

The Dominican Republic in the last 30 years: Sustainable Development Goals (SDGs), GDP, Poverty Trap & Inequalities

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Abstract:

This analysis examines the significant changes that the Dominican Republic has undergone in the last 30 years in various areas, such as the economy, politics and institutions, public service delivery, and social cohesion. Despite being the fastest growing economy in the region, the country's economic success has not translated into significant improvements in living standards for all citizens. The labor market remains characterized by vulnerable and precarious workers, stagnant wages, and insufficient investment in education and training. Poverty is widespread, and social spending levels are among the lowest in the region. This analysis aims to highlight both positive achievements and persistent challenges in each area and inquire about UNDP's sustainable development country program for the Dominican Republic. The strengths and weaknesses of the Dominican Republic's economic growth from 1990 to 2021 will also be discussed. The objective is to identify theoretical additions for improvement and provide findings and recommendations on this topic.

Keywords:

Dominican Republic, economic growth, public service delivery, social cohesion, living standards, labor market, poverty, social spending, sustainable development.

Introduction

The Dominican Republic has undergone significant changes in the last 30 years in several areas, including the economy, politics and institutions, public service delivery, and social cohesion. According to the world bank, Real GDP grew by 4.9% in 2022, driven by services. Thanks to a successful government vaccination campaign and a resurgence in worldwide tourism, the hospitality industry experienced a remarkable 24% growth during the same period. This growth was evident in the flourishing hotels, bars, and restaurants sector. Expansionary fiscal policy also contributed to growth (The World Bank, 2023).

Despite being the fastest growing economy in the region, the country's economic success has not translated into significant improvements in the living standards of all its citizens. Although the

country has reached a middle-income level, the labor market remains characterized by a high percentage of vulnerable and precarious workers, stagnant wages, and insufficient investment in education and training. Poverty is still widespread, affecting over 30% of the population, and social spending levels remain among the lowest in the region. While the economy has weathered the impact of global financial and economic crises, as well as the COVID-19 pandemic, declining international competitiveness, weak human capital, and persistent economic and social inequalities threaten to undermine future growth and social outcomes. This paradox of high growth, declining wages, persistent poverty, and informality has garnered attention from researchers and observers alike. There is a growing awareness within the country of the need for policy changes to adopt a more inclusive development model.

This analysis will look at the most important changes the country has made in each of the above areas highlighting both positive achievements and persistent challenges. Briefly inquire about UNDP's 2023-2027 sustainable development country program for the Dominican Republic. Strengths of the Dominican Republic that contributed to its economic growth from 1990 to 2021 and weaknesses will also be added as footnotes. The objective is to identify possible theoretical additions for improvement, i.e., findings and recommendations, that may be of interest around this topic.

Macro-economic environment

In economic terms, The Dominican Republic has enjoyed a period of sustained growth, with an average annual GDP growth rate of 5.5% between 1990 and 2022.. See graphic 1.

This growth has been driven by the services sector, which accounts for more than 60% of GDP, and the tourism industry, which has grown rapidly in recent years. However, the country still faces challenges in reducing poverty and inequality, with a Gini coefficient of 0.419 in 2019 and a poverty rate of 25.5%. - Inflation remained at relatively low levels, with an average rate of 8.5% per year and in October 2022 with an average rate of 7.83% (BCRD, 2022).

- The tourism sector became one of the country's main sources of income, with a significant increase in the number of foreign visitors.
- The government implemented a series of economic reforms, including privatization of state-owned enterprises and trade liberalization. The General Law for the Reform of Public Enterprises (No. 141-97) was enacted on June 24, 1997, as a result of a political process in which the three

majority political parties agreed on the need to give way to private investment and management in order to stop the progressive deterioration and disappearance that had already affected a significant number of the enterprises that made up the original inventory inherited by the State at the end of the dictatorship in 1961 (Ley (No. 141-97), 1997).

The government implemented a series of fiscal and monetary reforms to strengthen macroeconomic stability. In terms of monetary policy, the Central Bank has successfully implemented, since 2012, an Inflation Targeting Scheme having as its central target a rate range of $4.0\% \pm 1.0\%$.

Since its implementation, this monetary policy framework has contributed to a significant reduction in the level and volatility of inflation in the Dominican Republic, keeping the expectations of economic agents anchored despite the uncertainty registered in recent years in the international environment. This stability has facilitated the private sector's investment and consumption decisions and has contributed to lay the foundations for sustainable growth. According to the Central Bank of the Dominican Republic, also the implementation of tax measures and spending reductions have allowed a reduction of more than 4 points of GDP in the public sector deficit since 2012 (Ley No. 253-12 , 2012).

The government implemented a series of structural reforms to improve the competitiveness and productivity of the economy, including simplifying business procedures and improving infrastructure. Also, the strategy of negotiating free trade agreements with a country or bloc such as [US-(CAFTA-DR)] and the EU has allowed the Dominican Republic to take advantage of a larger market.

The expansion of the external market stimulates the local economy and improves both employment and tax revenues and produces additional positive effects in that it also facilitates foreign investment.

Foreign Direct Investment (FDI) is one of the items that sustain the country's economy. According to figures issued by official agencies, during nine years the Dominican Republic captured a total of US\$22,358.7 million in Foreign Direct Investment (FDI), which is equivalent to an annual average of US\$2,484.3 between the years of 2010 and 2018.

In 2022, the Dominican Republic achieved a significant milestone by reaching a record figure of Foreign Direct Investment (FDI), with an inter-annual growth of US\$813.6 million (25.5%) during

the year. The country attracted an extraordinary sum of US\$4,010.4 million, which accounted for 35% of the investment flows in the Central American region for the year. The tourism sector played a crucial role in driving the growth of FDI flows, with an investment of over USD 1 billion for the first time in history, representing 25% of the total FDI flows in 2022. Additionally, the energy sector experienced the highest absolute growth, with an additional USD 475.2 million and a total attracted investment of USD 753.4 million.

In terms of importance, it is followed by the growth of the Trade/Industry sector with absolute growth of USD 292.1 million and a total value received of USD 599.5 million (CEIRD, 2023).

On the political and institutional front, the Dominican Republic has made progress in establishing peace and stability, with peaceful transitions of power and a relatively stable democracy. However, corruption remains a significant challenge, with the country ranking 123rd out of 180 countries in the Corruption Perceptions Index 2022 (Country Economy, 2022).

In addition, the representation of marginalized groups in Dominican politics is of concern because these groups are often excluded from decision-making processes and therefore have no say in the policies that affect their lives. This can lead to greater inequality and social exclusion, which in turn can generate tensions and conflicts in society.

Furthermore, lack of trust in institutions is also worrying because it undermines the legitimacy of the political system and can lead to greater polarization and social discontent. If people do not trust institutions, they are less likely to respect laws and norms, which can lead to increased violence and insecurity. Although in terms of social cohesion, the country has experienced an increase in participation in social activism and a growing civil society. However, significant disparities in social trust and cohesion remain, with high levels of violence and crime and persistent discrimination against marginalized groups.

Both the lack of representation of marginalized groups in politics and the lack of social trust and confidence in institutions are serious problems that must be addressed to ensure a more just and equitable society.

In terms of public service delivery, the Dominican Republic has made significant progress in improving access to education and health care. The country has achieved near-universal primary schooling and has made progress in reducing infant mortality rates. However, the quality of

education and health care remains a concern, with disparities in access and outcomes between urban and rural areas and across socioeconomic groups. ¹

Important multi-sectoral connections

Despite progress towards the Sustainable Development Goals, inequality remains a major obstacle to achieving the 2030 National Agenda and UNDP's 2023-2027 country program for the country. In the 2021-2022 Human Development Index (HDI), the Dominican Republic ranked 80th out of 191 countries, representing a rise of two positions compared to the previous year. The country is in the High Human Development category, with an HDI value of 0.767. Despite the challenges presented by the COVID-19 pandemic, the Dominican Republic has managed to remain in the same category in 2021. See graphic 2

However, the unequal distribution of human development continues to be a major problem in the country, which is reflected in the inequality-adjusted HDI. According to this index, the Dominican Republic loses 19.4% of its well-being due to inequality. In addition, the intensive use of natural capital also has a negative impact on the country's development, which is reflected in a 6.3% loss in the HDI adjusted for planetary pressures. See graphic 3

In terms of the Gender Inequality Index, the Dominican Republic ranks 106th, indicating that inequality between men and women continues to be a major problem in the country. In key areas

¹ Strengths of the Dominican Republic that contribute to its economic growth from 1990 to 2022:

Top tourist destination in the Caribbean

Diaspora remittances

A robust infrastructure networks.

Free trade agreement with the U.S. (CAFTA-DR) and economic partnership agreement with the EU.

Institutional and political stability.

Policies to encourage foreign investment.

Diversification of its economy, with sectors such as agriculture, mining, and manufacturing.

Growing service sector, including medical tourism and information technology.

Energy potential, with renewable energy projects and hydrocarbon exploration.

Strategic geographic position as a gateway to the Caribbean and Latin America.

Weaknesses:

Dependence on the U.S. economic situation.

Dependence on the price of gold (the mining industry accounts for about 20% of GDP).

Poor electricity supply

Limited manufacturing activity concentrated in free trade zones with little connection to the national economy.

High levels of poverty and inequality, and low tax revenues (14.5% of GDP) OECD et al. (2023), Revenue Statistics in Latin America and the Caribbean 2023, OECD Publishing, Paris <https://doi.org/10.1787/a7640683-en>

Crime linked to drug trafficking.

Inequality (Gini coefficient of 0.385 2021)

Widespread corruption

of well-being, such as health, education and participation in decision-making spaces, gender inequality has caused a loss of more than 40% of the progress achieved. See graphic 4

Poverty (low-income level)

For the year 2020, the Economic Commission for Latin America and the Caribbean (ECLAC) reported that national poverty was 21.8%, being deeper in rural areas. As for extreme poverty, it reached 5.6% at the national level.(CEPAL, 2021).

Income concentration, as measured by the income level of the last decile of the Dominican population (10%), in 2019 indicates that this subgroup held 33.1% of the total annual income generated in the country, in 2020 30.4 and in 2021 30.2, suggesting a certain degree of economic inequality (The World Bank, Income share held by highest 10% - Dominican Republic, 2021).

However, this seems to be decreasing, since in 2019 the Gini Index (conventional indicator to measure income inequality in a society) closed at 0.419 and in 2021 it dropped to 0.385, while in 2018 it had a value of 0.437. Its maximum point was in 2003 and 2004 with 0.521. Therefore, in recent years, the path of this indicator expresses an advance towards equity in the distribution of income in Dominican society. See table 1.

Despite these economic achievements, in some sectors of the population wages continue to be insufficient. In 2019, the average monthly salary of working people who belonged to the non-sectorized private formal sector, all those who do not belong to sectors such as tourism, restaurants, bars, free trade zones, construction, among others that have special minimum wage rates for these items: - which represented more than half of the formal working people-, was calculated in a range between dop 14,842.16 (usd 280), and dop 23,391.87 (usd 463). The location of income in the range depends on the size of the company in which one works. In companies with up to five employees, the average salary at the end of 2019 was usd 280.40; in companies with six to 10 employees, usd 332.19; in those employing between 11 and 50 people, usd 405.01; from 51 to 150, usd 499.24 and more than 150 employees, usd 463.37.(The original figures (in Dominican Republic pesos, dop) were transformed using an exchange rate of usd 1 = dop 52.9312, equivalent to the average buying and selling price on December 31, 2019.) (Observatorio Mypimes, 2020).

In 2019, 86.11% of the working people contributing to the Dominican Social Security System (sdss), worked in companies with 15 employees or less; 9.41% in companies with between 16 and 50 employees; the remaining 4.48% in companies with 51 employees or more. The total number of working people who receive a salary higher than dop 25,000 (usd 472.31) is 24.13%; that is, at least 75.87% had an income lower than the national family basket (Tesorería de la Seguridad Social, 2021).

The above distribution reflects the size of the population of people under a dependency relationship and its stratification (by firm size), in the Dominican Republic labor market. (The price of the basic food basket in October 2020 was approximately usd 660. This calculation is detailed in the notes to Table 2.

Informal Employment and Lack of Health Care

Despite experiencing economic growth rates above the Latin American average in recent decades, the Dominican Republic still faces high levels of informal employment. This has a significant impact on the ability of workers to improve their living conditions and on social cohesion. As a result, the main social actors in the country agree on the importance of implementing changes aimed at increasing the quantity and quality of jobs generated by the economy. In addition, it has a significant impact on the lack of health care due to the close relationship between being formally employed and being affiliated to the social security system. The social security system in the Dominican Republic has faced several challenges in recent decades, which has led to a lack of adequate health care for many citizens. One of the main problems is the lack of sufficient funding for the social security system, which has led to a lack of resources to provide quality health services to the population.

In addition, the social security system in the Dominican Republic has been criticized for its lack of efficiency and transparency in the management of resources. Many citizens have reported corruption and misuse of funds allocated to healthcare, which has led to a lack of confidence in the system.

Another major problem is the lack of access to healthcare for the poorest and most vulnerable citizens. Many of them do not have health insurance and cannot afford to pay for private health services, leaving them vulnerable without access to necessary medical care.

It is important to note that discussions are ongoing to determine mechanisms within the Dominican Republic's Social Security Law 87-01 to facilitate the inclusion of other significant social sectors, such as domestic workers, migrant workers, and workers with temporary or occasional employment.

The case of migrant workers is particularly complex, as Law 87-01 is based on the principle of universality, which protects Dominicans and legal residents. However, since the General Migration Law No. 285-04 does not grant resident status to temporary or seasonal workers, they are excluded from social security. This exclusion affects many immigrants, as they are often employed in activities such as agriculture and construction, where there is a significant population of salaried migrant workers.

Nevertheless, the Labor Code recognizes their labor rights regardless of their legal status, appealing to the principle of territoriality. According to the National Immigrant Survey (ENI-2012), 524,632 immigrants reside in the country, equivalent to 5.4% of the country's total population (ENI-2012, 2012).

Food trap

By 2015, the country successfully met the Millennium Development Goal of halving the rate of people suffering from starvation. The prevalence of stunting in the country is 7.1 percent and overall malnutrition stands at 3.8 percent (ENDESA, 2013).

Furthermore, according to FAO, the prevalence of exclusive breastfeeding between 2011 and 2018 decreased by almost 7 percentage points in the Dominican Republic (FAO, 2022)

The stagnation of the teenage pregnancy rate and its unequal distribution in the population pose a significant threat to national progress in development and jeopardize the achievement of the objectives and goals set for 2030, including combating hunger. In the Dominican Republic, there are approximately 2 million adolescents between the ages of 10-19, which represents 19.0% of the total population of the country. The current adolescent fertility rate of 97 births per 1000 women aged 15-19 remains the highest in the Latin American and Caribbean (LAC) region. According to the Pan American Health Organization (PAHO) available data indicate that 22% of women between the ages of 12 and 19 have been pregnant, which is 34% higher than the LAC average (PAHO, 2018). Children under five, adolescent girls, pregnant and lactating women, and girls remain among the most vulnerable to malnutrition.

Education

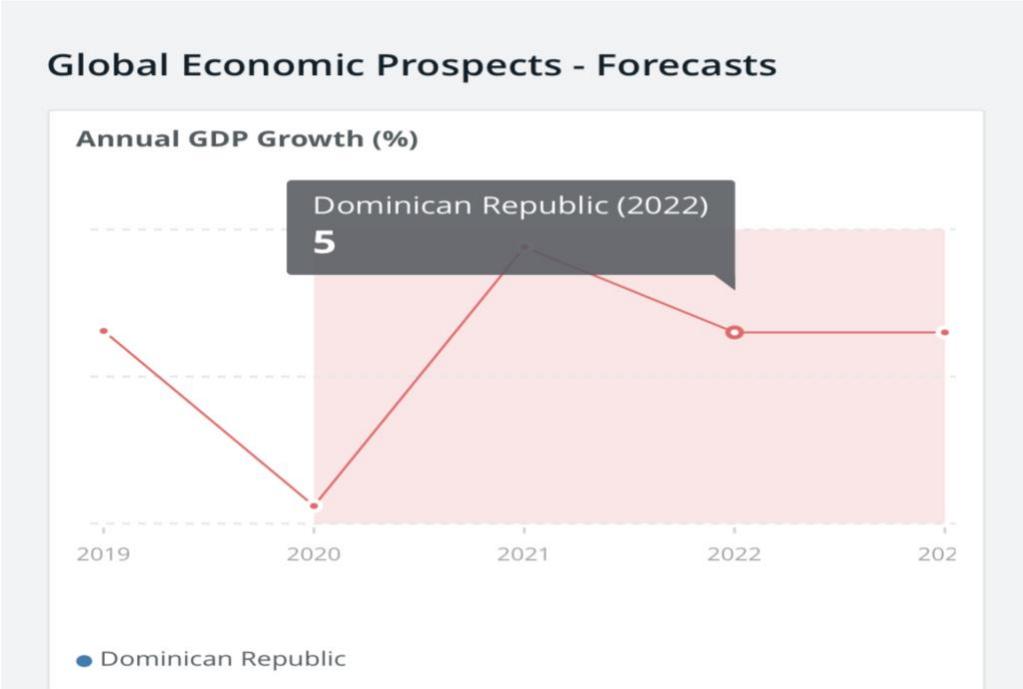
The Dominican government in the infrastructure improvement plan has also included construction of primary schools facilitating access to education to many children. Not all students have the same opportunities to access, progress and complete their education, as this will also depend on many factors such as gender, the area where they live, if they have specific learning needs, what their family income is, among other socioeconomic variables. This is why it is important to study these situations of exclusion, as it allows decisions to be made to eliminate them.

There is a higher probability of children and adolescents residing in rural regions to not attend school. Even though in primary school urban and rural areas have similar profiles, from the first year of secondary school (7th grade of the former Basic Education) the number of enrolled children in rural areas is significantly reduced, which worsens as the grades advance.

A lot of these youngsters frequently experience concerns about whether they will be able to form new friendships or develop a liking towards their educators. But in the Dominican Republic, some face a much more serious concern: Will I have to drop out of school because I lack a birth certificate?

Yes, it is a reality. Due to statelessness in the Dominican Republic, the access to education for numerous children born in the country with foreign origins, especially Haitians, is restricted by various obstacles. At least, in some cases they are accepted according to the family's development, but that is until they reach the national tests of the seventh grade, since it is unavoidable to have a birth certificate to be able to register for this test. This results in a high level of inequality in education (Georgetown Law Human Rights Institute, 2014). See table 3, education section.

Graph 1



Graph 2

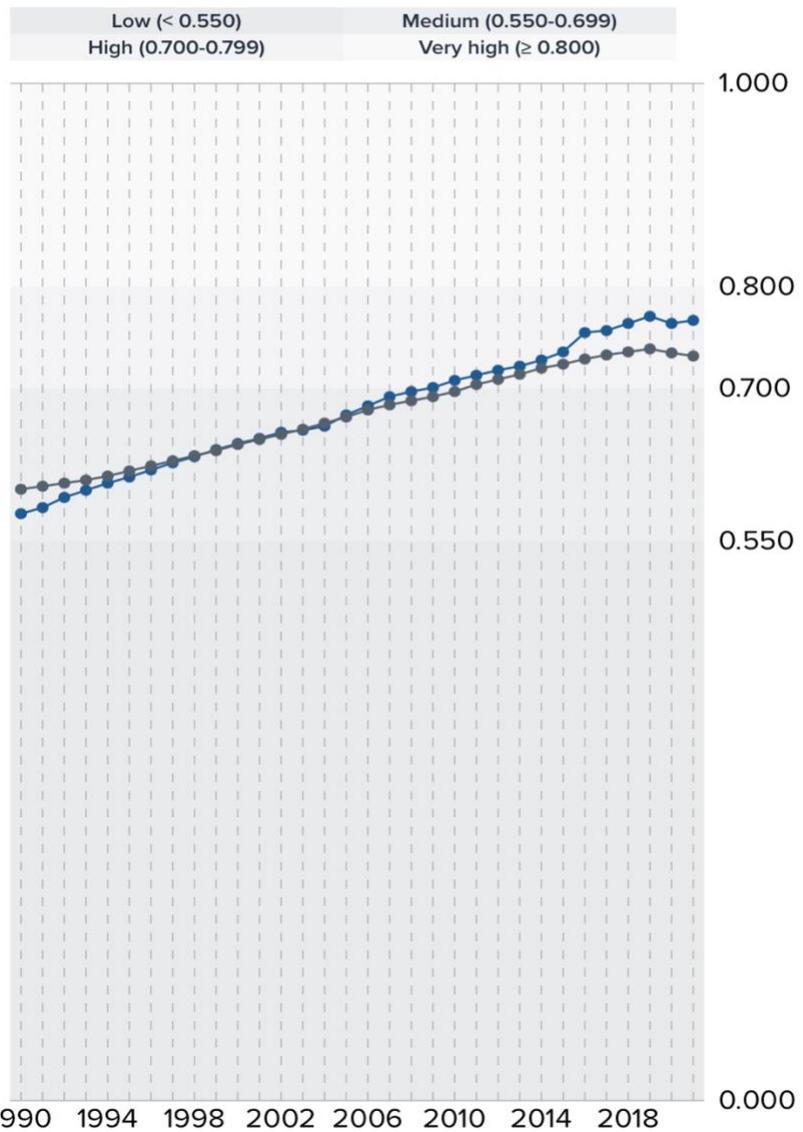
HDI in comparison 1990 – 2021

ADD COUNTRY TO COMPARE (UP TO 3)



+ ADD A COUNTRY

Dominican Republic World



IHDI in comparison 2010 – 2021

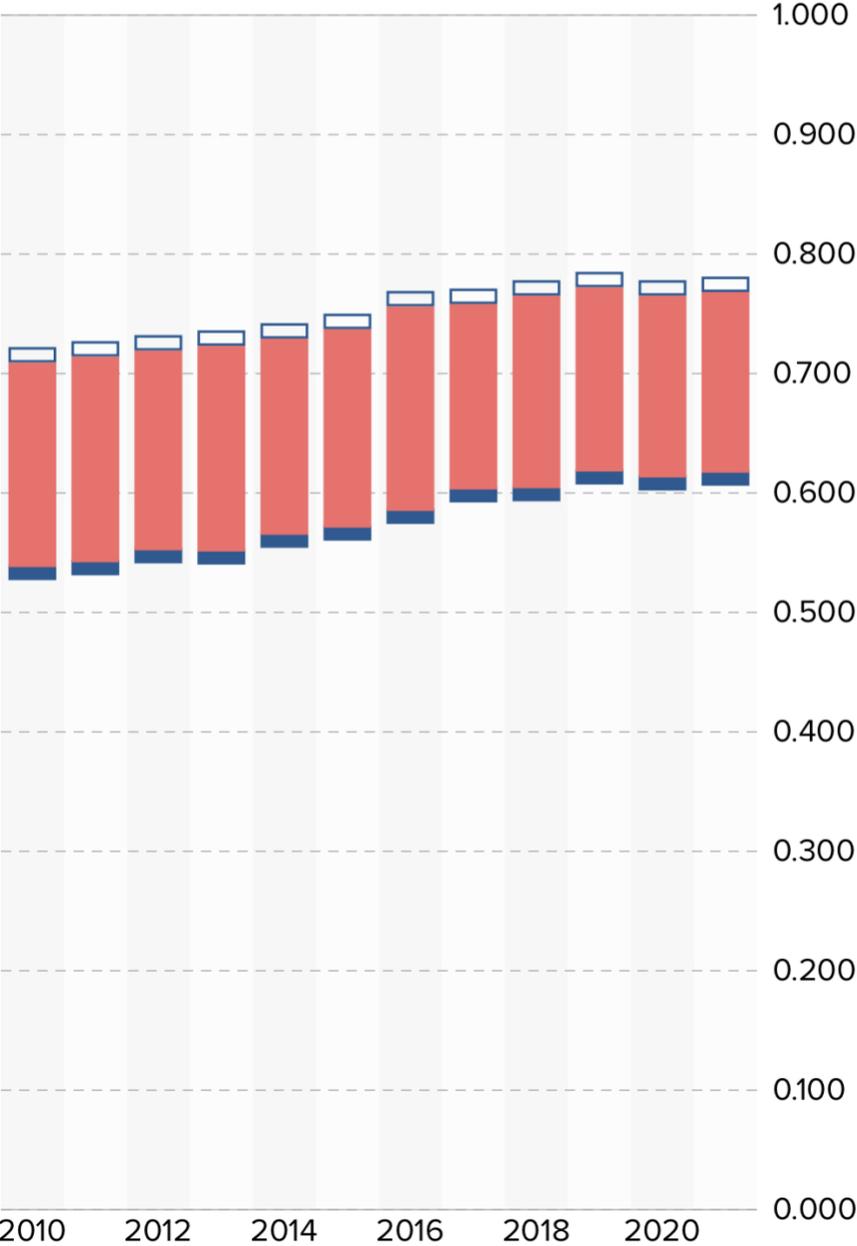
ADD COUNTRY TO COMPARE



+ ADD A COUNTRY

Dominican Republic

■ IHDI of the year □ HDI of the year ■ Loss



Graph 3

GII in comparison 1990 – 2021

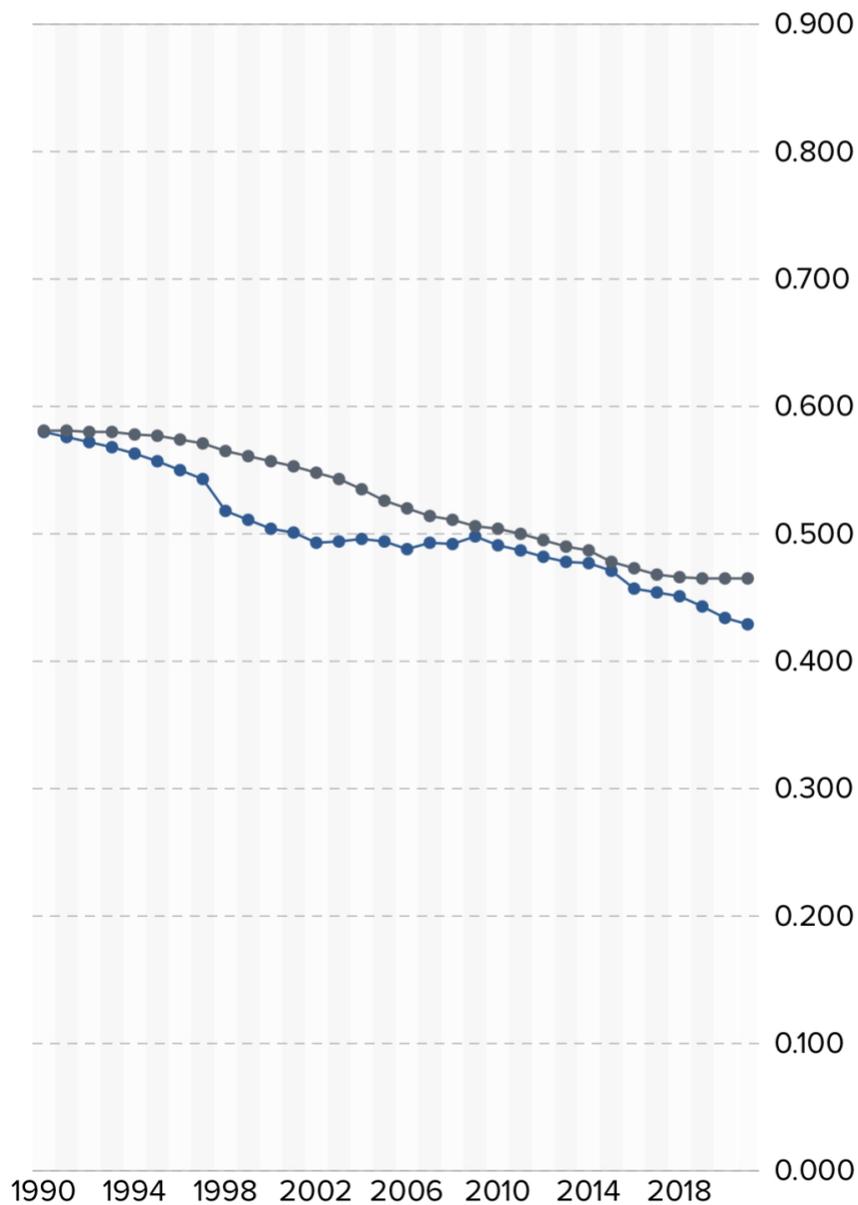
ADD COUNTRY TO COMPARE



+ ADD A COUNTRY

Note: the lower GII values represent a better performance regarding gender inequality.

Dominican Republic World



Graph 4

Table 1

Indicator: Gini coefficient Country: Dominican Republic Year: (All)

Inequality Indicators

Indicator	Country	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Gini coefficient	Dominican Republic	51.5	50.0	49.7	52.1	52.1	50.0	52.0	48.9	48.1	48.9	47.3

Indicator: Gini coefficient Country: Dominican Republic Year: (All)

Inequality Indicators

Indicator	Country	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Gini coefficient	Dominican Republic	47.3	47.7	46.1	47.7	44.3	45.2	45.7	42.2	43.7	41.9	39.6	38.5

Table 2

Table 7. Estimation of the average level of non-occupational sickness benefits

Size of the company (Number of employees)	Average monthly salary	Value of the benefit in case of receiving Attendance Outpatient	Value of the benefit in case of receiving Attention Hospital	Cost of the basket Family National
From 1-5	280.40	168.24	112.16	
From 6-10	332.19	199.31	132.87	
From 11-50	405.01	243.01	162.00	661.10
From 51-150	499.24	299.54	199.69	
More than 150	463.37	278.02	185.35	

"The original figures (in Dominican Republic pesos, Dop), were transformed using an exchange rate of USD 1 = DOP 52,9312, equivalent to the average price of

Purchase and sale of December 31, 2019.

2

² Graph 1 & Tab 3 retrieved from: <https://databank.worldbank.org/reports.aspx?source=2&country=DOM>
 Table 2 retrieved from: [https://dataviz.worldbank.org/t/LCSPP/views/10_inequality_trends Table SP2023/Data_En?%3Aembed=y&%3Aiid=1&%3AisGuestRedirectFromVizportal=y&%3Adevice=desktop&%3Aoriginal_view=yes](https://dataviz.worldbank.org/t/LCSPP/views/10_inequality_trends_Table_SP2023/Data_En?%3Aembed=y&%3Aiid=1&%3AisGuestRedirectFromVizportal=y&%3Adevice=desktop&%3Aoriginal_view=yes)
 Graph 2, 3, 4 retrieved from: <https://hdr.undp.org/data-center/specific-country-data#/countries/DOM>

Table 3

Country Profile	1990	2000	2010	2021
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World view				
Population, total (millions)	7.13	8.54	9.78	11.12
Population growth (annual %)	2.1	1.5	1.3	1.1
Surface area (sq. km) (thousands)	48.7	48.7	48.7	48.7
Population density (people per sq. km of land area)	147.6	176.8	202.4	227.7
Poverty headcount ratio at national poverty lines (% of population)	..	..	..	21.0
Poverty headcount ratio at \$2.15 a day (2017 PPP) (% of population)	17.5	6.7	3.9	0.9
GNI, Atlas method (current US\$) (billions)	6.23	22.73	51.64	90.01
GNI per capita, Atlas method (current US\$)	870	2,660	5,280	8,100
GNI, PPP (current international \$) (billions)	25.25	54.80	106.68	216.14
GNI per capita, PPP (current international \$)	3,540	6,420	10,910	19,440
People				
Income share held by lowest 20%	4.2	3.7	4.6	6.5
Life expectancy at birth, total (years)	67	69	72	73
Fertility rate, total (births per woman)	3.4	2.9	2.5	2.3
Adolescent fertility rate (births per 1,000 women ages 15-19)	117	112	109	68
Contraceptive prevalence, any method (% of married women ages 15-49)	56	65	73	63
Births attended by skilled health staff (% of total)	92	98	98	99
Mortality rate, under-5 (per 1,000 live births)	60	40	35	33
Prevalence of underweight, weight for age (% of children under 5)	8.4	3.3	4.0	3.0
Immunization, measles (% of children ages 12-23 months)	70	85	85	88
Primary completion rate, total (% of relevant age group)	..	79	93	88
School enrollment, primary (% gross)	100.2	115.8	110.5	96.7
School enrollment, secondary (% gross)	..	60	78	75

School enrollment, primary and secondary (gross), gender parity index (GPI)	..	1	1	1
Prevalence of HIV, total (% of population ages 15-49)	0.4	1.4	1.2	0.9
Environment				
Forest area (sq. km) (thousands)	15.9	19.7	20.7	21.4
Terrestrial and marine protected areas (% of total territorial area)	..	..	..	19.2
Annual freshwater withdrawals, total (% of internal resources)	..	20.7	30.4	30.4
Urban population growth (annual %)	2.6	2.9	3.0	1.9
Energy use (kg of oil equivalent per capita)	563	845	770	..
CO2 emissions (metric tons per capita)	1.10	2.19	2.12	2.50
Electric power consumption (kWh per capita)	391	1,317	1,383	..
Economy				
GDP (current US\$) (billions)	7.07	24.31	53.86	94.24
GDP growth (annual %)	-5.5	4.7	8.3	12.3
Inflation, GDP deflator (annual %)	50.5	7.2	5.4	7.8
Agriculture, forestry, and fishing, value added (% of GDP)	13	7	6	6
Industry (including construction), value added (% of GDP)	30	32	28	33
Exports of goods and services (% of GDP)	31	35	23	22
Imports of goods and services (% of GDP)	39	44	33	31
Gross capital formation (% of GDP)	23	28	26	31
Revenue, excluding grants (% of GDP)	12.0	13.8	13.8	14.7
Net lending (+) / net borrowing (-) (% of GDP)	0.6	0.8	-2.8	-8.2
States and markets				
Time required to start a business (days)	..	79	15	17
Domestic credit provided by financial sector (% of GDP)	..	..	39.6	51.9
Tax revenue (% of GDP)	10.3	12.2	12.2	12.4

Military expenditure (% of GDP)	0.7	1.0	0.7	0.7
Mobile cellular subscriptions (per 100 people)	0.0	8.3	91.0	87.6
Individuals using the Internet (% of population)	0.0	3.7	31.4	85.2
High-technology exports (% of manufactured exports)	..	..	2	8
Statistical Capacity Score (Overall Average) (scale 0 - 100)	..	..	68	72
Global links				
Merchandise trade (% of GDP)	73	63	41	39
Net barter terms of trade index (2000 = 100)	96	100	102	120
External debt stocks, total (DOD, current US\$) (millions)	4,485	4,618	13,499	43,712
Total debt service (% of exports of goods, services and primary income)	12.5	8.5	11.2	15.7
Net migration (thousands)	-27	-30	-30	-15
Personal remittances, received (current US\$) (millions)	315	1,839	3,887	10,743
Foreign direct investment, net inflows (BoP, current US\$) (millions)	133	989	1,820	3,255
Net official development assistance received (current US\$) (millions)	90.9	61.3	193.8	447.6

Source: World Development Indicators database

Figures in italics refer to periods other than those specified.

Country Program 2023-2027

The UNDP proposal for the Dominican Republic aims to improve the quality of life of almost two million people through collaboration with more than 445 public and private entities. More than 180 initiatives, tools and mechanisms for sustainable development will be developed, promoting the sustainable management of more than 14,000 hectares of land and reducing more than 2,200 metric tons of ozone-depleting substances. All this will be carried out in four areas of cooperation: people, prosperity, planet, and peace.

UNDP is committed to using its national, regional and global experience to support the country in the design, implementation, monitoring and evaluation of inclusive, equitable and sustainable public policies to reduce poverty and protect the most vulnerable. It aligns with UNDP's Global Strategic Plan 2022, which focuses on eradicating poverty, supporting countries in achieving the Sustainable Development Goals and working to achieve the Paris Agreement. UNDP will also use digitization, innovation, and development finance as catalysts for transformation to achieve concrete results (UNDP, 2023). Critically, the development of the social policies of this program must be based on the measurement of the wellbeing felt by the population, in order to achieve an equitable distribution and lower the level of poverty until it is eradicated.

Findings

The Dominican Republic faces several challenges and deficiencies in different areas, among them:

1. Economy: Despite having a growing economy, the Dominican Republic still faces economic and social inequalities. Poverty and inequality are persistent problems, and the economy remains vulnerable to external shocks.
2. Education: Although education is free and compulsory in the Dominican Republic, the quality of education is low. The illiteracy rate is high, and many children do not attend school due to poverty and lack of resources.
3. Health: The Dominican Republic faces challenges in access to health care and quality of health care. Infant and maternal mortality are high, and there is a high incidence of chronic diseases such as diabetes and hypertension.
4. Corruption: Corruption is a major problem in the Dominican Republic, and has affected all areas of society, including government, the economy, and society in general.

5. Security: The Dominican Republic faces public safety challenges, with high rates of crime and violence. Organized crime and drug trafficking are major problems.

6. Environment: The Dominican Republic faces challenges in environmental protection and natural resource conservation. Deforestation, water contamination, and biodiversity loss are major problems.

Recommendations

To address these inequalities, interventions are needed that focus on improving access to education and health by developing policies for short- and long-term coverage, reducing corruption, and promoting social cohesion and inclusion. In addition, policies are needed that address the root causes of poverty and inequality, such as improving access to credit and promoting economic diversification to ensure better distribution and thus equitable social welfare.

Implement hard law mechanisms against corruption and enforce them in a fair manner (from the highest to the lowest official).

Implement comprehensive high diligence monitoring processes for public officials on a regular basis and strengthen the security system by digitizing it to eradicate crime.

Continue to intensify the practices of a green economy, especially in the tourism sector with the active participation of the government.

Conclusion

In conclusion, the Dominican Republic today, without departing from the framework of economic policies based on market liberalization, has managed to significantly increase social spending, especially in education, health, social security and direct assistance programs. Although much remains to be done, the country has achieved a significant reduction in poverty -and especially extreme poverty- rates over the past 30 years.

The country's overall economic growth in recent years has accelerated. However, this growth has not been equitably manifested in all sectors, and it faces challenges in terms of distribution, reduction of absolute and extreme poverty, for whose solution it is essential to accelerate the rate of creation of quality and well-paid productive employment and new short- and long-term policies that protect both the welfare of the population and the environment, which can help reduce the impacts of possible natural phenomena.

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