

HOW TO PAY AN UNPAYABLE DEBT: THE INTERGENERATIONAL CHALLENGE OF LATIN AMERICANS

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When reviewing the list of social deficiencies in Latin America, the reader is overwhelmed by the enormous 'social debt' incurred by the governments and leaders in the region, as well as by the minority of those who are better off, with the majority of those who are worst off.¹

The social debt admits two dimensions. In the *intra-generational* dimension, it is the solidarity debt that some have with other fellow coetaneous countrymen. Rulers and political, economic and social leaders, as well as those who are better off, are the carriers of a social debt with those unprotected in their same generation. To this debt another one is added, this time *intergenerational*, of the generation in a productive age with the several generations in an unproductive age: the elderly, minors and those still to be born.²

The Latin American social debt is so vast, so demanding, that to the effort needed for its 'payment' by responsible Latin Americans, two other contributions should be added: (i) the one made by the unprotected themselves, so they try to take advantage of the few or many opportunities that

¹ According to World Bank data, 47.4% of Latin Americans lived under the poverty line in 2004. This does not mean that the remaining 52.6% may be included among those who are 'better off', first because the Latin American criterion to measure poverty is less demanding than the developed countries' one, secondly because sometimes being just above the poverty level does not necessarily presuppose belonging to those who are 'better-off', and thirdly because the Latin American poverty indexes worsen among children and youngsters, reaching 56% of those under 19 years of age, according to UNICEF data.

² We will use the word 'coetaneous' to name the people of the same age, of the same generation, while the word 'contemporaries' will name those who live at the same time but do not necessarily belong to the same generation: a child and an adult, for example.

may come up, avoiding, as much as possible, the temptation of passively accepting the 'gifts' of political clientelism, and (ii) the one from the developed countries, that not only offer an insufficient international aid, but severely restrict also Latin American main exports.³

Together with the intra-generational debt, the Latin American intergenerational debt accumulates a huge *social liability*, that claims for a vast *solidarity* movement.⁴

This liability, that gives a somber tone to the Latin American social landscape, is framed within a theological and philosophical context that could be defined starting with the following concept: each person is born *indebted*.

If the word 'sin' coincides at least partially with the word 'debt', we should mention here the religious doctrine of the original sin. When he moved from the religious vision of the original to its own philosophical vision, Martin Heidegger observed that none of us did anything to deserve life. Among the trillions and trillions of possible human beings that were never born, the relatively few that have been born were invited to the life banquet without previously meriting it. From the religious angle, Pope Benedictus XVI has just mentioned in his encyclical *Deus caritas est* that 'God loved us first'. Human love is, consequently, an *answer* to divine love.⁵

³ The European Union pays the equivalent to U\$S 150.568 billion per year in subsidies to its farmers. The annual amount of the European international aid is equivalent to U\$S 8.704 billion dollars, almost twenty times less. Japan pays the equivalent of U\$S 60.850 billion per year in agricultural subsidies; its foreign aid is equivalent to U\$S 8.906 billion per year, almost seven times less. As far as the United States, it distributes subsidies to its farmers for U\$S 108.696 billion per year, while its foreign aid is U\$S 19.075 billion: five times less. Source: OECD, Development, Donor Aid Charts.

⁴ Linked to the Greek word *holos*, 'whole', the word 'solidarity' is also related to 'salvation' and 'health'. In legal terms, a group of people assumes a solidarity obligation, *in solidum*, when it is like if each one of its members owes everything, and the creditor can claim it indistinctly from each one of them. Solidarity presupposes, therefore, that we assume what other lacks as our own burden. On the other hand, in the same way that hate admits several expressions such as envy, resentment or revenge, solidarity is one of the expressions of love. It is thus mentioned in *Deus caritas est*, Benedictus XVI's first Encyclical. As in the Good Samaritan parable, solidarity is one of the 'unitive' effects of love, since it induces two or more persons to act as if they were one. *In solidum*.

⁵ The words 'debt' and 'sin' are closely related, because sin, 'guilt', generates debts as those mentioned in the classical version of the Lord's prayer when it said: 'forgive us our debts...' In some languages such as German, guilt and debt (*schuld*) are used as synonymous.

Because of this, our life is neither a prize nor a payment. It is a *gift*. To the gift of life as such, the gifts *during* life are added, thus completing the potential with which each person is endowed. But if the gift 'of' life is even for all human beings due to the mere fact that they were graciously chosen to be born, the gifts 'during' life are uneven. One would then wonder what could be expected by those who have received less gifts in life, from those who have received more. To begin with, they might expect their solidarity. Whether it can be legally demanded or not, whether it comes from a religious belief or not, solidarity is a *moral duty* of those who received more vis a vis those who received less, to level off, as much as possible, the account of life gifts.

The solidarity exercise implies adding the human beings' actions to the immense gift of Creation, a gift that would be incomplete without the contribution of its own beneficiaries. To the extent that their contributions are made, human beings ascend to the dignity of *co-creators*.

To return to Heidegger's philosophical argument, each one of us, at the moment he is born, finds its moral accounting in red because, before entering his own annotations in the 'debit' or the 'credit' columns, every human being already has an annotation in his 'debit' column. Man is born in debt because by himself he is 'nothing' and nevertheless has been 'thrown' into existence with the power to take care of himself and develop. *He is not* but, at the same time, *he is*. If he decides to listen to his conscience, his first concern will be to honor his original debt or guilt, that does not come from any specific 'sin' but from the mere previous fact of existing. Life, from a moral standpoint, starts with the intention to pay this original debt.⁶

But here a paradox arises: the original debt is so huge that paying it in full is beyond our scope. At least at the pure natural level, it *cannot be paid*. From the original debt standpoint, thus, the moral life consists in the effort to pay what one will not be able to pay. An effort condemned beforehand?

When we carry on this philosophical vision into the field of the social debt with our own generation, with the generation of our ancestors, with the generation arriving and those yet to come, the debt increases not only because of the millions of people involved but also because in the underdeveloped countries it acquires a dramatic character unknown in developed countries. The high child mortality and malnutrition rates in Latin America tell us that part of that social debt has been already unpaid.⁷

⁶ Heidegger devotes paragraph 58 of *Being and Time* to examine this complex problem.

⁷ The infantile mortality rate in Latin America is 26 per one thousand born alive. In the industrialized countries is 5 per thousand. The rate of undernourished children in

Far from discouraging the overwhelmed payer, the fact that a debt cannot be paid should stimulate him, because the nature of his obligation does not come from a mere arithmetic calculus, but from a powerful *moral mimesis*. How do we react when someone gives us a gift? Wishing, on our part, to make a gift. Behind the urge of meeting the moral obligation that generated the gift, appears the initiative of making a gift not only to the person who gave us the gift but also to others who did not. This is the *generosity mimesis*.⁸

The generosity of the beneficiary of a donation, in turn converted into a benefactor, tends to expand. Generosity is like the circles generated by the stone thrown into a calm lake. It expands indefinitely. From one human being to another, from one generation to another, generosity is destined to grow without stopping, precisely because the donors know that it will never be enough.

The paradox of human life consists thus in that it invites us to make an effort to pay our debt as if we could pay it, warning us, at the same time, that we can not. We must act as if the impossible were possible. 'Pray as if everything depended on God and work as if everything depended on you', told us St. Augustine.⁹

We Latin Americans, and all those who want to help us from outside our region, must consequently make an effort to pay that part of the social debt that is in our hands to pay, even recognizing that the payment we will be able to make will be a small share of our total debt.

Latin America is 7%. In the industrialized countries, it is often not taken into account because it is irrelevant. Source: UNICEF.

⁸ In Chapter III of his book *Resentment*, titled 'Christian morality and resentment' Max Scheler refutes Frederic Nietzsche's opinion according to which Christian love 'is the most delicate flower of resentment' because it sublimates, to say so, the moral of the slave, making him 'rise' as the carrier of a moral response to his master, as a demonstration that who is 'below' can surpass who is 'above' through love. Scheler, instead, supposes that Christian love 'descends' in the direction of others from a height where spills like a full glass, incapable of containing its own overabundance. Let us compare this vision with the one in *Deus caritas est*, when its author refers to Jacob's scale and the 'descending' love that comes from generosity to favor those who have 'less'. This is the 'moral mimesis' of generosity that roams from above, the person in love not keeping for himself his own plenitude.

⁹ In the pages of *Historia de la Filosofía* dedicated to him, Julián Marías observes that St. Augustine was the last man from Antiquity and the first modern man. As the last antique man, he collected the best from classical wisdom. As the first modern man, he started from his own intimacy in the *Confessions* to put the finishing touch in the conception of world history in *The City of God* (Julián Marías, *Historia de la Filosofía*, 'Cristianismo', II).

2. THE LATIN AMERICAN PERSPECTIVE

Inasmuch that, as human beings, we are called to help others, so they also must help themselves in the search for development, in the search for the 'passing of everyone and of each one from less human to more human conditions'. We are thus living under the weight of a moral mortgage. This liability outlines such a demanding social landscape that it forces us to select *priorities*.¹⁰

From the reading of the *Acta 10* prepared during the meeting held in April-May 2003 by the Pontifical Academy of Social Sciences, the hypothesis emerges that the order priorities of the intergenerational solidarity admits different although complementary approaches, according to circumstances of time and place.¹¹

In said meeting, special attention was paid to the solidarity obligation of the productive generation towards the previous generation of the elderly. This priority might give way to another, different although not antagonistic, in the Latin American case, this time favoring the generations to come, due to two reasons.

The first one is that, while the demographic weight of the elderly predominates in Europe, in Latin America the demographic 'aging', that is also happening, is produced at a slower pace which turns pale before the infantile and juvenile explosion of the Latin American population. In Latin America, to put it simply, there are more children and youngsters than in Europe.¹²

The second reason was already noted in the 2003 meeting by several speakers, in the sense that due to its own nature, the future tends to be more demanding than the past. The intergenerational obligation toward the elderly, toward the past, although huge, is concentrated on only one

¹⁰ The definition of development is from Paul VI, Encyclica *Populorum Progressio*, 1967, paragraph 20. Cfr. Mariano Grondona, *En busca del equilibrio: La encíclica Populorum Progressio*, doctoral thesis, 1969, Buenos Aires.

¹¹ Acta 10, *Intergenerational Solidarity, Welfare and Human Ecology*, Edited by Mary Ann Glendon, Vatican City, 2004.

¹² In 2005 Latin American had 546,656,828 inhabitants; 29.64% were less than 14 years old, 64.53% were between 14 and 64 years old, 5% were older than 65. That same year, the European Union had 456,953,258 inhabitants; 16.04% were less than 14 years old, 67.17% were between 14 and 64 years old and 16.81% were older than 65. As we can see, the Latin American proportion of minors almost doubles the European proportion, while the European figure for older people almost triples the Latin American one. Sources: for Latin America CEPAL, Boletín Demográfico No. 17. For the European Union: CIA World Factbook.

generation, while the intergenerational obligation toward the children and the youngsters extends indefinitely into the future, because if today's youngsters are left unattended, their shortcomings could be transmitted to tomorrow's youngsters and the endless legion of those to be born after them. We are therefore facing the contrast between an intergenerational obligation limited to one generation toward the past, and an unlimited intergenerational obligation toward the future.

While the generation turned passive due to the passing of time deserves to receive solidarity on its own merit, because of the debt we have contracted with our elderly, the generation *still* passive but that will become active shortly would be damaged even before its own deployment, due to the lack of solidarity from its elders during its training years, when its potential remains still intact, thus generating a vicious circle that might continue indefinitely into the future.

The priorities perspective of the intergenerational solidarity should not ignore, also, that part of the elderly generation considered passive by the laws in force may not be so today and tomorrow thanks to the prolongation of the active life happening before our eyes. When this is no longer the case, the passive generation deserves a solicitous and respectful care, but even so, the adequate preparation of today's children and youngsters is the crucial theater of operations where the decisive battle for intergenerational solidarity is being fought.¹³

If the dilemma resulting from the need to agree on the support to the passive generation of the elderly on one hand, and of the children and youngsters on the other, aims in the direction of the latter without forgetting the former, the perception of this priority is accentuated even more in an infantile and juvenile continent such as Latin America.

¹³ Life expectancy in Europe increased from 63 to 73 years in the past 50 years. By 2050 it will reach 80 years. In Latin America it will grow from 70 years in 1995-2000 to 75.3 years in 2020-2025. The legal retirement age, in both cases, is around 65 years. While life expectancy grows in both continents, although more in Europe, the retirement age, in general, has not changed. Sources: International Labor Organization, February 2005 Report. Inter-governments Regional Conference on Aging: Towards a regional strategy of implementation for Latin America and the Caribbean of the Madrid International Action Plan on Aging, Santiago de Chile, 2003.

3. CAN BACKWARDNESS BE 'BETTER'?

When a comparison is made between the economic and social levels of the more developed countries and the less developed ones, sometimes these two classes of countries are imagined as traveling the same road, along a caravan whose vanguard is passing by the same spot where, in due time, the rear guard will also pass.

This idea that the present of developed countries is somehow the future of the Latin American countries, could be accepted in those cases where the developed countries exhibit better indexes than the Latin American ones. How could a Latin American country not wish for an 'European' future, when the gross product per inhabitant, the percentage of poor people, the schooling indexes or the consolidation of democratic institutions are mentioned?¹⁴

But this vision of a single caravan of nations, more and less developed, is no longer convincing when the 'vanguard' shows the deterioration of certain values that does not affect the 'rear guard' as yet, with the same intensity. If the decrease in the fertility rate is sharper in the vanguard countries – where some times does not even compensate the mortality rate – than in the rear guard countries, should we consider it a progress, only because it appears in the vanguard? If the typical family is 'nuclear' in Europe, because it tends to include only the parents and small children, but is wider in Latin America because it congregates the grandparents, aunts, uncles, cousins and grown up brothers, which of the two regions is favored by this contrast? If the divorce rate is higher in Europe than in Latin America, should we Latin Americans wish we had it?¹⁵

¹⁴ In Latin America, the per capita income is \$ 3.251 per year. In the European Union it is \$ 28.110 per year. Source for Latin America, CEPAL, Anuario Estadístico de América Latina y el Caribe. For the European Union, CIA World Factbook. The schooling data in Latin America are the following: Illiterate, 10%, primary schooling index, 94.4%, secondary schooling index 65.2%, tertiary schooling rate, 22.6%. In Europe, the primary and secondary education index is slightly above 100%, the tertiary one was between 64% and 49%, depending on the country, in 2002/2003. Source for Latin America: CEPAL. For Europe and North America, UNESCO, For both regions, Education for All Report 2005.

¹⁵ The annual fertility rate in Latin America is 21.7 per one thousand inhabitants. The European one, 9.9 per thousand. The divorce rate in developing countries is 10 per one thousand inhabitants, while in the European Union it is 19 per one thousand inhabitants. 27% of the European homes are unipersonal. In Latin America, unipersonal homes range from 15.8% in Argentina to 3.4% in Honduras. The average in European homes is 2.8 persons per home. In Latin America it goes from 3.1 (Uruguay) to 5.1 (Nicaragua). Source: CEPAL, División de Estadísticas y Proyecciones Económicas. There are also important differences in

That Latin America conserves some characteristics of the traditional family, in whose bosom the intergenerational solidarity is, precisely, *born*, is it the merit of Latin Americans, because is a value they deliberately defended, or is it simply because, due to its historical backwardness, Latin Americans have not *yet* experienced the acute erosion of the traditional family brought by modernity, an erosion that, in time, will also affect our region?

The least that can be said in this respect is that, with the deterioration of family values shown by the developed countries, the less developed countries should experience in another head to prevent a damage whose magnitude has not reached them yet.

The fact that the economic and social development exhibited by leading countries is globally preferred to the underdevelopment of the countries coming behind them, does not necessarily mean that, in certain areas, the indicators in the former countries imply a step backwards rather than forward. Which means that, far from rushing behind the developed countries' model without establishing the necessary differences, the Latin American nations should forge a development model that we could call *mixed*, underlining next to those characteristics of the developed countries we all admire, other characteristics of the Latin American tradition that must not be lost due to their high social value. If we move this concept to the American continent, we should recognize that the comprehensive development of the Latin American countries has no reasons to reproduce the *American way of life*. There is also a *Latin American way of life*, with its own cultural roots, its own order of values, that has to be supported and perfected, but in no way abandoned.¹⁶

4. FAMILY AND FAMILISM

There are three main explanations for the gap that separates the more developed from the less developed countries. The first one, of an economic nature, is also called *structuralist*, because it refers to the macroeconomic data linked to development. Another explanation sometimes receive the

Europe, according to the cultural root of the country involved: while in Denmark unmarried couples reach 25% of all couples and 72% of the couples below 29 years of age, these percentages only reach an average of 8% in Italy, Spain, Portugal and Greece.

¹⁶ Cfr. Mariano Grondona, *Las condiciones culturales del desarrollo económico*, Ariel-Planeta, Buenos Aires, 1999, Capítulo XVII.

name of *institutionalistic*, because it emphasizes the gravitation of democratic political institutions, more vigorous in the developed countries.

A third explanation is called *culturalistic* because it underlines that in the vanguard countries values more compatible with democracy and economic development are in force, compared to the predominant values of the countries in the rear guard.¹⁷

The culturalistic theory, whose origin dates back to the classic book by Max Weber, *The Protestant Ethics and The Spirit of Capitalism*, published in 1904-1905, was updated by the studies made by Edward Banfield and Robert Putnam, centered on the contrast between the development in the North and the underdevelopment in the South of Italy. Today, Lawrence Harrison is the most effective promoter of culturalism.¹⁸

According to Banfield and Putman, the main obstacle in the development of Southern Italy, which also explains at least partially the Latin American underdevelopment, is *familism*, understanding as such a deviant order of values where loyalty towards the family comes before loyalty to the community as if both were incompatible. The most acute and exaggerated example of familism would be, according to this interpretation, the mafia. Don Corleone was not simply an 'immoral' being. He had 'another' moral scale, obviously questionable, according to which the family interest is so intense that it nullifies the general interest.

This erred priority would explain the scarce enforcement of the law in the Latin world, with its overload of tax evasion and corruption, as opposed to the strong law enforcement in the Anglo-Saxon world. The contrast of values between Anglo-Saxon countries and the Latin ones would explain, according to the above-mentioned authors, why those countries and not these ones are at the vanguard of development.

But familism, which according to this thesis would explain Latin backwardness, is only an exaggeration, the deformation of a value whose enforcement is necessary when we talk about solidarity between the generations because it is born precisely between parents and children. We speak

¹⁷ Cfr. Mariano Grondona, above mentioned work, Capítulos VI-VIII.

¹⁸ From Lawrence Harrison, see *Underdevelopment is a State of Mind*, published for the first time in 1985. Together with others such as Samuel Huntington and Francis Fukuyama, Harrison published in 2000 *Culture Matters*. And he also is responsible for *The Central Liberal Truth*, about to be released. From Edward Banfield, see *The Moral Basis of a Backward Society* (1958) and from Robert Putnam, *Making Democracy Work, Civic Traditions in Modern Italy* (1993).

here about the value of the *family* in a well understood way, without additions nor deformations, whose presence is stronger in Latin countries than in Anglo-Saxon ones.

When the culturalistic theory came into the light with Weber, the figures of economic progress could still be used as an argument about the development of the countries with a Protestant cultural root, as opposed to the countries with a Catholic one. However, a century after Weber's classic book, the vision of a Protestant edge in the road to development is no longer unquestionable. The notorious progress of countries with a Catholic tradition such as Italy, Spain, Ireland and Portugal, the strong development drive in Asian countries with a Buddhist and Confucian cultural root, and even the fact that some Latin American countries, such as Chile, are heading towards development, reduce Weber's thesis to the role of a *historical* explanation which, if it was important at the beginning of development, seems to be losing its validity in our days due to the progress made by nations with a non-Protestant culture that have been able to protect, precisely, the value of the family, whose weakness in strongly individualistic countries is part of the problem of the intergenerational lack of solidarity.¹⁹

The profound contrast between an individualistic perception and a family-oriented perception of development can even be traced to the etymology linked to the words *happiness* and *felicidad*. If, as Aristotle already noted, the common wish of human beings is to reach happiness, this target is not defined in the same way in an individualistic culture and in a family-oriented one.²⁰

Although the word *felicity* exists in the English dictionary, when you talk about it in English, the word *happiness* is used, a noun related to the verb *to happen*. According to this perspective, 'happy' is the person who can achieve that whatever she wishes the most 'happens'. From there comes John Rawls' classic definition of happiness, as the awareness someone has that he is complying with his life plan and the confidence he also has that he will continue this way in the future. 'Someone' is, to begin with, an individual.²¹

¹⁹ Cfr. Angus Maddison. *The World Economy, 1820-1992. Analysis and Statistics. OECD perspectives, 1997*. In *The Catholic Ethics and the Spirit of Capitalism*, Michael Novak observes that the economic progress is no longer the privilege of Protestant countries (The Free Press, 1993).

²⁰ Aristotle talks about happiness in the first passages of his *Ethics to Nicomaco*.

²¹ Rawls defines *happiness* in paragraph 83 of his *Theory of Justice*.

The word *felicidad* that we Latin Americans use to refer to the status which according to Aristotle is searched by all human beings, responds instead to the Indo-European root *fe*, whose original meaning is 'to suck the bosom'. A Latin man identifies 'felicidad' with a woman, whether his mother or his companion, and he cannot longer say, according to Rawls' definition, 'I am' happy, but 'We are' happy. How? As a family. To the *fe* root, the words 'fertility', 'fecundity' and 'femininity' also correspond.²²

The supremacy of the family as a value can lead to exaggerations that result in 'familism', in a family authoritarian, overprotective or transgressor of the law, but there where the well understood supremacy of the family value does not prevail, an anguishing solitude accompanies the minimization of family links even if the 'life plan' of the individual continues to be complied within the economic and professional fields.²³

5. WHEN BACKWARDNESS IS 'WORSE'

If the task of preserving the family value can be *better done* in Latin American countries than in the more advanced ones, there are other areas, unfortunately numerous, where the Latin American backwardness is unquestionably *worse*.

To begin with, we think here about the Latin American *institutional immaturity*. When we review the social problems outlined in the above-mentioned Acta 10, it is worth mentioning that what is being criticized by several authors from the developed countries, who would like to improve on it, is the existence of several *social policies* they consider unsatisfactory in fields such as education, health and social security. These social policies are even less satisfactory in Latin America, but what is missing here is something more important because it is *previous* to policies: it is *politics* as such, i.e. the State organization conceived as an efficient agent for the common good. Without a solid and stable democratic State, without an adequate political format, it is difficult to have rational and continuous 'policies' aiming at the systematic overcoming of social problems. (In the field

²² Cfr. R. Grandsaignes d'Hauterive, *Dictionnaire des Racines des Langues Européennes*, Librairie Larousse, Paris.

²³ In Latin America, unipersonal families reach from 3.4% in Costa Rica to 15.8% in Argentina, while in the European Union they reach 27%. Source: 'Fuentes Estadísticas', del Instituto Nacional de Estadísticas de España.

of the educational policy, with its high intergenerational impact, it should be mentioned the *Declaration on Globalization and Education*, jointly produced by the two Pontifical Academies in November, 2005).

Thus, as long as in developed countries the basic problem is to reform certain policies looking for more efficient ones, in the Latin American countries the basic problem is to make these policies viable through time, thanks to a persistent action of a reliable State.

But a democratic State, to be the vehicle of rational and stable policies, usually called *State policies*, must be somehow prepared to ensure a prolonged enforcement of them through a succession of *governments* that, despite responding to several political parties, ideologies and leaderships, retain notwithstanding the long term objectives that the democratic *State* has set.

This has been possible in developed countries starting from a fundamental consensus among its main parties, which have made an express or implicit commitment about protecting certain principles, regardless which of them governs. One of the most notorious examples of this consensus and continuity was shown by the Spanish democracy with the 'Moncloa pacts' in 1977, thanks to which Spain traveled from underdevelopment to development in a few decades.

When there is a permanent pact among the democratic parties, the political stability of the State is assured because, both outside and inside the country, it is known that regardless which party governs, the fundamental development lines will be maintained. This long-term perspective is decisive to materialize an unavoidable condition for economic development: the ample and continuous flow of productive investments.

On the contrary, in Latin America we have frequently seen that the government emerging from a new election believes that it starts a new era, opposed to the previous one. The new government becomes then the assumed representative of this new era, whose sunrise coincides with the proclaimed rebirth of the nation, while the previous government embodies everything that went wrong so far, becoming a 'scapegoat' whose sacrifice, sometimes in the form of proscriptions and persecutions, is shown as a necessary condition for the desired regeneration to come.

But the scapegoat story tends to repeat itself. The guilty of yesterday, once they pay the political price of their errors, will end up by finally joining the new discontented ones when the government that announced the rebirth shows its own errors and suffers its own erosion, with which the vicious circle of successive stages of hope and frustration continues to turn.

In the Latin American countries thus hurt because of the exclusive blaming of the adversary turned into an 'enemy', we see the repetitious generation of contradictory stages of governments that mutually accuse and contradict each other, instead of the continuity of a State faithful to its own principles through different, but not contradictory, governments.

This is the difference between a continuous historical line of development and a historical zigzag line, like a 'saw', that results in an off-course navigation. In situations such as this one, the constant progress that would permit the Latin American nations to finally cross, along several decades, the desert that separates them from development becomes improbable.

The only way to progress toward the development target is the creation of a long period of consensus, pluralism and continuity, during which a nation can advance without dismay. Instead of this overcoming *cycle*, supported by State policies, what many Latin American countries had was an agitated succession of *minicycles*, not of some 'decades', but of some 'years', after which the supposedly redeeming government is replaced by another one that challenges it because it has betrayed the expectations it once generated, to start again his own 'minicycle' condemned to a similar end due to the absence of a multi-party consensus.

This syndrome of political and institutional instability is frequently accompanied by the emergence and later fall of personalistic leaders called *caudillos* who, instead of trusting the rotation of democratic institutions bet everything on the radiation of their own 'charisma'. Political bosses replace the institutions from there onwards, and confuse the State progress with the ups and downs of their own biography.

If this has been the logic behind the Latin American political instability, due to the lack of 'State policies', it must also be recognized that in some countries of the region government successions are beginning to appear within the framework of continuity, without minding which is the government whose turn to be in power has come. This is because, above the political parties and their leaders, a State that is faithful to its long term objectives begins to take hold, generally accompanied by rules that restrict the presidential re-election to avoid the false short cut of the 'caudillos'. The existence of such examples is a basis for hope about an authentic Latin American development in coming decades.²⁴

²⁴ We could thus talk of a new 'caravan' of nations, this time Latin American, whose vanguard is being occupied by countries such as Chile, in the direction of development.

6. CORRUPTION

A corruption *act* occurs when the holder of an obligation opts for his own benefit instead of benefiting whoever he is obliged to serve. If the person who thus betrays his moral commitment is a public officer, elected or appointed, we are talking about an act of *political corruption*.

The political corruption is twice as serious because it de-naturalizes the behavior of those in charge of controlling the behavior of the mass of citizens, giving way to the famous Roman question: In cases like this, 'who will take into custody the custodians?' If those in charge of the custody of the citizens' behavior are corrupt, the society is left in the wilderness.

Acts of corruption, that the 'custodians' must sanction, exist everywhere. The problem of corruption appear in its full scope, however, when not only more or less isolated corruption 'acts' but also a *state* of corruption appears, i.e. the proliferation of corruption acts in such a magnitude that society considers them usual, and therefore foreseeable. When the first thing a citizen thinks when he deals with a Customs agent, a bureaucrat or a transit policeman is how much he will have to pay 'on the side', that citizen is living in the midst of a state of corruption.

Acts of corruption upset but do not destroy the democratic State. The state of corruption blocks it, instead, until it turns it unviable. First of all, because it spreads a generalized 'mood of suspicion', whereby the society does not believe in its politicians and officers and tends to corrupt itself through the non-compliance with the law and through tax evasion, under the pretext that the State has lost its legitimacy because it is the first one to cheat. Secondly, because it generates self-defeating decisions, since the corrupt authority, when a law or a resolution is passed, or a tender awarded, does not select the best one for the common good but the best one for the individual interests of the officers involved and their private accomplices, all of which ends up in the squander of national resources.

In the States that adulterate their purpose and *raison d'être*, in the States that become 'corrupt' according to the famous classification of the forms of government due to Aristotle, corruption determines their caducity as agents of the common good. In these cases it is frequent to see that candidates who have promised to fight against corruption in order to respond to their anguished voters during the electoral campaign, gain access to positions of power. But it is also frequent to see that what those candidates really pretended was not to overcome the inherited state of corruption, but to replace their predecessors' corruption with their own. In processes such as this one,

not only the tax collection loses its meaning, but also foreign aid to underdeveloped countries is diverted to benefit those who fraudulently administer it, instead of reaching those who badly need it.²⁵

When corruption statistics in the current world are developed, such as the one annually published by Transparency International, one verifies that the corruption level reflects almost exactly the underdevelopment level of the countries examined. We do not know then if the state of corruption – that counterfeits the representative democracy because the representatives no longer represent the general interest but their own – is an *effect* or a *cause* of underdevelopment.

Latin America is placed in the least favored position in the list of countries affected by corruption prepared by Transparency International, only 'behind' Africa and the least developed nations in Asia. Transparency International puts a 'grade' from 0 to 10 in the subject of fighting against corruption to the 159 nations included in its survey. The first twenty positions in the list are occupied by developed countries with high marks that go from 7.4 to 9.7. The best placed Latin American country is Chile, with 7.3 points, placed 21st, even ahead of developed countries such as Spain (7), Portugal (6.5) and Italy (5). With 5.9 points Uruguay occupies the 32nd position, well ahead of the remaining Latin American countries.

From there, these remaining 19 Latin American countries surveyed by Transparency International appear with a maximum of 4.2 points in the 51th place (Costa Rica) and with a minimum 2.1 points in the 144th place (Paraguay). These 19 countries 'fail' the anti-corruption test, with an average of only 3.1 points.

One could think that the most important Latin American countries are somehow free from this low mark, but it is not so: while Brazil appears in the 62nd place with 3.7 points and Mexico in the 65th with 3.5, Argentina occupies the 97th with 2.8 points.

If we take into consideration that the average grade in the fight against corruption in the 30 developed countries is 7.5, one can easily see that with the above mentioned exceptions of Chile and Uruguay, Latin American countries border a true state of corruption, making illusory the plans proclaimed by their governments to overcome underdevelopment.²⁶

²⁵ Cfr. Mariano Grondona, *La Corrupción*, Buenos Aires, Planeta.

²⁶ Cfr. Transparency International, Report on the Global Corruption Barometer (2005).

7. THE REPUBLICAN INGREDIENT

Purely economic data are frequently chosen to illustrate the Latin American underdevelopment. But it does not follow, however, that the main cause of the Latin American underdevelopment is an economic one. There is an abundance of natural and human resources in Latin America that could have brought development. Why were they badly used? Because, as we have just suggested, the *decision making system* of Latin American States has failed. But the decision-making system of a country is, essentially, a *political* factor. From here comes the paradox that, although it shows economic symptoms unfortunately evident, Latin American underdevelopment is not ultimately an economic phenomenon.

To claim the opposite would be equivalent to saying that the cause of an illness, let us say lung cancer, is the invasive progress of cancer cells in the lung, without considering that who is suffering it has smoked several packs of cigarettes daily for decades. The cause of cancer in this example has not been the progress of the cancer cells, but the defective decision making system of the inveterate smoker.

In the same manner, what has caused the Latin American backwardness is not the economic process itself, but the defective decision-making system that generated it. Following this line of reasoning, one would then conclude that the *economic* Latin American delay comes from the failed Latin American *politics*.

One could look for the origin of these failed policies in the military authoritarianism that has devastated for so long the countries in the region, but it could also be said that once Latin Americans were able to overcome the military systems in the past two decades, they have not been able to replace them with *republican democracies* like the ones prevailing in developed countries, but by hybrid systems more or less close to an *authoritarian democracy*.

The republican democracy is a mixed political regime, formed by a democratic ingredient and a republican one. The democratic ingredient determines the popular election of the ruler. The republican ingredient assures in turn that the ruler, once elected to head the executive branch of the government, will not have absolute power but will be moderated by other actors in charge of controlling his possible excesses, such as the parliament, the local governments, an independent press, the judiciary, and a series of intermediate groups such as trade unions, entrepreneurs and, in general, non governmental organizations.

The development of the republican democracy has had its best expressions, in this respect, where the authoritarianism of absolute monarchies or dictatorships were first replaced by republics which, although still sustained by minorities, became the trial field for tolerance and pluralism, until they expanded later to authentic expressions of the majority rule. In the best cases of political development, the republican ingredient *preceded* the democratic ingredient, finally mixing with it.²⁷

In Latin America, instead, we have frequently followed the opposite course. The military or civilian autocracy was replaced in many cases by the irruption of a non-republican democracy, i.e. the election of a president who, instead of leading a pluralistic system of power that without denying his precedence would balance it, assumed a new authoritarian power in its *exercise*, not in its *origin*, (due to its popular legitimacy) without recognizing at the same time other limits than his own popularity, often obtained and maintained through demagogic promises.

These promises, on one part, reflected the messianic expectation of voters themselves, but on the other part expressed the intention of maintaining them under the illusion of an imminent prosperity without attending to their long-term interests through the establishment of State policies reached by consensus, oriented towards development. In this way, the 'minicycles' gear was cemented in Latin America, with its alternative moods of expectations and frustrations previously mentioned.

But we also said before that, due to a long and painful learning process, there are already some Latin American countries that start to recognize the strategic value of the republican ingredient of democracy, which represents for the region a luminous signal of hope. At least in some cases the inveterate smoker is quitting smoking.

8. BI-PARTISANSHIP OR CAUDILLISMO

Countries have then reached or not economic and social development depending on whether they had or lacked an efficient decision making system, more oriented toward the long than the short term. In advanced democracies, this system has been achieved through the alternation of two

²⁷ In *The Future of Freedom*, Fareed Zakaria attributes the success of advanced democracies to their republican origin (W.W. Norton & Company, 2003).

parties in power, which on the one hand shared a global vision of the economic and social development requirements through functional State policies, on the other hand freely and periodically competed with one another.

On the contrary, what has delayed Latin American countries has been a defective political decision making process marked by political bosses who, despite their often democratic origin, pretended absolute power through unlimited re-elections until their 'minicycle' ended and a new boss begun another one, repeating the formula of his frustrated predecessor.

The cure for this typical Latin American ailment is obvious: the configuration of a *bi-partisan system* whose key no longer consists in a turbulent succession of political bosses but in an institutional and non personalistic formula thanks to the coincidence of the two predominant parties around a series of State policies within which, and only within which, a periodical competition for the head of the democratic power may be fought.

Fortunately this democratic-republican political formula, no longer discussed in Europe, North America, Oceania and the most advanced part of Asia, starts to open its way in Latin America.

In 1990, when dictator Pinochet left after 17 years of absolute power, the *Concertación Democrática* consecrated in the ballots the Christian Democrat Patricio Aylwin as the new Chilean President. The country owes him two fundamental contributions. The first one is to have continued, in its essence, the economic policy established by Hernán Büchi, the last Economy Ministry of the Pinochet government, who launched Chile along the way of a long-term economic growth, his policy becoming when accepted by Aylwin, in retrospective, a State policy through which the social vocation of the *Concertación* started to materialize, without altering its inherited macroeconomic profile.

Aylwin made his second contribution when he rejected the re-electionist temptation in 1994. After this rejection, which became foundational, none of his successors Frei and Lagos went for re-election, and were able to reduce poverty by 50%, well below the Latin American average. The new president Michelle Bachelet promises to consolidate this non-reelection continuity. Although all four of them are members the *Concertación*, while Aylwin and Frei are Christian-Democrats, Lagos and Bachelet are socialists. The opposing center-right party, behind Sebastián Piñera's leadership, is supported by almost half of the Chileans, thus insuring that the country has a *second party* that can win and govern without altering the State policies.

On the other hand, the example of the Chilean republican democracy does not seem to be the only one, since other Latin American nations such

as Brazil, Uruguay and Mexico start to follow a similar path. In fact, after the eight years of Fernando Henrique Cardoso's center-right government, the irruption of the ex communist Lula in the presidency did not divert Brazil from the rational economic course established by his predecessor. When Brazilians elect again the head of the Executive branch of the government, with a regulations system that does not grant presidents the possibility of a third mandate, Lula will have to compete with a center-right candidate, and none of the two will question the State policies in force. Thus this country, the largest one in Latin America, seems to be entering the bi-partisan regime that has proven its efficacy in advanced democracies.

The same could be said about Uruguay, where the traditional predominance of the Colorado and Blanco center-right parties was interrupted by the Frente Amplio headed by Tabaré Vazquez, the new president, whose center-left ideology has not blocked the continuation of the rational economic lines he inherited.

Mexico, in turn, has gone in recent years from the political domination of a single party, the Institutional Revolutionary Party (PRI) that had governed it for more than seventy years, to a sort of 'tri-partisanship' between the center-right National Autonomist Party (PAN) headed by President Fox, the PRI and the Democratic Revolutionary Party (PRD), more to the left, without this giving ground to the fears – which nevertheless exists – that the PRD presidential candidate Manuel López Obrador, if he wins, may fall into the vices of populist personalism. On the other hand, it is foreseeable that this 'tri-partisanship' will become a transition stage which in due time will end in a bi-partisanship comparable to those of advanced democracies.

In the other extreme of the Latin American political chart appears Hugo Chávez, the Venezuelan president, a typical *caudillo* who has already announced his plan for endless re-elections. Through populist clientelism policies that have resulted in a significant increase of the poor, whom he tries to attract with demagogical slogans, Chávez concentrates power to such degree that in the last mid-term elections, 75% of the citizens rejected voting due to lack of guarantees. This drastic increase in electoral abstention might be indicating that the beginning of the end of the *caudillo* has slowly started in Venezuela.²⁸

²⁸ In 1987 the poverty level in Chile was 45.1%. In 2000 it had decreased to 20.6%. Source: UNICEF, 2004. In 2001 the poverty level in Venezuela was 39.1%. In 2004 it was 53.1%. Source: Instituto Nacional de Estadísticas de Venezuela.

As Néstor Kirchner, the Argentine president, concentrates all the power through the dominion of the Justicialista Party, the Judiciary and the Congress, he seems to insinuate a personalistic strategy consistent with his peronist predecessors Juan Domingo Perón and Carlos Menem. But as yet, it cannot be said that he has fully materialized his populist rhetoric. Beyond Chávez and Kirchner, of course, Fidel Castro governs Cuba without any kind of institutional restrictions since 1959, positing himself, without doubt, outside the Latin American democratic mainstream.

9. NEIGHBORHOOD OF NATIONS

As we have seen, the fundamental problem of the Latin American economic and social underdevelopment is of a political nature. If having a democratic regime capable of designing long term State policies is the previous condition necessary to place Latin America effectively on the road to answer the challenge presented by the moral imperative of intergenerational solidarity, one can say that Latin American nations find themselves today at a crossroad. On the one hand, they are threatened by the eventual prolongation of the populist tradition to which they owe their backwardness. On the other hand, hope appears behind the deepening of the political and institutional change that some of them have already insinuated: the advent of democratic republics, similar to those prevailing in developed nations.

Populism consists in the pretension of satisfying the immediate aspirations of the majority of the people through short-term measures. This pretension receives a warm popular welcome because the immediate needs of the Latin Americans are certainly much more urgent than those of the developed countries, whose more well-to-do situation facilitates a wider temporal vision.

Given this accumulation of unsatisfied urgent needs, added to the low educational level, the Latin American populations become more easily the catch of populist partisan bosses, of demagogues who stimulate their expectations of 'magical' solutions that cannot be sustained in the long term. Although populist political bosses do not acknowledge, or pretend not to acknowledge this mistake, they nevertheless obtain what for them matters the most, to win the next elections, thus enjoying with popular acceptance a new 'minicycle' until reality irrupts to refute them.

The specific effect of the 'minicycles' is, however, increased poverty. It is anguishing to see that this does not seem to affect demagogues' behavior, that

it even seems to favor them in immediate terms, because, when they throw the masses to new poverty levels without offering them the advantage of a better education, they make them even more dependent on social policies that appear as alleviating their problems but end up in aggravating them.

A *clientelistic* relationship is thus established between demagogues and their followers, whose dependence on the politicians that administer social programs becomes more and more imperious, with a paradoxical translation of their electoral loyalty to the very same originators of the disorder, a loyalty assured by poverty and ignorance. When political bosses return to Latin America under any form, one would have to apply them what José Ortega y Gasset wrote about a comparable situation in Spain in the past century: 'Now they are proposing as a solution the return of those who originated the trouble'.

This is the common brand of Latin American populism, a flow that is neither center-left nor center-right because it does not respond to the ideological alternatives of serious political regimes.²⁹

The word 'populism' also contains a serious conceptual error, when it emphasizes the word 'people' instead of emphasizing the word 'nation'. In effect, the *people* is the sum of the contemporaries. The *nation*, instead, is a succession of peoples through time. This means that when the 'accounting of justice' is made, about what corresponds to who, the 'populist' vision only includes those alive, without considering the ones that will live after them.

But it is in the national dimension where also those who do not vote, either because they are children or because they have not yet been born, are taken into account. In the dimension of a people without nation, only the intra-generational generosity can be applied. That is why the populist vision of justice only tends to distribute what is available among those who are there, without reserving resources for the future under the form of investments. Populism even resorted to the exponential increase of the public debt, a heavy burden for those to come, in order to satisfy the expectations of immediate relief created by it among its contemporaries.

²⁹ In an article titled *Decálogo del Populismo*, published by the Argentine newspaper *La Nación*, the Mexican writer Enrique Krauze found surprising coincidences between the Latin American populism and the description of demagogy in the *Politics* by Aristotle. From Krauze one can also read a lucid review of the current Mexican politics in *Foreign Affairs* ('Furthering Democracy in Mexico', *Foreign Affairs*, January-February 2006).

It is only in a national dimension that one can conceive what Rawls called 'the just savings principle' in the direction of those who do not vote as yet. But this prevision, which is logical and natural in the family bosom, is not so in the political regimes whose leaders, instead of thinking about the next generation, instead of being 'intergenerational', only think about the next election.³⁰

But this fatal defect of the short-term temptation omnipresent in populism can only be eradicated once the two main parties agree on a long-term development project. Because when they sign it, they also renounce to the possibility of obtaining demagogical advantages from their rival, thus removing the immediate political cost of the rational measures to be adopted by the government. When the heart-rending dilemma between the short and the long term, between the demagogic temptation and political prudence, is thus eliminated from the electoral competition, only then the road to economic and social development opens again.

We said before that this bi-partisan agreement looking towards the long term is already materializing in some Latin American countries. How could it extend to the ones still trapped in the clientelistic network of populism?

In our help comes the answer to a question we had not made as yet. What is Latin America? How to attribute to it a common essential characteristic that may cover nations so different as are those in a continent populated by over five hundred million people?

By saying that rather than being a region divided into some twenty countries, Latin America is really a *neighborhood of nations*. The Latin American countries have strong common features in their history and culture. But their main characteristic is that, perhaps due to this profound affinity that dates back to the past, each one of them is particularly attentive about what happens to the other ones. Every Latin American nation cares a lot about what happens to the other ones, but not only to trade with them but to look at them in an intensive manner; thanks to the drive of a sort of historical *curiosity* which ends up in imitation or aversion. Each Latin American nation presents itself before the others in this way, whether they want it or not, as a 'model' to be followed or as an 'anti-model' to be avoided. We spy on each other. We have illusions or are outraged about each other, but not because of territorial conflicts, as was the case in Europe for a long time, but because some of us approve or reject what the others are doing. Each Latin American nation

³⁰ John Rawls speaks about the 'just savings principle', of an intergenerational nature, in paragraph 44 of his *Justice Theory*.

inspires in the other ones that are looking at it out of the corner of their eyes, an attraction or repulsion movement. Latin America thus behaves like a tightly-packed neighborhood of nations.

This common characteristic of the Latin Americans is today a basis for regional hope. If some Latin American countries persist in deepening the model of the republican and bi-partisan democratic model they are adopting, they will be able to show to the rest the fruits of constant progress and inter-generational solidarity. If those governments that have chosen instead the ephemeral profits of the short term, persist in their attitude as some do today, sooner or later they will suffer the exhaustion of their shortsightedness.

With the hope of this double learning, through trial and error, brought by the achievements and failures of neighbors, a positive horizon appears for the economic and social development of Latin American democracies.

10. APPENDIX: THE 'APORIA' OF THE LATIN AMERICAN CATHOLICISM

The Greek word *aporia*, (*a*, 'without'; *poros*, 'road'), could be literally translated as a 'street with no way out'. It was used by Aristotle at the beginning of his *Metaphysics* when, after observing that 'men naturally look for knowledge' noted that, in the course of the search for knowledge, we sometimes find ourselves in streets with apparently no way out. When colliding with this obstacle, men eagerly look for an answer. Philosophy and science emerged, precisely, from the effort of overcoming this challenge. Without the *aporia*, the systematic investigation through which we try to satisfy our vocation for knowledge would not have developed.

When we ask ourselves about the role of Catholicism in Latin America, we find ourselves facing the following *aporia*: How is it possible that Catholicism being, as it is, the religion with the highest presence in our region, it has been unable to take Latin America to a high degree of development, and it has furthermore left a space that other religious currents could penetrate, for example the Evangelic movement? If we find the right answer to this *aporia*, it would also be possible to design an effective program to return the Latin American Catholicism to the crucial position it should never have left.

The *aporia* of Latin American Catholicism is so demanding, its edges so sharp, and the landscape aimed at so vast, that here we can only outline it with the hope that others with more wisdom offer their answer. In any case, we are daring to suggest a couple of lines of investigation.

The first one is that the Patronage institution that for centuries characterized the relationship between the State and the Church in Latin America brought with it the *statist* ailment, whose enforcement, as in other fields, put an obstacle to the Catholics' initiatives. When the State says that it is taking charge of initiatives that should rather be taken by the society, it not only violates the subsidiarity principle but it also induces the members of the society to leave in its hands what they should have taken into theirs.

It is this, perhaps, the case of the Catholics' role in Latin America? When the State assumes the role of protector of a religion, does it not discourage it in the effort to develop its own responsibility? When the State unduly assumes the protagonism of solidarity, is it not trying to hoard at the same time the responsibility of the citizens, particularly the Catholic ones, for the progress of the less favored members of their own generation and the members of next generations? From the moment when the Church and the Catholics tend to get rid of the suffocating and also inefficient tutelage of a 'statist' State, don't they feel the intense renovation of their own energy, of their own creativity?

Another line of investigation in response to the *aporia* of Latin American Catholicism could also take us to ask if, when we eagerly looked for an answer to its role in the development of the region, we Catholics have not followed an apparently progressive track through roads such as the so-called 'Liberation Theology' or the 'Third World priests movement', when the basis for our action were already there, before our eyes, in the rich deposit of the Church's social doctrine which, we may add, has been ordered recently in a luminous compendium?

I remember that when Pope John Paul II died, Sergio Bergman, an Argentine rabbi, made me note that Benedictus XVI's predecessor could be so revolutionary in issues such as the relationship between Catholics and Jews precisely because he was a 'conservative'. Because, Bergman continued, only who is firmly installed in a tradition can 'afford' venturing in the demand for new horizons. Those who persist, on the contrary, in looking for renovation outside from what has been acquired, inevitably tint their noble zeal with a sensation of uncertainty, of insecurity.

When so many Catholics inhabited by the noble renovation zeal were looking for it outside their authentic religious and intellectual identity, were they not risking the exploration of somehow inconsistent explanations? And if this was so, didn't this risk materialize in the replacement of thousands of years of wisdom by a series of 'fashions', as such temporary?

I am outlining these question marks, as I said before, as an attempt certainly insufficient to look for a way out to the urging *aporia* of Latin American Catholicism.