Latin America: The Social Outlook

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• This chapter provides insight into Latin American citizens’ feelings, perceptions and observations.
• It is based on the Ipsos Global Advisor Survey conducted every month in 28 countries around the world and including Argentina, Brazil, Chile, Colombia, Mexico, Peru.
• Perceptions may be different to real facts, but may be more important due to their socio-political impact.
Only 23% of Latin Americans say that *things in my country are moving in the right direction*

77% say that *things are heading in the wrong direction*

The gap with the global country average has been increasing over the last year
• Ipsos disruption barometer*: Measuring consumer sentiment and socio-political stability
• All main Latin-American countries are in red/negative territory, worse off than at the end of 2019, except Mexico
• Could generate social instability and a desire for political change (see Chile trend from mid-2019)

Where the UK meets Latin America & Iberia

*uses a number of different indicators to consider questions like personal economic and financial situation, confidence about job security, and future expectations regarding the country.....
What’s happening?
The top four highest-scoring countries in the 2021 broken system sentiment index are Latin American.

- **Politicians don’t care about me**: 79% agree +11pts vs global average
- **Economy is rigged to advantage the rich and powerful**: 78% agree; +7pts vs global average
- **Experts don’t understand the lives of people like me**: 75% agree; +10pts vs global average
Increasing populism and anti-elite sentiment

• 71% of Latin Americans would like to have their country run by a stronger leader instead of the current elected government, significantly increasing over the last 2 years (+12 points in Chile, +9 points in Brazil; +7 points in Peru)

• 88% feel politicians always end up finding ways to protect their privileges (+7pts vs global average)

• 80% claim political and economic elite don’t care about hard-working people (+8pts vs global average)

• 74% feel the main divide in society is between ordinary citizens and the political and economic elite (+4pts vs global average)
Most Latin Americans agree that in their country, there is increasing conflict between people who don’t share the same values.

- 94% in Peru; 91% in Chile; 88% in Argentina; 90% in Colombia; 86% in Brazil and 85% in Mexico.
The four countries with lowest Trustworthiness Index are in Latin America:

- Only 22% believe in the Police
- Only 15% in Judges
- Only 13% on civil servants
- Only 6% in government

But they trust much more on Clergy and Priest 46% (vs 25% at global level)
This context of distrust of institutions and governments led to significant tensions, conflict and instability during 2021.
What are the main concerns to address?
• Crime and Violence, Financial or political corruption, Poverty and Social Inequality, Unemployment, are all considered to be pressing concerns.

• COVID-19 concern is today only ranked sixth, even if remaining the primary concern globally.

• The majority of concerns tend to focus on short-term issues that impact day-to-day life, as opposed to more long-term issues (climate change, taxes, morale decline…)

### What Worries Latin America?

Which three of the following topics do you find the most worrying in your country?

<table>
<thead>
<tr>
<th>Topic</th>
<th>Sept-21</th>
<th>LatAm</th>
<th>Global</th>
<th>Top concern in</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Crime and violence</td>
<td>39%</td>
<td>14</td>
<td>14</td>
<td>Mexico, Chile</td>
</tr>
<tr>
<td>2. Financial or political corruption</td>
<td>37%</td>
<td>11</td>
<td>11</td>
<td>Colombia, Peru</td>
</tr>
<tr>
<td>3. Poverty and social inequality</td>
<td>37%</td>
<td>7</td>
<td>7</td>
<td>Brazil</td>
</tr>
<tr>
<td>4. Unemployment</td>
<td>37%</td>
<td>6</td>
<td>6</td>
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<tr>
<td>5. Education</td>
<td>28%</td>
<td>10</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>6. Coronavirus (Covid-19)</td>
<td>28%</td>
<td>-6</td>
<td>-6</td>
<td>Peru</td>
</tr>
<tr>
<td>7. Inflation</td>
<td>22%</td>
<td>8</td>
<td>8</td>
<td>Argentina</td>
</tr>
</tbody>
</table>

Where the UK meets Latin America & Iberia
COVID-19 cases and citizens’ concerns about the pandemic have been significantly declining over recent months.

Reaching the lowest level since data began to be recorded in April 2020 at the beginning of the pandemic. Except in Mexico (47%).
• Concern about Crime and Violence even if continuously one of the highest in the world is also decreasing

• After a significant decline in Q2 2020 with a very strict lock down in almost all countries

• This concern remains today at a lower level than before the pandemic, particularly in Brazil but still very high in Mexico.
• Corruption and financial or political scandals are still a particular concern in Colombia (55%) and Peru (41%), but interestingly have declined over time, mostly in Brazil and Mexico and Peru.

• 49% of the population in the region received benefits from social protection measures, including cash transfers, food, medicine and provision of basic services.

• This could have impacted the perception of corruption due to the benefits received.
In 2020 the poverty rate in Latin America was estimated to 34%. Taking the region back to the same levels as 12 years ago.

Income distribution became more unequal, with the Gini index rising by 2.9% from 46.2 to 49.1.

In 2021 the impact has been partly mitigated by an unprecedented set of emergency social protection programs, especially in Brazil.

Poverty and social inequality concerns remain at a very high level, particularly in Colombia (47%).
In 2020 the unemployment rate rose by around 10% in the majority of countries, especially among women, young people and the most vulnerable groups (informal workers).

But after a peak in mid-2020, the worst moment of the COVID-19 crisis in the region, lockdown measures have been gradually ending, labour force participation has picked up and employment is recovering slowly.

Fear of unemployment is still significant in Colombia (47%), Argentina (43%) and Mexico (41%) but has been declining in Chile reaching only 22%.
Education

• Latin American countries had some of the longest lockdowns anywhere in the world.

• Students lost between one and one-and-a-half years of education, impacting mostly low-educated families.

• After many months decreasing, concern over education is up in almost all Latin American countries surveyed.

• The return to the classroom is proving challenging
**Immigration**

- Immigration has always been a relatively low concern in Latin America but have increased over the last few years, mostly linked to the Venezuelan diaspora.
- And have reached significant levels over the last few months in Peru, Colombia and Chile.

**Inflation**

- Latin America has a long history of high inflation and devaluations.
- In recent years this has mostly been an issue in Argentina.
- But over the last few months, as at a global level, inflation is growing across the continent and becoming a concern for citizens.
What’s next?
• And it will probably take **more time for Latin America** than other regions around the world.

• Close to half of Latin Americans (45%) **claim it will take more than 3 years**; a third believe it will be 2-3 years and only 18% believe a recovery will happen in one year.

• Recovery expected to be longer in Argentina and Colombia
• Latin Americans expect recovery to be driven by **large multi-national organizations** and **small businesses**

• **Less by government**, the main driver according to the rest of the world
1. The pandemic and the emergency social protection programs represent an opportunity to build more resilient societies through the implementation of more redistributive and solidarity-based policies.

2. But also, to use more fiscally efficient resources (more transparency, accountability, coherence over time and among programs…) particularly on health system and education.

3. And at the same time, Latin America faces the challenge of developing competitive companies than can achieve sustained economic growth.

**A balance to find between:** Solidarity-based policies; Efficient use of fiscal resources; Sustainable economic growth; Clear and stable rules
• Latin Americans **continue to be quite optimistic** regarding their future compared to the global average

• Most of them feel their personal situation will be better in 6 months...

**Is now the time for a new future?**