
Latin America: Approach and Debate on Regional and Economic Development

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Abstract: Development is a category that began to be retaken after the Second World War and began to be used by Western countries at the same time that the idea of underdevelopment was born both in the regions and in the countries that are economically and socially lagged with respect to the nations on which there is a dependency. So then, it could be said that this category, that began to be seen from the West, created a kind of manipulation of the forms of existence of different cultures and societies at the same time that it indicated a standardization of what development should be, and that it basically does emphasis on economics, especially on consumption. That is, there is development of a person, a family, a culture or society depending on its purchasing power and therefore the consumption that it can generate. There is a development, that of Latin America. This text addresses the historical context that the idea of development has had, as well as evolution and progress, from the social sciences and from other areas of human knowledge, laying the foundations from ancient Greece, through the Middle Ages, the renaissance, and modernity, to reach a current perspective. In addition, an empirical contribution is made with quantitative contributions that help to better understand the social and economic reality of Latin America.

Keywords: Development, Region, Latin America, Underdevelopment, Consumption, West

1. Introduction: Theoretical and Epistemic Context

Precisely after the Second World War, on January 20th, 1949, the terms development and underdevelopment were heard for the first time when, during his inauguration as president of the United States, Harry S. Truman said in his speech that the nations of the southern hemisphere were underdeveloped areas and the United States was going to help with development programs to solve their ancestral economic and social problems, adds Ornelas, this as a consequence of the subsequent cold war that took place between the western hemisphere, The US and the Soviet Union [12] whose economic, political and military forces divided the world and began to have arguments and interests for the territories and the market and to have strong interference in governments and power groups. Although the development as a political and economic discourse, as well as an academic one, and that begins to materialize in the 20th

century, has clear antecedents with philosophical bases, as well as from other branches of human knowledge, which we will try to carry out.

The category of development is associated with that of progress and evolution, ideas that began to take shape in ancient Greece, and that were taken up by thinkers in the Renaissance from different areas of knowledge, in the social sciences, and in the factual sciences: physics, chemistry and mathematics. In economics, political science and sociology it has been an equally used and discussed term. By associating it with evolution, it is necessary to go back to one of the first thinkers who used the term referring to species. During the 19th century, Darwin investigated the evolution of species and in his most representative work [4], he reflected the ideas and hypotheses to which he arrived and which in turn established fundamental principles for the conception of nature, of the evolution of life itself. So then, he safely adds:

“I am completely convinced that species are not immutable and that those belonging to what is called the same genus are direct descendants of some other species, generally extinct, in

the same way that the recognized varieties of a species are the descendants of this one. (p. 14).

Thus, Darwin argued that species have evolved and that in this evolution many have become extinct and yet many others later emerged and have their origin in previous ones, which means that all existence has bases that precede and have been modified". Darwin complements, then, saying: "... while this planet has been rotating according to the constant law of gravitation, they have developed and are developing, from such a simple principle, an infinity of forms, the most beautiful and wonderful ones" [4] (p. 638). Time and space naturally predominate in his theory, and it is that evolution has been forged from the different stages and times that the species have passed through on this planet.

Now, life could be seen as a straight line, an arrow that goes forward in a constant: evolution, progress and development, ideas conceived from the human species, in Western culture of course. While from the Eastern point of view it is conceived in a cyclical way, there is a return and from there one returns to the basics, to the fundamental, to the beginning. There is a clear difference then, between the conception of time and space in the Western way, as well as in the non-Western way.

These ideas of development and progress also began to take shape strongly since the Enlightenment and these were certainly the ideals inculcated in the two most relevant revolutions for the Western world, such as the French Revolution and the Industrial Revolution Bonilla maintains that:

The French Revolution is not a unique event from the point of view of time and space. It was an inspiration that had been taking place since the 16th century or even in some earlier thinkers; why not say the Greeks and some later ones from the Middle Ages, who had been consolidating their foundations. Ideas such as freedom, equality, development, evolution, the same opportunities for everyone. [1] (pp. 31-32).

Science also plays a very important role since modernity suggests that the only way to achieve development and progress is through reason, an idea that was already elucidating since the Renaissance and that in modernity was complemented through the only type of valid knowledge for humanity, from the Western point of view, and it is scientific: only through science will humanity be able to develop, progress and evolve; knowledge and religious thought were something past that darkened the mind and clouded reason During the Middle Ages; metaphysics is past and is part of the Renaissance transition, now in modernity we evolve as a human species to the extent that we use science to advance our most common and complex problems. Positivism thus lays the foundations for human knowledge based on science. In this regard, the following author explains that:

The rationalism of the 18th century, and with which it is sustained that science is the only valid knowledge in modernity, would not take long to show terrible contributions of the new stage of humanity, framed in some technological and scientific advances that have led to materialize the ideas that would accentuate the project of modernity such as progress and development. [1]

Continuing with the historical background on development,

Ruiz says that development begins to be treated in the colonial era, a time in which many of the countries of the world were still possessions of other more "developed" nations, a history that goes until the 19th century in the case of Latin America, and until the 20th century in the case of other African or Eastern countries [14]. Of course, colonialism persists, it has been reconfigured. Those same countries that subsequently achieved the supposed liberation began to tend to have greater inclusion and participation in the hegemonic global system of development promoted by the Western world.

Thus, Ruiz names the celebrations held at UNCTAD (United Nations Conference on Trade and Development) meeting since 1964 every 4 years or UNIDO (United Nations Organization for Industrial Development) that was created in 1967. [14] Despite these attempts at grouping for participation and work towards a "development" which, of course, is never equitable, and on the contrary has always been unequal, inconsistent, and unbalanced, the author adds the following, referring to the Institutions created by the economic model to supposedly counteract the economic and social gaps: "they have not managed to reduce the difference between developed and developing countries." (p. 16)

In view of the above, it is worth analyzing that the development of some is possible or is achieved at the expense of others. That is to say, a nation, group of nations, or interest and power groups develop because they obtain wealth from other resources. So then, it can be analyzed that development is a subjective category, and then it is not perceived or achieved in the same way in all spaces and of course the times of these that are perceived differently. In fact, development seems to be a national or regional category and today's world tends to be homogeneous, at least from the economic model and as Wallerstein explains, it should be studied from the world system, but not from the poorly achieved project of the nation state. So then, thinking about local, regional development is an idealistic question, and it is protected by discourse. [16].

The United Nations Organization - UN called the decades of the seventies and eighties the two decades for development, and in this regard Ruiz maintains that: "essentially they have failed" Likewise, Ruiz comments that in the face of the new relationship of economic and social forces and the inevitable increase in oil prices decided by the producing countries around 1973, the third world countries proposed in 1974 a greater participation, inclusion that perhaps would end inequalities. Some of the points they tried to demand were:

- 1) Stabilization of raw material prices.
- 2) Preferential access for manufactured products exported to developed countries.
- 3) Growth of the contribution of the South in world industrial production.
- 4) Control of transactional activities.
- 5) Creation of conditions for technology transfer.
- 6) Improved help.
- 7) Debt lengthening
- 8) Reform of the international monetary system that assumes the interests of developing countries. [14]

These, among others, are questions that were proposed at that time, which are still being raised today, and then Ruiz adds that the results obtained to date have been limited. Another concern has been the external debt, in which the group of third world countries have proposed greater possibilities of payment, or failing that, a cancellation of the debt. Of course, the industrialized countries have left and have supported an individual solution to each case. [14]

Orlansky explains the difference between development and underdevelopment through regional analysis with the idea that one has a central axis and some peripheral ones, to define the former in the beginning to England and later to the United States and the latter as the case that concerns us in the region and as developed countries categorize it: the peripheral regions of Latin America, Africa, and certain areas of the East. Thus, from the Western perspective, there is a centralism which is surrounded by peripheral regions dominated from the economic point of view, and with influences in policies and social management. [11]

Economic Commission for Latin America and the Caribbean, ECLAC [5], an entity at the service of the prevailing economic model in Latin America, says that the import restitution strategy for the industrialization of the countries was a complete failure, and in the dynamics of capitalist economies, variables have fallen sharply such as inflation, stagnation, loss of competitiveness, inadequate incorporation of technical progress, growing public deficit and state presence in productive undertakings, thus achieving a poorly or nonexistent development in Latin America, explains Orlansky. [11].

Continuing with the analysis of the development of Latin America, Amartya Sen (1998) says that according to the experiences and teachings that history has left us, particularly those that occurred in the 20th century, to announce some, we can speak of: economic growth in North America and Europe, with a sustained increase in unemployment rates, and on the other hand the rapid economic growth of some parts of Latin America, without reducing poverty. Although Sen exposes an achievement of an economic nature, it is also correlated with a variable of carelessness in the general scope of the population.

The title that Sen gives a section in his theories on development called: Blood, sweat and tears? [15]. A quite suggestive title in turn that uses it as a metaphor, and from the

metaphor, it goes to the literal plane to resemble the processes carried out by some nations to achieve the supposed development that others are perhaps, partially achieving. We are particularly referring to Latin America: the struggle for the expansion of the market, for alienation with and from the West, in exchange for misery, poverty and exclusion from the socio-economic system of millions of people. In truth, the author achieves a clear definition of reality.

Sen (1998) cites authors such as T. N. Srinivasan and Robert Sudegen to argue what the Argentine author Orlansky also wrote, which is that development should not be confused with economic expansion, much less with indicators such as GDP, since in our view the growth of utility of a few, in accordance with the poverty and in many cases the misery of many, largely excludes the population and therefore shows a confused panorama of social reality in the context issued by these development theorists. Development is uniform and is a category that encompasses the economic and the social. Quality of life, understood as the fulfillment of some social gaps such as access to health, education, public services, well-being, art, among other aspects.

Sen (1998) states that, within a group of people, two individuals do not enjoy the benefits of a property in the same way, since one may be in inferior physical conditions and can also be analyzed, emotionally or mentally, with respect to another. In other words, the quality of life that is intended to be provided from a homogeneous concept is not enough, and we propose it in this way, it is necessary to particularize cases by groups of people, ages, sexual gender, scope and cultural relevance, physical, mental and emotional conditions., among other attempts at particularization in the complex social system. In this regard, Edo explains that Sen has a rather utopian perspective on development. [6]

2. The Wage of Workers in the Development of Latin America and the World

Now, we are going to carry out an analysis of the wages of the workers and their repercussion in the so-called development. The first thing we are going to do is look at the participation of wages in the Gross Domestic Product GDP between the years 1970 to 2004, in Latin America.

Table 1. Latin America: Share of wages in GDP 1970-2004.

Share of wages in GDP 1970-2004								
Year	Argentina	Brazil	Chile	Colombia	Mexico	Peru	Venezuela	Avg/yr
1970	45,8	40,7	47,8	42,2	37,5	39,0	42,9	42,3
1975	40,4	36,6	45,3	41,0	40,4	40,0	40,3	40,6
1980	30,8	38,4	43,3	46,2	39,0	32,8	42,7	39,0
1985	29,6	42,5	42,4	45,3	31,6	30,5	37,6	37,1
1990	29,6	53,5	38,7	41,4	32,3	28,7	31,1	36,5
1995	36,8	45,3	40,9	38,7	34,0	28,3	34,0	36,9
2000	31,9	45,2	46,5	37,8	34,5	27,1	35,6	36,9
2001	32,1	44,6	46,8	38,0	35,9	27,0	38,2	37,5
2002	25,4	43,7	46,7	38,1	35,6	26,4	36,1	36,0
2003	22,9	42,9	46,9	36,7	35,0	26,1	33,3	34,8
2004	23,9	42,9	44,2	35,7	33,6	26,1	33,2	34,2

Share of wages in GDP 1970-2004								
Year	Argentina	Brazil	Chile	Colombia	Mexico	Peru	Venezuela	Avg/yr
Average	31,7	43,3	44,5	40,1	35,4	30,2	36,8	37,4
Difference first and last year	21,9	-2,2	3,6	6,5	3,9	12,9	9,7	8,0
Difference %	47,82	-5,41	7,53	15,40	10,40	33,08	22,61	

Source: ECLAC Statistical Yearbook, in Orlando Caputo [3].

The participation of workers' wages decreased at the beginning of the 21st century compared to the 1970s, to say in Argentina it is where this fall is most reflected in a 47.82% difference between 1970 and 2004, Peru continues where that decrease is 33.08%. As well as in almost all countries except Brazil where it increased slightly by 5.41%, although there are years after 1970 where the wage of workers in the share of the country's GDP is lower.

It is also interesting to observe the participation of salaries in the GDP by regions in the world.

Table 2. Share of wages in GDP worldwide by region.

Share of salaries worldwide by main regions
REM/GDP
OECD 69.0
Former socialist countries 62.7
Asian 52.0
Middle East and North Africa 47.8
Latin America 42.7
Africa 37.1

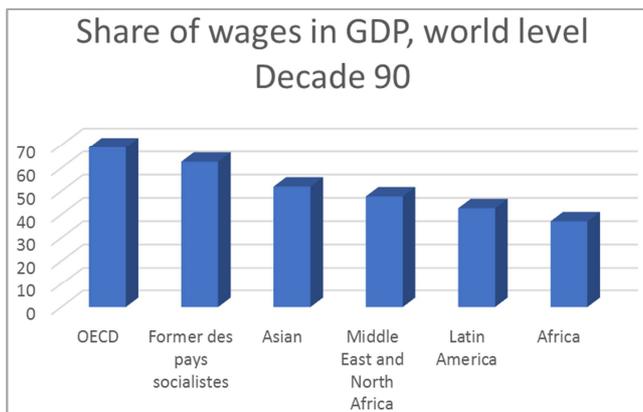
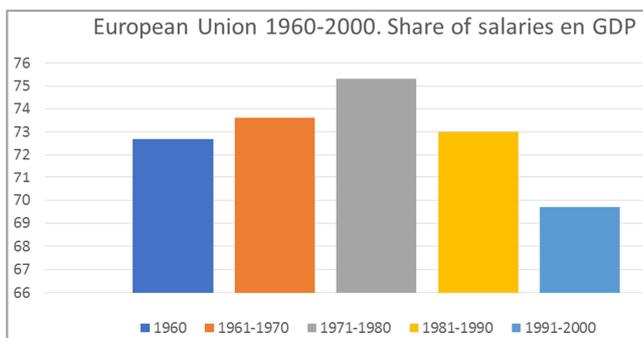


Figure 1. Wage share in global GDP 1990s.

Source: Own authorship based on data by Oswaldo Larragaña [8] in Orlando Caputo [3].



Source: Own authorship based on data from Orlando Caputo (2008) [3]

Figure 2. European Union: Share of wages in GDP 1960-2000.

Taking an international perspective by region, we realize that the share of workers' wages in GDP during the 1990s is lower in both Africa and Latin America, that is, the southern hemisphere, and on the contrary, it is higher in the member countries of the Organization for Economic Cooperation and Development OECD, a group composed mostly of Western countries, as well as in the former socialist countries. However, it should be noted that Chile joined the OECD in 2010 and recently Colombia in 2020.

It is also worth looking at the share of workers' wages in GDP in the European Union from 1960 to 2000.

Analyzing the above information, the European Union manages to have a greater participation of workers' wages in GDP, well above Latin America and of course Africa, since it exceeds 60% during the nineties and in the decade of the seventies achieved a participation of more than 75%. However, this statistical data has also decreased from 76% during the seventies to 69% during the nineties.

Thus, it can be seen that the participation of workers' wages in the GDP of Latin America has progressively decreased, and this dynamic is observed in the rest of the world. It should also be noted that, together with Africa, Latin America is one of the regions where this indicator of workers' wages has decreased the most. So then, we postulate the following four premises, to say:

First. The first thing to keep in mind is that the more expansionism and economic growth a region has, the more representativeness and weight workers' wages have in the Gross Domestic Product. In other words, the Chilean economist Caputo says that the quality of jobs and therefore of wages is better. [2]

Second. The regions with less economic development, as in the case of Latin America, have a lower quality of wages than the other regions with more economic expansionism.

Third. The economic model led by the great nations are the ones that implement and mandate labor and wage reforms in countries and regions that are economically and socially lagging behind. That is to say, the production and expansionism of the large multinationals moved to economically less favored regions, but with the rules imposed by the hegemonic capitalist system of the great nations such as the United States and the European Union.

Quarter. The low representativeness of workers' wages with respect to GDP, and therefore the deterioration in people's quality of life is higher, under the same economic model, in less economically developed countries, and is improved in hegemonic countries, owners of multinationals and investors who extract natural resources and human talent, sheltered by policies that they themselves implement and force implementation in countries that without hesitation to

the needs and demands, without logic and analysis of conditions, they obey.

3. Discussion and Synthesis

Knowledge is complex and research does not have an end, one is carried out and a topic is not fully completed because having investigated it implies having reached premises that contribute, yes, but it also opens up possibilities, and of course questions: What kind of development are you talking about? To that extent, what is development? Does development exist or not? Who is developed and who is not? Alternatively, as some authors or institutions call it: underdeveloped, what are the characteristics of development? What is development for? Just as there are several questions, there are several positions on development, but we will try to contribute some discussion and synthesize the topic.

Although the term as an academic and discourse category begins to be treated in a visible way in the 20th century, there are antecedents from the West, in ancient Greece, since philosophers, scientists and thinkers of that culture raised the idea of progress, reaffirming the power of man about nature and the scope that he could have by using science and knowledge.

Later it can be seen that the idea was not clearly seen in the Middle Ages, and somehow the political, intellectual, artistic and scientific environment did not conceive it well, for one of the biggest and most influential reasons in that part of history: the religion. However, at the time there were great personalities, thinkers and scientists who in some way influenced a way of seeing and thinking about the world that was less mystical and divine, more based on science, the arts and letters: as is the case of Galileo and Newton, among others.

On the other hand, the colonization of America by Europe brought with it the idea of progress, paraphrasing Macip in the historical background of his work Administration of urban and municipal development: colonization was conceived with the idea of civilization and progress, therefore, an urban type, beginning with the municipal, as a type of administration extended throughout Latin America. The urban conceived as progress and the rural as something left behind. [9]

Returning to the West, we realize that the idea was widely treated and conceived at the end of the Middle Ages, from the 18th century, with contributions from biology such as those of Darwin in the evolution of species [4] and some more representative philosophically achieved in the illustration. In the illustration, the foundations were laid for the project of modernity, the same that was later displaced by postmodernism: chaotic, fleeting in both material and immaterial relationships: love, personal, labor and economic relationships, between people they are conceived in a time and space: if not virtual, yes, precarious, practical and fleeting. Development and progress are relevant categories in the postmodern era.

In the illustration, the most outstanding thinkers were Kant and Descartes, who theorized from the idea of progress,

evolution and development. Man is the owner and therefore creator of his own destiny, it is not in the hands of a divine power, much less chance or divine providence. Causality instead of chance, other authors would speak about it later.

By the 20th century, the term is institutionalized, to the point that many theorists and institutions speak of development and underdevelopment, to refer first to countries with expansion and economic growth in the national and international market, and with a level of material life perhaps much better, and as the second to countries colonized in some way by the previous ones, in a way of taking advantage of material and natural resources, understand the human itself within the natural: that is, cheap, qualified labor and unskilled participation of men and with the passage of time, the increasing participation of women, in industry, in services, in national and border trade and in the supposedly primary sector of the economy: agriculture.

Hirschman in his work "The strategy of economic development" exposes a position on the Meisel's imbalance: arguing that to achieve development there must be an imbalance between the parties. [10] That is to say that for Reic those who are developed did so at the expense of others [13]. So then, the author explains very well the capitalist mechanics of the economic model. We must remember then, that Hirschman, when proposing this theory in the aforementioned work, as well as in his work Journeys towards progress (1963), was considered one of the best economists and recognized by the best universities in the United States. Of course, for getting "development", growth and expansion of power and the market, there must be a disparity between the parties: between the actors, territories, people and situations. It is the prevailing economic model at this moment in human history.

Sen provides interesting material for the study of development, and in addition to what has been seen above, he raises something interesting and it is about the development of people: human development. Human development from the same economic perspective? That is, whoever has more to consume, does he/she have the possibilities of a better quality of life? Human development of the moral, of the ethical, from the cultural? Development of other human variables? Which? We are convinced that many of the circumstances and forms of human life are influenced by the economy, and to that extent, are people with fewer economic and material resources less likely to be happy. The idea of happiness is subjective, but what is clear is that poverty gives a lower quality of life. The social changes brought about by the idea of progress, of development conceived from the West, are quite questionable, poorly achieved for a large part of the population of Latin America.

4. Conclusion

The western idea of development carried out as a conceptual and discourse strategy is nothing more than demagoguery to support the disparity of the regions in the current economic model.

However, we see that life itself is a complex change that we could not think about quietly, in retreat, because however, we are capable of producing ideas, we are capable of transforming things and transforming ourselves. Latin America is an interesting as well as a complex region, and the development of this region is a construction that surely we must do together, from our own perception and better still from our own reality.

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