Vulnerabilities, Lack of Resilience and Polarization: Latin America and the Caribbean at the Crossroads

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Latin America and the Caribbean face recurrent external shocks and the uncertainties and challenges of today's world: geopolitical struggles, the techno-productive labor transition (4th industrial revolution and the work of the future), the challenges of climate change, increased migratory flows, security problems and organized crime, and inequality, among others.

To face this scenario, resilience is needed, but the multiple vulnerabilities, sometimes fragilities of States, leave countries trapped in vicious circles that do not make it possible to develop capacities.³

If international prices help, exports can cushion some shocks, but this is not enough to reduce vulnerabilities and develop capacities. This is due to the well-known reflection that economic growth does not mean development. Increasing poverty, informality and inequality are a constant threat to the countries of the region.

Investments are needed to facilitate structural change and export diversification (infrastructure, technological preparation, institutional strengthening), investments in sustainable development and investments to reduce vulnerabilities (education, housing, health, social safety nets). In short, investments are needed in public goods and services that increase social returns and increase the attraction of private investment.

This requires governance and consensus. However, in some of the countries of the region, polarization is high and/or increasing. To observe the current polarization in the Americas, one can turn to the Digital Society Project,⁴ which focuses on studying the interactions between politics and social networks.

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³OAS: Op-Ed: Disruptions, multidimensional vulnerability and fragility: the trilogy without responsible author (oas.org)

⁴ It is a conglomerate of academics, the main researchers being members of V-Dem and the University of Gothenburg, University of North Carolina, Brandeis University, among others. The project has several strands, among which is the Digital Society Survey that has been conducted since 2000 covering 179 countries. The project uses the infrastructure of *Varieties of Democracy Institute* (V-Dem) as well as its measurement models and quality control processes, making it one of the sources with greater coverage and reliability in its published data.

The Digital Society Survey asks 35 questions to experts. One of them allows us to observe social polarization:

 How would you characterize the different opinions on major political issues in society?

The categorization of the response considers the value **0** (zero) as high polarization and the value 4 (four) as a society with no polarization at all. The question helps to measure social polarization, as it is a perception of the position of the parties.

<u>Figure 1:</u> Polarization of society in selected countries in the Americas. <u>Source:</u> Digital Society Project, Variables of Democracy.

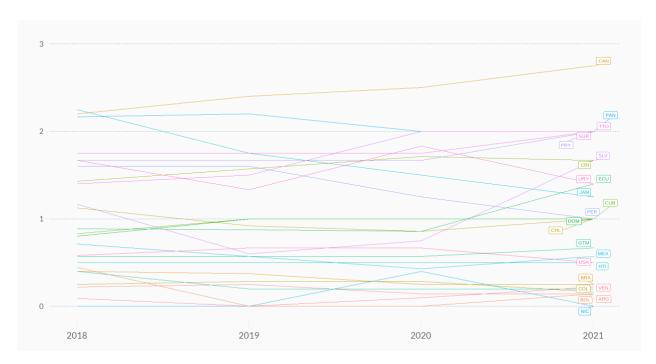


Figure 1 shows that only Canada (2.75) is the country in the region that is close to a limited polarization (reference value = 3), where differences of opinion are only on some political issues, resulting in few clashes of views.

Meanwhile, values 1 (one) and 2 (two) refer to a moderate polarization, differing in opinions on most political issues, and a medium polarization, where differences are found around half of the existing issues.

Finally, the countries with values equal to 0 (zero) or close to it, are highly polarized, due to the fact that in almost all political issues there are differences of opinion, with constant clashes in the points of view. It is also observed that

the countries that are close to these values have been showing it for several years and, therefore, social polarization has been recurrently established.

The first observation, as old as Hermetic philosophy (principle of polarity), is that **polarization is a matter of degree.** Being a matter of degree, it can be stated that the absence of polarization can be due to either unanimity (a single pole) or perfect pluralism (multiple poles coexisting), with perfect polarization (in theory) being that where there are two homogeneous poles of similar size and diametrically opposed positions⁵.

Being a matter of degree, it is necessary to define a reference for the purpose of being able to determine when it is high or low and in reference to what. In this sense, it can be defined with respect to, for example, a consequence of polarization. For example: What degree of polarization can lead to conflict, or uncertainty about the rules of the game and reduced investment?

The second observation that emerges from the graph is that there were some changes in social polarization in the year 2021 taking 2020 as the pivot axis, which coincides with the development of the pandemic and the renewal of authorities in the countries that express changes in their reference values.

We do not have enough information to know whether these changes are linked to perceptions of cooperation between political parties to address the pandemic or to other causes, but it begs the question of the importance of small changes. **Can small changes in polarization lead to large changes in its consequences?** To continue with the examples above, what is the change in polarization that is needed to reduce the risk of conflict or increase investment?

Note that this is not an indicator of polarization of populations but the perception that the surveyed experts have of the polarization of political parties. The polarization of populations, however, need not be as high as the polarization of (political) elites.⁶ In general, the population tends to be less polarized than the elites, but can be strongly influenced by them. And when the social and economic situation is perceived with dissatisfaction by the population, indignation, protests, and conflicts are triggered and polarization prevents the construction of consensus, of a collective identity.

The inability of formal and informal institutions to maintain social cohesion due to the lack of collective identity and consensus feeds back into polarization and potential or real conflict. Reducing polarization, building consensus, building governance, makes it possible to design and implement public policies that make it possible to break out of the vicious circle into which several countries

⁵ James Campbell (2016) Polarized | Princeton University Press

⁶ This is known as the McClosky Difference, see James Campbell (2016) <u>Polarized | Princeton University Press</u>, pg 21.

in the region have fallen recently and which end in protests and conflicts. Not doing so reproduces polarization and its consequences on the population, particularly on the most vulnerable.

This is the crossroads. The consequences of polarization are eventually the greatest risk facing the region because they impact governance, predictability, social peace, integral development and democratic institutions. To reduce polarization, it is necessary to delve deeper into its dimensions (economic, beliefs, moral, political) and its causes, and how it spreads from the political, economic and social elites to the population. And, although the difference of opinions is healthy and necessary for a democracy, it is also necessary to build bridges between the different options in a society.

Polarization is reduced by strengthening these bridges. The inability of formal and informal institutions to maintain cohesion at the economic, social and political levels, as well as the morphology of the structure of social, economic and political relations, are the **causes of polarization**.

It is important to fill the gaps, it is important to strengthen the networks in the three arenas: economic, social and political. It is important to build bridges between actors from different poles. Bridges to reduce polarization, build consensus, collective identity, governability, predictability for private investments, quality in public goods and services for greater social return. Bridges for democracy and development.