

## FROM SALAMANCA TO IBERO-AMERICA:

### Ibero-American Identity as a Driver of Prosperity, Ethical Economics, and the Social Role of Insurance

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President of the Advisory Council of Castile and León,  
President of the Economic and Social Council of Castile and León,  
Rector of the University of Extremadura,  
Mayor of Salamanca,  
Mayor of Villanueva de la Serena,  
Civil, military, and academic authorities,  
Members of the Doctoral Faculty of this University,  
Ladies and gentlemen, dear friends:

I'd like to begin by thanking the Doctoral Faculty of the University of Salamanca, its Governing Council, and its Faculty of Law for this honorary doctorate, which they have so generously decided to award me and which I receive with deep emotion.

I'd also like to express my sincere gratitude to María Ángeles Guervós, dean of the Faculty of Law, for her laudatio and her generous words. Receiving this extraordinary honor strengthens my commitment to keep looking ahead, with enthusiasm and optimism. None of what I have been able to do would have been possible without the support of those who have accompanied me on this journey: my family, my friends, my colleagues, and the many good people I have been fortunate enough to meet throughout my life.

Thirty-eight years have passed since I said goodbye to these old lecture halls in Salamanca. Fate, together with my own decisions, has led me down paths that allow me to say today that I am a very fortunate person. My father wanted to study law, but was unable to do so for financial reasons. That left a deep impression on me, because, as a persevering and dedicated student, I didn't want to let him down. But it's also true that my humanistic outlook, my interest in politics and history, and my concern for social progress naturally led me toward law. I began my degree at the University of Extremadura, in Cáceres, but fortune brought me to this city, to this University, the place that would truly shape my life forever. It was here, around Plaza de Anaya, that a new life began for a restless young man in search of answers to so many questions. I was fortunate to play an active part in university life here, and it was then that I developed many of the skills that have accompanied me throughout my personal and professional life. And I had the great fortune of meeting here the person who would become my partner in life: my wife, Ángela, who is with me today.

That's why I never tire of returning to Salamanca, again and again. In 2012, the Alumni Association, ASUS, named me an honorary member—Angelita and Enrique, thank you very much—and Rector Hernández Ruipérez asked me to help refound the association and transform it into what is now Alumni. Over the years, this process has been carried forward with great success by an excellent group of professionals, first led by Alberto Alonso, then by José Luis Fuentecilla, and now by Raquel Flórez, always with Ángel Hernández at the head of a great team.

For me, there could be no greater honor than receiving this honorary doctorate in the very year that marks the fifth centenary of Francisco de Vitoria's arrival at this University to take up the Chair of Prime Theology. That moment marked the beginning of a movement of theologians, jurists, and philosophers that would revolutionize Western thought. That's why I'd like to focus my remarks on the essential aspects that, in my view, connect Salamanca—through the School of Salamanca—to Ibero-America and to the development of what has been my occupation, my passion, and my life: the institution of insurance. From these lecture halls came humanists, jurists, friars, notaries, and cosmographers, but also rogues and fortune-seekers, all of whom helped lay the foundations for that great historical undertaking. It was not only an undertaking of conquest; it also brought two worlds together and set in motion a cultural, social, and political transformation that continues to this day.

I uphold Ibero-American identity not as an exercise in historical nostalgia, but as a powerful driver of relationships, prosperity, and social development. It's a community of nations united by a shared origin, culture, and language. To develop this idea, I'll structure my remarks around four main sections, followed by five proposals and a concluding epilogue.

First, I'll discuss the foundational role of the University of Salamanca in shaping the Ibero-American space and the importance of education for social prosperity. Second, I'll examine the School of Salamanca as the source of a modern theory of economic ethics. Third, I'll consider how the institution of insurance embraces and applies the legacy of these Salamancan principles. And fourth, I'll explain how Mapfre gives tangible form to this commitment in Ibero-America, with insurance operating as one of the most socially minded business activities in Western society.

## **1. The University of Salamanca and Ibero-America: Education as a basic pillar of social prosperity**

Nothing we are today, in Spain or in Ibero-America, can be understood without looking back to these lecture halls, which have stood for more than eight centuries.

Salamanca wasn't merely a center from which theological thought radiated outward, nor was it simply a refuge for medieval knowledge. From the moment Castilian ships reached the shores of the New World, the University of Salamanca emerged as one of the first great cultural institutions to establish a connection with America. It did so by interpreting the appearance of these new lands as a geographical extension of humanity itself. This required a change in the paradigms and rules governing the basic concepts of the law of nations.

Ibero-American identity was born at the very moment when the masters of Salamanca, through their articulation of the *ius gentium*, determined that the Indigenous peoples on the other side of the Atlantic were full subjects of law. As Vitoria established in his *Relectio de Indis*, the indigenous peoples were rational beings, free people, and rightful owners of their property and their communities.<sup>1</sup> And he forever redefined the law of nations with his famous formula: "What natural reason has established among all peoples is called the law of nations," thereby opening the way to modern international law.<sup>2</sup>

From the very beginning, this transatlantic bridge was built on a transformative pillar:

1 Francisco de Vitoria, *Relectio de Indis* (1539)—Basic premises on the dignity of the Indians. Critical edition: Pereña, L. and Pérez Prendes, J. M., *Corpus Hispanorum de Pace*, vol. V, CSIC, Madrid, 1967, pp. 13–14.  
2 *Ibid*

knowledge and education. The Crown of Castile, under the direct influence of Salamanca graduates, founded numerous universities in America. The Royal and Pontifical University of San Marcos in Lima and the University of Mexico, both founded in 1551, reproduced Salamanca's statutes and critical spirit. The Royal Decree founding San Marcos, issued in Valladolid in 1551 by Charles V and his mother, Queen Joanna I of Castile, granted the new university "the privileges, exemptions, and freedoms held and enjoyed by the University of the city of Salamanca."<sup>3</sup> For many of the Ibero-American universities founded in the 16th and 17th centuries, Salamanca remains their alma mater. Even then, it was understood that building prosperous, fair, and stable societies necessarily required educating citizens who could think for themselves, demand their rights, and organize collectively.

Today, 500 years later, social prosperity in Ibero-America remains tragically tied to the challenge of education. Lack of access to quality education is the leading predictor of economic exclusion. Indeed, this shortfall is the structural force behind what Gill and Kharas called in 2007 the middle-income trap:<sup>4</sup> countries that are unable to compete on cost with low-income economies, yet lack the human capital needed to make the leap toward high-value-added economies and full prosperity.

Social prosperity is not a spontaneous phenomenon born of market inertia. It requires citizens who can understand their environment, innovate, demand their rights, and—crucially for this thesis—manage their risks. Formal education, and very specifically financial education, are the only truly effective social elevators that can be sustained over time. As Amartya Sen, winner of the 1998 Nobel Prize in Economics, argued, development must be understood as the expansion of human capabilities, with education as the most decisive instrumental freedom for breaking the cycle of poverty.<sup>5</sup> Without strong general and financial literacy, societies are condemned to the short-sightedness of the immediate term. They are unable to understand that general prosperity is born of individual contribution; that redistributive tax systems are the necessary condition for everyone's effort to multiply each person's reward; and that economic formality creates solidarity. Without good, solid education, citizens cannot understand that the law must be equitable, that intergenerational solidarity is the basis for social balance, and that financial planning is the most effective instrument for protecting oneself against the blows of fate. Ibero-American identity, which has accompanied us from Salamanca through education, allows societies to be enlightened through knowledge, freeing them from the chains of material and moral poverty. Education was, and remains today, the first line of defense against vulnerability.

## 2. The School of Salamanca: Ethical economics and social prosperity

The School of Salamanca was the force that forever transformed our understanding of human relations.

As Schumpeter recognized, the Spanish and Portuguese scholastic masters of the 16th century were not simply commentators on medieval doctrine. They were the group that came closest to earning the title of founders of economic science.<sup>6</sup> The international academic recognition of this tradition owes much to the work of the British economist Marjorie Grice-Hutchinson, whose book *The School of Salamanca (1952)*<sup>7</sup> definitively

<sup>3</sup> Royal Decree founding the University of the Kings, now San Marcos, signed by Charles V and Queen Joanna in Valladolid on May 12, 1551. General Archive of the Indies, Seville, Lima 566, book. Reproduced in: Jesús Martínez Laya, *San Marcos. Testimonio histórico-documental (1551-1820)*, Lima, Fondo Editorial UNMSM / Archivo Histórico Domingo Angulo, 2018. See also: Luis Antonio Eguiguren Escudero, *Historia de la Universidad*, vol. I, Lima, 1951.

<sup>4</sup> Indermit S. Gill y Homi Kharas, *An East Asian Renaissance: Ideas for Economic Growth* (2007). Washington, DC: World Bank.

<sup>5</sup> Amartya Sen, *Development as Freedom* (1999). Oxford University Press / Alfred A. Knopf, 1999.

placed the Salamanca corpus at the heart of the history of modern economic thought. Moreover, for the people of Salamanca, the economy had no legitimacy unless it led to social prosperity, distributive justice, and the common good. Allow me to set out some of their essential contributions and relate them to the challenges Ibero-America faces today.

First, we must turn to the Dominican Francisco de Vitoria, with whom I undeservedly share honors this year before this Doctoral Faculty, and to his brilliant disciple Domingo de Soto. Together, they deepened and systematized the theory of the just price. Rejecting the idea that the just price should be identified with the cost of production, Vitoria argued that the fair price of goods arises from the common estimation of men.<sup>8</sup> In doing so, he laid the foundations for what we would now recognize as a subjective theory of value, close to the modern workings of supply and demand.

Here, however, lies the ethical genius of Vitoria's thought: he clearly established a caveat that remains essential to market regulation today. When basic necessities are involved, the buyer's extreme need must not be exploited through the seller's dominant position.<sup>9</sup> Trade must create wealth, yes, but never at the cost of exploiting another person's vulnerability. Domingo de Soto systematized and deepened these principles in *De iustitia et iure* (1556), where he developed the theory of distributive justice: the obligation of the political community to distribute common goods in proportion to each member's merit and need.<sup>10</sup> It is this notion—that society has an institutional duty to protect its most vulnerable members—that would later find its most refined expression in the institution of insurance.

Martín de Azpilcueta, struck by the brutal inflation triggered in the Iberian Peninsula by the massive, uncontrolled influx of gold and silver from the Indies, formulated the quantity theory of money in 1556: "Money is worth more where and when it is scarce than where and when it is abundant."<sup>11</sup> Azpilcueta's great legacy, read through today's eyes, was to warn us that price increases caused by abundant money are the most devastating and unjust punishment for the most humble members of society—those who, in Azpilcueta's logic, had neither metals nor land with which to protect themselves. If we turn our gaze to the contemporary history of Ibero-America, marked by lost decades, destructive hyperinflation, and traumatic devaluations that have wiped out the savings of millions of families, we can understand the dramatic relevance his warnings still hold today. Economic and monetary stability is not merely a technocratic objective. It is the prior moral requirement for guaranteeing social peace and protecting the fruits of citizens' savings.

Luis de Molina, for his part, anticipated an insight that modern economics would make its own centuries later. Molina understood that human beings value present goods more than future goods because the future is always burdened by uncertainty, by fear of contingency.<sup>12</sup> This fear encourages hoarding, chokes off credit, discourages risk-taking, and halts the progress of nations.

In short, if we translate the legacy of the School of Salamanca into contemporary language, the conclusion is clear: prosperity depends on the existence of fair and orderly markets,

<sup>6</sup>Joseph A. Schumpeter, *History of Economic Analysis* (1954). Oxford University Press, Part II, Cap. 2, p. 97.

<sup>7</sup>Marjorie Grice-Hutchinson, *The School of Salamanca: Readings in Spanish Monetary Theory, 1544-1605*, Oxford, Clarendon Press, 1952.

<sup>8</sup>Francisco de Vitoria, *Comentarios a la Segunda Secundae de Santo Tomás*, q. 77, a. 1 (c. 1535). Citado en: Grice-Hutchinson, M. (1952). *The School of Salamanca*. Oxford University Press.

<sup>9</sup> Ibid. Critical edition: V. Beltrán de Heredia (ed.), *Comentarios a la Segunda Secundae*, volume III: *De iustitia* (qq. 67-88), Biblioteca de Teólogos Españoles, Salamanca, 1934.

<sup>10</sup> Domingo de Soto, *De iustitia et iure* (1556). Bilingual Latin-Spanish edition (facsimile of the Salamanca edition, Andrés de Portonaris, 1556), introduction by V. Diego Carro, O.P., translated by M. González Ordóñez, O.P., Instituto de Estudios Políticos, Madrid, 1967, 5 vols. Book III, q. 6, a. 1 (Vol. II).

<sup>11</sup> Martín de Azpilcueta, *Comentario resolutorio de cambios* (1556). Council of Navarre. Cited in: Grice-Hutchinson, M. (1952). *The School of Salamanca*. OUP, pp. 91-96.

stable money, and societies' ability to mitigate the uncertainty of the future. And it is precisely in this last premise—the mitigation of uncertainty—that I find the bridge to the third part of my remarks.

### 3. Insurance: Technical and ethical heir to the principles of the School of Salamanca

If we accept that uncertainty is the greatest obstacle to development, and that distributive justice is the moral mandate of the economy, then we must ask ourselves: which institution best embodies both principles? The answer is, unequivocally, insurance.

It's no coincidence that insurance in our country was born in the same ecosystem in which the scholastics were developing their theories. The first documented maritime insurance contracts appeared in the Mediterranean in the 14th century—in Genoa, Barcelona and, perhaps surprisingly, Burgos. Economic history often traces the origins of modern insurance to the coffee house Edward Lloyd opened by the Thames in 1686, the informal embryo of what is today Lloyd's of London. That narrative needs to be corrected. The Consulate of Burgos, created by decree of the Catholic Monarchs in 1494, was not a gathering place for merchants. It was an institution with full jurisdiction over charters, averages, and insurance, and with the authority to issue ordinances. Almost two centuries before Lloyd's, Burgos already had standardized policy models—the Official Policy Declaration dates back to 1514—and a legal framework so solid that the city, located 150 kilometers from the sea, became one of the great international insurance markets of the 16th century. It was comparable to Antwerp and Genoa, and more important than the markets of London, Amsterdam, Florence, or Venice. Flemish, Italian, and Portuguese merchants came there to take out coverage, as Professor Casado Alonso<sup>13</sup> notes. And we may reasonably conclude that those who regulated, drafted, and interpreted contracts in that setting were, in all likelihood, educated in Salamanca. It can therefore be argued that Salamanca theory and Burgos practice didn't just come into being together – they came into being earlier, and with greater institutional solidity, than any other European precedent.

There is one contribution the School of Salamanca made to insurance that deserves special attention. The lawfulness of the insurance contract was the subject of doctrinal reflection among the jurists and theologians of the 15th and 16th centuries. Although insurance was never condemned as interest-bearing loans were, its moral nature was debated in order to distinguish it from usury and from speculation on another person's contingency.<sup>14</sup> In that context, Vitoria and Soto did not address the insurance contract as a central object of their writings, but they did provide us with something deeper: the moral framework that made its legitimization possible. As Garrán Martínez analyzed in his study of loans and usury among the Salamanca masters,<sup>15</sup> Vitoria established in his lectures on contracts a decisive distinction between a loan—in which money itself is "sold" and any interest is usury—and those contracts in which a real risk is shared, with the possibility of loss for both parties. Soto systematized these principles.

He also accepted the concept of *lucrum cessans*—compensation for forgoing the opportunity to invest capital in another activity—which made it possible to morally justify the payment of a fair price to someone who assumes another person's risk. By distinguishing

<sup>12</sup> Luis de Molina, *De iustitia et iure*, *Tractatus II* (1597). Modern annotated edition of the passage on exchange: F. Gómez Camacho, S.J., ed., Luis de Molina, *Tratado sobre los cambios*, Instituto de Estudios Fiscales, Madrid, 1990.

<sup>13</sup> Hilario Casado Alonso, *El seguro marítimo en Castilla en los siglos XV y XVI* (2021). Valladolid: Ediciones Universidad de Valladolid. On Burgos as an international insurance market.

the legitimate assumption of a real risk from prohibited usury, the Salamanca masters provided the theoretical foundation that allowed the insurance contract to develop as a morally lawful institution at the service of the common good.

Insurance is not simply a financial product. It is the practical expression of the principles formulated by the Salamanca scholastics four centuries earlier. It is the most sophisticated private exercise in solidarity mankind has ever created. Four centuries later, John Rawls, in *A Theory of Justice*, formulated the famous veil of ignorance: if individuals were to design the institutions of a society without knowing what position they would occupy within it, they would rationally choose to protect the most vulnerable.<sup>16</sup> That, in essence, is what an insurance policy does: everyone contributes without knowing who will suffer misfortune. Rawls' veil is the modern philosophical foundation for the actuarial principle of risk pooling—that is, the mechanism by which the premiums paid by many insured parties are brought together in a common fund to compensate those who suffer a loss. As early as 1921, Frank Knight established the distinction between risk—uncertainty that can be measured—and genuine uncertainty, which is immeasurable and uninsurable. Insurance operates precisely where Knight locates risk: where probabilities can be calculated and pooled, transforming individual exposure into shared certainty.<sup>17</sup> As Bernstein wrote in his history of risk, “the revolutionary idea that defines the boundary between modern times and the past is the mastery of risk.”<sup>18</sup>

Let us now turn to the complex reality of Ibero-America. The region suffers from a serious macroeconomic pathology: labor and economic informality. Nearly half of the working-age population operates in the informal economy.<sup>19</sup> We're talking about more than 100 million human beings. These are families for whom a traffic accident, a sudden illness, the death of the head of household, or a climate disaster can mean the irreversible loss of their limited assets and being sentenced to intergenerational extreme poverty.

For these families, trapped in surviving from one day to the next, the uncertainty Molina described is a one-way street. They can't afford the luxury of buying tools for their micro-enterprises. They can't access bank loans to modernize their farming. Nor can they invest in their children's education, because they must keep their scarce resources fully liquid in the face of their fear of catastrophe. Uncertainty governs their lives.

Insurance breaks this vicious cycle. It intervenes in this social drama by operating exactly according to the principle of distributive justice set out by Vitoria and Soto. Through risk pooling, the premiums paid by many create a fund that will protect those who suffer misfortune. A farmer who insures his crop can invest in quality seeds or a tractor instead of keeping his savings under the mattress. A family with health insurance doesn't have to sell its home to pay for emergency surgery.

Yet the data reveal a troubling reality. The Ibero-American insurance market, with premium volume of more than 215 billion dollars, accounts for just 2.8% of the global insurance market. This is an unacceptable asymmetry, considering that the region represents roughly 8% of global GDP.<sup>20</sup>

<sup>14</sup> Francisco de Vitoria / Domingo de Soto. *Vitoria: Comentarios a la Segunda Secundae*, qq. 77–78 (c. 1535), on contracts and usury; critical edition by M. I. Zorroza, *Contratos y usura, Colección de Pensamiento Medieval y Renacentista* No. 76, EUNSA, Pamplona, 2006. Soto: *De Iustitia et iure*, Book VI (1556), on usury and commercial contracts; bilingual Latin-Spanish edition, introduction by V. Diego Carro, trans. M. González Ordóñez, Instituto de Estudios Políticos, Madrid, 1967, 5 vols.

<sup>15</sup> José María Garrán Martínez, *El concepto del préstamo y la usura en los maestros salmantinos*. Francisco de Vitoria y Domingo de Soto (1989). *Anales de Estudios Económicos y Empresariales*, No. 4, 1989, pp. 123–132.

<sup>16</sup> John Rawls, *A Theory of Justice* (1971). Cambridge, MA: Harvard University Press. Chapter 3: “The Original Position,” pp. 118–192.

<sup>17</sup> Frank H. Knight, *Risk, Uncertainty and Profit* (1921). Houghton Mifflin Co., Boston.

<sup>18</sup> Peter L. Bernstein, *Against the Gods: The Remarkable Story of Risk* (1996). John Wiley & Sons, p. 1.

The most critical figure, and the one that reflects the limits on the true development of a broad Ibero-American middle class, is the insurance protection gap (IPG). Mapfre Economics, our global research and analysis center, has calculated that in Ibero-America, this lack of protection exceeds 315 billion dollars.<sup>21</sup> This figure represents the volume of insurance coverage that would be economically necessary and socially beneficial, but that today, regrettably, does not exist. This gap is not merely an indicator; it is an abyss of social vulnerability. It means that millions of Ibero-American citizens and small businesses are forced to withstand the blows of fate on their own, with no safety net.

From a macroeconomic perspective, a shortage of insurance means that when major disasters strike—and they are striking with increasing frequency and severity enormous cost of reconstruction falls mainly on governments. They are then forced to divert resources away from health care, infrastructure, and education, creating a cycle that perpetuates underdevelopment. As Mapfre Economics warns, the protection gap for natural catastrophes in Latin America reaches 81% of losses.<sup>22</sup> The Geneva Association, one of the world's most prestigious insurance think tanks, defines this situation as “a direct threat to economic development and society's overall resilience.”<sup>23</sup> In mature economies, insurance acts as the great macroeconomic shock absorber, channeling private savings toward public financing and the development of essential infrastructure and public services.

Providing accessible insurance to the population means defending the right to certainty. It means protecting citizens so they can exercise their economic and personal freedom without the paralyzing fear of ruin. And that mission is fully aligned with the fundamental principles of the School of Salamanca.

#### 4. Mapfre in Ibero-America: Insurance as the quintessential social activity

And yet even the strongest principles need institutions capable of embodying them. Allow me to speak of one in particular: the company I represent. Mapfre, a private institution with a clear social purpose, has shown over the course of more than 40 years in Ibero-America that insurance can be a primary driver of social prosperity. Each of its global presidents has left their mark through strong leadership, developing and steadily strengthening Mapfre's deep Ibero-American vocation. In the late 1960s, Ignacio Hernando de Larramendi launched the essential strategy of making Mapfre an Ibero-American company, guided by a profound sense of mission and commitment.

Larramendi was a humanist. He knew that the growth of a major corporation could never be separated from the lives of the people and societies in which it put down roots. He also understood that Ibero-America's rich and complex cultural heritage required Mapfre to act not merely as an investor, but as a corporate citizen fully rooted in, and committed to, its host countries. This vision—an early forerunner of what we now call corporate social responsibility—was reflected in his writings and in the creation of Fundación Mapfre América.

Julio Castelo embraced this legacy, expanded it, and formalized it within Mapfre's governance

<sup>19</sup> International Labour Organization (ILO), *2025 Labour Overview of Latin America and the Caribbean*, Lima/Geneva, ILO, December 2025.

<sup>20</sup> Mapfre Economics, *The Latin American Insurance Market in 2024*, Madrid, Fundación Mapfre / Mapfre Economic Research, October 2025.

<sup>21</sup> *Ibid.*

<sup>22</sup> Mapfre Economics, *Climate Change, Extraordinary Risks and Public Policies* (2025). Mapfre Economic Research.

structure. During his chairmanship, Castelo endowed the company with a pioneering institutional architecture, one in which economic profitability, exemplary governance, and social responsibility were inseparable facets of a single business vision.

Castelo knew that the territorial expansion of insurance had to be accompanied, inevitably, by impeccable technical and ethical rigor. He promoted scientific research, road safety as a matter of public policy, and supplementary social protection. His conviction that insurance must operate as a true social shield laid the reputational foundations for Mapfre to be perceived throughout Ibero-America not only as a solvent company, but above all as a supportive and deeply trusted institution. It's no small matter that this vision is now honored internationally through the Fundación Mapfre Julio Castelo Matrán International Insurance Award.

Later, under the extraordinary leadership of José Manuel Martínez—widely recognized as the great driving force behind Mapfre's consolidation and international expansion in insurance and reinsurance—the group became the undisputed leader in the Non-Life sector in Latin America.

But José Manuel Martínez's great historical achievement wasn't merely the volume of business generated. It was his extraordinary success in ensuring that this far-reaching territorial expansion strengthened the company's social, institutional, and cultural identity. Today, Mapfre operates across virtually the entire American continent, from the United States to Argentina, with a direct presence in more than 20 countries. No other global insurer can match this reach across the Americas.

Today, we apply Salamanacan principles through insurance inclusion: bringing accessible insurance and services to every corner of the continent, and constantly evolving our products, distribution channels, and service model to reach more citizens, families, and businesses. We provide all kinds of protection solutions that make people less vulnerable, reduce their uncertainty, and help them recover quickly when adversity strikes.

Our social role also extends beyond the business itself, through Fundación Mapfre's extensive, deeply rooted work throughout the Americas. Aware that education is the bridge to prosperity, our Foundation has spent decades working in training, road accident prevention, direct social action, and cultural promotion. Over more than five decades, this work has reached millions of Ibero-American citizens through large-scale financial education programs; road-safety initiatives in a region where traffic accidents are a silent pandemic; and projects that provide access to nutrition, preventive health, and labor-market integration for people with disabilities or at risk of severe exclusion. Because no society can be free, cohesive, and prosperous if the human fabric that sustains it is allowed to suffocate and fall apart.

## 5. Five strategic proposals for Ibero-America

If we truly wish to honor the moral mandate of the School of Salamanca through the institution of insurance, allow me to propose five strategic pillars for regulatory, institutional, and business action in the Ibero-American space, with the aim of moving toward a fairer and more balanced society.

23 The Geneva Association / Toronto Centre, Climate Risk and Insurance (2024) / A Call to Action (2024). Zurich / Toronto.

First proposal: Quality education as a basic right. As Salamanca has been teaching us for eight centuries, there can be no prosperity without knowledge. Ibero-America needs an unwavering political commitment to quality education as the first and most urgent imperative of the state. This means strengthening technical and vocational training geared to each country's productive needs, and making a decisive commitment to research and innovation as levers of competitiveness. Financial education, a culture of risk, and insurance awareness must also be incorporated into school curricula. It is not ethical to demand resilience from citizens when the education system has failed to give them the tools to understand risk, plan for the future, and participate fully in the formal economy. Initiatives such as those led by Fundación Mapfre must be adopted and scaled up at the state level, because only an educated society can be a truly protected society.

Second proposal: Protection against catastrophes and the climate transition. In an era defined by the convergence of systemic crises—pandemics, geopolitical tensions, macroeconomic volatility, and a changing climate that is multiplying the frequency and severity of natural disasters—the issue of catastrophe protection reveals a profoundly unjust asymmetry. Citizens and companies that are part of the formal economy already have proven risk-transfer mechanisms at their disposal.

Conventional insurance policies, backed by a sophisticated global reinsurance system—the insurance that insurers themselves purchase to protect their own balance sheets—make it possible to pool losses and guarantee reconstruction. Informal and vulnerable populations, however, are completely excluded from these mechanisms. For these families, a hurricane, a prolonged drought, or a flood can condemn them to a life of irreversible poverty. It's therefore urgent to design legal and financial frameworks for public-private partnership schemes, including national or supranational compensation funds. We also need rapid-response parametric mechanisms: insurance that's triggered automatically when a loss event is recorded, without the need to assess individual damage.

Together with subsidy programs and other tools, these mechanisms would help bring informal populations into the basic systems of insurance protection. Governments alone can't bear the rising cost of reconstruction after each catastrophe, and the private insurance sector can't, on its own, pool risks of incalculable magnitude. The solution lies in schemes in which the state provides the regulatory framework and targeted subsidies, while the insurance industry contributes its technical and financial capabilities. But this proposal must go beyond mere compensation for damages. The technical provisions of insurance companies—the reserves they are required by law to hold in order to guarantee the fulfillment of their future obligations—constitute a major source of long-term savings and investment. With the support of tax incentives, this vast pool of capital could be channeled toward financing sustainable infrastructure projects, clean energy, and urban adaptation. Ibero-American insurance in the 21st century must not only repair the consequences of climate change. It must also become a primary financier of prevention and a just energy transition.

Third proposal: Digital inclusion. Insurance regulations, historically designed for mature markets, often paradoxically act as a barrier to entry, excluding broad segments of the population. The challenge is not only to provide access to insurance for lower-income groups, but also to address the insufficient coverage of the middle and lower-middle classes. Promoting regulatory frameworks that allow inclusive insurance to develop—insurance accessible through digital platforms, mobile phones, and artificial intelligence—is the structural answer to this dual gap. Smart digitalization is the only key capable of

bringing insurance policies to informal workers at a fair price. The Ibero-American states, in coordination with the private sector, must create regulatory environments that foster insurance innovation without sacrificing consumer protection, making technology an instrument of equity rather than a new source of exclusion.

Fourth proposal: Insurance as a gateway to the formal economy. Insurance can and must serve as the first link in the chain of economic formalization. In line with the argument put forward in 2000 by the Peruvian economist Hernando de Soto in *The Mystery of Capital*<sup>24</sup>, economic actors in the informal economy don't lack assets. What they lack are the legal and institutional frameworks that give them economic visibility and allow them to participate in the formal system.

When an informal worker takes out microinsurance—a low-cost policy with essential coverage, designed specifically for low-income populations—that worker takes a decisive step, however modest it may seem. They acquire a verifiable economic identity, connect to the financial system, and begin to build an insurance history. Over time, this can open the door to credit, social protection, and comprehensive coverage. In essence, this means applying Francisco de Vitoria's principle of distributive justice to the most pressing challenge facing our region: bringing millions of citizens out of the economic shadows and giving them the certainty they need to prosper.

Fifth proposal: Anticipating demographic aging. Ibero-America still enjoys an extraordinary demographic dividend: a young population that works, produces, and creates economic value. But the region is aging at an unprecedented pace, far faster than Europe did in its time. Life expectancy in Latin America has risen from 59 years in 1970 to 76 years in 2025, according to the latest United Nations projections.<sup>25</sup> That is a 17-year increase in barely half a century, driven by the medical advances the region has absorbed at remarkable speed. Those who have saved and planned for the future through pension and protection instruments will be able to face this stage of life with dignity. But millions of informal workers, low-income families, and people without a culture of long-term planning will face old age in conditions of severe vulnerability.

And here lies the central issue: Ibero-American states, with their limited fiscal and tax-collection capacity, can no longer create welfare systems comparable to those Europe built in the 20th century. The solution will not come from public action alone. Large-scale public-private partnerships must be built to place this responsibility within mixed structures, where the state guarantees a universal framework of basic protection, while the insurance and pension sector provides the technical instruments, distribution reach, and long-term management capacity. Because if Ibero-America doesn't prepare today for tomorrow's aging society, it will have wasted the greatest demographic opportunity in its history.

## 6. Epilogue

I have taken you across an arc spanning five centuries: from the lecture halls of Salamanca, where the scholastic masters founded an economy placed at the service of human dignity, to the challenges now facing a region that carries that same intellectual and moral heritage in its veins.

<sup>24</sup> Hernando de Soto, *The Mystery of Capital* (2000). Lima: El Comercio / New York: Basic Books.

Ibero-America is living proof that great principles can take root in diverse cultures and flourish with an identity of their own. It is a continent of extraordinary human wealth, with an enormous potential still to be unleashed. And that is precisely why accompanying its citizens, protecting them in the face of adversity, and helping them build their future with greater certainty is the task that gives meaning to everything else.

Ibero-American identity is the shared quality of belonging to this great community of nations—nations that share values and culture, and that should move forward together on the path toward social and economic prosperity. Today, we have set out some of the realities and proposals that could strengthen the development of our countries.

The trajectory of Mapfre, the company I have the immense honor of chairing, is a clear example of how a major business corporation can be—and must be, without any contradiction whatsoever—both a continuous engine of profit generation and a driving force for social progress. That conviction, multiplied by the commitment of institutions, companies, and citizens, is the only solid foundation on which shared and lasting prosperity can be built. The joint work of public administrations and private companies must always be guided by a focus on citizens and on improving their future.

Ibero-American identity is not an abstract horizon. It is the concrete task of sister nations that can and must grow together, opening new paths so that prosperity reaches everyone. Let's make it a reality of justice, protection, and well-being for all the citizens of the continent.

Allow me to close with the most universal fictional Salamancan of all: Lázaro de Tormes—yes, Lazarillo himself. After a life of fortunes and adversities that began in Salamanca, the same city that would welcome Vitoria and his disciples, he tells us:<sup>26</sup>

“It pleased God to enlighten me and set me on a profitable road. And with the favor of friends and patrons, all the labors and hardships I had endured until then were repaid...”

Providence, effort, and community. Beyond faith, and beyond fortune, the rest—and it is no small thing—is our work to do.

Thank you very much.

Antonio Huertas Mejías  
**Mapfre Group Executive Chairman**  
 05/20/2026

<sup>25</sup> United Nations, Department of Economic and Social Affairs, Population Division, *World Population Prospects 2024: Online Edition*, New York, United Nations, 2024.

<sup>26</sup> Anonymous, *La vida de Lazarillo de Tormes y de sus fortunas y adversidades* (1554)—Seventh treatise, final passage. Critical edition: Francisco Rico, ed., *Lazarillo de Tormes*, Biblioteca Clásica de la Real Academia Española, No. 29, Madrid: Real Academia Española - Barcelona: Galaxia Gutenberg / Círculo de Lectores, 2011.

