

**Corruption, transparency and integrity:
Latin American leaders address social problems, and ethical responsibility at Miami
Herald America's Conference**

By Kenneth D. MacHarg
LAM News Service

Coral Gables, FL (LAMNS)—While the leaders of many Latin American countries are focusing their energies on economic problems and political instability, many of them are acknowledging that addressing social problems and ethical issues such as corruption can help insure stability.

Recognizing that severe poverty leads to social unrest and political instability, Colombia's president Alvaro Uribe recently called on other nations to help his country battle poverty as well as guerrilla warfare and drug trafficking.

"No one disagrees that lack of investment, unemployment and (budget) deficits have a lot to do with violence," Uribe told the 6th annual Miami Herald Americas Conference here. "This is why we are committed to providing security, economic stability, clarity and transparency."

Meanwhile, Peru's president Alejandro Toledo acknowledged that his popularity is declining because of his country's inability to balance economic reforms and the needs of the poor. Toledo called on neighboring countries to join him in a "New Deal for the 21st Century."

Toledo unveiled his vision of an "international alliance against poverty" that would provide fresh capital from public and private sources for projects including potable water, education programs, needed infrastructure projects such as roads and long-term private investment.

An international partnership with funds to combat poverty and increase education and health programs can unlock the consumer potential of hundreds of millions of people living in poverty throughout Latin America, Toledo said.

"This New Deal of the 21st Century is an international alliance against poverty and at the same time is an alliance in favor of democracy," Toledo told the audience.

"The leaders of Latin America face a big challenge," Ecuador's president Gustavo Noboa said. He told participants that governments must "recover the credibility of our nations in democratic leadership as a factor for the transformation of our economies."

"New and greater resources for development are a must," Noboa said. "We need a new economic concept that brings the benefits of a market society closer to our poorest populations."

Noboa criticized the International Monetary Fund for failing to adequately consider the social costs of market-oriented reforms that it demands as conditions for loans.

Noboa cited an IMF requirement that Ecuador raise the price of cooking gas to \$2 a tank. That action resulted in three weeks of demonstrations that left three people dead—a cost that the president said was not worth the loans. “I prefer to maintain peace,” he told the 700 participants.

While alleviating poverty can help stem social unrest and create new economic markets, much of the focus of both U.S. and Latin representatives at the conference was on the issue of corruption and its cost to the region.

Emphasizing the problem, Otto Reich, the U.S. Assistant Secretary, Bureau of Western Hemisphere Affairs for the U.S. State Department said that the United States now distributes foreign aid based not only on financial need but also on proof that governments are boosting democracy and fighting corruption.

Corruption and the lack of transparency in governmental affairs “limits growth, corrodes trust and adds to the cost of business,” said Grey F. Warner, Senior Vice President for Human Health in Latin America for Merck and Company. “The lack of transparency denies access to decisions and puts lives at risk.”

One country with an ambitious program to root out corruption and develop honesty in government is Mexico. “The change in Mexico’s government has meant bringing a halt to corruption,” said Aliza Chelminsky, head of the Transparency Networking Unit of the Ministry of Comptrollership and Administrative Development. “It is a top priority for the (Vincente) Fox government.”

Chelminsky estimated that between 10 and 30 percent of corporate profits were diverted to corruption expenses, which, she said, “prevents full and sustainable development.”

In upcoming elections, the Mexican government is requiring all campaigns and candidates to receive education on overcoming corruption. “The effort is really snowballing,” Chelminsky said.

“There are two variables in corruption,” she explained. “He who gives and he who receives. Laws cannot accomplish the task, we need individuals.”

Chelminsky’s office has signed agreements with businesses, NGOs and universities to promote integrity programs, develop a manual on ethics, present hundreds of workshops across the country, issue publications, and develop a “no more bribes,” campaign.

“Education is important,” Chelminsky said. “We are developing a practical ethics course for students involving a CD, readings and case studies.” The course will be offered by universities across the country.

The program has also developed a web page for children and sponsored a nationwide competition with 15,000 drawings entered on the theme “say goodbye to cheating.” A short film for screening in movie theaters has also been produced.

“The government is partnering with society to construct a culture of transparency,” Chelminsky said. “We want to make accountability a part of the daily conversation of the Mexican society and waken it to the role it must play.”

While the Mexican government is working hard to change ethical patterns, Chelminsky said that it has not involved any church groups in its efforts. “We have not tied into the church because the PAN (Mexico’s new ruling political party) is seen as tied to the church. We think that their involvement would create controversy and raise questions about our efforts,” she told LAM News Service (LAMNS).

In contrast, both Roman Catholic and Protestant churches in Argentina are involved in that country’s more modest program to address issues such as corruption. “The efforts involve the participation of the government, businesses and the community,” explained Carlos Tramultola, an Argentinean who currently is a senior partner with a venture capital firm in the United States.

“The church has called for a new standard of behavior from both the government and businesses,” Tramultola told LAMNS.

Latin America Mission works in partnership with churches and Christian agencies throughout Latin America and supports missionaries and projects in many Latin countries as well as in Spain. LAM is seeking to place new missionaries throughout the region. The U.S. headquarters can be reached at Latin America Mission, Box 52-7900, Miami, FL 33152, by e-mail at info@lam.org, or by calling 1-800-275-8410. The mission’s web site may be found at <http://www.lam.org>. LAM’s Canadian office is at 3075 Ridgeway Drive, Unit 14, Mississauga, ON L5L 5M6.

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