

IDB / Civil Society Meeting — Maceió – December 7th and 8th, 2001.

Working group #1 report:

“IDB’s contribution in defining the development agenda of Latin-American and Caribbean countries”

1. Enhance our ability to perform assessments

The group understands it is essential to start from realistic assessments — regional, national and sub-national — that identify the main problems faced by a development agenda in Latin-American and Caribbean countries, as well as the capacities of the different collective players and public agencies (national and international) that propose to act on promoting development. Such assessments must be produced together with the collective representations of the societies to which they refer.

Such assessments must start by acknowledging that growing democracies in Latin America and the Caribbean are still fragile, far from overcoming their dependence on local elites, often moving backwards as regards protection of rights, and as yet unable to provide considerable improvement in the life quality of their citizens. In fact, inequalities and poverty have spread in the last decade of democratic regimes. And this situation is a result of public policies adopted by the region’s governments. Overcoming this reality of growing social exclusion depends on a new model of social regulation, proposing new modes of relationship between the public and private sectors, between Civil Society and the State, aiming at fulfilling social objectives and democratizing governments in the region, and at designing new public policies focused on equality and social justice.

Thus, current conditions within the Latin America and Caribbean scenario fail to bring prospects of development to the countries. The model expressed by the Washington Consensus and adopted by most of the region’s countries has led only to weakening labor relations and life conditions for most of the population.

This realistic assessment also needs to face two challenges: issues relating to the fragileness of the collective civil society representations, which despite their efforts still face considerable limitations in accessing information and developing institutional capacities to promote an assessment of realities, programs and projects, as well as playing the expected proactive role in the public spaces; likewise, we need to acknowledge IDB’s need to adjust to the new Latin-American and Caribbean reality, to civil society’s expectations of participation and monitoring of its policies and activities, and to broaden the mechanisms, levels and processes that allow its democratization.

In this context, priority themes in searching for development alternatives are:

- wealth and income redistribution policies
- democratic re-founding of the State in all its levels
- democratization of international financing organisms, such as IDB
- strengthening regional prospects of promoting development

- Strengthening collective players in civil society that act on the discussion and promotion of development.

2. Stimulate and deepen public debate on democracy development

Development is not a government theme. It is a theme of all citizens and public agencies, whether national or international. In this sense, we need to broaden national and regional spaces of public dialogue on the theme.

The following practical propositions arose:

- to publicly discuss country papers, including in Congress, and create preparatory debates that reflect their priorities;
- for IDB to systematize and evaluate projects implemented by the Bank in their positive aspects and challenges, and discuss them publicly;
- to debate and deepen the understanding of what we take for development, what kind of development we wish for and how it translates into IDB's programs and projects;
- to define what we take for democracy, what democracy we want and how are IDB's initiatives translated as regards discussing the topic with civil society;
- to emphasize the discussion on the topics of municipalization, decentralization and participation.

3. Analysis of IDB's action and projects

- the stimulation towards openness and globalization generates a strong inducement to external indebtedness by the region's governments; although the governments take the initiative of indebtedness policies, the international financing organisms and the adoption of the model based on the Washington Consensus stimulate that indebtedness;
- projects financed by IDB follow a logic that reinforces the concentrating and excluding model and go against the general objectives announced by the Bank. As an example, we can cite the issue of State Reform: it is treated much more from the viewpoint of adjusting budgets and reducing costs than redefining the roles of the State;
- poverty reduction programs and projects fail to reduce poverty and to change the human development rates in the territories in which they occur. We must understand poverty as a consequence and seek to confront its causes. We cannot fail to combine the issue of poverty with the issue of wealth and income concentration/redistribution;

4. IDB's relationships with societies and governments

- IDB's shareholders are the States, not the governments. It is up to Congress to approve loans, and therefore the country paper must be discussed and approved in Congress.

- We propose that IDB evaluate its projects and present the results to the societies covered by these projects, and to that end, the Bank must build indicators for evaluation of the social impact of their projects;
- We propose that IDB systematically include in its projects (as has been done in some cases) participatory methodologies and processes for collective civil society representations, from the planning stage to final evaluation. To that end, we propose to IDB preparation of a policy regarding the issue of participation. The Bank's policy document must be prepared together with civil society representatives;
- We propose to IDB the design of an institutional strengthening policy for collective civil society players so that these may act independently within public spaces and acquire more and better capacities to exert their participation in a critical and proactive manner.
- We propose that IDB be more proactive in its relationship with society.