

## ■ COSTA RICA

# The Millennium Goals need a caring State



Red Costarricense de Control Ciudadano<sup>1</sup>

### From commitments to fulfilment

In this new millennium it is clear to the whole world that there is a huge gap between the commitments made by governments in the ambit of the United Nations and the degree to which these have been fulfilled. These commitments were made in the 1990s and in 2000 at summits and world conferences on a variety of important subjects like the environment, population, development, and women's rights. After lengthy debate, governments gave their word that they would take measures to comply with these agreements and implement the plans of action that were formulated at these meetings.

However in many parts of the world there is a silent war in progress, which is getting worse with every day that passes and is quite simply ethically unacceptable. Nearly half the people on the planet are living on less than two dollars a day, millions are dying from hunger and preventable diseases, and millions are living in precarious housing and do not have access to education or drinking water. And this depressing list of woes goes on and on.

Instead of trying to help, the rich countries are acting in a way that just makes the situation worse. They have reduced official development assistance and they are pursuing economic policies that cannot lead to adequate solutions to the problems of the thousands of millions of people all over the world who are living in poverty.

With this in mind, how should we understand the Millennium Development Goals (MDGs) that were set by the United Nations in 2000? What do they mean in relation to the plans of action that were agreed at world summits? Have the MDGs replaced the commitments made at the 1992 World Environment Summit? Or those made at the Fourth World Women's Conference? Will the MDGs be taken as a minimum agenda for action in the rich countries? Civil society

Economic policies based on structural adjustment programmes have increased poverty, social exclusion and environmental damage and further concentrated wealth. These problems will only be overcome by a democratic State that fosters citizen participation to help it face the challenges of globalization in a way that does not worsen social inequity.

organizations regard the MDGs as an opportunity to give new life to the "forgotten" resolutions from other summit meetings by ranking them in an eight-point plan for fulfilling commitments made in the 1990s.

### Poor results from plans to help the poor

The MDGs apply to countries all over the world, and in Costa Rica one of the main declared goals is to reduce poverty. But this will not be possible unless there is genuine political will on the part of the State, the political parties, the mass media and the church. These actors will have to support and promote public policies in education, health and employment that take into account the social sectors that are most vulnerable to poverty like women, children and indigenous communities.

If State policies are to be effectively implemented all public institutions will have to be strengthened. That is to say, there will have to be permanent sources of financing, trained technical and professional staff, legal and political mechanisms to monitor the workings of the public sector so as to combat corruption, and citizens themselves will have to become involved on a large scale in following-up and monitoring how these policies are implemented. There will also have to be a genuine policy of decentralization to make public institutions more politically and financially autonomous to enable them to manage the different regions and sectors of the country more efficiently.

Since 1994 successive governments in Costa Rica have drawn up plans to combat poverty, "Sixteen Priority Communities",<sup>2</sup> "The Welfare Triangle"<sup>3</sup> and the "New Life Plan".<sup>4</sup> But what exactly has actually been happening as regards poverty in the country?

In 2005, 23.5% of Costa Ricans are living in poverty and 7.1% are in extreme poverty. Those who suffer most are children and adolescents, older adults, women and indigenous people. According

to the United Nations Development Programme,<sup>5</sup> in 2001, 22% of the population were below the poverty line and 9.5% were living on less than two dollars a day. Over the last 25 years income poverty in the country has not been reduced: since 1980 it has remained at around 20% of households.

### Economic growth without well-being for all

Since the 1980s Costa Rica's economic policy has been geared to macroeconomic stability. The strategy has been to promote exports of non-traditional products, to open up to imports and to attract investment (in 2002 Costa Rica received more foreign investment than any other Latin American country).

Over the last ten years this policy of opening up the economy has led to economic growth, but for the bulk of the population this growth has not been accompanied by any improvement in social or cultural well being.

Quite the contrary - in fact, the gaps between rich and poor have got wider, and sizeable sectors of the population have been completely excluded from the benefits of growth. The best that can be said is that poverty has not got any worse. Between 1990 and 2004 jobs were lost in the agricultural sector and unemployment increased, more people sank into the informal economy and the gap between low and high incomes widened.

What is needed is a change in development strategy. The aim should be to promote domestic growth, to develop productive chains inside the country so as to generate wealth that would stay in Costa Rica and thus allow the benefits of economic development to be more evenly distributed. The State should undertake this redistribution and thus return to its real democratic role. It should implement a progressive tax structure whereby higher incomes would be taxed at a higher rate, it should make public spending more equitable, and it should adopt employment and production policies that are fair and are based on what is good for society as a whole.

From this perspective, the State must set goals that are in line with the capacity and the historical development of the country. Extreme poverty must be eliminated before 2015 and the rate of poverty must be halved, taking 1994 and not 1990 as the base year for the calculations. The chances of

1 This article is a summary of the conclusions from a workshop (2 and 3 February 2005) in which the Government's report on progress towards the MDGs was analyzed. It was written jointly by Silvia Lara (sociologist), Beatriz Castro (union representative), Luisa Paz (journalist), Ana Felicia Torres (anthropologist and coordinator of the Gender and Democracy Programme of the Alforja Centre for Studies and Publications (CEP Alforja), and Mario Céspedes, Nieves Argudo and Carlos Pentzke, who are all members of the CEP Alforja.

2 Initiated during the Presidency of José María Figueres Olsen (1994-1998) and run by the First Lady, Josette Altmann Borbón. The programme concentrated on the most deprived communities.

3 Programme initiated under the Miguel Ángel Rodríguez government (1998-2002) which promoted a union of the community, local governments and central government institutions to combat poverty.

4 The "National Plan to Overcome Poverty and to Develop Human Capacities: Plan Vida Nueva 2002-2006" was designed in 2002, at the start of the present administration under Abel Pacheco.

5 United Nations Development Programme (UNDP). *Human Rights Report 2004*.

achieving these objectives depend on how much the State invests in formulating policies in vital areas like education, health and employment.

### Education for equity

If girls and adolescents are to have a decent life in society it is vitally important for them to receive education as a right. In the case of Costa Rica, attaining this goal means not only that there should be full primary education coverage that includes girls and adolescents, but also public policies that embody a holistic conception of education as a right should be adopted and followed-up. Education must be of good quality and untainted by any gender discrimination, it must include free pre-school and basic education, and it must promote respect for human rights and diversity. The people also have a right to sex education, and women have a right to technical education without gender discrimination.

Both the overall concept and the policies that are implemented will have to take account of the fact that while infant and adolescent girls have the right to full education, in practice this is jeopardized by several factors: they have to do the housework, they are exploited in the sex trade, the birth rate among adolescents is high, and child pregnancy is another problem.

### Health and the freedom to choose

There are other difficulties in the sphere of health care, such as care for pregnant mothers and newborn babies. This is in a critical situation in Costa Rica because the public health institutions are starved of funds and because there is no public debate in the country about sexual or reproductive rights. Once this question is discussed, it should lead to sex education in the curriculum, which would go a long way towards reducing the number of unwanted teenage pregnancies.

In 2000,<sup>6</sup> maternal mortality stood at 43 per 100,000 live births. According to the national system for evaluating maternal mortality, 80% of maternal deaths in 2000 were due to causes that were avoidable. The analysis shows that, in the country as a whole, the quality of pre-natal and childbirth attention is below standard.

In order for the overall quality of life to be improved, health has to be the number one priority. Adequate resources must be allocated, and campaigns and specific prevention programmes in areas like sexual and reproductive health are needed. It is important for these health programmes to be framed in a policy of gender equity.

### The recipe of labour flexibility

One of the effects of a neo-liberal political and economic system is the increasing flexibilization of labour relations. This is happening because the business sector, in an effort to reduce costs, is pressing for less and less regulation in the labour market so they can be free to contract and dismiss workers in accordance with the changing demands of their

business, and they are lobbying for the relaxation or even abolition of prevailing labour laws. Needless to say, this infringes the rights of workers.

When we analyze the ways in which flexibility in labour relations works in Costa Rica and the other countries in Central America we find that:

- Labour flexibility is promoted by business sectors so that they can reduce their labour costs as much as possible and increase the volume of production.
- In ordinary work business and entrepreneurial sectors are operating in a flexible way in violation of existing labour laws that govern working hours, pay, overtime, holidays, maternity rights and other social guarantees that are laid down in the labour relation laws in the constitution of each country.
- This flexibility is supported by judges, who interpret labour laws in such a way as to minimize their impact, and by the technical and administrative staff in charge of ensuring that labour laws are complied with.
- The free trade regime promotes and champions flexibility as the "recipe" for solving the unemployment problem in Central American countries.
- The various kinds of flexibility have a negative impact on the labour and human rights of the working population in that workers' incomes are falling and their job security and the quality of employment are deteriorating, and the overall result is more poverty and social inequality.

The driving force behind greater labour flexibility is neo-liberalism, and the visible and proven results are that precarious and unstable employment is increasing, social inequality and poverty are getting worse, and women are being excluded more and more from jobs that are well-paid and that require better qualifications.

### Conclusion

If poverty is to be eliminated the State must be strengthened, and society must be caring and committed to developing in such a way that the benefits can be shared by all. Free trade treaties, like the one planned for 2005 between Central America, the Dominican Republic and the United States, presents us with the model of a society based on competition and in which the only survivors will be transnational companies and those sectors of the Costa Rican economy that have managed to accumulate capital by exploiting the work of many Costa Rican men and women.

This free trade treaty will create a situation in which relatively few people will have opportunities. It will set the country on the road to a society in which more people are excluded, and in which foreign investment is not connected to the local economic and commercial fabric, and this will exacerbate inequalities between different regions.

Big changes have taken place in the internal structure and in the functions of the State. A lot of these changes were accelerated as a result of the

structural adjustment programmes in the 1980s that characterized the new conditions in the world economy. These new conditions wrought radical changes in the role the State had previously played in national economies as protector of key sectors like agriculture and industry. The consequences of these changes have been increased poverty and social exclusion, a greater concentration of wealth in a few hands, and increased environmental damage.

Poor countries, Central America in general and Costa Rica in particular, find themselves at a crossroads: there is struggle in progress in which the relationship between the State and society is in danger of being replaced by a relationship between the market and society. On the one hand there is a trend towards increased trade opening, this is causing far-reaching changes in the productive structure of the country, and if the Free Trade Treaty mentioned above is signed it will be another step in this direction. On the other hand, social movements are trying to find alternative ways for the country and for the region as a whole to go forward, ways that will preserve and strengthen the State as the guardian and protector of the people, and bring about a new dynamic in its relation to society.

If the MDGs are to be attained what is needed is a new kind of State, a democratic State that will be able to provide the country with the necessary goods and services that will enable it to meet the challenges of globalization without greater ruptures in society or increased poverty. What is needed is a State that is agile and innovative, that can strengthen regional and municipal institutions, and genuinely support and serve a society that is committed to the development of an inclusive society. This State will have to foster democratic planning and a role for civil society in budget planning, and it will have to provide public services that are accessible to the whole population. It will also have to invest in infrastructure and make sure that women, children and young people receive equitable treatment. That is to say, the goal of the State must be to build a country in which all the men and all the women in Costa Rica can lead decent lives. ■

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<sup>6</sup> UNDP, *op cit*.