 emissions to energy expenditures.

## **13. Improve Personal Safety and Reduce Violence**

*“In recent years, it has been quite clearly shown that we are experiencing more and more poverty, a lack of hope, a loss of values, crime, and violence.”*

*Rodrigo Carazo / Ex-President of Costa Rica*

- Increase national and metropolitan surveillance on common crime. Undertake assessments and diagnostics of inter-personal violence by gathering data on the capacity of existing justice and policing services, together with national and municipal surveillance capacities. Also, establish

a system of collecting quantitative and qualitative information on the extent and severity of common crime - including a profile of perpetrators, victims, risks and protective factors.

- Invest appropriate resources in professionalizing and modernizing justice and law-enforcement agencies. Promote inter-agency collaboration, with a single agency adopting a leadership role. Agencies need to enforce existing laws and agreements on arms control.
- Implement evidence-based, multi-sector, integrated interventions. Early investment in evidence collection and analysis is essential to designing effective and well-targeted interventions.
- Encourage local ownership in the design, implementation, and monitoring of inter-personal violence prevention and reduction initiatives. Involve local authorities and the community in developing and implementing violence prevention and reduction strategies. To be effective, violence-reduction efforts must be embraced by multiple entities, including government and civil society. This effort requires the judicial system, police force, educational and health institutions, the media, and the community to be involved in project planning and execution.

#### ***14. Increase Gender Equity***

*“We need a democracy that is capable of opening up a window of hope to poor women in the rural and urban areas of this continent; a democracy that promotes sustainable economic development as an indispensable element in redrawing the social face of our continent.”*

*Alejandro Toledo / Ex-President of Peru*

- Promote laws that provide women with legal recourse to address wage discrimination.
- Pass strong legislation to protect women against domestic violence and rape, and to provide equal property rights under marriage and divorce laws.
- Give conditional cash transfers to the mother of the family. She traditionally manages her children’s nutrition, healthcare, school attendance, and certainly pre-natal care when she is pregnant; these are the conditional elements of the cash transfer, so women are the appropriate recipients.
- Maintain micro-finance programs’ focus on women. Women have been extremely successful at developing ongoing micro-enterprises that help families emerge from poverty; therefore, women should have equal or even preferential access to loans for running those businesses (particularly if women are shown to have better loan-repayment records than men). MFIs can allow women to become alternative-energy entrepreneurs who organize and manage solar units and windmills in rural villages.

- Achieve increasingly equal representation of women in national and regional governments, including legislatures, the judiciary, and the cabinet.

### **15. Protect Indigenous Peoples' Rights and Political Representation**

*“The native cultures of Latin America have been and are wise in knowledge about their environment, but they have not been recognized in our educational systems. Language is a fundamental part of education. In the case of indigenous languages, it is important that education reinforce the use of their languages, because it is the way to strengthen their cultures.”*

*Rodrigo Carazo / Ex-President of Costa Rica*

- Indigenous organizations should shift their focus from political empowerment towards making economic growth a primary goal, which is ultimately necessary to achieve autonomy. Within the political realm, however, instead of focusing on controlling institutions, indigenous movements should concentrate on devising solid content, mechanisms, and strategies for the programs that they would like to implement. To do so, indigenous peoples – and indeed society as a whole – will need to continue increasing their access to higher education.
- One of the most important challenges for indigenous peoples (especially in the Amazon) is the preservation of their territory. Since the fragmentation of a territory can lead to the ethnocide of its inhabitants, fair processes for resolving long-standing indigenous claims to territory and land disputes should be urgent priorities for Latin American countries.
- Bilingual education in indigenous languages should be strengthened – not eradicated. Efforts to improve education for native students should permanently safeguard and preserve indigenous languages and cultures, while also creating competitive knowledge aimed towards equalizing opportunities for indigenous and non-indigenous youth.
- Since discrimination ostensibly accounts for a significant fraction of the earnings gap between indigenous and non-indigenous peoples in Latin America, governments should establish enforceable, anti-discrimination legal frameworks. In addition, society as a whole should embrace tolerance and conciliation towards different ways of life, beliefs, and concepts of progress. Specifically, the media ought to be made accountable, under anti-discrimination laws, for inciting prejudice.

### **16. Reform Political and Legal Institutions**

*“People do not believe in the traditional ways of doing politics because they have been invaded by a lack of faith and corruption. Therefore, we must privilege a citizen culture over a partisan one. We should not wait for a political Messiah to tell us what to do from the outside; instead, let us seek solutions with our own eyes in our own Americas.”*

*Ricardo Maduro / Ex-President of Honduras*

- **Improve Transparency:** Adopt both active transparency measures, which place as much government information as possible on the websites of government agencies, and passive measures (such as a Freedom of Information Act) that enable citizens to request and obtain government information that does not strictly need to be withheld in the interest of national security. Government ministries and agencies should detail, in an accessible way, how they are spending their budgets. Bidding for services, supplies, and new capital projects should be publicized on the Internet.
- **Enhance responsiveness.** Government should make more creative and energetic use of new information technologies to engage citizens in a two-way dialogue on the practical issues of governance. Specifically, citizens should be given means to register complaints, via “hotlines,” internet sites, ombudsmen, etc., and to receive replies to their petitions. Citizens should be able to file complaints and petitions through mobile-phone text messaging to a free government hotline.
- **Deliberative Democracy.** Communications technology can be used to structure a discussion on policy choices among a representative sample of citizens, at the local, regional, or national levels. First, a random sample of citizens is drawn. Then they are brought together in one place to hear and debate alternative policy options (or spending priorities). As a product of this more informed deliberation, the society may be able to arrive at a broader and more sustainable consensus on difficult policy and spending choices. At the national level, it may help to televise key portions or summaries of the deliberations.
- **Strengthen Accountability.** Democratically elected governments must do more, and must be perceived to be doing more, to control, expose, and punish corruption. In addition to the above measures, they should learn from successful instances of corruption control, such as Hong Kong’s Independent Commission against Corruption (<http://www.icac.org.hk/en/home/index.html>), to modernize and strengthen ethical codes and means of monitoring and enforcement. This objective requires not only more substantial staffing and legal authority, but also vigorous campaigns of public education and innovative means for citizens to report tips and complaints about corruption.

## V. MONITORING PROGRESS IN THE SOCIAL AGENDA FOR DEMOCRACY

The Global Center for Development and Democracy will monitor progress in achieving the policy recommendations elaborated above. The performance indicators for the 15 policy areas will be selected by the Global Center for Development and Democracy after the presentation of the Social Agenda to the

current heads of state at the Ibero-American Summit in November 2009 in Portugal. The Global Center's Technical Secretary, who will be in charge of this monitoring process, will select the set of indicators from internationally recognized, independent sources. These sources are likely to include the United Nations Human Development Index, the Human Poverty Indices, indices from the Economic Commission for Latin American and the Caribbean (ECLAC), and indices from the Gender Empowerment Measure, which will help estimate how well Latin American countries progress in making the changes recommended here (including the social progress of the most marginalized parts of Latin America's lowest-income populations and their levels of democratic participation).

The Social Agenda Progress Index (IPAS, in Spanish) differs from the other indices in that it will focus specifically on the policy issues discussed above, which former Latin American presidents have determined are key to reducing poverty and deepening democracy in the region.

The Global Center for Development and Democracy's Technical Secretary will also work (in partnership with other independent research centers) to assess progress on dimensions of some indicators that cannot be measured well quantitatively.