

*A system of indicators
for monitoring*

SOCIAL COHESION

in Latin America



This document was produced under the supervision of Juan Carlos Feres, Chief of the Social Statistics Unit, Statistics and Economic Projections Division, ECLAC, and was written by Pablo Villatoro, Consultant in the Division. Marcelo Miño and Elizabeth Rivera both contributed to this study, while Carlos Vergara and Ernesto Ottone made valuable comments and suggestions. The production of the document was funded by the EUROSociAL Programme of the European Commission. The Economic Commission for Latin America and the Caribbean wishes to thank those whose financial cooperation made the production and publication of this document possible.

Index

Preface	7
Chapter I Introduction	9
Chapter II General background	13
Chapter III Conceptual framework	21
1. ECLAC's concept of social cohesion	21
2. The components and dimensions of cohesion	27
Chapter IV Distances component: dimensions and indicators	31
1. Poverty and incomes	31
2. Access to employment	39
3. Access to social welfare	43
4. Access to education	44
5. Access to new technologies	48
6. Access to health	49
7. Consumption and access to basic services	51
8. Summary of the distances component	53

Chapter V	
Institutional inclusion-exclusion mechanisms component: dimensions and indicators	55
1. Dynamics of how the market functions	55
2. Policies: funding and impact on distribution	60
3. The way democracy functions	63
4. The way the rule of law functions	67
A. Corruption	68
B. Administration of justice and human security	70
5. Summary of the institutional inclusion-exclusion mechanisms component	74
Chapter VI	
Sense of belonging component: dimensions and indicators	75
1. Multiculturalism, tolerance and non-discrimination	75
2. Social capital	79
A. Confidence	80
B. Informal social support networks	83
C. Citizen participation	84
3. Prosocial values and solidarity	89
4. Future expectations and social mobility	91
5. Integration and social affiliation	95
6. Summary of the sense of belonging component	98
Chapter VII	
Specifications	99
References	151
Annexes	159

Preface

This book was prepared by the Economic Commission for Latin America and the Caribbean (ECLAC), with the support of the EUROsocial Programme of the European Commission.

Against a background of marked change linked with globalization and the technological revolution – and with its foundations being eroded by new forms of exclusion that need to be urgently addressed – social cohesion is becoming an increasingly important issue in Latin America and the Caribbean. Different phenomena – widening social, economic and cultural divides, pressures on the ability to govern States, the disappearance of traditional sources of belonging, and a waning interest in public affairs – are currently posing a threat to social cohesion in the region.

If social cohesion policies are to be framed it is vital to reach agreement on the meaning of the term itself and the best ways of measuring it. ECLAC has devised a concept of social cohesion in which emphasis is laid on the relationship between social inclusion and exclusion mechanisms, on one hand, and people's perceptions of and reactions to the way in which those mechanisms work on the other. As a further contribution to that effort, this publication presents a system of indicators that covers all the dimensions and components needed to monitor social cohesion in the countries of the region.

The proposed system is intended not only to provide operational tools for decision-makers to monitor the situation and trends in every area of social cohesion, but also to contribute to discussion of the subject, so that it will play a leading role in the policies pursued by the countries of the region.

I

Introduction

There are many reasons why social cohesion policies currently loom large on the development agenda of Latin America and why a consensus must be reached on both the meaning of cohesion and the most appropriate indicators for measuring it. The processes of integrating the countries of the region into the global economy require growing levels of competitiveness and, at the same time, create new forms of social exclusion that might undermine the very foundations of cohesion. Among the phenomena currently posing a threat are the widening of social, economic and cultural divides, the corrosion of the legitimacy and governance of nation States, the erosion of the traditional sources of identity and belonging, and the growing disinterest among ordinary people in “public affairs” (ECLAC, 2007; Feres and Vergara, 2007).

The European Union’s experience of defining social cohesion policies and indicators is a central reference for any initiative aimed at gauging cohesion. The European Union’s economic and social cohesion policies were framed as part of a process of integration that gives priority to the less favoured regions as a mechanism for achieving a convergence of incomes and increasing competitiveness and employment. These policies are based on a model of solidarity and the reduction of disparities between levels of well-being, where cohesion is expressed in terms of the progress made towards economic and social standards adopted by a political consensus. In tandem with these initiatives, systems of social cohesion indicators that are applicable

to all the countries in the European Union have been devised, making it possible to monitor the policies and ensure their retroalimentation.

In Latin America and the Caribbean there is currently no politico-strategic framework for regional integration nor are there sufficient resources for implementing cohesion policies that can be likened to those being applied in the European Union. In this region, social cohesion issues are now making an appearance on national government agendas, as the construction of a concept of social cohesion that is pertinent to the reality of Latin America and the Caribbean is beginning to assume crucial importance. Against this background, ECLAC (ECLAC, 2007) has devised a concept of social cohesion that highlights the relationship between the mechanisms of social inclusion and exclusion and the perceptions and reactions of citizens to how those mechanisms operate; a reference framework has also been created with a view to building a system of indicators for monitoring social cohesion in the region's different countries.

This document contains a proposal for a system of indicators for monitoring social cohesion in Latin America. This proposal, worked out on the basis of the concept and the reference framework devised by ECLAC (ECLAC, 2007), contains a definition of the components, dimensions and indicators for monitoring social cohesion in the countries of the region. When the system of indicators described here was being designed an attempt was made to take into consideration the specific features of the countries of the region, which, albeit to different degrees and in different permutations, all function on the basis of market economies and have democratic systems of government. It is also important to bear in mind that the social cohesion blueprint on which the selection of indicators is founded is a norm-based approach and, accordingly, does not claim to measure what, in scientific literature, has been defined as social cohesion. Nor does the proposal include any indicators of regional disparity, focusing as it does on monitoring cohesion within the nation States, not between them.

The core of this proposal is a set of primary indicators referring to the “distances” component, so as to provide information for monitoring objective divides, apparently the most obvious symptoms of social exclusion in Latin America and the Caribbean. In any case, although this proposal includes key elements from the Millennium Summit, it is not limited to them, since social cohesion encompasses a broader range of public and social policies than the Millennium Development Goals (MDGs). In this regard, ECLAC (ECLAC, 2007) has pointed out that the region now needs to move

towards a more systemic vision of development, taking on board dimensions not usually considered in public and social policies, such as the institutional dimensions of inclusion-exclusion and the sense of belonging.

The indicators presented in this proposal were selected on the basis of their relevance, quality, comparability and availability. These criteria were used not only to guarantee the conceptual and methodological solidity of the system of indicators, but also to take into account certain practical aspects, such as gathering and compiling information for the national systems of statistics (NSSs). The proposal employs a methodology of gradual implementation, moving towards narrowing the information gaps in the countries concerned. It also highlights the need to design and implement a strategy to support the NSSs. On the other hand, this progressive approach is not restricted to data production but also focuses on the conceptual side, in view of the novelty of the issue of social cohesion in the region. Consequently, the system of indicators we have proposed is an open one, and accordingly have not ruled out making changes at later stages.

This document has been organized as follows: firstly, it looks at the experience of the European Union in designing and monitoring social cohesion policies and analyses the state of the situation in Latin America and the Caribbean, with emphasis on the importance of social cohesion for the regional development agenda. The second part sets out the conceptual framework of the system of indicators, including a presentation and discussion of the concept of social cohesion devised by ECLAC (ECLAC, 2007), a brief overview of the components of cohesion and a list of the dimensions of the components. The following three sections are dedicated to a detailed analysis of the dimensions within each component and a discussion and selection of indicators. The last part sets out the specifications of the selected indicators including the concepts, means of calculation, the sources of data and the availability of temporal series and a variety of disaggregates.

II

General background

Normative approaches to social cohesion have been based on the creation of conceptual frameworks where components from the various traditional schools of social science research (see table 1) exist side by side, along with requisites derived from social ethics and contextual criteria to provide the plasticity needed to prepare for and implement a feasible policy action. One of the advantages of a normative approach is that it allows us to design strategies that take into account the relationships between the different dimensions of development, namely the economic, social, political and cultural dimensions (Bernard, 2000; Beauvais and Jenson, 2002). The normative focuses of social cohesion are markedly determined by historical factors, since social cohesion has been conceived in different ways in different regions, according to their particular characteristics, histories and needs (Lepineux, 2005).

The experience of the European Union is a reference for any initiative aimed at measuring cohesion. The social cohesion policies being implemented in Europe, as part of the objective of European unity, are based on a model of solidarity and reduced well-being disparities, and their goal is to achieve integrated progress in all the countries and regions towards economic and social standards agreed upon by political consensus. In Europe, the redistribution of resources from the richest to the poorest regions is a mechanism for reducing asymmetries, aligning incomes, and

raising competitiveness and employment rates.¹ These policies have been implemented along with legal provisions that ensure that the nation States comply with their commitments, together with systems of indicators, applicable to all the Member States of the European Union.

One landmark in designing and implementing systems of social cohesion indicators in Europe was the adoption by all the European Union Member States of the indicators presented at the European Council in Laeken (2001). The approach taken by the Laeken indicators to cohesion took the form of a system of monitoring *social exclusion*. This notion began to gain strength in Europe in the 1980s as a framework for interpreting the processes of social detachment and the return of economic and social vulnerability that accompanied the economic transformations and the crisis of the welfare state. In the 1990s, the European Union laid emphasis on framing policies intended to break away from the processes that had led to exclusion and on replacing the traditional concept of poverty with a more dynamic and multidimensional vision (Council of Europe, 2001).²

Many steps were taken before the Laeken indicators were devised, (2001) including the work done by the Indicators' Sub-Group of the Social Protection Committee, the seven structural indicators of the European Commission (2000) and the recommendations made by Atkinson and others (2005). For designing the system of the Laeken indicators an open method of coordination was considered, as part of the national plans of action for social inclusion. The Laeken indicators were selected on the basis of a set of methodological principles, applied in the process of individual evaluation and the evaluation of the system as a whole. In the individual selection it was considered that the indicators should be: (i) able to capture the essence of the problem and make a clear normative interpretation; (ii) solid and validated; (iii) sensitive to political interventions, but not liable to manipulation; (iv) comparable between States and applicable in accordance with international standards; (v) timely and reviewable, and (vi) affordable by

¹ In Europe, the aim of the cohesion policy was to set compatible objectives of equity and efficiency, in the framework of an endogenous growth model. The policy took into consideration the redistribution of funds from the most prosperous regions to the neediest and the provision of resources on the basis of criteria of efficiency in order to boost focal points of regional development. It was hoped that this would help the least favoured regions to achieve growth rates higher than those of the richest regions and thereby reduce inequalities (Vega, 2005).

² One example of cohesion policies is the application in France of the Revenu minimum d'insertion (RMI), a minimum income benefit based on the idea that society and the State should use policies and institutions to overcome exclusion and break the vicious circle in which the most vulnerable are caught (Council of Europe, 2001).

the States. With regard to the criteria for evaluating the system as a whole, various aspects were examined, such as the balance between their dimensions, their coherence and their transparency (Villatoro, 2007b).

The Indicators' Sub-Group classified the indicators as *primary*, *secondary* and *tertiary*. The small number of primary indicators cover the most important areas of social exclusion. The secondary indicators complement them, describing other dimensions of the problems being studied. States may also add tertiary indicators to underline specific features and help to interpret the primary and secondary indicators (Villatoro, 2007b). The 2006 system of Laeken indicators has 21 indicators, 12 primary and 9 secondary (see table 1). The system addresses the issues of income, employment, education and health, prioritizes the measurement of results over the means of achieving them and endeavours to detect divides. From the Laeken perspective, social exclusion is conceived as the extreme limit of distribution: in other words, distribution traces a normative line that defines the scope of exclusion (Feres and Vergara, 2007).

An approach that complements the system of the Laeken indicators is that taken by the Council of Europe. In its *Revised Strategy for Social Cohesion*, social cohesion is seen as a concept that reflects the quality of the social and institutional bonds needed to ensure the well-being of society as a whole and that expresses the European social model, in an attempt to make growth compatible with social justice. In this strategy the notion is that social cohesion consists of *a society's ability to ensure the well-being of all its members, minimizing disparities and avoiding polarization*. Cohesion is about the relationships that consolidate a society's abilities to guarantee everyone's well-being, including equal opportunities, the recognition of human dignity, respect for diversity and the promotion of autonomy. A cohesive society is a community of mutual support made up of individuals pursuing common goals by democratic means (European Committee for Social Cohesion, 2004).

■ **Table 1** ■
Laeken indicators of social cohesion, 2006

Dimension	Primary indicators	Notes	Secondary indicators	Notes
Income	Low income rate after transfers.	Persons living in households whose income is less than 60% of the median income of the population.	Dispersion around the low income threshold.	Thresholds set at 40%, 50% and 70% of the median income.
	Illustrative values of the low income rate.	Value of the poverty threshold in purchasing power standard (PPS), euros and national currencies.	Low -income rate anchored at a moment in time.	
	Distribution of income.	Relative position of the poorest quintile of income distribution to the richest quintile.	Gini coefficient.	
	Persistence of low income.	Persons with income less than 60% of the median income during at least two out of three years.	Persistence of low income.	Basis: 50% of the median income.
	Median low-income gap.	Difference between the median income of the poor and the threshold of 60% of the median income of the population.	Low -income rate before transfers.	
			Workers at risk of poverty.	Individuals classified as employed and at risk of falling into poverty, (with a distinction made between salaried and self-employed persons).
Employment	Long-term unemployment rate.	Percentage of active population unemployed for at least 12 months.	Proportion of long-term unemployment among persons aged 15 or over.	
	Regional cohesion.	Dispersion of regional unemployment rates. Estimated as a variation coefficient.	Very long-term unemployment rate.	Percentage of the active population unemployed for at least 24 months.
	Children or adults living in jobless households.	Estimated separately for children (0-17 years) and adults (18-59 years).		
	Immigrants' employment divide.			
Education	Early school leavers not in education or training.	Percentage of individuals aged 18-24 years with a maximum education level of first cycle of secondary school and who received neither education nor training during the month before the survey.	Persons with low levels of education.	
	Fifteen-year-old students with low reading literacy scores.	As source use made of data from the <i>Programme for International Student Assessment, PISA, of the OECD</i> .		
Health	Life expectancy at birth	Number of years that a person aged 0, 1 and 60 years can expect to live.		

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of work by Juan Carlos Feres and Carlos Vergara, "Hacia un sistema de indicadores de cohesión social en América Latina. Avance de proyecto", *Cohesión social en América Latina y el Caribe: Una revisión perentoria de algunas de sus dimensiones*, Andras Uthoff and Ana Sojo (eds.), Santiago de Chile, CEPAL-SIDA-Fundación Konrad Adenauer, 2007.

The Council of Europe's proposal contains theoretical elements focusing on rights, social capital, social inclusion and protection, and takes two approaches, a descriptive one and a prescriptive one. In the descriptive part, cohesion issues refer to the relations that make it possible to consolidate a society's abilities to guarantee opportunities and the state of the objectives to be reached. This idea of social cohesion involves not only directly intervening to address the symptoms of poverty and exclusion, but it also aims to foster solidarity, the prevention of exclusion and the participation of civil society. The prescriptive part, on the other hand, does not imply a vision of society in which conflicts do not exist, but rather emphasizes the goal of implementing effective democratic methods to address pressures and resolve conflicts (European Committee for Social Cohesion, 2004).

The Council of Europe began a process of jointly formulating indicators with various aims in mind: to design a Methodological Guide to analyse social cohesion, harmonize the indicators and homogenize the methodologies, while recognizing the heterogeneity of the member countries. The Methodological Guide includes both qualitative and quantitative indicators that are already available regionally, derived from different sources of data. It makes a distinction between the following levels of analysis of social cohesion: (i) evaluating trends; (ii) evaluating social cohesion as a whole (State actions taken to "render" rights more egalitarian); (iii) evaluating social cohesion by areas of life or conditions "that guarantee the indivisibility of the system of rights" (employment, health, education, culture, incomes and purchasing power, housing and food), and (iv) evaluating the situation of vulnerable groups (migrants, children, the elderly, the disabled and women) (Council of Europe, 2005; Feres and Vergara, 2007).

It would seem that cohesion policies in Latin America are closely linked with initiatives to increase competitiveness and productivity, expressed in the construction of social covenants that make equality and governance possible (Machinea and Uthoff, 2005). By the same token, this is how the proposals for a social cohesion covenant are to be understood (ECLAC, 2004a), with their four pillars: macro-economic, labour market, social welfare and education, together with those for a social cohesion contract (ECLAC, 2007, p. 135), which sets out to "solidify agreement with and political commitment to the aforementioned objective, and furnish the economic, political and institutional resources needed to make it viable". In the latter case, the aim is to confer legitimacy upon social

cohesion as a policy aim and to promote the institutional conditions needed to achieve it.³

All these elements highlight the importance of cohesion policies for Latin America, to be expressed at the outset in the nation States. A key issue at this initial stage is the need to clarify the meaning and scope of cohesion in a way that is relevant to the situation facing the region and that will enable the issue to feature on the national development agendas. Both the new concept of social cohesion and the reference framework proposed by ECLAC (ECLAC, 2007) – based on a vision of development that is not limited to the economic aspects alone but is also intended to reflect all the main equity and social inclusion challenges facing the region's countries – represent substantial progress in that direction. The aim of designing and implementing a system of indicators is to maximize the usefulness of the emphasis laid on cohesion by ECLAC, to supply information that assists with decision-making and to exert an influence on the prioritization of cohesion policies in the national agendas.

■ Box 1 ■

Social cohesion from the viewpoint of social science

The concept of cohesion has been given pride of place in the social sciences. Durkheim's works on the relationship between social cohesion and the division of labour have triggered much macro-sociological research aimed at analysing the consequences of the transition from community to society. More recently, through the *social capital* construct, the influence of social bonds on the reproduction of the social and economic order has also been addressed. Despite its importance, the concept of cohesion has not gone beyond national and regional integration, and most of the empirical research into the subject has been done by small groups. In the field of social psychology, the centrality of cohesion as a mediator in the formation, maintenance and development of groups has led some to comment that it is the most relevant variable in small groups (Bollen and Hoyle, 1990).

The best known classic contribution is that made by Durkheim (1967). He maintains that the simpler the division of labour, the stronger the bonding between individuals through mechanical solidarity, arising from similarities. The changes in the social division of labour occasioned by modernization undermine those linkages: cohesion is a part of the social solidarity thanks to which members of a society remain linked to it by a force analogous to that generated by mechanical solidarity, which calls for the links to be strengthened and to include ideas and feelings that unite them. The linkages of organic solidarity create obligations and

(Continues)

³ For more details about the notion of social cohesion contracts, see Courtis and Espejo (2007).

Box 1 (Conclusion)

allow individuals to recognize their dependence on society. Societies' failure to do this leads to anomia, i.e. a lack of rules and the isolation of individuals vis-à-vis the socio-cultural structure. Merton (1987) takes up the concept of anomia to symbolize the breakdown between the cultural structure and the social structure. The cultural structure is made up of values in which individuals are socialized, while the social structure is formed by the legitimate means made available to individuals so they can achieve their goals. When means and goals are out of kilter anomia is the result, and is then addressed by the subjects by strategies that may enable them to transgress the legitimate means in order to achieve the goals. A cohesive society is one where there is a balance between means and goals or, in other words, in which the cultural and social structures converge.

In the functionalist tradition, the members of a cohesive society uphold common values, which enable them to identify themselves, and share moral principles and codes of conduct, through which they can develop their relationships with others and achieve their goals. The key is that *a cohesive society stays together*; all its parts are *in kilter* and contribute to *the collective project*, as long as *conflict and disruptive conduct* remain at levels that pose no threat to integration (Kearns and Forrest, 2000). In the systemic tradition, emphasis is laid on the yield of self-government and, in its phenomenological variant, on life worlds. Yield here means the system's ability to preserve its limits and heritage and dominate the complexity of its surroundings. The *system* paradigm fulfils the functions of integration and maintenance of patterns, while the *life worlds* paradigm fulfils those of adaptation, legitimization and achievement of goals (Habermas, 1989).

Sociology, political science and economics have all analysed the relationship between social bonds, democracy and growth, in response to the concern at the decline of the community since the onset of modernity. Analysis of the links between political results and the "crisis of the community" goes back a long way. Tocqueville (1840, quoted in Paxton, 1999) attributed a central role in the consolidation of democracy to participation in local associations. According to Arendt (1948, quoted in Paxton, 1999), whenever a community weakens, the ideal conditions for totalitarianism arise. Recently, reference has been made to the breach of confidence and the crisis of legitimacy, and the issue of social bonds has been addressed through the concept of *social capital*.

In the area of social psychology, cohesion initially meant the *individual forces* taking effect on staying in a group (Moreno and Jennings, 1937, quoted in Bollen and Hoyle, 1990). Festinger (1950, quoted in Bollen and Hoyle, 1990) suggested that cohesion was the *result of all the forces* that act so that the members remain in the group. Currently there are two traditions: the *subjective* or ideals-based perspective and the *objective* or network-based perspective. In the subjective approach, cohesion is the *group's ability to resist disruptive forces*, and has also been described as a group property, with individual manifestations of *senses of belonging*.

Source: Economic Commission for Latin America and the Caribbean (ECLAC).

III

Conceptual framework

1. ECLAC's concept of social cohesion

One way of defining social cohesion is to look at similar concepts and determine the specific differences between them. The semantic universe of social cohesion includes the following related terms: (i) social capital, or the heritage of networks and bonds between the various social actors; (ii) social integration, or people's access to basic levels of well-being; (iii) social exclusion, or the processes and mechanisms of the accumulated disadvantages that lead to social breakdown and deprivation, and (iv) social ethics, which underline the importance of the community of values and solidarity. As ECLAC demonstrates (ECLAC, 2007), the specific difference between cohesion and similar concepts is that the former makes it possible to establish the relationship between the mechanisms of inclusion-exclusion, capital, integration and social ethics.

From this perspective, cohesion is converted into “*the dialectic between instituted social inclusion and exclusion mechanisms and the responses, perceptions and attitudes of citizens towards the way these mechanisms operate*” (ECLAC, 2007, p. 18). This approach to cohesion has the following advantages over other approaches: first, it contradicts the functionalist biases stemming from considering systemic adaptation as the only criterion, making it possible

to incorporate the actor's dimension; secondly, it enables reference to be made to those dimensions of the situation that have usually been defined as independent aspects, and thirdly, it allows cohesion to be seen both as an end (enabling everyone to take part in and draw benefit from the development) and as a means (favouring the creation of covenants or social contracts to make policies sustainable in the long run).

With regard to overcoming the risks associated with the mechanical or functional perspectives of social cohesion, account must be taken of the fact that the traditional views of cohesion, which define it on the basis of the extent to which the members of a society or social system share values, exhibit a sense of belonging or manifest an ability to work together, but do not respond to the questions about the wide variety of conditions, interests and identities existing in societies (Rawls, 2002). Taking a mechanical or functional approach to the concept of cohesion may lead to its being understood as the absence of differences, to the actor dimension's being forgotten or a cohesive society being understood to be a totally harmonious system that is devoid of all forms of conflict (Council of Europe, 2005; Lepineux, 2005).

The approach to cohesion worked out by ECLAC (ECLAC, 2007) also takes on board the *links-based dimensions of reality*, which tend to be seen as isolated phenomena. This concept takes into account aspects such as socio-economic transformations and changes in social interaction and collective subjectivity; social policy and the value of solidarity; the interactions between social equality and political legitimacy; the fostering of greater equality and a greater recognition of diversity; socio-economic divides and the feeling of belonging. All the while it sets out to detect the key inter-relations between economy, society, politics and culture from a systemic viewpoint of development.

In ECLAC's definition (ECLAC, 2007), social cohesion is simultaneously *a means* and *an end*. In other words, it is a policy aim, that of raising levels of well-being, and ensuring that all the members of society contribute to and benefit from development. It is also the means since more cohesive societies offer a better institutional framework for growth, and social inclusion policies require social covenants that lend those policies legitimacy. It is also, on a par, *process* and *result*. Process, because it takes into account the dynamics and mechanisms of inclusion-exclusion that bolster or undermine social cohesion. And result, in that it takes into consideration the state of critical factors for cohesion at a given moment in time.

ECLAC's concept offers a *positive approach to cohesion*, as it considers the policies of inclusion and access to rights, sets store primarily by the processes leading to the creation of social bonds, and highlights the importance to cohesion of the most deeply entrenched aspects of social life (such as attitudes and values). Negative approaches to cohesion merely take account of the problems believed to play a key role in obtaining unsatisfactory cohesion results and do not take into account the deepest structural processes and factors. This leads to a prioritization of the most obvious expressions of social marginalization, which in turn act as alarm signals with regard to the degree of pathology a society suffers and serve as inputs for those framing restrictive responses to address the most excluded members of a society (Council of Europe, 2005; Thirion, 2004).

To define social cohesion in terms of the mechanisms of inclusion-exclusion is to limit the very meaning of inclusion-exclusion. One of the problems lies in the multiple layers that are superimposed between the ideas of cohesion and inclusion; for example, the concept of cohesion includes elements taken into consideration when defining social inclusion, such as reducing disparities and consolidating social bonds (Berger-Schmitt, 2002). In this document, it is assumed that social inclusion refers to the *vertical* axis of society and social cohesion to the *horizontal* axis (Vranken, s/f). Inclusion-exclusion is reflected in the relations between social groups that find themselves in an asymmetrical situation with regard to access to material and symbolic goods, while cohesion concerns the relationship between the elements of a group that is on a *comparable* level, such as the citizens of a nation State, who are equal in terms of a given set of rights.

Once we have clarified the difference between inclusion and cohesion, we can then define inclusion-exclusion. Noting the diversity of standpoints with regard to these phenomena (see Box 2) we might conclude that the best alternative is an integrating concept, a framework in which inclusion-exclusion is understood to be the *structure and processes of inequality and an accumulation of disadvantages, the consequence of which is the inability of certain individuals, groups and communities to gain access to social, economic, political and cultural resources and participate fully in social life*.

One set of characteristics of the approach to inclusion-exclusion is central for differentiating between it and other visions that are applied to social policies. This perspective is *multidimensional*, it highlights the *dynamic*

aspects, refers to the *mechanisms* that lead to deprivation and bears the outwards signs of a *relative* approach with regard to its reference to the distances between the different groups that make up society and the divides in the fulfilment of certain normative thresholds.

One of the drawbacks of any approach to social cohesion that is limited to the structural mechanisms of inclusion-exclusion is that it overlooks the principle of *agency*. This implies that the mechanisms of inclusion must be seen from a perspective of *structuring* (Giddens, 1984), where the structure and active principle of construction form a pair, and the rules and mechanisms of inclusion-exclusion are permanently reconfigured by the actors in the course of social interaction. This concern changes not only the objective modalities of inclusion-exclusion, but also and above all the legitimacy of given normative orders and the bases of consensus that trigger and bolster social and economic exchanges.

The problems of an objectivistic approach to cohesion can be illustrated by referring to Habermas (1989), who points out that in the traditional systemic approach no consideration is given to the fact that crises take place owing to the imperatives of the system, which are engulfed in their structures. Objective approaches make it impossible to detect the range of tolerance within which a social system's patterns of normality may fluctuate without its identity and heritage being threatened. *Only when the members of a society perceive the structure as being critical for their heritage and feel that their social identity is being threatened is it possible to speak of a crisis of cohesion.* Disturbances to integration attack the systemic heritage only when the basis of consensus has been so badly damaged that society falls into a general state of *anomia*. An appropriate concept of social cohesion must therefore take on board the connection between the mechanisms of inclusion-exclusion and the subjectivity of the actors.

One of the fundamental elements of social cohesion is the *sense of belonging*. In the macro-sociological tradition, the preoccupation with belonging stems from the breaking of social bonds brought about by the processes of modernization, urbanization and industrialization, to which in recent years have been added the changes triggered by globalization, including tendencies to undermine the identities that moulded the senses of belonging to nation States and conferred legitimacy upon political action. In a scenario of far-reaching processes of fragmentation, to strengthen the cement that ensures that society stays together, the individual members must feel part of it, take part in public debate and be involved in development

policies – tantamount to achieving substantive citizenship and a step beyond mere formal citizenship (Hopenhayn, 2003b).

Consequently, the Commission's concept of social cohesion (ECLAC, 2007) incorporates the actor's dimension and its responses to the operational modalities of the mechanisms of inclusion-exclusion, so that the objective processes of inequality may be linked with the subjective components of social integration. Accordingly, the sense of belonging plays a critical role in the processes of cohesion and its outcomes; actors will feel more a part of society as a whole if they take part in public affairs and the very policies of inclusion and social cohesion. Inversely, in a society where the sense of belonging is weak, the most plausible outcome is that the actors will respond to different mechanisms of inclusion-exclusion with individualism, a lack of confidence in the institutions and an absence of solidarity, all of which may give rise to the very problems of legitimacy that threaten social cohesion.

■ Box 2 ■

Inclusion-exclusion perspectives

There are different definitions of social exclusion. For example, Burchardt (2000) states that individuals feel excluded if they do not *participate*, to a reasonable degree and over time, in *certain activities that are essential to their society, for reasons beyond their control*. A standpoint close to that of participation situates social exclusion in the framework of weakened social bonds and relations. According to Sparkes (1999), social exclusion differs from poverty, as it is expressed in a process of breakdown that leads to an accumulation of disadvantages. Burchardt and others (2002, quoted in Saunders, 2003) maintain that social exclusion is the *lack of recognition of basic rights*, or the *lack of access* to the systems needed to *make them effective*. This definition includes not only the most vulnerable, but also those who have no access to political or legal participation (Li, 2004). Exclusion has also been defined by means of *structural factors*. According to Murphy (1986), social exclusion is the *geological fault* that crosses the whole of society; this crack, when seen to be illegitimate, may give rise to conflicts that could potentially cause the very foundation of social life to collapse. Exclusion exists if *access to the resources and opportunities valued by society is unequal*.

The approach to inclusion-exclusion presented here presents a set of characteristics that differentiate it from others. It is based on a *multidimensional* vision, which implies that exclusion is not expressed only in the lack of material wealth but also in the denial of rights, in social breakdown and in non-participation. This approach relates all the dimensions to each other, which implies that it is impossible to conclude

(Continues)

Box 2 (Continued)

by observing one aspect of well-being that exclusion exists. The outcome is that poverty and exclusion are not equivalents. Poverty consists of the lack of means to satisfy basic needs, which may be correlated with the loss of bonds but the two situations are not identical (Atkinson, 1998). Another characteristic is the *dynamic-relations-based* perspective, where deprivation is the result of a process, which supposes that it is necessary to analyze the “areas” of integration, vulnerability and exclusion. Dynamics are also important in that persons are excluded because they have few future prospects, a situation that may be carried over to the next generations. The inclusion-exclusion approach is *relative and contextual*, which broadens the framework of conventional analysis within which social policies have been founded. In the traditional perspective, the target population is the poor. In the vision of exclusion, the concepts of relative deprivation (Townsend, 1979), and functioning and capacities (Sen, 1999) are incorporated, and the target population is made up of those who do not participate in fundamental social activities or do not have access to basic rights. Consequently, the notion of exclusion is built on the basis of norms defining the meaning of actively participating in society. From the perspective of rights, the excluded do not have access to a set of *provisions expressed in legal terms and other ways, fundamental for satisfying people’s needs and for promoting social cohesion and solidarity* (Daly, 2002). Thus, the criteria of exclusion may vary from one context to another; in western Europe, the debate is centred on the situation of clearly distinguishable minority segments of the population, whereas in many developing countries, poverty and exclusion are mass phenomena (Li, 2004).

The mechanisms of inclusion-exclusion must also be taken into account. An analytical line must be drawn between the *principles* of exclusion, the organizational axes of the economic and social structure (for example, the possession of property), and the *mechanisms* of exclusion, modalities whose aim is to preserve, perpetuate or take control of resources. The principles and mechanisms of exclusion are historic and are related to inter-group relations. Using the concept of *social closure* (Weber, 1964) we can describe the *mobilization of power to support or defend the participation* of the endo-group in *resources and profits*, and express this in the *limitation of access to resources to a small circle of eligible persons*. The *exclusive closure* implies the *downwards exercise of power*, through which a group ensures its advantages through the denial of opportunities to another group which it defines as *inferior and ineligible* on the basis of some characteristic or other (Murphy, 1984; 1986). A lineal glance at modernization could lead to an erroneous reading that the practices of social closure should be undermined as a result of the substitution of the *logics of estate*, which determine position on the basis of affiliation, by the *status groups*, in which position is attained on the basis of individual achievement.

Nevertheless, the observation of the processes of modernization reveal that capitalism emerged in the context of a cohabitation between estate and status. The status and estate groups are simultaneous

(Continues)

Box 2 (Conclusion)

aspects of modern societies, where the acting group, within the collective mind, is the estate, which consists in a *system of rights and privileges* where position means a *pretension of social esteem in terms of negative or positive privileges* and is expressed in monopolistic appropriation and in multiple social distinctions that are superimposed (Borocz, 1997).

Collins (1990) uses the idea of *matrix of domination* to show that gender, race and social class are related processes. The mechanisms of exclusion cannot be reduced to the lineal combination of these identities, because the dimensions of gender, race and class may interact and produce different results of inequality. Anderson (1996) adds that the matrix of domination creates, sustains and modifies the organization of inequality: race, gender and class are part of the institutional infrastructure of society, they establish patterns of expectations, give order to the social processes, function as organizers of social identity and form fields of cultural conflict (Wharton, 1991). Gender, race and class are *principles and mechanisms of exclusion* (along with disabilities, one's area of residence and sexual preferences). It is possible to identify different mechanisms of *exclusion*. The first is the *negation of the other*, which has been expressed in the history of Latin America in the denial of women's rights, and those of the indigenous peoples and Afrodescendants (Hopenhayn and Bello, 2001). The second is the *devaluation of the other*, a mechanism that consists in attributing positive characteristics to the endo-group and negative ones to the exo-group. The actions of *segregation and reclusion* are the most obvious modalities of exclusion (Foucault, 1998). *Self-exclusion* also expresses social closure. In societies characterized by market economies there are two thresholds of exclusion. The lower one separates society into the groups who enjoy rights and the groups who do not, while the higher one sets apart the group of those that do not need institutions to be able to make their rights effective.

Source: Economic Commission for Latin America and the Caribbean (ECLAC).

2. The components and dimensions of cohesion

If we dissect ECLAC's concept of social cohesion (ECLAC, 2007), or the dialectic between instituted social inclusion and exclusion mechanisms and the responses, perceptions and attitudes of citizens towards the way these mechanisms operate, we can identify three components that interrelate to generate the specific processes and results of cohesion. These components are: (i) distances or divides; (ii) the institutional mechanisms of inclusion-exclusion, and (iii) the sense of belonging.

The *distance* component includes the results, or visible expressions, of the operation of the exclusion-inclusion mechanisms and refers to

the material conditions of the groups and communities excluded from participation in essential social activities for life, the exercise of their basic rights and access to the resources and opportunities needed for the development of their potential. These situations are manifested as *objective well-being divides* (ECLAC, 2007), in comparison with the living conditions of other social groups or taking into consideration the normative thresholds of access to resources or the guarantee of rights. Their dimensions include employment, incomes and poverty, social welfare, education, access to new technologies, health, consumption and the availability of basic services.

The *institutional inclusion-exclusion mechanisms* component considers those actions carried out by various institutional actors and that may have an effect upon the structure of opportunities, the accumulation of advantages and disadvantages, and the processes and results of inclusion-exclusion. In this area priority is given to initiatives that are explicitly aimed at promoting inclusion and social cohesion, although consideration is also given to those processes that are not specifically intended to generate inclusion-exclusion results. The dimensions of the institutional mechanisms component are the way in which the democratic system and the rule of law (fighting corruption, equity in the administration of justice and human security policies), policies and markets all function.

The *sense of belonging* component includes all those psychosocial and cultural expressions that take account of the degrees of people's linkages and identification with society as a whole and the groups that comprise it, elements that form the basic adhesive that sticks society together and, at the same time, affect the reactions of the different actors to the specific modalities in which the different mechanisms of inclusion-exclusion act. The dimensions of the *sense of belonging* component are multiculturalism and non-discrimination, social capital (informal social networks, confidence and participation), prosocial values and solidarity, future expectations and prospects of social mobility, and the sense of integration and social affiliation.

This conceptual approach does not set out to establish cause-and-effect relationships but the institutional mechanisms component is primordial when generating the specific results of exclusion, while the materialization of problems of social cohesion will also depend on the sense of belonging component. This logic may be applied when analysing the actions taken to increase cohesion: the initiatives taken to achieve the inclusion of the

most vulnerable will be viable and produce greater degrees of cohesion whenever the sense of belonging component so allows. In any case, the relationship between the components (and even between the dimensions within the components) may be established in many directions and vary over time and in different contexts. The dialectics suggest two things: firstly, an analytical approach that gives priority to the identification of tensions that may produce given cohesion results, and secondly, the anchoring of these oppositions in particular historic contexts and processes.

■ **Table 2** ■
Components and dimensions of social cohesion

Component	Distances	Institutional inclusion-exclusion mechanisms	Sense of belonging
Dimensions	<ul style="list-style-type: none"> – Poverty and incomes. – Employment. – Access to social welfare. – Consumption of goods and access to basic services. – Access to education. – Access to health. – Access to new technologies. 	<ul style="list-style-type: none"> – Democratic system. – Rule of law: <ul style="list-style-type: none"> (i) Fight against corruption. (ii) Justice and human security. – Policies. – Operation of the market. 	<ul style="list-style-type: none"> – Multiculturalism and non-discrimination. – Social capital: <ul style="list-style-type: none"> (i) Informal social networks. (ii) Confidence. (iii) Participation. – Prosocial and solidarity values. – Future expectations and prospects for social mobility. – Sense of integration and social affiliation.

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of work by Juan Carlos Feres and Carlos Vergara, "Hacia un sistema de indicadores de cohesión social en América Latina. Avance de proyecto", *Cohesión social en América Latina y el Caribe: Una revisión perentoria de algunas de sus dimensiones*, Andras Uthoff and Ana Sojo (eds.), Santiago de Chile, ECLAC-SIDA-Fundación Konrad Adenauer, 2007.

IV

Distances component: dimensions and indicators

Exclusion attacks social justice. If we adopt a concept of justice based on equal opportunities and abilities, people should be capable of equivalent performances, unless they choose otherwise (Le Grand, 1991, quoted in Barry, 1998). Social exclusion stems from unequal opportunities and is expressed in participation divides in activities that are fundamental for social integration and in the deprivation of rights. These divides, considered separately and at a given moment in time, are not sufficient conditions for exclusion. For this to be verified: (i) the individuals or groups must experience a combination of problems in multiple dimensions; (ii) the deprivations must be the result of an asymmetrical opportunities structure, and (iii) these problems must persist over time and be transmitted from one generation to the next. Divides are indicators of the probability of exclusion, which should increase if the deprivation under consideration is correlated with another form, and if this situation is maintained over time.

1. Poverty and incomes

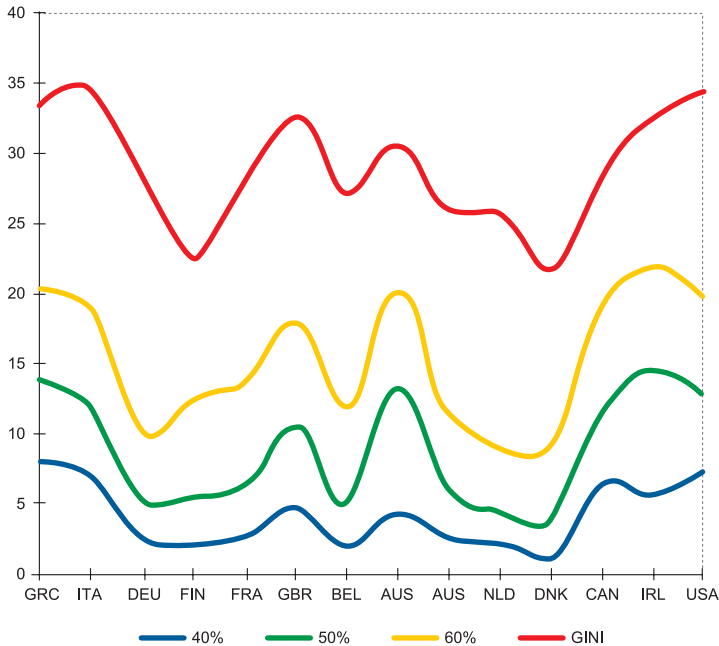
By applying the perspective of exclusion to an analysis of poverty we identify those who *do not have the minimum amount of resources necessary* to take part properly in social life (Atkinson and others, 2005).

Here, there are two methodological alternatives: define the relative thresholds of resources or *fixed* (absolute) thresholds. In the Laeken system of indicators, the approach is based on a concept of relative deprivation, according to which the cut-off point is set at 60% of the average income of the population. It has been claimed that one of the advantages of indicators based on the relative approach is that they gauge deprivation in terms of the prevailing standards in a given society and contain an inbuilt method of updating, as the threshold shifts in accordance with the average of incomes, thereby reflecting changes in purchasing power, while absolute indicators are updated on the basis of the increase in prices and thus represent a fixed level of purchasing power (Villatoro, 2007b).

On the other hand, an approach based on fixed thresholds is part of a concept according to which there is a hard core of absolute poverty, regardless of the level of incomes of a reference group: failure to satisfy their needs will automatically be translated into deprivation. The most widespread indicators of poverty in Latin America are based on this perspective and are indirect measures of the satisfaction of basic needs thanks to which it is possible to establish the resources on which people rely in order to satisfy such needs. In any case, the absolute and relative approaches may be seen as complementary, since they both allow for different interpretations of the way in which needs are fashioned socially (Feres and Mancero, 2001). Atkinson and others (2005) point out that all indicators are designed in accordance with some kind of normative standard, adding that the two vital questions are the way that standard is selected and the method used for updating, which falls within the area of application.

One important point is that in the relative perspective the issue of poverty is addressed as a subset of unequal incomes, which is not the case in the approach based on meeting basic needs. This difference has a number of practical implications. For example, the population of a given country may undergo a significant drop in its level of incomes without any change in the distribution, which could lead to an increase in poverty on the basis of fixed criteria, but not to a decrease in relative poverty (Feres and Mancero, 2001). Indeed, the indicator of relative poverty is insensitive to economic growth, as it responds more to changes in the distribution of income than to average social well-being (see figure 1). The use of a relative indicator could, in times of fast economic growth, lead to a situation where reductions in poverty are not appreciated if everyone benefits equally. Relative poverty might even increase in periods of growth: indeed, an improvement in household

■ **Figure 1** ■
Organisation for Economic Co-Operation and Development (OECD)
(14 countries^a): low income rates^b and income distribution^c, 2001
(Values in percentages of population)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the Organisation for Economic Co-Operation and Development (OECD) [on line] http://www.oecd.org/document/24/0,2340,in_2649_201185_2671576_1_1_1_1,00.html.

^a The countries are ranked in ascending order of GDP per capita 2001: GRC = Greece; ITA = Italy; DEU = Germany; FIN = Finland; FRA = France; GBR = United Kingdom; BEL = Belgium; AUS = Australia; AUT = Austria; NLD = Netherlands; DNK = Denmark; CAN = Canada; IRL = Ireland; USA = United States of America.

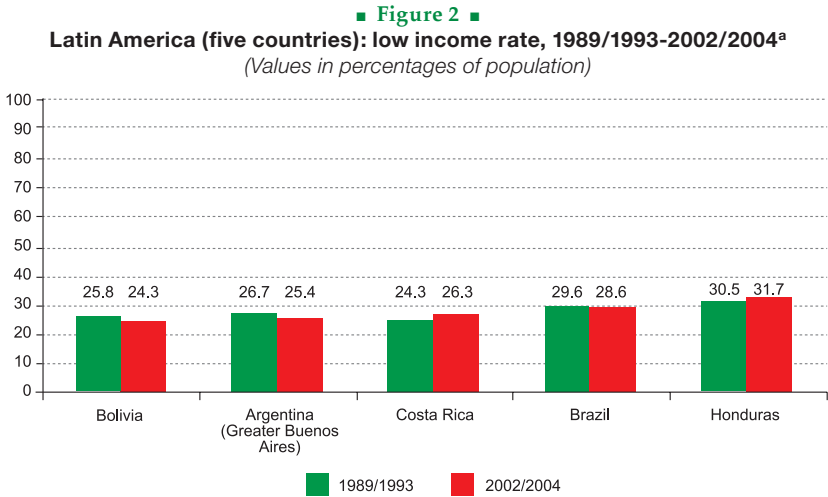
^b Low income values are calculated on the basis of the thresholds of 40%, 50% and 60% of the average income of the population.

^c Income distribution is estimated by means of the Gini coefficient.

incomes above the poverty line could be translated into a significant increase in poverty if the poverty threshold rises while the incomes of the poorest fail to increase (Atkinson and other, 2005).

In general, researchers tend to support the idea that, in developed countries, a relative definition is more appropriate, since in the more advanced regions there is an attempt to ensure that the whole population shares the benefits of average high prosperity, while absolute (fixed) measures seem more relevant in developing countries, as it is a challenge for them to achieve basic living standards (Villatoro, 2007b). Consequently, in Latin America and the Caribbean it seems to be more appropriate to use

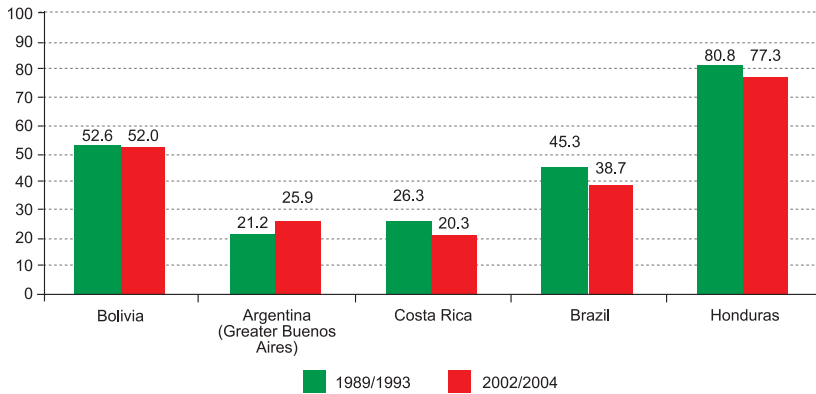
the indicators of *measurement of poverty and indigence*, instead of poverty measures. As ECLAC points out (2006b), using different thresholds of relative poverty does not generate differences of more than 10% between countries, whereas the indicator based on the purchasing power of a basic basket of goods is translated into differences as high as 50% or more. In this way, ECLAC (2006b) shows that the failure to satisfy basic needs continues to be the main problem in most of the countries in the region, but at the same time it recommends continuing to explore the possibilities of applying the relative poverty method, especially in countries with lower levels of absolute poverty. Box 3 offers a more detailed examination of the issue of alternative indicators including elements of the relative poverty approach.



Source: Juan Carlos Feres and Carlos Vergara, "Hacia un sistema de indicadores de cohesión social en América Latina. Avance de proyecto", *Cohesión social en América Latina y el Caribe: Una revisión perentoria de algunas de sus dimensiones*, Andras Uthoff and Ana Sojo (eds.), Santiago de Chile, ECLAC-SIDA-Fundación Konrad Adenauer, 2007.

^a To gauge the rate of low income 60% of the average income of the population was taken into consideration.

■ Figure 3 ■

Latin America (5 countries): absolute poverty rate, 1989/1993-2002/2004*(Values in percentages of population)*

Source: Juan Carlos Feres and Carlos Vergara, "Hacia un sistema de indicadores de cohesión social en América Latina. Avance de proyecto", *Cohesión social en América Latina y el Caribe: Una revisión perentoria de algunas de sus dimensiones*, Andras Uthoff and Ana Sojo (eds.), Santiago de Chile, ECLAC-SIDA-Fundación Konrad Adenauer, 2007.

In any case, headcount indexes have been criticized for their insensitivity to essential dimensions of poverty, such as its depth and severity. One means of offsetting this limitation is to use *poverty and indigence gaps*, which measure the depth of both situations by determining the average distance between the incomes of the poor and indigent and the respective lines. In any case, the indicator of poverty divides requires extremely reliable measurement, as it is very sensitive to precision in the values of incomes below the poverty line. In this proposal, we point out the need to multiply the poverty divide coefficient by the headcount index to avoid the problems associated with the reduction in the mean income of the poor when someone close to the poverty line ceases to be poor (Feres and Mancero, 2001).⁴ Attention must also be paid to cases with very low or zero incomes (which may be genuine or result from under-reporting or errors in the processing) (Villatoro, 2007b).

The selection of divide indicators based on fixed thresholds leaves aside the consideration of measurements of inequality, fundamental in a perspective of exclusion-inclusion (Galabuzi, 2002). One of the most evident features of Latin America is the marked concentration of incomes. The region has been regarded as one of the most unequal in the world, even

⁴ This situation triggers an increase in the income gap coefficient.

in comparison with less developed regions or those with higher levels of poverty (ECLAC, 2004b). The disparity in the distribution of incomes means that the poorest are more vulnerable to crisis and benefit less in moments of economic expansion. Unequal access to the means of livelihood may have negative effects on social cohesion, as the universalization of aspirations to success puts pressure on individuals to find alternative means to the conventional ones and achieve socially valued goals (Merton, 1987). Poor distribution undermines the ability to exercise civil, economic and social rights, above all in societies where access to goods depends on the resources people have (Barry, 1998).

In this context, there are two indicators available for a good many countries in the region: the *income quintile ratio*, which is worked out by relating part of the total income of the richest quintile with that of the poorest quintile, and the *Gini coefficient*, measured by calculating the area between the perfectly symmetrical line of distribution and the Lorenz curve. The latter indicator is more sensitive to changes in the middle part of distribution and less in the extreme groups, which diminishes its value from the perspective of exclusion, while the income quintile ratio is more relevant for an approach that sets out to establish the divides or distances between groups, as it responds to changes only in the extremes (Villatoro, 2007b). Furthermore, the Gini coefficient suffers from methodological problems, such as the absence of two properties of concentration indicators: additive decomposition and the principle of “strong transfer”.⁵

On the other hand, from a perspective of social exclusion it is also fundamental to detect the dynamic aspects of deprivation, which is why one of the indicators selected in the Laeken system is the *persistent poverty rate*. Here, a controversial question is to determine whether the families or persons who remain below an income threshold (poverty or indigence) over time are in a situation of social exclusion or not. In the European tradition it has been pointed out that long-term poverty is not always equivalent to exclusion, as the latter is not only a question of what happens to someone after a given moment in time but also what their expectations were before it (Atkinson, 1998), which means that exclusion is not determined only by

⁵ According to the property of additive decomposition, the concentration of income in a population must equal the weighted total of inequality in all the subgroups that compose it. According to the principle of strong transfer, with regard to the transfer of incomes from rich households to poor households, the reduction in inequality will be more pronounced as the distance between the households' incomes increases (see Medina, 2001).

undergoing economic deprivation, but also by despair. Nevertheless, in countries like China, social exclusion has mainly been defined in terms of the persons and households who have been deprived of material resources over a long time (Li, 2004).

Measuring persistent poverty is fraught with conceptual, methodological and practical problems. With regard to the conceptual aspects, one alternative is to define a reference period (for example, three years) and identify as poor those people who remain below the threshold throughout the period, but the limitation of this procedure is that it does not allow for the possibility that some people may rise above the poverty line for a time and then drop below it again later. Moreover, it is not clear that in order to define persistent poverty households must remain below the poverty line throughout all the years under study. As far as the methodological and practical difficulties are concerned, the measurement of persistent poverty calls for longitudinal studies and panels, or else the use of retrospective questions that may be compared over time and between the countries (Villatoro, 2007b). In the region few countries have carried out studies of repeated measurements that would make it possible to calculate this indicator, although it is hoped that in the near future more and more national systems of statistics (NSS) will have the information needed to do so.

■ Box 3 ■

Exploration of poverty indicators relating to Latin America

Adopting traditional indicators of poverty and inequality does not rule out exploring measures of relative deprivation, which are extremely relevant for seeking to promote inclusion and social cohesion. The starting point is to establish the threshold of resources people need to participate properly in social life, in keeping with the reality of the region. In the Laeken system, the cut-off point is set at 60% of the average income of the total population, but in Latin America this is not the optimal reference point, as there are 11 countries with absolute poverty rates close to or higher than 50%, which indicates that in those cases the average incomes of the population do not guarantee satisfactory participation in social life. Nor do the incomes of the richest quintile of the population offer the ideal threshold, since the incomes of this group may be far higher than those required to participate properly in social life and also because the poor will not always see the richest as their reference group. One alternative is to use the average of incomes of the absolute non-poor population as an approach to the social inclusion line, since individuals above this threshold would have the resources they need to

(Continues)

Box 3 (Continued)

lead an adequate life in accordance with the prevailing standards in the population able to meet its basic needs.

An appropriate relative poverty rate for the region should make it possible to identify those individuals whose deprivation is *totally attributable* to the availability of fewer resources than for the rest of the population. This is the case because when the absolute poor are below the threshold of proper social participation, their deprivation can be explained by the failure to meet basic needs and not by their position compared with the average population. This distinction is based on the premise that absolute and relative poverty are different expressions of deprivation, whose rate and superimpositions depend on their context. For example, in western Europe the idea of relative deprivation emerged against a background of economic prosperity, which made it possible to meet the basic needs of the overwhelming majority of the population, whereas in Latin America absolute and relative poverty coexist. The focus of this exercise is therefore to determine which segment of the population meets its basic needs but is in a position of relative deprivation with regard to the resources available to the absolute non-poor population.

Consequently, when defining a relative poverty rate particular relevance must be given to the situation of the Latin American population between the fixed poverty line and the average of incomes of the absolute non-poor. A distinction needs to be made between those who are close to the average incomes and those who are far from that line. One possibility is to define the latter group as the *population exclusively on low income*, since these persons meet their basic needs, but are far from the level of resources of those who are above the average income. One especially problematic aspect is the definition of the threshold value (for example, 50% or 60% of the average) under which the population exclusively on low income lies, since relative and absolute poverty do not always behave as *separate sets* (there may be superimpositions), or low cut-off points could give results that are difficult to interpret, for example the fact that people who do not meet their basic needs are not classified as being on low income. Nevertheless, since these sets are the result of a classification exercise (and not “naturally arising” entities), it is possible to determine cut-off points in distribution such that both groups are separate sets.

In fact, the rate of *population exclusively on low income* could be defined on the basis of a threshold that takes into consideration a certain percentage of the median income of the absolute non-poor population, but with the rider that this fraction is not taken into account when the value of the threshold of relative poverty is lower than the absolute poverty line. In other words, the absolute poor and the population exclusively on low income will be separate sets provided that the proportion used as a multiplier of the median income is higher than the percentage representing the value of the fixed poverty line with respect to the median income of the non-poor. On the basis of this logic it is possible in the case of Latin America to define rates of population exclusively on low income by using 60% and 70% of the average income of the absolute non-poor as

(Continues)

Box 3 (Conclusion)

thresholds. The application of these cut-off points shows that the region's countries with lower rates of absolute poverty and poorer distribution have the highest rates of population exclusively on low income. Adding the percentages of population exclusively on low income to the rates of absolute poverty tends to reproduce the same order of countries as when use is made only of the indicators of poverty based on fixed thresholds (for more details, see figures A-1 and A-2 in the annex).

Source: Economic Commission for Latin America and the Caribbean (ECLAC).

2. Access to employment

The concept of decent work expresses the objective that people should have opportunities of employment in conditions of freedom, equality, security and dignity (Anker and other, 2002). Access to work and a level of wages have a significant effect on well-being and may be crucial for the links between growth, inclusion and social cohesion. In Latin America, the persistence of high levels of unemployment, the expansion of the informal sector, the increase in wage divides between the different levels of qualification and the increased precariousness of working conditions resulting from greater flexibility of labour have created problems for inclusion and social cohesion, which has led to comments that the world of labour has not succeeded in entering the universal doorway into the social welfare system and is not providing a safe space for people to develop their life projects and identities (ECLAC, 2006a).

The indicator most often used to monitor unemployment in the region is the *open unemployment rate*, a short-term measurement expressing the number of persons of 15 years of age and over who have not worked, but have sought employment, during a reference period, as a percentage of the economically active population (EAP).⁶ The main advantages of this indicator is its broad coverage in space and time in Latin America and the Caribbean and the existence of published disaggregates according to schooling, sex and age. The availability of age-group disaggregates is particularly relevant for determining the divides of labour insertion affecting the youngest, since labour markets often fail to offer sufficient jobs for minors with low levels of training.

⁶ Workforce, or persons able and wishing to work.

In any case, care is needed when comparing open unemployment between countries, as the relevance of the terms “employment” and “unemployment” depends on the configuration of the labour market (for example, the weight of the formal or informal sectors), and the existence of a market economy.⁷ Another difficulty lies in the fact that calculating open unemployment does not include the dejected, or those persons who wish to work but gave up seeking employment out of despair. One alternative is to use as a secondary indicator the *modified open unemployment rate*, which determines the number of persons of 15 years and over who have not had employment, including the dejected, as a proportion of the workforce.

In the conditions in which the labour market currently operates in Latin America and the Caribbean, no kind of employment guarantees that people will stay out of poverty, a fact mainly explained by the high proportion of the informal sector (Tokman, 2007). One indicator that could be used as an approach to the magnitude of the informal sector is the *percentage of the employed population working in low-productivity sectors*. This segment of the employed population is made up of employers or employees who work in enterprises with up to five employees, those in domestic employment and unqualified self-employed persons (includes those working for themselves and unpaid family members who have no vocational or technical qualifications). This indicator is disaggregated by sex and sector of activity, but it only covers employed persons living in towns and cities.

To illustrate the problems of quality of employment we may also refer to underemployment, a subcategory mostly covering the poorest and youngest. Underemployment includes all occupations that are inadequate in relation to given norms or other jobs. To qualify as underemployed the following criteria must be met: (i) people work fewer hours than is the case normally in the workforce; (ii) they are forced to do so or do not do so voluntarily, and (iii) they wish to work more. The normal duration work is defined according to the national circumstances (for example, less than 40 hours in Uruguay, 47 hours in Costa Rica and 36 hours in Honduras); whether or not underemployment is voluntary is determined in accordance with the reasons given by those concerned.⁸ Currently the International

⁷ Special account should be taken of the problems of relevance when applying the open employment indicator in rural areas, as the concept used responds more to the specific features of urban labour markets. Using this indicator to compare countries with different levels of development may therefore produce misleading results.

⁸ For more details, see: <http://www.ine.gub.uy/biblioteca/metodologias/ech/Concept%20de%20Subem%20ployment.pdf> and <http://encuestas.ccp.ucr.ac.cr/metodo/concept.htm>.

Labour Organization (ILO) has an *underemployment rate* which, for calculating this phenomenon, takes account of the population with insufficient hours worked as a proportion of the EAP.⁹

There are other situations in the labour market leading to social exclusion that should be monitored. These include long-term unemployment and wage divides. The lack of employment over a long period carries a high risk of social exclusion, owing to related deprivations in other areas of well-being. As far as wage divides are concerned, modern segments exist in the region's economies alongside those of low productivity. In the modern sector jobs call for high qualification and wage levels are also high, whereas in the traditional sector the opposite is true. Thus, although in recent years women's participation in the labour market has shown a growing trend, traditional definitions of gender roles persist, making it difficult for women to enter the job market with the result that women receive lower wages than men (ECLAC, 2004b).

ILO has defined the lack of employment for one year or more as a criterion for monitoring the *long-term unemployment rate*, as the lack of a job for that length of time can expose family economies to strong pressures, especially when there is no unemployment insurance or family savings have been used up or both.¹⁰ Transitory episodes of unemployment are easier to cope with, thanks to formal social welfare or to savings or help from the rest of the family. In any case, comparing long-term unemployment in countries with different levels of development may produce misleading results, since this rate may be affected by the educational levels of the jobless (people with better qualifications may take longer to find a job as they will usually look for employment in areas related with their professions). The ILO takes account of two measures of long-term unemployment: the first reflects the number of long-term unemployed as a fraction of the workforce and the second as a proportion of the unemployed population. The indicator it sees as the denominator for the population incorporated into the workforce is available for 15 countries in Latin America and covers the period 1989-2002.

There is another indicator of wage asymmetries, the *wage relationship between sexes and by levels of education*; it is calculated for a large number of countries in the region and makes it possible to estimate wage divides on

⁹ See the ILO Internet site: http://www.ilo.org.pe/portal/documents/pl_2006_esp_final.pdf.

¹⁰ See the database on Key Indicators of the Labour Market (KILM) [on line] <http://www.ilo.org/public/english/employment/strat/kilm/index.htm>.

the basis of sex and years of schooling.¹¹ A secondary indicator could be the *percentage of participation of women in non-agricultural salaried employment*. This measurement estimates the quality of female labour insertion, since jobs in the formal urban sector offer higher and more stable wages, and more access to social welfare. Furthermore, this indicator is widely available in Latin America.

A crucial area for inclusion and cohesion is the eradication of unacceptable jobs. In the ILO Declaration on Fundamental Principles and Rights at Work (1998, quoted in Anker and other, 2002), two types of unacceptable employment are identified: forced labour and child labour of the worst kind. Unfortunately, there are no ways of directly gauging these forms of work in most countries in Latin America. Anker and others (2002) suggest two indirect ways of measuring the worst kinds of child labour: the percentage of children of 5 to 14 years who do not attend school and who are economically active, and the proportion of members of the same age group who work. There are data in the region on the percentage of children under 14 years of age who work, but this indicator covers a very small time frame and includes only 12 countries. Attention must also be paid to the situation of labour integration of the physically and mentally disabled, but there is no information on the occupational situation of these groups for most Latin America countries.

One issue that has not been duly studied in the region is the occupational situation of (foreign) immigrants, owing to the dearth of statistical data on their employment conditions. In that regard, one indicator that is available is that of the economically active migrant population broken down by occupational group. This measurement allows us to determine the sectors of economic activity where immigrants are concentrated, but not the quality of the jobs they obtain, nor disaggregates that would make it possible to detect how much less they earn than the non-immigrant population. Another problem is the limited coverage in space and time of the data; currently there is information on 13 countries in the region, and only values for around the year 2002. Since the data come from censuses, the estimates become less reliable the longer it has been since the latest census.

¹¹ See ECLACSTAT [on line] <http://websie.eclac.cl/sisgen/ConsultaIntegrada.asp?idAplicacion=1>.

3. Access to social welfare

A fundamental mechanism for inclusion and cohesion is social welfare. The growing economic and financial integration of the region's countries into the global economy has greatly increased vulnerability to external economic shocks, together with an unhinging of the traditional mechanisms of social welfare. More flexible labour markets, the persistence of high rates of unemployment and the growing weight of the informal sector have excluded a large number of persons of working age from the social welfare system, a situation made worse by the undermining of the arrangements, such as family networks, that can usually prevent (or help people face) economic shocks, and are highly exposed to risks related with low incomes or instability, diseases and ageing, vulnerabilities that most affect the have-nots (ECLAC, 2006a).

One of the measures available for monitoring access to formal social welfare is the indicator of employees with social welfare coverage, by sex and sector of occupation, as estimated by the ILO. As this indicator excludes people in the unsalaried informal sector it tends to over-represent access to social protection. An alternative measurement is the *percentage of the working population who contribute to social security*, an indicator broken down by sector of economic activity, sex, area of residence and income quintile. It shows that the coverage of social welfare fell during the period 1990-2003, and that there are also strong asymmetries between sectors of activity, area of residence, sex and socio-economic situation (ECLAC, 2006a). The *proportion of the population of working age contributing to social security* may be used as a secondary indicator, since it is a better indication of access to social protection among the groups registering lower rates of occupation, such as women and the very poor; 32% of males aged 15-64 years contribute to welfare, while for females this figure is 19%. In some countries the differences between the extreme quintiles may be as great as 60 percentage points (ECLAC, 2006a).

Consideration should also be given to the problems facing adults with no welfare or pension provision, a situation that worsens when they are the main breadwinners. To establish their level of access to social welfare we may refer to the percentage of adults with some kind of retirement or other pension. Nevertheless, this indicator is limited for estimating divides, as it does not take into account the amount of the retirement benefits and other pensions. To offset this, the ILO works out the ratio between the average pension that adults receive and the poverty line, but this indicator does not

take into account the size of the household. A ratio equal to one per adult living alone is not comparable with the same ratio estimated for someone who is part of a large household. This effect is repeated when we compare countries with different demographic structures.

Marginalization of non-contributory protection is also a source of social exclusion that threatens cohesion. Unlike the situation in some countries of western Europe, where there are more or less permanent and fairly generous non-contributory schemes to protect those who are outside the labour market, in most countries of Latin America and the Caribbean the few non-contributory programmes that do exist provide limited and uncertain social welfare, out of keeping with the universal character it ought to have (ECLAC, 2006a). One indicator of access to social assistance welfare is the percentage of individuals below the poverty line in receipt of some kind of non-contributory transfer, but this measurement does not take account of the amount of the transfers and, moreover, it is not available in many countries in the region.

4. Access to education

Quality education is essential for avoiding exclusion and strengthening social cohesion. The relationship between education, inclusion and cohesion is multiple: first, a greater equality of education opportunities is crucial for avoiding the reproduction of inequalities at work and citizens' participation, which makes it possible for society to perceive a fairer order based on a meritocracy; second, a relevant education is vital for reducing the gaps between education and work; third, learning experiments based on respect for diversity are central to eliminating discrimination (ECLAC, 2007) and may reduce transactional costs arising from the distances between groups (Gradstein and Justman, 2002); and fourth, education helps to confer legitimacy upon social covenants in various ways: the provision of information, socialization in expected conduct and raising awareness of the consequences of breaking those contracts (Heyneman, 2000).

The failure to save human capital is one of the main causes of widespread poverty and inequality. Increased levels of education, especially among the most excluded groups, should increase social mobility, raise productivity and exchanges between the generations, and provide the tools needed for modern living. Currently, the universal provision of

primary education is very close to being achieved in the region, yet the indicators of access to and completion of this level explain very little in the Latin American context. ECLAC (2000) has pointed out that a minimum of 10 to 13 years of formal education and, in many cases, the completion of secondary education, are needed for people to have a 90% or higher probability of not falling into or continuing to live in poverty (see box 3); nevertheless, a large percentage of young people drop out of secondary education, a situation that is far more widespread among the very poor, young people in the countryside and indigenous peoples and Afrodescendants (ECLAC, 2002). One relevant indicator is the *percentage of completion of secondary education in the population that had an opportunity to do so according to their age*, broken down by socio-economic situation, gender, ethnic origin and area of residence.

■ Table 3 ■
**Latin America: years of education needed for it to be likely
 that people will not fall into poverty^a**

Country	Year	Years of formal schooling (a)	Average income in values of the poverty line (b)	Percentage of non poor (c)
Argentina	1997	12-14	7.5	95
Brazil	1996	10-11	7.1	92
Chile	1998	12-14	6.3	91
Colombia	1997	12-14	4.8	87
Costa Rica	1997	13-14	8.1	96
Ecuador	1997	12-14	4.1	70
El Salvador	1997	11-12	5.9	89
Panama	1997	12-14	7	93
Paraguay	1996	13-14	4.9	88
Dominican Rep.	1997	10-11	6.2	88
Uruguay	1997	10-11	6.1	98
Venezuela (Bol. Rep of)	1994	13-14	4.1	79

Source: Economic Commission for Latin America and the Caribbean, *Equality, development and citizenship* (LC/G.2071/Rev.1-P/E), Santiago de Chile, 2000.

^a The values (b) and (c) are calculated for the population with years of formal schooling indicated in (a).

One challenge facing the region is how to widen access to pre-primary education: currently 42.5% of children at an age to participate in programmes at this level of education are enrolled (United Nations, 2005). The extension of pre-primary education is justified by the fact that the early years of life are fundamental for personal development and also because participation in pre-school education programmes offers substantial benefits throughout life, with respect both to progress in education and insertion into society later on (Hopenhayn and Villatoro, 2006). Similarly, offering the poorest women alternatives for child care gives them greater opportunities to join the labour market, which would contribute to social inclusion and strengthen

cohesion. To establish the level of access to pre-primary, use may be made of the *net rate of enrolment in pre-school education*, an indicator that is widely available in the region and is disaggregated by sex. The *relation of access to the top grade of pre-primary education according to income quintiles* may be used as a secondary indicator to monitor divides of access due to people's socio-economic situation.

Life-long education opportunities, with emphasis on those lagging behind, are vital for social inclusion. In Latin America and the Caribbean, 36 million inhabitants claim to lack basic reading and writing skills (United Nations, 2005), which limits their participation in production and socio-cultural life, thus contributing to the reproduction of poverty. Mass literacy can give social cohesion a huge boost, as well as helping with the inclusion of ethnic and cultural minorities, improving the population's health and boosting productivity and growth (UNESCO Institute for Statistics, 2004). In this context use may be made of the *rate of literacy in the population aged 15 years and over*, this indicator, based on a dichotomy, does not establish the degree of skill in literacy and is not always reliable as it is almost entirely based on self-reporting.¹² However, one indicator that could complement the previous one and that can be used for monitoring adult education programmes is the *percentage of those who complete primary education in the population aged 25 years and over* (Villatoro, 2007a).

In any case, access and progress to and the conclusion of the different levels of education are not enough for achieving social inclusion unless the services offered to children and young people are of the right quality. According to a comparison of international data, the learning results for students in the region are below standard, a fact that tends to reproduce the divides associated with socio-economic situation and area of residence, which also differ according to the type of school (public or private) (PRIE, 2003; ECLAC/UNESCO, 2005). Although some countries in the region have taken part in international studies on learning (see table 4), there are a number of problems standing in the way of using indicators in this context. Among these difficulties are the low numbers of countries taking part, the lack of temporal series and the fact that the concepts and indicators used in the different studies are not comparable.

¹² Ideally we should have indicators of literacy skills. This is where UNESCO's Literacy Assessment and Monitoring Programme (LAMP) comes in, but to date the coverage of this initiative in the region has been too low to incorporate literacy skills indicators into the system. Therefore the percentage of completion of primary education in the population age 25 years and over was selected as a secondary indicator (for more details, see Villatoro, 2007a).

■ **Table 4** ■
**Latin America: countries taking part in international projects
to evaluate education**

Country	OREALC-LLECE ^a	PISA ^b	TIMSS-R ^c	RLS-PIRLS ^d	CES ^e
Argentina	X	X	X		
Bolivia	X				
Brazil	X	X			
Colombia	X		X	X	X
Costa Rica	X				
Cuba	X				
Chile	X		X		
Ecuador					
El Salvador					
Guatemala					
Honduras	X				
Mexico	X	X			
Nicaragua					
Panama					
Paraguay	X				
Peru	X				
Dominican Republic				X	
Trinidad and Tobago	X				
Uruguay					
Venezuela (Bol. Rep. of)	X			X	

Source: Patricia Arregui, "Sistemas de determinación y evaluación de metas de logros de aprendizaje escolar como instrumento para mejorar la calidad, la equidad y la responsabilización en los procesos educativos en América Latina", *Análisis de perspectivas de la educación en la región de América Latina y el Caribe*, Santiago, Chile, UNESCO Regional Office for Education in Latin America and the Caribbean/ United Nations Educational, Scientific and Cultural Organization (UNESCO). (OREALC) (ed.), Santiago de Chile, 2001.

^a OREALC/LLECE: Latin American Laboratory for Assessment of the Quality of Education, UNESCO (mathematics and language).

^b PISA: Programme for International Student Assessment, OECD (mathematics, science and language).

^c TIMSS-R: Third Study of Trends in International Mathematics and Science, of the International Association for the Evaluation of Educational Achievement (IEA).

^d RLS: Reading Literacy Study, IEA.

^e CES: Civic Education Study, IEA.

Consequently, while this proposal does not take into consideration indicators for monitoring learning, including such indicators in the near future is not ruled out. Special attention should be paid to implementing the Second Regional Comparative and Explanatory Study (SERCE), carried out by UNESCO's Regional Bureau for Education in Latin America and the Caribbean (OREALC) and the Latin American Laboratory for Assessment of the Quality of Education (LLECE) from 2003 to 2006 in a large number of countries in the region.¹³ This initiative will make it possible to establish the learning achievements of students in the third and sixth grades of basic education in language, mathematics, natural science and life skills and

¹³ For more details see <http://llece.unesco.cl/projects2.act?State=En%20Curso>.

will make comparisons with the first study carried out by the same body easier.

5. Access to new technologies

The new information and communications technologies (ICTs) are not only playing a fundamental role in the reconfiguration of the financial markets, but also changing the cultural, social, educational and political processes, with marked knock-on effects on social inequality (Hopenhayn, 2003a). One of the main problems facing the developing countries is the digital divide, or the distance between the groups who can gain access to the benefits of the new ICTs and those who cannot. In the region in 2000 it was estimated that almost one fifth of the population belonging to the 15% richest had an Internet connection, far more than the 3% for the regional population as a whole. Internet users tend to be young males with higher levels of education, mostly living in urban areas, who are neither members of the indigenous peoples nor Afrodescendants (Villatoro and Silva, 2005).

Initiatives aimed at making the ICTs universal can help not only to bring about the inclusion of the most vulnerable segments of the information and knowledge society, but also to bring down the barriers associated with physical impediments (such as those facing the disabled) and enable excluded groups, such the indigenous peoples and Afrodescendants, to express themselves. In any case, an increase in the levels of connectivity will not only produce results in terms of inclusion, which indicates that these patterns should not be read in a linear fashion (Walby, 2000). For example, a wide dissemination of the new ICTs in a scenario of material deprivation affecting large segments of the population, instead of fostering cohesion, may actually aggravate the tensions between expectations and the possibilities of systemic achievement (ECLAC, 2007).

In order to monitor the digital divide certain difficulties must be overcome, one of which is to select more appropriate indicators. The percentage of homes with computers and the proportion of the population that regularly uses Internet are key data for estimating the divides in access to the new ICTs with regard to people's socio-economic situation, ethnic origin, area of residence, sex and disabilities. Although the question about the existence of a computer in the home is included in a good many surveys, their infrequency limits their value; moreover, the surveys do not allow for

comparisons by income quintile. As for home surveys, in most countries in Latin America people are asked if they have a personal computer (PC) at home, while the use of Internet is enquired about in fewer countries (Schultz and Olaya, 2005). In any case, these measurements are not made public in the region, which makes it difficult to include them in the system of indicators.

The International Telecommunications Union (ITU) publishes some indicators that could be used for monitoring access to the ICTs. One example is the number of PCs per 100 inhabitants, including PCs and laptops but excluding shared-use equipment and or anything that does not contain all the components of a PC.¹⁴ Another indicator is the number of Internet subscribers per 100 inhabitants. According to the United Nations, this measurement offers a fair estimate of use of the Internet, since paying for the service suggests a certain frequency of use; nevertheless, many users connect without paying (a situation that is more common in countries with a high rate of free public access), which implies that the number of users would be far higher than the number of subscribers. Alternatively, we could use the indicator of the number of Internet users per 100 inhabitants, based on surveys and reports by Internet providers.¹⁵ All these indicators have been made public in several countries in the region, but they are not disaggregated by equality factors, making it impossible to detect divides.

6. Access to health

Everyone has the right to enjoy a state of absolute physical, mental and social well-being, regardless of gender, class, ethnic origin, religion or political affiliation, and when sick, to have access to the means necessary for a cure.¹⁶ Access to quality health care is also fundamental for the well-being of individuals, families and communities, and vital for inclusion and social cohesion. The relationship between health and social exclusion is multifaceted. The most excluded tend to have a shorter life expectancy, a higher rate of diseases and their access to health services is more limited, which makes them more vulnerable (Social Exclusion Unit, 2004).

¹⁴ Terminals, mini-computers, smart phones and digital personal assistants.

¹⁵ For more details, see the ITU Internet site [on line] <http://www.itu.int/ITU-D/ict/eye/Indicators/Indicators.aspx#>.

¹⁶ See the WHO site [on line] <http://www.who.int/about/es/>.

In the urban areas of Latin America the *infant mortality rate* has fallen, along with socio-economic mortality divides, owing to the increased coverage of maternity and child health services. In the countryside, the situation is different: in two countries social inequality actually increased in terms of infant mortality and in another it remained unchanged. The indigenous communities lag behind in terms of reducing mortality and their rates of infant mortality are wildly different to those of the non-indigenous population (ECLAC, 2005). As far as *life expectancy* is concerned, differences in the region reflect the level of development of the countries; for example, Haiti and Bolivia register the lowest rates (59.2 and 63.8 years, respectively), whereas the more developed countries register higher rates (ECLAC, 2006c). These data show that the life expectancy indicator is relevant to the reality of Latin America, in a perspective that gives priority to economic and social divides.

The existence of wide infant mortality divides in the region according to area of residence and ethnic origin justifies the inclusion of indicators of access by mothers and children to basic health services, such as immunization and child deliveries assisted by specialized personnel. For immunization use can be made of the *percentage of one-year-old children vaccinated against measles*, both owing to the availability of data and, above all, because measles is the disease with the highest rate of infant mortality occasioned by preventable pathologies. Measles is also highly contagious, which indicates that States' ability to prevent its propagation is good proof of their ability to prevent the dissemination of other infectious or contagious diseases. Since vaccination against measles is cheap and effective, countries that are unable to vaccinate massively will find it hard to prevent other diseases.¹⁷

The region must face new problems associated with demographic changes and morbidity profiles. Among these are AIDS and disability.¹⁸ Research has shown that the stigmatization of the mentally ill and people with AIDS leads to hampering, isolation and social exclusion. Stigmatization plays a central role in their exclusion from the system of health and leads to their marginalization in other areas, such as education and job opportunities (Acuña and Bolis, 2005; Joffe, 1995; Foucault, 1998).

¹⁷ For more details, see: <http://www.who.int/mediacentre/factsheets/fs288/es/index.html> y <http://www.measlesinitiative.org/index3.asp>.

¹⁸ In the social model of disability a distinction is made between health impediments and disability. The latter consist in the social and economic disadvantages resulting from society's failure to meet the needs of those with impediments. Impediments should not be expressed in economic marginalization and abandonment (Burkhart, 2003).

Unfortunately, statistics on people with AIDS are scarce in the region, while there are no comparable data on the disabled in Latin America and the Caribbean that enable us to establish their degree of access to special treatments.

One means of detecting the effects of the stigma is the indicator of access to antiretroviral therapy (ART) by HIV carriers in need of treatment (UNAIDS, 2005).¹⁹ Nevertheless, this measurement is beset with various problems. For example, the registers used in some countries are unreliable, and contain shortcomings such as the duplication of information (in some cases, no difference is made between new and old beneficiaries), under-reporting in home surveys and the omission of people cared for by the private sector. Different definitions of the populations under consideration are also applied (in the 2005 measurement children under 14 years of age were included, while in 2004 they were excluded). Furthermore there is a lack of published disaggregates enabling an estimate of divides in access to ART, and a lack of available data in the region.

The existence of these problems suggests that the best approach is to use the *mortality rate from HIV per 100,000 inhabitants* as an indicator. This measurement gauges access to treatment by HIV carriers in need of it; in fact, the life of an HIV carrier in need of ART can be prolonged hugely if the carrier has access to treatment, while those denied it run a high risk of death.²⁰ The indicator of mortality by HIV/AIDS has high levels of geographical coverage in the region, including 27 countries, although there are data series only for the years 2003 and 2005. In any case, estimates of mortality by HIV, like other indicators related with AIDS, are unreliable owing to under-reporting and variations in register quality.

7. Consumption and access to basic services

Social exclusion is demonstrated in the lack of participation in consumption activities and the absence of access to basic services. In market economies, access by individuals, families and communities to basic goods and services (food to meet nutritional requirements, housing, water, sanitation, energy, communications and transport, and financial services) depends on decisions

¹⁹ HIV infection and suffering from AIDS are not the same thing: in the former case a person is HIV positive and only develops AIDS when his or her level of T CD4 lymphocytes (the kind of cell that attacks the virus) drops below 200 per millilitre of blood.

²⁰ For more details, see: <http://www.ei-ie.org/es/news/show.php?id=405&theme=hivaids&country=global>.

by companies about price setting, and the regulatory and palliative measures taken by the States or tertiary sector entities. Consequently, taking initiatives to guarantee basic levels of consumption and access to social services is vital for inclusion and social cohesion.

In Latin America, problems of food security continue to be a mass phenomenon. In 2005 it was estimated that 81 million persons in the region could not afford the basic food basket (ECLAC, 2006b). At the end of the 1990s, 11% of the population of Latin America had no access to food to cover their minimum calorie requirements, 8% of children under five years of age were underweight for their age, and 21% were under height. In the region, the problems of food security, while strongly correlated with poverty, are a specific phenomenon, as they also affect the homes of the non-poor and are concentrated in areas that face a permanent food risk (Martínez, 2005).

According to a study conducted in Peru, Bolivia, Ecuador and Colombia, the most vulnerable from the food security viewpoint tend to be members of the indigenous peoples, live in the countryside or urban periphery, have limited access to drinking water and a basic sanitary infrastructure, and have inherited poverty and malnutrition from their forebears. The cause of the problems of food insecurity in the Andean countries is not related to a lack of supply, since the food supply exceeds the minimum nutritional requirements of the population by more than 40%, but with inequalities of access (Martínez, 2005). One useful indicator for monitoring nutrition is the *percentage of population in a state of under-nutrition*, which includes those whose consumption of food energy is consistently lower than the minimum needed for developing a healthy life and light physical activity.²¹ In any case, this indicator is based on the availability of food and does not reflect the lack of equality in the distribution of food within families.

Denial of access to basic services is another highly visible face of poverty and, when it is multiple and lasting, is an obvious expression of social exclusion. Health problems in places of residence contribute to disease, especially among children, who are affected by infections and diarrhoea. These problems are closely related with the lack of adequate sewers and insufficient access to drinking water, a situation that is made worse when communities and families do not adopt hygiene measures, such as avoiding the presence of stagnant water or rubbish inside or near their homes.

²¹ For more details, see: http://www.fao.org/faostat/foodsecurity/index_es.htm.

Overcrowding and dirt floors are indicators that housing is sub-standard (ECLAC, 2004b).

In Latin America there are divides between poor homes with regard to access to basic services, expressed in the fact that the urban poor have greater access to this kind of services than those living in rural areas (ECLAC, 2004b). Therefore the following two are possible indicators: the *percentage of homes with drinking water or a well* and the *proportion of homes with superior sanitary installations*. These data exist for a good number of countries in the region, covering the period 1990-2004, and are disaggregated by area of residence, which makes it easier to calculate divides in the access to basic services between rural and urban homes. In any case, care should be taken to compare values before and after 2000, since changes were made to the sources used.

8. Summary of the distances component

■ Table 5 ■
Distances: dimensions and indicators^a

Dimension	Primary indicators	Secondary indicators
Poverty and income	1. Percentage of persons below the poverty line. 2. Poverty gap. 3. Income quintile ratio.	15. Percentage of persons below the indigence line. 16. Indigence gap. 17. Gini coefficient.
Employment	4. Open unemployment rate. 5. Urban dwellers occupied in sectors of low productivity. 6. Long-term unemployment rate. 7. Inter-gender salary relationship.	18. Modified open unemployment rate. 19. Underemployment rate. 20. Participation by women in non-agricultural salaried employment.
Social protection	8. Employed persons contributing to social security.	21. Population of working age making contributions to social security.
Education	9. Percentage of completion of secondary education. 10. Net rate of enrolment in pre-school education. 11. Literate population aged 15 years or more.	22. Relationship of access to pre-school education by income quintile. 23. Rate of completion of primary school among the population aged 25 years or more.
Health	12. Infant mortality rate. 13. Life expectancy.	24. One-year-olds vaccinated against measles. 25. Deliveries assisted by specialized health staff. 26. Rate of mortality by HIV/AIDS per 1,000 inhabitants.
Consumption and access to basic services	14. Population in a state of under-nutrition.	27. Population with adequate access to improved sanitation services. 28. Population with access to improved supplies of healthy drinking water.

Source: Economic Commission for Latin America and the Caribbean (ECLAC).

^a The dimension relating to the new information and communications technologies (ICTs) is not included in the summary table, as no indicators have been selected.

V

Institutional inclusion-exclusion mechanisms: dimensions and indicators

Taking into consideration the institutional mechanisms underlying the results of inclusion-exclusion means taking a positive approach to social cohesion that goes beyond negative approaches, limited to the most visible expressions of exclusion. In this proposal the term “institutions” is used to mean the organized systems of rules and social relations that provide the basic framework for human action (for example, laws, constitutional orders, policies and distribution set-ups), while the concept of “mechanisms” refers to concrete manifestations or the materialization, at given moments in time, of those normative systems, that may have effects upon the structure of opportunities and the results of inclusion-exclusion. The institutional inclusion-exclusion mechanisms addressed in this chapter are identified by ECLAC as critical for social cohesion in the countries of Latin America. This review is not intended to exhaust all the institutional arrangements that may have specific results in terms of inclusion-exclusion, but is an attempt at an analysis for selecting the indicators that are most relevant to the reality in the region.

1. Dynamics of how the market functions

The processes of inserting the region’s countries into the global economy are giving rise to new dynamics of inclusion and exclusion, which have

been added to and interact with the exclusion systems and mechanisms that have traditionally operated in Latin America, such as the high concentration of property and patrimony, the imperfect functioning of the market (monopolies and asymmetries of information) and the structural heterogeneity of the economies, expressed in a marked segmentation of the labour market. Among the new dynamics associated with the globalization processes one that stands out is the growing importance of the financial markets and the changes to the models of organization of labour, which have had considerable effects on the distribution of income, the number and quality of new jobs and social inclusion-exclusion, regardless of whether people take part in the labour market or not.

Globalization processes have taken place by means of a growing integration of the financial markets. The dominance of finance is generating asymmetries in the ways that profits are shared out, with greater gains from financial capital than for productive activity and with a trend for real wages to be disconnected from labour productivity. In Europe wages have dropped as a proportion of total added value as investments have proved increasingly volatile. This means that, when the financial systems dominate, new forms of exclusion emerge to threaten cohesion. New requirements in terms of efficiency and competitiveness facing the production sector can only be achieved thanks to labour flexibility (see box 4), which implies a reduction in real wages and an increase in productivity (Salama, 2005).

With regard to the indicators needed for monitoring the new market trends, it is important to have a measurement that enables us to compare the profitability of the financial sector with that registered by productive activities (for example, manufactures), but at present no such indicator exists for most countries in Latin America. The ILO (2005) defines *labour productivity* as the variations in the average product per worker, estimated on the basis of the series of GDP growth rates and the expansion of total occupation. ECLAC, on the other hand, publishes an *index of real average incomes*, determined on the basis of nominal average incomes, factoring in the consumer price index (CPI). In any case, it must be borne in mind that the salary index calculated by ECLAC is limited to persons occupied in the formal sector. Data are also needed on the duration of employment but there is no such measurement in the region at present.

Changes to the models of organization of labour are having far-reaching effects on people's quality of life. In the Fordian model, secure full-time work was the great integrator. Post-Fordian change, owing to

the automation of processes, the incorporation of advanced technology and emphasis on services, are lowering protection and intensifying labour flexibility, expressed in an increase in feelings of insecurity and uncertainty among the occupied population (Oliveri, 2004; Tokman, 2007; Salama, 2005). In fact, in the developed countries it has been seen that labour flexibility is associated with problems of mental health, difficulties in family relations and changes in planning family life cycles (Burchell, 2005).

Some opinion surveys conducted in Latin America have analysed the feelings of lack of protection and job insecurity. With regard to the lack of protection there are two indicators: the *perception of compliance with labour legislation* and the proportion of the population who feel protected by labour legislation.²² In the case of the latter indicator people are asked directly to what extent they feel protected by labour legislation: well, fairly well, hardly or not at all. The first indicator consists of an unweighted summary scale that measures people's perception of compliance with the following aspects of labour legislation: (i) minimum wage; (ii) work contracts; (iii) rules of dismissal, and (iv) the working day.

While the question about the perceived degree of protection offered by labour legislation has a longer time frame than the scale of perception of compliance with the labour legislation, the latter indicator includes more questions, guaranteeing greater reliability; in fact, the internal consistency of the scale is as high as 0.894 for the whole sample and 0.896 for the population whose mother tongue is an indigenous language, which shows that the instrument is reliable for different populations.²³ In turn, the perception of compliance with labour legislation correlates with other factors predictably from the theoretical viewpoint.

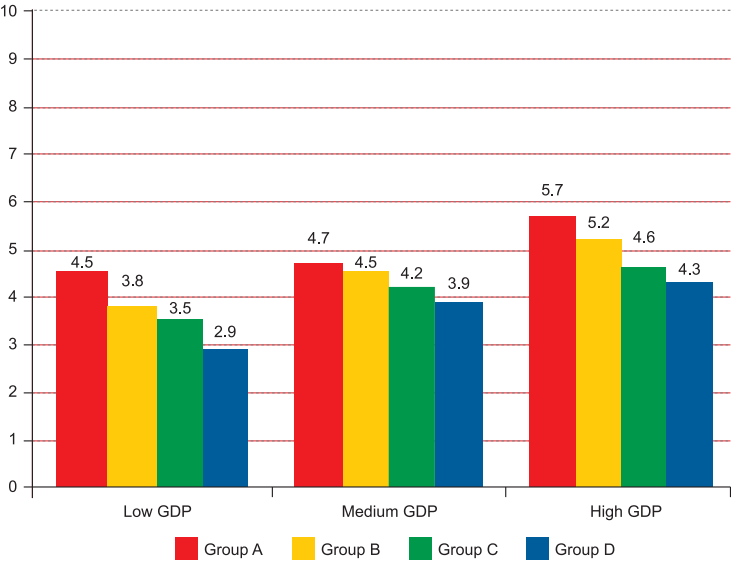
People living in countries with higher levels of income, and whose families' economic situation is better, perceive greater compliance with labour legislation while those who live in countries where incomes are lower and claim that they cannot meet their needs perceive a lesser degree of compliance with labour legislation (see figure 4).

For feelings of job insecurity, there are two indicators in Latin America; the first is the perception of job stability, and the second, the

²² The source of the second indicator is the Latinobarómetro Corporation, while the first indicator was created by ECLAC, on the basis of Latinobarómetro's 2006 round of polling.

²³ The values are those of the Alpha coefficient, ranging from 0 = no reliability to 1 = total reliability. An Alpha score of 0.80 or more is regarded as good.

■ **Figure 4** ■
Latin America (18 countries): perception of compliance with labour legislation, sufficient levels of household incomes and country GDP per capita, 2006^{a b}
(Average values, on a scale of 1 (nil compliance with labour legislation) to 10 (full compliance with labour legislation))



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tables from the Latinobarómetro's 2006 round of polling, and on the basis of data from ECLACSTAT [on line] <http://websie.eclac.cl/sisgen/ConsultaIntegrada.asp?idAplicacion=6>.

^a Classification of households: group A = households declaring that their incomes make them comfortably off and enable them to save; group B = households declaring that their incomes are just enough; group C = households declaring that their incomes are not enough and that they have difficulties; group D = households declaring that their incomes are not enough and that they have great difficulties.

^b Classification of countries by GDP per capita: with high GDP = Argentina, Costa Rica, Chile, Mexico, Uruguay and the Bolivarian Republic of Venezuela; with intermediate GDP = Brazil, Colombia, El Salvador, Panama, Peru and Dominican Republic; with low GDP = Bolivia, Ecuador, Guatemala, Honduras, Nicaragua and Paraguay.

percentage of people in work who say they are concerned they may lose their jobs. Notwithstanding the fact that measuring the perception of job stability may consistently correlate with the theory (independent workers perceive less stability than employees), the problem is that it is only available for 2006, whereas for the percentage of persons concerned about losing their employment there are data from 1996 to 2005. The correlation between both indicators is very high in 17 out of 18 countries of the region, which shows that the two measurements are interchangeable (for more details, see figure A-3 in annex).

■ Box 4 ■

Labour flexibility

Labour flexibility has different meanings in the literature on the subject. One definition is the one given by the Organisation for Economic Co-Operation and Development (OECD) (quoted in Salama, 2005), which proposes the concepts of numerical and functional flexibility. Numerical flexibility covers all the quantitative forms of flexibility, including salaries and work, while functional flexibility refers to the adaptability of human capital. Michon (1987, quoted in Salama, 2005) distinguishes between the flexibility of capital (the property of adapting to occupational tasks) and the flexibility of work. The former includes functional flexibility and the practices of tertiarization, outsourcing and leasing, while the latter refers to flexibility of wages and work. The idea of labour flexibility allows for the introduction of the concept of absolute appreciation, referring to the generation of more profits. This mechanism functions in two ways: increased working hours or harder work (increased work rates). In the former case, increased returns are achieved by extending the working day; in the latter, by reducing breaks in the working day. The introduction of new technologies plays a vital role in absolute appreciation, as it enables productivity to be increased and thus leads to reductions in the cost of the goods and services on offer, makes it possible to redefine tasks and enables work to be intensified in terms of time units, reducing gaps in the working day. One of the concepts designed to show the need for policies that take account of labour flexibility while meeting the needs for protection and social inclusion is expressed in the neologism of *flexicurity*.

Source: Economic Commission for Latin America and the Caribbean (ECLAC).

In Latin America, on the other hand, far-reaching reforms have been made to the market in recent decades which, with the aim of attaining the objectives of efficiency, competitiveness and growth, have included the privatization of public services, including education, health and social security. The experience of the countries in the region shows that new divides have emerged, determined by people's ability to pay, and resulting in the different socio-economic strata receiving different qualities of education, health and security social services. Two indicators of the extent to which ability to pay determines access to social services are *household expenditure as a percentage of total spending on health* and *private spending on education as a proportion of GDP*. The higher the level of private spending (by families), the greater the restrictions of access facing the most vulnerable segments.

The sophistication of the insurance markets is another potential source of social exclusion, owing to information asymmetries. Information is often

incomprehensible (for example, it is hard to understand the price and small print of insurance policies and, in the event of disease or accident, what additional cost may be incurred). Insurance markets function on the basis of a logic of exclusion, since private insurers leave out or impose high costs on those at greatest risk, owing to their age, previous health problems or other factors. These situations mainly affect those on lower incomes, but the middle and high socio-economic groups must also face disproportionate costs in the event of catastrophic diseases (ECLAC, 2007). Unfortunately, there are currently no statistics for monitoring information asymmetries in the region, nor are there any indicators allowing us to monitor practices of exclusion from the private insurance market.

2. Policies: funding and impact on distribution

Social cohesion is based on the construction of relationships of solidarity between the members and groups of a community, enabling the establishment of finance networks to address the problems of lack of equality, poverty and exclusion. ECLAC (2006a, ECLAC, 2007) has repeatedly raised the need for the region's countries to advance towards a system of social policies based on the universal guarantee of rights and the promotion of social inclusion. This plea is made in the conviction that States cannot merely provide minimum assistance arrangements, since if they are to make substantial progress towards inclusion and social cohesion, their policies must foster human capital, prevent risks and reduce everyone's vulnerability.

The importance of governance for social cohesion is expressed in the imperative of agreeing on a fiscal covenant that enables States to have enough resources to finance their cohesion policies (Machinea and Uthoff, 2005). Initiatives aimed at fostering inclusion and social cohesion may be seen as a social contract, either because they imply obtaining resources from those with an advantage in the social structure, or because the integration of the excluded means that citizens must feel they are part of a collective system of cooperation that protects them.²⁴ A system of

²⁴ According to the European experience, a system of universal protection guaranteeing the rights of all is fundamental for effectively reaching the least well-off groups. This "*paradox of redistribution*" implies that the best way to ensure acceptable standards for the excluded is to ensure benefits for the more privileged groups. Given that a system of this kind requires a high level of taxation it is important that the majority of the population not only meets the costs, but also benefits, in terms of child care, pensions and reasonable health care costs.

protection is a covenant between the social actors defining the bases that regulate cohabitation and determining the rights that apply to the whole population (ECLAC, 2007).

Financing State action requires solidarity mechanisms, or transfers from the haves to the have-nots, with a view to redistribution. In this framework the tax burden takes on relevance, as taxation is the States' main source of revenue. One indicator of countries' ability to finance inclusion policies and narrow protection divides is the *tax burden as a percentage of GDP*. In this context, the region has a long way to go; in Latin America the tax burden comes to 17% of GDP, far below the 41% registered in the European Union, 36% in the OECD countries and 26% in the United States (ECLAC, 2007).

In Latin America taxation policy needs to be made an instrument for improving income distribution. Historically, taxation policy in the region has had various objectives, but not equality, partly owing to the fact that corporative groups have managed to transfer taxation to other sectors (ECLAC, 2007). Ideally, there should be a means of directly measuring the effect of the tax burden on distribution, so that income distribution before and after tax can be compared (Gómez Sabaini, 2007), but methodological restrictions and practices make it difficult to devise an indicator of that kind for Latin America. One measure for gauging the equality of tax policy is the *composition of the tax burden*, which reflects direct and indirect taxes and those obtained for social security as percentages of total tax revenue.²⁵ Indirect taxes, focused on production and consumption, are regressive whereas direct taxes affecting patrimony and income are progressive.

The need to finance policies by increasing the tax burden highlights the importance of winning over the citizens. Not only must they see the tax burden as fair they must also trust that the State will make efficient use of the resources. Two indicators produced by the Latinobarómetro Corporation (2006), available for 18 countries of Latin America, can be used to monitor this: the *proportion of persons who trust that tax revenues will be properly spent by the State* and the *percentage of individuals who think that the tax burden is high or too high*. The problem with the second indicator is that, in view of the nature

²⁵ Indirect taxes include general and specific taxes on goods and services and those applied to trade and international transactions. Direct taxes include those on income, capital gains and property (Gómez Sabaini, 2007).

of taxes, it is unlikely that many people will think that the burden is low; moreover, it also fails to measure perceptions of the equality of the burden. The former indicator, on the other hand, detects people's perceptions of State efficiency in the use of tax revenue, which is important for monitoring public support for cohesion policies.

Sectoral social policies, especially those concerning education and health, should take into account the new asymmetries created by the inroads made by market logic. These divides are mainly linked to the distances between the quality of service offered by the public and private sectors, which run the risk of consolidating a public perception that there are first and second class citizens. In this framework, relevance is given to monitoring indicators of *public spending on education and health as percentages of GDP*. In any case, these indicators measure the priority the State gives to investment in education and health, but do not show whether the spending is sufficient. For example, a country with high incomes might allocate a lower percentage of GDP to education and health than a country with low incomes, but this could be translated into sums of spending per capita that are substantially greater in the richer country.

In Latin America, the high levels of exposure to risks affecting the population and the persistence of high rates of poverty have demonstrated the need to strengthen the social welfare programmes (ECLAC, 2006a). A covenant of cohesion and social inclusion should materialize as an increase in *social public spending as a proportion of GDP*. This indicator offers information on States' commitment to social welfare policies and is available for a large number of countries in the region. It is limited, however; for example, it does not demonstrate the efficiency and impact of the protection initiatives. With respect to efficiency, it is of interest to have data on the percentage of social spending that actually reaches the policies' beneficiaries. As for impact, one relevant indicator is the relationship between the incomes of poor families before and after State transfers. This indicator would not only be useful for assessing how spending is focused but would also determine the magnitude of the redistributive effect of public transfers. Unfortunately, the availability of both measures is scant in the region, which makes it difficult to include it in the system of indicators.

3. The way democracy functions

One form of social exclusion is the deprivation of the right to participate in and influence policy decisions of relevance to the lives of individuals, families and communities. If the democratic institutions function properly everyone should be included politically, especially the social groups affected by a whole series of disadvantages. Democratic citizenship is a mechanism of social inclusion, as it opens an area of freedom and equality of rights that overcomes the economic, social and cultural divisions generated by ethnic origin, culture, socio-economic situation and nationality, thus contributing to social cohesion.

Unlike western Europe, where the system of rights (civil, political, economic and cultural) gradually evolved to meet the requirement of legitimacy of the political order, in Latin America exclusion and the failure to meet social needs are such that few citizens are committed to democracy, which in turn threatens social cohesion. There are many risks to governability in the region, such as the limited transparency of the institutions and scant public interest in politics (Wagner, 2006). The crisis of ideologies and the central position of market-based integration mechanisms provide a hotbed for populations with little confidence in politicians and no interest in taking part in public affairs (Oliveri, 2004).

One of the problems with measuring the quality of the functioning of the democratic institutions is the lack of agreement on the meaning of democracy. For some, democracy is a set of principles and practices that institutionalize and protect freedom (for example, the rule of the will of the majority, the holding of free and fair elections, the protection of minorities and respect of human rights), while for others the relevant aspects are the quality of participation, the solidity of politics and the extent to which governments honour their electoral promises. Democracy has been defined as a dichotomy concept (a State can be called democratic or undemocratic), but it has also been defined as a continuum, which implies varying degrees of democratization (Kekic, 2006).

The best known means of measuring democracy is the Freedom House (FH) index, devised in the United States of America. It is based on a “minimalist” perspective and includes the following criteria: (i) the existence of a competitive political system with several parties; (ii) universal adult suffrage; (iii) the holding of regular elections on the basis of the secret ballot and free of fraud, and (iv) public access by the electorate to the

programmes of the political parties via the media and open campaigning.²⁶ The FH contains sub-scales of political and civil freedoms and is based on expert opinion. Its measurements are available for all the countries in the region and include series of data from the 1970s.

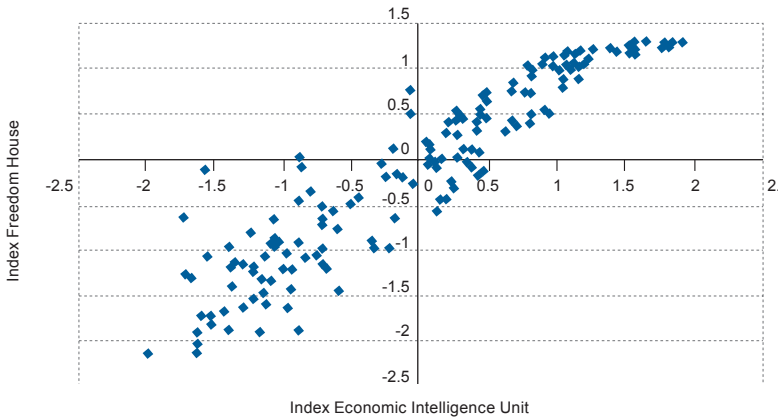
The minimalist perspective has been criticized since, although freedom is necessary for democracy, it is not sufficient in and of itself, and since it does not contemplate aspects such as political participation and culture, and the way governments function. An alternative to the FH is the democracy index of the Economic Intelligence Unit (EIU), which takes the following dimensions into consideration: (i) electoral processes and pluralism; (ii) civil freedoms; (iii) the functioning of government; (iv) political participation, and (v) political culture. In the EIU index an important role is played by the extent to which electoral promises are honoured and the existence of an environment of participation by the citizens and respect for the majority will (Kekic, 2006). The EIU index, like that of the FH, is based on expert assessments, but in the case of Latin America it is less widely available and its time frame is more limited than for the FH index.

In any case, both the EIU and FH indexes recognize that free elections and civil rights form the kernel of democracy. These conceptual similarities are reflected in a high level of correlation between both indexes (see Figure 5), for 161 countries worldwide and, in particular, for the countries of Latin America and the Caribbean. Both indexes produce fairly similar results when ranking the different regions in terms of levels of democracy. Consequently, in view of the availability of data, the best way to establish the situation of the countries in the region is to use the FH index.

Opinion surveys offer the possibility of analysing public perceptions of the functioning of democracy, which may complement the experts' opinions. One indicator is the *citizen perception of the level of democracy in the country*. Its procedure consists in asking people to rank the degree of democracy in their country on a scale of 1 = undemocratic to 10 = totally democratic. It should be noted that there is no close relationship between expert opinions and public perceptions as to the degree of democracy in Latin American

²⁶ From this minimalist perspective the following requisites are considered: (i) all citizens have the right to vote and are eligible for public office; (ii) the leaders have the right to compete for votes; (iii) elections are free and fair; (iv) citizens are free to form or join political parties; (v) citizens are free to express themselves on politics; (vi) there are different sources of political information which are legally protected, and (vii) government policies depend on votes (Dahl, 1970, quoted in Kekic, 2006).

■ **Figure 5** ■
**Five continents (161 countries): Freedom House (FH)
 and Economic Intelligence Unit (EIU) indexes, 2006**
(Values in standardized points)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Laza Kekic, *The Economist Intelligence Unit's Index of Democracy* [on line] http://www.economist.com/theworld/in/ternational/displayStory.cfm?story_id=8166790&d=2007,2006, and information from the Freedom House website [on line] <http://www.freedomhouse.org/template.cfm?page=276>.

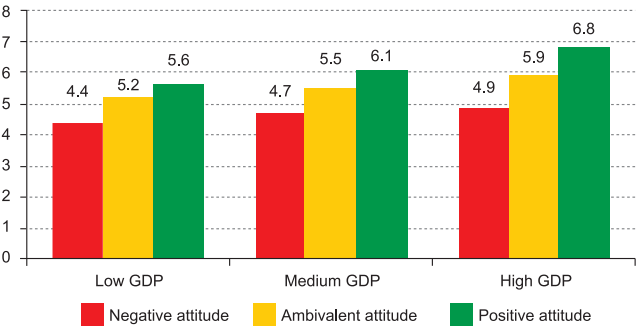
countries, which may be attributed to the different conceptual bases on which the two exercises were conducted.²⁷

Public assessment of the degree of democracy in a country is linked with people's attitudes to democracy (see figure 6), which is in keeping with the theory. In any case, public perception of the degree of democracy in their country and the satisfaction it produces are two different things. Consequently, one indicator that could be used as a complement is the *percentage of public satisfaction with democracy*, which offers an impression of the level of compliance with people's expectations with the political system. One of the advantages of this measurement is its availability; the series of data covers 18 countries in Latin America from 1995 to 2006. On the other hand, this indicator is closely related to the economic performance of countries, which implies that it does not only measure perceptions about the way that political institutions function.

One important question is that of attitudes to democracy, or people's relatively stable predispositions to act in a certain way in relation to

²⁷ The discrepancies between the procedures are exacerbated as the analysis omits the Bolivarian Republic of Venezuela, the country with the biggest difference between expert opinion and public assessment.

■ **Figure 6** ■
Latin America (18 countries): citizen evaluation of the degree of democracy in their country, attitudes to democracy and GDP per capita, 2006^a
(Average values on a scale of 1 = not democratic to 10 = totally democratic)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tables from the Latinobarómetro's 2006 round of polling.

^a Classification of countries by GDP per capita: high GDP = Argentina, Costa Rica, Chile, Mexico, Uruguay and the Bolivarian Republic of Venezuela; intermediate GDP = Brazil, Colombia, the Salvador, Panama, Peru and Dominican Republic; low GDP = Bolivia, Ecuador, Guatemala, Honduras, Nicaragua and Paraguay.

democracy. Attitudes are relevant antecedents to conducts and are the basis of assessments of democracy and people's satisfaction with that kind of political regime. The best way to measure attitudes is to apply scale-type instruments, which submit the consideration of surveys to a set of propositions with which they show their degree of agreement or disagreement. Currently there is no instrument of this kind in the region for measuring attitudes to democracy that can be compared between countries. There are only isolated questions, which are more vulnerable to errors of measurement, especially since they do not detect ambivalent attitudes.

Table 6 presents a cross-referenced tabulation of the responses to two questions on democracy from persons aged 18 years or more, in 18 Latin American countries. As can be observed, nearly one third of the sample responded in a contradictory or ambivalent way (see the black cells). Consequently for an estimate that meets the minimum criteria of reliability we need an indicator that combines the two questions. This is the *percentage of persons with positive attitudes to democracy*, which includes those who agree – or agree strongly – with the notion that “democracy is the best form of government” and, at the same time, declare that they agree more with the notion that “democracy is preferable to any other form of government”.

■ **Table 6** ■
**Latin America (18 countries): survey responses
 to two questions on democracy, 2006**

Questions	Do you strongly disagree, disagree, agree or strongly agreed with the statement that democracy may have problems, but is the best form of government.				
With which of the following phrases do you most agree?	Strongly agree	Agree	Disagree	Strongly disagree	Total
Democracy is preferable to any other form of government.	33.5%	55%	9.8%	1.7%	11 410 (100%)
In some circumstances, an authoritarian government may be necessary	15.9%	49.7%	27%	7.4%	3 351 (100%)
I and people in general care little about a democratic regime.	15.8%	48.3%	28%	7.9%	3 100 (100%)

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tables from the Latinobarómetro's 2006 round of polling.

Another difficult aspect to interpret in relation with the functioning of democratic institutions is that of the stability of governments. Repeated interruptions of presidential terms not only make it difficult to execute government programmes but can also be the cause and effect of various problems of social cohesion. In this context, account should be taken of the role of coalitions, as they offer governability and make State policies viable in the medium term. Nevertheless, this is a two-sided phenomenon, as a predominance of political alliances may lead to the exclusion of the minorities from the political system, inhibit the formation of new political and social movements and create the right conditions for the State to be hijacked by corporative groups. All these elements may lead to a combination of stability, clientelism and corruption, unless there is a sufficient level of institutional control and citizen check mechanisms to prevent the State from being hijacked in that way.

4. The way the rule of law functions

The rule of law must function properly – in other words, guarantee universal application of fair and transparent laws and rules, minimize situations of corruption, abuse of public resources and clientelism, and ensure the maintenance of public security and order without violating basic human rights. In all these fields the countries of Latin America are facing growing demands from their citizens which, unless they are addressed and resolved in an efficient and effective manner, could create problems for social cohesion. Corruption, unequal administration of justice and inefficient human security

policies undermine trust in the institutions, reduce commitment to public projects and diminish the legitimacy of the political system.

a) Corruption

Corruption consists in the use of public resources for private gain. This phenomenon harms tax revenue, investment and growth, for the following reasons: (i) unreported bribes imply tax evasion; (ii) access to public services by illegitimate means is regressive as it mainly benefits those who can pay and have social networks; (iii) bribes allow service providers to ignore quality standards, which enables them to offer sub-standard services, and (iv) transactions based on bribes often make exchanges irrational and undermine efficiency. Corruption is simultaneously the cause and effect of poor government performance, which reduces confidence in governments' ability to meet citizens' needs. It has been observed that corruption undermines the legitimacy of political systems even if this relationship is based on subjective tolerance of corruption (Seligson, 2002).²⁸

Measuring and comparing levels of corruption is a complex task. The instruments available include a private sector survey by the World Bank, but this does not include the public sector and has a low response rate (30%) (Seligson, 2002). The international survey on crime victims carried out by the United Nations Office on Drugs and Crime included a question on experience of bribery. Nevertheless, the coverage of this instrument is still limited in the region; there are data only for Costa Rica, Brazil, Argentina, Bolivia, Paraguay and Colombia. This body also carried out a survey of crime and corruption in enterprises, but in 2005 it was still at the pilot stage and it also leaves out the public sector.²⁹

The instrument most used worldwide is the *Corruption Perceptions Index (CPI)*, worked out by Transparency International (TI), which makes it possible to investigate deviations of State funds, conflicts of interests, the abuse of power for personal ends, the extent of corruption in government and the implementation of anti-corruption actions. This index is based on different sources including expert and entrepreneurial evaluations.³⁰ In 2006, CPI offered information on 163 countries, with broad coverage in

²⁸ For more details, see table A-1 in the annex.

²⁹ For more details, see http://www.unodc.org/unodc/en/research_icvs.html.

³⁰ For more details, see www.transparencia.org.es/.

Latin America. One of the problems with this instrument is that it does not directly measure experiences of corruption (for example, having had to pay bribes to gain access to certain goods or services), which can distort the results, as perceptions of corruption are not necessarily directly related with the objective magnitude of the phenomenon.

The Latinobarómetro Corporation (2006) asks people if they have known of any act of corruption in the previous 12 months. This indicator is available for several countries in the region, but it does not directly measure experiences of corruption. The value of this measurement may be distorted by media agendas: the 2006 scores are extremely high for Brazil (68%), while the unweighted regional percentage is 16.7%, and in Mexico, the country with the second highest score, a mere 26%.³¹

An attempt at directly measuring experiences of corruption is the Global Corruption Barometer (TI, 2006). This instrument is based on consultations of bribery-related conduct over the previous 12 months and the amounts paid. The Barometer is based on national or city samples (not always based on probability), uses different data gathering procedures (head-to-head or telephone interviews) and the sizes of the samples per country vary between 498 and 2,045 cases. Its moderate correlation with CPI (0.63) indicates that each instrument measures different phenomena.

In fact it is in Europe that there is the greatest discrepancy between objective experiences and perceptions of corruption (TI, 2006). The Global Corruption Barometer covers 62 countries, but its time frame and geographical coverage in Latin America are very limited, which makes it difficult to include it in the system of indicators.³²

A possibly more important task than determining the magnitude of corruption is monitoring people's attitudes to the phenomenon. Seligson's data (2002), according to which the influence of experiences of corruption on people's perception of the legitimacy of politics is counterbalanced by tolerance towards corruption, show that this phenomenon has deep cultural and historical roots in each country and that the effect of corruption on social cohesion will depend on the dominant beliefs and attitudes among the population. It would be useful to have an instrument to gauge not

³¹ Estimates by ECLAC, Statistics and Economic Projections Division, on the basis of special tables from the Latinobarómetro's 2006 round of polling.

³² For 2006 information was provided on Argentina, Bolivia, Chile, Colombia, Dominican Republic, Mexico, Panama, Paraguay and the Bolivarian Republic of Venezuela.

only individuals' reaction to situations of corruption, but also to provide information on their beliefs in that regard.

The importance of anti-corruption initiatives in Latin America highlights the need to have indicators that enable us to assess their effectiveness. Currently there is a measurement for monitoring progress made by countries in fighting corruption, from the citizens' viewpoint. This indicator is the *percentage of persons who believe that the country has made progress in reducing corruption* (Latinobarómetro Corporation, 2006). This measurement offers a moderate correlation with the CPI; in the groups of countries with high corruption and low corruption according to the CPI, 36.8% and 48%, respectively, of the surveys suggest that progress has been made towards fighting corruption. In any case, the values of this indicator may be influenced by media agendas, and a country's past, especially in those countries with a history of corruption.

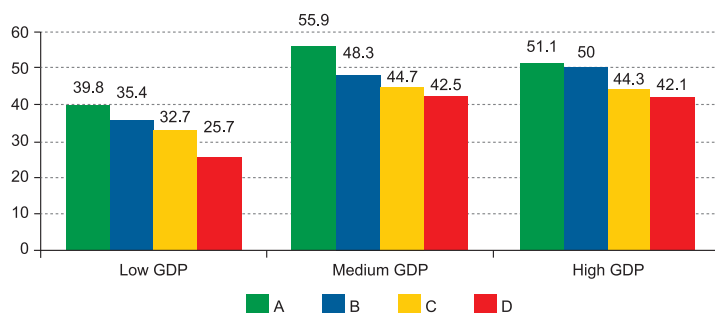
b) Administration of justice and human security

For the rule of law to function properly the administration of justice must be fair for the whole population. In recent years the region has shown symptoms of malaise suggesting a divide between the principle of equality before the law and the rules operating in people's daily lives. This divide poses a threat to social cohesion, as it implies that people perceive profound injustice and discrimination in the rules of the game, which then leads to further transgressions of the rules, the institutionalization of corruption and the privatization of conflicts. If people believe that the principle of equality before the law is not being applied and that there are marked inequalities in access to rights it will be impossible to achieve a cohesive society, where people adhere to rules founded on social ethics and respect for the law (ECLAC, 2007).

One indicator that could be used for monitoring people's perceptions of the system of administration of justice functions is the *percentage of persons who have a good or very good opinion of the performance of the judiciary*. This measurement is correlated with indicators of well-being, such as the adequacy of family incomes and GDP per capita; the evaluation of the judiciary tends to become more positive as national GDP per capita and the self-reported level of family well-being increase (see the figure 7). This indicator also can be used for determining divides in the perception of the performance of the judiciary according to different measurements of well-

■ Figure 7 ■

Latin America (18 countries): people's assessment of the performance of the judiciary, adequacy of household incomes and GDP per capita, 2006^{a b}
(Values in percentages of population)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) on the basis of special tables from the 2006 round of the Latinobarómetro Corporation, and data ECLACSTAT [on line] <http://websie.eclac.cl/sisgen/ConsultaIntegrada.asp?idAplicacion=6>.

^a Classification of households: group A = households declaring that their incomes make them comfortably off and enable them to save; group B = households declaring that their incomes are just enough; group C = households declaring that their incomes are not enough and that they have difficulties; group D = households declaring that their incomes are not enough and that they have great difficulties.

^b Classification of countries by GDP per capita: with high GDP = Argentina, Costa Rica, Chile, Mexico, Uruguay and the Bolivarian Republic of Venezuela; with intermediate GDP = Brazil, Colombia, El Salvador, Panama, Peru and Dominican Republic; with low GDP = Bolivia, Ecuador, Guatemala, Honduras, Nicaragua and Paraguay.

being, and is available for 18 countries in the region, with data recorded in 1997, 2003 and 2006.

In any case, the perception of the performance of the judiciary is not an objective assessment of the way it functions. The indicators available for analysing the efficiency of the system of administration of justice include the resolution rate, i.e. the number of cases solved as a percentage of cases examined, and the proportion of cases completed as a proportion of pending cases. In the case of the resolution rate, low values suggest that the system cannot meet demand, while values above 100% indicate that the courts are solving more cases than they receive in a year and the system is free of logjams. As far as the second indicator is concerned, a low percentage shows that the system cannot cope with pending cases (CEJA, 2005). Nevertheless, none of the indicators mentioned takes account of the quality of the functioning of the administration of justice and, moreover, indicators of efficiency may result in misleading findings as high efficiency may be achieved at the cost of substandard services.

Another issue related with the rule of law is that of controlling crime, a subject of growing public demand. Crime and security, together with unemployment, are mentioned in opinion surveys as the main problems facing the countries of the region (Latinobarómetro Corporation, 2006). Human security policies have tended to be addressed punitively. Far from being seen as a threat to the legitimacy of democracies, the problem of insecurity has been left in the hands of individuals, and their personal resources, or to State controls. Insecurity is seen as a “fear of crime”, as it is a threat to public order from the antisocial conduct of certain groups, and as the result of the loss of authority of the institutions and the lack of severe punishment (Oliveri, 2004).

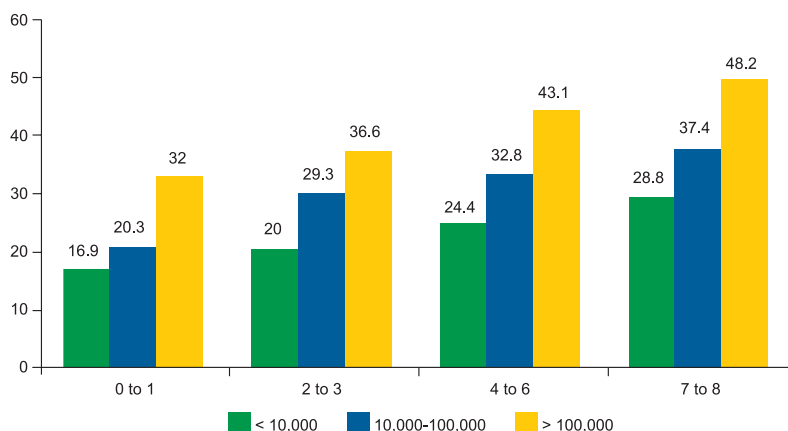
There is a strong link between the increase in social instability, the democratic deficit and the proliferation of approaches to security fed by the perceptions of threat. These phenomena lead to negative forms of cohesion, which consist in putting up barriers between different groups and polarizing them. In situations of polarization there is a danger that the rule of law and security policies become private forces that contribute to exclusion. Resorting to private security firms, for example, is regressive as it is the haves who can afford to pay for better protection; moreover, focusing suspicion on groups or communities defined as dangerous strengthens exclusion, especially if it is based on stereotypes linking people with certain characteristics (such as skin colour) with crime rates. The disproportionate number of foreigners in European gaols, or African Americans in United States prisons, is the result of their living conditions and the selective functioning of the control institutions (Oliveri, 2004).

In this framework, the measurement of objective levels of crime, especially if it is disaggregated by indicators of the socio-economic situation of its victims and perpetrators, not only illustrates respect for the efficiency of the institutions responsible for public security but can also help us to gauge the worst effects of the asymmetries in the structure of opportunities. In societies with strong inequalities, that do not offer the excluded the appropriate means for overcoming their situation, is to be expected that at least some of the excluded, above all the youngest of them, will use unlawful means to attain socially valued ends. At the same time, it is most probable that the preferred victims of the offences will be the better-off segments of the population, since it is they who concentrate the greater quantity of quality goods that could be the subject of “redistribution” by socially proscribed means.

In any case, measuring the objective levels of criminal activity in Latin America is quite problematic. Official statistics normally under-report crime, since they record only acts detected by public security institutions; moreover, they are not disaggregated in accordance with the socio-economic characteristics of the victims and perpetrators of crime. An alternative is to use indicators based on self-reporting, such as the *percentage of persons aged 18 years or more who claim that they or a relative have been victims of a crime over the previous year*. Figure 8 shows that the results obtained using this indicator are correlated with measurements of household well-being and the size of the urban settlement. In any case, the indicator of victimization is a rough measurement, and it may vary when broken down by type of offence and is subject to all the problems of reliability associated with self-reporting methods.

Furthermore, when the problems of public security are addressed with basically punitive institutional responses that dissociate the matter of public order from issues related with guaranteeing people's economic and social rights, it is predictable that the number of people deprived of their freedom will increase. From the standpoint of human security and social cohesion, imprisonment has harmful consequences, especially for the youngest, since

■ **Figure 8** ■
Latin America (18 countries): persons who claim that they or a relative were victims of an offence during the previous year, possession of goods in the home and size of the city, 2006^{a b}
(Values in percentages of population)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tables from the 2006 round of the Latinobarómetro Corporation.

^a Classification of households by possession of durable goods: 0 to 1 durable good; 2 to 3 durable goods; 4 to 6 durable goods; 7 to 8 durable goods.

^b Classification of cities by number of inhabitants: < 10,000 less than 10,000 inhabitants; 10,000-100,000 = between 10,000 and 100,000 inhabitants; > 100,000 = more than 100,000 inhabitants.

person conditions offer opportunities for learning behaviour that leads people into a life of crime, a situation worsened by the fact that there are no prison set-ups that provide rehabilitation and social reinsertion.

In this context, the International Centre for Prison Studies (ICPS) works out a rate of persons in gaol per 100,000 inhabitants, an indicator that allows us to gauge the way in which the institutions responsible for public security (and society in general) respond to crime. This rate includes the whole population deprived of freedom, regardless of whether they are detainees, on trial or sentenced. One of its advantages is its availability as there are data on 28 countries in the region for 1992 to 2006. Nevertheless, this indicator is not a solid measurement of the crime control policies. For example, in two countries with punitive policies and similar levels of crime, the value of the rate of imprisonment will also depend on the availability of prison places. In the country with low prison availability, the rate will be greater (as a result of the rotation of the prison population), while in the country with high availability, the toughness of the institutional reaction will be reflected in longer sentences. Accordingly, in countries where the public exert strong pressure in favour of anti-crime measures with guarantee set-ups within the judiciary, the imprisonment rate may also be high.³³

5. Summary of the institutional inclusion-exclusion mechanisms component

■ Table 7 ■

Institutional inclusion-exclusion mechanisms: dimensions and indicators

The way democracy functions	The way the rule of law functions	Policies	The way the market functions
1. Freedom House democracy index.	5. Corruption Perceptions Index (CPI).	9. Tax burden as percentage of GDP.	15. Work productivity index.
2. Citizen perception of the level of democracy in the country.	6. Citizen perception of progress in the fight against corruption.	10. Composition of the tax burden.	16. Real average pay.
3. Percentage of citizens satisfied with democracy.	7. Citizen evaluation of the performance of the judiciary.	11. Proportion of persons who believe that taxes will be well spent by the State.	17. Citizen perception of compliance with labour legislation.
4. Percentage of citizens with positive attitudes to democracy.	8. Percentage of persons who claim they have been the victim of an offence over the past year.	12. Public spending on education as a percentage of GDP.	18. Percentage of people in work concerned about losing their jobs.
		13. Public spending on health as a percentage of GDP.	19. Private spending on education as a percentage of GDP.
		14. Social public spending as a percentage of GDP.	20. Household spending on health as a percentage of total spending on health.

Source: Economic Commission for Latin America and the Caribbean (ECLAC).

³³ Guaranteeist approaches range from those seeking to ensure due legal processes and to minimize the duration of deprivation of freedom (minimalist view), to those calling for the social reinsertion of all those deprived of their freedom (maximalist view).

VI

Sense of belonging component: dimensions and indicators

The sense of belonging component refers to people's linkage and identification with society at large (namely, the nation State) and the institutions and groups that form it, at the macro, meso and micro levels. Belonging is fundamental if processes of social cooperation are to develop, so that societies can resist the tendency to break up, and for strengthening inclusion and social cohesion. The sense of belonging is also essential for people's well-being and their social integration; individual achievement and the development of shared identities help the different members of a society to adhere to group loyalty and foster respect for diversity and non-discrimination (Berman and Phillips, 2004). From the individual viewpoint, there are various aspects to the sense of belonging: relational (interactions), emotional and cognitive (values, attitudes, identities, perceptions, feelings), all of them closely linked.

1. Multiculturalism, tolerance and non-discrimination

One area calling for inclusion and cohesion policies is the economic, social and symbolic integration of culturally different groups, which in Latin America includes the issues of gender and, especially, the problems affecting indigenous peoples and Afrodescendants. As far as ethnic groups are concerned, the terms multiculturalism and pluriculturalism

have been used to illustrate the situation in countries where different ethnic/racial groups, whose culture differs from the dominant culture within the national boundaries, live together. It has been pointed out that the problems of material and symbolic exclusion experienced by indigenous peoples are obstacles to the enjoyment of their civil, economic, social and cultural rights (ECLAC, 2007). Guaranteeing the human rights of ethnic and cultural minorities is vital if its members are to develop their abilities, achieve their autonomy and exercise their citizenship to the full.³⁴

Social movements linked to the indigenous peoples and women fight by means of affirmative action for the recognition of difference, greater tolerance and non-discrimination.³⁵ Thanks to these social movements progress has been made in women's economic and social plight and, more recently, States' relations with the indigenous peoples have changed and victories such as constitutional recognition have been scored. According to Bello (2004), although this recognition has tended to be more in word than deed, it nonetheless reflects the sea change in the situation of the indigenous peoples in recent years.

The most visible expressions of social movements are rebellions, social uprisings, protests and social dialogue. Currently, no regional indicators allow us to monitor the dynamics of these social movements, which demonstrates the need to devise them. In any case, the fights led by social movements often have the objective of representation and political participation. The representation of minorities in parliament is a basic ingredient for social cohesion, seen as a precedent of equality that goes beyond group barriers and helps to lend social agreements greater legitimacy. In this context, an indicator that takes account of the proportion of members of the legislature occupied by indigenous peoples and Afrodescendants would suggest the degree of inclusion of these groups in the political decision-making, but no such measurement currently exists in Latin America. There is, however, the *percentage of women members of parliament*.

³⁴ The concept of minority used in this study is not statistical but sociological and refers to groups with social and cultural identities without sufficient power to achieve cultural hegemony.

³⁵ Melucci (1999, quoted in Bello, 2004) points out that social movements are systems of action or complex networks involving different levels and meanings of social action. There are different levels, with a variety of action plans, different momentums, different forms of organization and leadership, and strategies and discourses. A social movement is the product of the exchanges, conflicts and negotiations that subjects establish through networks of solidarity and the production of cultural meanings.

In the relevant literature one of the proposed indicators of multiculturalism is the proportion of the population belonging to an ethnic group or with a given mother tongue. In Latin America there is an indicator of the *percentage of the population belonging to an ethnic group*, reflecting the ratio of the indigenous population to the total number of inhabitants in a country. Some of the problems with this measurement are the bias resulting from the use of self-identification, the short time frame and low geographical coverage of the published data and the loss of reliability of estimates for the more distant years of the censuses.³⁶ Another indicator analyzes the *distribution of the indigenous population by language spoken*. In this case, the categories establishing the indicator are based on fluency in the indigenous and dominant tongues. This measurement also presents problems of availability: only the values for 2000 have been published, and their geographical coverage is smaller than that of the indicator identifying the proportion of the population belonging to an ethnic group.

Although these indicators allow us to gauge cultural diversity “objectively”, they are insufficient for establishing the degree to which a society is tolerant towards and does not discriminate against culturally different groups. Here we need direct measurements of biased beliefs and attitudes, as the key to the problem of discrimination does not lie in the characteristics of those who are discriminated against, but in the attitudes of those who discriminate.³⁷ The Latinobarómetro Corporation has an arsenal of questions making it possible to gauge discrimination against indigenous peoples and Afrodescendants in institutions.³⁸ In the questions people are asked to indicate, on a scale of 1 to 10, how much discrimination there is towards indigenous and black people in the courts, political parties, the workplace and schools. This procedure is based on the features that people attribute to the behaviour of a “generalized other”. Leaving aside the methodological appropriateness of this approach, there are problems of availability, as there are measurements only for 2001.

An alternative way of addressing discrimination in the relations between majorities and minorities is the perception among the minority

³⁶ People tend to conceal their identities when it is the object of bias or negative prejudices.

³⁷ One of the first initiatives at country level in this sense was the national survey on discrimination conducted in Mexico (Székely, 2006).

³⁸ See the time series archive of the Corporation Latinobarómetro [on line] <http://www.latinobarometro.org/index.php?id=6>.

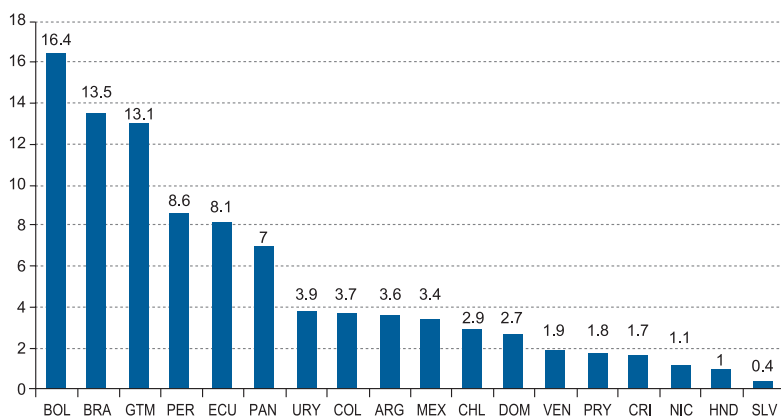
groups of being the object of prejudice and discrimination. An indicator based on opinion surveys measures the percentage of persons of 18 years and more who claim they belong to a social group that has no privileges and is discriminated against. Nevertheless, the results obtained from applying this measurement in 18 countries of Latin America are correlated more with socio-economic situation than with ethnic group (for more details, see table A-2 in the annex), which suggests that, to a large extent, this indicator reflects perceptions of discrimination that are not necessarily associated with intolerance due to cultural differences. Another problem is that the small number of cases with an indigenous mother language makes it impossible to monitor this question in most of the countries included in the analysis.

A second indicator for analyzing the perceptions of being the object of discrimination is the *percentage of persons who claim they feel subjected to ill-treatment owing to their skin colour or race*.³⁹ This measurement has the advantage that it directly identifies the causes of discrimination related with ethnicity. Accordingly, the perception of being ill-treated for those reasons is correlated with the mother language (the probability of feeling ill-treated is greater among those who claim to have an indigenous mother tongue), and with different indicators of well-being, but in the latter case, the correlations allow us to infer that the perception of ill-treatment is linked more with the ethnic group than belonging to other socially discriminated categories (e.g. the poor). People who feel ill-treated owing to their ethnic identity live in households with more goods (i.e. a better socio-economic condition) and in larger cities (where there is more contact with groups not belonging to indigenous peoples).³⁹

³⁹ For more details, see table A-3 in the annex.

■ Figure 9 ■

Latin America (18 countries): persons of 18 years or over who feel they are subjected to ill-treatment owing to skin colour or race, 2006
(Values in percentages of population)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tables from the 2006 round of the Latinobarómetro Corporation.

In any case, the results obtained using this indicator do not necessarily offer an accurate assessment of all those who feel they are ill-treated owing to their ethnicity, but merely identify those for whom this perception is more salient. This is due to the fact that people's social identities are multiple and organized in a structure, where the main identity is an indicator of the importance in the hierarchy of identities. For example, a woman may feel discriminated against simultaneously for being poor, for her skin colour or race and for her sex. In answer to a question about discrimination, the category mentioned first will be that with a more important (the more salient) position in their intra-personal hierarchy of identities. Consequently, if we are to establish more accurately the proportion of the population that feels ill treated owing to skin colour or race, we must ask a question that gives the interviewees an opportunity to identify different social categories giving rise to ill-treatment.

2. Social capital

Over the past decade the concept of social capital has grown in importance, underlining the role of relations of confidence and reciprocity in promoting democracy and economic growth. It has been pointed out that social capital is vital for cohesion, as cohesion requires high levels of interaction and cooperation among citizens, groups and institutions (Peace and others,

2005). Social capital is the aggregate of resources linked to the possession of a relatively durable network of institutionalized relations, based upon recognition and group membership (Bourdieu, 1983). Social capital refers to the social relations that define obligations perceived subjectively and whose existence may be seen in the confidence, norms and relations of authority in the group (Coleman, 1988). Some authors (Putnam, 1993; Fukuyama, 2003) have seen social capital as a property of nations, influencing the probabilities of achieving democracy and industrialization. Other researchers have pointed out that social capital refers only to the resources available to the members of a small group and that social capital must be separated from its consequences, such as attitudes of solidarity and increased group cohesion (Portes, 1998).

a) Confidence

In recent years there has been renewed interest in “confidence divides”, which pose threats to the legitimacy of democratic institutions (Paxton, 1999) and place obstacles in the way of economic growth. Confidence has been seen as a central dimension of social capital and defined as a set of expectations that are learned socially and that people have with respect to other individuals, organizations and institutions, and to the moral and social order. People may have confidence in isolated duality between individuals in the presence of others and between individuals and organizations/institutions (Paxton, 2002).

In the developed countries it has been suggested that interpersonal confidence is linked to different levels of well-being, at micro and macro levels (see Box 5). Nevertheless, in some studies carried out in Latin American countries it has been observed that interpersonal confidence is not correlated with economic growth (Latinobarómetro Corporation, 2006). One possible explanation is that, in the case of the latter, interpersonal confidence is not expressed in the relations of reciprocity required for economic, commercial or any other kind of transactions to be carried out in a transparent manner and in agreement with the established rules. Consequently, the population of Latin America seems to sense relations of confidence in the area of fairly closed networks of family and friends that may be used to gain access to resources.⁴⁰

⁴⁰ The existence of problems of measurement is also plausible. Interpersonal confidence is a construct that requires the use of various indicators to achieve a valid and reliable measurement.

Confidence in the institutions may be seen as critical for inclusion and social cohesion. Low levels of citizen confidence in the institutions implies a climate of opinion where there are scant credibility in and low expectations of institutional performance. In such a scenario, political support for funding inclusion and protection policies becomes problematic, since if people have no confidence in the public institutions, they are unlikely to approve of increases in the tax burden or to support a social welfare covenant that aims to bring about inclusion and social cohesion.

The Latinobarómetro Corporation (2006) has data available on confidence in the institutions covering the period 1996–2006 for 18 countries in the region. These indicators measure confidence in institutions as varied as the church, television, the armed forces, the government, private enterprises, the municipalities, banks, the police, the judicial system and the political parties. The alternative responses are based on categories of much, some, little and no confidence. This body also produces an estimate of the percentage of overall confidence in the institutions. Despite the fact that it does not specify the procedure used to produce this indicator, it seems to include people who claim that they have some or much confidence in all the institutions (or at least in most of them).

We also need to know whether indicators of confidence in the institutions are sufficiently correlated, and whether the construct of confidence implicit in the summary indicator used by the Latinobarómetro Corporation is valid.⁴¹ In fact, this body's data (2006) demonstrate different tendencies for the different institutions: for example, the armed forces have the highest and least variable levels of citizen confidence, while those for political institutions are very low and in decline. An analysis of the main components offers a preliminary response to this question; the indicators of confidence in State institutions and political bodies are strongly correlated and point in the same direction, while those measuring confidence in the media, and church and charitable bodies head in a different direction.⁴²

⁴¹ The validity of construct refers to the measurement where an underlying factor explains the variability observed in superficial factors or indicators. This task may be carried out through a fact-finding analysis.

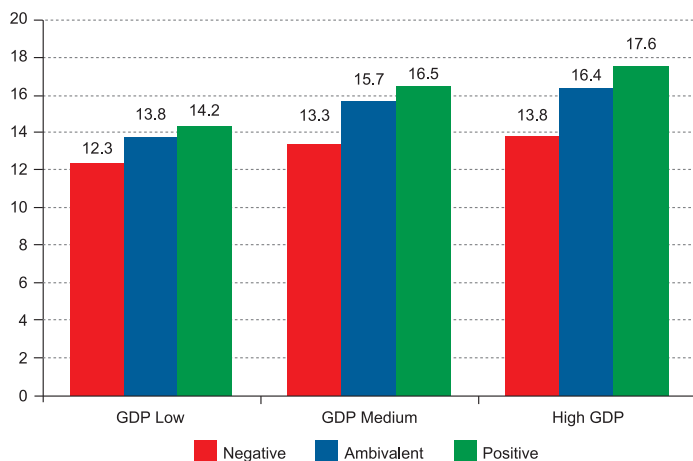
⁴² An analysis of the main components with the 15 original indicators threw out three components, which explained the 35%, the 13% and the 7% variation. The indicators that measure confidence in State and political institutions weighed in the component that explained the 35% variation. For more details, see the table A-4 in the annex.

Consequently, a *Likert scale of confidence in State institutions and political parties* has been created, which includes the following institutions: (i) the judiciary; (ii) president; (iii) the political parties; (iv) the police; (v) the parliament; (vi) the government, and (vii) the electoral tribunal. This instrument contains questions that measure the same underlying component and has a decent rate of reliability, covering the whole population and speakers of an indigenous mother tongue.⁴³ Figure 10 shows that confidence in the institutions is correlated with attitudes towards democracy and GDP per capita, which is in keeping with the theory. The lowest levels of confidence are recorded among individuals with negative attitudes to democracy and who live in the countries with the lowest GDP per capita, whereas persons with positive attitudes to democracy and who live in countries with a higher GDP per capita register higher degrees of confidence. In turn, the results of the scale of confidence tend to differ according to the level of household well-being: people from households with insufficient incomes have lower levels of confidence than those living in households with sufficient incomes. This relationship can be seen in 14 out of 18 countries in the region (for more details, see Figure A-4 in the annex).

⁴³ The seven items selected weigh in a component that explains the 53% of variation. The alpha coefficient of reliability is 0.85 for the total sample and for subjects who speak an indigenous mother tongue.

■ **Figure 10** ■

Latin America (18 countries): Confidence in State institutions and political parties, attitudes towards democracy and GDP per capita of the country, 2006^a
(Average values)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tables from the 2006 round of the Latinobarómetro Corporation.

^a Classification of the countries according to GDP per capita: with high GDP = Argentina, Costa Rica, Chile, Mexico, Uruguay and the Bolivarian Republic of Venezuela; with intermediate GDP = Brazil, Colombia, the Salvador, Panama, Peru and Dominican Republic; with low GDP = Bolivia, Ecuador, Guatemala, Honduras, Nicaragua and Paraguay.

b) Informal social support networks

The opposite state to cohesion is fragmentation, defined by weak local links and dispersed elements of the social structure (Vranken, s/f). Locally, cohesion is maintained by processes of socialization and mechanisms of mutual support based on the family, kinship and friendship. Informal social networks can help to avoid problems of mental health, such as stress and depression, constituting protective factors that help to offset the knock-on effects of stressful environmental elements. These networks may also play a vital role in addressing crisis situations in the home, above all among the more vulnerable social groups (for example, the elderly, the physically and mentally disabled, and the chronically ill), not covered by formal social welfare.

The “objective” analyses of social capital have focused on characterizing the structure of groups (families, neighbourhoods and communities), including the strength, distance and density of interpersonal links (Stone, 2001). Nevertheless, the indicators of density and strength of social links only describe the configuration of the groups and often lack meaning unless

they are used to complement measurements of the subjective aspects of social capital (see the Box 5). Indeed, communities and social groups with very strong and dense links may give rise to negative forms of social capital and cohesion, as they tend to increase poverty and social exclusion (Kabeer, 2000).

Currently there are no indicators published nationally for monitoring the quality of the informal social support networks regarding most countries in Latin America, something which cannot be attributed to the lack of instruments for measuring the quantity and quality of the support people receive through networks (Barrera, 2000). The instruments that could be used in national studies include the scales of perceived family support, offering information on the frequency with which people have been given cognitive, emotional and material support from their families in a given reference period. For the emotional and cognitive aspects, these instruments of measurement normally include questions about emotional attachment, communication, interactions and the guidelines for controlling and strengthening behaviour.

c) Citizen participation

Participation is a producer of social cohesion, as it eases cooperation between citizens and institutions. In a cohesive society there should be broad participation in the political and social organizations, rather than an attitude of indifference towards them. A society with a high degree of cohesion is one where citizens are favourably disposed to take part in local and national politics, the authority of governmental organizations is accepted and collective rights and responsibilities are respected. The limit between civic integration and social cohesion lies in the associations that mediate between the individual and the State. In this area a distinction can be made between the macro-scale bodies (political parties, trade unions, the church, etc.) and the meso and micro associations (Berman and Phillips, 2004).

It has been suggested that in countries with thriving associations it is more probable that democracy can be maintained or restored. For example, in authoritarian regimes, frequent interactions and the construction of relations of confidence between the citizens may help democratization. Once democracy has been established, these relations of influence would extend citizen access to information, which increases the degree of State accountability. Associations may also create spaces for the appearance of new political leaders and foster

compromise and tolerance (Paxton, 2002). Yet, there is little empirical evidence of the relationship between participation in associations and democracy, especially in the case of developing countries; research has shown that the effects of participation in democracy depend on the connectivity between associations and the levels of confidence in society (see Box 5).

Moreover, measuring participation in associations is not an easy task. The heterogeneity of the organizations to be included in this category generates difficulties for aggregating and comparing data and, moreover, poses problems of interpretation, owing to the diversity of objectives that such bodies pursue. There are currently data on participation in organizations for 1996, 1998 and 1999, including 18 countries in Latin America.⁴⁴ Not only does information not exist for the years after 1999 but also categories are used to define types of organizations that are unlike. Another problem is that reference times are not specified in the questions and the frequency of participation in an organization is not asked about, which means that those who do so regularly cannot be identified (the persons answering the survey are left to define the meaning of participating in organizations for themselves). While it is possible to standardize the questions to make the series comparable and use as a measurement the percentage of citizens who say they participate in one or more organizations, that does not solve the problem of the validity and reliability of the indicator.

With respect to participation in electoral processes, there are a variety of sources of information in Latin America, such as the electoral services and opinion surveys. It is preferable to use the data from the electoral services, as surveys tend to estimate the real percentage of participation (owing to the effect of social desirability), and the quality of the estimates based on surveys depends on the quality of the sampling used. As far as indicators are concerned, there are a fair number of direct measurements of electoral conduct, from presidential, parliamentary and municipal elections. In this area, it seems to be more advisable to use the data from parliamentary elections, since presidential elections may be heavily focused on the figure and individual characteristics of the candidates rather than on the political project of the sectors they represent.⁴⁵

⁴⁴ See time series of the Latinobarómetro Corporation [on line] <http://www.latinobarometro.org/index.php?id=6>.

⁴⁵ In view of the diversity of candidates in parliamentary elections, the electorate can only have a limited knowledge of each one. When deciding how to vote electors attach more importance to aspects of political culture, such as affiliation or identification with ideas and proposals.

Participation in parliamentary elections may indicate with greater precision the relevance citizens attach to the institutional political system and to the alternative programmes in the running. Accordingly, a proper measurement of political participation should not take into consideration only those who are registered to vote but the whole population of voting age. Consequently, in this proposal the indicator is the *number of votes validly cast in parliamentary elections*, expressed as a percentage of the population of voting age. This indicator is available for 18 countries in Latin America, with time series from 1989 to 2002. It may be biased, however, by the fact that electoral participation is obligatory in some countries and not in others.⁴⁶ Another difficulty is that the indicator of votes validly cast in legislative elections is available only at the national level, without disaggregates.

In view of the problems posed by measuring participation in elections we should also use a complementary indicator, one that characterizes the conduct of the population's substantive political participation, aside from voting in elections.⁴⁷ One alternative is to use an *index of political activeness*, that considers adding the following self-reporting questions: (i) the frequency with which people speak about politics; (ii) the frequency with which people try to convince someone of what they think; (iii) the frequency with which individuals work for a political party or candidate; (iv) signing petitions, and (v) attending demonstrations. This measurement is created as a simple additive index, where a higher score denotes greater activeness, and demonstrates acceptable factorial validity and internal consistency.⁴⁸ Moreover, figure 11 shows that the results of the index are correlated with confidence in the political institutions, which is consistent with the theory.

⁴⁶ Enrolment on electoral registers when people reach the minimum voting age (usually 18 years) may be automatic or not. Voting may be compulsory or voluntary; in some countries civil sanctions are imposed on enrolled electors who do not vote.

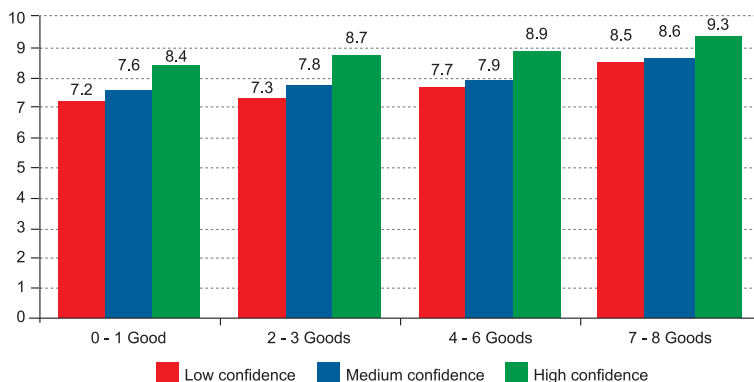
⁴⁷ For more details on the concept of substantive citizenship, see Hopenhayn (2003b).

⁴⁸ The questions included in the index load on one component, which explains the 51% variance and the correlations between all pairs of indicators being positive and significant to the 99% level.

■ **Figure 11** ■

Latin America (18 countries): levels of political activeness, confidence in the institutions and possession of goods in the home, 2006^a

(Average values)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tables from the 2006 round of the Latinobarómetro Corporation.

^a Levels of confidence were established on the basis of the segmentation in three groups of the distribution of frequency of the scale of confidence in the institutions and the political parties.

■ **Box 5** ■

Social capital and social cohesion

There are few empirical studies on the relationship between participation in associative networks and democracy, and virtually none that examines this relationship in the developing countries. One example of research where the number of associations has been directly measured was carried out by Putnam (1993) on social capital in Italy, but it considered government performance and not democracy as the dependent variable. Other studies have found relationships between democracy and the willingness to take part in associations, but their findings were based on an aggregation of attitudes and not on a measurement of the number of associations.

In a panel study based on data from the World Values Survey on developing and developed countries, Paxton (2002) concluded that the relationship between social capital and democracy was two-way; he observed that the effect of associations on democracy depended on confidence in society and that different kinds of association may affect democracy in different ways. For example, nationalist groups may exacerbate social conflicts and interfere with democracy. However, connectivity within a group may be positively or negatively linked with connectivity at community level or that of society at large. A distinction must therefore be made between those networks of associations linked with a wider community and those that are not. Negative effects on

(Continues)

Box 5 (Continued)

democracy are to be expected when there is high confidence and linkage within associations and low linkage between the associations (Paxton, 1999). Accordingly, "connected" associations have a positive influence on democracy, while isolated associations have a negative influence.

The work of O'Donnell and Schmitter (1988, quoted in Paxton, 2002) questions the thesis that emphasizes the role of the associative networks. On the basis of a comparative study of the transitions from authoritarian regimes to democracy in Latin America, these authors point out that the first step towards democratization is conflict within the ruling elite rather than the expansion of civil society. According to this logic, no transition can be brought about only by opponents to a regime that maintains cohesion and the ability to use repression, and it is only when the system breaks down that the opposition has an opportunity to act.

In the developed countries the relationship between the organizational patterns of urban communities and criminal behaviour has also been analysed. In the systemic model of community organization (Kasarda and Janowitz, 1974, quoted in Villarreal and Silva, 2006), the effects of the structural characteristics of poor neighbourhoods (high rates of poverty, ethnic diversity and residential mobility) are offset by informal links (for example, friendship and kinship), and formal links (participation in organizations, *inter alia*) (Bursik and Grasmick, 1993; Sampson and Groves, 1989, quoted in Villarreal and Silva, 2006). It seems that in neighbourhoods characterized by dense networks there is greater confidence among the residents and more cooperation to ensure that anti-crime rules are enforced. Kubrin and Weitzer (2003, quoted in Villarreal and Silva, 2006) claim that the concentration of disadvantage not only deprives communities of the resources that they could mobilize to control offences but also increases isolation among the residents, limiting their ability to pursue common goals.

Hypotheses about the organization of urban communities and its effects on crime have seldom been proved outside the developed countries. The organization of urban communities in developing countries may defy suppositions that were for a long time upheld on the effect of certain structural characteristics on crime. Located in the outer rings of big cities, the poor neighbourhoods of Latin America have had the same experience of rural-urban migration and, owing to their precarious living conditions, their survival has depended on organization and a sense of solidarity. Either owing to the way in which many urban areas with low incomes have been established in Latin America or to the great weight of the informal sector in the local economies, poor neighbourhoods tend to have very dense social networks that may increase crime as they make it easier for young people to come into contact with criminal groups (Villarreal and Silva, 2006).

Source: Economic Commission for Latin America and the Caribbean (ECLAC).

3. Prosocial values and solidarity

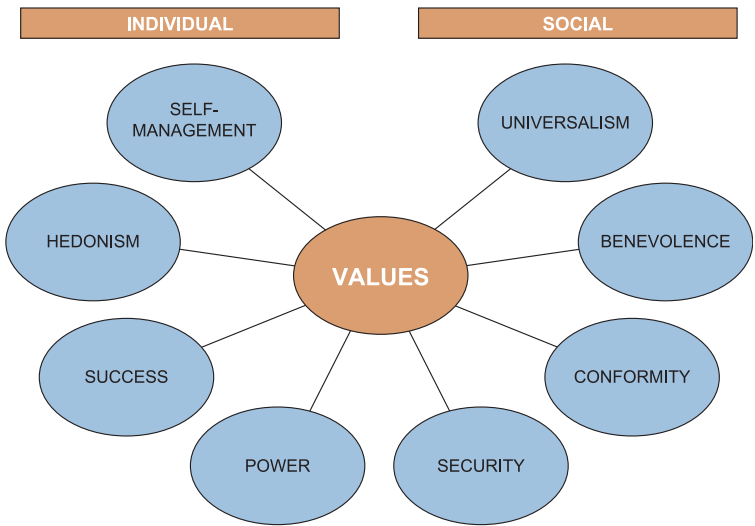
According to the functionalist tradition, values play a central role in maintaining a cohesive society (Kearns and Forrest, 2000). Members of a cohesive society should share prosocial values and principles, have a common vision with respect to the handling of public affairs and support forms of citizen action based on adhesion to the legal order and the prevailing rules in a democratic system. A basic component of prosocial values is solidarity, which is fundamental for funding cohesion and social inclusion policies, above all in countries with higher rates of poverty. In the European Union cooperation has been jointly promoted by civil society and the State in the form of cohesion policies based on the concept of joint responsibility, or the need for citizens and enterprises to share the task of contributing to inclusion initiatives (Urban, 2004; Thirion, 2004).

Values are abstract transsituational motivations that guide, justify and explain attitudes and conducts, and that may be classified according to the goals that they set. Accordingly prosocial values guide people towards strengthening the well-being of society, as opposed to pro-individual values, such as hedonism, power and personal success. The main prosocial values include universalism, benevolence, conformity and security. Universalism consists in the understanding, appreciation, tolerance and protection of well-being of all persons and nature. Benevolence is a desire to preserve and increase the well-being of people with whom individuals have frequent contact. Conformity is a motivation for controlling those impulses and actions that may harm other people and violate norms and social expectations. Security refers to the harmony and stability of society, human relations and oneself (Schwartz, 2003).

The relationship between intra-personal values is dynamic. In particular, people's behaviour aimed at attaining a given state or situation have psychological and social consequences that may be in conflict or in keeping with the application of other values. For example, acting for personal success may enter into opposition with certain prosocial values, such as benevolence or universalism, but at the same time be in keeping with the value of power. Relations in conflict or in keeping with values may be described by means of a circular diagram representing a continuum of motivation. Figure 12 shows that prosocial values tend to oppose pro-individual values, which implies that their underlying motivations differ.

Measuring values is a complex task, above all in comparative studies. In some cases direct procedures have been used, such as using surveys that rank a specific set of values in order of their importance (Rokeach, 1973; Schwartz, 1992). Indirect methods have also been used, such as consulting people about their preferences with respect to the hypothetical states of their country (Inglehart, 1971) or asking them questions based on attitudes in specific areas, such as religion, morality, politics and work. Indirect measurements have been criticized for their high sensitivity to contextual conditions, a desirable attribute for measuring attitudes, but not for transituational factors, such as values. For example, those who say that overcoming poverty and the promotion of social justice are the most important objectives for their country might manifest this opinion because they are members of an opposition party that has an interest in revealing the weaknesses of the government in office. Consequently, responses about the country’s goals might reflect different individual values (Schwartz, 2003).

■ **Figure 12** ■
Relationship between prosocial and individual values



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Shalom Schwartz, *A proposal for measuring value orientations across nations*, 2003 (extract from http://naticent02.uuhost.uk.uu.net/questionnaire/questionnaire_development/chapter_07.doc.)

In the few comparative studies that have addressed the subject of values in Latin America, indirect indicators have been used, such as consulting people about the values held by their compatriots with regard to attributes such as honesty and solidarity (Latinobarómetro Corporation, 2006). There are very few economic data on the effect of the tertiary sector, that could be used as an approach to solidarity that does exist in the countries. One indicator that is available is employment in tertiary sector organizations as a percentage of the PEA (Irrarázaval, 2005), but this measurement has very low geographical and temporal coverage (five countries and one year). Efforts must therefore be made in the region to produce objective and subjective indicators of prosocial values; for the subjective indicators, one alternative to be explored is the evidence from questions in the questionnaire produced by Schwartz (2003), measuring values directly and subjected to validation with samples from different regions of the world. We might also consider the possibility of measuring solidarity-based behaviour.

4. Future expectations and social mobility

Expectations of social mobility form the very foundations of a society based on meritocracy and equal opportunities. These expectations are fundamental for motivating people, as they imply personal belief that effort can enable them to climb the social ladder and improve their living conditions. It has been suggested that, in the case of highly exclusive societies, where access to opportunities and resources is limited, it is unlikely that individuals will believe in the principle of meritocracy, which could increase the divide between expectations and aspirations and be translated into responses of frustration-aggression that would threaten social cohesion (ECLAC, 2007).⁴⁹

Furthermore it has been pointed out that low expectations of the future are also expressions of social exclusion and extreme poverty. In situations of long-term unemployment people may feel that they do not have the strength to confront powers that are beyond their personal control (Atkinson, 1998). This same logic may be applied to an analysis of the conditions of participants in the informal economy: the loss of future expectations may be due to the fact that this sector often keeps people in

⁴⁹ Aspirations are defined as what people would like to have or achieve (desired states), and are usually related with socially valued goals and lifestyles, whereas expectations concern a self-assessment of the personal possibility of achieving socially valued goals.

insecure, poorly paid jobs. The intergenerational reproduction of poverty implies handing down not only material living conditions, but also beliefs, representations and attitudes. Various qualitative studies have concluded that learned despair is one of the main transsituational psychosocial aspects of long-term experiences of marginalization and poverty (Narayan and others, 2000; Lewis, 1969).

Expectations of social mobility may also create conflicts that are contrary to social cohesion in the situations of widespread optimism that raise expectations that are higher than the systemic capacities to meet them. For example, in a study conducted in cities in seven countries in Latin America it has been observed that 82% of interviewees thought that their children would enjoy a better socio-economic situation than they had (CIEPLAN/Instituto Fernando Henrique Cardoso, 2007). The existence of this optimism in the urban areas of some countries in Latin America could be attributed, partially at least, to the positive cycle of economic growth that the region has known in recent years, but it is also likely that intra-personal factors come into play, such as the individual need to maintain basic levels of motivation. In fact, the formation of expectations should be influenced by cognitive (the weighting of existing opportunities and personal capacities to take advantage of them) and emotional aspects, which may be very important in the case of the expectations with respect to one's children.

Currently, the region measures perceptions of the nature of the opportunities structure. These indicators are the percentage of the population that believes that someone who is born poor and works hard may become rich and the proportion of persons who think that everyone has equal opportunities to climb out of poverty (Latinobarómetro Corporation, 2005 and 2006; CIEPLAN/Instituto Fernando Henrique Cardoso, 2007). These indicators may be broken down by measuring household well-being, but estimating perceptions by means of a few questions presents problems of reliability and, moreover, basing the construction of an indicator on one question may lead to a failure to detect ambivalent perceptions (see the cells marked in blue in table 8). For a more reliable estimate, it was decided that an index of perceptions of the structure social should be created by cross checking the questions presented in table 8. The new categories are the following: (i) perception of the social structure as open-egalitarian; (ii) ambivalent perceptions, and (iii) perception of the social structure as closed-inegalitarian. This led to creation of the indicator *percentage of the population aged 18 years and more who believe that the opportunities structure in their country is open and egalitarian*.

■ Table 8 ■

Latin America (18 countries): survey responses to two questions on the opportunities structure, 2006

Do you believe that a person who is born poor and works hard can become rich or not?	There people who believe that everyone has the same opportunities to climb out of poverty, while others do not. What is your opinion?		
	Have equal opportunities	Do not have equal opportunities	Total
Someone who is born poor and works hard can become rich	4 692 (41%)	6 756 (59%)	11 448
It is not possible to be born poor and become rich	1 420 (18.6%)	6 202 (81.1%)	7 622
Total	6 112	12 958	19 070

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tables from the 2006 round of the Latinobarómetro Corporation.

The indicator of perceptions of the structure social does not take expectations of social mobility directly into consideration; moreover, people may believe that the opportunities structure is closed and, at the same time, express high expectations of social mobility, as was revealed in the research conducted by the Corporation of Studies for Latin America (CIEPLAN)/ Instituto Fernando Henrique Cardoso (2007). Expectations may be classified into two categories, intra-generational and inter-generational: the former refers to the expected differences of present and future well-being within a group, and the latter to the expected differences of well-being between different groups over time. Currently, for most of the countries in the region there are no data on the expectations of intra-generational mobility with a sufficient time frame.⁵⁰ As far as the expectations of inter-generational mobility are concerned, the Latinobarómetro Corporation conducted studies in 18 countries, in 2000, 2004 and 2006, with survey questions asking people to assess their well-being on a scale of poverty-wealth and then to do the same but with respect to the future well-being of their children.

Figures 13 and 14 show that present and future poverty-wealth assessments are correlated with the possession of goods and the perception of the structure social. Individuals living in households with fewer goods and perceiving the structure of opportunities as closed-inegalitarian have lower expectations of their children's future economic situation, whereas those living in households with more goods and who believe that the structure of opportunities is open and egalitarian have higher expectations with regard to their children. In all socio-economic categories surveys tend systematically

⁵⁰ The study by CIEPLAN/Instituto Fernando Henrique Cardoso (2007) provides information on expectations of intra-generational mobility, but only for the biggest cities in seven Latin American countries and only for 2007.

■ **Figure 13** ■

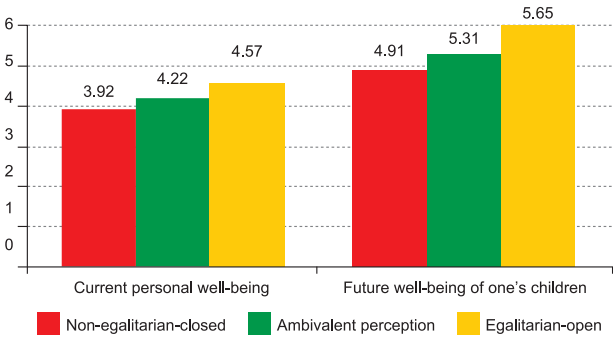
Latin America (18 countries): current personal well-being, future well-being of one's children and possession of goods in the home, 2006
(Average values, scale of 1 = extremely poor to 10 = extremely rich)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tables from the 2006 round of the Latinobarómetro Corporation.

■ **Figure 14** ■

Latin America (18 countries): current personal well-being, future well-being of one's children and perceptions of the social structure, 2006
(Average values, scale of 1 = extremely poor to 10 extremely rich)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tables from the 2006 round of the Latinobarómetro Corporation.

to give higher scores to the future well-being of their children than their current well-being, which is in keeping with the optimism detected in the study conducted by CIEPLAN/Instituto Fernando Henrique Cardoso (2007).

On this basis we can devise an indicator that identifies the *percentage of the population aged 18 years and more with expectations of upward inter-generational mobility*. This measurement is calculated by means of the difference between

people's assessment of their well-being personal and the well-being they expect for their children; those who obtain a positive score are classified in the group with expectations of upward inter-generational mobility.

5. Integration and social affiliation

The shared identities that have cemented social systems seem to be breaking down. Institutions and organizations that used to be the source of collective associations and affiliations are being eroded by processes of fragmentation and globalization. Castells (1997) evokes the image of an increasingly polarized society, where mechanisms associated with the advent of new technologies and changes in the structure of opportunities operate, and apparently leading different people to play opposing roles in terms of incomes and lifestyles and also leading to problems of inclusion and cohesion.

One problem for conceptualizing the relationship between a subjective sense of integration and cohesion is the potential conflict between affiliations at different levels; this means that there may be tensions caused by belonging to groups, nations or supranational bodies (Berman and Phillips, 2004). It has been observed that biased conducts emerge from processes of social comparison and self-categorization as the member of a group, since group identification produces a strong sense of affiliation with the endo-group and generates biases with respect to the exo-group (Tajfel, 1978; Tajfel and Turner, 1986). It has also been established that the processes of group membership may occur at different levels and simultaneously, which indicates that people may have dual identities. Consequently, the processes of *recategorization* may configure second-level affiliations, offsetting the biases between the different social groups (Brown, 2000).

Currently indicators of belonging and social affiliation cover several countries in the region, but they are very rough approaches from the standpoint of cohesion. Among them is the percentage of persons who are proud of their nationality (Latinobarómetro Corporation, 2006). This indicator poses two difficulties: first, the risk that many subjects who feel proud of their nation are biased towards members of exo-groups, which is clearly undesirable from the point of view of cohesion, and second, the scant discriminatory power of this measurement. In fact, the data from the 2006 round of the Latinobarómetro Corporation show that in about 90% of the surveys in 18 Latin American countries people declared they were proud of their nationality.

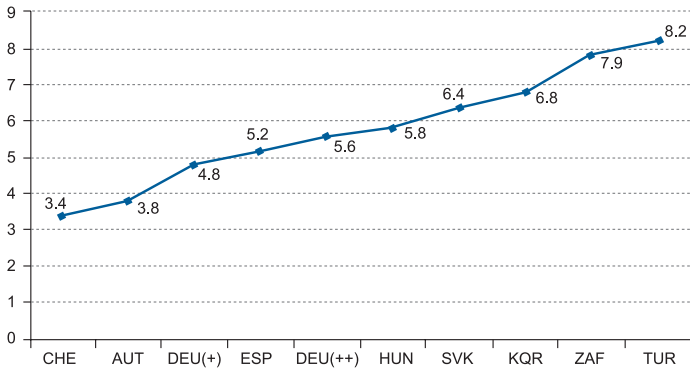
The subjective sense of integration may also be understood from a perspective of social anomia or a perception of exclusion. Thanks to the concept of social anomia we can subjectively establish the possible effects on social integration of rapid social changes. When social and cultural structures undergo far-reaching changes the established patterns of social organization may lose their integrating qualities, in that individuals' inability to adapt to changes may lead to disorientation and erode the senses of affiliation and social integration. Anomia is reflected in a greater difficulty for individuals to adapt, which results in a loss of social orientation, in the creation of feelings of insecurity, marginalization and relative deprivation, and in a questioning of values that are central to social life (Huschka and Mau, 2005).

The concept of social anomia includes the feelings of alienation or social isolation, a lack of norms, self-estrangement and loss of control. According to Middleton (1963, quoted in Huschka and Mau, 2005), with the exception of estrangement, all the dimensions of anomia are correlated; he also confirmed that the material conditions of deprivation are associated with anomia. To date there are no comparable measurements of social anomia for Latin America, but it is possible to adapt instruments used in other regions. One of the most commonly used is a scale contained in the Euromodulo questionnaire (Delhey and others, 2001), adapted by Huschka and Mau (2005). In their version the scale of anomia measures the perceptions of loss of control personal, alienation at work, social isolation, disorientation and lack of norms (see the figure 15). In any case, since there are no comparable measurements of the subjective aspects of social integration in Latin America, we must resort to indicators of phenomena that illustrate social alienation, such as suicide, homicide and drug abuse.

With regard to suicide, the World Health Organization (WHO) has a *rate of mortality by suicide and self-inflicted injury*. According to WHO, suicide is an act deliberately initiated by a person in knowledge and full expectation of its outcome. The rate of suicide is based on official records of the causes of death. One problem with this indicator is that it does not differentiate between suicides motivated by intrapersonal factors and those that can be put down to social dysfunction.⁵¹ Moreover, the comparability of data may be affected by various factors: the differences between the criteria used in the different countries to establish the intention of suicide, the frequency of forensic research and the rules of confidentiality on the causes of death. Another

⁵¹ Mental pathologies caused by endogenous factors.

■ **Figure 15** ■
Europe, Africa and Asia (10 countries): social anomia, 2005^{a,b}
 (Average values)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of the work of Denis Huschka and Steffen Mau, *Aspects of quality of life. Social anomia in South Africa, 2005* (extract from bibliothek.wz-berlin.de/pdf/2005/p05-002.pdf).

^a The theoretical range of variation on the scale is from 0 = no anomia to 15 = maximum anomia.

^b The countries, identified by their ISO codes and ranked in the order of the figure are: Switzerland, Austria, the former Federal Republic of Germany, Spain, the former German Democratic Republic, Hungary, Slovenia, the Republic of Korea and Turkey.

difficulty lies in the cases where the cause of death “hides” intentions of suicide (for example, accident or acts of violence) (Villatoro, 2007b).

With regard to homicides, the Pan American Health Organization (PAHO) has an indicator to establish the *number of homicides committed per 100,000 inhabitants*. It includes deaths caused by deliberate injury, legal actions and war operations. The advantage of this indicator is its geographical and temporal coverage, as there are published data for 18 countries, from 1995 to 2002.

In Latin America, the most comparable statistics on the use of illicit substances refer to the prevailing consumption of illegal drugs among schoolchildren, but this indicator is not very relevant in terms of social disintegration, as it includes a population that has only just begun to use these substances and who are occasional consumers, and so does not accurately represent the population affected by drug addiction or the consumption of narcotics.⁵² There are also limitations in the availability of data.⁵³

⁵² Problematic consumption refers to those practices that lead to dysfunction and difficulties of social integration.

⁵³ There are comparative data on the rate of drug consumption by schoolchildren only for 2005 and nine countries. The source is a study by the United Nations Development Programme (UNDP), the Inter-American Drug Abuse Control Commission (CICAD) and the Organization of American States (OAS). Not all the populations included are comparable and the sampling used differs from country to country.

6. Summary of the sense of belonging component

■ Table 9 ■
Sense of belonging: dimensions and indicators ^a

Multiculturalism and non-discrimination	Social capital	Participation	Future expectations and social mobility	Integration and social affiliation
1. Percentage of population belonging to an ethnic group.	5. Citizen confidence in State institutions and political parties.	6. Index of political activeness.	8. Percentage of citizens who believe that the social structure is open and egalitarian.	10. Rate of mortality by suicide and self-inflicted injury.
2. Languages spoken by the indigenous population.		7. Percentage of valid votes in parliamentary elections.	9. Percentage of citizens with expectations of upward inter-generational mobility.	11. Rate of homicides per 100,000 inhabitants.
3. Population who feel ill-treated owing to skin colour or race.				
4. Percentage of women in parliament.				

Source: Economic Commission for Latin America and the Caribbean (ECLAC).

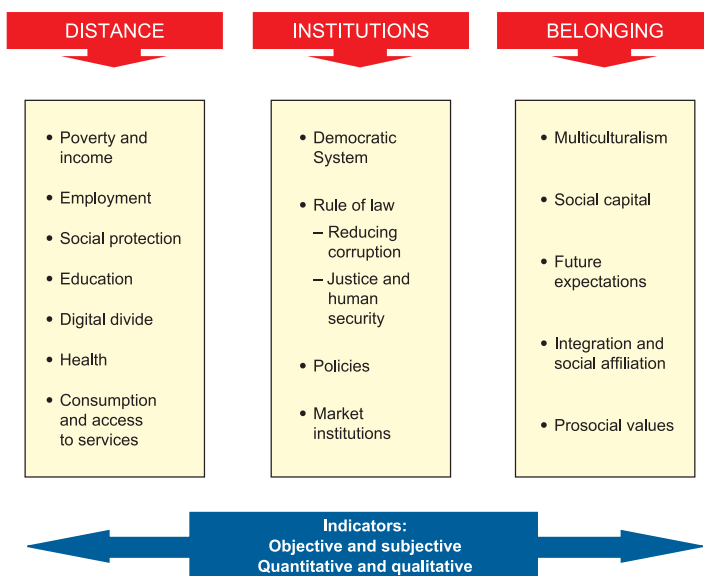
^a Excludes the dimension of prosocial and solidarity values because no indicators were selected.

VII

Specifications

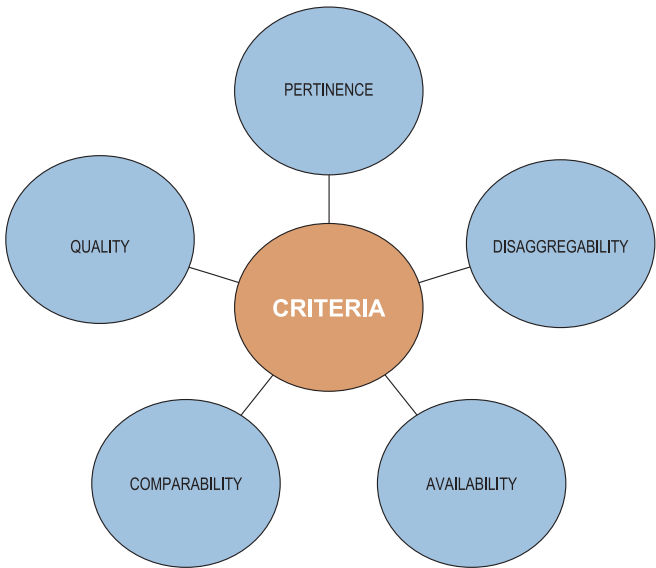
■ Figure 16 ■

Components and dimensions of the system of social cohesion indicators



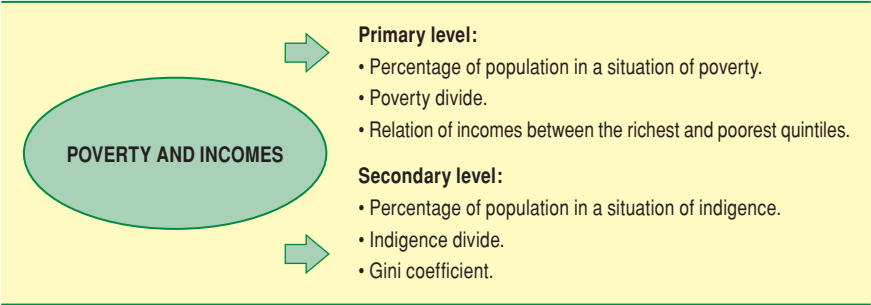
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of work by Juan Carlos Feres and Carlos Vergara, "Hacia un sistema de indicadores de cohesión social en América Latina. Avance de proyecto", *Cohesión social en América Latina y el Caribe: Una revisión perentoria de algunas de sus dimensiones*, Andras Uthoff and Ana Sojo (eds.), Santiago de Chile, ECLAC-SIDA-Fundación Konrad Adenauer, 2007.

■ **Figure 17** ■
Criteria for selecting social cohesion indicators



Source: Economic Commission for Latin America and the Caribbean (ECLAC).

■ **Figure 18** ■
Distances component: indicators of the incomes and poverty dimension



Source: Economic Commission for Latin America and the Caribbean (ECLAC).

■ **Specification Sheet 1** ■
Percentage of population living in poverty

Definition	Percentage of the population whose total average income per capita is below the poverty line.
Unit of measurement	Total percentage of the population.
Data type	Information from household surveys (ECLAC).
Sources	ECLAC, Statistics and Economic Projections Division, Social Statistics Unit, on the basis of special tables from household surveys in the respective countries. On-line database: http://websie.eclac.cl/sisgen/ConsultaIntegrada.asp?idAplicacion=1 .
Calculation methodology	<p>The percentage of persons in a situation of poverty (TP) expressed by the formula</p> $TP = (p/n) * 100$ <p>where n is the total of persons making up the population of a country and p the number of persons whose income per capita is below the poverty line.</p> <p>To calculate the income per capita (YPC) divide the total income of each household (ITH) by the number of persons comprising it (T). Then</p> $YPC = ITH/T$
Disaggregates	Area of residence (rural/urban)
Availability	<p>Countries: 18</p> <p>Time frame: 1979-2005</p>
Comments	<p>ECLAC estimates poverty and indigence rates using the cost of basic needs, by means of a basic basket of food and non-food goods.</p> <p>The indigence line in each country and geographical area is estimated on the basis of the cost in local currency of a basic food basket to meet the food needs of the population in terms of calorie and protein requirements, taking into consideration consumption habits, the availability of food and relative prices. To calculate the poverty line the value of the indigence line is multiplied by a constant factor that takes basic non-food expenses into account (in urban areas by 2 and in rural areas by 1.75, approximately).</p> <p>The composition of the basket is usually updated every 10 years and its cost is readjusted on the basis of the consumer price index (CPI).</p> <p>To calculate household income per capita use is made of the variable of total "adjusted" household income, reached by the following process: people who do not declare their incomes are attributed the value corresponding to individuals with similar characteristics, to estimate the total "corrected" household income. The corrected income totals are compared with the equivalent descriptions in the incomes and household expenditure heads of the national accounts. If the amount found in the survey is less than that registered in the accounts, an adjustment coefficient is applied to the corrected incomes to bring them into line with those reported in the household incomes and expenses account ("adjusted" household income).</p>

■ **Specification Sheet 2** ■
Poverty divide coefficient

Definition	Shortfall of incomes of the poor with respect to the value of the poverty line.
Unit of measurement	Percentage of the poverty line.
Data type	Information from household surveys (ECLAC).
Sources	ECLAC, Statistics and Economic Projections Division, Social Statistics Unit, on the basis of special tables from household surveys in the respective countries. On-line database: http://websie.eclac.cl/sisgen/ConsultaIntegrada.asp?idAplicacion=1 .
Calculation methodology	<p>The mean distance median between the average income of the poor and the poverty line is calculated by means of the following formula</p> $I = (z - y)/z$ <p>where z is the poverty line, y the average income of the poor and I the average income of the poor and the distance between the average income of the poor and the poverty line.</p> <p>Nevertheless, I is not a good indicator in itself, since if an individual with an income slightly below the poverty line stops being poor, would fall and I would rise. This problem is corrected by multiplying I by H, to attain the final value of PG (coefficient of poverty divide). The coefficient of the poverty divide equals</p> $PG = H \times I$
Disaggregates	National data.
Availability	Countries: 18 Time frame: 1989-2005
Comments	The poverty divide coefficient, for establishing the difference between the incomes of the persons below the poverty line and the value of this threshold, offers information on the depth of poverty.

■ **Specification Sheet 3** ■
Relation of incomes between the richest and poorest quintiles

Definition	Ratio between the mean income per capita of the 20% richest households (quintile 5) and the mean income per capita of the 20% poorest households (quintile 1).
Unit of measurement	Ratio.
Data type	Information from household surveys (ECLAC).
Sources	ECLAC, Statistics and Economic Projections Division, Social Statistics Unit, on the basis of special tables from household surveys in the respective countries. On-line database: http://websie.eclac.cl/sisgen/ConsultaIntegrada.asp?idAplicacion=1 .
Calculation methodology	<p>(i) to calculate the income per capita divide the total household income by the number of persons who comprise the household.</p> <p>(ii) the n households of each are ranked in ascending order according to the value of their incomes per capita: $y_1 \leq y_2 \leq \dots \leq y_n$.</p>

	<p>(iii) the distribution of frequency is divided into five groups or quintiles, each of which includes 20% of the households. The poorest group is called "quintile 1" and the richest "quintile 5".</p> <p>(iv) The mean income per capita of each quintile is calculated by dividing the incomes per capita of each household in the quintile by the corresponding number of households.</p> <p>v) the result of dividing the mean income per capita of quintile 5 by the mean income per capita of quintile 1 reflects the number of times the income of quintile 5 is greater than that of quintile 1 (for example, a score of 16 means that income per capita of the richest quintile is 16 times the income per capita of the poorest quintile).</p>
Disaggregates	National data.
Availability	Countries: 18 Time frame: 1989-2004
Comments	Household income per capita is calculated by means of the variable of the total "adjusted" income of the household (for more details, see the specifications for the indicator "Percentage of population in situation of poverty"). Using the income per capita of households instead of the total income offers comparable results between countries, and avoids the problems of different household compositions.

■ **Specification Sheet 4** ■
Percentage of population that is indigent

Definition	Total percentage of the population whose mean income per capita is below the indigence line (extreme poverty).
Unit of measurement	Total percentage of the population
Data type	Information from household surveys (ECLAC).
Sources	ECLAC, Statistics and Economic Projections Division, Social Statistics Unit, on the basis of special tables from household surveys in the respective countries. On-line database: http://websie.eclac.cl/sisgen/ConsultaIntegrada.asp?idAplicacion=1 .
Calculation methodology	<p>The percentage of persons in a situation of indigence (TI) is expressed by means of the formula</p> $TI = (i/n) \cdot 100$ <p>where n is the total number of persons and i the number of persons whose mean income per capita is below the line of indigence.</p>
Disaggregates	Area of residence (rural-urban).
Availability	Countries: 18 Time frame: 1979-2005
Comments	For more details on the method used by ECLAC, see the comments in the specifications for the indicator "Percentage of population in situation of poverty".

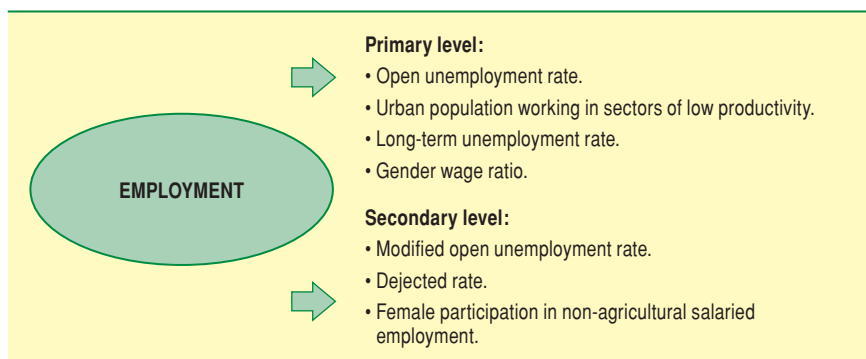
■ **Specification Sheet 5** ■
Indigence divide coefficient

Definition	Shortfall of incomes of the indigent with respect to the value of the line of indigence.
Unit of measurement	Percentage of the indigence line.
Data type	Information from household surveys (ECLAC).
Sources	ECLAC, Statistics and Economic Projections Division, Social Statistics Unit, on the basis of special tables from household surveys in the respective countries. On-line database: http://websie.eclac.cl/sisgen/ConsultaIntegrada.asp?idAplicacion=1 .
Calculation methodology	<p>The indigence divide coefficient (PI) is expressed by the formula</p> $PI = H \times I$ <p>where H represents the rate of indigence and I the mean distance between the average incomes of the indigent households and the line of indigence. The value of I is calculated by means of the formula</p> $I = (z - y)/z$ <p>where z is the indigence line and the average income of the indigent.</p>
Disaggregates	National data.
Availability	<p>Countries: 18</p> <p>Time frame: 1989-2005</p>
Comments	For more details on the method used by ECLAC, see the specifications for the indicator "Poverty divide coefficient"

■ **Specification Sheet 6** ■
Gini coefficient

Definition	The Gini coefficient is used to measure the degree of concentration of income distribution. It is an index whose values range from 0 to 1, where 0 is absolute equality and 1 is absolute inequality.
Unit of measurement	Values between 0 and 1.
Data type	Information from household surveys (ECLAC).
Sources	ECLAC, Statistics and Economic Projections Division, Social Statistics Unit, on the basis of special tables from household surveys in the respective countries. On-line database: http://websie.eclac.cl/sisgen/ConsultaIntegrada.asp?idAplicacion=1 .
Calculation methodology	<p>The Gini index is the area between the Lorenz curve and the line of equidistribution. Where G is the Gini index,</p> $G = 1 - 2 F(y)$ <p>where $F(y)$ represents the Lorenz curve, or the proportion of individuals with accumulated incomes per capita less than or equal to y.</p> <p>There is a wide range of formulae for calculating the Gini index, as the Lorenz curve has no explicit algebraic formulation.</p>
Disaggregates	Area of residence (rural-urban).

Availability	Countries: 18 Time frame: 1989-2005
Comments	<p>The Gini index lacks two properties that are desirable in indicators of the degree of concentration of income distribution: additive decomposition and the principle of “strong” transfer.</p> <p>According to the former, the concentration of income in a population should be equal to the weighted sum of inequality in all the subgroups that form it. According to the latter, regarding the transfer of incomes from a rich household to a poor household, the reduction of inequality will be more pronounced the greater the distance between the incomes of both households.</p>

■ **Figure 19** ■**Distances component: indicators of the employment dimension**

Source: Economic Commission for Latin America and the Caribbean (ECLAC).

■ **Specification Sheet 7** ■**Open unemployment rate in urban areas**

Definition	Unemployed urban population aged 15 years or more, expressed as a percentage of the economically active urban population aged 15 years or more.
Unit of measurement	Percentage.
Data type	Information from household surveys (ECLAC).
Sources	ECLAC, Statistics and Economic Projections Division, Social Statistics Unit, on the basis of special tables from household surveys in the respective countries. On-line database: http://websie.eclac.cl/sisgen/ConsultaIntegrada.asp?idAplicacion=1 .
Calculation methodology	<p>Quotient between the unemployed urban population aged 15 years or more and the urban economically active population (EAP) aged 15 years or more. The result is multiplied by 100.</p> <p>Where <i>EAP</i> = economically active urban population aged 15 years or more, and <i>PDES</i> = unemployed urban population aged 15 years or more, the open unemployment rate (<i>TDA</i>) is expressed as</p> $TDA = (PDES/EAP) * 100$

Disaggregates	Sex. Age group (15 to 24 years, 25 to 34 years, 35 to 44 years, 45 and more years).
Availability	Countries: 18 Time frame: 1979-2004
Comments	<p>The open unemployment rate covers the period 1979- 2004 and offers a homogeneous and comparable of set information compiled by the ECLAC Social Statistics Unit on the basis of household surveys in 18 countries of the region.</p> <p>The unemployed are people without employment when the surveys are carried out and who have tried to find a job during a reference period; the dejected are excluded.</p> <p>The open unemployment rate is calculated using expanded sample data from the EAP. There are some problems of comparability within and between countries, owing to different sample designs and data collection instruments.</p> <p>In some countries, the official unemployment rate is an average of different values within a year, obtained by successive rounds of the same survey. In the case of ECLAC, the calculations sometimes include only the most recent round of the survey available. Data from official country sources may therefore differ from ECLAC estimates.</p> <p>The reference period may affect the values of the unemployment rate owing to seasonal factors, especially in rural areas.</p>

■ Specification Sheet 8 ■

Urban population working in sectors of low productivity

Definition	Urban population working in sectors of low productivity, expressed as a percentage of the total population working in urban areas.
Unit of measurement	Total percentage of the occupied urban population.
Data type	Information from household surveys (ECLAC).
Sources	ECLAC, Statistics and Economic Projections Division, Social Statistics Unit, on the basis of special tables from household surveys in the respective countries. On-line database: http://website.eclac.cl/sisgen/ConsultaIntegrada.asp?idAplicacion=1 .
Calculation methodology	Quotient of the urban population occupied in sectors of low productivity (micro-enterprises, domestic employment and unqualified independent workers) and the urban occupied population. The result is multiplied by 100.
Disaggregates	National data.
Availability	Countries: 18 Time frame: 1989-2002
Comments	Those occupied in sectors of low productivity are workers: (i) in enterprises with five employers or fewer; (ii) in domestic employ and (iii) who are independent and unqualified (self-employed and family members with no vocational or technical qualification). It includes both employers and employees.

Surveys do not always include information on the “size of establishment” variable. In some countries, the way this variable is categorized rules out the creation of an interval of five employees or fewer.

■ Specification Sheet 9 ■ Long-term unemployment rate

Definition	The number of persons unemployed for a period of a year or more, expressed as a percentage of the workforce.
Unit of measurement	Percentage.
Data type	Data gathered by the International Labour Organization (ILO) on the basis of labour surveys in each country.
Sources	ILO, “Key Indicators of the Labour Market” (KILM), 2005 edition.
Calculation methodology	The population unemployed for a year or more (numerator) is divided by the economically active population or total workforce (denominator). The result is multiplied by 100.
Disaggregates	Sex.
Availability	Countries: 15 Time frame: 1989-2002
Comments	<p>Measuring long-term unemployment requires continuous monitoring of the workforce, ideally with “intra-subject” studies. Sectional surveys measure employment at a given moment in time and capture long-term unemployment by means of retrospective questions. While they measure unemployment at different moments in time, mobile surveys consider different samples.</p> <p>The problem with using retrospective questions is that information becomes less reliable as the duration of unemployment increases. Moreover, in household surveys information may be provided by someone other than the jobless person who may not know exactly how long they were unemployed.</p> <p>The methodological differences between country surveys raise another problem, which underlines the need for care when comparing data. For example, different operative definitions of the economically active population might influence the scores of the indicator.</p>

■ Specification Sheet 10 ■ Inter-gender wage ratio

Definition	Proportion representing the average wage of urban female employees aged between 20 and 49 years working 35 hours or more a week, compared with the respective wages of males with the same characteristics.
Unit of measurement	Percentage.
Data type	Information from household surveys (ECLAC).

Sources	ECLAC, Statistics and Economic Projections Division, Social Statistics Unit. On-line database: http://websie.eclac.cl/sisgen/ConsultaIntegrada.asp?idAplicacion=1 .
Calculation methodology	To calculate the indicator divide the average wage of urban female employees (numerator) by the average wage of urban male employees (denominator). The result is multiplied by 100.
Disaggregates	Schooling: 0 to 5 years, 6 to 9 years, 10 to 12 years, 13 years and over.
Availability	Countries: 18 Time frame: 1979-2005
Comments	<p>Wage means the amount of money or equivalent paid to workers for hours worked or products delivered, usually in regular periods of time.</p> <p>One of the limitations of this indicator concerns the methodological differences between the household surveys carried out in each country. Another is the coverage of the available data, as they measure only inequalities in terms of wages and do not take into account the self-employed or domestic workers. Gender asymmetries in terms of work incomes should be greater than those established by comparing wages.</p>

■ **Specification Sheet 11** ■
Modified open unemployment rate

Definition	Unemployed urban population aged 15 years or more (including the dejected), expressed as a percentage of the economically active urban population aged 15 years or more.
Unit of measurement	Percentage.
Data type	Information from household surveys (ECLAC).
Sources	ECLAC, Statistics and Economic Projections Division, Social Statistics Unit.
Calculation methodology	<p>Quotient between the unemployed urban population aged 15 years or more (including the dejected) and the economically active urban population (EAP) aged 15 years and more. The result is multiplied by 100.</p> <p>When EAP = economically active urban population of 15 years or more, and PDES = unemployed urban population aged 15 years or more, the modified rate of open unemployment (TDAM) will be</p> $TDAM = (PDES/EAP)*100$
Disaggregates	National data.
Availability	Countries: 18 Time frame: circa 2005
Comments	<p>In the numerator the unemployed are those people without a job when the survey is carried out. Those who have sought employment in a reference period are not excluded; therefore the dejected are included.</p> <p>Although the availability of the indicator is limited to 2005, it can be estimated for previous years.</p>

■ Specification Sheet 12 ■
Underemployment rate

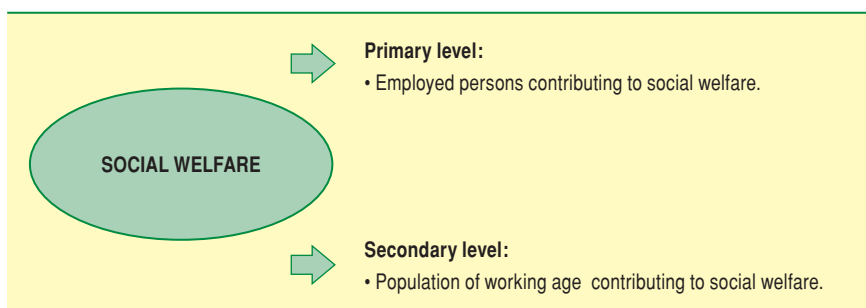
Definition	The number of persons employed for fewer hours than those set as a normal working day and who are available to work more hours, as a percentage of the economically active population (EAP).
Unit of measurement	Percentage
Data type	Data gathered by the International Labour Organization (ILO) using households surveys in each country.
Sources	ILO, "Key Indicators of the Labour Market" (KILM), 2005 edition.
Calculation methodology	Quotient between the number of persons employed for fewer hours than those set as the normal working day and who are available to work more hours and the economically active population. The result is multiplied by 100.
Disaggregates	Sex.
Availability	Countries: 13 Time frame: 1990-2002
Comments	<p>Internationally, three criteria are accepted for establishing situations of underemployment: (i) the desire to work more hours; (ii) availability to work more hours, and (iii) working fewer hours than are set in the time threshold defined under national legislation.</p> <p>In Latin America and the Caribbean the time threshold used as a norm for identifying underemployment varies from country to country. The differences between national household surveys (for example, different definitions of the economically active population) may influence the values of the underemployment indicator.</p>

■ Specification Sheet 13 ■

Participation by women in non-agricultural salaried employment

Definition	The number of women workers working in the non-agricultural sector as a percentage of the total of persons working in the same sector.
Unit of measurement	Percentage.
Data type	National figures provided by the countries and presented by the United Nations for the period 1990-2004.
Sources	ECLAC, "The Millennium Development Goals: a Latin America and Caribbean perspective". On-line database: http://websie.eclac.cl/sisgen/ConsultaIntegrada.asp?IdAplicacion=1 . United Nations Statistics Division.
Calculation methodology	Quotient between the numbers of women working in the non-agricultural sector and the total number of persons working in the same sector, for a given period and place. The result is multiplied by 100.
Disaggregates	National data.
Availability	Countries: 36 Time frame: 1990-2004

Comments	<p>The non-agricultural sector includes industry and services, in accordance with the International Standard Industrial Classification of All Economic Activities (ISIC), Rev. 2, 1968.</p> <p>Although there are clear international standards, the definitions of employment situations may differ from country to country, especially in the case of part-time workers, students, members of the armed forces, and people in domestic service and family cooperatives.</p>
-----------------	---

■ **Figure 20** ■**Distances component: indicators of the social welfare dimension**

Source: Economic Commission for Latin America and the Caribbean (ECLAC).

■ **Specification Sheet 14** ■**Employed persons contributing to social security**

Definition	Proportion of employed persons paying into a contributory social security scheme.
Unit of measurement	Percentage.
Data type	Information from household surveys (ECLAC).
Sources	Economic Commission for Latin America and the Caribbean (ECLAC).
Calculation methodology	Divide the number of employed persons contributing to a social security scheme (numerator) by the total number of employed persons (denominator). The result is multiplied by 100.
Disaggregates	Sector of activity. Sex. Area of residence. Income quintile.
Availability	Countries: 16 Time frame: 1990 and 2002
Comments	Employed persons aged 15 to 64 years claiming to be working when the surveys were carried out. Includes workers in both informal and formal sectors (employees and others).

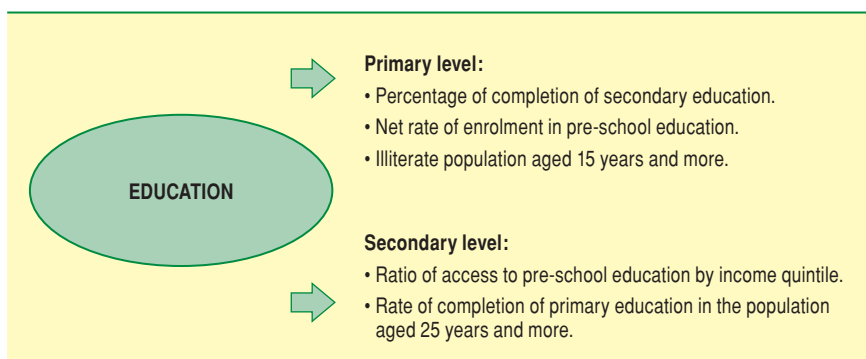
	<p>The variables used to define contribution to social security vary from country to country. In some cases reference is made to contribution or affiliation to a pension scheme (Argentina, Bolivia, Chile, Brazil, Colombia, Mexico, Paraguay, Peru and Uruguay), and in others, to a national system of social insurance (Costa Rica, Ecuador, El Salvador, Guatemala, Nicaragua and Panama). Other criteria are entitlement to social services (Bolivarian Republic of Venezuela) and work under a signed contract (Dominican Republic).</p> <p>There are also differences with regard to the population represented. For example, in Argentina, Mexico, the Dominican Republic and the Bolivarian Republic of Venezuela, the values refer only to employees (and excludes those who are self-employed, unpaid family members and company owners).</p>
--	--

■ Specification Sheet 15 ■

Population of working age contributing to social security

Definition	Proportion of the population of working age (PWA) contributing to a security social scheme.
Unit of measurement	Percentage.
Data type	Estimates based on household surveys in the respective countries.
Sources	Economic Commission for Latin America and the Caribbean (ECLAC).
Calculation methodology	Divide the total number of persons of working age (15 to 64 years) contributing to social security (numerator) by the total of the population of working age (denominator). The result is multiplied by 100.
Disaggregates	Sex. Area of residence. Quintile of incomes.
Availability	Countries: 18 Time frame: 2005
Comments	<p>The PWA includes the economically active population and the inactive population (made up of those of working age but prevented from working or involved in an alternative activity).</p> <p>The definition of the PWA differs from country to country, but this difficulty has been overcome by using the 15-64 years age range.</p> <p>The population represented also varies from country to country. Most of the data refer only to the urban population, except in the Bolivarian Republic of Venezuela, where it includes the rural population.</p>

■ **Figure 21** ■
Distances component: indicators of the education dimension



Source: Economic Commission for Latin America and the Caribbean (ECLAC).

■ **Specification Sheet 16** ■
Percentage of completion of secondary education

Definition	Percentage of persons aged 20 to 24 years who completed secondary education.
Unit of measurement	Percentage.
Data type	Estimates based on household surveys in the respective countries.
Sources	ECLAC, Social Development Division, on the basis of special tables from household surveys in each country.
Calculation methodology	The number of persons aged 20 to 24 years who have completed secondary education (numerator) is divided by the total population in that age group (denominator). The result is multiplied by 100.
Disaggregates	Sex. Area of residence. Income quintiles. Ethnic group.
Availability	Countries: 18 Time frame: circa 2004
Comments	<p>The calculation is based on the 1997 International Standard Classification of Education (ISCED), according to which complete secondary education means finishing ISCED 3 (second cycle of secondary education). It is considered that people have completed secondary education when they have had the number of schooling years equivalent to those needed to complete ISCED 3.</p> <p>The main limitations of this indicator are related with the methodological differences between the household surveys carried out by the countries and with the data coverage. For example, the 2004 data for Argentina, Uruguay and Bolivarian Republic of Venezuela include only urban areas.</p>

Although the indicator is published only for 2004, the household surveys available in the region make it possible to estimate it from 1992 onwards.

■ Specification Sheet 17 ■

Net rate of enrolment in pre-school education

Definition	Proportion of children at the official age for attending pre-school education who are effectively enrolled.
Unit of measurement	Percentage.
Data type	Estimates by the Institute for Statistics of the United Nations Organization for Education, Science and Culture (UNESCO-UIS) on the basis of school registers, school surveys or censuses with enrolment data by age group.
Sources	UNESCO-UIS. On-line database: http://www.uis.unesco.org .
Calculation methodology	Quotient between the number of children enrolled in pre-school education of the official age for attending (numerator) and the total population in the same age group (denominator). The result is multiplied by 100.
Disaggregates	Sex.
Availability	Countries: 34 Time frame: 1998-2005
Comments	<p>The official ages for attending a given level of education may vary from country to country. Nevertheless, the 1997 International Standard Classification of Education (ISCED) establishes a uniform criterion for comparing countries. Pre-school education is classified as "Level 0" and it includes programmes for children from three years of age. The upper limit for attending pre-school level is defined by the compulsory age for primary education.</p> <p>Net enrolment rates may be disaggregated to enable cross referencing according to equality factors (gender and place of residence). The possibility of disaggregating by socio-economic situation, ethnic group or disability are subject to the information gathered in the schools' administrative registers. Extrapolating disaggregates depends on the correlation between enrolment data and the population; in practice, the disaggregates of net enrolment rates by socio-economic situation are not available in the region.</p> <p>When the net enrolment rate is worked out in years with data from a census population projections are used, which could introduce bias, especially in the countries where the rate is close to 100%; in these cases, the rate could reach higher values the greater the error in the estimates. Another problem is the lack of comparability between the population projection procedures used by the countries.</p> <p>This rate also may also be over-reported, especially when school administrators have incentives to do so. Further limitations are the variable quality of registers and the lack of information on private sector enrolment.</p>

■ Specification Sheet 18 ■
Literate population aged 15 years or more

Definition	Proportion of the population aged 15 years or more who claim they can read, write and use written language, with regard to the total population in the same age group.
Unit of measurement	Percentage.
Data type	Estimates and projections from national censuses of population and household surveys.
Sources	UNESCO Institute for Statistics (UIS). On-line database: http://www.uis.unesco.org .
Calculation methodology	Quotient between the population aged 15 years or more claiming they can read, write and use written language and the total population in the same age group, multiplied by 100.
Disaggregates	Sex.
Availability	Countries: 27 Time frame: 1970-2015, quinquennial and decennial periods.
Comments	<p>The data in use come from the latest estimates and projections by UNESCO, revised in July 2002 and based on the data from the national population censuses.</p> <p>In the calculation of this rate the illiterate are defined as those who cannot read or write, which means that literacy skills are not measured. At the same time, the use of data collection procedures based on self-reporting may lead to an underestimate of illiteracy, since people are unwilling to recognize that they cannot read or write. When there is no information from censuses, surveys have been resorted to, but the procedures used in these are not compatible with censuses.</p>

■ Specification Sheet 19 ■
Relation of access to pre-school education by income quintiles

Definition	Relation between the net rate of attendance at the top grade of pre-school education by children from quintile 1 and the same rate of the children from quintile 5.
Unit of measurement	Percentage.
Data type	Information from household surveys in the respective countries.
Sources	ECLAC, Social Development Division.
Calculation methodology	The net rate of attendance at the top grade of pre-school education by children from quintile 1 (numerator) is divided by the same rate of the children from quintile 5 (denominator). The result is multiplied by 100.
Disaggregates	Sex. Area of residence. Income quintiles. Ethnic group.

Availability	Countries: 18 Time frame: circa 2005
Comments	<p>The net rate of attendance includes children at the official age for attending the top grade of ISCED 0, in accordance with the 1997 International Standard Classification of Education (ISCED).</p> <p>The main limitations of this indicator are the following: (i) using definitions of attendance that cannot be compared between one country and another; (ii) conducting surveys in different periods, which could introduce bias in the value of the indicator (for example, if the measurement is carried out in the summer, many parents could declare that their children are not attending school); (iii) under-estimating attendance at school owing to conjunctural factors (children may temporarily stop attending school while the surveys are being carried out), and (iv) over-estimating attendance in cases where coverage of household surveys is limited to urban areas.</p> <p>Although the indicator is published only for 2005, the household surveys available in the region make it possible to estimate it from 1992 onwards.</p>

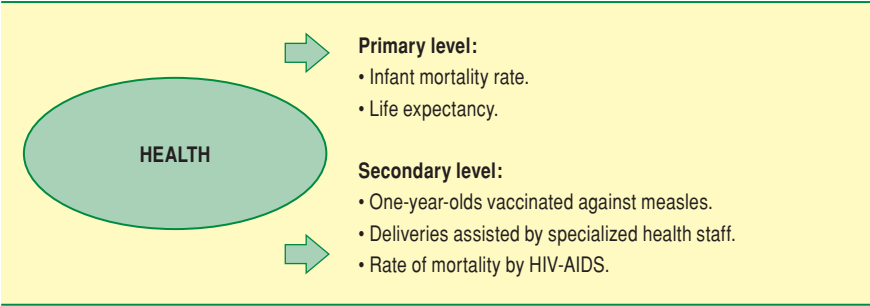
■ Specification Sheet 20 ■

Rate of conclusion of primary education in the population aged 25 years or more

Definition	Proportion of the population aged 25 years or more with a number of years of schooling equivalent to completion of primary education.
Unit of measurement	Percentage.
Data type	Estimates on the basis of household surveys in the respective countries.
Sources	ECLAC on the basis of special tables from household surveys in the respective countries.
Calculation methodology	The number of persons aged 25 years or more who completed primary education (numerator) is divided by the population total in the same age group (denominator). The result is multiplied by 100.
Disaggregates	Sex Area of residence Income quintile Ethnic group
Availability	Countries: 18 Time frame: 1992-2005
Comments	<p>The calculation is based on the 1997 International Standard Classification of Education (ISCED), according to which complete primary education is equivalent to completion of ISCED 1. It is considered that someone has completed primary education when they declare a number of years of schooling equivalent to those needed to terminate ISCED 1.</p> <p>The indicator of completion of primary education is a very rough measurement of human capital and of the reading and writing skills needed to take full part in modern societies.</p>

When interpreting the data account must be taken of the differences in the coverage of the household surveys. For example, the data for Argentina, Uruguay and the Bolivarian Republic of Venezuela refer only to urban areas.

■ **Figure 22** ■
Distances component: indicators of the health dimension



Source: Economic Commission for Latin America and the Caribbean (ECLAC).

■ **Specification Sheet 21** ■
Infant mortality rate

Definition	Probability that a newborn child has of dying before reaching one year of age.
Unit of measurement	Estimated and projected rates per 100, by quinquennial periods.
Data type	Estimated and projected rates on the basis of national population censuses.
Sources	ECLAC Population Division- Latin American and Caribbean Demographic Centre (CELADE), Boletín DemoGraph N° 74, “Latin America: mortality tables 1950-2025”. United Nations Population Division, “World Population Prospects. The 2006 Revision”. On-line database: http://esa.un.org/unpp/ .
Calculation methodology	Quotient between the number of live births dying before reaching one year of age in a given period of time (numerator), and the total number of live births in the same period of time (denominator). The result is multiplied by 1000.
Disaggregates	Sex
Availability	Countries: 32 Time frame: 1950-2050
Comments	The information provided by CELADE includes all the countries of Latin America, while that from the United Nations Population Division covers all the countries and territories of the Caribbean. Generally, data on mortality are taken from civil records and may present problems, such as omissions of births and dysfunctions, and different

levels of precision in information processing. To address these difficulties, CELADE has worked out mortality estimates on the basis of life tables that are implicit in population projections, where anomalies arising in data registration are ironed out.

■ Specification Sheet 22 ■

Life expectancy

Definition	Average duration of life of individuals in a hypothetical cohort of births, subjected at all ages to mortality risks in the period under study.
Unit of measurement	Number of years.
Data type	Estimates and projections, by five-year periods.
Sources	ECLAC Population Division- Latin American and Caribbean Demographic Centre (CELADE), database of the Boletín DemoGraph N° 73, "Latin America and the Caribbean: population estimates and projections 1950-2050". United Nations Population Division, "State of world population. 2006 Revision". On-line database: http://esa.un.org/unpp/ .
Calculation methodology	Quotient between the number total of years that a cohort of newborn children would reach if exposed, throughout their lives, to the said mortality risks (numerator) and the size of the cohort (denominator).
Disaggregates	Sex.
Availability	Countries: 32 Time frame: 1950-2050
Comments	See the comments in the specifications of the indicator "Infant mortality rate".

■ Specification Sheet 23 ■

Children aged less than one year who have been vaccinated against measles

Definition	Percentage of children aged less than one year who have been vaccinated against measles.
Unit of measurement	Percentage.
Data type	Estimates based on administrative records and household surveys.
Sources	United Nations Statistics Division. On-line database of indicators for the Millennium Development Goals: http://mdgs.un.org/unsd/mdg/Default.aspx . United Nations Children's Fund (UNICEF), "State of the World's Children" (series).
Calculation methodology	The number of children aged 12-23 months who have received at least one dose of the measles vaccination (numerator) divided by the total number of children in the same age group. The result is multiplied by 100.

Desaggregations	National data.
Availability	Countries: 33 Time frame: 1990-2004
Comments	<p>The United Nations Children's Fund (UNICEF) and the World Health Organization (WHO) gather series of data on the basis of vaccination reports issued by the national services in charge of vaccines (administrative data) and household surveys with information on the history of child vaccination. The main kinds of survey used as sources are the Extended Programmes on Immunization (EPIs), the Multiple Indicator Cluster Surveys (MICS) and the Demographic and Health Surveys (DHS).</p> <p>In the case of estimates based on administrative data, immunization coverage is calculated as the quotient of the total number of vaccinations and the number of children aged one year in the country. The target population is defined on the basis of the number of annual births nationwide or the number of surviving infants. Surveys on immunization coverage are often used along with administrative data.</p> <p>In many developing countries, the lack of precise information on the size of the cohort of children aged less than one year makes it difficult to estimate the coverage of immunization.</p>

■ Specification Sheet 24 ■

Deliveries assisted by specialized health personnel

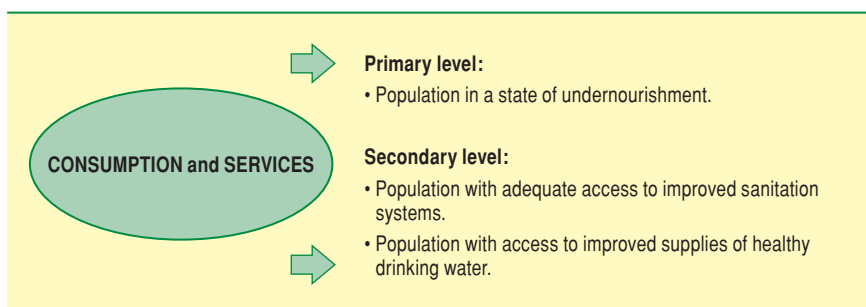
Definition	Number of deliveries attended by trained health staff, as a percentage of the total number of deliveries in a reference period and in a given geographical area.
Unit of measurement	Percentage.
Data type	National data compiled by the United Nations Children's Fund (UNICEF) and the World Health Organization (OMS). The data are gathered through household surveys, in particular Demographic and Health Surveys (DES), Multiple Indicator Cluster Surveys (MICS), and other national surveys.
Sources	United Nations Children's Fund (UNICEF). On-line database: http://www.childinfo.org/areas/deliverycare/ .
Calculation methodology	Divide the number of births attended by trained health staff, in a given period (numerator) by the total number of births in the same period (denominator). The result is multiplied by 100.
Disaggregates	Sex.
Availability	Countries: 34 Time frame: 1984-2004
Comments	<p>Deliveries assisted by specialized health staff are all births attended by trained health staff (doctors, nurses or midwives) offering supervision, care and advice to women during pregnancy, and to women and the newborn during delivery and in the post-natal period.</p> <p>The concept of "specialized staff" does not always offer adequate access for women and lactating women to good quality care, in particular when there are complications.</p>

It is difficult to standardize the definition of “specialized staff”, owing to the differences in the training of health staff in the different countries. Even when efforts have been made to standardize the definitions of doctor, nurse, midwife and midwife auxiliary, much “specialized care” probably does not comply with the criterion established by the World Health Organization.

■ **Specification Sheet 25** ■
Rate of mortality by HIV/AIDS

Definition	Number of deaths caused by HIV/AIDS per 100,000 inhabitants.
Unit of measurement	Rate per 100,000 inhabitants.
Data type	Estimates by the World Health Organization (WHO)/Joint United Nations Programme on HIV/AIDS (UNAIDS) on the basis of data gathered by State programmes on AIDS in each country.
Sources	WHO/UNAIDS, “Report on the global AIDS epidemic”, 2006.
Calculation methodology	Divide the total number of deaths HIV/AIDS in a year (numerator) by the total number of the estimated population in each country (denominator). The result is multiplied by 100,000.
Disaggregates	National data.
Availability	Countries: 27 Time frame: 2003 and 2005
Comments	<p>The data are the estimates published by WHO/UNAIDS in their report on the global AIDS epidemic. Although they come from national sources, the data have been revised according to the methodological criteria applied by UNAIDS, and so do not necessarily match the countries’ official estimates.</p> <p>Indicators related with HIV/AIDS issues suffer from problems of reliability, as the quality of records varies. WHO/UNAIDS therefore present rounded up data, together with “plausibility limits”.</p>

■ **Figure 23** ■
Distances component: indicators of the consumption and access to basic services dimension



Source: Economic Commission for Latin America and the Caribbean (ECLAC).

■ **Specification Sheet 26** ■
Population in a state of undernourishment

Definition	Percentage of the total population affected by chronic food insecurity.
Unit of measurement	Average percentage per triennium.
Data type	Data estimated by the United Nations Food and Agriculture Organization (FAO), on the basis of information provided by the countries.
Sources	FAO on-line database of statistics on food security: http://www.fao.org/waicent/portal/statistics_es.asp .
Calculation methodology	Quotient between the number of undernourished persons and the total population in a given place and time. The result is multiplied by 100.
Disaggregates	National data.
Availability	Countries: 33 Time frame: 1969-2004
Comments	<p>Chronic food insecurity affects the undernourished, or those whose food intake is always less than the energy needs for leading a healthy life and carrying out light physical activity.</p> <p>The main sources of data are the countries' statistics on: (i) local production (food balance sheets), imports and exports of food; (ii) stocks and non-food uses; (iii) data on food consumption from national household surveys; (iv) anthropometric data by sex and age and (v) population estimates by the United Nations (total population, by sex and age).</p> <p>When using data from food balance sheets a three-year average is considered, instead of an annual average, to offset the effect of errors in the data on annual food supplies.</p> <p>Information on food consumption per capita refers to the average situation in a year (family budget surveys) or three years (food balance sheets).</p>

	<p>FAO estimates are mainly based on the food acquired by the household or foodstuffs available for family groups.</p> <p>This indicator does not measure the effective consumption of food nor does it detect problems of inequality in the distribution of the foodstuffs within households.</p>
--	--

■ Specification Sheet 27 ■

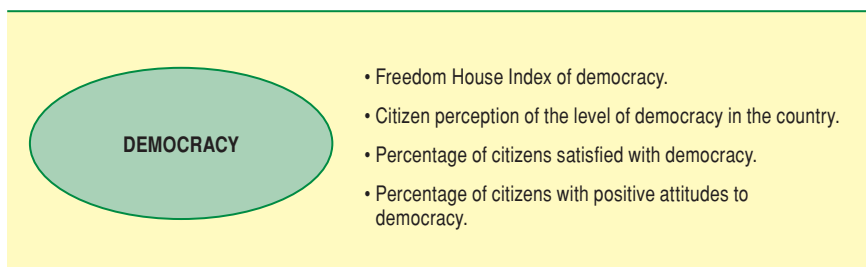
Population with adequate access to improved sanitation services

Definition	Proportion of the population with adequate access to improved systems of sanitation.
Unit of measurement	Average percentage per triennium.
Data type	Data estimated by the World Health Organization (WHO) and the United Nations Children's Fund (UNICEF), on the basis of information provided by the countries (evaluation questionnaires and home surveys).
Sources	WHO/UNICEF Joint Monitoring Programme for Water Supply and Sanitation.
Calculation methodology	Quotient between the number of persons with access to improved sanitation services in a given geographical area and period of time (numerator) and the total number of persons resident in the same area and period of time (denominator). The result is multiplied by 100.
Disaggregates	Area of residence (rural-urban).
Availability	Countries: 37 Time frame: 1990-2004
Comments	<p>The WHO/UNICEF Joint Monitoring Programme for Water Supply and Sanitation defines access to sanitation in terms of the types of technology and level of services on offer. "Improved" sanitation means connection to public sewers, to a septic tank, flush toilets, simple pit latrines or improved pit latrines with ventilation. Systems for evacuating excreta are considered adequate if they are private and avoid contact between people and human excrement.</p> <p>The change of methodology in 2000 makes it difficult to compare pre-2000 and post-2000. Nor is there a standardized definition of improved sanitation for rural and urban areas.</p>

■ **Specification Sheet 28** ■
**Population with access to an improved supply
of healthy drinking water**

Definition	Proportion of the population with access to an improved supply of healthy drinking water.
Unit of measurement	Average percentage per triennium.
Data type	Data estimated by the World Health Organization (WHO) and the United Nations Children's Fund (UNICEF), on the basis of information provided by the countries (evaluation questionnaires and household surveys).
Sources	WHO/UNICEF, Joint Monitoring Programme for Water Supply and Sanitation.
Calculation methodology	Quotient between the number of persons with access to improved supply of healthy drinking water, in a given geographical area and period of time (numerator) and the total number of persons resident in the same area and period of time (denominator). The result is multiplied by 100.
Disaggregates	Area of residence (rural-urban).
Availability	Countries: 37 Time frame: 1990-2004
Comments	<p>The WHO/UNICEF Joint Monitoring Programme for Water Supply and Sanitation defines access to water supply terms of the types of technology and level of services on offer, and access to water supply services are defined as the availability of at least 20 litres per person/day from an "improved" source, located at a maximum distance of one kilometre from the user's home. Improved sources usually provide healthy drinking water. "Improved" technologies means household connection, public water source, water well, protected dug well, protected spring or the collection of rain water.</p> <p>The sources used are Demographic and Health Surveys (DES), Multiple Indicator Cluster Surveys (MICS), UNICEF, and world health surveys. DES and MICS are national surveys of clusters of samples covering thousands of households in each country. Data collected through questionnaire given to the national authorities are also considered.</p> <p>When major differences are observed between estimates based on surveys and national questionnaires, estimated values are subject to a process of revision in order to improve them.</p>

■ **Figure 24** ■
Institutions component: indicators of the dimension democracy



Source: Economic Commission for Latin America and the Caribbean (ECLAC).

■ **Specification Sheet 29** ■
Freedom House Democracy Index

Definition	Average democracy score obtained by countries on the basis of expert evaluations. Scores range from 1 = free to 7 = not free.
Unit of measurement	Average annual score per country.
Data type	Index created by Freedom House on the basis of expert evaluations of the situation of political and civil freedoms in each country.
Sources	Freedom House. On-line database: http://www. freedomhouse.org/ template.cfm?page=5 .
Calculation methodology	<p>First, experts assess the situation in the countries with regard to political rights (10 categories) and civil freedoms (15 categories).</p> <p>They assess all the elements to create a scale ranging from 1 = free to 7 = not free, to obtain the score for the subscales of political rights and civil freedoms. The final score of the index is calculated as a simple average of the scores in both subscales.</p> <p>The interpretation of the countries' final scores is the following: "Free" (1.0 to 2.5 points on average), "Partially free" (3.0 to 5.0 points on average) and "Not free" (5.5 to 7.0 points on average).</p>
Disaggregates	National data.
Availability	<p>Countries: 32</p> <p>Time frame: 1990-2004</p>
Comments	<p>Since the index is built on the basis of an approach to democracy that is limited to political freedoms and civil rights, any interpretation must refer to that conceptual framework.</p> <p>The evaluation of political rights considers the categories of electoral process, political pluralism and participation and functioning of government. The evaluation of civil freedoms includes categories such as freedom of expression and beliefs, rights of association and organization, rule of law and personal autonomy and individual rights.</p>

This index is based on guidelines with standard dimensions and expert opinions, which implies that the data are comparable between countries and over time. Although changes have been made to the evaluation guidelines, they are minor and do not affect the comparison.

■ Specification Sheet 30 ■

Citizen perception of the level of democracy in the country

Definition	Average evaluation of the degree of democracy in the country by persons aged 18 years or more, on a scale of 1 = undemocratic to 10 = totally democratic.
Unit of measurement	Simple average.
Data type	Estimates on the basis of opinion surveys by the Latinobarómetro Corporation.
Sources	Latinobarómetro Corporation.
Calculation methodology	Simple average of the responses in the surveys to the question "What is the degree of democracy in your country?" on a scale of 1 = undemocratic to 10 = totally democratic.
Disaggregates	National data.
Availability	Countries: 18 Time frame: 1997, 2005 and 2006
Comments	<p>The Corporation Latinobarómetro study is carried out yearly in 18 Latin American countries, on the basis of a standardized questionnaire that detects the opinions, attitudes, behaviours and values of Latin Americans on a variety of issues, including: democracy, political and institutions and participation, policies, poverty, economy, international relations, media, environment, gender and discrimination. Each year the study addresses a central issue, but the inclusion of cross-cutting themes has enabled monitoring since 1995.</p> <p>In the 2006 round, data in 16 countries were gathered by means of three-stage samples, two probability-based stages followed by a quota-based stage (non-probabilistic). In Argentina and Chile the work was done with three stages of probabilistic sampling.</p> <p>For the 2006 round use was made of samples that included around 1200 cases and the sampling errors were around 3% (nevertheless, these errors apply only to countries with three stages of probabilistic sampling).</p> <p>One important aspect is the national coverage of samples in the rounds before 2006. For example, in 2001 national coverage ranged from 52% to 100%. In recent years national coverage has been extended.</p> <p>When interpreting the data it must be borne in mind that the results of opinion surveys are highly sensitive to the specific situation in each country when the measurement takes place. Furthermore care must be taken when calculating disaggregates within countries, owing to the restrictions arising from the sizes of national samples.</p> <p>In the case of this indicator there are no estimates of its regional value.</p>

■ **Specification Sheet 31** ■**Percentage of citizens satisfied with democracy**

Definition	Persons aged 18 years or more who say they are satisfied or very satisfied with democracy, as a percentage of the population in the same age group.
Unit of measurement	Percentage.
Data type	Estimates based on opinion surveys by the Latinobarómetro Corporation.
Sources	Latinobarómetro Corporation.
Calculation methodology	Quotient between the number of persons aged 18 years or more claiming they are satisfied or very satisfied with democracy and the total of the population in the same age group, multiplied by 100.
Disaggregates	National data.
Availability	Countries: 18 Time frame: 1995-2006
Comments	On sampling design used, see the comments section of specifications on the indicator "Citizen perception of the level of democracy in their country". There are no estimates available of the regional value of the indicator of degree of satisfaction with democracy.

■ **Specification Sheet 32** ■**Percentage of citizens with positive attitudes to democracy**

Definition	Persons aged 18 years or more with positive attitudes to democracy, as a percentage of the population in the same age group.
Unit of measurement	Percentage.
Data type	Estimates based on opinion surveys by the Latinobarómetro Corporation.
Sources	ECLAC, Statistics and Economic Projections Division, Social Statistics Unit, on the basis of special tables of the opinion surveys by the Corporation Latinobarómetro in the respective countries.
Calculation methodology	Quotient between the number of persons aged 18 years or more who have positive attitudes to democracy and the total of population in the same age group, multiplied by 100
Disaggregates	National data.
Availability	Countries: 18 Time frame: 2006
Comments	It is considered that people have positive attitudes to democracy when they <i>simultaneously</i> meet the following conditions: (i) they say they agree or agree strongly with the statement "democracy is preferable to any other

form of government”, and (ii) select the alternative response “democracy may have problems, but it is the best system of government”.

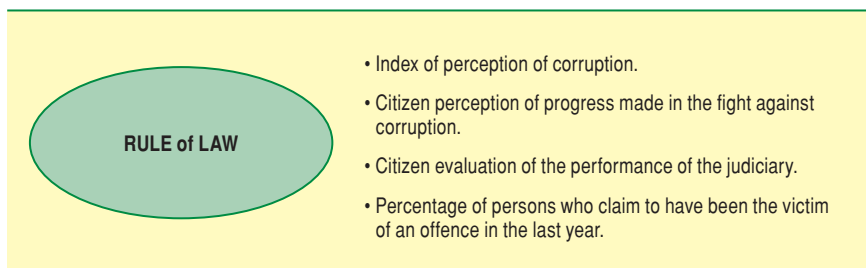
Using both questions together, rather than separately, allows for a better approach to attitudes to democracy, as it reduces to some extent the problems of reliability and detects ambivalent attitudes. In any case, an index with two questions is not a sufficiently exhaustive measurement of attitudes in this area.

For more details on the sampling design, see the comments section of the specifications of the indicator “Citizen perception of the level of democracy in the country”.

Although the indicator is available only for 2006, it can be created for 2002.

■ **Figure 25** ■

Institutions component: indicators of the rule of law dimension



Source: Economic Commission for Latin America and the Caribbean (ECLAC).

■ **Specification Sheet 33** ■

Index of perception of corruption

Definition	Perception of the degree of corruption, in accordance with evaluation by businesspeople and national experts. Scores range from 1 = highly corrupt to 10 = highly transparent.
Unit of measurement	Average score on the scale of the index of perception of corruption.
Data type	Index calculated by Transparency International on the basis of data gathered from secondary sources containing evaluations of corruption carried out by businesspeople and experts.
Sources	Transparency International. On-line database: http:// www.transparency.org/policy_research/surveys_indices/ global/cpi .
Calculation methodology	<p>The sources and studies used for calculating the index of perception of corruption contain evaluations by businesspeople and experts of: (i) the magnitude of the abuse of authority for private gain, and (ii) the solidity of anticorruption measures in the country.</p> <p>The procedure includes a selection of different sources and studies; the requisite for inclusion is that they make it possible to rank the countries by degree of perceived corruption.</p>

	<p>Once the sources of information have been defined, the measurements of each study are standardized on a scale of 0 to 10. In the case of studies included in previous years previous values are taken as the basis.</p> <p>The value of the index of perception of corruption for each country is the simple average of the standardized scores obtained from the selected sources and studies. Scores range from 0 = highly corrupt to 10 = highly transparent.</p>
Disaggregates	National
Availability	<p>Countries: 26</p> <p>Time frame: 1995-2006</p>
Comments	<p>The index of perception of corruption takes as its sources residents and non-residents in the countries under evaluation, which makes it possible to control potential bias stemming from the domestic political situation in the countries or from the predominance of certain standpoints in international public opinion.</p> <p>The precision of the results obtained for each country depends on the number of studies and sources used to calculate the index. If a country is covered by more studies and obtains scores similar in each, then the resulting measurement is more reliable. Transparency International publishes the scores of each country together with an estimated range of reliability in each case.</p> <p>Since it is an index calculated on the basis of different sources, an important part of the process of calculating the index is focused on the standardization of data, which is done by ranking the countries by their distribution in percentiles. Once the data is standardized, a simple average is calculated for each country of the standardized score it obtains in each source.</p>

■ **Specification Sheet 34** ■

**Citizen perception of progress in the fight
against corruption**

Definition	Percentage of persons aged 18 years or more who believe that in the past two years the country has made some or much progress in the fight against corruption.
Unit of measurement	Percentage.
Data type	Estimates based on opinion surveys by Latinobarómetro Corporation.
Sources	Latinobarómetro Corporation.
Calculation methodology	Quotient between the number of persons aged 18 years or more who believe that in the past two years the country has made some or much progress in the fight against corruption and the total population of the same age group, multiplied by 100.
Disaggregates	National data.
Availability	<p>Countries: 18</p> <p>Time frame: 2004, 2005 and 2006</p>

Comments	<p>This indicator takes account of citizen perception of progress made in the fight against corruption and is not an objective measurement of this process.</p> <p>Currently there is no estimate of the value of this indicator for the whole region.</p> <p>For more details on the sampling design, see the comments section of the specification of the indicator "Citizen perception of the level of democracy in the country".</p>
-----------------	--

■ Specification Sheet 35 ■

Citizen evaluation of the performance of the judiciary

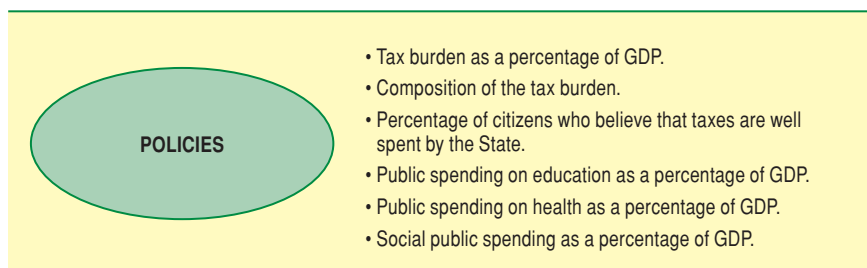
Definition	Number of persons aged 18 years or more who believe that the judiciary has performed well or very well, as a percentage of the total population in the same age group.
Unit of measurement	Percentage.
Data type	Estimates on the basis of opinion surveys by the Latinobarómetro Corporation.
Sources	Latinobarómetro Corporation.
Calculation methodology	Quotient between the number of persons aged 18 years or more who believe that the performance of the judiciary is good or very good and the total population of the same age group, multiplied by 100.
Disaggregates	National data.
Availability	Countries: 18 Time frame: 2006
Comments	<p>This indicator allows us to determine citizen perception of the performance of the judiciary and is not an objective measurement of the quality of the way it functions.</p> <p>Currently there is no estimate of the value of this indicator for the whole region.</p> <p>For more details on the sampling design, see the comments section of the specifications of the indicator "Citizen perception of the level of democracy in the country".</p>

■ Specification Sheet 36 ■

Percentage of persons who claim to have been the victim of an offence in the past year

Definition	Percentage of persons aged 18 years or more claiming that they or a relative have been victims of an offence in the past 12 months.
Unit of measurement	Percentage.
Data type	Estimates on the basis of opinion surveys by the Latinobarómetro Corporation.

Sources	Latinobarómetro Corporation.
Calculation methodology	Quotient between the number of persons aged 18 years or more claiming that they or a relative have been victims of an offence in the past 12 months and the total population of the same age group, multiplied by 100.
Disaggregates	National data.
Availability	Countries: 18 Time frame: 1995, 1996, 1997, 1998; 2001, 2002, 2003, 2004, 2005, 2006
Comments	<p>This indicator does not distinguish between kinds of offence. The tendencies defined by means of this aggregate measurement (without distinguishing between types of offence) might vary if questions were asked about specific offences.</p> <p>Currently there is no estimate of the value of this indicator for the whole region.</p> <p>For more details on the sampling design, see the comments section of the specifications of the indicator "Citizen perception of the level of democracy in the country".</p>

■ **Figure 26** ■**Institutions component: indicators of the policies dimension**

Source: Economic Commission for Latin America and the Caribbean (ECLAC).

■ **Specification Sheet 37** ■**Tax burden as a percentage of GDP**

Definition	Proportion represented by the tax revenues collected by the government in a year with respect to the total amount of the country's gross domestic product (GDP) during the same year.
Unit of measurement	Percentage.
Data type	Data compiled by the Latin American and Caribbean Institute for Economic and Social Planning (ILPES) on the basis of reports by the official organizations responsible for State finance in each country. In the case of Mexico use is made of the data of the Organisation for Economic Co-Operation and Development (OECD).

Sources	ECLAC-ILPES, "Public Finance Statistics of Latin America". On-line database: http://www.ECLAC.org/ilpes/ . OECD, "Factbook 2007. Economic, Environmental and Social Statistics".
Calculation methodology	Quotient between the total amount of the tax revenues in a year (numerator) and the total gross domestic product in the same year. The result is multiplied by 100.
Disaggregates	National data
Availability	Countries: 19 Time frame: 1990-2006
Comments	<p>This indicator shows general tendencies. Given the complexity of public finances, a complete analysis would have to take account of all the resources collected or produced by the State and that could be used to finance policies, particularly in the case of countries with State-run enterprises generating considerable fiscal revenue and that are classified as non-taxpayers.</p> <p>Attention must also be paid to the diversity of administrative structures and collection mechanisms used by governments in the region. A distinction should be made between central government and general government. The former includes budgetary central government, extra-budgetary central government and social security funds (public system). General government includes central government plus sub-national governments (intermediate and local), which collect their own revenues by means of local administration.</p> <p>Although most of the countries in the region are unitary States and tax revenue is collected by the central government, in the federal countries (Argentina, Brazil, Mexico and the Bolivarian Republic of Venezuela) tax collection by sub-national governments is significant. Calculations are made for the general government where the information is available (Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, Uruguay and Mexico), while for the remaining countries this indicator refers only to the central government.</p> <p>Total tax revenues include contributions to social security systems. As is known, the countries of the region have overhauled these systems in recent decades, and there is now a wide range of situations: for example, there are countries with privatized systems that scarcely receive any revenues, others with State systems and high levels of collection and others with mixed systems.</p> <p>The calculation is made for each country in the local currency at the current year's prices.</p>

■ Specification Sheet 38 ■
Composition of the tax burden

Definition	Proportion represented by each type of tax revenue in the total tax revenues collected by the government in a year.
Unit of measurement	Percentage.
Data type	Data compiled by the Latin American and Caribbean Institute for Economic and Social Planning (ILPES) on the basis of reports by the official bodies responsible for public finances in each country. In the case of Mexico use is made of the data presented by the Organisation for Economic Co-Operation and Development (OECD).
Sources	ECLAC-ILPES, "Public Finance Statistics of Latin America". On-line database: http://www.ECLAC.org/ilpes/ . OECD, "Factbook 2007. Economic, Environmental and Social Statistics".
Calculation methodology	Divide the amount collected for each type of tax in a year (numerator) by the total amount of the government's tax revenue in the same year. The result is multiplied by 100. The calculation is made for each country in the local currency at the current year's prices.
Disaggregates	National data
Availability	Countries: 19 Time frame: 1990-2006
Comments	<p>The total tax revenue comes from three main sources according to the types of activity concerned. They are:</p> <ul style="list-style-type: none"> – direct tax revenues: (i) taxes on income, utilities and capital gains; (ii) taxes on property and (iii) other direct taxes. – indirect tax revenues: (i) general taxes on goods and services; (ii) specific taxes on goods and services; (iii) taxes on commerce and international trade and (iv) other indirect taxes. – Contributions to social security. <p>Within taxes on income, utilities and capital gains a distinction is usually made between individuals, corporations and other enterprises. If there is insufficient information to determine which category the taxes belong to they are treated as unclassified.</p> <p>In the case of taxes on goods and services it is possible to differentiate between taxes that are: (i) imposed on value added; (ii) imposed on sales; (iii) selective; (iv) imposed on the permission to use goods or carry out certain activities, and (v) levied on the extraction, processing or production of minerals and other products. Customs and import duties and export taxes are included in the category of taxes on commerce and international trade.</p> <p>Social welfare contributions are revenues in the form of payment by employers, on behalf of employees, or by employees, the self-employed and other workers, guaranteeing the contributors, their dependents and survivors entitlements to social welfare. These contributions may be compulsory or voluntary and are classified as social security contributions or other social contributions, depending on the system concerned.</p>

■ **Specification Sheet 39** ■

Percentage of citizens who believe that taxes are well spent by the Stateo

Definition	Number of persons aged 18 years or more who believe taxes will be well spent by the State, as a percentage of the total population of the same age group.
Unit of measurement	Percentage.
Data type	Estimates based on opinion surveys by the Latinobarómetro Corporation.
Sources	Latinobarómetro Corporation.
Calculation methodology	Quotient between the number of persons aged 18 years or more who believe that taxes will be well spent by the State and the total population of the same age group, multiplied by 100.
Disaggregates	National data.
Availability	Countries: 18 Time frame: 2003 and 2005
Comments	Currently there is no estimate of the value of this indicator for the whole region. For more details on the sampling design, see the comments section of the specifications of the indicator "Citizen perception of the level of democracy in the country".

■ **Specification Sheet 40** ■

Public spending on education as a percentage of GDP

Definition	Current and capital expenditure on education by local, regional and national administrations including municipalities (excluding household contributions), expressed as a percentage of GDP.
Unit of measurement	Percentage of GDP
Data type	Data reported by the countries and compiled by the United Nations Organization for the Education, Science and Culture (UNESCO).
Sources	Institute for Statistics of the UNESCO (UIS). On-line database: http://www.uis.unesco.org .
Calculation methodology	Divide public spending on education in a given financial year (numerator) by the total gross domestic product of the country for the same year (denominator). The result is multiplied by 100.
Disaggregates	National data
Availability	Countries: 41 Time frame: 1970-2004
Comments	Data are provided by the countries and compiled by UNESCO, which in some cases produces estimates to complete the series.

Public spending on education should include spending by all ministries and administrative levels linked with education. Nevertheless, there are cases where data refer only to the Ministry of Education, and do not include other ministries that spend part of their budget on educational activities.

There are also differences with respect to the level of registered spending (central government or general government). For more details on the different levels of spending, see the comments section of the specifications of the indicator "Tax burden as a percentage of GDP".

■ Specification Sheet 41 ■

Public spending on health as a percentage of GDP

Definition	Consolidated spending on health by the central government as a percentage of the gross domestic product at current market prices.
Unit of measurement	Percentage.
Data type	Estimates by ECLAC on the basis of official figures of the countries.
Sources	ECLAC, Social Development Division. On-line database: http://websie.eclac.cl/sisgen/ConsultaIntegrada.asp?idAplicacion=1 .
Calculation methodology	Quotient between consolidated spending on health by the central government (numerator) and the gross domestic product expressed in current market prices (denominator). The result is multiplied by 100.
Disaggregates	National data
Availability	Countries: 33 Time frame: 1970-2005
Comments	The estimates do not include spending on health other than by the central government. For more details on the different levels of spending, see the comments section of the specifications of the indicator "Tax burden as a percentage of GDP".

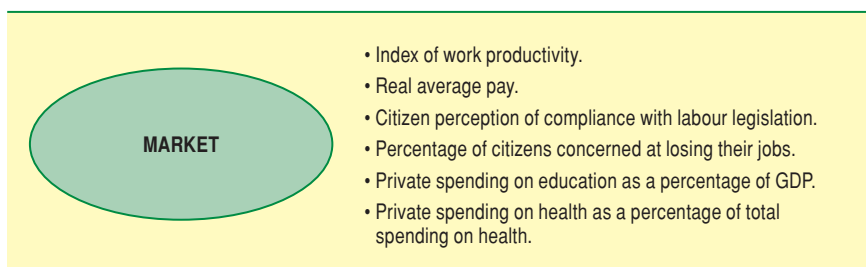
■ Specification Sheet 42 ■

Social public spending as a percentage of GDP

Definition	Estimate of the allocation of public resources to spending on the social sectors, as a percentage of total gross domestic product (GDP).
Unit of measurement	Percentage.
Data type	Estimates by ECLAC on the basis of official figures of the countries.
Sources	ECLAC, Social Development Division. On-line database: http://websie.eclac.cl/sisgen/ConsultaIntegrada.asp?idAplicacion=1 .
Calculation methodology	Divide the total of the public resources allocated to spending on the social sectors in a year (numerator) by the GDP of the same year, at current prices (denominator). The result is multiplied by 100.
Disaggregates	National data

Availability	<p>Countries: 21</p> <p>Time frame: 1990-2004.</p>
Comments	<p>Data in national currency at current prices of social public spending and its disaggregates are official figures provided by the government institutions of each country.</p> <p>GDP at current prices and the implicit deflator of GDP are the official figures recorded in ECLAC's "Statistical Yearbook for Latin America and the Caribbean", updated in August 2005. The exchange rate used is the average for 2000 in the "r" series of the "International Financial Statistics", published by the International Monetary Fund (IMF), and the population figures come from projections of the Division of Population of the ECLAC-Latin American and Caribbean Demographic Centre (CELADE), published in its database.</p> <p>At regional level methodology and coverage differ between the total public spending and social public spending series. In the former case these are the result of dissimilar practices in spending accounts. In the latter, they stem from different definitions of social spending and the different ways of incorporating spending by local governments and other bodies with an autonomous budget.</p> <p>Public spending may be disaggregated by the bodies that do the spending, which determines the coverage of the information. The greatest coverage of total public spending is by the public sector as a whole, which at the first level of disaggregation is split into the financial public sector (SPF) (Central Bank and other State financial bodies) and non-financial public sector (SPNF) (central government (GC), non-financial public enterprises (EP) and local governments (GL). Failure to consider in the SPNF spending by the EP gives rise to the general government entity (GG), which includes only GC and tGL. Within GC it is possible to make a distinction between entities with autonomous budgetary organization (EA) and those that depend directly on the tax budget (budgetary central government (GCP)).</p> <p>The classification of the countries by institutional coverage of the series of social spending is the following: SPNF = GC + EP + GL (Argentina, Brazil, Colombia, Costa Rica, Panama) GC = GCP + EA (Bolivia, Chile, Cuba, Ecuador, El Salvador, Guatemala, Honduras, Jamaica, Dominican Republic, Trinidad and Tobago, Uruguay) GCP = (Mexico, Nicaragua, Paraguay, Peru and the Bolivarian Republic of Venezuela).</p> <p>In most countries we have information on the budgetary execution of the central administration and, in several, data on the effective spending by entities with autonomous budgetary organization, local governments and non-financial public enterprises.</p> <p>In three countries there is information from the budgetary legislation: Nicaragua (2002 and 2003), Paraguay (2002 and 2003) and the Bolivarian Republic of Venezuela. In Venezuela, the complete historical series is for the social public spending that was earmarked (budgetary legislation and amendments on 31 December of each year).</p> <p>There is no comparable information at the sectoral level in Peru (2002 and 2003). In Mexico (education, culture and religion) and the Dominican Republic (social security and labour) there was a change in the classification in 2003, regrouping the subsectors, such that the information published and the official figures provided by the countries might not coincide exactly.</p>

■ **Figure 27** ■
**Institutions component: indicators of the functioning
of the market dimension**



Source: Economic Commission for Latin America and the Caribbean (ECLAC).

■ **Specification Sheet 43** ■
Index of work productivity

Definition	Annual variation in the average product per worker. Expressed as an index in a year taken as a reference (value 100).
Unit of measurement	Index 1980 = 100.
Data type	Data compiled by the International Labour Organization (ILO), according to estimates by national sources.
Sources	ILO, "Key Indicators of the Labour Market" (KILM), 2005.
Calculation methodology	<p>The formula for calculating average work productivity (PT) is</p> $PT = GDP_r/L$ <p>where GDP_r = real gross domestic product, and L = number of workers employed.</p> <p>The value of PT in the reference year (1980) is given the value 100.</p>
Disaggregates	National data
Availability	<p>Countries: 9</p> <p>Time frame: 1980-2004.</p>
Comments	<p>Productivity refers to the quantity of product for every additional unit of work. In this indicator, the quantity of product is estimated through the average GDP in real terms or deflated by inflation to eliminate the effects of variation in market prices.</p> <p>The number of workers employed is not the only possible approach for establishing work units (an alternative measurement is the number of hours worked).</p> <p>This indicator has low coverage in the countries of the region. There are also problems related with the differences of quality between the national sources and the different ways of calculating real GDP.</p> <p>For example, the methods used for correcting the variation of prices differ and different weighters are used to obtain GDP deflators. In some countries, the weighters do not adequately reflect the tendencies of</p>

product and introduce a propensity to over-estimate growth rates. This bias grows with time from the base year. In any case, in the countries weighting measures tend to change every 5 to 10 years.

In some countries, the measurements of product and employment do not adequately represent the activities of the informal sectors of the economy. To correct this problem projections are worked out on the basis of population censuses or using data from household surveys.

There are also difficulties in estimating the product with precision in certain areas of the economy, especially in the services sector. When there are no reliable data on production, estimates are based on work compensations.

■ Specification Sheet 44 ■

Real average pay

Definition	Nominal average pay, deflated by the consumer prices index (CPI) in each country.
Unit of measurement	Average annual index (1995 = 100).
Data type	Official national figures from the countries. Period 1980-2003.
Sources	ECLAC, Economic Development Division. On-line database. ECLAC, Social Development Division. On-line database: http://websie.eclac.cl/sisgen/ConsultaIntegrada.asp?idAplicacion=1 .
Calculation methodology	The nominal values from official sources (in national currency or in indexes) are deflated by the national CPI (except, for example in the case of Metropolitan Lima), to calculate a monthly, quarterly or half-yearly index, according to the availability of data. The average of these indexes is the annual published index.
Disaggregates	National data
Availability	Countries: 12 Time frame: 1980-2003
Comments	The indicator refers to pay received by salaried workers in the formal sector. The sources are varied, but mostly establishment surveys are used; plus security social systems and household surveys. The coverage of the economic sectors differs from country to country; some series include all the salaried workers in the corresponding sector while others take only workers into consideration.

■ Specification Sheet 45 ■

Perception citizen of compliance with labour legislation

Definition	Average evaluation made by persons aged 18 years or more the degree of compliance with labour legislation.
Unit of measurement	Simple average on a scale of 1 to 10.

Data type	Estimates based on opinion surveys by Latinobarómetro Corporation.
Sources	ECLAC, Statistics and Economic Projections Division, Social Statistics Unit, on the basis of special tables from the opinion surveys by Latinobarómetro Corporation in the respective countries.
Calculation methodology	<p>Calculation of this indicator is based on the creation of a Likert-type scale. To estimate the values of each country the following procedure is carried out:</p> <ol style="list-style-type: none"> 1. Add together the survey responses to questions about compliance with labour legislation with regard to: (i) payment of the minimum wage; (ii) signing work contracts; (iii) rules of dismissal and (iv) working day. Each question is assessed on a scale of 1 = no compliance to 10 = total compliance. 2. Determine the final individual scores by dividing the individual scores in the sum by the number of categories or questions (in this case, four). 3. Obtain the averages per country. For each country add the individual scores and the result is divided by the total number of observations (size of the country sample).
Disaggregates	National data.
Availability	<p>Countries: 18</p> <p>Time frame: 2006</p>
Comments	<p>Consideration was given to dividing the individual scores by the number of questions to maintain the original formulation scale (1 to 10) and facilitate the interpretation of data.</p> <p>Currently there is no estimate of the value of this indicator for the whole region.</p> <p>For more details on the sampling design, see the section of Comments of the specification of the indicator "Citizen perception citizen of the level of democracy in the country".</p>

■ Specification Sheet 46 ■

Percentage employed persons worried about losing their jobs

Definition	Number of employed persons aged 18 years or more who say they are worried about losing their jobs, as a percentage of the total number of employed persons in the same age group.
Unit of measurement	Percentage.
Data type	Estimates based on opinion surveys carried out by the Latinobarómetro Corporation.
Sources	Latinobarómetro Corporation.
Calculation methodology	Quotient between the number of employed persons aged 18 years or more who say they are worried or very worried about losing their jobs and the total number of employed persons in the same age group. The result is multiplied by 100.
Disaggregates	National data.

Availability	Countries: 18 Time frame: 1996-2005
Comments	<p>In the Latinobarómetro survey and different household surveys carried out in the region the definitions of employed persons are not comparable.</p> <p>In the years 1995, 1997, 1998, 2000 and 2001 the question was applied without distinguishing active persons. From 2002 only the employed were taken into consideration.</p> <p>Currently there is no estimate of the value of this indicator for the whole region.</p> <p>For more details on the sampling design, see the section of Comments of the specification of the indicator "Citizen perception citizen of the level of democracy in the country".</p>

■ Specification Sheet 47 ■

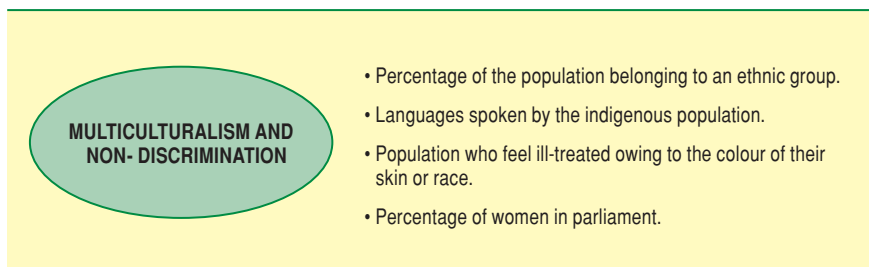
Private spending on education as a percentage of GDP

Definition	Total spending on education by private sources, expressed as a percentage of the gross domestic product (GDP).
Unit of measurement	Percentage.
Data type	Estimates based on national data.
Sources	Institute for Statistics of the UNESCO (UIS). On-line data base: http://www.uis.unesco.org .
Calculation methodology	Divide total private spending on education in a year (numerator) by the GDP of the same year (denominator). The result is multiplied by 100.
Disaggregates	National data
Availability	Countries: 19 Time frame: 1999-2005
Comments	<p>Private spending on education includes spending by households (students and their families) and by some private entities (such as companies, non-profit making organizations and labour associations). Private education institutions are not included in the expense account, as they are considered as service providers and not as sources of funding.</p> <p>In general, private spending by households is intended to cover the payment of fees and enrolment, school materials and equipment, transport and food, inter alia.</p> <p>This indicator does not distinguish between spending by households on other sources except in the case of the countries that taking part in UNESCO Project World Education Indicators (IME) of the.</p> <p>On the basis of cohesion data the aggregated figures for 19 countries are presented and the details of household spending in the years from which information is available for the countries taking part in IME.</p>

■ **Specification Sheet 48** ■**Household spending on health as a percentage of total spending on health**

Definition	Proportion represented by household spending on health with respect to total spending on health.
Unit of measurement	Percentage.
Data type	Annual data from the countries.
Sources	ECLAC, on the basis of data published by the World Health Organization (WHO), "World Health Report 2006".
Calculation methodology	Quotient between household spending on health and total spending on health, multiplied by 100.
Disaggregates	National data.
Availability	Countries: 32 Time frame: 2000-2004
Comments	<p>In the WHO report household spending on health is presented as a percentage of total private spending and not total spending on health.</p> <p>The data published refer to out-of-pocket expenditure by households on health goods or services, including the purchase of pharmaceutical products and the payment of medical services, therapeutic treatments and other goods and services for improving the health of household members. They include direct payments to public services, private institutions or non-profit-making institutions.</p> <p>The sources of information vary considerably from country to country. Although the main source of data compiled by the WHO is national reports, in some countries these are complemented with data from international bodies, NGOs, reports from the pharmaceutical industry, household surveys and censuses.</p> <p>National data were revised and adjusted according to common classifications in order to improve comparability. Consequently, the data presented by the WHO might not necessarily match the countries' official information.</p>

■ Figure 28 ■
**Belonging component: indicators of the multiculturalism
 and non-discrimination dimension**



Source: Economic Commission for Latin America and the Caribbean (ECLAC).

■ Specification Sheet 49 ■
**Percentage of the population belonging
 to an ethnic group**

Definition	The population that identifies itself as belonging to an indigenous ethnic group, as a percentage of the total population.
Unit of measurement	Percentage.
Data type	Special tables produced by the Division of Population of ECLAC–Latin American and Caribbean Demographic Centre (CELADE), on the basis of national population censuses around 2000.
Sources	CELADE-Indigenous Fund, Socio-demographic System on Indigenous People and Populations in Latin America (SISPPi). On-line database: http://www.eclac.cl/celade/indigenas/ .
Calculation methodology	Divide the total number of persons who declare that they belong to an ethnic group (numerator) by the total population (denominator). The result is multiplied by 100.
Disaggregates	Sex. Area of residence.
Availability	Countries: 11 Time frame: around 2000
Comments	<p>The criterion used to define the indigenous population in each country was recognition or declaration of belonging to an ethnic group by the interviewees. This indicator does not include Afrodescendants.</p> <p>In general, the questionnaires allow the interviewee to specify their ethnic or racial origin; only in the cases of Guatemala and the Bolivarian Republic of Venezuela is the question generic (belongs or does not belong). In some countries (Bolivia and Mexico) a criterion has also been defined to attribute the condition of indigenous person to minors in accordance with the declaration made by their parents or head of household.</p> <p>The main element to be taken into consideration is that the indigenous population is determined by means of the declaration of the interviewees.</p>

Accordingly, the census data may differ from estimates based on the language spoken, residence in communities or both.

The existence of stigmatization and social discrimination may lead to under-reporting of belonging to an ethnic group.

■ Specification Sheet 50 ■

Languages spoken by the indigenous population

Definition	Percentages of indigenous population according to the language spoken.
Unit of measurement	Percentage.
Data type	Special tables produced by the Division of Population of the ECLAC – Latin American and Caribbean Demographic Centre (CELADE), for censuses around 2000.
Sources	CELADE-Indigenous Fund, Socio-demographic System on Indigenous People and Populations in Latin America (SISPPi). On-line database: http://www.eclac.cl/celade/indigenas/ .
Calculation methodology	Divide the indigenous population according to the languages spoken (numerator) by the total indigenous population (denominator). The result is multiplied by 100.
Disaggregates	Sex. Age.
Availability	Countries: 7 Time frame: censuses around 2000
Comments	<p>The categories for establishing this indicator are:</p> <p>(i) the percentage of indigenous people who speak only their own language; (ii) the percentage who speak their own language and the dominant language (Spanish or Portuguese), and (iii) the percentage of indigenous people speaking only the dominant language. The sum of the percentage of people who speak only their own language and those who speak both the indigenous language and Spanish or Portuguese forms the percentage of indigenous people who speak a native language.</p> <p>There is information for seven countries, which highlights the need to increase the ability to monitor this subject.</p> <p>In Costa Rica and the Bolivarian Republic of Venezuela the data refer exclusively to the population covered by censuses in indigenous territories or communities, as the question was not included in the general census.</p>

■ Specification Sheet 51 ■

Population who feel ill treated owing to the colour of their skin or race

Definition	Number of persons aged 18 years or more who feel ill treated owing to skin colour or race, expressed as a percentage of the population of the same age group.
Unit of measurement	Percentage.

Data type	Estimates based on opinion surveys carried out by Latinobarómetro Corporation.
Sources	ECLAC, Statistics and Economic Projections Division, Social Statistics Unit, on the basis of special tables from the opinion surveys by Latinobarómetro Corporation in the respective countries.
Calculation methodology	Quotient between the persons aged 18 years or more who say they feel ill-treated owing to their skin colour or race and the total population in the same age group, multiplied by 100.
Disaggregates	National data.
Availability	Countries: 18 Time frame: 2006
Comments	<p>This indicator is based on the selection, in surveys, of an alternative among various social categories that may be the subject of ill-treatment, including race and skin colour.</p> <p>It is a measurement of the degree of the perception of being ill-treated for reasons of skin colour or race and does not take into account all those who feel ill-treated owing to their ethnic group. Someone might mention another social category first (for example, being poor) as a cause of ill-treatment, but might also feel ill-treated owing to their ethnicity or skin colour.</p> <p>Currently there is no estimate of the value of this indicator for the whole region.</p> <p>So far there is only information for the year 2006, but it is possible to estimate the values of this indicator for 2004 and 2005.</p> <p>For more details on the sampling design, see the comments section of the specifications of the indicator "Citizen perception of the level of democracy in the country".</p>

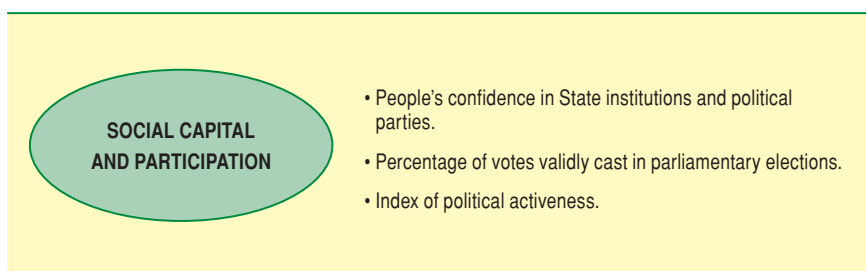
■ **Specification Sheet 52** ■
Percentage of women in parliament

Definition	Percentage of seats obtained by women in the lower or only chamber of parliament.
Unit of measurement	Percentage.
Data type	Data gathered by the United Nations Development Programme (UNDP) using the countries' official information.
Sources	UNDP, "Democracy in Latin America. Towards a Democracy of Citizens", 2004.
Calculation methodology	Divide the number of seats won by women in parliament (numerator) by the total number of seats in parliament (denominator). The result is multiplied by 100.
Disaggregates	National data
Availability	Countries: 18 Time frame: 1990-2002
Comments	Emphasis was laid on participation in the lower chamber as the numerator owing to problems of data availability for a large number of countries.

One factor to be considered is the existence in several countries of the region of legal quotas for appointing parliamentary candidates. This was introduced in the early 1990s, Argentina (1991) being the first country to adopt this mechanism. In general, quotas vary from 20% to 40% of the total number of candidates per list or party. Currently this requirement is applied in 11 countries (Argentina, Bolivia, Brazil, Costa Rica, Ecuador, Honduras, Mexico, Panama, Paraguay, Peru and the Dominican Republic).

■ **Figure 29** ■

Belonging component: indicators of the social capital and participation dimension



Source: Economic Commission for Latin America and the Caribbean (ECLAC).

■ **Specification Sheet 53** ■

People's confidence in State institutions and political parties

Definition	Average level of confidence in State institutions and political parties among the population aged 18 years and more.
Unit of measurement	Simple average.
Data type	Estimates based on opinion surveys carried out by Latinobarómetro Corporation.
Sources	ECLAC, Statistics and Economic Projections Division, Social Statistics Unit, on the basis of special tables from the opinion surveys by Latinobarómetro Corporation in the respective countries.
Calculation methodology	<p>The calculation of this indicator is based on the creation of a Likert –type scale, where the scores are estimated in the following manner:</p> <ol style="list-style-type: none"> 1. Calculation of the individual scores: add together the responses in the surveys to questions on confidence in: (i) the judiciary; (ii) the president; (iii) the political parties; (iv) the police; (v) parliament; (vi) the government, and (vii) the electoral tribunal. Each institution is qualified on a scale from 1 = no confidence to 4 = total confidence. 2. Calculation of the average of the individual scores in each country. Divide the sum of the scores from the surveys in a given country by the total number of observations in the same country.

Disaggregates	National data.
Availability	Countries: 18 Time frame: 2006
Comments	<p>The creation of a scale allows for a valid and reliable representation of citizen confidence in the State institutions and political parties.</p> <p>Although this indicator is available only for 2006, it is possible to obtain it for earlier years on the basis of reduced forms of the scale, which should not compromise the validity and reliability of the estimate. Data on confidence in the judiciary, political parties, parliament and the police are available for all the years between 1995 and 2006. The question on confidence in the government is not included in the years 1997, 1998, 2000 and 2001 and the information on confidence in the electoral tribunal exists only for the year 2006.</p> <p>Currently there is no estimate of the value of this indicator for the whole region.</p> <p>For more details on the sampling design, see the comments section of the specifications of the indicator "Citizen perception of the level of democracy in the country".</p>

■ Specification Sheet 54 ■

Percentage of votes validly cast in parliamentary elections

Definition	Valid votes in parliamentary elections as a percentage of the total population of voting age (over 18 years).
Unit of measurement	Percentage
Data type	Data compiled by the United Nations Development Programme (UNDP) on the basis of official information from the countries.
Sources	UNDP, "Democracy in Latin America. Towards a Democracy of Citizens", 2004.
Calculation methodology	Divide the total number of valid votes cast in the parliamentary election in a given year (numerator) by the total number of persons of voting age in the election of that year (denominator). The result is multiplied by 100.
Disaggregates	National data
Availability	Countries: 18 Time frame: 1989-2002
Comments	<p>Valid votes are those where a preference was expressed for one of the candidates taking part in the election, which means that blank or spoiled ballots are not included. The reference is the total of the population of voting age, regardless of whether or not it is registered on the electoral rolls.</p> <p>The population of voting age was calculated by means of data from the United Nations Division of Population.</p>

Figures on valid votes concern parliamentary elections. Given that in the countries of Latin America there are single or two-chamber systems, in the latter only the elections of representatives in the lower chamber were taken into account.

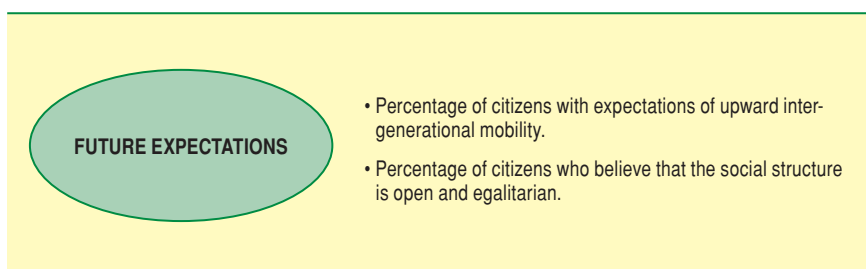
There are differences between countries regarding compulsory participation in elections. Registration on electoral rolls may be automatic or not when a person reaches the minimum voting age; the vote of those registered on electoral rolls may be voluntary or compulsory. In the latter case, persons who are registered and do not vote may be liable to sanctions.

■ Specification Sheet 55 ■

Index of political activeness

Definition	Average level of political activeness declared by persons aged 18 years or more.
Unit of measurement	Simple average.
Data type	Estimates based on opinion surveys carried out by the Latinobarómetro Corporation.
Sources	ECLAC, Statistics and Economic Projections Division, Social Statistics Unit, on the basis of special tables from the opinion surveys by Latinobarómetro Corporation in the respective countries.
Calculation methodology	<p>This indicator is a simple additional index, where scores are worked out as follows:</p> <ol style="list-style-type: none"> 1. To determine individual scores: add together the responses to survey questions on: (i) frequency with which people speak about politics; (ii) frequency with which they try to convince another person of what they believe; (iii) frequency with which they work for a political party or candidate, (iv) sign petitions, and (v) attend demonstrations. 2. To determine the values of each country: add the individual scores and divide the result by the sample size (or number of observations) in the same country.
Disaggregates	National data.
Availability	<p>Countries: 18</p> <p>Time frame: 2006</p>
Comments	<p>Currently there is no estimate of the value of this indicator for the whole region.</p> <p>The indicator may be estimated for 2005, as all the questions included in the index were considered in the 2005 round. By eliminating the question on signing petitions it is possible estimate the values for 1995, 1996 and 2000.</p> <p>For more details on the sampling design, see the comments section of the specifications of the indicator "Citizen perception of the level of democracy in the country".</p>

■ **Figure 30** ■
Belonging component: indicators of the future expectations dimension



Source: Economic Commission for Latin America and the Caribbean (ECLAC).

■ **Specification Sheet 56** ■
Percentage of citizens with expectations of upward Inter-generational mobility

Definition	Number of persons aged 18 years or more who believe that their children will have better lives than they have, as a percentage of the population in the same age group.
Unit of measurement	Percentage.
Data type	Estimates based on opinion surveys carried out by Latinobarómetro Corporation.
Sources	ECLAC, Statistics and Economic Projections Division, Social Statistics Unit, on the basis of special tables from the opinion surveys by Latinobarómetro Corporation in the respective countries.
Calculation methodology	<p>Quotient between the number of persons aged 18 years or more who believe that their children will have better lives than they do and the total population in the same age group, multiplied by 100.</p> <p>The number of persons who believe that their children will live better than they do is estimated as follows:</p> <p>1. The scores given by individuals in their responses to the following questions: (i) evaluation of their personal level of poverty-wealth at present on a scale of 1 = extremely poor to 10 = extremely rich, and (ii) evaluation of the level of poverty-wealth that people believe their children will have, on a scale of 1 = extremely poor to 10 = extremely rich. For the individual ij, the score P will equal</p> $P_{ij} = (ii-i)$ <p>2. Recoded results: people who obtain scores of 1 or more are classified in the group that believe that their children will have better lives than they do, while those who obtain scores of 0 or less are classified in the other group.</p>
Disaggregates	National data.
Availability	Countries: 18 Time frame: 2006

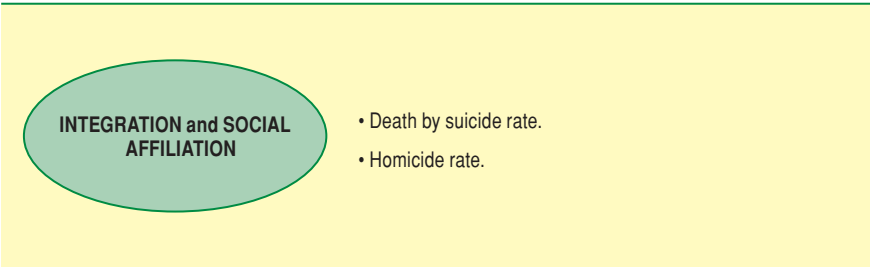
Comments	<p>Currently there is no estimate of the value of this indicator for the whole region.</p> <p>At the moment there are data available only for 2006, but the indicator can be estimated for the years 2000 and 2004.</p> <p>For more details on the sampling design, see the comments section of the specifications of the indicator "Citizen perception of the level of democracy in the country".</p>
-----------------	--

■ Specification Sheet 57 ■

Percentage of citizens who believe that the social structure is open and egalitarian

Definition	Number of persons aged 18 years or more who believe that the social structure is open and egalitarian, as a percentage of the total population in the same age group.
Unit of measurement	Percentage.
Data type	Estimates based on opinion surveys carried out by Latinobarómetro Corporation.
Sources	ECLAC, Statistics and Economic Projections Division, Social Statistics Unit, on the basis of special tables from the opinion surveys by Latinobarómetro Corporation in the respective countries.
Calculation methodology	Quotient between the number of persons aged 18 years or more who believe that the social structure is open and egalitarian and the total population in the same age group, multiplied by 100.
Disaggregates	National data.
Availability	<p>Countries: 18</p> <p>Time frame: 2006</p>
Comments	<p>This indicator is created on the basis of a simple additional index, including the following categories: (i) perceptions of the social structure as open- egalitarian; (ii) ambivalent perceptions, and (iii) perceptions of the social structure as closed-non-egalitarian. Classification is carried out on the basis of the degree of people's agreement or disagreement with the phrases: (a) someone who is born poor and works hard can become rich, and (b) everyone has the same opportunities to climb out of poverty. The group that believes that the social structure is open and egalitarian includes persons who say they agree or agree strongly with both statements.</p> <p>This indicator allows for a more reliable measurement of the perceptions of the social structure than using the questions on social structure separately because taken together they enable detection of subjects with ambivalent attitudes.</p> <p>Currently there is no estimate of the value of this indicator for the whole region.</p> <p>For more details on the sampling design, see the comments section of the specifications of the indicator "Citizen perception of the level of democracy in the country".</p>

■ **Figure 31** ■
Belonging component: indicators of the integration and social affiliation dimension



Source: Economic Commission for Latin America and the Caribbean (ECLAC).

■ **Specification Sheet 58** ■
Death by suicide rate

Definition	Estimated number of deaths by suicide and self-inflicted injuries for every100, 000 inhabitants.
Unit of measurement	Rate per 100,000 inhabitants.
Data type	Rates estimated by the Pan American Health Organization (PAHO) using the death registers of each country.
Sources	PAHO, “Regional Core Health Data Initiative”.
Calculation methodology	Divide the total number of deaths by suicide and self-inflicted injuries in a year (numerator) by the total of the population estimated in each country for the same year (denominator). The result is multiplied by 100,000
Disaggregates	Sex.
Availability	Countries: 32. Time frame: 1995-2002.
Comments	<p>PAHO periodically compiles data on mortality and causes of death according to the criteria established in the International Classification of Diseases (ICD-10), 1996 version. The cause of death is disease or an injury that triggered the events directly terminating in death.</p> <p>Mortality rates are obtained after correcting the under-reporting of mortality and ill-defined causes of death (the technical notes of “Health Statistics from the Americas”, 2003 edition, published by PAHO, include a detailed description of this procedure).</p> <p>The calculation is made taking as a reference the population estimates of the United Nations Population Division and, for Latin America, the Population Division of ECLAC-Latin American and Caribbean Demographic Centre (CELADE) for Latin America.</p> <p>The main limitation lies in the fact that the coverage of the systems of civil registers of the countries might not be full. For example, the registers for rural areas are less complete than those for urban areas. Problems of coverage may also arise in urban areas with greater poverty rates and less access to services.</p>

■ **Specification Sheet 59** ■
Homicide rate

Definition	Estimated number of homicides committed for every 100,000 inhabitants.
Unit of measurement	Cases for every 100,000 inhabitants.
Data type	Countries: 18 Time frame: 1995-2002.
Sources	Pan American Health Organization (PAHO), "Regional Core Health Data Initiative".
Calculation methodology	Divide the total number of deaths by homicide in a country-year (numerator) by the total population in the same country-year (denominator). The result is multiplied by 100,000.
Disaggregates	Sex.
Availability	Countries: 32. Time frame: 1995-2002.
Comments	<p>This indicator takes into consideration homicides, deliberate injuries and those due to legal operations and acts of war.</p> <p>The procedure used complies with the standard used by the PAHO to estimate mortality by other causes.</p> <p>The main limitation of the indicator is related with the quality of the registers (on both comments see the specifications for the indicator "Rate of mortality by suicide").</p>

Bibliography

- Acuña, Cecilia and Mónica Bolis (2005), “La estigmatización y el acceso a la atención en salud en América Latina: amenazas y perspectivas” [online] <http://www.paho.org/Spanish/DPM/SHD/HP/leg-estigmatizacion-esp.pdf>.
- Anderson, Cynthia (1996), “Understanding the inequality problematic: from scholarly rethoric to theoretical reconstruction”, *Gender and Society*, vol. 10, No 6, Thousand Oaks, California, Sage Publications.
- Anker, Richard and others (2002), “Measuring decent work with statistical indicators”, *Working Paper*, No. 2, Geneva, International Labour Organization (ILO).
- Arregui, Patricia (2001), “Sistemas de determinación y evaluación de metas de logros de aprendizaje escolar como instrumento para mejorar la calidad, la equidad y la responsabilización en los procesos educativos en América Latina”, *Análisis de prospectivas de la educación en la región de América Latina y el Caribe*, Santiago, Chile, UNESCO Regional Office for Education in Latin America and the Caribbean/United Nations Educational, Scientific and Cultural Organization (UNESCO).
- Atkinson, Anthony (1998), “Social exclusion, poverty and unemployment”, *Exclusion, Employment and Opportunity*, Anthony Atkinson and John Hills (eds.), CASEpaper 4 [online] <http://ideas.repec.org/s/cep/sticas.html>.
- Atkinson, Anthony and others (2005), *Social Indicators. The EU and Social Inclusion*, New York, Oxford University Press.
- Barrera, Manuel (2000), “Social support research in community psychology”, *Handbook of Community Psychology*, Julian Rappaport and Edward Seidman (eds.), New York, Kluwer Academic/Plenum Publishers.
- Barry, Brian (1998), “Social exclusion, social isolation and the distribution of income”, *CASEpaper 12* [online] <http://ideas.repec.org/s/cep/sticas.html>.
- Beauvais, Caroline and Jane Jenson (2002), “Social cohesion: updating the state of the research” [online] <http://www.cprn.com/en/doc.cfm?doc=167>.
- Bello, Álvaro (2004), “Etnicidad y ciudadanía en América Latina. La acción colectiva de los pueblos indígenas”, *Libros de la CEPAL series*, No.79 (LC/G.2230-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.04.II.G.13.
- Berger-Schmitt, Regina (2002), “Considering social cohesion in quality of life assessments: concept and measurement”, *Social Indicators Research*, vol. 58, No. 1-3, New York, Springer, June.

- Berman, Yitzhak and David Phillips (2004), "Indicators for social cohesion" [online] <http://www.socialquality.org/site/ima/Indicators-June-2004.pdf>.
- Bernard, Paul (2000), "La cohésion sociale: critique dialectique d'un quasi-concept" [online] http://culturescope.ca/ev_fr.php?ID=1637_201&ID2=DO_TOPIC.
- Bollen, Kenneth and Rick Hoyle (1990), "Perceived cohesion: a conceptual and empirical examination", *Social Forces*, vol. 69, No. 2, Chapel Hill, University of North Carolina Press.
- Borocz, Jozsef (1997), "Stand reconstructed: contingent closure and institutional change", *Sociological Theory*, vol. 15, No. 3, Washington, D.C., American Sociological Association.
- Bourdieu, Pierre (1983), "Forms of capital", *Handbook of Theory and Research for the Sociology of Education*, J.G. Richardson (ed.), New York, Greenwood.
- Brown, Rupert (2000), "Social identity theory: past achievements, current problems and future challenges", *European Journal of Social Psychology*, vol. 30, No. 6.
- Burchardt, Tania (2003), "Being and becoming: social exclusion and the onset of disability", *CASEreport 21*, London School of Economics.
- (2000), "Social exclusion: concepts and evidence", *Breadline Europe, The Measurement of Poverty*, D. Gordon and P. Townsend (eds.), Bristol, Policy Press.
- Burchell, Brendan (2005), "The welfare costs of job insecurity: psychological well-being and family life", *Reconciling Labour Flexibility with Social Cohesion. Facing the Challenge*, Brussels, Council of Europe [online] http://www.coe.int/T/E/social_cohesion/social_policies/06.Documentation_Publications/Trends_in_social_cohesion/Trends.asp.
- Castells, Manuel (1997), *The Power of Identity*, Oxford, Blackwell.
- Coleman, James (1988), "Social capital in the creation of human capital", *American Journal of Sociology*, vol. 94, Chicago, The University of Chicago Press.
- Collins, Hill (1990), *Black Feminist Thought: Knowledge, Consciousness and Politics of Empowerment*, New York, Allen & Unwin.
- CIEPLAN (Economic Research Corporation for Latin America)/Instituto Fernando Henrique Cardoso (2007), "Encuesta de cohesión social en América Latina ECosocial" [online] <http://www.ecosocialsurvey.org>.
- Council of Europe (2005), "Concerted development of social cohesion indicators. methodological guide" [online] http://www.coe.int/t/e/social_cohesion/social_policies/Indicators/.
- (2001), "Promoting the policy debate on social cohesion from a comparative perspective", *Trends in Social Cohesion 1* [online] http://www.coe.int/T/E/social_cohesion/social_policies/06.Documentation_Publications/Trends_in_social_cohesion/Trends.asp.
- Courtis, Christian and Nicolás Espejo (2007), "Por un 'contrato de cohesión social': apuntes exploratorios", *Políticas sociales series*, No. 129 (LC/L.2699-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.07.II.G.49.
- Daly, Mary (2002), "Access to social rights in Europe" [online] http://www.coe.int/t/e/social_cohesion/social_policies/Access_to_social_rights/01_English%20Mary%20Daly%20report.pdf.
- Delhey, Jan and others (2001), "The Euromodule. A new instrument for comparative welfare research" [online] <http://skylla.wz-berlin.de/pdf/2001/iii01-401.pdf>.

- Di Filippo, Armando and Rolando Franco (1999), “Aspectos sociales de la integración regional”, *Las dimensiones sociales de la integración regional en América Latina*, Libros de la CEPAL series, No. 48 (LC/ G.2029-P), Armando di Filippo and Rolando Franco (comps.), Santiago, Chile, United Nations publication, Sales No. S.99.II.G.21.
- Durkheim, Émile (1967), *De la división del trabajo social*, Buenos Aires, Schapire.
- ECLAC (Economic Commission for Latin America and the Caribbean) (2007), *Social cohesion: inclusion and a sense of belonging in Latin America and the Caribbean* (LC/G.2335/Rev.1), Santiago, Chile, January.
- ____ (2006a), *Shaping the Future of Social Protection: Access, Financing and Solidarity* (LC/G.2294(SES.31/3)/E)), Santiago, Chile, March.
- ____ (2006b), *Social Panorama of Latin America 2006* (LC/G.2326-P), Santiago, Chile. United Nations publication, Sales No. E.06.II.G.133.
- ____ (2006c), *Statistical Yearbook for Latin America and the Caribbean, 2005* (LC/G.2311-P), Santiago, Chile. United Nations publication, Sales No. E/S.06.II.G.1.
- ____ (2005), *Social Panorama of Latin America 2005* (LC/G.2288-P), Santiago, Chile. United Nations publication, Sales No. E.05.II.G.161.
- ____ (2004a), *Productive development in open economies* (LC/G.2234(SES.30/3)), Santiago, Chile.
- ____ (2004b), *Social Panorama of Latin America 2004* (LC/L.2220-P/E), Santiago, Chile. United Nations publication, Sales No. E.04.II.G.148.
- ____ (2002), *Social Panorama of Latin America 2001-2002* (LC/G.2183-P), Santiago, Chile, October. United Nations publication, Sales No. E.02.II.G.65.
- ____ (2000), *Equity, development and citizenship* (LC/G.2071(SES.28/3)), Santiago, Chile. United Nations publication, Sales No. E.00.II.G.81.
- ECLAC/UNESCO (Economic Commission for Latin America and the Caribbean/ United Nations Educational, Scientific and Cultural Organization) (2005), “Investing better in order to invest more. Finance and management of education in Latin America and the Caribbean”, *Seminarios y conferencias series*, No. 43 (LC/L.2246-P), Santiago, Chile. United Nations publication, Sales No. S.05.II.G.4.
- European Commission (2006), *Joint Report on Social Protection and Social Inclusion* [online] http://ec.europa.eu/employment_social/publications/2006/ke7606018_en.pdf.
- European Committee for Social Cohesion (2004), *Revised Strategy for Social Cohesion* [online] http://www.coe.int/T/E/social_cohesion/social_policies/Revised_Strategy.pdf.
- Feres, Juan Carlos and Carlos Vergara (2007), “Hacia un sistema de indicadores de cohesión social en América Latina: avance de proyecto”, *Cohesión social en América Latina y el Caribe: una revisión perentoria de algunas de sus dimensiones*, Project documents, N° 120 (LC/W.120), Andras Uthoff y Ana Sojo (eds.), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC)/Swedish International Development Cooperation Agency (SIDA)/Konrad Adenauer Foundation.
- Feres, Juan Carlos and Xavier Mancero (2001), “Enfoques para la medición de la pobreza: breve revisión de la literatura”, *Estudios estadísticos y prospectivos series*, No. 4 (LC/ L.1479-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.01.II.G.10.
- Foucault, Michel (1998), *Historia de la locura en la época clásica*, Mexico City, Fondo de

- Cultura Económica.
- Friedkin, Noah (2004), "Social cohesion", *Annual Review of Sociology*, vol. 30, No. 1, Palo Alto, California, Annual Reviews.
- Fukuyama, Francis (2003), "Capital social y desarrollo: la agenda venidera", *Capital social y reducción de la pobreza: en busca de un nuevo paradigma*, R. Atria and M. Siles (comps.) (LC/G.2194-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.03.II.G.03.
- Galabuzi, Grace-Edward (2002), "Social inclusion as a determinant of health", document presented at The social determinants of health across the life-span conference, Toronto, November.
- Giddens, Anthony (1984), *The Constitution of Society: Outline of the Theory of Structuration*, Berkeley, University of California Press.
- Gómez Sabaini, Juan (2007), "Cohesión social, equidad y tributación: análisis y perspectivas para América Latina y el Caribe", *Cohesión social en América Latina y el Caribe: una revisión perentoria de algunas de sus dimensiones*, Project documents, N° 120 (LC/W.120), Andras Uthoff and Ana Sojo (eds.), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC)/Swedish International Development Cooperation Agency (SIDA)/Konrad Adenauer Foundation.
- Gradstein, Mark and Moshe Justman (2002), "Education, social cohesion and economic growth", *The American Economic Review*, vol. 92, No. 4, Nashville, Tennessee, American Economic Association.
- Habermas, Jurgen (1989), *Problemas de legitimación del capitalismo tardío*, Buenos Aires, Amorrortu.
- Heikkilä, Matti and Susan Kuivalainen (2002), "Using social benefits to combat poverty and social exclusion: opportunities and problems from a comparative perspective", *Trends in Social Cohesion 3* [online] http://www.coe.int/T/E/social_cohesion/social_policies/06.Documentation_Publications/Trends_in_social_cohesion/Trends.asp.
- Heyneman, Stephen (2000), "From the party/state to multiethnic democracy: education and social cohesion in Europe and Central Asia", *Educational Evaluation and Policy Analysis*, vol. 22, No. 2, Washington, D.C., American Educational Research Association.
- Hopenhayn, Martín (2003a), "Education, communication and culture in the information society: a Latin American perspective", *CEPAL Review*, No. 81 (LC/G.2216-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC).
- (2003b), "Viejas y nuevas formas de la ciudadanía", *Revista de la CEPAL*, No. 73 (LC/G.2130-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC).
- Hopenhayn, Martín and Álvaro Bello (2001), "Discriminación étnico-racial y xenofobia en América Latina y el Caribe", *Políticas sociales series*, No. 47 (LC/L.1546-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.01.II.G.87.
- Hopenhayn, Martín and Pablo Villatoro (2006), "The right of education. An unfinished task for Latin America and the Caribbean", *Challenges*, No. 3, Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC).
- Huschka, Denis and Steffen Mau (2005), "Aspects of quality of life. Social anomie in

- South Africa” [online] <http://www.bibliothek.wz-berlin.de/pdf/2005/p05-002.pdf> —.
- ILO (International Labour Organization) (2005), *2005 Labour Overview. Latin America and the Caribbean*, Lima, Regional Office for Latin America and the Caribbean.
- Inglehart, Ronald (1971), “The silent revolution in Europe: intergenerational change in post-industrial societies”, *American Political Science*, No. 65, No. 4, Washington, D.C., American Political Science Association.
- Irrarázaval, Ignacio (2005), “Estudio comparativo del tercer sector sin fines de lucro Chile” [online] http://www.jhu.edu/~cnp/pdf/esfl_completo.pdf.
- Joffe, Helene (1995), “Social representations of AIDS: towards encompassing issues of power”, *Papers on Social Representations*, vol. 4, No. 1, Linz, Johannes Kepler Universität.
- JSCA (Justice Studies Center of the Americas) (2005), *Reporte sobre la justicia en las Américas 2004-2005*, Santiago, Chile.
- Kabeer, Naila (2000), “Social exclusion, poverty and discrimination” [online] <http://www.ids.ac.uk/IDS/pvty/Social-Policy/CP14.pdf>.
- Kearns, Ade and Ray Forrest (2000), “Social cohesion and multilevel urban governance”, *Urban Studies*, vol. 37, No. 5-6, Glasgow, University of Glasgow.
- Kekic, Laza (2006), “The Economist Intelligence Unit’s index of democracy” [online] http://www.economist.com/theworldin/inter-national/displayStory.cfm?story_id=8166790&d=2007.
- Latinobarómetro Corporation (2006), *Informe Latinobarómetro 2006* [online] <http://www.latinobarometro.org/uploads/media/2006.pdf>.
- (2005), *Informe Latinobarómetro 2005* [online] <http://www.latinobarometro.org/uploads/media/2005.pdf>.
- Lepineux, Francois (2005), “Stakeholder theory, society and social cohesion”, *Corporate Governance*, vol. 5, No. 2, Oxford, Blackwell Publishing.
- Lewis, Oscar (1969), *Los hijos de Sánchez*, Mexico City, Mortiz.
- Li, Bingqin (2004), “Urban social exclusion in transitional China”, *CASEpaper 82* [online] <http://ideas.repec.org/s/cep/sticas.html>.
- Machinea, José Luis and Andras Uthoff (2005), “La importancia de la cohesión social en la inserción internacional de América Latina”, *Integración regional y cohesión social*, Project documents, N° 29 (LC/W.29/E), Andras Uthoff and José Luis Machinea (comps.), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC).
- Martínez, Rodrigo (2005), “Hambre y desigualdad en los países andinos. La desnutrición y vulnerabilidad alimentaria en Bolivia, Colombia, Ecuador y Perú”, *Políticas sociales series*, No. 112 (LC/L.2400-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.05.II.G.147.
- Medina, Fernando (2001), “Consideraciones sobre el índice de Gini para medir la concentración del ingreso”, *Estudios estadísticos y prospectivos series*, No. 9 (LC/L.1493-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.01.II.G.33.
- Merton, Robert K. (1987), *Teoría y estructura sociales*, Mexico City, Fondo de Cultura Económica.

- Murphy, Raymond (1986), "Weberian closure theory: a contribution to the ongoing assessment", *The British Journal of Sociology*, vol. 37, No. 1, Oxford, Blackwell Publishing.
- (1984), "The structure of closure: a critique and development of the theories of Weber, Collins and Parkin", *The British Journal of Sociology*, vol. 34, No. 4, Oxford, Blackwell Publishing.
- Narayan, Deepa and others (2000), *Voices of the Poor: Can Anyone Hear Us?*, New York, World Bank/Oxford University Press.
- Oliveri, Federico (2004), "Introduction", Security through social cohesion: proposals for a new socio-economic governance, *Trends in Social Cohesion 10*, Council of Europe [online] http://www.coe.int/T/E/social_cohesion/social_policies/06.Documentation_Publications/Trends_in_social_cohesion/Trends.asp.
- UNAIDS (Joint United Nations Programme on HIV/AIDS) (2005), "América Latina. Hoja informativa" [online] http://data.unaids.org/pub/GlobalReport/2006/200605-fs_latinamerica_en.pdf.
- Paxton, Pamela (2002), "Social capital and democracy: an interdependent relationship", *American Sociological Review*, vol. 67, No. 2, Washington, D.C., American Sociological Association.
- (1999), "Is social capital declining in the United States? A multiple indicator assessment", *The American Journal of Sociology*, vol. 105, No. 1, Chicago, The University of Chicago Press.
- Peace, Robin and others (2005), *Immigration and Social Cohesion: Developing an Indicator Framework for Measuring the Impact of Settlement Policies in New Zealand*, Ministry of Social Development.
- Portes, Alejandro (1998), "Social capital: its origins and applications in modern sociology", *Annual Review of Sociology*, vol. 24, Palo Alto, California, Annual Reviews.
- PRIE (Regional Education Indicators Project) (2003), "Informe regional. Alcanzando las metas educativas" [online] <http://unesdoc.unesco.org/images/0014/001465/146516s.pdf>
- Putnam, Robert (1993), *Making Democracy Work: Civil Traditions in Modern Italy*, Princeton, Princeton University Press.
- Rawls, John (2002), *La justicia como equidad. Una reformulación*, Buenos Aires, Paidós.
- Rokeach, M. (1973), *The Nature of Human Values*, New York, Free Press.
- Salama, Pierre (2005), "From flexibility to social cohesion through finance", *Reconciling Labour Flexibility with Social Cohesion. Facing the Challenge*, Trends in Social Cohesion series, No. 15, Council of Europe [online] http://www.coe.int/T/E/social_cohesion/social_policies/06.Documentation_Publications/Trends_in_social_cohesion/Trends.asp.
- Saunders, Peter (2003), "Can social exclusion provide a new framework for measuring poverty?", *SPRC Discussion Paper*, No. 127 [online] <http://www.sprc.unsw.edu.au/dp/DP127.pdf>.
- Schultz, Christian and Doris Olaya (2005), "Towards an information society measurement instrument for Latin America and the Caribbean: getting started with census, households and business surveys", *Project documents*, No. 14 (LC/W.14), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC).
- Schwartz, Shalom (2003), "A proposal for measuring value orientations across nations" [online] http://naticent02.uuhost.uk.uu.net/questionnaire/questionnaire_development/chapter_07.doc

- _____ (1992), "Universals in the content and structure of values: theory and empirical test in 20 countries", *Advances in Experimental Social Psychology*, M. Zanna (ed.), New York, Academic Press.
- Seligson, Michael (2002), "The impact of corruption on regime legitimacy: a comparative study of four Latin American countries", *The Journal of Politics*, vol. 64, No. 2, Oxford, Blackwell Publishing.
- Sen, Amartya (1999), *Development as Freedom*, New York, Anchor Books
- Sparkes, Jo (1999), "Schools, education and social exclusion", *CASEpaper 29* [online]<http://ideas.repec.org/s/cep/sticas.html>.
- Social Exclusion Unit (2004), "Mental health and social exclusion", *Social Exclusion Unit Report* London Development Centre [online] <http://www.londondevelopmentcentre.org/silo/files/787.pdf>.
- Stone, Wendy (2001), "Measuring social capital. Towards a theoretically informed measurement framework for researching social capital in family and community life" [online] <http://www.aifs.gov.au/institute/pubs/stone.html>.
- Székely, Miguel (2006), "Un nuevo rostro en el espejo: percepciones sobre la discriminación y la cohesión social en México", *Políticas sociales series*, No. 128. (LC/L.2643-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.06. II.G.169.
- Tajfel, Henri (1978), "Social categorization, social identity, and social comparison", *Differentiation Between Social Groups*, H. Tajfel (ed.), New York, Academic Press.
- Tajfel, Henry and John Turner (1986), "The social identity theory of intergroup behavior", *The Psychology of Intergroup Relations*, S. Worchel and W.G. Austin (eds.), Chicago, Nelson-Hall.
- Thirion, Samuel (2004), "Social cohesion indicators and the contribution of a solidarity-based economy", *Ethical, Solidarity-based Citizen Involvement in the Economy: a Prerequisite for Social Cohesion*, Trends in Social Cohesion, No. 12, Council of Europe [online] http://www.coe.int/T/E/social_cohesion/social_policies/06.Documentation_Publications/Trends_in_social_cohesion/Trends.asp.
- TI (Transparency International) (2006), *2006 Annual Report* [online] <http://www.transparencia.org.es/>.
- Tokman, Víctor (2007), "Informalidad, inseguridad y cohesión social", *Políticas sociales series*, No. 130 (LC/L.2694-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.07.II.G.45.
- Towsend, Peter (1979), *Poverty in the United Kingdom*, Hardmonsworth, Penguin Books.
- Urban, Sabine (2004), "A civil commitment to the economy: how can solidarity –based finance systems and responsible consumption contribute to social cohesion", *Ethical, Solidarity-based Citizen Involvement in the Economy: a Prerequisite for Social Cohesion*, Trends in Social Cohesion, No. 12 [online] http://www.coe.int/T/E/social_cohesion/social_policies/06.Documentation_Publications/Trends_in_social_cohesion/Trends.asp.
- UNESCO Institute for Statistics (2004), *Literacy Assessment and Monitoring Programme (LAMP), International Planning Report* [online] http://www.uis.unesco.org/TEMPLATE/pdf/LAMP/LAMP_International%20Planning%20Report_4_TSM%20_3_.pdf.
- United Nations (2005), *The Millennium Development Goals: A Latin American and Caribbean Perspective* (LC/G.2331–P), José Luis Machinea, Alicia Bárcena and Arturo León

- (coords.), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. E.05.II.G.107.
- _____(n/d), “Core ICT indicators” [online] <http://www.itu.int/ITU-D/icteye/Indicators/Indicators.aspx#>.
- Vega, Isabel (2005), “La política de cohesión económica y social de la Unión Europea y la problemática tras su quinta ampliación: el caso español”, *Estudios y perspectivas series*, No. 25 (LC/L.2285-P), Buenos Aires, ECLAC office in Buenos Aires. United Nations publication, Sales No. S.05.II.G.37.
- Villarreal, Andrés and Braulio Da Silva (2006), “Social cohesion, criminal victimization and perceived risk of crime in Brazilian neighborhoods”, *Social Forces*, vol. 84, No. 3, Chapel Hill, University of North Carolina Press.
- Villatoro, Pablo (2007a), “Hacia la ampliación del segundo objetivo del Milenio: una propuesta para América Latina y el Caribe”, *Políticas sociales series*, No. 132 (LC/L.2712-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.07.II.G.60.
- _____(2007b), “La cohesión social en los países desarrollados: conceptos e indicadores”, *Estudios estadísticos y prospectivos series*, No. 55 (LC/L.2781-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.07.II.G.115.
- Villatoro, Pablo and Alisson Silva (2005), “Estrategias, programas y experiencias de superación de la brecha digital y universalización del acceso a las nuevas tecnologías de información y comunicación (TIC). Un panorama regional”, *Políticas sociales series*, No. 101 (LC7L.2238-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.04.II.G.158.
- Vranken, Jan (s/f), “No social cohesion without social exclusion?” [online] <http://www.shakti.uniurb.it/eurex/syllabus/lecture4/Eurex4-Vranken.pdf>.
- Wagner, Alan (2006), “Cohesión social y gobernabilidad. Una visión desde el Grupo de Río”, document presented at the International seminar: social cohesion in Latin America and the Caribbean: an urgent review of selected aspects, Panama City, 7- 8 September.
- Walby, Sylvia (2000), “Analyzing social inequality in the twenty-first century: globalization and modernity restructure inequality”, *Contemporary Sociology*, vol. 29, No. 6, Washington, D.C., American Sociological Association.
- Weber, Max (1964), *Economía y sociedad. Esbozo de sociología comprensiva*, Mexico City, Fondo de Cultura Económica.
- Wharton, Amy (1991), “Structure and agency in socialist-feminist theory”, *Gender and Society*, vol. 5, No. 3, Thousand Oaks, Sage Publications.

Annexes

Table A-1
Latin America (4 countries): predictors of legitimacy: corruption, gender, age, education, incomes and voting in presidential elections^{a b}
(Regression model OLS)

Independent variables	El Salvador		Nicaragua		Paraguay		Bolivia	
	B	Sig.	B	Sig.	B	Sig.	B	Sig.
Constant	71.4	0.000	57.4	0.000	54.9	0.000	50.5	0.000
Scale of corruption	-.361	0.000	-.163	0.000	-.056	0.001	-.137	0.000
Gender	-.812	.327	-3.0	0.009	-.545	0.648	-1.58	0.018
Age	-.138	0.000	-.137	0.001	-.704	0.356	-.120	0.000
Education	-.710	0.000	-.081	0.590	-.776	0.000	-.358	0.000
Incomes	-.921	0.001	-.555	0.112	-.768	0.156	1.1	0.000
Presidential vote	7.7	0.001	2.5	0.042	5.46	0.000	2.7	0.001
N	2645		1663		1262		2594	
R ²	0.13		0.03		0.05		0.06	
F Test	0.000		0.000		0.000		0.000	

Source: Michael Seligson, "The impact of corruption on regime legitimacy: a comparative study of four Latin American countries", *The Journal of Politics*, vol. 64, N° 2, 2002.

^a The coefficients are not standardized.

^b Values for gender variable are: (1) male and (2) female.

■ Table A-2 ■

**Latin America (18 countries): predictors of the perception
of belonging to a group suffering discrimination, 2006**

*(Model of conditional forward logistic regression, where 1 = feels that they
belong to a group suffering discrimination and 0 = feels that they
do not belong to a group suffering discrimination)*

Step 1; p = 0.000***: R squared = 3%: AGFI = 0.186		
Variables selected at step 1	B	Sig.
Perceived adequacy of household income (1 = sufficient, they can save; 2 = just sufficient; 3 = insufficient; 4 = insufficient, they have major difficulties)	0.398	0.000
Step 2; p = 0.000***: R squared = 4%: AGFI = 0.322		
Variables selected at step 2	B	Sig.
Perceived adequacy of household income	0.385	0.000
Mother tongue (1 = indigenous mother tongue; 0 = non-indigenous mother tongue)	0.655	0.000
Step 3; p = 0.000***: R squared = 4%: AGFI = 0.000		
Variables selected at step 3	B	Sig.
Perceived adequacy of household income	0.360	0.000
Mother tongue	0.618	0.000
Schooling	-0.019	0.000
Variables excluded from step 3	Sig.	
Religion	0.084	
Sex	0.592	
Age	0.806	

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tables from the 2006 round of the Latinobarómetro Corporation.

■ Table A-3 ■

Latin America (18 countries): predictors of the perception of being ill treated owing to skin colour or race, 2006

*(Model of conditional forward regression,
where 1 = feels ill treated and 0 = does not feel ill treated)*

Step 1; p = 0.000***; R squared = 1.7%		
Variables selected at step 1	B	Sig.
GDP per capita country (1 = low GDP per capita; 2 = intermediate GDP per capita; 3 = high GDP per capita).	-0.425	0.000
Step 2; p = 0.000***; R squared = 2%		
Variables selected at step 2	B	Sig.
GDP per capita country	-0.532	0.000
Possession of goods in the home (scale of 0 = has fewer than eight goods = has eight goods)	0.095	0.000
Step 3; p = 0.000***; R squared = 2.6%		
Variables selected at step 3	B	Sig.
GDP per capita country	-0.5	0.000
Possession of goods in the home	0.073	0.000
City size	0.063	0.000
Step 4; p = 0.000***, R squared = 3%.		
Variables selected at step 4	B	Sig.
GDP per capita country	-0.465	0.000
Possession of goods in the home	0.079	0.000
City size	0.068	0.000
Mother tongue (1 = indigenous mother tongue; 0 = non-indigenous mother tongue)	0.412	0.000
Variables excluded from step 4	Sig.	
Schooling	0.351	

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tables from the 2006 round of the Latinobarómetro Corporation.

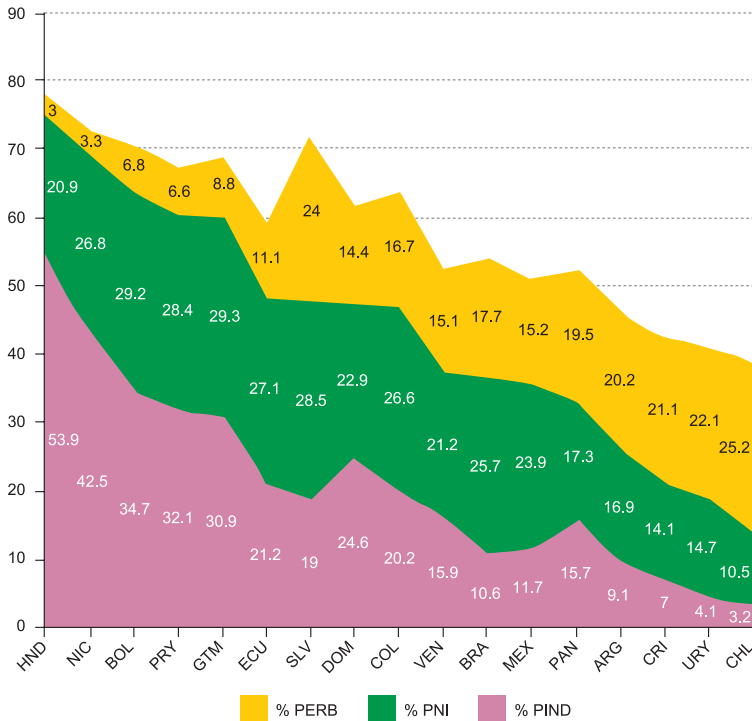
■ **Table A-4** ■
Latin America (18 countries): Confidence in institutions, 2006
(Analysis of main components)

Components		Percentage of explained variance	
Component 1		35.6	
Component 2		13.2	
Component 3		7.4	
Matrix of components	Component 1	Component 2	Component 3
Confidence in the government	0.723	-0.280	-0.039
Confidence in the president	0.705	-0.369	-0.139
Confidence in parliament	0.702	-0.339	-0.084
Confidence in the judiciary	0.679	-0.318	-0.069
Confidence in the electoral tribunal	0.637	0.049	-0.252
Confidence in the political parties	0.635	-0.317	-0.045
Confidence in the police	0.631	-0.205	0.036
Confidence in private enterprise	0.587	0.097	0.329
Confidence in the newspapers	0.585	0.324	0.317
Confidence in the armed forces	0.571	0.018	0.360
Confidence in the fire service	0.424	0.402	-0.310
Confidence in the television	0.499	0.667	-0.209
Confidence in the radio	0.513	0.666	-0.297
Confidence in the Church	0.328	0.346	0.618

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tables from the 2006 round of the Latinobarómetro Corporation.

■ Figure A-1 ■

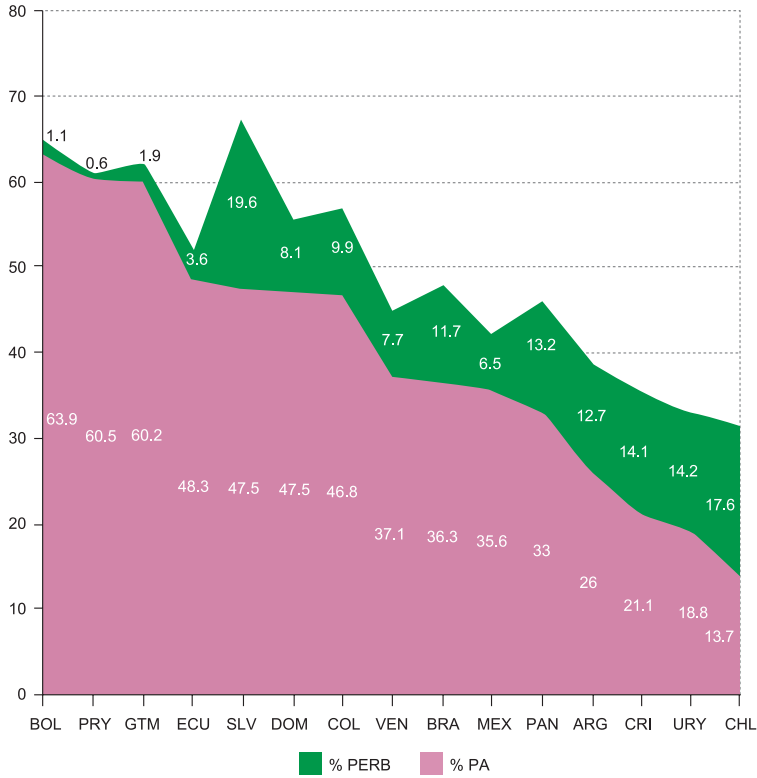
Latin America (17 countries): population exclusively on low income (70% threshold) and indicators of absolute poverty, circa 2005^{a b}
(Values in percentages of population)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tables from home surveys in the respective countries.

^a % PIND = Percentage of indigent population; % PNI = Percentage of poor but not indigent population; % PERB = Percentage of population exclusively on low income.

■ **Figure A-2** ■
**Latin America (15 countries): population exclusively with low income
(60% threshold) and absolute poverty, circa 2005^a**
(Values in percentages of population)



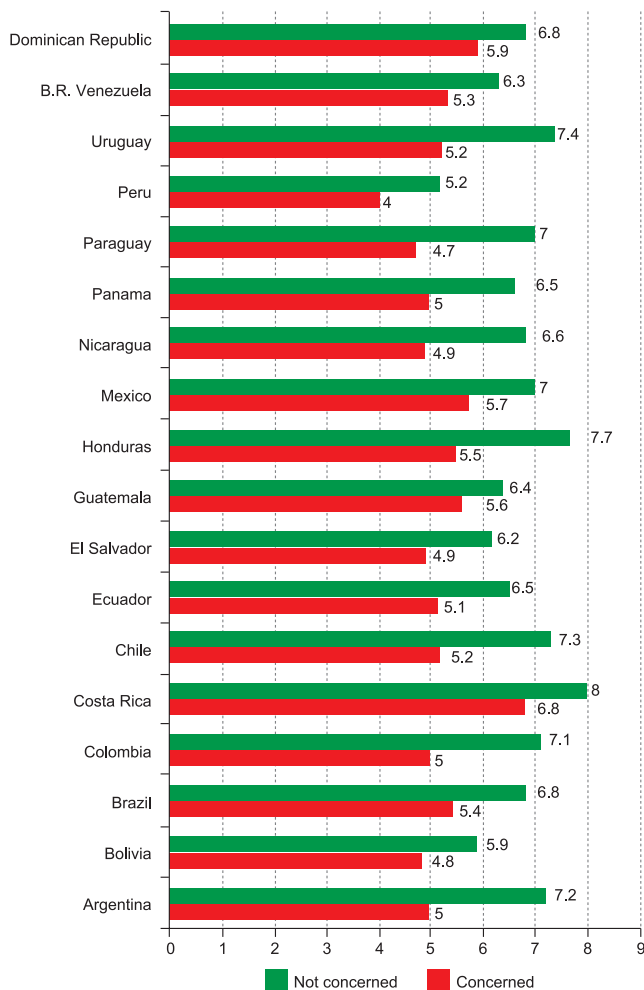
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tables from household surveys in the respective countries.

^a % PA = Percentage of population below absolute poverty line; % PERB = Percentage of population exclusively on low income.

■ Figure A-3 ■

Latin America (18 countries): perception of job stability and concern at losing employment, 2006

(Average values on a scale of 1 = no stability to 10 = full stability)

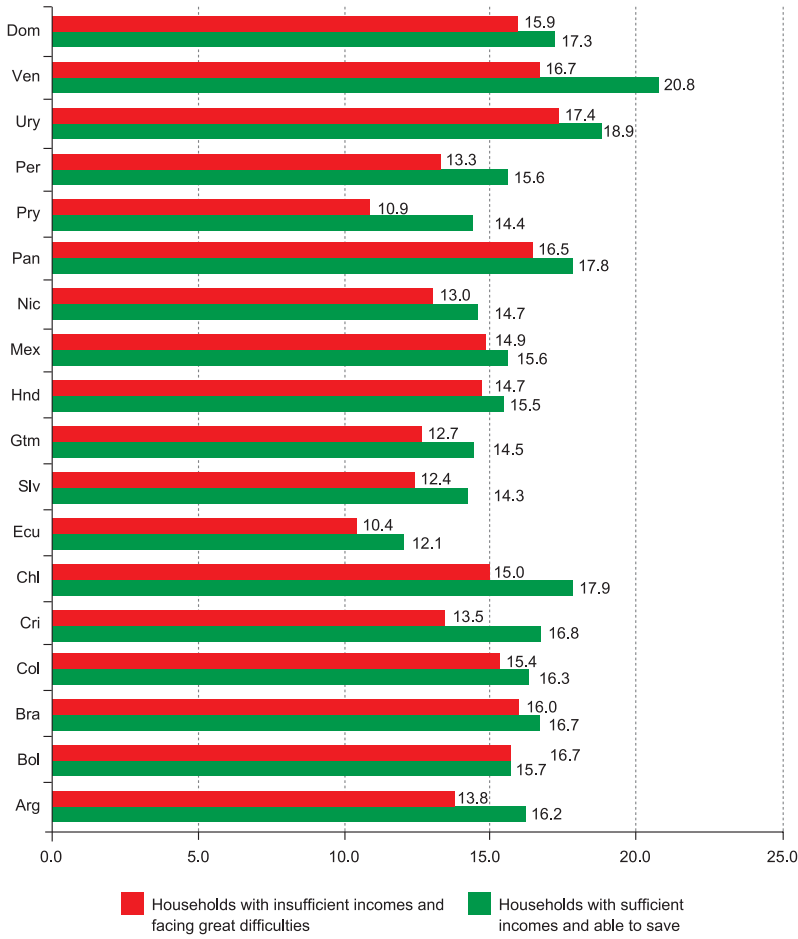


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tables from the 2006 round of the Latinobarómetro Corporation.

■ Figure A-4 ■

Latin America (18 countries): Confidence in State institutions and political parties, adequacy of household and country incomes, 2006^a

(Average values, higher score means greater confidence)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tables from the 2006 round of the Latinobarómetro Corporation.

^a The classification of households is based on self-reporting of the adequacy of incomes for meeting the basic needs of household members.