COLOMBIA

Insufficient policies

Colombia has focused investment on reducing poverty and enhancing economic, social and cultural rights in order to achieve the MDGs. Despite this, progress in recent years has not reached even the minimum levels, and is far below the standards set by the UN Committee on Economic, Social and Cultural Rights (CESCR). The country enjoyed considerable economic growth up to 2008 but this did not translate into any improvement in the social situation and the fact that international aid is administered through the central Government is an obstacle to alternative projects being undertaken.

For more than 40 years Colombia has been torn by internal armed conflict, resulting in a serious humanitarian crisis with the forced internal displacements and the need to provide shelter. Colombia has the world’s second highest number of internal refugees: an estimated 4 million people have been forcibly displaced, which amounts to almost 9% of the total population.\(^1\)

It is also the second worst country in the region in terms of income inequality, with a Gini rating of 0.576.\(^2\) The tax system is frankly regressive with a heavy proportion of indirect taxes that fall on low-income sectors levels while higher income sectors enjoy a range of tax exemptions. This situation has been exacerbated by reforms to the system for transferring resources from the central administration to the various departments,\(^3\) as this has meant drastic reductions in the amounts spent on health, education and potable water. In 2005 this loss was equivalent to 0.6% of GDP, in 2006 it was 1.1%, and in 2007 the loss was estimated at 1.3% of GDP,\(^4\) which indicates sustained regression in the resources that go to these three essential areas. It has been calculated that in the 2008-2016 period, between COP 66.2 billion (about USD 34 million) and COP 76.6 billion (about USD 3.9 billion) will cease to be invested in health, education and potable water.

According to official statistics, 27.7% of the population has unmet basic needs.\(^5\) Some 40.8% of households live in a situation of food insecurity, more than 20% of children under five years old suffer from malnutrition, 63.7% of the population has energy deficiencies and 36% are deficient in proteins.\(^6\)

The Millennium Development Goals

As regards social policy, the State has confined its efforts to reducing extreme poverty and hunger and working towards the targets under the Millennium Development Goals (MDGs). In March 2005, the National Council of Economic and Social Policy (CONPES) laid out a policy and institutional framework to attain these goals in 2019 – four years after the MDG deadline (“Documento 091”). The Government explained that this is in order to coincide with the bicentennial of the Battle of Boyaca, a major event in the country’s independence struggle.\(^7\)

While this decision is consistent with the Millennium Declaration, it has had negative results as regards the country’s commitments to economic, social and cultural rights. Owing to the fact that State social policy is geared to minimum targets, the process of progressively establishing certain rights has stalled as resources go into programs that support only one sector of the population and ignore those equally affected by problems such as poverty and unemployment.\(^8\)

What is more, even as pursuit of the MDGs has reduced efforts to improve economic, social and cultural rights, progress towards the MDGs has been inadequate. For example, Colombia is the only country in the region that is not providing universal basic education for children.\(^9\) There are exceptions, as some councils have independently eliminated or reduced the cost of education in their localities, but Colombia as a country does not have free education. This creates enormous inequalities as access to schooling depends on each family’s socioeconomic situation, and although coverage has expanded, only 34.1% of the population in the 5 to 17 age bracket is receiving quality education.\(^10\)

The situation as regards maternal mortality is similar. Indicators for this variable are still very high – 80 deaths per 100,000 live births – practically the same as 25 years ago. While the MDG target is to reduce this by three quarters, the CONPES plan proposes only a 55% reduction.\(^11\)

Government action

The CONPES plan is closely linked to the Government’s development model for the period 2006-2010, the “National Development Plan 2006-2010, Community State: Development for All”. Briefly, the plan proposes to finance poverty reduction and pursuit of the MDGs through targeted assistance policies and economic growth in sectors that generate jobs.\(^12\)

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2. Ricardo Bonilla and Jorge Iván González (coordinators), Bienestar y macroeconomía 2002-2006: el crecimiento inesequitativo no es sostenible (Bogotá: National University of Colombia, Contraloría General de la República, 2006), 37.
4. Centro de Investigaciones para el Desarrollo (CID), Bienestar y macroeconomía 2007: Más allá de la retórica (Bogotá: National University of Colombia, CID, 2007), 142.
8. Ibid., 92.
10. Ibid., 10-11.
11. Yepes, op. cit., 92. Instituto Colombiano de Bienestar Familiar (ICBF), op. cit.
The Government’s main program, called “Families in Action,” involves subsidies to families that are below the poverty line so long as the mother guarantees that her children will regularly attend the educational institution where they are enrolled. In practice, however, the results of this scheme have been unsatisfactory, primarily because there are still problems of inadequate infrastructure, capacity, programs, and teachers; “geographic, social and economic barriers that block access to educational spaces and services; and attacks on educational communities that are part of the socio-political violence affecting the country.”

Another factor is that the program perpetuates a patriarchal model of the family in which the woman cares for the children while the man works in the productive system to acquire resources and services. This program “…makes women responsible for what happens in families as the essential caregiver, and thus impedes the development of policies based on full recognition of women’s rights, which are widely recognized in international treaties.” In sum, as the program is not combined with policies to raise productivity or generate jobs, the subsidies amount to more than short-term measures that have no real impact in terms of human development and do not lead to more equitable access to education.

Economic growth

The first period of this Presidential administration (2002-2006) coincided with a strengthening growth cycle in the world economy. Several factors favoured economic growth in those years, including growing demand in international markets, increased prices for Colombia’s export products (mainly petroleum), an expansion of international credit and falling interest rates.

However, economic growth did not translate into improved quality of life for the poorest sectors in society. Expert opinion is that the main reason for this failure is that the Colombian economy is basically speculative. The Government has given priority to the purchase of public debt bonds issued by the Treasury of the Nation (TES) to the financial sector. This has had two serious consequences, one, that many State bodies are not fulfilling their “normal functions because their resources are involved in the purchase of resources in the TES system,” and two, that the financial sector has been making good profits by lending only to the Colombian State, which has meant that less credit is available for enterprises and families.

There was another factor behind the economic growth of the 2002-2006 period, namely increased public expenditure to maintain the war effort, that is to say the application of so-called military Keynesianism whereby the State increases defence spending to boost economic growth. While this policy does have a positive impact at the macroeconomic level, it does not generate employment or narrow the poverty gap.

In addition, the Government has tackled the country’s inability to generate jobs by changing the legal regulations that govern how labour is contracted. Their basic stance is that structural unemployment is not the result of de-industrialization, nor is it just due to cycles in the international economy; it is a consequence of Colombia having labour legislation that grants excessive guarantees to workers in the formal economy, which acts as a disincentive for enterprises to generate new jobs with full benefits. In this context, the Government initiated a labour reform program that included lengthening the working day, reducing extra payments for work on public holidays and limiting the indemnity payable for dismissal without just cause. However, in spite of these measures, the unemployment rate has been rising: from 11.3% in 2008 to 12% in 2009 and then 14.6% in January 2010.

The role of international aid

International aid in Colombia is guided by the Paris Declaration, which among other things seeks to channel most aid for democracy and development through national governments and standardize procedures for how these resources are managed. Thus the Presidential Agency for Social Action and International Cooperation (Social Action) receives a large portion of the resources from the donor countries, and invests them in line with Government policy (Strategy to Strengthen Democracy and Economic Development, 2007-2013).

The most significant instance in this area is the G-24, a group of 24 countries that have programs to support development, democracy and civil rights in a range of countries including Colombia. The Social Action body was set up by the Government to centralize the administration of international aid, particularly of resources from the United States and Europe, and invest these funds in accordance with the current development model, even though this gives rise to all the negative consequences analyzed in the paragraphs above.

As a result, initiatives by civil society organizations, which have a vision of development and democracy different from that of the Government, no longer receive finance from this source, thereby seriously reducing the implementation of alternative development models. To make matters worse, the resources allocated to independent development cooperation agencies in countries in the G-24 have been reduced since these funds are increasingly transferred to Colombia through the Social Action channel. Many of these independent aid providers have had to withdraw from Colombia or have merged with other agencies or formed consortiums because they are so starved of funds. This has the result of limiting the number of initiatives that can be supported, continuing to marginalize a number of sectors of the population.

While the goal of channelling development cooperation through national development plans and budgets, rather than according to donor priorities, is commendable, there remains a need to support the advocacy work of civil society organizations that is so essential to making these plans nationally owned, inclusive and effective.

13 Ibid., 102.
14 Ibid., 200.
17 The Paris Declaration, which was adopted at a forum in Paris in March 2005, is intended to rationalize activities, eliminate duplicate efforts, make planning obligatory, define indicators and standardize procedures for aid management.