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Latin America and the Caribbean

# SOCIAL PANORAMA

OF LATIN AMERICA AND THE CARIBBEAN

1994





**UNITED NATIONS**  
**Economic Commission for Latin America and the**  
**Caribbean**



**UNICEF**  
**United Nations Children's Fund**

# **SOCIAL PANORAMA OF LATIN AMERICA**

**1994 EDITION**



**United Nations  
Economic Commission for Latin America and the Caribbean  
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The *Social Panorama of Latin America* is prepared periodically by the Statistics and Economic Projections Division and the Social Development Division of ECLAC. On this occasion, their efforts were complemented by input from the Economic Development Division. Moreover, the present edition has been enriched by the valuable contribution of the United Nations Children's Fund (UNICEF).

### Notes and explanation of symbols

The following symbols have been used in the tables in the *Social Panorama of Latin America*:

Three dots (...) indicate that data are missing, are not available or are not separately reported.

Two dashes and a period (-.-) indicate that the sample size is too small to be used as a basis for estimating the corresponding values with acceptable reliability and precision.

A dash (—) indicates that the amount is nil or negligible.

A blank space in a table indicates that the concept under consideration is not applicable or not comparable.

A minus sign (-) indicates a deficit or decrease, except where otherwise specified.

A point (.) is used to indicate decimals.

Use of a hyphen (-) between years, e.g., 1991-1993, indicates reference to the complete number of calendar years involved, including the beginning and end years.

The word "dollars" refers to United States dollars, unless otherwise specified.

Individual figures and percentages in tables may not always add up to the corresponding total, because of rounding.

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## INTRODUCTION

This third edition of the **Social Panorama of Latin America** is an expression of the ECLAC secretariat's continuing efforts to incorporate the social dimension into the Commission's annual appraisals of regional development.

The analysis presented in this edition emphasizes core issues concerning children and the family, as a result of the secretariat's joint activities with the United Nations Children's Fund (UNICEF), in order to provide up-to-date information on opportunities for access to well-being from childhood onwards.

This report is prepared periodically by the Statistics and Economic Projections Division and the Social Development Division of ECLAC, which collaborated with the Economic Development Division in producing the present edition.

The information analysed yields an illustrative profile of trends in the early 1990s in important facets of social development such as poverty, income distribution, employment, social expenditure, children, the family, education, pay levels and a social agenda of the main issues in this field that have captured public attention in the countries of the region during the past year.

Although this document does cover, in quantitative terms, the most salient aspects of the region's social development, it does not claim to provide a comprehensive account. This edition touches upon a number of relevant areas such as health, housing and social security in the analysis of social expenditure and in the description of the social agenda, but not in the remaining chapters. This situation reflects the information sources used, since most of the data on which this **Social Panorama of Latin America** is based were drawn from household surveys, except in the case of the chapter on social expenditure, which used a variety of sources, and the chapter on the social agenda, which is based on documentary evidence and on observation of the public debate under way in the countries. It is anticipated that future editions' subject coverage and spectrum of basic information sources will continue to be broadened.

The statistical data on which most of this report is based are the result of the unflagging efforts of statistical offices and other agencies in Latin America and the Caribbean to upgrade, update and give continuity to their countries' household surveys. ECLAC processed the original information, which was then incorporated into its Household Survey Data Bank so that it might assess the quality of those data and establish an acceptable degree of standardization. As a result of the efforts of all of these institutions, the lag time between the collection of the information in the countries and the publication of the **Social Panorama of Latin America** has been significantly shortened, as the present edition contains 1992 data for 10 countries and older data only in the case of the other three. As the source information becomes available on an increasingly timely basis, this lag will be reduced even further, although the current situation does not limit the validity of the findings presented in this report in any essential way.

A concern for social equity continues to be the central focus of this study. The topics analysed in this edition, in the context of the relevant issues, may be summarized as follows. The first chapter presents the Commission's most recent poverty and income distribution estimates, which cover a wide range of countries in the region and date from 1992 or, in some cases, previous years. Certain components of the processes through which several countries reduced poverty in the early 1990s are analysed in terms of economic growth and changes in household income distribution.

The analysis of the employment situation notes the increase in the number of skilled workers employed in professional and technical occupations, the drop in public-sector employment, the high proportion of wage labour in the private sector and the still-large share of low-productivity, low-income sectors, as well as the continuing trend towards a decline in the relative weight of small-scale farming in rural areas. Trends in unemployment and the links among poverty, job category and unemployment are also examined.

In another chapter, trends in social expenditure are quantified and analysed in terms of both real per capita amounts and proportion of gross domestic product (GDP) and of total public expenditure. This section explores the behaviour of social expenditure during periods of fiscal balance and imbalance and its relation to the level of activity, as well as the sectoral structure of social expenditure, changes in that structure and the progressive or regressive nature of the sectoral components and the degree to which they target poor groups.

The chapter on the family and children is based on the premise that investment in children is usually justified by criteria relating to production, citizenship and social integration. From this perspective, childhood and adolescence are crucial stages during which opportunities for acquiring key skills for participating in the production structure and in society in general are defined. The study therefore analyses the family socialization contexts in which children are raised, with emphasis on household structure and other factors that determine socio-economic vulnerability, and estimates the proportion of children who grow up in unfavourable socialization contexts. The factors discussed include household educational environment and economic capacity, as well as housing conditions. This section also looks at the formation of educational capital and the phenomena that limit this process, such as child labour and inequality of opportunity between different socio-economic strata, among others. It also deals with one of the primary links in the chain of opportunities: how much education is accumulated by young people from socialization contexts with different economic, social and educational capacities, and how likely they are to generate enough income to support a basic family unit above the poverty line.

The educational levels of the workforce and their importance as a key to well-being are also analysed in this edition.

Lastly, the chapter on the countries' social agenda comprises a description of policies and programmes in areas such as poverty, education, health, social security and some emerging issues, as well as a summary of the institutional changes under way in the region in the area of social policies.

# **I**

## **POVERTY**



## 1. Recent trends in poverty

**In the early 1990s, six countries in Latin America have significantly reduced their poverty and indigence indexes in both urban and rural areas.**

**Argentina, Bolivia, Chile, Mexico, Uruguay and Venezuela** managed to lower their poverty indexes in the early 1990s. In the urban areas of these countries, the proportion of households living in poverty fell by 4% to 6% in a period of two to three years, while indigence fell by 1% to 5%. These improvements also benefited people

living in rural areas: in Chile, Mexico and Venezuela, rural poverty declined by 3% to 7% (see table 22).<sup>1</sup>

The fall in the percentage of households living below the poverty line was accompanied by an absolute reduction in the number of poor households. Likewise, there was a significant reduction in the intensity of poverty. The poverty gap index<sup>2</sup> fell from 5.3% to 2.6% in Argentina, from 24.1% to 19.7% in Bolivia, from 14.2% to 10.5% in Chile, from 12.6% to 9.8% in Mexico, from 3.3% to 2.1% in Uruguay and from 9.3% to 6.9% in Venezuela.

All of these improvements were achieved in a context of **growth in per capita GDP**, which was high in Argentina and Chile (in 1991-1992), Uruguay (in 1992) and Venezuela (in 1990-1992), and moderate in Bolivia and Mexico. In aggregate terms, between 1990 and 1992, per capita GDP increased by 15.5% in Argentina, 11.7% in Chile, 9.2% in Uruguay and 11.8% in Venezuela. Between 1989 and 1992, per capita GDP grew at a slower rate in Bolivia and Mexico (4.5% and 3.7%, respectively).

The decline in open unemployment that resulted from economic recovery, despite the steep rise in the working-age population and the pressure exerted by women's growing participation in the workforce, contributed significantly to the improvement in poverty indexes. The drop in unemployment rates in urban areas was particularly beneficial to the lowest-income decile of the population, where the widespread increase in the number of employed people per household was most evident.<sup>3</sup> The only exception in this regard was Mexico, where open unemployment in urban areas increased from 2.9% to 4.3%.<sup>4</sup>

<sup>1</sup> Owing to the partial geographical coverage of the household surveys used to estimate poverty in Argentina (Greater Buenos Aires), Bolivia (departmental capitals) and Uruguay (Montevideo and the urban interior), no data are available on trends in rural poverty in those countries. In any event, the increases in per capita income and the drop in inflation have probably entailed a reduction in rural poverty in these three countries.

<sup>2</sup> This index charts variations in both the incidence and the severity of poverty. It is calculated by multiplying the percentage of poor households by the difference between the average income of those households and the poverty line, and is expressed as a percentage of the poverty line.

<sup>3</sup> Data on urban areas of the countries of the region indicate that open unemployment rates are significantly higher among poor and indigent households than among non-poor households, and that around half of unemployed people in urban areas live in these households (see table 15).

<sup>4</sup> The unemployment rates based on Mexico's national urban employment surveys (ENEU) and on the national household income and expenditure surveys used in this publication are significantly lower than those obtained from surveys conducted in the other countries of the region. For the period 1990-1992, unemployment in the Federal District is estimated at 2.9%, according to ENEU data.

**LATIN AMERICA (6 COUNTRIES): CHANGES IN THE EXTENT OF POVERTY,  
IN AVERAGE HOUSEHOLD INCOME AND IN INCOME  
DISTRIBUTION (URBAN AREAS)**

*(Percentages)*

	Incidence of poverty <sup>a</sup>		Variations (%) in average household income over the period					Share of total household income			
	Incidence of poverty <sup>a</sup>	Incidence of indigence	Total	Poor-est 10%	Poor-est 25%	Poor-est 40%	Rich-est 25%	Poor-est 10%	Poor-est 25%	Poor-est 40%	Rich-est 25%
<b>Argentina</b>											
(Greater Buenos Aires)											
1990	16.2	3.5						2.3	8.4	14.9	55.9
1992	9.8	1.4	29	29	19	32	28	2.3	7.3	15.2	53.8
<b>Bolivia</b>											
1989	49.6	22.1						0.7	5.3	12.2	60.3
1992	45.7	17.5	18	81	30	21	21	1.5	6.4	13.0	60.6
<b>Chile<sup>b</sup></b>											
1990	34.2	11.6						1.7	7.0	14.3	58.5
1992	27.4	7.3	19	30	21	19	20	1.9	7.2	14.6	58.9
<b>Mexico<sup>c</sup></b>											
1989	34.2	14.1						2.5	8.5	16.0	56.7
1992	29.5	11.8	8	17	12	14	4	2.7	8.7	16.6	56.4
<b>Uruguay</b>											
1990	11.8	2.0						3.5	10.9	20.1	50.0
1992	7.7	1.4	14	18	21	22	7	3.8	11.9	21.9	46.6
<b>Venezuela</b>											
(Caracas)											
1990	25.3	6.9						1.9	8.1	16.7	50.8
1992	20.7	5.8	22	24	16	16	25	2.0	7.6	15.7	51.7

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> Includes indigent households.

<sup>b</sup> Calculations based on national socio-economic surveys (CASEN) conducted in 1990 and 1992.

<sup>c</sup> Data obtained from national household income and expenditure surveys.

**LATIN AMERICA (6 COUNTRIES): CHANGES IN  
SELECTED BASIC INDICATORS, 1990-1992**  
(Percentages)

	Per capita GDP	Real per capita national income	Annual variation in the consumer price index		Open urban unemployment		Real mini- mum wage (urban areas)	Aver- age real wages and sala- ries	Aver- age in- come of em- ployed per- sons	Aver- age in- come of wage- earners
			1990	1992	1990	1992				
<b>Argentina</b> 1990-1992	15.5	20.7	2 314.0	24.9	7.5 <sup>a</sup>	6.6 <sup>a</sup>	9.5	3.4	23.0	22.0
<b>Bolivia</b> 1989-1992	4.5	3.2	15.2	12.1	9.5	5.8	-	-	2.0	3.0
<b>Chile</b> 1990-1992	11.7	9.3	26.0	15.4	8.8	6.0	14.3	9.6	9.0	2.0
<b>Mexico</b> 1989-1992	3.7	4.2	20.0	15.0	2.9	4.3	-17.1	18.4	7.0	9.0
<b>Uruguay</b> 1990-1992	9.2	13.5	112.5	68.5	9.3	8.4	-13.2	5.9	7.0	14.0
<b>Venezuela</b> 1990-1992	11.8	6.1	40.7	31.4	7.8 <sup>b</sup>	4.7 <sup>b</sup>	2.4	-	7.0	3.0

Source: ECLAC, on the basis of official information supplied by the countries. The figures in the last two columns were calculated on the basis of special tabulations of data from household surveys in the countries, and refer to urban areas, except in the cases of Argentina and Venezuela, where they refer to Greater Buenos Aires and Caracas only.

<sup>a</sup> Greater Buenos Aires.

<sup>b</sup> Caracas.

In all of the countries analysed, these factors translated into a very significant rise in income among the poorest 10% of households, which equalled (in Argentina) or exceeded (in the remaining countries) the increase in the income of urban households as a whole. Consequently, it is not surprising that Bolivia and Chile—two of the three countries that achieved the biggest reductions in unemployment during the period (the third being Venezuela)—have recorded the biggest increases in the average income of the poorest decile, together with the sharpest decline in the proportion of indigent households.

Moreover, all of these reductions in poverty were accompanied by a slowdown in inflation. The rate of price increases fell with particular swiftness in Argentina and Uruguay, a little more slowly in Chile and Venezuela and still more slowly in Bolivia and Mexico. As a result of stabilization efforts, in late 1992 the monthly variation in consumer prices came to less than 2.5% in all of the countries except Uruguay, where the rate stood at around 5%. This contributed, during the period in question, to a recovery in the real incomes of the working population, especially wage-earners.

#### THE ROLE OF SOCIAL EXPENDITURE IN REDUCING POVERTY IN CHILE

Social expenditure rose considerably in Chile between 1990 and 1992; this increase, which amounted to 21% in real terms, was possible largely on account of a tax reform that increased the collection of taxes by an amount equivalent to some 11% of total tax receipts in 1992. These new resources—two thirds of which were derived from direct taxes—were used to increase social expenditure on programmes that primarily benefited the poorest households.

None the less, available data indicate that the greater monetary resources received by the poorest 20% of households, in the form of subsidies under social programmes, accounted for only 8% of the increase in the money income of those households between 1990 and 1992. More than 80% of the increase in money income was due to an increase in earned income. In the case of households in the second quintile of the distribution—most of which were poor in 1990—the real increase in cash subsidies represented only 4% of the increase in income between 1990 and 1992, while 83% was due to the increase in earned income; thus, the rise in social expenditure, in the form of transfer payments, contributed very little to the reduction in poverty.

The table below shows that if the monetary value of social programmes in education and health is included in the calculation of household resources, the increase in these non-monetary resources between 1990 and 1992 accounts for 34% of the total increase in income (monetary and non-monetary) of the poorest 20%, and 19% of the increase recorded for the next 20%.

These comments should be qualified in a number of respects. First, the figures mentioned refer to the average income of the poorest households. Undoubtedly, welfare subsidies, such as welfare pensions (PASIS) and consolidated household subsidies (SUF), whose amounts increased in real terms over the period, are a very important component of the income of households that actually receive them, often enabling such households to escape from extreme poverty. Second, although the increase in resources earmarked for social programmes in education and health does not have a direct impact on the reduction of poverty in the short term (except when increased spending raises pay levels or increases employment in those sectors, thus translating into higher earned incomes), it does represent an investment in human capital that offers more opportunities for improving future income. Finally, it should be borne in mind that the sharp rise in social spending occurred over a short period of time and in the context of a broad social consensus, which gave the expansion a redistributive dimension, in that it was financed with resources collected from high-income groups and its allocation to lower-income households was proportionally improved. In this regard, social spending also constituted a factor of stability and consensus, which had positive effects on the rate of investment; this helped to sustain growth and, indirectly, to reduce poverty.

**IMPACT OF SOCIAL EXPENDITURE ON THE RESOURCES  
OF POOR HOUSEHOLDS IN CHILE, 1990-1992**

	First quintile (poorest 20% of households)					Second quintile				
	Average monthly income (in 1992 pesos)		Percent- age varia- tion	Percentage distribution of the increase		Average monthly income (in 1992 pesos)		Percent- age varia- tion	Percentage distribution of the increase	
	1990	1992				1990	1992			
<b>I. Self-acquired income</b>	<b>31 815</b>	<b>40 826</b>	<b>28.3</b>	<b>60.5</b>	<b>92.1</b>	<b>71 666</b>	<b>85 133</b>	<b>18.8</b>	<b>78.4</b>	<b>96.2</b>
A. Earned income	27 152	35 371	30.3	55.2	84.0	62 515	74 090	18.5	67.4	82.7
B. Retirement and other pensions	3 537	3 957	11.9	2.8	4.3	8 069	9 063	12.3	5.8	7.1
C. Capital income and other self- acquired income	1 126	1 498	33.0	2.5	3.8	1 082	1 980	83.0	5.2	6.4
<b>II. Income from social expenditure</b>	<b>21 490</b>	<b>27 370</b>	<b>27.4</b>	<b>39.5</b>		<b>16 143</b>	<b>19 863</b>	<b>23.0</b>	<b>21.7</b>	
A. Cash subsidies	4 481	5 249	17.1	5.2	7.9	3 300	3 833	16.2	3.1	3.8
Welfare <sup>a</sup>	3 023	3 643	20.5	4.2	6.4	1 548	1 763	13.9	1.3	1.5
Employment <sup>b</sup>	1 458	1 607	10.2	1.0	1.5	1 752	2 070	18.2	1.9	2.3
B. Social programmes	17 009	22 121	30.1	34.3		12 843	16 030	24.8	18.5	
Education	11 202	13 797	23.2	17.4		8 713	10 392	19.3	9.8	
Health	5 807	8 324	43.3	16.9		4 130	5 638	36.5	8.8	
<b>Total money income (I + IIA)</b>	<b>36 296</b>	<b>46 076</b>	<b>26.9</b>		<b>100.0</b>	<b>74 966</b>	<b>88 966</b>	<b>18.7</b>		<b>100.0</b>
<b>Total income (I + IIA + IIB)</b>	<b>53 305</b>	<b>68 197</b>	<b>27.9</b>	<b>100.0</b>		<b>87 809</b>	<b>104 995</b>	<b>19.6</b>	<b>100.0</b>	

Source: Ministry of Planning and Cooperation (MIDEPLAN), *Integración al desarrollo: balance de la política social, 1990-1993*, Santiago, Chile, January 1994, table 10.

<sup>a</sup> Includes welfare pensions (PASIS) and the consolidated household subsidy (SUF).

<sup>b</sup> Includes family allowances, maternity and social security benefits and other benefits.

On the other hand, trends in the minimum wage over the period, and their likely contribution to the alleviation of poverty, varied greatly from one country to another.<sup>5</sup> Both Uruguay and Mexico recorded very marked declines in the real urban minimum wage (17% and 13%, respectively), starting from very low levels that were close to half the 1980 level. Argentina, Chile and Venezuela recorded rises in their minimum wages of 9.5%, 14.3% and 2.4%, respectively.

Chile was probably the country in which the increase in the minimum wage had the greatest impact on the alleviation of poverty. Unlike Argentina and Venezuela, Chile achieved major improvements between 1990 and 1992 that enabled the urban minimum wage to recover the purchasing power attained in 1980. In many cases, the minimum wage was used as a reference value; in a context of strong expansion of economic activity and growth in demand for labour, increases in the minimum wage were instrumental in raising the incomes of workers who received amounts below or close to the minimum, thereby entailing major improvements in the incomes of the poorest households, especially those where the number of wage-earners increased as the secondary labour force entered employment.<sup>6</sup>

It is more difficult, however, to establish a relationship between wage indexes and trends in poverty. In fact, no indexes of this type exist in Bolivia and Venezuela; the indexes used in Argentina and Mexico refer only to wages in the manufacturing sector, while those used in Chile and Uruguay refer to wages in larger firms. In the countries for which information is available, average increases in these indexes varied widely and differed from increases in income among wage-earners that were calculated on the basis of household surveys, which are used further on.<sup>7</sup>

In Argentina and Mexico, average wage indexes in manufacturing recorded real increases over the period of 3.4% and 18.4%, respectively. Between 1990 and 1992, the index for wage-earners in all sectors rose by 9.6% in Chile and by 5.9% in Uruguay.

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<sup>5</sup> The role played by an increase in the real minimum wage in alleviating poverty depends not only on the size of this increase but also on the proportion of wage-earners who receive incomes close to the minimum. In addition, any rise in the minimum wage may cause upward pressure on pay rates if the rise is then used as a "floor" in wage negotiations. Probably the reason that the sharp drop in Uruguay's minimum wage between 1990 and 1992 did not have a major negative impact in terms of poverty was that only a small proportion of wage-earners received that wage. In contrast, increases in Chile's real minimum wage in 1991 and 1992 had a major impact because a larger proportion of workers received wages that were less than or equal to the minimum. Data from CASEN surveys conducted in 1990 and 1992 show that, in the construction, commerce and services sectors, the workers who achieved the biggest increase in average income were those in the poorest 10% of households (see ECLAC, *La pobreza en Chile en 1992* (LC/R.1351), Santiago, Chile, 30 December 1993, table 21).

<sup>6</sup> The following figures illustrate the impact of the increase in the number of employed persons on the incomes of the poorest households. In Chile, at the end of 1990, the incorporation into employment of an individual earning the urban minimum wage virtually doubled family income in the poorest decile (resulting in a 96% increase). That increase came to only 32% in the case of a household in the fourth decile. A 10% increase in the wages of those already employed translated into an increase in family income of no more than 7%.

<sup>7</sup> Changes in pay rates which are calculated on the basis of household surveys may differ significantly from those shown by the countries' wage indexes. Quite apart from the obvious case where those discrepancies are explained by differences in the socio-economic coverage of the two sources, other differences must be taken into account, such as the fact that indexes normally cover employees in large firms, where the level of, and often the variations in, salaries and wages are higher than in smaller firms. Other differences are due to the way in which average wages are calculated. In general, wage indexes use fixed weights in determining average salaries; i.e., they assume that the employment structure (by size and sector) does not vary over time. The calculation of average pay rates using data obtained from household surveys takes into account both changes in income levels and changes in the structure of employment. Average pay rates rise faster during periods in which changes have occurred in the structure of employment, with the labour force shifting towards higher-productivity, higher-income sectors.

One particularly relevant aspect for understanding the links between changes in wages and changes in poverty during the period in question is the fact that the pay rates of less skilled wage-earners lagged behind those of relatively more skilled workers in almost all the countries. In the case of Chile, data obtained from household surveys indicate that the real incomes of workers in professional and technical occupations increased by an average of 20%, while the wages of workers in non-professional, non-technical occupations (three out of every four wage-earners) merely maintained their purchasing power. In Uruguay, real incomes increased by 55% and 9%, respectively, while in Venezuela, the variations amounted to 51% and -8%, respectively.

In Bolivia public-sector wage-earners benefited from an average pay increase of 14%, while their private-sector counterparts (who make up 73% of all wage-earners) saw no improvement at all. No information on the subject is available for Argentina (Greater Buenos Aires), but the pay increases of wage-earners as a whole were slightly higher than those of self-employed workers (28% and 25%, respectively; see table 6). The only country in which the more skilled wage-earners received smaller increases was Mexico; these workers obtained an increase of just 5%, whereas unskilled workers enjoyed a real increase of 11%.

### VULNERABILITY: WHO FALLS INTO POVERTY AND WHO ESCAPES FROM IT?

Recent ECLAC studies have noted that income distribution in the countries of the region is characterized by a high proportion of households whose incomes are very close to the value of the poverty line. In all of the countries except Argentina and Uruguay, between 10% and 15% of households had incomes of 0.9 to 1.25 times the value of the per capita poverty line. This situation gave rise to household "vulnerability", in that major increases or decreases in poverty could be expected during periods of recession or recovery.

During the 1980s and early 1990s, the incomes of a considerable percentage of households have been subject to sudden variations in the short term. In fact, open unemployment rates did not always reflect the seriousness of the crisis and went hand in hand with a substantial number of unstable jobs that translated into low and variable incomes. As a result, the number of employed persons in many households fell from two to one and sometimes to zero within a short period of time. In these circumstances, although the proportion of poor households at any given time did not fluctuate to the same extent as aggregate economic indicators, a process of rotation took place among households living just above or below the poverty line, many of which either sank into or emerged from poverty. Moreover, these movements into or out of poverty were also observed, though to a lesser extent, among households whose incomes were further away from the poverty line.

Any analysis of these shifts and of the characteristics of households that either become or cease to be poor requires that the same group of households be monitored over time. However, household surveys do not normally provide this kind of information.

A recent analysis of trends in poverty in Argentina between 1991 and 1992, designed as a panel study, was based on data from the periodic household surveys conducted in Greater Buenos Aires. Taking advantage of the fact that half of the households remain in the sample for one year, the researchers were able to combine data for October 1991 with data for October 1992, and thus found that poverty fell by almost 3% over this period.

The study shows that during that year, 9.4% of those households escaped from poverty, 6.5% slid into it, 13.8% stayed poor and 70.3% remained above the poverty line. As could be expected, households whose incomes were closest to the poverty line were the ones most likely to cross that threshold. Hence, 54% of households with incomes between 0.9 and 1 times the value of the poverty line escaped from poverty the following year, while 24% of those with incomes between 1 and 1.25 times the value of the poverty line saw their incomes fall below that threshold. Households outside the "vulnerable" strata also experienced change, but to a lesser extent: 35% of those whose incomes were below 0.9 times the threshold managed to escape from poverty, while 8.5% of households with incomes greater than 1.25 times the poverty line joined the ranks of the poor.

With respect to the characteristics of households that emerged from poverty (40% of the households that were poor in 1991 were no longer poor the following year), the study concludes that the increases in family income which made this possible were largely due to greater participation in the labour market. In two out of every three households, the escape from poverty was the result of reduced unemployment, the entry into the workforce of previously inactive members of the household and the increased number of hours worked. As for households that slipped into poverty (9% of non-poor households in 1991 became poor in 1992), the study notes that the leading factor explaining the change is the reduction in the number of gainfully employed workers per household.

In the absence of data collected in panel studies, the information presented in the Social Panorama of Latin America on household vulnerability in terms of income is sufficient for estimating the extent of this phenomenon, which will naturally recede as economic growth takes hold and provides greater job and income stability.

Source: Economic Commission for Latin America and the Caribbean (ECLAC), Social Panorama of Latin America, 1993 edition (LC/G.1768), Santiago, Chile, April 1994, p. 38 and following; A. Minujin and N. López, "Sobre pobres y vulnerables: el caso argentino", Documento de trabajo series, No. 18, Buenos Aires, United Nations Children's Fund (UNICEF), August 1993.

## 2. Growth, income distribution and poverty

**The progress achieved in combating poverty during the 1990s is largely due to the growth in household income. Changes in income distribution made little or no contribution to that progress, as the highly unequal patterns which have characterized the region remained unchanged in most of the countries.**

Economic growth, the slowdown in inflation and the increase in employment, average pay rates and, in some cases, the minimum wage had varying impacts, in different countries on household income in the lower strata, especially among the poorest 40% of households. Nevertheless, with the exception of Uruguay, none of the countries witnessed significant improvements in that stratum's share of income distribution.<sup>8</sup>

In fact, the results of an estimate of the "growth effect" and the "income distribution effect" on poverty reduction show that the increase in household income over the period is either the sole or the major factor which explains the decline in urban poverty in Argentina, Bolivia, Chile and Mexico. Moreover, the worsening of income distribution in Venezuela offset the positive effect of growth. Only in Uruguay did improved income distribution contribute significantly to the reduction in the incidence of poverty.

One of the factors which explains these results is the uneven extent to which wage-earners in different strata shared in the growth in pay rates. In Uruguay, which recorded a major improvement in the distribution of urban income over the period, growth in the incomes of public- and private-sector wage-earners exceeded, on average, the growth in the incomes of workers as a whole (14% and 7%, respectively). With regard to wage-earners in non-professional, non-technical occupations in the private sector, those employed in small businesses enjoyed a larger rise (12%) than those in firms with more than five employees (8%). At the same time, the incomes of unskilled self-employed workers grew by 22%, while the average income of employers increased by just 9%. Between 1990 and 1992, the lowest quartile of the distribution increased its share of income, which was already the highest in the region, from 10.9% to 11.9%.

In Venezuela, where the wages of non-professional, non-technical workers lost purchasing power, income distribution worsened between 1990 and 1992. For example, in Caracas the income share of the poorest 25% of households fell from 8.1% to 7.6%, notwithstanding the fact that average income in this sector increased by 16%, largely because of the 19% increase in the income of unskilled self-employed workers (see table 6).

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<sup>8</sup> In Argentina the increase in income of the poorest 40% of households accounted for just 15.3% of the total increase in urban income during the period; in Bolivia, 13.7%; in Chile, 15.0%; in Mexico, 16.8%; in Uruguay, 22.6%; and in Venezuela, 14.8%.

**LATIN AMERICA (6 COUNTRIES): EFFECTS OF INCOME  
GROWTH AND DISTRIBUTION ON THE REDUCTION  
OF POVERTY IN URBAN AREAS**

	Reduction of poverty (percentages) <sup>a</sup>		
	Estimated total reduction ( 1 )	Reduction due to income growth ( 2 )	Reduction due to changes in income distribution <sup>b</sup> ( 3 )
<b>Argentina</b> (Greater Buenos Aires) 1990-1992	6.4	6.9	-0.7
<b>Bolivia</b> <sup>c</sup> 1989-1992	5.2	4.1	0.8
<b>Chile</b> 1990-1992	6.1	6.5	-0.8
<b>Mexico</b> 1989-1992	4.4	3.2	1.1
<b>Uruguay</b> 1990-1992	4.3	3.2	1.4
<b>Venezuela</b> (Caracas) 1990-1992	4.1	6.5	-2.8

**Source:** ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> The sum of the "growth effect" (column 2) and the "distribution effect" (column 3) differs slightly from the estimated total reduction (column 1) because it excludes the combined residual effect.

<sup>b</sup> The minus sign means that the change in income distribution offset the decline in the incidence of poverty produced by the growth in income.

<sup>c</sup> The figures for Bolivia refer to the percentage reduction in indigence.

### THE EFFECT OF GROWTH AND INCOME DISTRIBUTION ON POVERTY REDUCTION

In periods in which poverty has declined, it is important to answer the question of how much of that reduction can be attributed to growth in household income and how much to changes in its distribution. Of course it is possible for poverty to decline without any redistribution of income or well-being among households, or even if a reconcentration of distribution occurs in the period under consideration. Obviously, if an increase in the income of all households benefits poorer households relatively more, the "growth effect" is, so to speak, reinforced by the "distribution effect".

In order to quantify the relative importance of growth and distribution in the six countries under consideration, changes in poverty were broken down into three factors: the "growth effect" (the change in poverty that would have resulted if the same distribution had remained in place), the "distribution effect" (the change in poverty if average income had remained constant) and a "residual effect" (the interaction of the first two effects). This procedure can be expressed as follows:

$$P(f) - P(i) = \text{growth effect} + \text{distribution effect} + \text{residual effect}$$

$$\text{Growth effect} = P[Y(f); z(f)/F(i)] - P[Y(i); z(i)/F(i)]$$

$$\text{Distribution effect} = P[F(f)/Y(f); z(f)] - P[F(i)/Y(i); z(i)]$$

$P(f) - P(i)$  is the reduction in poverty between the initial year "i" (1990) and the final year "f" (1992), in percentage points;  $z(f)$  is the poverty line in the final year and  $z(i)$  in the initial year;  $F(i)$  and  $F(f)$  represent household income distribution in the initial and final years, respectively;  $Y(i)$  and  $Y(f)$  correspond to average income in each of these two years. The residual effect in the breakdown is normally small in comparison to the two major effects.

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Source: G. Datt and M. Ravallion, "Growth and Redistribution Components of Changes in Poverty Measures: A Decomposition with Applications to Brazil and India in the 1980s", Living Standards Measurement Study Working Paper series, No. 83, Washington, D.C., World Bank, 1991.

In Argentina, the group which benefited the most within the first quartile (which includes all poor households) was the lowest decile, which saw its real income rise by 29% between the end of 1990 and the end of 1992. However, the average income of households in the first quartile rose by just 19%, or 10 percentage points below the average. As a result, while the lowest decile's income share remained at 2.3%, that of the bottom 25% declined from 8.4% to 7.3%. The progress made in reducing poverty in Buenos Aires is entirely attributable to an increase in household income, whereas the change in income distribution had a negative impact that accounted for nearly one percentage point.

In Chile, growth in the income of the lowest decile was also very high at 30%; this figure was well an excess of the average income growth of 19%. Unlike Argentina, however, Chile recorded increases equal to the average, in the next three deciles, with the result that their share in income distribution improved only slightly. Thus, Chile's success in achieving major reductions in both indigence and urban poverty —of around 7% and 4%, respectively— is due more to the increase in the income of the poorest 40% of households than to an increase in this group's share in the pattern of distribution.

In Bolivia, the reduction of poverty, and particularly of extreme poverty or indigence, reflected on increase in the income of the poorest quartile, which saw its share of the distribution rise from 5.3% to 6.4%. Likewise, the share of the bottom 40% improved slightly, with a 21% rise in income between 1989 and 1992, compared to an average rise of 18% for all households. Once again, the fall in indigence and poverty indexes was due mainly to growth in income and, to a much lesser extent, to faster improvements among households in the bottom four deciles of the income distribution.

A similar pattern occurred in Mexico, where a reduction in the incidence of poverty of almost 5% between 1989 and 1992 was accompanied by increases in income that were smaller than those in Bolivia. The shares of the poorest 25% and the poorest 40% also increased slightly; the improvement in distribution contributed to the decline in poverty, but to a lesser degree than the increase in income.<sup>9</sup>

Uruguay and Venezuela represent extreme situations as regards the relative importance of the "growth" and "distribution" factors in explaining the decline in urban poverty in the 1990s. In Uruguay's case, the major improvement in the income of households in the second decile was a decisive factor in reducing poverty by 4% (from 11.8% to 7.7%) and in increasing the share of the poorest quartile. The previous table shows that one third of the drop in poverty in Uruguay was due to the improvement in distribution.

In Venezuela, in contrast, the groups which include poor households recorded lower-than-average increases in income, which resulted in a reduction in the poorest quartile's income share. None the less, poverty fell by around 5% in Caracas. This is explained by the 16% growth in the incomes of households in the poorest quartile, starting from a greater concentration of households close to the poverty line in 1990 than was the case in Uruguay (see table 23).

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<sup>9</sup> It should be noted that, in Mexico's case, income distribution patterns were obtained from data collected in national household income and expenditure surveys conducted in 1989 and 1992. Income and expenditure surveys generally depict a more egalitarian distribution than employment surveys, which only record household income. This is largely because more accurate measurements of income can be achieved with surveys that measure both flows, especially of non-monetary income, which is a major component of the resources of households in the low strata. This difference in the source of data used may explain why Mexico's profile of distribution is less concentrated than would be expected in comparison with the profile of the other countries, whose data were taken from employment and income surveys.

The previous table illustrates the negative impact of income distribution in Caracas. Had the pattern of distribution prevailing in 1990 been maintained in 1992, poverty would have fallen by nearly 3% more than the proportion by which it actually fell (less than 5%). Similarly, it is probable that if trends in the income of wage-earners had matched the growth in the average income of all workers, the reconcentration of income would have been avoided, at least in part, and this would have made a positive contribution to poverty reduction.

The trends in poverty in these six countries during the period 1989-1992 illustrate the social consequences of economic recovery following a prolonged recession. The simultaneous analysis of economic growth and income distribution presented herein can be complemented by several additional reflections:

i) In most of the cases studied, the recovery in per capita income was not sufficient to make up entirely for the deterioration in income distribution that followed in the wake of the recession. Consequently, the proportion of poor people today is, in general, higher than it was before the crisis.<sup>10</sup>

ii) The drop in indigence and poverty, together with the limited changes in indexes which measure the overall degree of concentration of income distribution, are due in large part to the increased number of employed persons per household, which benefited low-income households, as well as the greater pay rises enjoyed by workers in professional and technical occupations compared to less skilled wage-earners.

iii) The period under consideration is characterized by a number of special features as regards economic growth, inflation and employment. It is not always easy to achieve high or moderate economic growth and, at the same time, considerable reductions in inflation, especially when anti-inflationary goals become more ambitious. Moreover, at the beginning of the period in question, most of the countries had idle installed capacity and high open unemployment, accompanied by high economic growth and rapid increases in employment. In those circumstances, the countries were able to reduce poverty by 4% to 6% within only 2 to 3 years; this achievement will be difficult to repeat if the above-mentioned trends do not occur again simultaneously. Everything indicates that, to a greater or lesser extent, the countries will have to reach another formation stage where rapid job creation and increases in income will increasingly depend on intensive capital efforts.

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<sup>10</sup> Chile appears to be an exception, in that it has made persistent progress in reducing poverty since the mid-1980s, although figures show that the incidence of urban poverty remains higher than it was around 1970. Another exception is Uruguay, where urban poverty was one percentage point lower in 1992 than in 1981.

### 3. The extent of poverty at the beginning of the 1990s

**An appraisal of the current extent of poverty in Latin America indicates that in the vast majority of the countries, the percentage of poor households is still higher than it was at the end of the 1970s.**

An appraisal of poverty in the region reveals that the advances achieved in the initial years of the 1990s do not represent progress in relation to longer-term gains, but rather a partial recovery of the poverty indexes already attained by several countries towards the end of the 1970s.<sup>11</sup> Most of the countries experienced stagnation or setbacks that

increased the incidence of poverty, especially in urban areas.

In six of the seven countries for which comparable estimates are available, poverty indexes were higher in 1992 than they had been around 1980 (see figure 1). Two sets of circumstances have contributed to this situation: first, for a major proportion of poor households, the improvements recorded since the mid-1980s or in the early 1990s did not offset the steep drops in income that occurred during the crisis and the economic adjustment and restructuring processes implemented by many countries in the past decade; and second, many countries have been unable to achieve high growth rates combined with reduced inflation and unemployment, which were the conditions that enabled the countries mentioned in section 1 to reduce their poverty rates between 1990 and 1992.

In Brazil, Colombia, Costa Rica, Guatemala, Honduras and Panama, the incidence of urban poverty grew appreciably during the 1980s and either remained at those levels or even increased in 1990-1992. In contrast, most of the countries recorded a drop in rural poverty. Since the mid-1980s, rural poverty has fallen in six of the eight countries for which information is available, although from higher levels than those recorded in urban areas. In any case, income differentials between urban and rural areas persist and in all of the countries, critical shortages of income continue to affect a larger percentage of the population in rural areas<sup>12</sup> (see table 22).

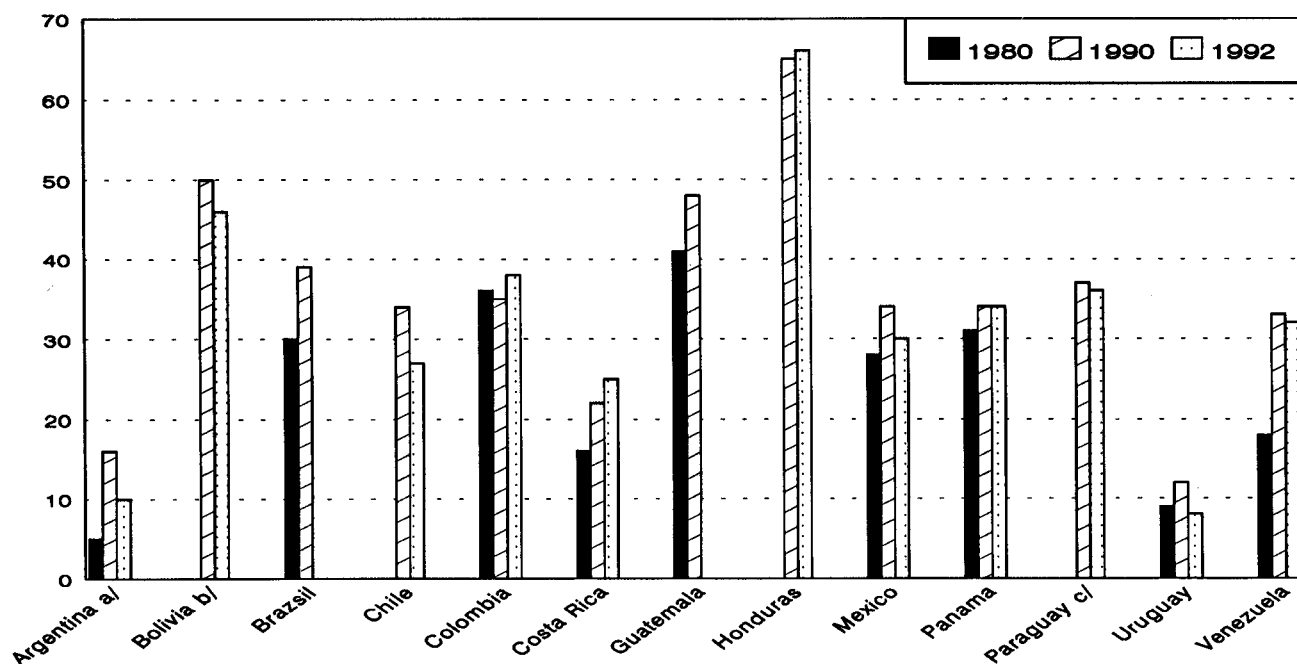
During the previous decade, no increase in poverty was recorded in Colombia. However, between 1990 and 1992, poverty increased by about 3% in urban areas, from 35% to 38%. In Costa Rica, the incidence of urban poverty also increased by 3% (from 22% to 25%), while the corresponding variable for rural areas remained at 25%. Between 1990 and 1992, urban poverty in Honduras remained virtually the same (increasing from 65% to 66%), while an improvement was recorded in rural areas, though from extremely high levels of absolute poverty: the rate fell from 84% to 79%.

<sup>11</sup> Ibid.

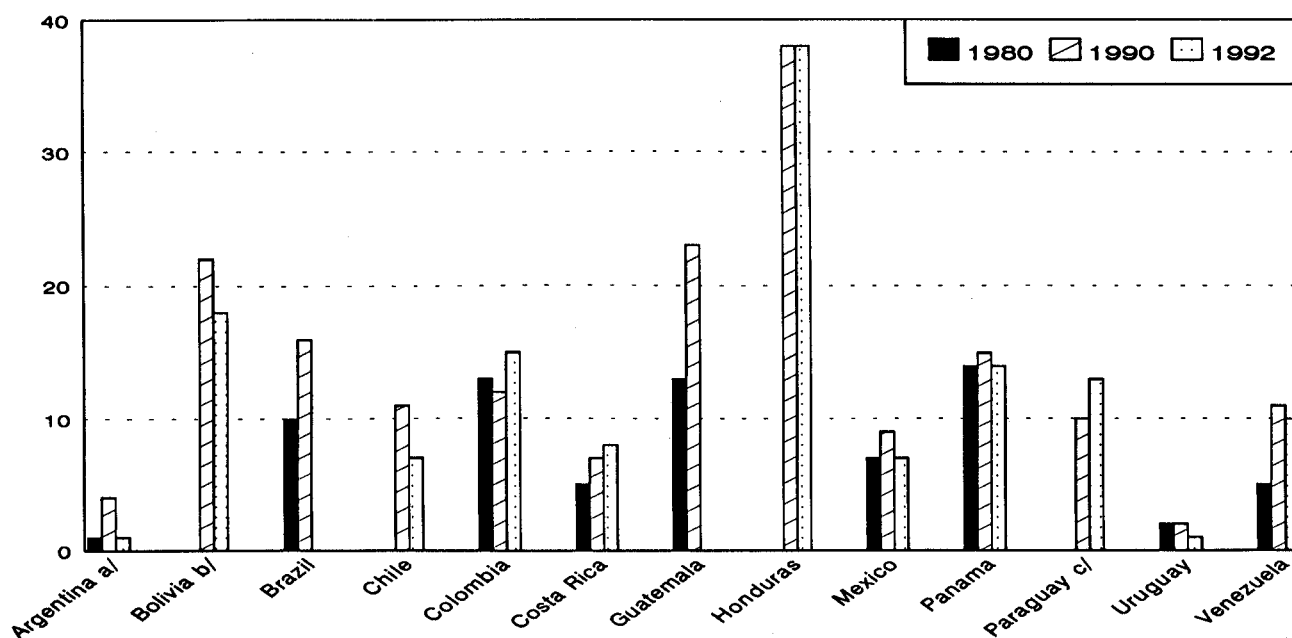
<sup>12</sup> In 1990, 39% of the urban population and 61% of the rural population in Latin America had incomes below the poverty line. Out of a total of 200 million poor Latin Americans, about 60% resided in urban areas. The indigent population (defined as those with incomes below the value of the shopping basket of staple foods) stood at 15% in urban areas and 37% in rural ones. Approximately 52% of the extremely poor were concentrated in rural areas (see table 21).

Figure 1  
LATIN AMERICA (13 COUNTRIES): POVERTY AND INDIGENCE IN URBAN AREAS

Percentage of poor household



Percentage of indigent households



Source: ECLAC, on the basis of special tabulations of data from households surveys in the countries.  
a/ Greater Buenos Aires. b/ Departmental capitals. c/ Asunción.

Panama recorded no changes in urban poverty, which remained at 34%, between 1989 and 1991, although poverty in rural areas is estimated to have declined from 48% to 43%. Data for Asunción, Paraguay show that the incidence of poverty fell by one percentage point (from 37% to 36%) between 1990 and 1992.

No poverty estimates exist for Brazil beyond 1990.<sup>13</sup> In that year, urban poverty stood at 39%, or 9% above its 1979 level and 5% above its 1987 level. However, between 1990 and 1992, per capita GDP fell by 3%, open unemployment rose and in 1992 the annual inflation rate remained very high (410%); thus, it is very likely that poverty increased in Brazil in the first two years of the decade.

The challenge of reducing absolute poverty which currently faces the countries of the region is a formidable one, in light of both the larger number of households now living in poverty and the appreciable differences between those households' incomes and the minimum levels established by the poverty line. In 1992, the average per capita income of poor households in urban areas was approximately 25% lower than the poverty-line value in Argentina and Uruguay; about 40% lower in five other countries (Chile, Costa Rica, Mexico, Paraguay and Venezuela); and 45% to 55% lower in another four countries (Bolivia, Colombia, Honduras and Panama).

Furthermore, it should be pointed out that, in recent attempts to reduce poverty in the region, growth in the countries' per capita national income translated into disproportionately rapid falls in the incidence of poverty. In addition, as mentioned in section 2, in five out of six countries those improvements were achieved without a significant reduction in distributive inequality. Accordingly, it may be surmised that the renewed growth in the remaining countries could translate into falls in poverty comparable to those recorded at the beginning of the 1990s, of between 3% and 7%, but these will probably not be sufficient to reduce poverty to the levels recorded prior to the crisis.

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<sup>13</sup> ECLAC poverty estimates for Brazil are based on data from that country's National Household Survey (PNAD). This survey was not conducted in 1991, when the population census was taken, and data from the 1992 survey are not yet available.

## **II**

### **THE EMPLOYMENT SITUATION**



## 1. Recent trends in the field of employment

**Recent trends in the field of employment in Latin America indicate that the tendencies already observed in the 1980s have been maintained or further accentuated: the high proportion of wage labour in the private sector, the increase in the number of employed persons with professional and technical qualifications, and the decline in the importance of public sector employment. In rural areas, the tendency towards a reduction in the relative weight of the peasant population continued.**

A number of the employment trends observed during the past decade have tended to continue or increase in the early years of the 1990s. As far as the employment structure by categories is concerned, the "Social Panorama of Latin America, 1993 edition"<sup>14</sup> noted that despite the slight decline in its relative weight during the past decade, wage-based employment clearly continues to be the predominant occupational status in all the countries of the region. The available data for the 1990-1992 period indicate that in the private sector, wage-earners maintained or increased their share in employment in all countries except Colombia. Wage-earners as a whole continued to represent between 70% and 75% of the total

employed population (see table 2).<sup>15</sup>

At the same time, substantial changes took place in the structure of wage-earning employment: in a number of countries there was an increase in the proportion of the labour force employed in the larger private sector enterprises, while there was a relative decline in wage-earning employment in microenterprises. This was the trend in the early 1990s in Bolivia, Costa Rica, Guatemala, Panama, Paraguay, Uruguay and Venezuela. It is interesting to note that there was also a reduction in the average wage differential for workers without professional or technical qualifications between microenterprises and larger firms. In the period 1990-1992, workers in the latter firms registered small wage rises or greater reductions than employees of microenterprises,<sup>16</sup> thus tending to narrow the income gap between the two strata and to bring about a "downward levelling" process among less-skilled employees (see tables 4 and 6).

Furthermore, there was a continued increase in the share of wage-earners with professional or technical qualifications among wage-earners as a whole as well as among the total employed population. Argentina, Chile and Costa Rica registered the biggest increases in this respect, so that while in general these more highly qualified wage-earners currently account for nearly 10% of urban private sector employment, in the three countries in question they account for nearly 15% of such employment. Over the period 1990-1992, the average incomes of these wage-earners registered big increases, and in Chile, Paraguay, Uruguay and Venezuela the large wage rises obtained by professional and technical employees compared with less highly qualified workers further increased the wage gap between high and low-income employees in those countries. This could explain why wage rises have brought down the incidence of

<sup>14</sup> See ECLAC, Social Panorama of Latin America. 1993 edition (LC/G.1768), Santiago, Chile, September 1993, pp. 7-17.

<sup>15</sup> Among the countries for which information was available up to around 1992, Bolivia (55%), Honduras (66%) and Paraguay (68%) were the only ones where wage-earners accounted for less than 70% of total employment.

<sup>16</sup> The term "microenterprise" refers to firms with five or less employees. This definition permits the greatest comparability between the various employment and income surveys that take account of the size of establishments in the countries of the region.

poverty in those countries yet have not been reflected in any significant improvement in relative income distribution.

Thanks to the faster growth of wage-earning employment in the private sector, especially in the countries which registered positive growth rates in the early years of the decade, the decline in the relative share of public sector employment was not reflected in higher unemployment. This decline, which was one of the most striking features of the changing employment structure during the past decade in a number of Latin American countries, tended to become still more noticeable in the early 1990s: between 1989 and 1992 the share of public sector employment went down from 18.3% to 15.5% in Bolivia, from 10.4% to 9.3% in Colombia, from 29.2% to 26.6% in Panama, from 21.8% to 18.7% in Uruguay, and from 22.5% to 19.5% in Venezuela. The share of public sector employment did not change, however, in Costa Rica and Honduras.

The average incomes of public sector employees evolved very differently in the various countries in the first two years of the decade. Thus, in the countries where average income increased and there was a reduction in poverty, real public sector wages grew faster than those of private sector employees (see table 6). In the countries where the incidence of poverty increased, however, average public sector wages merely maintained their purchasing power or suffered bigger declines than those of the private sector.

Among the main changes in employment in rural areas is the trend towards an increase in wage labour and the consequent decline in the importance of the peasant population. The available information for six countries indicates that since the early or mid-1980s there has been a decline of between two and five percentage points in the proportion of own-account workers or unpaid family workers in the agricultural sector (see table 3). Nevertheless, there are still substantial differences among the countries of the region in terms of the weight of peasants in total employment. In the countries which currently have the highest levels of rural poverty, this sector continues to account for a high proportion of employment: thus, in Brazil, Guatemala, Honduras and Panama own-account workers in agriculture still represent between 40% and 50% of rural employment. In Chile, Costa Rica and Venezuela the percentage is between 15% and 26%, while in Mexico it amounts to 33%.

A feature which is worthy of special note because of its implications for public policies against rural poverty is that although peasants and small agricultural producers continue to be the sectors most seriously affected by poverty, in a number of countries the largest proportion of poor people are rural wage-earners, whether engaged in agriculture or working in other sectors, especially commerce and services. In Chile, Costa Rica, Mexico and Venezuela around two-thirds of the total number of employed persons in a situation of rural poverty in 1992 were wage-earners. In Brazil, Guatemala and Honduras, where small-scale agricultural production accounted for a much higher proportion of rural employment, about 40% of the poor were wage labourers in the early 1990s (see tables 9 and 11).

## 2. Employment in low-productivity strata

**The labour force employed in strata of low productivity and income continues to account for a very large proportion of employment in the region. This proportion went down in some countries in the period 1990-1992, but current urban poverty is nevertheless more closely associated with the low wages paid in other strata than with the insufficient incomes characteristic of the low-productivity strata.**

The strata of lower productivity and income have absorbed a large part of the increase in the urban labour force in the countries of the region. As noted in the 1993 edition of the "Social Panorama of Latin America", this was one of the reasons why rates of open unemployment during and after the crisis were not higher. During the 1980s, the workers in these strata—consisting mainly of wage-earners without professional or technical qualifications employed in microenterprises, unskilled own-account workers and domestic servants—increased their share in urban employment in Argentina, Brazil, Costa Rica,

Panama, Uruguay and Venezuela (see table 16).

Over the period 1990-1992, the share of low-productivity strata in employment went down in the urban areas of some countries. In two of the six countries where urban poverty was reduced and substantial increases were achieved in employment and income, there was also a reduction in the percentage of own-account workers in commerce and services. Thus, in Bolivia the percentage of workers in these sectors with low levels of skills went down from 31% to 25%, while in Chile the reduction was from 15.2% to 13.3%. In Argentina, Mexico, Uruguay and Venezuela the percentage remained at about 15% of total employment.

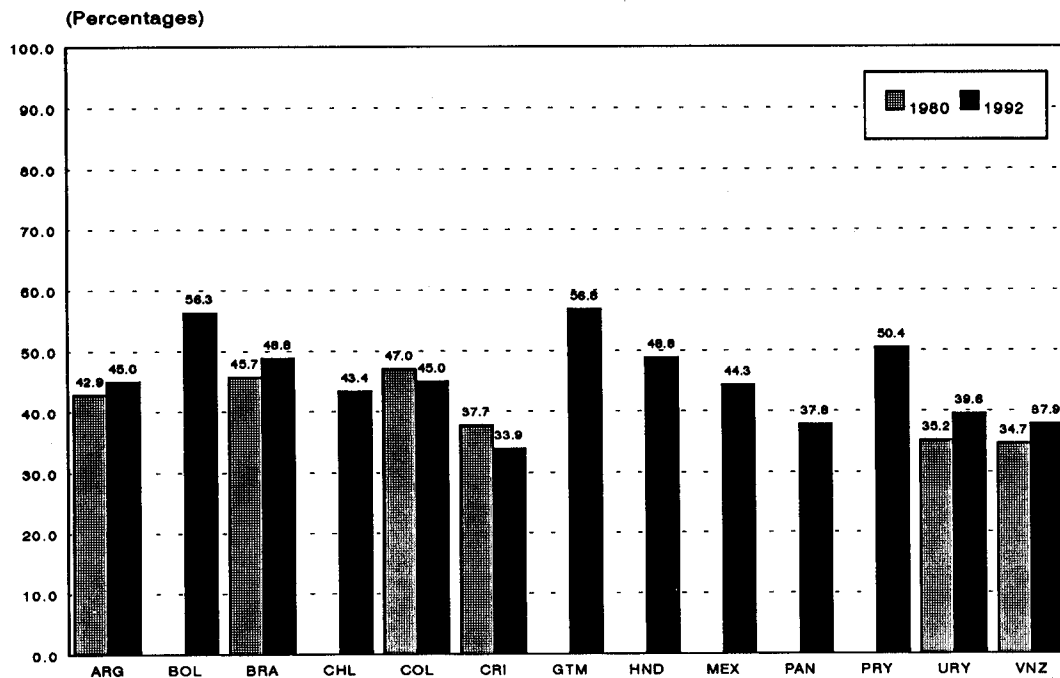
The available data for thirteen countries of the region show that around 1992 the percentages of urban employment corresponding to occupations typical of low-productivity, low-income strata continued to be very high: between 34% and 56% (see box). In three countries the percentage was over 50% (Bolivia, Guatemala and Paraguay); in six cases the percentage was between 40% and 50% (Argentina, Brazil, Chile, Colombia, Honduras and Mexico), and in four countries it was between 34% and 40% (Costa Rica, Panama, Uruguay and Venezuela) (see figure 2).

The incomes received by those working in these strata showed appreciable differences, ranging from 1.4 times the per capita poverty line in Honduras to 4.8 times that value in Argentina. In most of the countries, these incomes were on average at least 40% below those received by workers in other strata. Except in Argentina and Costa Rica, in all cases the average income received by those employed in low-productivity strata was well below four per capita poverty lines, which represents the minimum income needed in order for a family of four to be above the poverty line (see figure 3).

Despite the weight that low-productivity, low-income strata continue to have in urban employment, in most countries a very high proportion of poverty is due to the low wages received by people who are not employed in those strata. The changes observed during the period 1990-1992 did not change this feature of the urban poverty profile of the region. Table 8 of the appendix shows that the incidence of poverty among workers without professional or technical qualifications in medium-sized and large private-sector firms is similar to or even greater than the level observed among unskilled own-account workers in commerce and services. The only exceptions are Costa Rica and Uruguay, where poverty levels are relatively low, and Panama.

Figure 2

**PERCENTAGE OF URBAN POPULATION WORKING IN LOW-PRODUCTIVITY SECTORS,<sup>a/</sup> AROUND 1980 AND 1992**

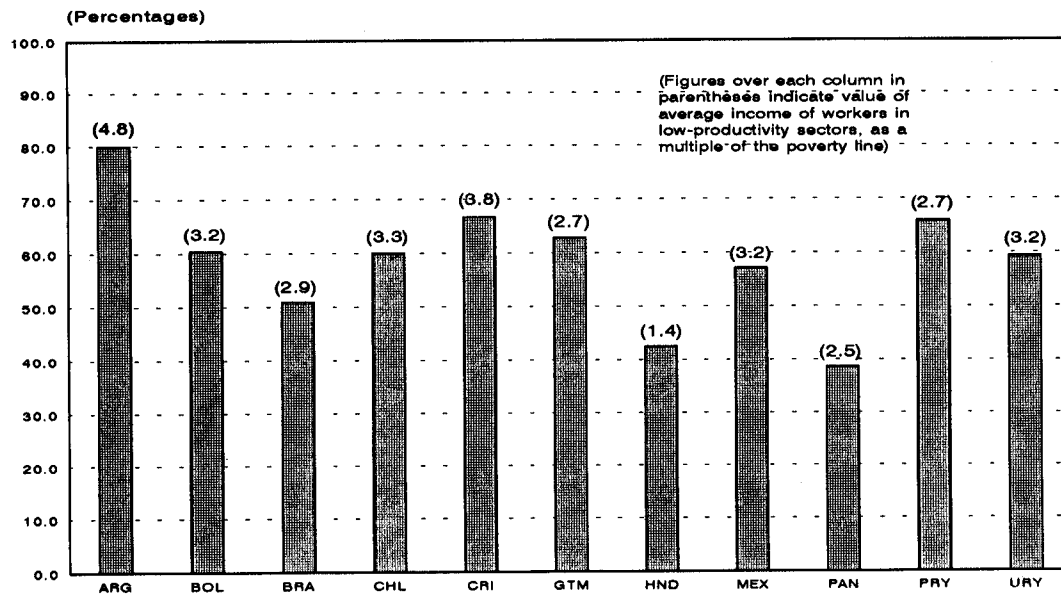


Source: ECLAC, on the basis of special tabulations of household surveys in the countries.

a/ These sectors comprise employers and employees of enterprises employing up to 5 persons and own-account workers and unpaid family members without professional or technical qualifications.

Figure 3

**AVERAGE INCOME OF URBAN POPULATION WORKING IN LOW-PRODUCTIVITY SECTORS, AS A PERCENTAGE OF AVERAGE INCOME OF WORKERS IN OTHER SECTORS, AROUND 1992**



Source: ECLAC, on the basis of special tabulations of household surveys in the countries.

This means that a very high proportion of those who have jobs but are below the poverty line are not working in low-productivity strata or in occupations typical of the informal sector. Thus, in Chile, Colombia, Mexico and Venezuela over 40% of the total number of employed persons in a situation of poverty were wage-earners in medium-sized and large firms, while in six other countries (Brazil, Costa Rica, Honduras, Panama, Paraguay and Uruguay) the proportion was between 25% and 35%. Only in Bolivia and Guatemala were the majority of situations of urban poverty associated with low wages in microenterprises or low incomes of own-account workers (see table 10).

The above facts show the importance of wages policies in combatting poverty and the need, in the current Latin American situation, to study the effects of economic growth on employment and wages in various sectors and occupational groups.

#### LOW-PRODUCTIVITY STRATA AND THE INFORMAL SECTOR

In January 1993, the Fifteenth International Conference of Labour Statisticians was convened in Geneva by the Governing Body of the International Labour Office. This Conference adopted a resolution on the informal sector and the corresponding employment statistics.

As regards the concept of the informal sector, the resolution notes that the production units making it up "typically operate at a low level of organization, with little or no division between labour and capital as factors of production and on a small scale. Labour relations —where they exist— are based mostly on casual employment, kinship or personal and social relations rather than contractual arrangements with formal guarantees". It also notes that "the concept of informal sector activities should be distinguished from the concept of activities of the hidden or underground economy".

For statistical purposes, the resolution regards the informal sector as a group of production units which form part of the household sector as household enterprises or, equivalently, unincorporated enterprises owned by households, according to the definitions of the United Nations System of National Accounts (Rev. 4). Within the household sector, the informal sector comprises i) "informal own-account enterprises" and ii) "enterprises of informal employers".

As regards the monitoring of informal sector employment, the resolution states that existing surveys of the economically active population and similar household surveys provide a useful means of collecting data on employment in the informal sector.

For the establishment of operational definitions with respect to data from household surveys, the resolution indicates that informal own-account enterprises are household enterprises owned and operated by own-account workers and contributing family workers but exclude those employing hired workers, while enterprises of informal employers are those which employ one or more employees on a continuous basis; these latter enterprises may be defined in terms of their size (number of employees) or whether or not they are registered in accordance with national legislation.

Among its recommendations, the resolution states that units engaged in professional or technical activities should be included in the informal sector if they fulfil the requirements of items i) and ii) above. With regard to domestic workers, these should be included in or excluded from the informal sector depending upon national circumstances. Finally, it is noted that for practical reasons the scope of the informal sector may be limited to enterprises engaged in non-agricultural activities.

In this "Social Panorama of Latin America", however, data are given on employment and income of the employed population under the heading of "low-productivity sectors of the labour market" in order to maintain continuity with the operational procedures and terminology used in previous editions of the Panorama. At all events, the operational definitions used to identify the persons employed in these sectors are substantially in line with the recommendations of the resolution on statistics of employment in the informal sector adopted at the Fifteenth International Conference of Labour Statisticians.

### 3. Unemployment trends

A number of countries of the region have registered relatively low rates of open unemployment —between 4% and 7% in urban areas— in these early years of the 1990s. Nevertheless, unemployment continues to be a decisive factor in poverty. Among poor households, unemployment rates are more than double and even three times the rates observed among the non-poor.

Between the late 1980s and early 1990s, rates of open urban unemployment in eight Latin American countries went down significantly, reaching levels close to or below 7% towards the end of 1992. Indeed, in five countries (Bolivia, Costa Rica, Honduras, Mexico and Paraguay) these rates went down to around 5% or less<sup>17</sup> (see figure 4 and table 15).

In all cases, economic reactivation and the recovery of positive growth rates were accompanied by reductions in unemployment. The most recent available figures show that up to 1993

urban employment continued at low levels or had gone down compared with the year before in Bolivia, Chile, Colombia, Costa Rica, Guatemala and Venezuela. In 1993 and the first half of 1994, however, some countries registered high unemployment rates of between 9% and 12% in Argentina, Ecuador and Peru and even higher levels in Nicaragua and Panama.

Unemployment rates have risen again in three of the six countries where poverty went down between 1989 and 1992 (Argentina, Chile and Uruguay) and where the reduction of unemployment played an important part in raising the incomes of poor households (especially those of the bottom income decile).

In the case of Argentina, the high growth rates of the two-year period 1991-1992 were reflected in a reduction by one percentage point (from 7.5% to 6.6%) in the average unemployment rate in Greater Buenos Aires, but that rate rose again in 1993 and in mid-1994 it stood at nearly 11%, even though the economy continued to expand.

In Chile, where urban unemployment had been going down steadily from 13% in 1986 to less than 5% in 1993, it began to rise again as from December of the latter year, and in mid-1994, although the growth of the product continued to be around 4%, unemployment at both the national level and in the Metropolitan Region amounted to 6.5%.

Over the two-year period 1991-1992, urban employment also went down in Uruguay, from around 10% in late 1990 to nearly 8% at the end of 1992. This tendency continued up to the end of 1993, but then the rate began to rise again and stood at around 9% in mid-1994.

Study of the level of unemployment rates as a function of the level of household income reveals that open unemployment hits the labour force coming from poor households much harder. The 1992 figures show that this takes place both in countries that have managed to attain relatively low

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<sup>17</sup> The open unemployment rates given in tables 12 to 15 of this edition of the "Social Panorama of Latin America" refer to the percentage of unemployed persons in the total economically active population. The term "unemployed" includes those previously employed who have lost their jobs and are looking for work and also those looking for work for the first time.

unemployment rates of around 5% and in countries which have continued to register high levels of unemployment.

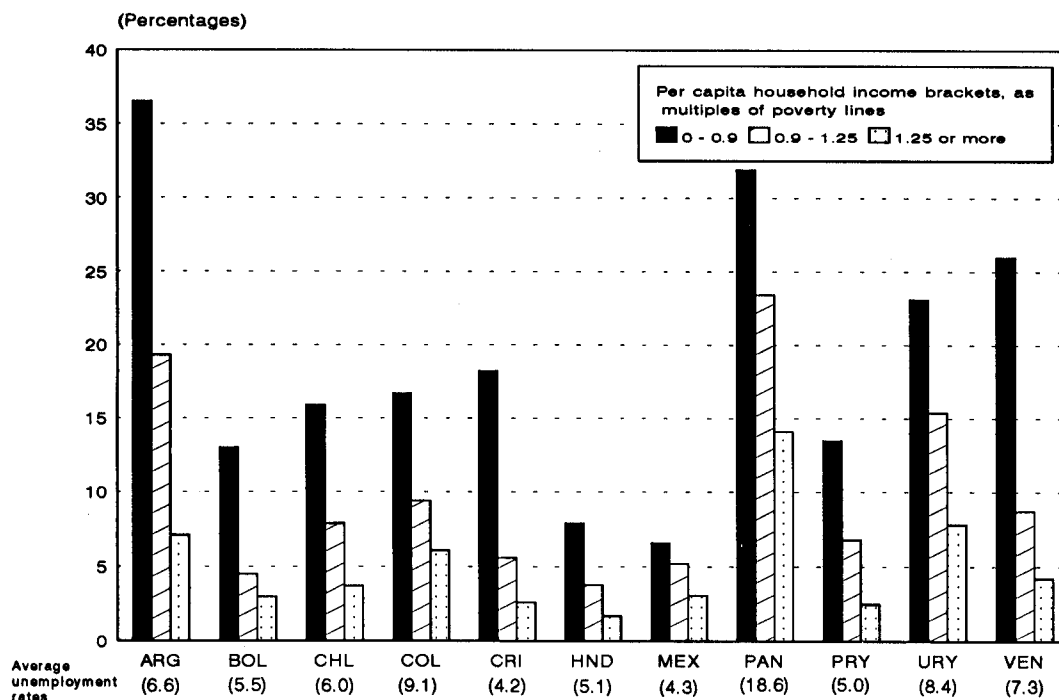
Thus, in countries where the average rate in 1992 was around 5% (Bolivia, Chile, Costa Rica, Honduras, Mexico and Paraguay), the percentage of unemployed in the poor strata was between 13% and 17%, except in Honduras and Mexico, where it was 8% and 6%, respectively (see figure 4).

In countries where urban unemployment in 1992 remained at high or relatively high levels (Argentina, Panama, Uruguay and Venezuela), the percentage of unemployed in the poor strata was much higher: between 22% and 34% (see table 15).

At the other extreme, open unemployment was very low among households where the per capita monthly income was over the equivalent of three poverty lines. In nine of the twelve countries for which information is available, the percentage of unemployed in such households was between 1% and 3%, although Uruguay and Panama registered higher levels of between 4% and 7%.

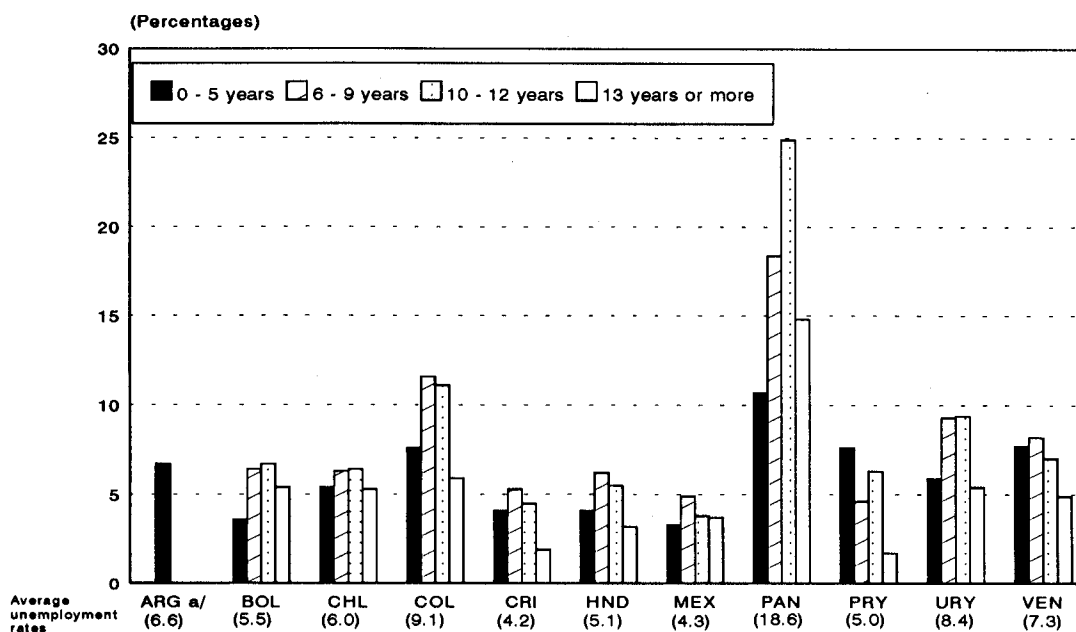
Except for Argentina (Greater Buenos Aires) and Uruguay, where the level of urban poverty in the early 1990s did not exceed 10%, in the urban areas of all the countries not less than half the open unemployed belonged (or said they belonged) to poor households. It should also be noted that among the "vulnerable" households (i.e., those with incomes between 0.9 and 1.25 times the value of the poverty line) unemployment rates are above the average, with these households accounting for between 15% and 20% of all the unemployed. This highlights the important effect of an increase in employment and in the number of employed persons per household on the lowest-income strata and the incidence of open unemployment on the magnitude of urban poverty. The resurgence of unemployment in countries which had achieved improvements in their poverty indexes between 1989 and 1992 is therefore a source of concern.

Figure 4  
URBAN OPEN UNEMPLOYMENT RATES, AROUND 1992,  
BY INCOME BRACKETS OF HOUSEHOLDS



Source: ECLAC, on the basis of special tabulations of household surveys in the countries.

Figure 5  
URBAN OPEN UNEMPLOYMENT RATES, AROUND 1992,  
BY NUMBER OF YEARS OF SCHOOLING



Source: ECLAC, on the basis of special tabulations of household surveys in the countries.

a/ Corresponds to average level. No information available for disaggregating this figure by years of schooling.

#### 4. The employment structure

**The highest unemployment rates are currently registered among those who have six to twelve years' schooling, rather than among the less educated population. Young people continue to be those most seriously affected by unemployment, and in the countries where urban employment has continued at high levels it has affected women relatively more than men.**

Open unemployment in urban areas of Latin America continues to be a phenomenon that mainly affects young people. In ten of the eleven countries for which information was available around 1992, unemployment rates among young people of both sexes between 15 and 24 years of age were twice the overall rates and those corresponding to the population over 24 years of age<sup>18</sup> (see table 12).

These rates meant that in Mexico, Paraguay and Uruguay over 50% of all the unemployed were young people (see table 13 of the appendix). This fact reflects both the big increase that has taken place in the number of people in this age group in most of the countries of the region and the increase in rates of participation in economic activity, especially in the case of young women.<sup>19</sup>

It is interesting to note that in the three countries with the highest rates of open unemployment in the early 1990s, this affected women most severely: in Colombia the female unemployment rate (12.6%) was practically double that for men (6.5%); in Panama female unemployment (22.8%) was almost seven percentage points higher than in the case of men (15.9%), and in Uruguay there was a difference of over four points (11.0% compared with 6.4%).

A study of unemployment as a function of the number of years of schooling is particularly significant because of its implications for analysis of the skill levels of the labour force and their relation with opportunities for getting a job. Figure 5 shows that in ten Latin American countries urban unemployment mainly affected the labour force with between 6 and 12 years' schooling.

In all cases, some 70% or more of the urban unemployed in the early 1990s had between six and twelve years' schooling (see table 14). The big expansion in the coverage of post-primary education in Latin America over the last two decades, with the consequent massive increase in the number of young job-seekers with full or partial secondary education, is one of the factors behind the high percentage of unemployed in this group.

Later on in this study it is noted that in the countries of the region it is now necessary to have at least ten years' schooling, and in many cases to have completed the secondary cycle, in order to have a good chance of earning an income that puts the recipient above the poverty line (see chapter 6). The high proportion and significant concentration of unemployed who do not meet these minimum educational

<sup>18</sup> The higher unemployment rates for this age group are partly explained by the higher proportion of young people entering the labour force for the first time. Nevertheless, even if those seeking work for the first time are excluded, unemployment rates are still significantly higher among young people.

<sup>19</sup> During the 1980s there were substantial increases in the rates of participation of women in economic activity. Thus, these rates rose from 32% to 38% in Argentina (Greater Buenos Aires); from 37% to 45% in Brazil; from 42% to 46% in Colombia; from 34% to 39% in Costa Rica; from 37% to 44% in Uruguay, and from 31% to 38% in Venezuela. The rates for young women between 15 and 24 years of age also rose, although not quite so fast.

standards means that, apart from earning insufficient income, these people will encounter a growing lack of employment opportunities in urban areas.

### **III**

## **INCOME DISTRIBUTION**



**The trends towards greater inequality of income distribution registered during the past decade were mitigated or reversed in some Latin American countries in the early 1990s. Nevertheless, income distribution structures which are more unequal than they were in the late 1970s continue to prevail in the region.**

During the 1989-1992 period, income distribution registered very uneven trends.<sup>20</sup> The relative inequality of urban income distribution went down slightly in Argentina, Honduras, Mexico, Panama and Uruguay. In Bolivia and Chile, the global level of inequality remained practically unchanged, while in Colombia, Costa Rica, Paraguay and Venezuela household income distribution became more inequitable (see figure 6).

Evaluation of the degree of inequality of income distribution on the basis of a global measurement such as the Gini index does not adequately reflect the changes that often take place in the various income groups or strata. This explains, for example, why in the 1990-1992 period some countries registered a substantial increase in real average income and in the share of the poorest 40% of households, yet the degree of inequality remained unchanged. What happened in these cases was that the households in the upper strata also increased their income, thus improving their relative share in distribution.

For this reason, when dealing with the distributive changes that took place in the early years of the decade it is important to bring out the changes in the various groups of households both in terms of their average income and of their share of total income. In this study, details are given of four groups: i) the **low stratum**, which comprises the 40% poorest households, so that in all the countries it includes the poor population; ii) the **lower middle stratum**, made up of the next 30% of households, which are above the poverty line in urban areas but nevertheless receive less than the mean income;<sup>21</sup> iii) the **upper middle stratum**, which comprises the 20% of households above the previous group (deciles 8 and 9), with incomes that are above the mean but nevertheless do not amount to two-fifths of the average income of the top decile; and iv) the **upper stratum**, which consists of the 10% richest households.

The variations in real average income of the households corresponding to each of the above four groups are shown in table 4. The changes in their relative shares in total urban income are shown in figures 7, 8, 9 and 10.

In three of the five countries where global urban income concentration went down between 1990 and 1992, the improvement in the share of the bottom stratum was associated with a very significant increase in the real income of those households during a period of renewed economic growth; this was the case in Argentina, Mexico and Uruguay. In the other two countries (Honduras and Panama) the poorest 40% of households did not register higher incomes, and the slight improvement in their share was due to the greater losses suffered by the top stratum (see figure 7).

<sup>20</sup> Apart from the application of the Gini index of concentration, the evaluation of changes in the degree of inequality of income distribution was based on the changes registered during the period in the shares of the poorest 40% and richest 10% of households and the difference in average income between the two groups.

<sup>21</sup> In urban areas of most of the countries, some 70% of all households receive incomes below the mean. In 1992, the mean income was located between percentile 67 (Uruguay) and percentile 75 (Chile) of the per capita household income distribution.

**LATIN AMERICA (12 COUNTRIES, URBAN AREAS): PERCENTAGE VARIATIONS IN REAL AVERAGE  
PER CAPITA INCOME OF HOUSEHOLDS OF DIFFERENT STRATA, 1980-1992**

	Argentina (Buenos Aires)	Bolivia	Brazil	Chile	Colombia	Costa Rica	Honduras	Mexico <sup>a</sup>	Panama	Paraguay (Asunción)	Uruguay	Venezuela
<b>Lower stratum</b> (40% poorest)												
% variation (1980-1990)	-34	-	-19	-	57	-18	-	-12	-8	-	-15	-37
% variation (1990-1992)	32	20	-	19	-12	-7	-4	12	0	-2	22	4
% variation (1980-1992)	-13	-	-	-	38	-24	-	-1	-8	-	4	-35
Average per capita income in 1992 <sup>b</sup>	1.40	0.52	0.56 <sup>c</sup>	0.81	0.58	0.84	0.28	0.79	0.64 <sup>d</sup>	0.65	1.51	0.71
<b>Lower middle stratum</b> (deciles 5, 6 and 7)												
% variation (1980-1990)	-29	-	-9	-	-8	-12	-	-12	-10	-	-15	-31
% variation (1990-1992)	43	10	-	15	-4	-8	-4	16	2	7	22	4
% variation (1980-1992)	2	-	-	-	-12	-19	-	2	-8	-	4	-28
Average per capita income in 1992 <sup>b</sup>	3.25	1.28	1.65 <sup>c</sup>	1.89	1.57	1.99	0.76	1.81	1.86 <sup>d</sup>	1.54	3.11	1.66
<b>Upper middle stratum</b> (deciles 8 and 9)												
% variation (1980-1990)	-21	-	0	-	-17	-15	-	-2	-4	-	-20	-28
% variation (1990-1992)	33	5	-	14	-5	-5	-6	16	2	6	18	7
% variation (1980-1992)	5	-	-	-	-21	-19	-	14	-2	-	-6	-23
Average per capita income in 1992 <sup>b</sup>	6.23	2.62	4.18 <sup>c</sup>	3.76	3.42	3.58	1.63	3.66	3.97 <sup>d</sup>	2.89	5.18	3.25
<b>Upper stratum</b> (richest 10%)												
% variation (1980-1990)	-10	-	5	-	7	-8	-	41	34	-	-11	-2
% variation (1990-1992)	25	30	-	28	1	5	-9	7	-11	9	1	5
% variation (1980-1992)	13	-	-	-	8	-3	-	51	19	-	-10	3
Average per capita income in 1992 <sup>b</sup>	18.36	9.55	15.37 <sup>c</sup>	12.77	10.52	8.55	4.96	11.43	11.64 <sup>d</sup>	7.23	11.83	8.44
<b>All households</b>												
% variation (1980-1990)	-22	-	-2	-	26	-13	-	9	8	-	-5	-25
% variation (1990-1992)	29	18	-	19	-5	-3	-8	8	-5	5	14	5
% variation (1980-1992)	1	-	-	-	20	-16	-	18	3	-	8	-21
Average per capita income in 1992 <sup>b</sup>	4.62	2.08	3.16 <sup>c</sup>	2.92	2.44	2.49	1.16	2.74	2.72 <sup>d</sup>	2.02	3.73	2.30

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

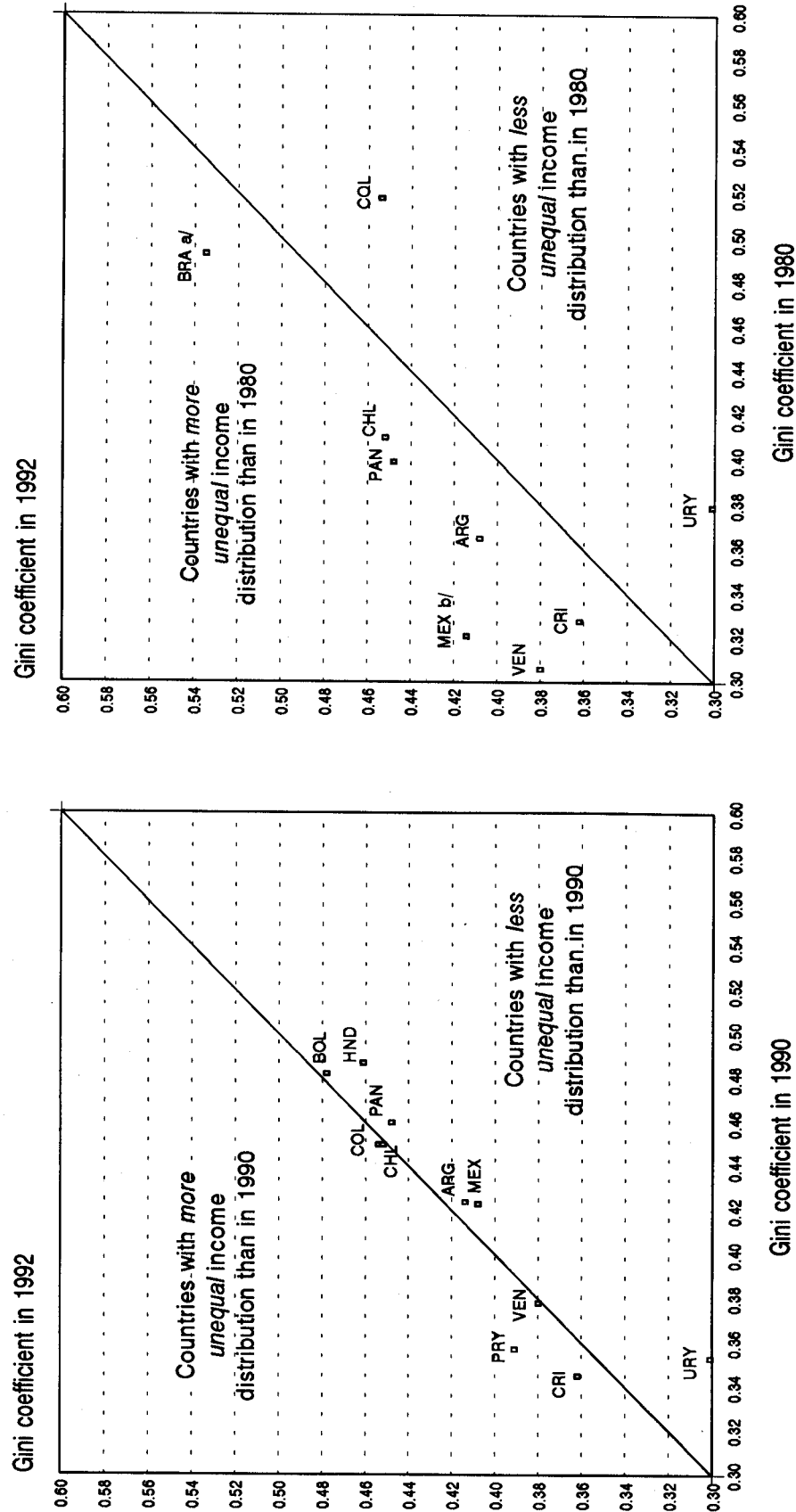
<sup>a</sup> Data correspond to 1994, 1989 and 1982.

<sup>b</sup> As a multiple of the respective per capita poverty lines.

<sup>c</sup> Corresponds to 1990.

<sup>d</sup> Corresponds to 1991.

Figure 6  
LATIN AMERICA (11 COUNTRIES, URBAN AREAS): CHANGES IN  
INCOME DISTRIBUTION DURING THE 1980s AND 1990s

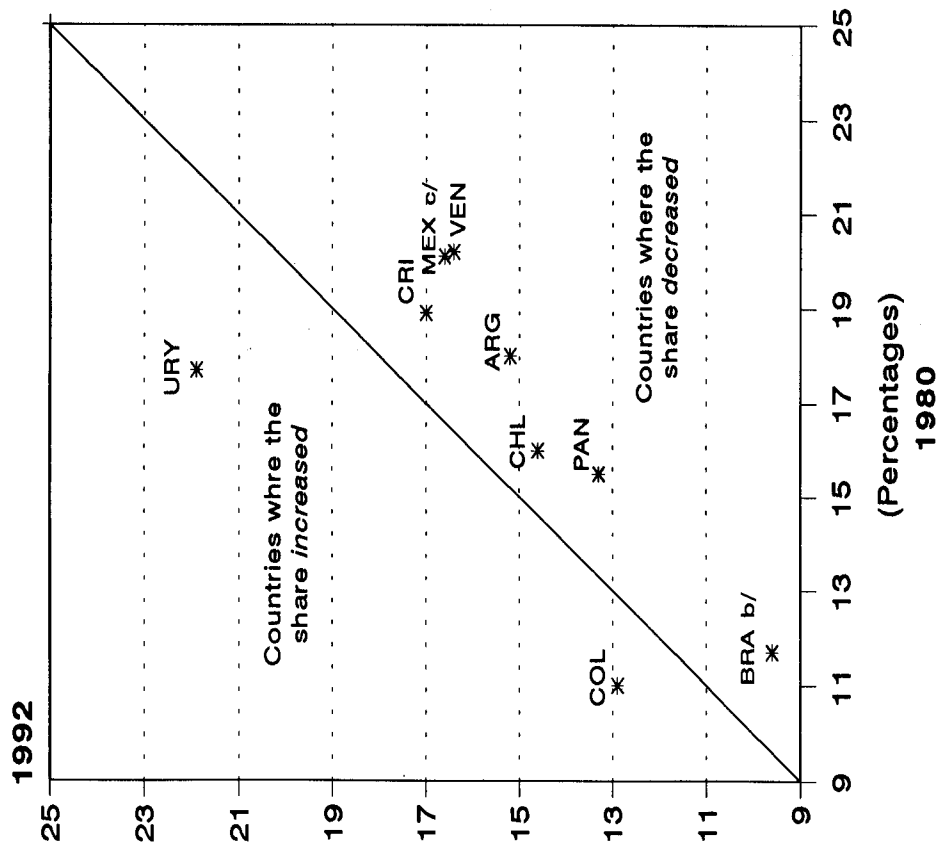
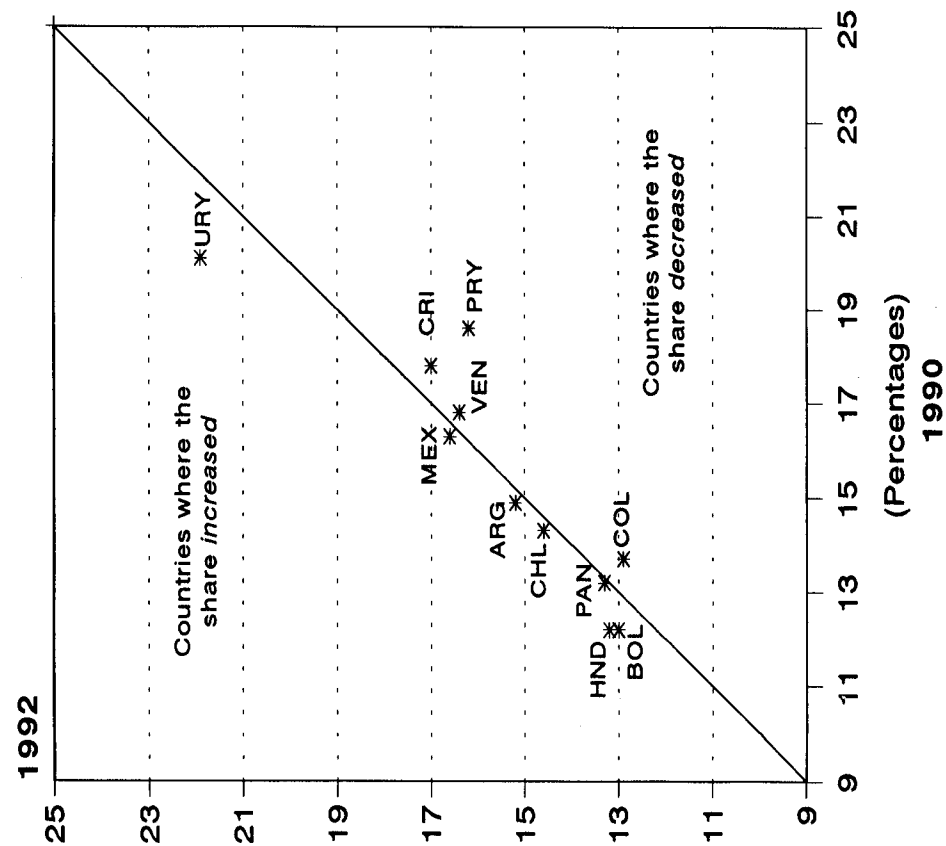


Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

a/ The data correspond to 1979 and 1990. No information available for 1992.

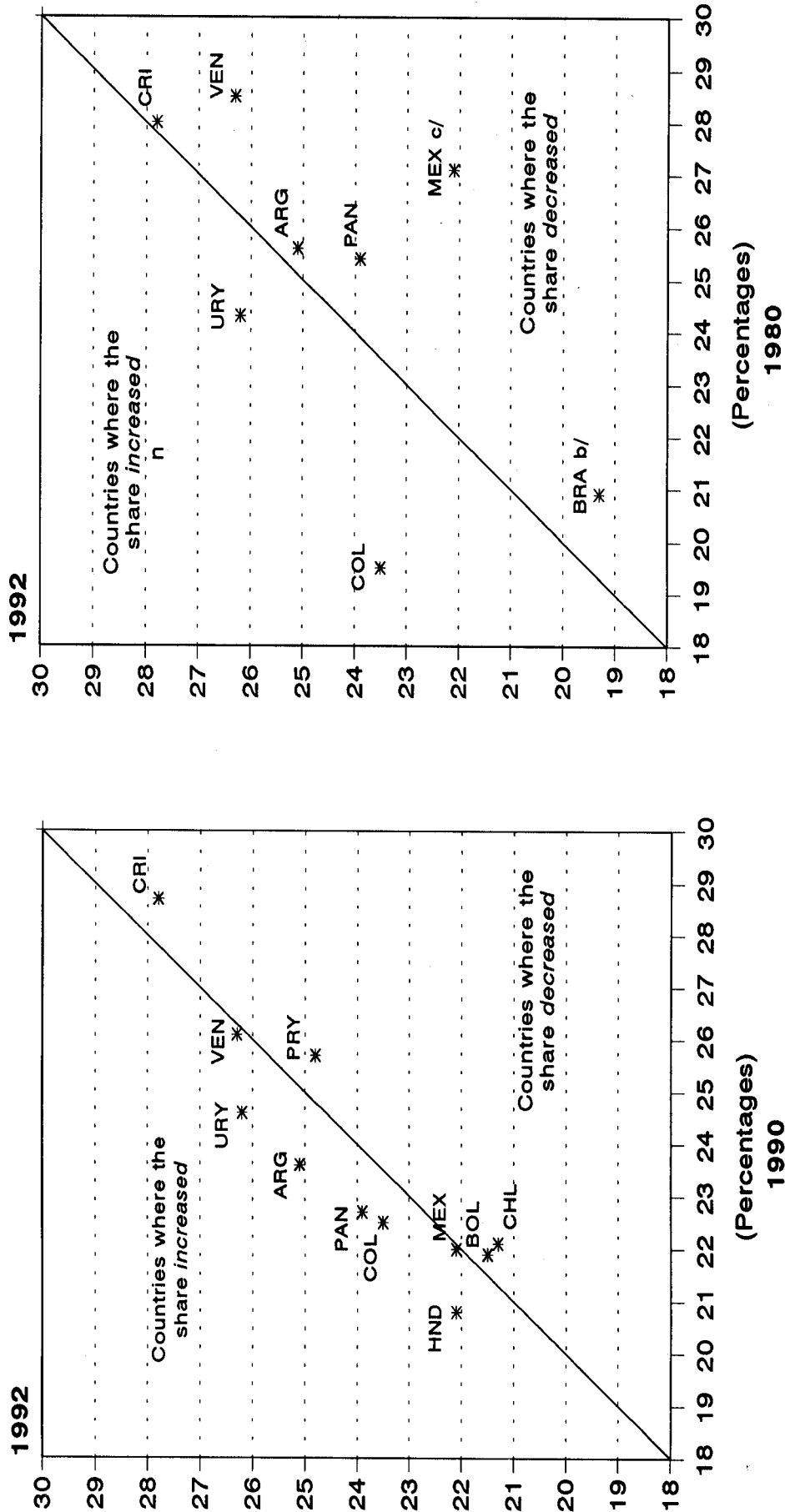
b/ The data correspond to 1984 and 1992. No information available for 1990.

Figure 7  
LATIN AMERICA (9 COUNTRIES, URBAN AREAS): SHARE  
OF THE POOREST 40% IN TOTAL INCOME a/



Source: ECLAC, on the basis of special tabulations of household surveys of the countries.  
a/ Percentage of total income received by the poorest 40% of households.  
b/ The data correspond to 1979 and 1990. No information available for 1992.  
c/ The data correspond to 1984 and 1992. No information available for 1980.

Figure 8  
LATIN AMERICA (9 COUNTRIES, URBAN AREAS): SHARE  
OF THE 30% ABOVE THE POOREST 40% IN TOTAL INCOME a/



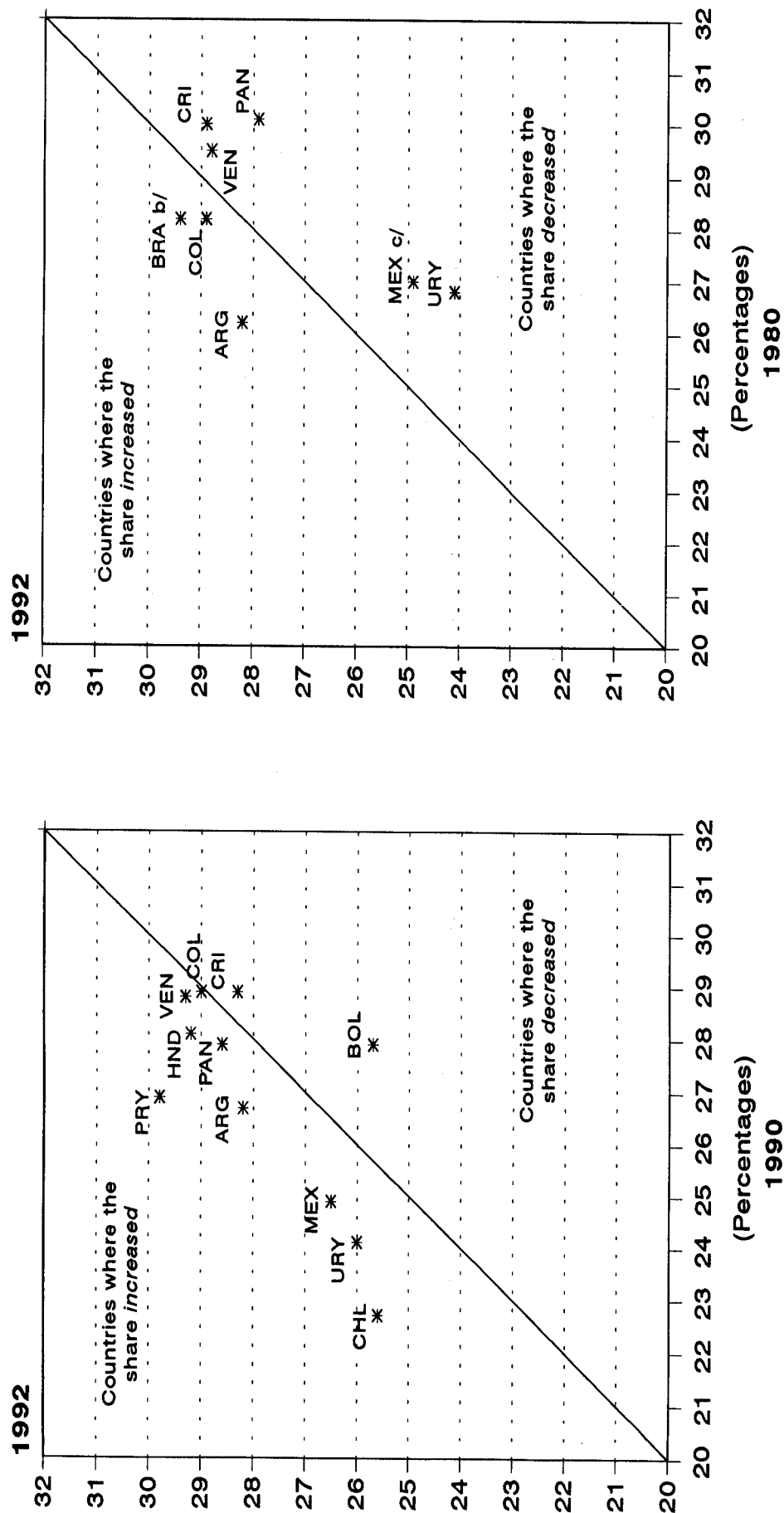
Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

a/ Percentage of total income received by deciles 5, 6 and 7 of households.

b/ The data correspond to 1979 and 1990. No information available for 1992.

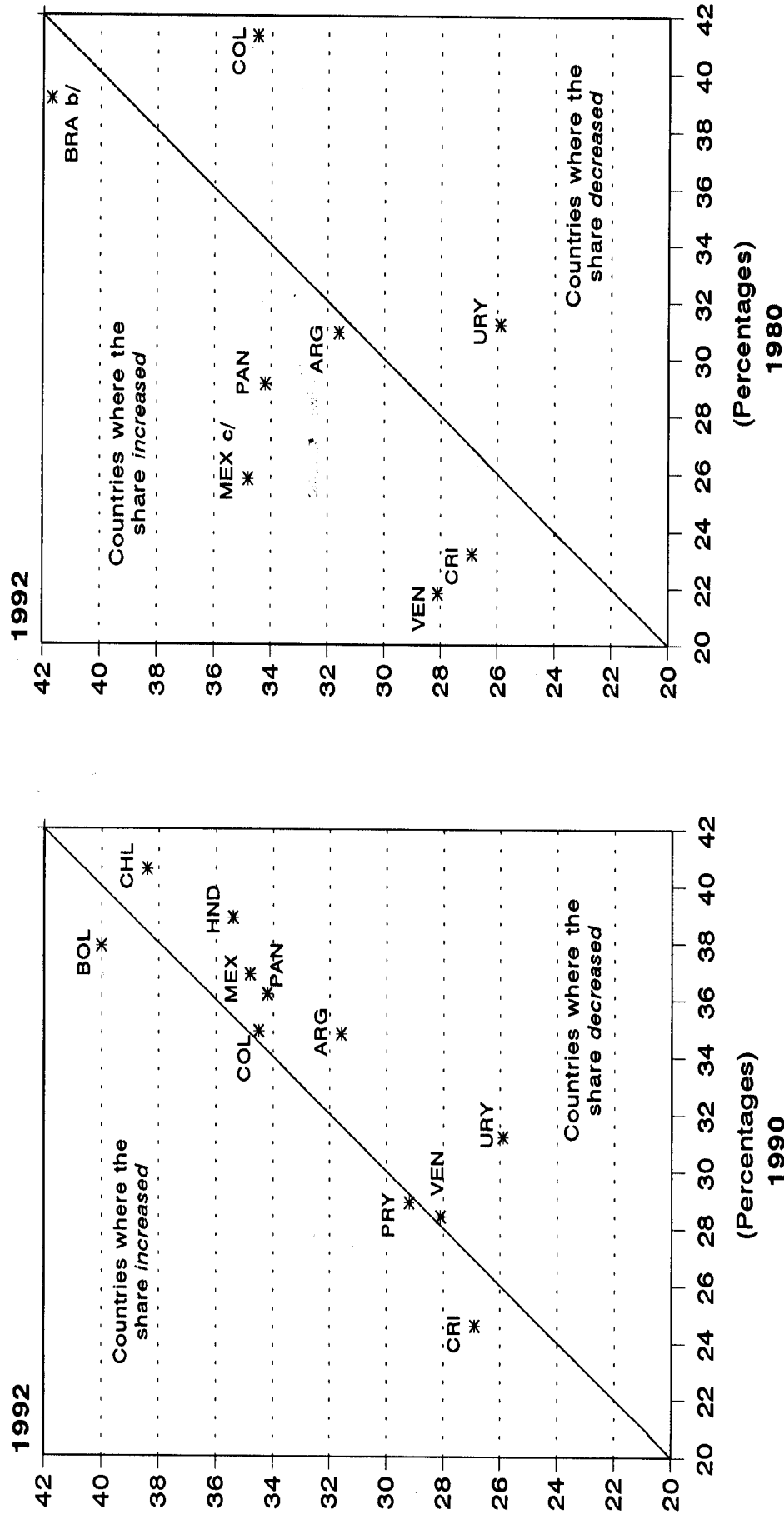
c/ The data correspond to 1984 and 1992. No information available for 1980.

Figure 9  
**LATIN AMERICA (9 COUNTRIES, URBAN AREAS): SHARE IN TOTAL  
 INCOME OF THE 20% OF HOUSEHOLDS BELOW THE RICHEST 10% a/**



Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.  
 a/ Percentage of total income received by deciles 8 and 9 of households.  
 b/ The data correspond to 1979 and 1990. No information available for 1992.  
 c/ The data correspond to 1984 and 1992. No information available for 1980.

Figure 10  
LATIN AMERICA (9 COUNTRIES, URBAN AREAS): SHARE  
OF THE RICHEST 10% IN TOTAL INCOME a/



Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

a/ Percentage of total income received by the richest 10% of the households.

b/ The data correspond to 1979 and 1990. No information available for 1992.

c/ The data correspond to 1984 and 1992. No information available for 1990.

In Chile and Bolivia the bottom stratum also registered an appreciable improvement in its income level, but this was only reflected in a relatively small increase in its share in the total, because of the much bigger increase in the income of the upper stratum, which in both countries improved its income more than the global average, so that the degree of income concentration remained practically unchanged (see table 4). Much the same thing occurred in Costa Rica. In the remaining countries, the bottom 40% suffered a decline in its average income and a relative setback in terms of income distribution.

With regard to the lower middle stratum, the changes which took place in Argentina and Uruguay are particularly noteworthy. In both cases, this group obtained real income rises during the period which were much greater than those for urban households as a whole, thus improving its share in income distribution. In Bolivia and Chile, and up to a point in Mexico too, in contrast, this stratum made less progress and its relative share in urban income went down (see figure 8).

The upper middle stratum, for its part, only suffered a deterioration in its share in Bolivia and Costa Rica, while in another three countries (Colombia, Honduras and Costa Rica) its income went down in real terms (see figure 9).

The upper (top) stratum<sup>22</sup> maintained its share of urban income distribution practically unchanged in three countries (Venezuela, Paraguay and Colombia) and significantly increased it in Chile, Costa Rica and Bolivia. In five countries the position of this stratum in terms of income distribution deteriorated, but in three of them (Argentina, Mexico and Uruguay) this did not mean any loss of real income. In the other two cases (Honduras and Panama), the decline in the average income of the upper stratum was greater than that of urban households as a whole (see figure 10).

It should be noted that in four countries there was a deterioration in income distribution in the early years of the 1990s. In two countries (Colombia and Costa Rica) this deterioration coincided with a reduction in urban income, which was reflected in significant losses of income for households in the lower stratum. In Paraguay and Venezuela there was reconcentration of income commensurate with a moderate rise in income (5% in both cases). This explains why the lower stratum had a slight loss of income (2%) in Paraguay and a small increase (4%) in urban areas of Venezuela.

In the case of Colombia, the deterioration was noteworthy, because it represented a reversal of the trend towards deconcentration that had been maintained throughout the past decade. In Costa Rica, the reconcentration of income was more marked, but in contrast with Colombia it did not affect the poorer households much. Thus, between 1990 and 1992 Costa Rican households in the first distribution quartile (the 25% poorest households) did not suffer a deterioration in their share of total income, and their real income practically did not change (see table 18).

In most of the countries, reductions in inequality of urban income distribution during the period 1990-1992 took place against a background of recovery of levels of activity and income after the marked

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<sup>22</sup> The data from employment and income surveys used for making the income distribution calculations given in this document probably underestimate more seriously the income of the upper strata, due to omission or under-declaration. Special efforts were therefore made to correct and adjust the values of the various income flows given in the surveys, by comparing them with data from the national accounts of each country in order to make sure that the figures for profits and capital income for high-income households were compatible with those accounts. Even so, however, it is possible that the income of the upper strata may have been underestimated, thereby also affecting the differences in income between the upper and lower strata. For the same reasons, it was decided to consider the average income of the top decile rather than that of the richest 5%.

declines suffered in previous years. For very broad groups of the population, however, the real increases in income and the improvements in their share of total income obtained in the early 1990s were not enough to restore the levels of real income attained before the crisis.

A common feature of the cases in which there was progress in terms of income distribution, however, was that the households in the bottom decile obtained a substantial increase in income and their share of total income also rose significantly. In most cases, the marked improvements in this group were due mainly to the rapid growth in employment. As noted in the first section of this study, the positive effect of economic reactivation on the poorest decile was due more to the increase in the number of income recipients in the household than to real rises in the wages received by those who already had jobs.

Another aspect worthy of note is the different capacity for gaining an increased share of income displayed by households in the lower middle stratum and those in the upper stratum in the various countries. Noteworthy in this respect are the disparities observed with regard to the lower middle stratum between Argentina and Bolivia, for example. In both cases the recovery of economic growth between 1990 and 1992 was reflected in very high increases in average income in urban areas (29% and 18%, respectively). Whereas in Argentina (Greater Buenos Aires) the households in the lower middle stratum (the 30% above the poorest 40%) gained a 43% increase in income, in Bolivia they only obtained 10%.

There were also differences in the evolution of the income of the upper stratum in different national contexts. In urban areas of Chile, for example, the share of the top decile in total income went up from 37.2% to 38.2%, whereas in Uruguay this stratum did not obtain any real increases in income on average and its share in total income went down from 31.2% to 25.9% (see tables 18 and 19).

An overview of the longer-term changes in distribution which have taken place in Latin America shows that in six out of eight countries there were very significant setbacks compared with the situation in the early 1980s. The available information indicates that the advances in terms of urban income distribution made in recent years in some countries were not enough to offset the increases in inequality that took place during the past decade (see table 5). This would appear to be the situation in the cases of Argentina, Brazil, Costa Rica, Mexico, Panama and Venezuela. The only two countries which currently have more equitable income distribution than at the end of the 1970s are Uruguay and Colombia. During the three-year period 1990-1992, Uruguay more than made up for the setbacks it had suffered during the crisis, while in the case of Colombia the steady improvements achieved during the 1980s prevented the subsequent deterioration from being reflected in a more concentrated distribution pattern.

As regards the evolution of income distribution in rural areas, the available information is less plentiful and must be viewed more cautiously, because of the greater difficulty of measuring income in such areas. The available data on rural areas, however, also show a trend towards income concentration. In the early 1990s, Brazil, Mexico, Panama and Venezuela had more inequitable income distribution structures than around 1980, while in Costa Rica there had not been any significant variation. Chile, for its part, registered pronounced deterioration in this respect between 1978 and 1990, only partly offset by the deconcentration of rural income between the latter year and 1992.

## LATIN AMERICA (12 COUNTRIES, URBAN AREAS): CHANGES IN ECONOMIC DISTRIBUTION

(Balance for period 1980-1992)

Country	Changes in degree of inequality of household income distribution		Level of inequality in 1992 compared with 1980
	1980-1990	1990-1992	
Argentina (Greater Buenos Aires)	increased	slightly decreased	greater
Bolivia	...	remained unchanged	...
Brazil	increased	...	...
Chile	increased	remained unchanged	greater
Colombia	decreased	slightly increased	smaller
Costa Rica	increased	slightly increased	greater
Honduras	...	slightly decreased	...
Mexico	increased <sup>a</sup>	slightly decreased	greater <sup>b</sup>
Panama	increased	slightly decreased	greater
Paraguay (Asunción)	...	increased	...
Uruguay	decreased	decreased	smaller
Venezuela	increased	slightly increased	greater

Source: ECLAC, on the basis of special tabulations of household surveys of the countries.

<sup>a</sup> 1984-1989.<sup>b</sup> 1984-1992.

The fact that Latin America is marked by highly concentrated income distribution structures, together with medium-level values of per capita income, indicates that much of the urban poverty which currently exists in many countries of the region is the result of that inequality, at least in the case of that portion of poverty which grew up in the first half of the 1980s, when the biggest setbacks in terms of income distribution took place.

A comparison of the average income of the poorest 40% of households in Chile and Uruguay in 1992 is enlightening in this respect. In Chile, the average income of this stratum was 20% below the per capita poverty line, whereas in Uruguay it was 50% above that line, representing a difference of almost 90% between the two countries. However, average income in the urban areas of Uruguay was only 20% higher than in Chile. This disparity is attributable to the different degrees of inequality of income distribution between the two countries, such inequality being significantly less in Uruguay.



## **IV**

### **SOCIAL EXPENDITURE**



## 1. Trends in social expenditure

**From the late WP and the early 1990s onwards, there began to be signs of a recovery in the level of social expenditure, after a marked deterioration in this variable during the previous decade.**

In a number of countries, signs of a recovery in social spending were observed towards the end of the 1980s as well as in more recent years; generally speaking, however, social expenditure has still not regained the level recorded prior to the crisis (see table 25).

During the period 1982-1989, average social public expenditure declined both as a macroeconomic priority (i.e., with respect to GDP), in terms of real per capita expenditure and as a fiscal priority (with respect to total public expenditure).<sup>23</sup> The deterioration in this last indicator is a sign that social expenditure was more vulnerable than expenditure in other sectors, such as public administration, defence and other responsibilities of the State.

In the period in question Venezuela and Argentina were among the countries that experienced the most notable drops in terms of real per capita social spending. Uruguay, Brazil, Colombia and Paraguay are exceptions in this negative panorama, mainly with respect to the macroeconomic priority accorded social spending and its per capita level (see table 25).

If the situation in 1990-1991<sup>24</sup> is compared with that in 1980-1981 (see figure 11), it is clear that Uruguay is the only country to have recorded an improvement in all indicators analysed. In Costa Rica and Brazil as well, there was an improvement in the situation as regards macroeconomic priority and per capita social expenditure, although the percentage of total public expenditure accounted for by social expenditure actually dropped. In Colombia the first two indicators remained at the same level; however an assessment of fiscal priority at the beginning of the 1990s is not available. In the case of the other countries, the period 1990-1991 was marked by a deterioration in all indicators when compared with those registered at the beginning of the 1980s; the fiscal priority of expenditure improved in only four countries.

Figure 12 shows the trends in real per capita social spending over the period 1980-1993, in 1985 dollars, and includes a very recent estimate for Brazil that takes into account both state and municipal social spending,<sup>25</sup> components which are not incorporated in the other analyses of the situation in that country.

<sup>23</sup> The total public expenditure used in the ratio corresponds either to consolidated central Government expenditure or consolidated general Government expenditure, depending on the country.

<sup>24</sup> For the purpose of making comparisons between countries, the subperiods 1980-1981 and 1990-1991 are taken into consideration, as more information about these periods is available, even though the latter period has yet to reflect the recent recovery in social expenditure in several countries, including *inter alia* Argentina and Chile.

<sup>25</sup> See A. Medici, "A dinâmica do gasto social no Brasil nas três esferas de governo: uma análise do período 1980-1992", São Paulo, Fundação do Desenvolvimento Administrativo/Instituto de Economia do Setor Público (FUNDAP/IESP), June 1994.

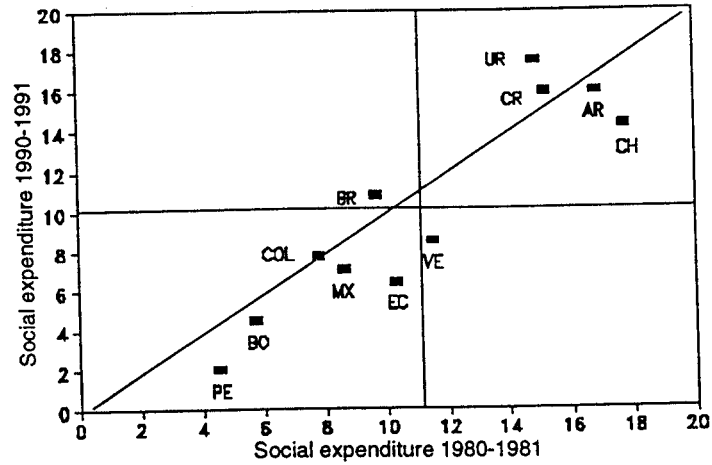
# THE LEVEL OF AND TRENDS IN SOCIAL EXPENDITURE IN LATIN AMERICA

	Social expenditure/GDP				Real per capita social expenditure				Social expenditure/total public expenditure			
	Change in the average level with respect to the previous subperiod		1990-1993 level compared with 1980-1981 level		Change in the average level with respect to the previous subperiod		1990-1993 level compared with 1980-1981 level		Change in the average level with respect to the previous subperiod		1990-1993 level compared with 1980-1981 level	
	1982-1989	1990-1993	1980-1981	1990-1993	1982-1989	1990-1993	1980-1981	1990-1993	1982-1989	1990-1993	1980-1981	1990-1993
Uruguay	Stable	Stable	Higher	High	Stable	Rose	Higher	High	Fell	Rose	Equal	High
Argentina	Fell	Rose	Equal	High	Fell	Rose	Lower	High	Fell	Rose	Higher	High
Costa Rica	Stable	Rose	Higher	High	Fell	Rose	Higher	High	Fell	Rose	Lower	High
Chile	Rose	Fell	Lower	High	Fell	Rose	Equal	High	Fell	Rose	Equal	High
Brazil	Fell	Rose	Higher	High	Stable	Rose	Higher	Moderate	Fell	Rose	Lower	Moderate
Venezuela	Fell	Fell	Lower	Moderate	Fell	Fell	Lower	High	Fell	Rose	Lower	Moderate
Colombia	Rose	Stable	Equal	Moderate	Rose	Rose	Higher	Low	Stable	...	...	Moderate
Mexico	Fell	Rose	Lower	Moderate	Fell	Rose	Lower	Moderate	Fell	Rose	Higher	Moderate
Ecuador	Fell	Fell	Lower	Moderate	Fell	Fell	Lower	Moderate	Fell	Rose	Higher	Moderate
Bolivia	Fell	Fell	Lower	Low	Fell	Fell	Lower	Low	Fell	Rose	Higher	Moderate
Paraguay	Rose	...	...	Low	Stable	...	...	Low	Rose	...	...	Moderate
Peru	Fell	Fell	Lower	Low	Fell	Fell	Lower	Low	Fell	Rose	Lower	Low

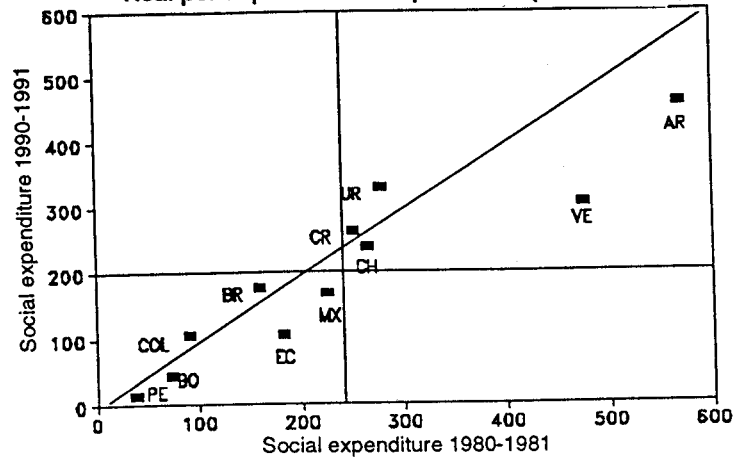
Note: See table 25.

Figure 11  
**SOCIAL EXPENDITURE IN LATIN AMERICA**  
 (1980-1981 / 1990-1991)

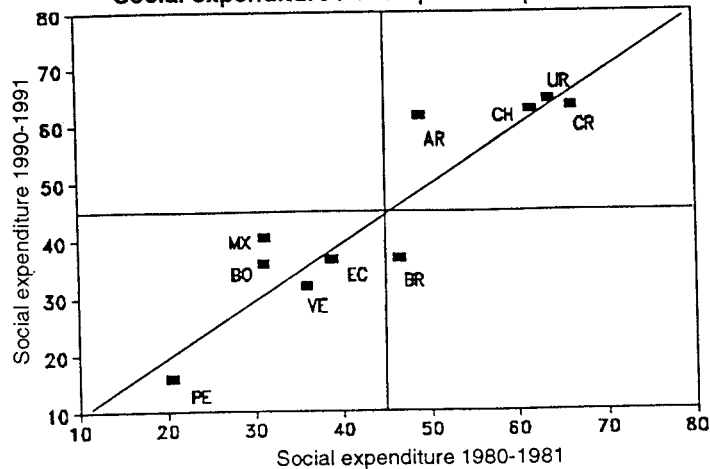
Social expenditure as a percentage of GDP



Real per capita social expenditure (1985 dollars)

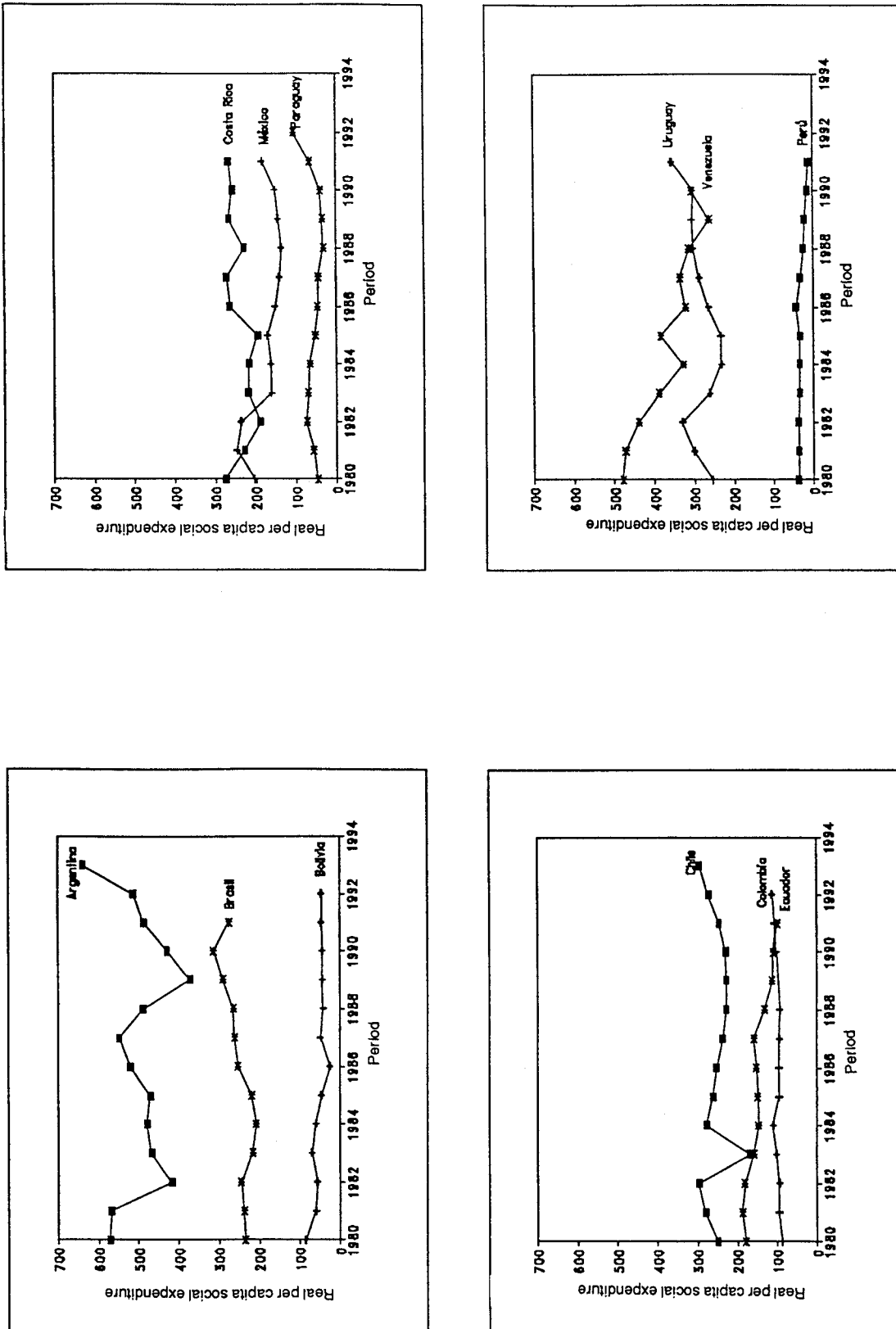


Social expenditure / Total public expenditure



**Note:** The vertical and horizontal lines show the average for the indicator in 1980-1981 and 1990-1991, respectively.

Figure 12  
**TRENDS IN REAL PER CAPITA SOCIAL EXPENDITURE IN THE PERIOD 1980-1993**  
*(In 1985 dollars)*



In addition, with regard to the macroeconomic priority accorded social spending in relation to GDP and the level of real per capita spending, it is possible to discern five situations which are described below.

TRENDS IN SOCIAL EXPENDITURE IN LATIN AMERICA	
Macroeconomic priority* and real per capita social expenditure tended to increase in the 1980s	Brazil Uruguay
Macroeconomic priority remained stable and real per capita social expenditure tended to increase in the 1980s	Costa Rica Colombia
Macroeconomic priority remained stable but real per capita social expenditure tended to decrease in the 1980s, before beginning a recovery at the end of the period	Argentina Paraguay
Macroeconomic priority and real per capita social expenditure tended to decrease in the 1980s, but began to recover at the end of the period	Chile Bolivia Mexico Venezuela
Macroeconomic priority and real per capita social expenditure tended to decrease in the 1980s, and are not showing any signs of recovery	Ecuador Peru
<p>Note: See table 25.</p> <p>* Social expenditure as a percentage of GDP.</p>	

In short, empirical evidence shows that in the 1980s real per capita social expenditure showed a downward trend in 8 of the 12 countries surveyed, while in six of these countries the macroeconomic priority of social spending fell. In the remaining countries, social spending stayed stable and even increased during the decade.

The relatively widespread fall in social spending recorded in the 1980s, coupled with the failure to implement substantial reforms in the social area (with the exception of Chile), means that it can be assumed that the negative trend in expenditure may have limited the availability and quality of social services. It is unlikely that the reduced volume of resources could have been offset by improved efficiency. In order to reach a more definitive conclusion on this matter, it is necessary to analyse both sectoral behaviour and matters relating to efficiency and equity in social spending, an issue which will be addressed at a later stage.

## 2. The fiscal impact of social expenditure

During the 1980s, social expenditure was used more as an instrument for adjusting fiscal imbalances than as a mechanism for redistributing income; as a result, social expenditure contributed to fiscal balance and played a procyclical role in terms of the level of economic activity.

In fiscal terms, the 1980s were characterized by major instability in most countries. In some subperiods deficits equivalent to more than 7% of GDP were recorded, while in other subperiods drastic fiscal adjustments, also equivalent to more than 7% of GDP, were carried out.

Against this general backdrop of unstable fiscal accounts, social expenditure acted above all as a factor contributing to balance, both when fiscal accounts exhibited a trend towards imbalance, and when the contrary occurred. As indicated in the following table, of a total of 37 subperiods in which a change in direction was recorded in the financing needs of the non-financial public sector, the behaviour of social expenditure contributed to balance in 23 cases, while in 14 cases the trend in social expenditure was in the direction of the imbalance. This is in contrast with the case of non-social expenditure, which was afforded greater protection.

The visible link between the fiscal deficit and social spending during the period in question demonstrates that social spending was used mainly as an instrument of fiscal adjustment.

### Outline of the methodology

The periods analysed correspond to the phases of fiscal balance and imbalance identified by means of observation of the variations in the fiscal deficit of the non-financial public sector.

A fall in the ratio of social expenditure to GDP is considered a factor that contributes to balance ("pro-balance") while an increase in this indicator is considered a factor of imbalance ("pro-imbalance").

### THE BEHAVIOUR OF SOCIAL EXPENDITURE IN EPISODES OF FISCAL BALANCE AND IMBALANCE

(Number of cases)\*

	"Pro-balance"	"Pro-imbalance"
Episodes of fiscal balance	12	4
Episodes of fiscal imbalance	11	10
Total	23	14

- \* Based on fiscal adjustment episodes recorded in the 1980s in the following countries: Argentina, Brazil, Bolivia, Chile, Colombia, Costa Rica, Ecuador, Mexico, Paraguay, Peru, Uruguay and Venezuela (see table 26).

Furthermore, social spending was markedly procyclical in relation to the level of activity, with the exceptions of Colombia and Chile. Social spending is considered to be procyclical when it moves in the same direction as the level of activity and countercyclical when it moves in the opposite direction.

Situations in which social spending contributed to balance and played a procyclical role predominated. Only in a limited number of cases was social spending countercyclical and a factor contributing to imbalance.

When the level of activity falls, a procyclical and "pro-balance" situation reflects the drop in the ratio of social spending to GDP, and indicates that greater priority is being accorded to fiscal adjustment than to the redistribution of income. The opposite situation would be reflected in "pro-imbalance" and countercyclical behaviour on the part of social spending, or in other words in an increase in social spending when the level of activity falls.

This indicates that social spending was first and foremost an instrument of fiscal adjustment, and that its role in redistributing income was secondary. In short, to a large extent the trends in social expenditure in Latin America in the 1980s and the low priority given such expenditure reflected the constraints on the economies of the region, as well as the priority accorded to restoring basic macroeconomic balances. The four possible types of behaviour on the part of social spending are summarized below, together with the situations which may give rise to each.<sup>26</sup>

BEHAVIOUR ON THE PART OF SOCIAL EXPENDITURE WITH RESPECT TO THE FISCAL DEFICIT OF THE NON-FINANCIAL PUBLIC SECTOR AND GDP				
Role of social expenditure	Procyclical		Countercyclical	
	Origin	Number of cases	Origin	Number of cases
"Pro-balance"	↓SE > ↓GDP or ↑SE < ↑GDP	13	↓SE and ↑GDP	5
"Pro-imbalance"	↑SE > ↑GDP or ↓SE < ↓GDP	4	↑SE and ↓GDP	3

<sup>26</sup> Only 25 out of a total of 37 phases of fiscal balance and imbalance could be analysed with a view to determining behaviour on the part of social expenditure with respect to the level of activity. The other 12 phases could not be analysed, because trends in the level of activity were relatively erratic or irregular.

### 3. The level of social expenditure

The marked differences which exist with respect to the level of social expenditure among the countries of Latin America were accentuated during the past decade, since the reduction in expenditure was generally greater in countries with a lower level of spending. Moreover, it is this group of countries which has shown the least ability to recover.

Despite the limited information available,<sup>27</sup> it is possible at the beginning of the 1990s to distinguish among three groups of countries in terms of the macroeconomic priority accorded to social expenditure in relation to GDP; in virtually all cases, there is a correlation between this priority and the classification of countries according to their level of real per capita social spending, which is a very important indicator from the point of view of demographics (see table 25). The three groupings are as follows:

- a) Countries with high social expenditure, representing more than 10% of GDP and whose per capita level in the period 1990-1993 significantly exceeded US\$ 200 in 1985 dollars: Uruguay, Argentina, Costa Rica, Chile and Brazil;<sup>28</sup>
- b) Countries with moderate social expenditure, representing from 5% to 10% of GDP and whose per capita level in the period 1990-1993 fluctuated between US\$ 100 and US\$ 200 in 1985 dollars: Venezuela,<sup>29</sup> Colombia, Mexico and Ecuador;
- c) Countries with low social expenditure, representing less than 5% of GDP and whose per capita level in the period 1990-1993 was well below US\$ 100 in 1985 dollars: Bolivia, Paraguay and Peru.

The ranking of countries with respect to the regional average has normally remained the same in terms of social expenditure expressed as a percentage of GDP, real per capita social expenditure and the ratio of social expenditure to total public expenditure (see figure 11).

With respect to trends in real social spending, the fall was most marked in countries with lower levels of such spending. Real social expenditure fell 26% in that group of countries, whereas it fell 22.4% in the group of countries with moderate social expenditure and only 9.4% in the group of countries with high social expenditure (see table 25).

Moreover, countries with higher social expenditure were better able to regain previous levels. In fact, the real per capita social spending of this group of countries actually increased by 12% in the early 1990s, whereas this indicator continued to fall in countries with moderate or low social expenditure.

<sup>27</sup> As a general rule, the fact that the quality of the information available for the countries of the region varies means that comparisons of the levels of social spending in each country in different periods are normally more valid (see box 1). Despite these limitations, in most cases the differences between countries reflect the different priorities accorded to public policies in the social area.

<sup>28</sup> If state and municipal spending is taken into account in the case of Brazil, Brazilian per capita social spending also exceeded US\$ 200 in 1985 dollars.

<sup>29</sup> In terms of per capita spending, Venezuela should be included in the first group because in 1990 it was allocating around US\$ 300 in 1985 dollars to social expenditure.

The countries with high social expenditure also showed a more favourable trend with respect to the ratio of social spending to GDP (macroeconomic priority) as well as that of social spending to total public spending (fiscal priority). In recent years, macroeconomic priority in countries with moderate and low social expenditure fell by 10.2% and 21.7% respectively, while this indicator increased by 1.1% in the group of countries with high social expenditure. In addition, although fiscal priority improved in all three groups, the most marked increase was in the group of countries with high social expenditure (see table 25).

#### Box 1

##### LIMITATIONS OF STATISTICAL SERIES ON SOCIAL EXPENDITURE

One of the major problems that arises in relation to studies of social spending concerns the quality and availability of information. Generally speaking, the information is not standardized in terms of sectoral and institutional coverage, and this makes comparative analyses difficult.

There are considerable discrepancies in the statistical data for the various countries, both as regards methods of data collection and the degree to which the information is up to date. In recent years some countries have begun to have at their disposal relatively complete series, produced on the basis of a classification of spending according to social purpose (Argentina and Chile). There are also less up-to-date series, produced on the basis of more limited sectoral and institutional coverage (Peru and Paraguay).

In general, there is no consensus on the definition on which the calculation of these series should be based. The most common definition of social expenditure encompasses expenditure on education, health, social security and welfare, and housing. However, this classification is not always used; in some cases other sectors are included in which more specific programmes are being carried out, while in other cases account is not taken of programmes traditionally regarded as social, such as housing. Furthermore, there is no consensus on the approach to be adopted towards programmes with a multisectoral impact, such as health spending channelled through the social security system. Generally speaking, the sector which poses the least problems during the preparation of comparative studies is that of education.

Furthermore, a conceptual problem arises as regards the incorporation into social security of spending by social security institutions on non-welfare retirement benefits and other pensions, and health benefits; such expenditure is incurred against funds contributed by the beneficiaries themselves over the course of their working lives, and consequently cannot strictly speaking be regarded as State expenditure. As a result of this problem, a new definition of social expenditure has been adopted, which encompasses only programmes financed from public subsidies. This is known as fiscal expenditure as opposed to public expenditure, which covers all social programmes administered by the public sector, regardless of the manner in which they are financed. Normally, spending on retirement benefits and other pensions is recorded as social expenditure, in many cases together with the welfare component, as it is difficult to distinguish between them. Consequently, the analysis carried out in this chapter is based on the concept of social public expenditure.

Although the analysis is subject to the limitations mentioned above, an endeavour has been made to reduce the disparateness of the information. Care has been taken to ensure that the sources of information selected facilitate comparisons between countries in terms of sectoral and institutional coverage, and that the data are essentially equally up to date and, in some cases, broken down in a similar manner. The countries which usually lend themselves more to comparisons as regards sectoral and institutional coverage are Chile, Colombia, Costa Rica, Uruguay and Venezuela. Generally speaking, institutional coverage refers to central Government, with the exceptions of Argentina, where it refers to general Government, and Peru, where it refers to budgetary central Government. Because Brazil has a decentralized Government from the fiscal point of view, use of the concept of federal (central) Government coverage leads to social expenditure being underestimated.

#### 4. Composition of and sectoral trends in social expenditure

The fiscal adjustment carried out in the 1980s did not affect all social sectors equally. The health sector was the least affected by this process, while education and social security were moderately affected. The sector which suffered the most was housing.

Health was the sector least affected by fiscal adjustment: in 12 of the 23 episodes in which real total social expenditure declined, there was an increase in real expenditure in the health sector, an example of countercyclical behaviour. In four cases real expenditure in the health sector declined, but at a rate below the total. In those cases in which total social expenditure increased, spending on the health sector increased at a faster rate in half of the cases and at a slower rate in 4 cases.

In contrast, the housing sector was the most adversely affected. Real expenditure in this sector fell at a greater rate than that of total expenditure in 14 of 22 episodes of reduction analysed;<sup>30</sup> moreover, in those cases where total expenditure rose, that of housing declined in 7 out of the 11 cases which could be analysed.

Expenditure on social security displayed a variety of forms of behaviour in periods when total expenditure fell; expenditure on social security increased in a countercyclical manner in 7 of the 17 cases that could be analysed, but fell more than the total in 7 other cases. This sector benefited more in the 12 episodes when total expenditure rose; expenditure in the sector rose more rapidly than total expenditure did in 7 cases and more slowly in 4 other cases.<sup>31</sup>

Lastly, education displayed similar behaviour to that of social security in those cases where total spending fell, in that spending on education increased in a countercyclical manner in 7 of the 23 cases that could be observed and fell more than did total spending in 10 cases. In contrast, during periods when total expenditure increased, spending on education increased more than total spending only in 6 out of 14 cases and fell in 5 cases.

Furthermore, basic education (primary and secondary education) enjoyed relative protection, since real expenditure on this subsector fell to a lesser extent than in the case of higher education.

Changes in the various sectors' shares of social expenditure reflect, *inter alia*, the sectors' relative ability to postpone or reduce costs, as well as trends such as the increase in the welfare component of social spending, changes in the way social security schemes are organized and financed (such as those in Chile), and major changes in the way in which pensions are calculated (such as those in Uruguay).

In general, the changes in real per capita social expenditure in the different sectors have been accompanied by similar changes as regards their share in total social expenditure. However, this has not

<sup>30</sup> On account of the limitations inherent in the information, it was not possible to analyse the same number of cases in all sectors. In several countries, the health sector also includes social security.

<sup>31</sup> In most cases, social security contributed to the growth in social spending in periods of fiscal imbalance. This sector also influenced the non-financial public fiscal deficit, in that it affected fiscal revenues owing to delays in the provision of social security contributions and as a consequence of the increase in unemployment.

usually been the case in the health sectors of countries with moderate or low social spending; in these countries, sectoral spending in real per capita terms fell while at the same time its share of social spending increased, as a result of a more marked reduction in total social spending. On the other hand, social security's share is either increasing or has remained unchanged in all of the countries surveyed.

**TRENDS IN SECTORAL SOCIAL SPENDING  
(1980-1993)**

	Real per capita social expenditure (1985 dollars)		Sectoral expenditure/ total social expenditure	
	Change in the average value with respect to the previous subperiod 1982-1989	1990-1993	1990-1993 level compared with 1980-1981 level	1990-1993 level compared with 1980-1981 level
<b>Education</b>				
Uruguay	Fell	Rose	Equal	Lower
Argentina	Fell	Stable	Lower	Equal
Costa Rica	Fell	Rose	Lower	Lower
Chile	Fell	Stable	Lower	Lower
Brazil	Rose	Fell	Higher	Higher
Venezuela	Fell	Fell	Lower	Lower
Colombia	Rose	Stable	Higher	Lower
Mexico	Fell	Stable	Lower	Higher
Ecuador	Fell	Fell	Lower	Lower
Bolivia	Fell	Fell	Lower	Lower
Paraguay	Fell	...	...	...
Peru	Fell	Fell	Lower	Higher
<b>Health</b>				
Uruguay	Fell	Rose	Higher	Higher
Argentina	Fell	Stable	Lower	Lower
Costa Rica	Fell	Rose	Higher	Higher
Chile	Fell	Rose	Higher	Higher
Brazil	Rose	Rose	Higher	Higher
Venezuela	Fell	Fell	Lower	Higher
Colombia	Stable	Rose	Higher	Higher
Mexico*	Fell	Rose	Lower	Higher
Ecuador	Fell	Fell	Lower	Higher
Bolivia*	Fell	Rose	Lower	Higher
Paraguay	Fell	...	...	...
Peru	Fell	Fell	Lower	Higher

## Concluded

Real per capita social expenditure  
(1985 dollars)Sectoral expenditure/  
total social  
expenditureChange in the average value with  
respect to the previous subperiod  
1982-1989      1990-19931990-1993 level  
compared with  
1980-1981 level1990-1993 level  
compared with  
1980-1981 levelSocial security

Uruguay	Rose	Rose	Higher	Higher
Argentina	Fell	Rose	Lower	Equal
Costa Rica	Rose	Rose	Higher	Higher
Chile	Fell	Rose	Higher	Higher
Brazil	Fell	Rose	Higher	Higher
Venezuela	Fell	Rose	Lower	Higher
Colombia	Rose	Rose	Higher	Higher
Mexico	...	...	...	...
Ecuador	Fell	Fell	Lower	Higher
Bolivia	...	Rose	...	...
Paraguay	Rose	...	...	...
Peru	...	...	...	...

Housing

Uruguay	Rose	Rose	Higher	Higher
Argentina	Fell	Rose	Lower	Lower
Costa Rica	Rose	Fell	Lower	Lower
Chile	Fell	Rose	Higher	Higher
Brazil	Fell	Fell	Lower	Lower
Venezuela	Fell	Fell	Lower	Lower
Colombia	Rose	Fell	Lower	Lower
Mexico	Fell	Fell	Lower	Lower
Ecuador	...	...	...	...
Bolivia	Fell	Fell	Lower	Lower
Paraguay	Fell	...	...	...
Peru	Fell	Fell	Lower	Lower

Note: See table 27.

\* Health and social security.

# BEHAVIOUR OF REAL SECTORAL SOCIAL EXPENDITURE

(Number of cases)\*

Relationship between sectoral expenditure (SE) and total social expenditure (TE)	Education	Health	Social security	Housing
<u>Reduction in total social expenditure</u> ( <u>"pro-balance"</u> )				
Reduction in SE greater than reduction in TE	10	7	7	14
Reduction in SE smaller than reduction in TE	6	4	3	3
Increase in SE and simultaneous reduction in TE	7	12	7	5
<u>Increase in total social expenditure</u> ( <u>"pro-imbalance"</u> )				
Increase in SE greater than increase in TE	6	7	7	2
Increase in SE smaller than increase in TE	3	4	4	2
Reduction in SE and simultaneous increase in TE	5	3	1	7

\* The number of cases varies from one sector to another, owing to the limitations of the available information. In several cases, the health sector also includes social security.

## SOCIAL EXPENDITURE ON EDUCATION

	1982-1989	1990-1991
<b>Argentina</b>		
Basic	Fell	Fell
Higher	Fell	Fell
Basic education coefficient	Stable	Rose
<b>Chile</b>		
Basic	Fell	Fell
Higher	Fell	Fell
Basic education coefficient	Rose	Rose
<b>Colombia</b>		
Basic	Stable	Stable
Higher	Fell	Stable
Basic education coefficient	Rose	Stable
<b>Ecuador</b>		
Basic	...	Fell
Higher	...	Fell
Basic education coefficient	...	Fell
<b>Paraguay</b>		
Basic	Rose	...
Higher	Fell	...
Basic education coefficient	Rose	...
<b>Uruguay</b>		
Basic	Fell	...
Higher	Fell	...
Basic education coefficient	Stable	...

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Note: See table 28.

## 5. The impact of social expenditure

Although social expenditure continues to have a major positive effect on low-income groups, the composition of such spending as well as the variations recorded during the 1980s did not generally contribute to improving its redistributive potential or its progressivity.

In the case of all countries for which studies are available, with the exception of Bolivia, it has been observed that the health sector has the most progressive pattern of expenditure, if the segment of spending channelled through the social security scheme is not taken into consideration. The spending on this sector is characterized by Gini coefficients that fluctuate between -0.32 and -0.12.

With a Gini coefficient ranging between -0.18 and 0, education is the second most progressive sector, owing to generally high participation by the lowest quintile of the population in public primary education and similarly high participation by the two lowest quintiles in public secondary education.

In contrast, expenditure on social security and housing (with the exception of Argentina in the case of housing) show a regressive distribution; in the case of social security, the Gini coefficient fluctuates between 0.17 and 0.41.

The existing differences between countries as regards the Gini coefficients for these sectors would appear to indicate that policies and programmes could be redesigned to reduce their regressivity.

In aggregate terms, and as a consequence of the degree of relative progressivity of each sector as well as the sectoral composition of social spending in the different countries, the pattern of total social spending is slightly regressive in Argentina and Uruguay, and more so in Chile: however, social spending has a redistributive effect, owing to the more unequal distribution of income.

In Costa Rica, the share accounted for by social security is lower; none the less, the fact that expenditure on education and health (which combined represented 80% of social expenditure in the period 1980-1981) had a barely progressive effect also led to a slightly regressive distribution of total social expenditure.

In all the countries analysed, including Colombia and Bolivia and especially Chile, there was a slightly progressive pattern of distribution of social spending, if social security is not taken into account.

### Measuring the progressive or regressive nature of social expenditure

The available studies on the impact of social expenditure make it possible to determine if such expenditure is progressive or regressive, on the basis of the percentage allocated to different types of household classified according to level of income. If the percentage of expenditure falls as income rises, social expenditure is considered to have a progressive impact; in such a case, the value of the Gini coefficient ranges between -1 and 0. If, on the other hand, the percentage of expenditure increases as the level of income rises, the distribution of expenditure is regressive. In this case, the value of the Gini coefficient ranges between 0 and 1; income distribution always takes a value within this range (see box 2).

## Box 2

**THE GINI COEFFICIENT APPLIED TO SOCIAL EXPENDITURE**

The Gini coefficient is calculated according to the following equation:

$$C_G = \frac{N+1}{N} - \frac{2}{N} \sum_{i=1}^N q_i$$

Where N represents the number of segments into which the population was divided and  $q_i$  corresponds to the cumulative percentage of expenditure allocated to each of these segments.

The Gini coefficient may assume the values indicated below, depending on the progressivity of the expenditure:

$-1 \leq C_G < 0 \rightarrow$  progressive distribution of expenditure

$0 < C_G \leq 1 \rightarrow$  regressive distribution of expenditure

A regressive distribution of social expenditure will have a progressive distributive impact when the distribution of income is more regressive than that of expenditure, i.e., when:

$$C_G \text{ of expenditure} < C_G \text{ of income}$$

## DISTRIBUTIVE IMPACT AND TARGETING OF SOCIAL EXPENDITURE

	Distribution of SE per quintile (%)					Gini*	I <sub>t</sub>	Observations
	I	II	III	IV	V			
<b>ARGENTINA (1980)</b>								
								Owing to a lack of up dated information, it was not possible to calculate the targeting index with respect to the poor population, who made up 10% of the population in Argentina in 1980.
Education	28	20	18	17	17	-0.10	-	
Primary	40	25	16	11	9	-0.30	-	
Secondary	26	21	21	18	14	-0.11	-	
Tertiary	8	9	18	27	38	0.31	-	
Health	44	18	20	11	7	-0.32	-	
Social security	10	13	3	23	34	0.23	-	
Housing	73	24	20	0	0	-0.68	-	
Total social expend.	20	16	19	20	26	-0.06	-	
Total w/out social security	34	20	18	15	14	-0.18	-	
<b>BOLIVIA (1992)</b>								
								The targeting index corresponds to the poorest 60% of the population.
Education	24	22	21	19	14	-0.09	1.1	
Primary and secondary	30	26	21	15	8	-0.22	1.3	
Tertiary	9	13	21	29	28	0.22	0.7	
Public health	11	15	18	30	28	0.18	0.7	
Health social security	11	16	20	22	32	0.18	0.8	
Total social expend.	21	20	21	21	18	-0.03	1.1	
<b>CHILE (1993)</b>								
								The targeting index corresponds to the poorest 40% of the population.
Education	27	23	19	16	15	-0.12	1.3	
Primary	35	27	18	13	7	-0.28	1.6	
Secondary	24	26	22	17	11	-0.14	1.3	
Tertiary	9	12	17	24	38	0.28	0.5	
Health	32	26	21	15	6	-0.25	1.5	
Social security	4	9	15	25	47	0.41	0.3	
Social welfare	33	24	18	13	12	-0.21	1.4	
Housing	20	18	19	23	19	0.02	1.0	
Total social expend.	16	16	17	21	30	0.13	0.8	
Total w/out social security	29	24	19	16	16	-0.17	1.3	
<b>COLOMBIA (1992)</b>								
								The targeting index corresponds to the poorest 40% of the population.
Education	27	24	22	18	9	-0.17	1.3	
Primary	41	26	19	10	4	-0.36	1.7	
Secondary	21	27	25	18	10	-0.13	1.2	
Tertiary	8	8	20	41	22	0.25	0.4	
Total health	20	22	19	19	20	-0.01	1.1	
Health w/out social security	28	26	19	16	12	-0.18	1.4	
Total social expend.	23	23	20	18	15	-0.08	1.2	
Total w/out social security	27	25	21	17	10	-0.17	1.3	

## DISTRIBUTIVE IMPACT ... (concluded)

	Distribution of SE per quintile (%)					Gini*	I <sub>t</sub>	Observations
	I	II	III	IV	V			
<b>COSTA RICA (1982)</b>								The targeting index corresponds to the poorest 20% of the population.
Education	20	22	17	21	20	-0.01	1.0	
Primary	35	27	19	12	7	-0.22	1.8	
Secondary	19	27	21	23	11	-0.07	1.0	
Tertiary	4	13	11	30	42	0.37	0.2	
Health	29	19	20	18	14	-0.12	1.5	
Social security	9	10	16	33	32	0.28	0.5	
Housing	5	12	17	16	49	0.36	0.3	
Total social expend.	21	19	18	21	22	0.02	1.1	
Total w/out social security	23	20	19	19	20	-0.04	1.2	
<b>URUGUAY (1989)</b>								The poor population used in calculating the targeting index corresponds to the lowest decile.
Education	33	21	17	15	14	-0.18	2.0	
Primary	52	22	13	10	4	-0.44	3.4	
Secondary	30	29	18	14	9	-0.23	1.5	
Tertiary	5	7	22	24	42	0.36	0.3	
Health	35	20	21	13	11	-0.22	2.2	
Social security	12	16	21	20	31	0.17	0.3	
Housing	16	18	11	26	30	0.14	0.4	
Total social expend.	20	18	20	18	24	0.03	1.1	
Total w/out social security	33	20	19	15	13	-0.18	2.0	

**Source:** For Argentina and Costa Rica: H. Petrei "Gasto público social y sus efectos distributivos: un examen comparativo de cinco países de América Latina", Documentos ECIEL series, No. 6, Rio de Janeiro, Joint Programme on Latin American Economic Integration (ECIEL), 1987; for Bolivia: M. Urquiola, "Inversión en capital humano y focalización del gasto social: análisis de la asistencia de servicios sociales por quintiles", Documentos de Trabajo series, No. 8/93, La Paz, Social Policy Analysis Unit (UDAPSO), 1993; for Chile: O. Larrañaga, "El déficit del sector público y la política fiscal en Chile, 1978-1987", Política fiscal series, No. 4 (LC/L. 563), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), 1990; for Colombia: Fundación para la Educación Superior y el Desarrollo (FEDESARROLLO), *Estudio de incidencia del gasto público social. Informe preliminar*, Santa Fe de Bogotá, June 1993; for Uruguay: J. Giral-Bosca and H. Davrieux, "Uruguay. Poverty Assessment: Public Social Expenditures and their Impact on the Income Distribution", World Bank Report series, No. 9663-UR, Washington, D.C., World Bank, 4 May 1993.

\* When the Gini Coefficient is above 0, this indicates that the distribution of expenditure is progressive.

In conclusion, it can be said that the changes recorded in real social per capita social expenditure and the sectoral pattern of social expenditure have not in general been reflected in greater progressivity of social expenditure. In point of fact, in all countries, social security—which is characterized by its regressivity—is the social expenditure component which has increased its share of expenditure; the extent of the increase has varied, however, from one country to another.

Nevertheless, on account of the trends in the level of real social spending on education and health in countries with high social spending or sound performance in the 1980s (e.g., Colombia, Chile, Costa Rica and Uruguay), the values recorded at the beginning of the 1990s tend to be similar to those recorded at the beginning of the previous decade, and in some cases are even higher. In these countries, the increase in real social expenditure in sectors characterized by their relative progressivity has served to mitigate the effect of the increasing share represented by social security. Furthermore, in the cases of Chile and Colombia, the decline in the share represented by the education sector as well has apparently been mitigated by a relative increase in progressivity resulting from an intrasectoral redistribution that has favoured basic education.

In addition, targeting indexes have been calculated in the case of five of the six countries; in these calculations, the target population was defined as the poorest segment in each period analysed (see box 3). As a result, these indexes represent an estimate of the degree of targeting of the poor attained in the case of sectoral and total social spending.

### Box 3

#### SOCIAL EXPENDITURE TARGETING INDEX

The targeting index is an indicator which establishes the relationship between the percentage of expenditure allocated to the target group and the percentage of the population that this group represents.

The targeting index can be applied both to targeted programmes and to general programmes. In the case of targeted programmes, the index makes it possible to determine whether in actual fact the objective is being met, while in the case of general programmes, the index makes it possible to calculate the degree of targeting which is occurring in practice as a result of demographic or other factors which lead to the exclusion of other groups.

$$I_t = \frac{(\%)^{TP} X}{100*(TP/PT)}$$

where:

- $I_t$  = the targeting index.
- $(\%)^{TP} X$  = the percentage of expenditure allocated to a particular sector that is received by the target population
- $100*(TP/PT)$  = percentage of the population total that the target population represents.

The targeting index may fluctuate between the following limits:

- $I_t < 1$  → Non-targeted programme
- $1 < I_t < (PT/TP)$  → Programme with some degree of targeting  
(Maximum targeting:  $I_t = PT/TP$ )
- $I_t = 1$  → Neutral programme

In summary, the only two sectors in which significant targeting of the poor has been observed are primary education and public health, with the exception of Bolivia. Only in Uruguay has total social spending (excluding social security) revealed an appreciable degree of concentration on the poor sectors, with a targeting index equal to 2.0.

Lastly, it should be borne in mind that a slightly regressive pattern of social expenditure can, in any case, have a major redistributive effect, to the extent that the distribution of income is always more regressive than the distribution of expenditure. It is worth remembering that social programmes have a significant impact on absolute income levels in the poorest households, irrespective of their degree of progressivity. Consequently, social spending provides substantial possibilities for improving the quality of life enjoyed by the population, especially the most vulnerable groups, as well as for improving the distribution of income.<sup>32</sup>

Some of the more notable mechanisms which can be used to ensure the effectiveness and efficiency of social spending include determining its amount, its sectoral and intrasectoral distribution, the redesign of social programmes currently implemented and the incorporation of a larger number of programmes that directly benefit vulnerable groups and complement programmes targeting the population.

#### THE DEGREE OF PROGRESSIVITY OF THE DISTRIBUTION OF INCOME AND EXPENDITURE

	Distribution of total social expenditure in terms of the Gini coefficient	Distribution of self-acquired income,* in terms of the Gini coefficient
Argentina (1980)	0.06	0.337
Bolivia (1992)	-0.03 <sup>b</sup>	0.482 <sup>c</sup>
Chile (1993)	0.13	0.450 <sup>d</sup>
Colombia (1992)	-0.08 <sup>b</sup>	0.450 <sup>d</sup>
Costa Rica (1982)	0.02	0.370
Uruguay (1989)	0.03	0.387

Source: ECLAC, Social Panorama of Latin America, 1993 edition (LC/G.1768), Santiago, Chile, September 1993.

\* Self-acquired corresponds to the total amount of income received by individuals, less social security contributions, income tax and State financial assistance.

<sup>b</sup> Does not include expenditure on social security.

<sup>c</sup> Refers to the distribution of urban income in 1989.

<sup>d</sup> Refers to the distribution of urban income in 1990.

<sup>32</sup> It should also be pointed out that the indirect effect of social spending on the ability of vulnerable sectors of the population to generate income independently is a dynamic increase in the progressivity of spending, with the result that social policy's potential for reducing inequality and poverty is enhanced.

**V**

**THE FAMILY AND CHILDREN**



## 1. Introduction

Justification for investment in children is usually based on criteria relating to production, citizenship and social integration. According to these approaches, childhood and adolescence are decisive stages in which the opportunities for acquiring key skills for participating in production and society and attaining adequate levels of well-being are defined.

The importance of these opportunities in the development of the person has even been recognized at the juridical level, with the adoption by the United Nations in 1989 of the Convention on the Rights of the Child, which contains a number of commitments relating to the survival, protection and participation of children. This Convention constitutes the ethical, political and juridical framework binding society as a whole to guarantee the fulfillment of the opportunities determining the personal and social development of its members in their early life.

In spite of the tremendous ethical and normative value of the Convention, these opportunities still depend mainly on contextual factors associated with children's development, such as the economic capacity of the homes in which children and young people live, the educational climate to which they are exposed in those homes, the physical conditions of their dwellings, the infrastructural and health services to which they have access, and the type of family in which they grow up. What is needed, then, is to promote public policies affecting those fields in order to make the rights contained in that Convention a reality.

Out of the various forms of differences of opportunity, this chapter will deal with the questions of educational capital and the capacity for obtaining a particular level of labour income with the level of education reached.

In order to carry out this study, statistical information from household surveys of the countries of the region was used, because it makes it possible to analyse simultaneously the achievements registered and the contextual factors involved, subject to some exceptions which made it impossible to include all the countries in some tables.

The first aspect reviewed is that of the family socialization context, primarily in the light of the degree of vulnerability of the household as measured by the extent to which it is affected by poverty or indigence, along with the levels of child and youth labour that the latter imply. An analysis is also made of the changes that have taken place between the 1980s and the 1990s in terms of the size and composition of households and their effects on the socializing capacity of the family.

The family environment has a dominant influence on the personality development and the intellectual and work skills of children and young people. The importance of the changes that take place in family structures can be gauged from two angles: first, that which holds that the most important element in changing production patterns and securing equitable development in the region is the training of human resources, and second, that which holds that the various different family structures have different capacities for developing this potential in children and young people.<sup>33</sup>

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<sup>33</sup> See ECLAC, *Social Panorama of Latin America*, 1993 edition (LC/G. 1768), Santiago, Chile, 1993.

The first part of this chapter looks at recent changes in households and in their degree of vulnerability, in order to identify and quantify the problems that need to be considered in designing policies for the family and children. It has naturally been necessary to leave out qualitative dimensions connected with the changes in family values and family relations and the transfer of functions between the family and the State and vice versa which have taken place as a result of the economic crisis and structural adjustment processes.

An analysis is then made of the available empirical information on educational attainments, taking account also of other factors affecting the socialization context, such as the economic capacity of the household (measured in terms of the per capita income quartile to which it belongs), its educational climate, and its housing conditions.

An estimate is also made of the proportion of children who grow up in unfavourable socialization contexts, after which the process of accumulation of educational capital and the phenomena which limit it are analysed in order to illustrate general trends, evaluate the evolution of equity in terms of differential opportunities depending on socio-economic strata, and thus contribute to the design of social policies.

Among the phenomena limiting the accumulation of human capital which are taken into account is child and youth labour, which prejudices the well-being of future households for the sake of the immediate well-being of the household of origin. The tendencies observed among children and young people who neither study nor work are also considered.

The study also deals with one of the main links in the chain of opportunities: the question of how much education young people have when they leave the environment in which they were socialized, according to the various levels of economic, social and educational capacity of their households. For this purpose, an analysis is made of the proportion of young people who, while still living in their households of origin, leave their studies with educational levels which are not sufficient to satisfy the demands of modernity, and the proportion of young people who, at the age of 16 or 17, have already reached an educational level close to that needed to meet those demands.

A study is then made of the capacity of young people to generate income and, in particular, to maintain a basic family group above the poverty line, according to the different levels of education attained. These parameters make it possible to estimate their possibilities of attaining suitable standards of living as young people and as adults according to the educational level reached by them: possibilities which are themselves conditioned by family strategies as regards organization, child labour, etc. and by the economic, social and educational conditions prevailing in the formative environment from which they come.

## 2. Contexts of socialization: types of households and socio-economic vulnerability

**The incidence of poverty —measured as the percentage of poor and indigent households in the total— differs according to the type of household: thus, those with a female head are more likely to be in a situation of poverty, regardless of whether they are nuclear, extended or composite.**

During the 1980s, it was shown that in most of the countries of the region it was family defence strategies against poverty which enabled households to survive the economic crisis and the adjustment processes.

The ways of increasing or reducing the size of the household by receiving or expelling relations and unrelated persons stemmed from clear family survival strategies which were not reflected in a perceptible manner in the

economic indicators because the responses to these processes of crisis and adjustment took place in private, within the household.

These changes may be appreciated by looking at the variations in the degree of vulnerability (measured in terms of whether they belonged to poor or indigent households) of the different types of families: nuclear, extended, composite, complete, or headed by a woman (see definition in the relevant box).

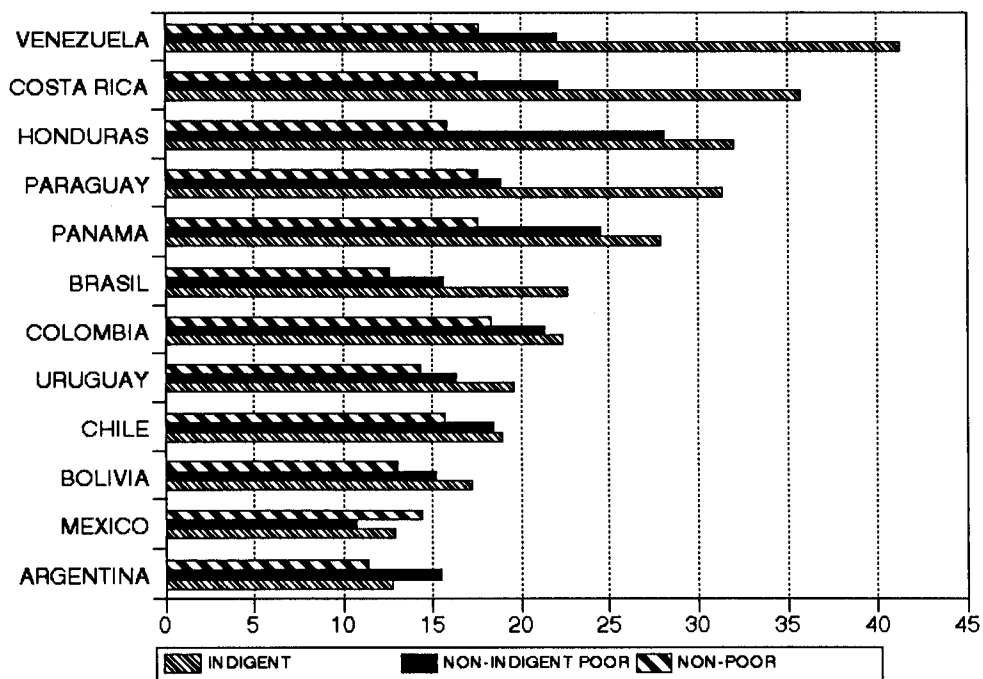
To begin with, in the 1980s and up to 1992 the incidence of poverty was greater in rural households than in urban ones, and according to the type of household, there were proportionately more poor households among those where the head was a woman, regardless of whether they were extended, composite or nuclear: a fact that has also been observed in various qualitative studies carried out in the region. Around 1992 in Venezuela, Costa Rica and Paraguay, among households with a female head, the proportion which were under the indigence line was more than double the proportion which were not poor (see figures 13 and 14). The amounts shown in these figures represent the percentage of total households which had a female head, excluding single-person households and nuclear households without children.

### Classes of households considered

Single-person: made up of only one person; nuclear: head of household and spouse, or head alone, with or without children; extended: head of household and spouse, or head alone, with or without children, plus other relatives; composite: similar to the previous class, plus persons who are not relatives. The last three types of families are subdivided into complete families, if they include the head and spouse, or single-parent families, if they only have a head.

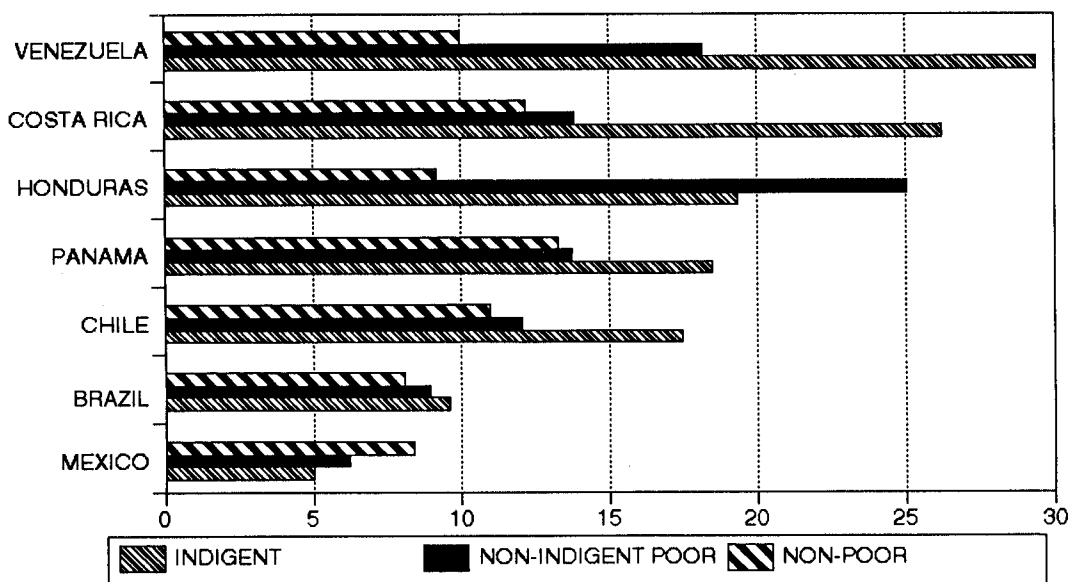
The greater incidence of negative effects in households with a female head is due basically to the fact that they are more likely to suffer from poverty and indigence because of the lower capacity of women to generate income. It is also related to the vulnerability due to the fact of

Figure 13  
**HOUSEHOLDS HEADED BY WOMEN, BY  
 POVERTY LEVEL<sup>a/</sup>**  
*(Urban areas, 1992)*



a/ Percentage of households headed by women out of all households, excluding one-person and childless nuclear households.

Figure 14  
**HOUSEHOLDS HEADED BY WOMEN, BY POVERTY LEVEL<sup>a/</sup>**  
*(Rural areas, 1992)*



a/ Percentage of households headed by women out of all households, excluding one-person and childless nuclear households.

having only one breadwinner, as well as the sex discrimination suffered by women in the labour market.

**Among complete households, the most vulnerable are the nuclear ones, which, in 10 out of 12 countries studied in 1992, show a higher incidence of poverty than households as a whole. This confirms that in the case of complete households strategies for dealing with poverty by the incorporation of relatives or non-relatives have been a success, since such households show a lower proportion of poverty than the global average.**

Taking both urban and rural areas together, the incidence of poverty is lower in the case of single-person households, nuclear households without children, and nuclear single-parent households where the head is a man (see tables 29 and 30 and the next section).

During the past decade, conditions in rural areas improved in all the countries for which information is available. In urban areas, in contrast, progress was only registered in Chile, Paraguay and Uruguay. The situation of vulnerable households deteriorated during that period, especially in the case of extended and nuclear families with a female head, whose situation got worse in four of the seven countries. The vulnerability of composite households also increased.

Variations in the level of well-being of households —apart from reflecting the income-levels of the members who have jobs— are due mainly to two causes: changes in the number of household members who receive income (this depends both on the participation of women and children in the labour market and on the incorporation into the household of other persons who generate income), or reduction of the size of the household. The work of women and children outside the home and changes in the size of the household are examined below as mechanisms for overcoming poverty.

### 3. Activity of women and children

**The participation of women and children in the labour market follows different patterns depending on the type of household. Children from poor and indigent households display a much higher rate of activity than that of children from non-poor households. The opposite occurs in the case of women: women from non-poor households participate more in the labour market, and indeed, if they did not do so, a considerable proportion of those households would sink below the poverty line.**

In situations of poverty and indigence, it might be expected that both women and children would enter the labour market in larger numbers in order to improve the economic situation of their households. However, their patterns of behaviour in this respect are different. In poor and indigent households the percentage of children who work is much higher than in the case of non-poor households, but in the case of women the opposite is true: women from non-poor households participate more in the labour market, and indeed this may be why those households are above the poverty line.

**The type of household undoubtedly affects the degree of participation of women and children in the labour market.** In single-person households —where there are fewer family and domestic responsibilities— the rate of activity of women is much higher, as it also is in the case of women who are heads of nuclear, extended or composite households. The percentage of children under 15 who work varies between 23% and 2% in indigent households, and these children are also more vulnerable, especially in extended and nuclear households where the head is a woman.

Participation patterns of young people between 15 and 17 who have not completed their secondary education are similar to those of children, since they are higher in poor and indigent households than in non-poor households (except in Argentina and Bolivia), and much higher in nuclear and extended households where the head is a woman. The percentage of young people in this age group who work is markedly higher in indigent households than it is for children as a whole, varying from 11% to 53%, depending on the country.

In short, the incorporation of women into the labour market is an important mechanism for permitting many households to rise above the poverty line, but the economic participation of children under 14 and young people between 15 and 18 is a significant source of vulnerability, since it means that they leave the educational system. **The highest degree of vulnerability of children and young people—understood as their condition of coming from a poor or indigent household and participating in the labour market— is registered in the case of nuclear or extended families with a female head** (see tables 31, 32 and 33).

#### 4. Trends in family size and composition

**The size of Latin American households is tending to go down due to the smaller number of children and of multi-generation households and the increase in the number of single-parent families and persons living alone.**

##### a) Reduction in household size

During the 1980s, the family underwent changes which have been reflected in a reduction in its size. The average number of persons in the largest urban households went down from 5.5 to 4.9, while there was almost no change in the case of smaller households, which went down from 3.4 to 3.2 persons. Likewise, the average number of

children under 14 went down from 2.1 to 1.7 in the largest households, whereas in the smallest ones it remained at about 1.

In rural areas, the average number of persons and children per household is higher than in urban zones; the difference is greatest in the case of poor families, since the trend in non-poor families is similar to that in urban areas.

As might be expected, there are more persons and more children under 15 in poor and indigent households than in non-poor homes. In urban areas, the number of persons per poor or indigent household was between 5 and 6, with 2 or 3 children, whereas in non-poor households the average was between 3 and 4 persons, with 0.6 to 1.8 children (see figures 15 and 16; for the structure of households towards 1992, see tables 34 and 35).

Figure 15  
**NUMBER OF CHILDREN PER HOUSEHOLD,  
 BY POVERTY LEVEL**  
*(Urban areas, 1990s)*

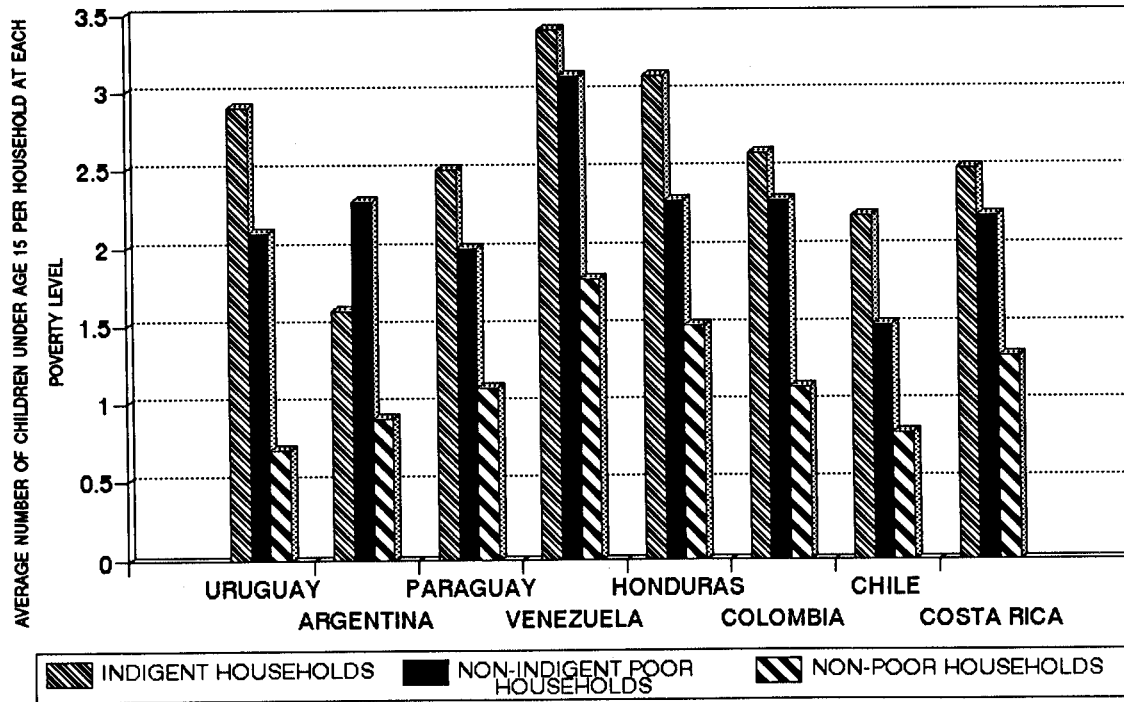
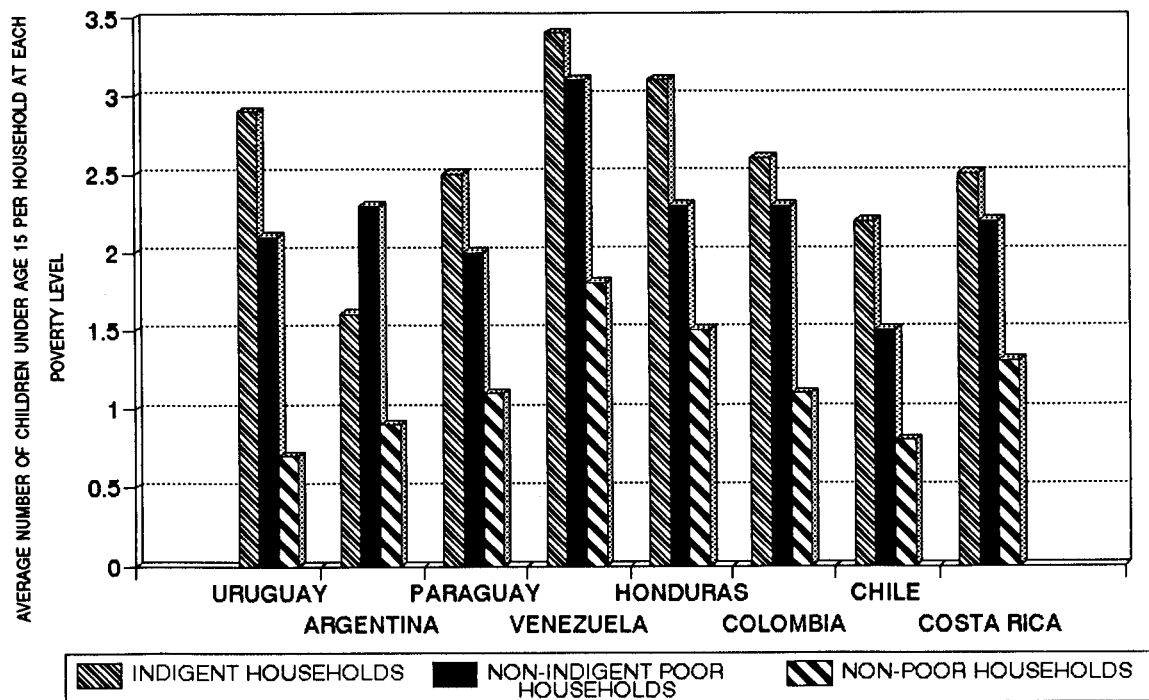


Figure 16  
**NUMBER OF CHILDREN PER HOUSEHOLD, BY POVERTY LEVEL**  
*(Urban areas, 1980s)*



The reduction in the size of households cannot be attributed exclusively to the decline in fertility—fewer children per household— or to postponement of the birth of the first child. It has also been influenced by certain changes in lifestyles, such as the increase in the number of single-person and single-parent households, especially with a female head. These tendencies foster the growing heterogeneity displayed by households in the region. Both phenomena are related with the high and growing fertility of women under 20, which doubled between 1955 and 1985.<sup>34</sup>

These adolescent mothers form an important vulnerable group, since their circumstances cause them to give rise to single-parent households with a female head, which tend to reproduce the poverty cycle. In addition to their other problems, these adolescents cannot continue their studies, so that they have greater difficulty in socializing their children.

In general terms, it may be inferred that although towards 1992 the global task of socialization had been lessened by the smaller number of children per household, there was also a decline in the number of adults responsible for this work. Likewise, the size of households in the region has tended to become more homogeneous, but the heterogeneity within them in terms of poverty levels has been maintained. The size and composition of households must be taken into account in designing policies for the family and children, especially housing policies, which have a great influence on the development of the human capital of children, as we shall see below.

Between the 1980s and 1990s, although nuclear families increased in number they also became more heterogeneous in their composition, with the considerable increase in single-parent families and complete families without children.

b) **The growing heterogeneity of household structure**

Family structure is heterogeneous and varies according to the country, the urban or rural location of the family, and the level of poverty. Beyond any doubt, it is the nuclear family which predominates in all the countries, although the respective cultural values also

influence the forms of family formation. Nevertheless, the upward trend of nuclear families continues: in 1992 they represented between 55% and 71% of all households in urban areas, and between 56% and 74% in rural zones.

Urban nuclear households display some diversity in their composition, which affects the socialization of their children in different ways. Complete nuclear households are the most numerous, accounting for between 36% and 65% of all households. This group is made up of two main categories: households with a single parent (almost always female), which account for between 8% and 11% of households, and households where there are no children, either because the households were only recently formed or because they have completed their cycle, which form between 3% and 18% of the total (see table 36).

The number of households with a female head, whether nuclear, composite or extended, has been increasing with time. Towards 1992, such households with children represented between 15% and 25%

<sup>34</sup> See ECLAC/CELADE, *Población, equidad y transformación productiva* (LC/G.1758/Rev.1-P; LC/DEM/G.131/Rev.1), Santiago, Chile, 1993. United Nations publication, Sales No.: S.93.II.G.8.

of the total in urban areas and between 11% and 18% in rural zones, depending on the country. The increase in this type of household is due to various phenomena: the greater incidence of separations and divorces; the increase in the number of unmarried teenage mothers; migration of the spouses for labour reasons, and widowhood (usually without small children). The first two cases involve greater vulnerability and difficulties in socializing the children.

Towards 1992, a tendency was to be observed in the direction of a reduction in the number of extended families made up of several generations, which represented between 17% and 33% of the total, depending on the country. Composite households form a residual category. Furthermore, there has been an increase in the proportion of single-person households, due to population ageing and the tendency of young people to form their own families at a later age. The possibility of setting up a single-person household —quite apart from personal and cultural inclinations— is determined by the availability of resources: the great majority of these households are in the "non-poor" category.

In short, the changes that have been taking place in the structure of the family show that it takes different forms which, to a large extent, do not keep up their continuity over time and have different degrees of difficulties in socializing their children, depending on their size and structure. Among families with children, the complete nuclear family, which is considered to be typical, accounts for between 36% and 65% of all urban households in the countries of the region.

## 5. Vulnerability of households and children

**Towards 1992, between 4% and 10% of all households in a state of poverty or indigence had a female head, without spouse but with three or more children. These households form the hard core of poverty. The children in them form between 7% and 17% of the total.**

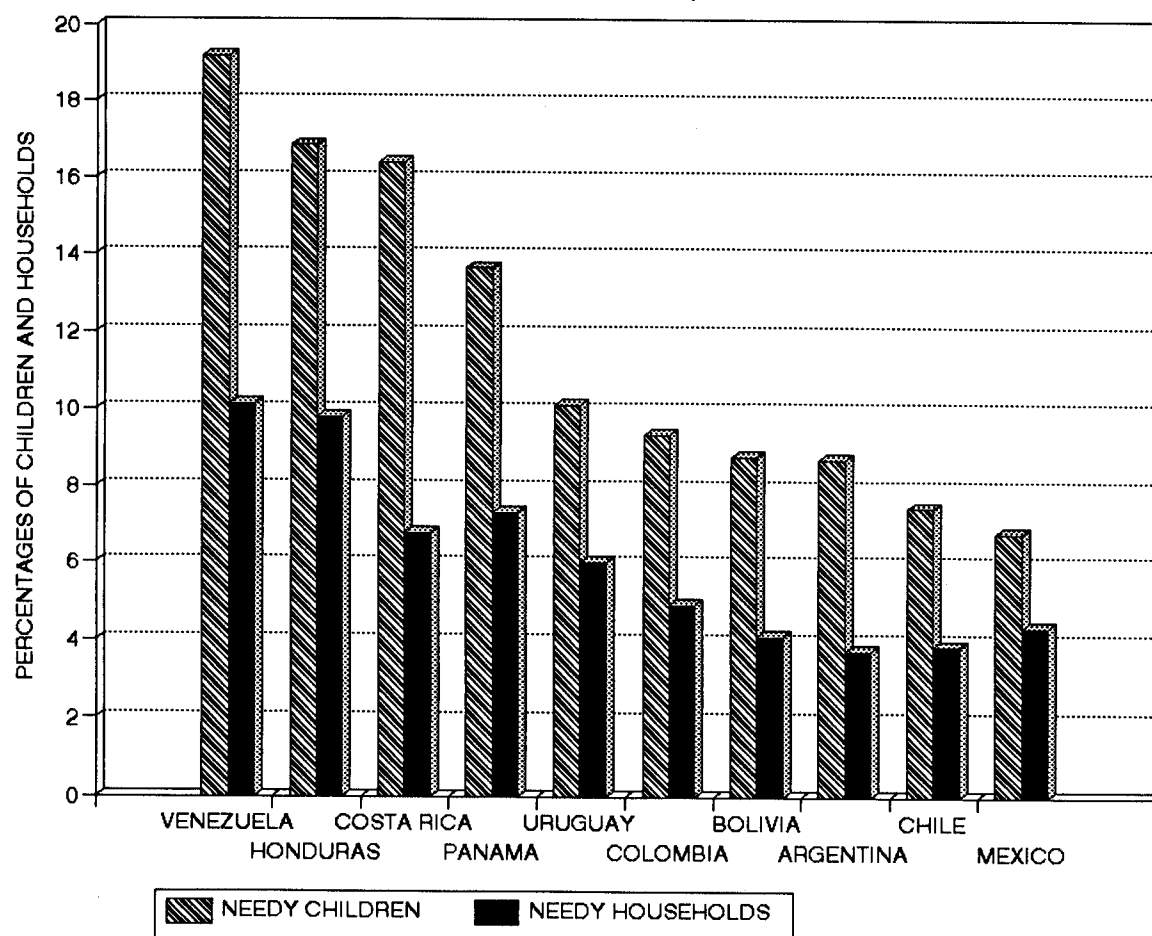
The inadequacy of the resources allocated for the execution of social policies is a chronic problem. From this standpoint, measurement of the levels of vulnerability of households and children is a useful means of helping to give priority to serving the segments of the population facing the greatest risks.

The degree of vulnerability of children is determined by the fact of coming from poor or indigent homes and is increased when the head of household is a woman, especially if she has no spouse and has three or more children. These cases form one of the groups of highest risk, with the greatest difficulties of socialization: a state of affairs which will probably lead to the children working in the street and, later, to a certain proportion of them leaving home and becoming child vagrants.

In 1992, households with an extreme degree of deprivation —poor or indigent households with a female head of family, without spouse but with three or more children— made up between 4% and 10% of all poor or indigent households, and the children from such households formed between 7% and 17% of the total (see table 37 and figure 17). These proportions are still greater if one considers poor or indigent households with a female head without spouse, regardless of the number of children in the family, since in this case between 10% and 25% of poor or indigent households and between 11% and 27% of the children under 15 come within this category.

The resources available for public policy implementation should undoubtedly be concentrated on this priority group, in view of the seriousness of its needs and the difficulties in meeting them.

Figure 17  
**VULNERABILITY<sup>a/</sup> OF HOUSEHOLDS AND CHILDREN**  
*(Urban areas; 1992)*



a/ Percentage of poor and indigent children and households out of all female-headed households with three or more children.

## 6. Household characteristics which affect educational performance

**The educational climate of the home is the factor with the biggest impact on the educational performance of children and young people, followed by the economic capacity of the family. It may be noted, then, that although improving the income of the lower strata is necessary, it is not of itself sufficient to ensure the ongoing formation of human resources.**

**At the same time, the decreasing impact of the conditioning factors is a further reason for focussing policies on improving or offsetting problems of poor educational climate or low economic capacity.**

The educational climate of the home is the factor with the biggest impact on educational performance, since it accounts for around 50% of the level of scholastic achievement. It is followed in importance by the economic capacity of the family, which accounts for between 25% and 30%. In third place comes the physical infrastructure of the family dwelling, followed by family organization, which together account for the remaining 20% to 25%, according to an analysis of simple averages for the urban areas of a number of countries of the region.

In urban areas of Latin America, improvement of the educational climate, i.e., progressing from a low to medium level, which means increasing the average years of schooling from five to eight, is associated with a reduction in the proportion of

students who are behind in their studies from 42% to 23% and an average 30% improvement in performance. This means, for example, an increase from 6.1 to 7.8 in the average number of years of schooling successfully completed by non-independent young people between 15 and 24.<sup>35</sup> This is the impact which was estimated in a cross-sectional analysis of the bottom income quartile (see diagram 1 and tables 38 and 39).

In contrast, raising the economic capacity of households in the bottom quartile to the level of the second lowest quartile would require an average increase of 100% - 140% in the per capita income of the former: a very high goal which would bring an estimated improvement of only a little over 10% in scholastic performance, in terms of both reduction of the number of students behind in their studies and improvement of the average performance. A cross-sectional analysis of the lowest educational level (0-5.99), for example, shows that raising quartile 1 to the level of quartile 2 would bring about only a modest reduction in the number of students behind in their studies, from 42% to 37%.

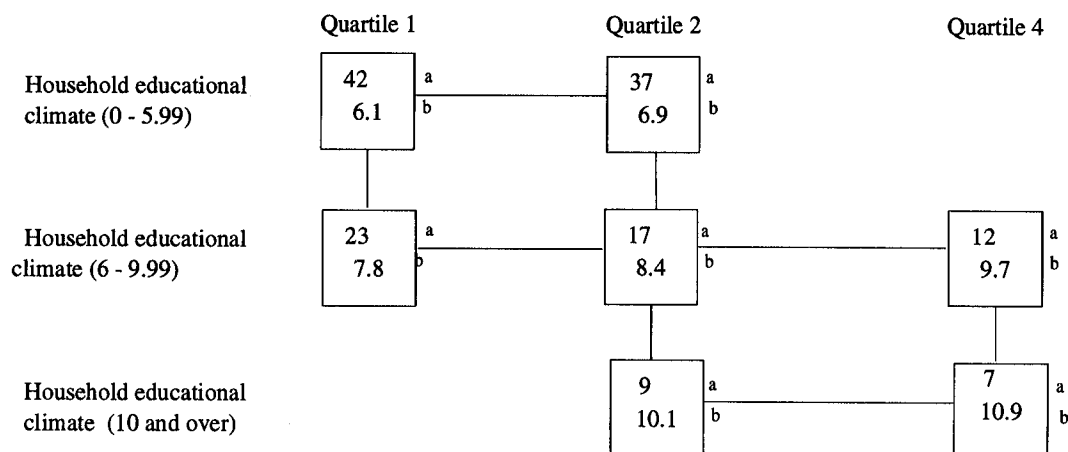
The above results mean that while increasing the income of the lowest strata—an objective which could be attained in the medium term— would help to improve educational performance, it is not of itself sufficient for reaching that objective. It should therefore be combined with policies to improve the educational capital of the household.

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<sup>35</sup> These are young people who are not the head of the household in which they live, nor the spouse of the head. Most of them still live in the household where they were socialized.

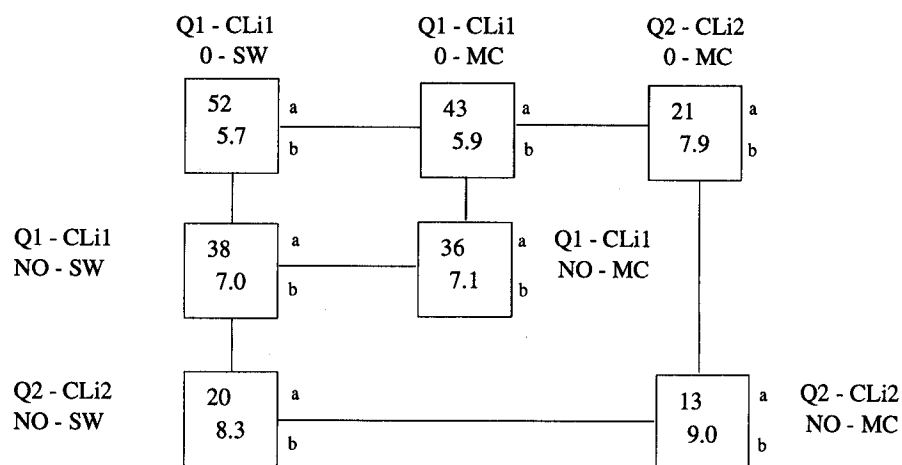
**DIAGRAM 1**  
**INFLUENCE OF HOUSEHOLD EDUCATIONAL CLIMATE**  
**AND INCOME ON SCHOOL PERFORMANCE**

*(Simple average of Latin American countries; circa 1990)*



**DIAGRAM 2**  
**INFLUENCE OF HOUSING CONDITIONS AND FAMILY STRUCTURE**  
**ON SCHOOL PERFORMANCE**

*(Simple average of Latin American countries; circa 1990)*



**Source:** ECLAC, on the basis of special tabulations of data from household surveys in the countries.

**Note:** Q1 = Quartile 1.

Q2 = Quartile 2.

CLi1 = Household educational climate of 0 to 5.99 years of schooling.

CLi2 = Household educational climate of 6 to 9.99 years of schooling.

O = Overcrowded households.

NO = Non-overcrowded households.

SW = Households headed by a single woman.

MC = Households headed by a married couple.

<sup>a</sup> Percentage of children aged 7 to 14 who are behind in their studies.

<sup>b</sup> Average years of schooling completed by non-independent 15- to 24-year-olds.

### **PER CAPITA HOUSEHOLD INCOME QUANTILES AS AN APPROXIMATION TO INCOME STRATA**

In order to appreciate the changes taking place over time in the different income strata with respect to various social dimensions, the composition of the groups compared must be kept constant, so as to avoid "contaminating" the data from one group with those of the other between the selected periods.

The "panel" is the most suitable sample design for analysing the evolution of different strata on the basis of surveys. The system consists of maintaining the whole of the sample units or a significant portion of them constant throughout the various measurement periods. Since this is not the most usual design in the household surveys of the region, which are the main source of information for this study, it was necessary to adopt an alternative methodology that would reduce to the minimum the probability of changes in the composition of the groups between the periods analysed. The method selected was to assimilate the income strata to the quantiles in which the households were located in the rising per capita income structure.

This choice turned out to be a suitable one, especially because the relative structure of the quantiles makes the composition of the groups less sensitive to generalized changes in household income levels, such as those which took place in the region from the early 1980s onward.

The analysis proper is carried out by observing the behaviour of the four groups corresponding to the quantiles, although in this study only the first and fourth quantiles are presented, in order to facilitate interpretation of the information by the reader.

### **THE EDUCATIONAL CLIMATE OF THE HOME: A CRUCIAL INDICATOR OF THE SOCIALIZATION ENVIRONMENT OF CHILDREN AND YOUNG PEOPLE**

This indicator registers the average years of schooling of all persons aged 15 or over who live in the household. For its use in the study of young people between 15 and 24, it is calculated as the average years of schooling of all persons aged 25 or more who live in the household, in order to avoid some degree of tautology in the analysis.

In order to calculate the indicator, the total number of years of schooling completed by the members of the relevant age group in a household are divided by the total number of persons of those ages who live in it.

In tests made using different methods of measuring the educational performance of children, this indicator showed a greater capacity for discrimination than other methods such as the educational level of the head of the household. This superior statistical performance could be due to at least two reasons: first, because the educational climate method, by definition, incorporates more background details of the educational context of the household than others which only refer to one of its members, and second because, thanks to the foregoing, it gives a more dynamic picture of the life cycle of the household, since it incorporates in a more timely manner the effects of the changes which take place generation by generation in the global educational structure. An example of this is the value that the education of a 15 year old son would add to that of his parents, as a reference value for the educational context of another, younger son.

In addition, education policies must include measures designed to offset or reduce the negative effects of the household situation, so as to improve the impact that the educational establishments and system try to produce in terms of performance.

As a complementary measure to the profound and urgent reforms needed in curricula, methods, organization and other aspects of most of the primary and secondary educational systems of the region, the facilities of educational establishments could be used to help carry out some of the activities of the health programmes developed for children of the lower strata.

It would be desirable to introduce a system of social assistance and follow-up for children of the lower socio-economic and educational strata in public establishments, in order to prevent them from dropping out before a certain age. Monitoring of the way these children use their free time could prevent them from spending many hours on the streets. Following up poor young families with children would have a particularly positive multiplier effect, since it would improve the educational climate of the younger children.

It should also be noted that the relative impact on performance goes down as the levels of educational capital and economic capacity increase. The impact of the measures adopted would therefore be greatest if they were focussed on households with children with an educational climate of less than six years' schooling and located in the first income quartile. They could be extended to the second quartile in countries with low levels of per capita income.

**The negative impact of overcrowding on educational performance heightens the importance of housing policies aimed at the poorest sectors.**

of children from households in the first quartile with a low educational climate, headed by a woman without spouse, and suffering from overcrowding, are behind in their studies, but this proportion goes down to 38% in the case of households suffering from the first three problems, but not from overcrowding. The average number of years of schooling of the two groups is 5.7 and 7.0, respectively (see diagram 2 and tables 40 and 41).

#### **Indicators that permit an approximation to the factors and populations studied**

The indicators used, by type of factors, were: for the educational capital of the home, the educational climate at three levels: 0-5.99, 6-9.99 and 10 or more; for the economic capacity, the position of the household in one of the four per capita household income quartiles; for the physical infrastructure of the dwelling occupied, the overcrowding or non-overcrowding of the occupants, and for the degree of family organization, the question of whether the household had a female head without spouse or had both spouses present and married to each other.

With regard to the populations studied, the proportion of children behind in their studies was calculated for children between 7 and 14, bearing in mind the age of entry into the educational system in each country, while the average scholastic achievements were estimated for young people between 15 and 24 who are not heads of household or spouses (non-independent young people who are not fundamentally responsible for the factors studied).

Furthermore, in view of the differences observed between individuals from households with and without overcrowding problems but with similar levels of educational capital, economic capacity and family structure, housing policies are also important in terms of their contribution to improved educational capital. For example, 52%

On the one hand, these results strengthen the arguments on the benefits in terms of improved educational capital given by housing policies for the poorer sectors, particularly for the children. On the other hand, they highlight the need to reduce overcrowding and other related problems, while at the same time seeking creative solutions, both at the level of each educational establishment and in the various urban areas, to ensure that children in these circumstances have sufficient room to do their homework properly, since this is one of the main elements in their performance.

#### **CHILDREN WHO ARE BEHIND IN THEIR STUDIES: THE COST OF THIS SITUATION AND THE BENEFITS OF REDUCING IT**

In the region, an average of 7% of children between 7 and 14 who live in households in the top income quartile (quartile 4) with the best educational climate (10 or more) are behind in their studies. This would appear to indicate the bottom average limit, due to the natural distribution of talent and interaction with the current educational systems.

The foregoing, plus the fact that at the age of 14 most of the children of the region should have completed eight years' schooling if they did not repeat a year, and that those who are behind in their studies have an average lag of two years, means that the following estimates may be made:

- the fact that an average of 42% of children from households with a low educational climate (0-5.99) and a low socio-economic position (quartile 1) are behind in their studies increases the number of child-years needed for a cohort to complete eight years' schooling by 9%; and
- on average, a reduction of 4 to 5 percentage points in the proportion of children behind in their studies brings a reduction of 1% in the number of child-years needed to complete the goal of eight years' schooling.

Likewise, the discouragement felt by those who fall behind, the fact that it is the same students who fall behind more than once, and the existence of certain unwritten limits as regards the age that students consider appropriate for being in a certain level, which increases the tendency to drop out, mean that reducing the proportion of students who are behind in their studies not only reduces the associated costs in question but also considerably increases the benefits derived from the greater educational achievements.

A proportion of 42% of children between 7 and 14 who are behind in their studies corresponds to an average of 6.1 years of scholastic achievement for young people between 15 and 24, whereas in the stratum with 17% of children between 7 and 14 in the same situation the average for the 15-24 age group is 8.4 years, and in the stratum where only 7% of children are behind in their studies the average number of years of schooling completed by young people between 15 and 24 rises to 10.9.

Although these figures are from a cross-sectional analysis, they nevertheless show the average educational level that children with these levels of educational lag can be expected to reach when they become adolescents and young adults.

## 7. Trends as regards the proportion of children with a high risk of insufficiently developing their human capital

**There has been a substantial reduction in the percentage of children living in households with low educational capital and low economic capacity. This positive trend is partly offset, however, by other factors which contribute to their vulnerability, such as living in overcrowded conditions.**

Since certain features of households condition the educational performance of children and young people, it is important to see what proportions of children between 0 and 5 and 6 to 14 years of age grow up in environments that hinder the acquisition of given levels of educational and human capital.

The proportion of children in each of these age groups who live in households with a low educational climate (0-5.99), located in quartiles 1 and 2, continues to go down in all the countries for which information is available, except for children between 6 and 14 in Asunción, Paraguay (see the first two columns of table 42).

Thus, between the early 1980s and 1992 the percentage of urban children between 6 and 14 in this situation went down from 48% to 32% in Colombia, from 38% to 25% in Venezuela, and from 29% to 19% in Uruguay.

In spite of this reduction, regional heterogeneity has not changed, so that in the last few years children living in urban households which are vulnerable from the education and economic point of view still amount to around 10% in Chile; 15%-20% in Costa Rica, Panama, Paraguay and Uruguay; nearly 25% in Venezuela; 30% in Colombia, and, at the upper extreme, 40%-50% of urban children in Brazil, Guatemala and Honduras. There are also substantial differences of between 30% and 67% between urban and rural areas.

In 1992, it was observed that in most of the countries the proportion of children between 0 and 5 years of age in this category was between two and five percentage points lower than that of children between 6 and 14. This is very probably due to two factors which operate jointly to reduce the risk situation in question: the improvement in the educational climate of households, even in the lowest socio-economic

### Indicators of the need to follow up high-risk situations in respect of socialization

The importance of the impact of the educational climate of the home and, secondly, of the level of household income have led to the definition, as the prime category for the evaluation of children with a substandard socialization environment, of the group of children living in households with a low educational climate, where the resident adults have an average of less than six years' schooling, and with a household income level in the first or second quartile of household income distribution.

The other category analysed covers situations of overcrowding (as a shortcoming in the physical housing infrastructure) and shortcomings in terms of educational capital and economic capacity. This category thus includes children living in overcrowded households of low educational climate in the first or second income quartiles or households with a medium educational climate (6-9.99 years' average schooling) in the first income quartile.

strata, and the tendency towards a decline in the fertility rate in general but particularly in this stratum, as confirmed by the evolution of the size and composition of households already noted at the beginning of this chapter.

Households with problems of overcrowding and a poor socio-economic and educational situation only show advances in about half the countries for which data are available. This is basically because although in a number of countries family size has gone down and the shortage of household living space is less severe, the improvements in the latter respect have mostly been in the middle sectors. The lowest-income sectors are benefitting from programmes to provide them with building plots with basic services, which improve their situation as regards sanitation and housing services, but this does not solve their overcrowding problems.

In urban areas of most countries of the region in 1992, between 15% and 25% of children still lived in households with overcrowding problems and a substandard educational climate or low incomes (see the second two columns of table 42).

### **8. The equity dimension in the educational goals of the World Summit for Children**

Although progress has been made towards the achievement of some goals in the field of education, the children of the most underprivileged strata still do not share sufficiently in those achievements. Most of the children benefitted come from sectors of society which would attain those goals even without public action.

In September 1990 the World Summit for Children laid down a set of goals for the year 2000. In order to ensure their attainment, they have been incorporated in the national action plans for children adopted by the countries of Latin America and the Caribbean, while intermediate goals have also been set for 1995, some of which are of particular importance for the region. The box below gives a summary of the 1995 goals as formulated in the Nariño Accord, signed by the Ministers and

representatives of 31 Latin American and Caribbean countries and the United States in the city of Santa Fe de Bogotá on 6 April 1994.

In the process of attaining these goals, the governments of the region have shown increasing interest in reducing the disparities between children from families with marked differences of income, although much remains to be done in order to attain this objective, as shown by an analysis of the progress made in this field.

## INTERMEDIATE GOALS FOR 1995

### Health and nutrition

- Elimination of neonatal tetanus as a public health problem
- Reduction of measles deaths by 95% and incidence by 90%
- Eradication of polio and certification of such eradication
- Elimination of vitamin A deficiency, considering different alternatives
- Iodization of salt for consumption
- Increase in oral rehydration therapy to 80% of cases
- Reduction of acute respiratory infection deaths by one-third of 1990 levels among children under 5
- Promotion of breast feeding and encouragement of hospitals to join the Mother and Baby-Friendly Hospital Initiative
- Following agreements reached at the International Nutrition Conference, promotion of action to reduce light, moderate and heavy protein energy malnutrition by 20%, principally among children under 5 and pregnant women
- Reduction of maternal mortality by 25% and improvement of access to family planning information
- Strengthening and extension of preventive programmes in mother and child areas
- Extension of coverage of care in pregnancy, childbirth and post-natal health, to be provided by qualified personnel
- Assignment of priority to the prevention of pregnancy among adolescent women and provision of integral care for them
- Development of prevention programmes to reduce the incidence of problems of disability
- Implementation and/or strengthening of programmes to monitor the growth and development of children aged 0-6 years.

### Drinking water and environmental sanitation

- Reduction of the difference between the population with access to drinking water and those without it by 25%, reduction of the difference between those with and without basic sanitation by 17%, and treatment of sewage to ensure the sustainability of water as a resource
- Encouragement of action in environmental preservation as set forth in Agenda 21, promoting educational processes throughout society.

### Education

- Strengthening of efforts to universalize basic schooling, including initial/pre-school education based on the family and the community
- Identification of methods and strategies to increase coverage and to develop alternative models for initial/pre-school education
- Increasing the percentage of children completing primary education to over 50% by 1995
- Reducing repetition by 10% in grades 1 and 2 and ensuring that 60% complete the early years of schooling
- Raising the quality of primary education by introducing changes in the curriculum, increasing infrastructure investment, providing appropriate texts, training teachers, and ensuring that school hours are appropriate to the needs of the country and allow effective learning
- Identifying strategies to reduce dropouts
- Developing options for vocational education and technical training for young people.

**Concluded****Civic Rights**

- Encouraging action to strengthen or complement national plans of action for children, incorporating specific programmes, projects or actions to foster the observance of children's civic rights as contained in the International Convention on the Rights of the Child
- Implementing actions designed to eliminate all types of discrimination on the grounds of race, culture, social status, nationality or gender
- Promoting a culture of respect for human rights, especially the rights of children
- Accelerating the processes of adaptation of internal legislation and the establishment of judicial procedures for the application of the principles laid down in the Conventions on the Rights of the Child, on the Elimination of all Forms of Discrimination against Women, and norms on non-discrimination against the disabled
- Promoting an improvement in the situation of children at personal and social risk, through the introduction of structured programmes targeting these groups.

Equity has been an underlying principle of the objectives which inspired the goals laid down in the action plans, although it is not explicitly mentioned among the indicators selected for follow-up. In most cases, the countries which almost reach the goals, attain them or exceed them do so without achieving any improvement—or only an insufficient improvement—in the equalization of opportunities of children and young people from different socio-economic strata. The increase in the global averages is due mainly to the achievements in sectors of society whose situation would improve even without the fixing of goals.

If the analysis is centered on urban areas, for which information is available for a larger number of countries, and if a goal is adopted which is somewhat more demanding than that of the action plans but is more in keeping with the educational capital requirements of the region, it may be observed that this goal has already been reached in seven of the ten countries analysed, often by a substantial margin (see table 43). Nevertheless, there are marked disparities within the countries. In the highest per capita income quartile in urban areas of Costa Rica, 84% of young people had completed eight years' schooling at the age of 16, but in the bottom quartile only 40% had reached this level of schooling. The average was therefore 58%, which meant that that country had exceeded the average goal, but not in all socio-economic strata.

Among the countries which have not attained the goal is Brazil, where 33% of young people of 17 had completed eight years' schooling in 1990 (65% of young people in the top quartile but only 14% in the bottom quartile). Thus, when Brazil attains the average of 50% laid down as a goal, it will very likely do so on the basis of the distribution in question, in which case the situation would be even less equitable than that of Costa Rica, with 82% of young people attaining the goal in the top quartile, but only 30% in the bottom quartile.

If we look at the rest of the figures in table 43, we see that the situation in the above countries is similar to that prevailing in the region in general.

Although there has been an improvement in average levels in the early years of this decade, this has not always been the case with regard to equity. These differences come on top of a past decade which was far from favourable in this respect, with only two of the seven countries for which data are available registering improvements in terms of equity.

Consequently, unless minimum goals are laid down and monitored for the lower-income strata or criteria are established with regard to narrowing the distances between the strata, the goals will continue to be attained without fulfilling the spirit in which they were established.

The heterogeneity of the achievements registered means that it is necessary to review educational policies and re-focus them, for although the State continues to take measures to guarantee education to the whole population, the efforts need to be differentiated and concentrated on the least-privileged strata. It is necessary to offset the disadvantages faced by children and young people from those strata in the field of education because of the socio-economic and educational situation of their homes, especially in view of the fact that in many countries of the region over 35% of children and young people come from homes corresponding to quartile 1.

Finally, it must be emphasized that the objective of equity goes beyond the merely ethical level, since it also affects productivity, well-being and social integration.

The data presented confirm the validity of the ECLAC proposal for changing production patterns with social equity, which holds that priority should be given to social policies in pursuit of equity which are more synergic with economic policies, as are those designed to correct this type of situation in respect of human capital.

#### The selected goal and indicator

In order to illustrate the implications of equity for educational goals, the indicator of the percentage of children who complete their primary education has been selected. This goal is directly related with the need for education in the countries of the region so as to provide human resources who have a basic educational capital that will make possible the successful execution of the processes of changing production patterns with increases in productivity and well-being.

As noted in the following chapter, the educational threshold in the countries of the region for gaining effective access to well-being stands at 10, 11 or more years of schooling, whereas in most of the countries the primary cycle covers only six years; only a few countries, such as Bolivia, Brazil, Chile and the Dominican Republic have extended it to eight years, or to nine, as in the case of El Salvador and Venezuela.

In the light of the foregoing, and taking a view that gives priority to human capital for production purposes and access to acceptable levels of well-being, an estimate has been made of the proportion of young people of 16 or 17 (depending on the age of school entry in each country) who have completed eight or more years' schooling at that age.

This follow-up indicator tends to standardize the regional comparison from the standpoint of educational capital by leaving aside the length of the scholastic cycle in each country, although it is included in almost all cases. An approximation is thus made of the proportion of adolescents who will very probably become young people and adults with 10 or more years' schooling: i.e., the threshold figure considered to be the minimum necessary.

Furthermore, the indicator permits up to two years' lag in schooling due to late entry and/or repetition: important aspects (among others) that need to be dealt with in the educational systems of the region and which, because of their significance, have specific follow-up goals and indicators.

## 9. The magnitude and repercussions of the entry of young people into the world of work

**There are large numbers of adolescents who work and thereby prejudice their accumulation of educational capital: generally speaking, three out of every four young people who work in urban areas do not study. Towards 1992, only in one-third of the countries was there a reduction in the proportion of working adolescents, and this reduction was greater in the highest socio-economic stratum than in the lowest one.**

In 1992, the percentage of young people between 13 and 17 in urban areas who were working ranged from 6% in Chile to around 13% in Venezuela and Costa Rica and 32% in Brazil. In rural areas of the same countries the percentages were 15%, 24%, 28% and 55%, respectively. In almost all the countries the proportion of young people who were working was almost twice as high in rural areas as in urban zones (see table 44).

In the period between the early 1980s and 1992 varying trends were observed in urban areas. In

a third of the countries there was a reduction in the proportion of young people who were working, in another third there was little or no change, and in the final third there was an increase. This evolution was also marked by differences between the various socio-economic strata. In quartile 1, the proportion of young people between 13 and 17 who were working went down in only two of the seven countries during the period in question, but it went down in five of the countries in the case of adolescents from quartile 4 (see table 44).

This situation continues to limit the possibilities of acquiring educational capital. In most urban areas, three out of four working adolescents do not study. An exception to this rule is Brazil, where a high proportion of adolescents work but two out of every four continue their studies. In rural areas the situation is even more dramatic, since the proportion of working adolescents is much higher, and only 15% or fewer of them continue their studies.

The list of countries according to the average number of years of schooling of non-independent young people between 15 and 24 shows a marked inverse relation with the percentage of working adolescents. Brazil is one of the extreme cases, since in 1990 urban young people in that country had completed an average of 6.6 years' schooling and 32% of the population between 13 and 17 worked; in contrast, in Chile young people of 15 to 24 had over 10 years' schooling and only 6% of adolescents between 13 and 17 worked.

In the next chapter, an analysis will be made of the levels of income that can be earned with around 7, 10 or 12 years' schooling in the various countries, thus making it possible to determine in part the opportunity cost of the work done by adolescents, who bring economic resources into their homes but prejudice their possibilities of receiving higher wages later on.

Empirical data on the motives and economic yield of the work done by adolescents confirm that young people of the lower and lower-middle strata enter the labour market in order to increase or maintain the income level of their homes. Except for some cases such as that of Uruguay, the percentage of urban young people in per capita income quartiles 2 and 3 who work is greater than in quartiles 1 and 4. In 1992, for example, in urban areas of Costa Rica 19% of young people in quartile 2 worked, 12% in quartile 3, 11% in quartile 1 and 6% in quartile 4.

In contrast, in rural areas in general a smaller percentage of adolescents of the lower and lower middle strata declare that they work than in the middle and upper strata. This does not mean that a higher proportion of them are studying, but rather that they are neither working nor studying, which means a greater waste of society's resources. Most of the adolescents in rural lower strata continue to be trapped between the lack of establishments that would enable them to complete their secondary education, the shortage of paid jobs, and the even greater lack of opportunities for own-account work in such areas.

#### Some figures on child labour

Although the household surveys of the countries of the region collect information on activity and employment through batteries of quite exhaustive questions, relatively little credence can be given to the declarations made by households with respect to child labour, mainly because of its illegality under the prevailing laws.

Even subject to this caution about the possible underestimation of this phenomenon, however, it may be noted that a number of countries show considerable overall percentages of children between 10 and 12 who work in urban and rural areas.

Moreover, in some countries there are significant percentages of children of these ages who are neither studying nor working. Some figures on this situation are given below:

Country/year	Percentage of children who work		Percentage of children who neither work nor study	
	Urban	Rural	Urban	Rural
Brazil, 1990	6	23	6	12
Honduras, 1992	3	5	7	7
Bolivia, 1992	5	-	2	-
Venezuela, 1992	1	3	3	6
Colombia, 1992	1	-	3	-
Chile, 1992	0.3	0.2	1	2

Source: ECLAC, on the basis of special tabulations of household surveys of the respective countries.

## 10. Waste of human resources: children and young people who neither work nor study

In recent years young people have been making better use of their time, and in almost all the countries the proportion who neither work nor study has gone down. It should be noted, however, that there are still substantial proportions of young people in this situation and that, in some countries, the levels of the early 1980s are only now being recovered. There has been an improvement in equity, however, with the reduction in the difference between the upper and lower quartiles of the income distribution structure as regards the proportion of young people who neither work nor study.

In the early years of the 1990s there was a marked improvement in the use made of their opportunities by young people between 15 and 24,<sup>36</sup> since in eight out of nine countries there was a reduction in the percentage which neither studied nor worked, although in some cases only now are the levels of the early 1980s being recovered. An equally important point is the significant reduction in that percentage in the bottom socio-economic stratum in almost the same countries (see table 46). This better use of young human resources marks a strengthening of the trend which began in the second half of the 1980s, when there was a reduction in this percentage in four of the ten countries for which information is available, while in a further four there was no change, in contrast with the unfavourable generalized increase that took place

in the first half of the last decade.

Equity, as determined on the basis of the difference between the percentages of young people between 15 and 24 from households at the two extremes of the per capita income distribution structure who neither study nor work, also displays an improvement. Whereas in the second half of the 1980s this indicator only improved in seven of the 12 countries studied, between the end of that decade and the early years of the 1990s it improved in two-thirds of the countries.

Nevertheless, the number of adolescents and young people who neither study nor work is an important detail, because in the lower socio-economic strata this group is one of the "hard cores" of poverty and includes those who will to a large extent be involved in the vicious circle of the reproduction of poverty in the short and medium term. Furthermore, many of those who will become child vagrants come from this group.

In the case of the group of adolescents from 13 to 17, the percentage who do not study or work continued to be high in the early years of the 1990s, ranging from 6% to 19% in urban areas and from 16% to 27% in rural areas.

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<sup>36</sup> Although the group which it is desired to analyse is made up of non-independent young people of both sexes, the indicator used (percentage of young people between 15 and 24 who neither study nor work) is actually limited to young men, in order to avoid the statistical bias due to the fact that females who do domestic work in their own households are not included in the economically active population, which would lead to overestimation of the phenomenon. In the case of the 13-17 age group this distinction is not drawn, however, since the percentage of girls in this situation is smaller.

The situation is most difficult in the lowest stratum (quartile 1), where the percentage of adolescents who neither study nor work ranges from 10% to 25% in urban areas, whereas in the case of the top quartile the proportion does not exceed 8%. The situation is similar in rural areas, where the percentage for the first quartile is between 17% and 35%, whereas in the case of the fourth quartile it does not exceed 18% (see table 45).

Except in the case of Brazil, the percentage of young people from 13 to 17 in the bottom quartile (quartile 1) who neither study nor work is generally equal to or greater than the percentage of members of that stratum who do work.

With regard to the percentage of adolescents in urban areas from the first quartile who devote themselves solely to their studies, this came to nearly 84% in Chile, 62% in Mexico and 50% in Brazil in 1992. In contrast, the corresponding figures for adolescents from the top quartile were 95% in Chile, 89% in Mexico and 73% in Brazil. In rural areas, the percentages of adolescents in this ideal situation only came to 66% in Chile, 43% in Mexico and 29% in Brazil.

### Children in and of the streets

Studies on children living away from home distinguish three categories: children in institutions, who amount to half a million in the region, and children in and of the streets, estimated by UNDP in 1990 at some seven million for the region as a whole. This distinction is justified in that the three categories reflect different family strategies for coping with poverty.

Generally speaking, studies on children in and of the streets refer to urban children. In rural areas, children are incorporated into agricultural labour as a result of strategies which embrace the whole family. In urban areas, in contrast, there is a very marked separation between the workplace and the home. Furthermore, the labour needs of poor families living in areas far from the city centre are closely linked with the informal economy, which makes them gravitate towards central areas.

In a study on vagrant minors carried out in the Dominican Republic (Ariza Castillo, 1994) it was found that the activities of children in and of the streets are different.

Thus, the former carry out informal-type activities (shining shoes, selling newspapers, selling candies, fetching water, etc.) and are sent out to work by their parents to increase the family income. When they first go out to work—at the age of about nine—they are accompanied by someone from their family, and the income they earn is handed over to a family member. They carry on their activities in daylight hours, as well sometimes going to school and helping with household chores.

The children of the streets, in contrast, carry out activities of a marginal nature (begging, theft, prostitution) as an individual survival strategy. Most of them do not live with their families, but live alone or with other minors. They are children who left home at the age of about 11, do not go to school, and live in streets and parks.

The study did not find differences in the degree of poverty between the two groups, nor differences in the marginal areas from which they came, but the break with the family environment marked a very different way of life for these minors from a background of poverty.

## 11. The educational capital of young people: levels and trends

While the educational capital of young people in general continues to increase, there continues to be a considerable proportion who fail to reach educational levels which will give them a reasonable possibility of attaining levels of productivity and income commensurate with acceptable levels of well-being.

The acquisition of educational capital by the young people of the region has continued to increase. In eight of the 11 countries analysed, the proportion of urban young people with nine or fewer years' schooling who ceased to study went down between the early 1980s and 1992. Nevertheless, there is still a high proportion of young people who stopped going to school before having completed at least 10 years' schooling: that is to say, before completing what is considered in most

countries to be the basic cycle for gaining access to urban jobs with levels of productivity and income associated with acceptable levels of well-being. In the urban areas studied, the percentage of non-independent young people between 20 and 24 who ceased studying after completing nine years' schooling or less ranges from 20% in the case of the country with the highest level of schooling of young people, to 54% for the country with the highest proportion of young people who have not completed their basic education.

This percentage is significantly worse among young people from the bottom income quartile, where it is between 38% and 82%, while in the case of the top quartile it is between 8% and 26%: one-fifth to one-third of the first percentage (see table 47).

The foregoing reflects a situation of serious inequality, since the difference between young people in the lowest socio-economic stratum (quartile 1) and those in the top stratum (quartile 4) is between 30 and 60 percentage points.

Even more serious is the situation of rural young people: between 59% and 86% of the total, and between 70% and 96% of those from quartile 1, will leave home with a level of education which is not sufficient to meet the demands of the most modern sectors of activity. This is due, among other reasons, to the limited possibilities of completing secondary education in rural areas.

The situation described above, with figures from 1992, is due to the lack of equity which prevailed during the 1980s and the tendency towards its accentuation in seven of the 11 urban areas studied and in five of the six rural areas for which data are available (see table 47).

Between the early 1980s and 1992, the situation only improved in three countries (Chile, Colombia and Uruguay) in global terms and in terms of equity, while in four countries (Costa Rica, Panama, Paraguay and Venezuela) it improved in general and in the extreme quartiles, but equity deteriorated because the top quartile improved much more markedly.

## 12. Young people's labour income and its capacity for generating well-being

**In the early years of this decade there was a general stagnation or reduction of the purchasing power of the labour income of young people with less than 10 years' schooling, the biggest losses being in the case of those with a very low educational level, although they form an increasingly small proportion of the total.**

In the early 1990s there has been a general stagnation or reduction of the capacity to generate well-being of the labour income received by young people between 15 and 24 with less than 10 years' schooling, a higher degree of incorporation into the labour market, and with family responsibilities.

Over this period, in over half the countries analysed there was a further widening in the gap between the average income of young people with

the highest level of education (10 years' schooling or more) and those with the lowest level (0 to 5 years), because those in the first group increased the capacity of their income to generate well-being (see table 49).

Although young people with a very low educational level (0 to 5 years' schooling) form an increasingly small proportion of the total, their capacity to earn acceptable incomes is going down very markedly.

In 1992, the percentage of urban independent young persons (heads of household or spouse of the head of household) between 15 and 24 years of age who worked over 20 hours per week, did not study and received a monthly income equivalent to 2.5 or fewer poverty lines came to 98% of those in this educational stratum (0-5 years' schooling) in the case of Honduras, 71% in Mexico, and 57% in Uruguay (see table 48). To a large extent, this is because they are just starting their working life, but even if this situation is partially corrected with the passage of time a substantial proportion of them will form part of the poor sectors in the future.

At the other extreme, out of all the young people with the same features as the above group except that they have 10 years' or more schooling, 63% are in a vulnerable situation in Honduras, 25% in Mexico and 40% in Uruguay. Although they are high, these figures are much less than the preceding ones and less than those for young people with six to nine years' schooling, where the proportions are 93%, 63% and 48%, respectively.

In this respect, analysis of the differences between rural and urban areas reveals one of the few situations which are relatively favourable to the former: **rural young people with little education are initially less vulnerable than urban young people in terms of relative well-being, although they do not necessarily attain greater absolute well-being.** This is because, although the proportion of young people in rural areas with incomes equivalent to less than 2.5 poverty lines is apparently lower, this is due to the fact that rural poverty lines are some 30% lower than urban ones.

**MONTHLY LABOUR INCOME CAPACITY EQUIVALENT (CEMIT):  
AN INDICATOR OF THE SOCIO-ECONOMIC STATUS  
OF THE VARIOUS TYPES OF OCCUPATION**

This indicator standardizes labour remuneration per unit of time and purchasing power by expressing the income earned in a 44-hour working week as a multiple of the value of the per capita poverty line.

Consequently, CEMIT values must in no case be interpreted as indicating the effective well-being derived from each level of remuneration, but they do represent a very appropriate approximation to the socio-economic value implicit in the remuneration for each type of employment.

They are calculated for employed persons who receive an income and work more than 20 hours per week. These values are the result of dividing the monthly equivalent value of the hourly income by the value of the per capita poverty line. The monthly equivalent used is the income that would correspond to a 44-hour working week, calculated on the basis of the hourly wage actually received. The per capita poverty line, for its part, is the value estimated by ECLAC for each country and area, in line with the respective socio-demographic composition and economic characteristics.

The usual reservations regarding standardization by hours worked do not apply in this case, for at least two reasons. First, because the fact of having limited the calculation to those who work more than 20 hours per week centers the analysis on the labour force with the highest participation in the system of production, thus strengthening the estimate and limiting the range of variation of the coefficient of standardization by hours worked. Second, because the indicator has been constructed in order to measure the relative value of the remuneration of each type of employment, and not to analyse the total effective remuneration of each job.

The foregoing largely explains the lower relative vulnerability in terms of well-being but does not necessarily imply greater absolute well-being, especially if account is taken of the objective of social integration and proper mobility of human resources between the rural and urban environments.

In the area of policies, then, it is essential that programmes of technical training, non-formal training, support for the establishment of handicraft-type microenterprises and other initiatives of that type should be focussed on young people with insufficient formal education, so as to raise their level of human capital, bearing in mind that their probable useful working life is at least 40 years.

**Reasons for the selection of the particular population studied  
and the threshold of 2.5 poverty lines used in the analysis of  
the capacity of young people's labour income to generate  
well-being**

The equivalent capacity of the labour income of young people is most relevant when it is measured for the group most fully integrated into the labour market. Thus, the restriction "who work more than 20 hours per week and do not attend classes" refers to those young people who are most firmly established as part of the labour force, and the restriction "independent young people", i.e., those who are heads of household or spouses of heads of household, concentrates attention on those who have family responsibilities which force them to stay in the labour market.

The threshold of 2.5 poverty lines is an acceptable basis for attaining well-being because, with this level of income, a wage earner can keep a family of two above the poverty line. When both the head of household and the spouse work, they can keep a family which includes two children who do not work above that line, but the addition of a third child would put them on the borderline of poverty.



## **VI**

### **EDUCATION AND ITS IMPORTANCE AS A KEY TO WELL-BEING**



## 1. Current educational requirements for achieving well-being

**In the region's urban areas, 10 or more years of schooling —and, in most cases, completion of secondary school— are a prerequisite for opening up major opportunities for achieving well-being, which translate into a probability of avoiding poverty that exceeds 80%.**

A study of wage-earners in the most important 20 years of their working lives (between the ages of 35 and 54) in the region has revealed that, as of the early 1990s, 10 or more years of schooling are required in order to ensure an acceptable likelihood of achieving well-being and a significant degree of immunity to the risk of poverty. The analysis, which covers urban areas of a group of countries that are representative of the region's various socio-economic development

levels and educational systems, focuses only on the quantity of education required, since information on differences in quality is not available from the sources used for this type of research.

In just over half of the countries, the level of 10 to 11 years of schooling is the first at which average pay is much higher than at the preceding level, rising by more than 40% in most cases. In the rest of the countries, this phenomenon is observed at the next level; namely, among people with 12 to 14 years of schooling (see figure 18 and box below).

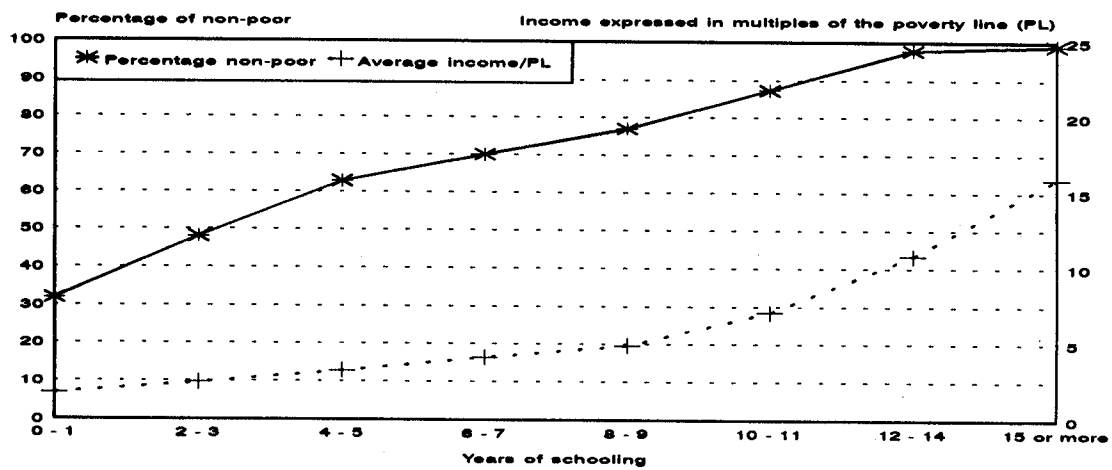
Owing to the length of time between the commencement of formal education (at six years of age) and professional maturity, it should be noted, for those who have yet to complete their education process, that the completion of secondary school—that is, of 12 or more years of schooling— is nearly always a minimum requirement for ensuring a strong probability of achieving well-being.

The study also found that, more or less regardless of their family situation in terms of household size and structure and the employment strategy of other family members, persons with the most representative levels of education in each country (10 to 11 and 12 to 14 years of schooling) have an 82% to 97% chance of avoiding poverty. These probabilities reflect a significant degree of immunity to poverty, not only because of their magnitude but also because they are equally applicable to countries with an overall poverty rate of 10% and countries with rates as high as 70%.

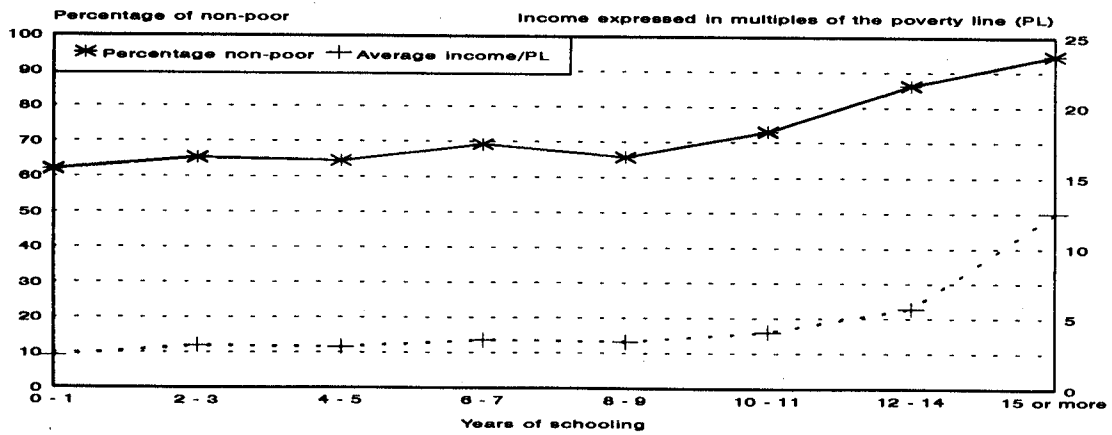
Furthermore, over 80% of these wage-earners receive monthly incomes of more than 2.5 times the level of the poverty line, thus offering more empirical evidence with respect to this threshold for analysing access to well-being, presented in the preceding chapter.

These levels of education are associated with monthly pay levels that usually average between 5.5 and 7 times the per capita poverty line. Thus, on average, each of these wage-earners could support a family of four that spends 50% more than the level of expenditure corresponding to the poverty line, or 100% more if the family has only three members. If the household includes two workers with these levels of education, its purchasing power will be, on average, 200% and 300% higher than that of a family on the poverty line in the case of four- and three-member households, respectively.

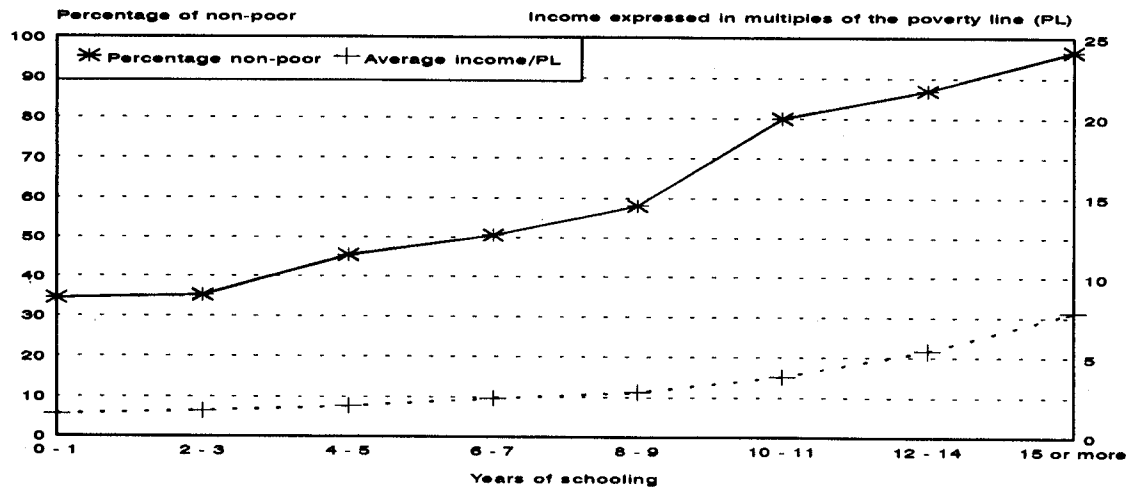
Figure 18  
 BRAZIL (1990): EMPLOYED WAGE-EARNERS BETWEEN THE AGES OF 35 AND 54  
 WHO LIVE IN HOUSEHOLDS CONSISTING OF AT LEAST TWO PEOPLE  
 (Urban areas)



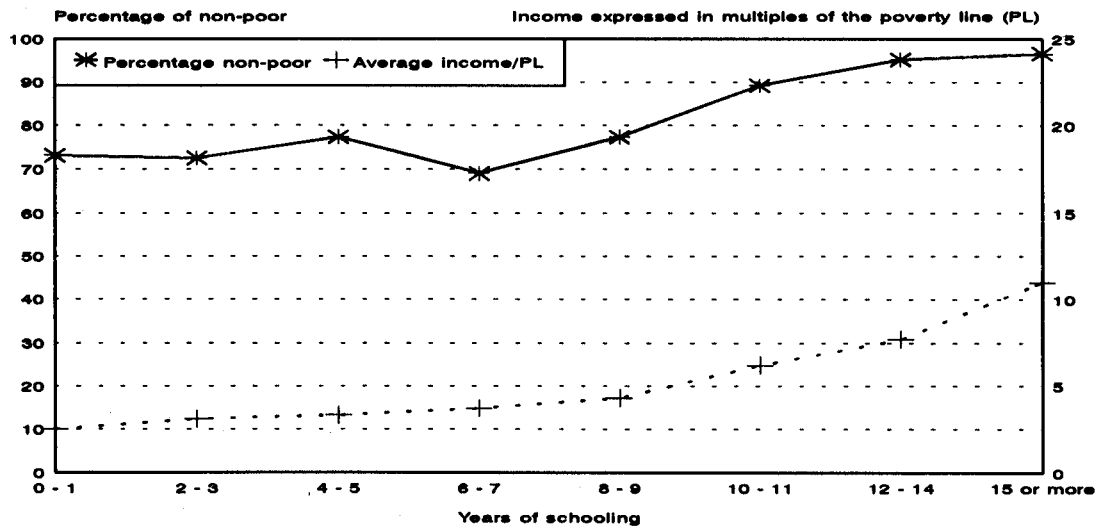
CHILE (1992): EMPLOYED WAGE-EARNERS BETWEEN THE AGES OF 35 AND 54  
 WHO LIVE IN HOUSEHOLDS CONSISTING OF AT LEAST TWO PEOPLE  
 (Urban areas)



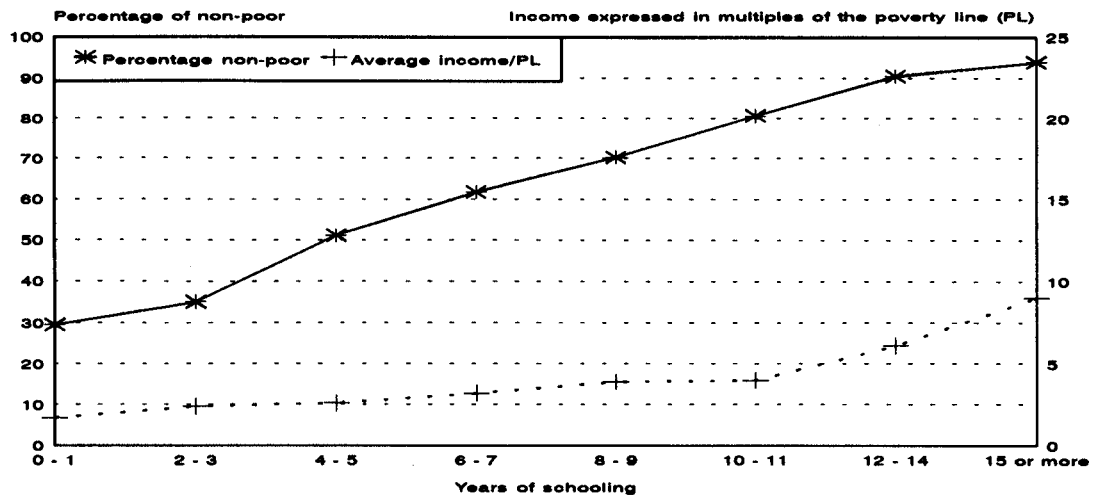
COLOMBIA (1992): EMPLOYED WAGE-EARNERS BETWEEN THE AGES OF 35 AND 54  
 WHO LIVE IN HOUSEHOLDS CONSISTING OF AT LEAST TWO PEOPLE  
 (Urban areas)



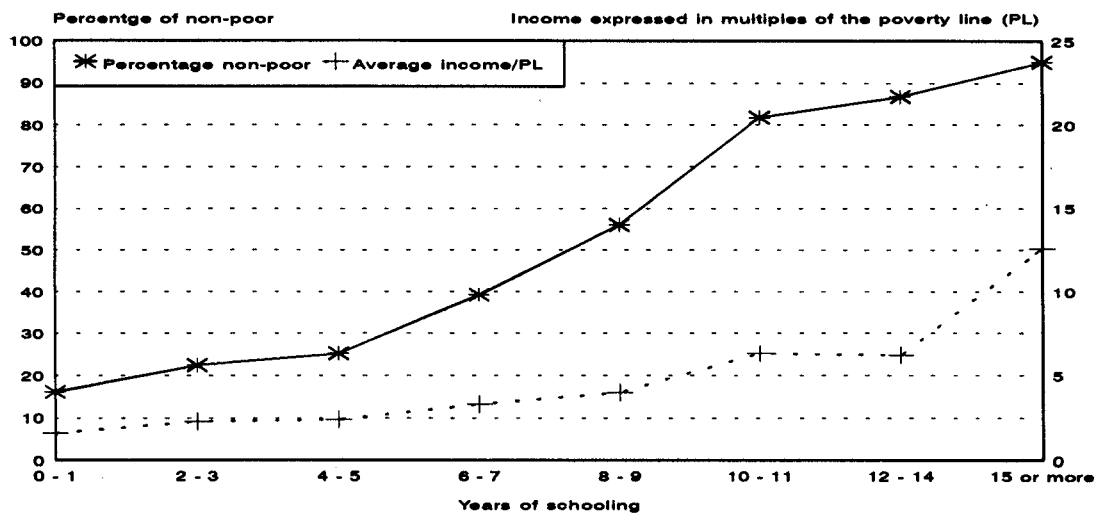
**COSTA RICA (1992): EMPLOYED WAGE-EARNERS BETWEEN THE AGES OF 35 AND 54  
WHO LIVE IN HOUSEHOLDS CONSISTING OF AT LEAST TWO PEOPLE  
(Urban areas)**



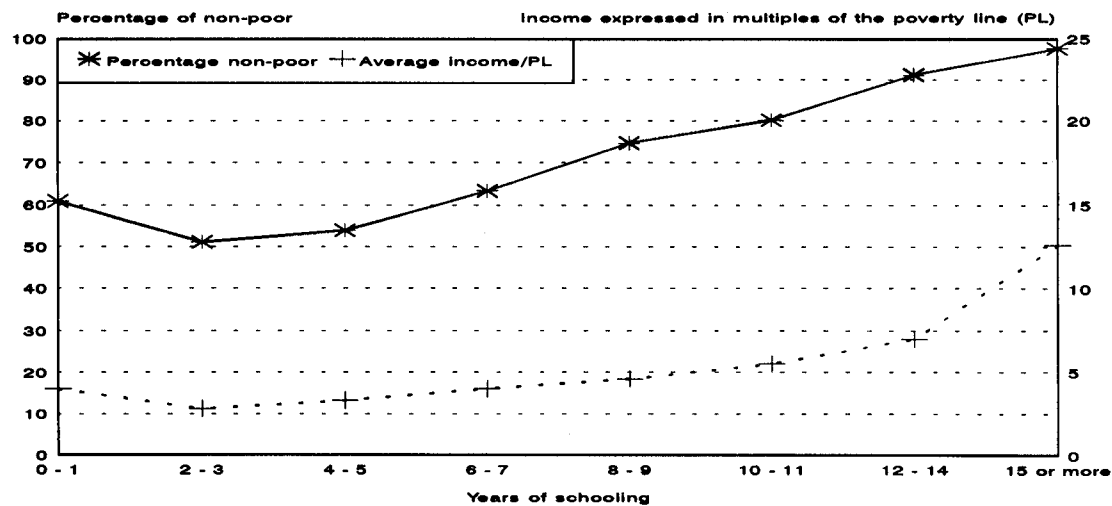
**GUATEMALA (1989): EMPLOYED WAGE-EARNERS BETWEEN THE AGES OF 35 AND 54  
WHO LIVE IN HOUSEHOLDS CONSISTING OF AT LEAST TWO PEOPLE  
(Urban areas)**



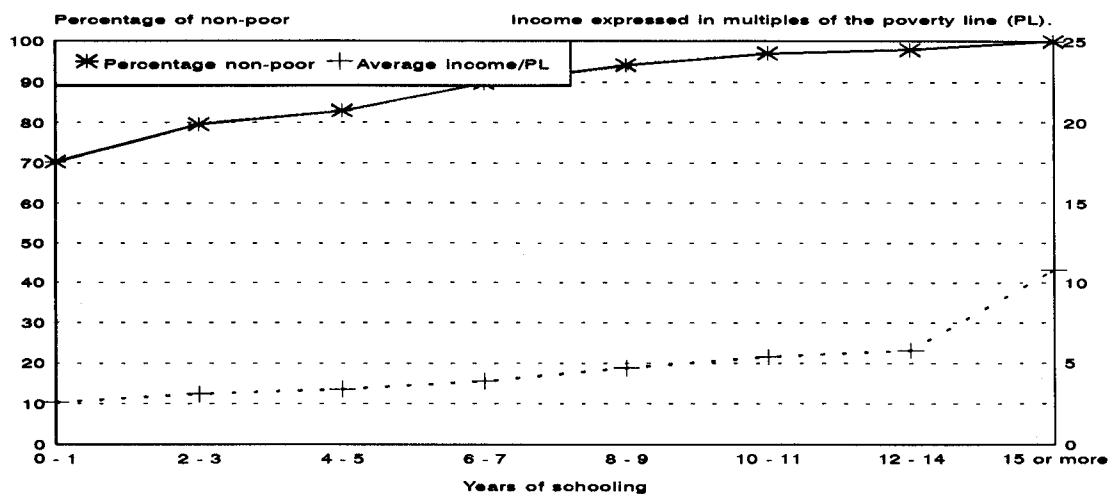
**HONDURAS (1990): EMPLOYED WAGE-EARNERS BETWEEN THE AGES OF 35 AND 54  
WHO LIVE IN HOUSEHOLDS CONSISTING OF AT LEAST TWO PEOPLE  
(Urban areas)**



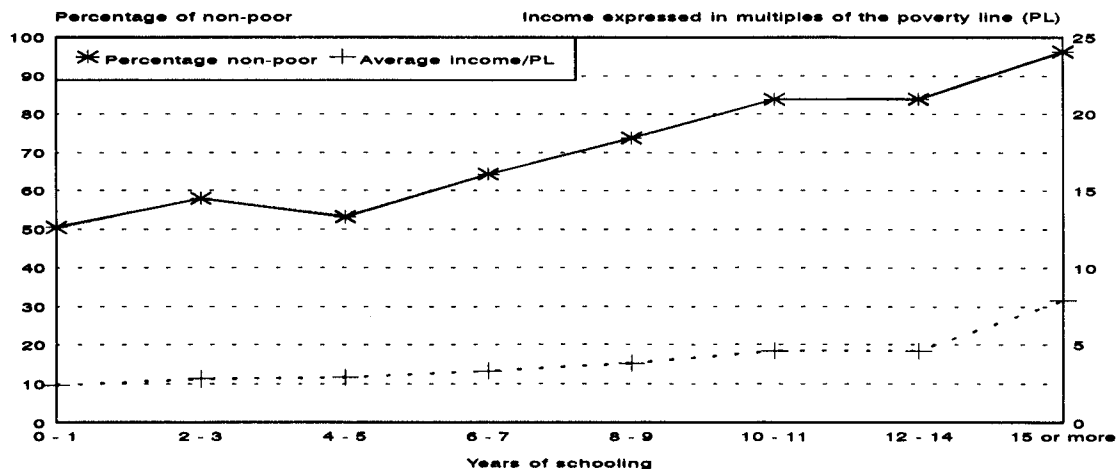
**PANAMA (1991): EMPLOYED WAGE-EARNERS BETWEEN THE AGES OF 35 AND 54  
WHO LIVE IN HOUSEHOLDS CONSISTING OF AT LEAST TWO PEOPLE  
(Urban areas)**



**URUGUAY (1992): EMPLOYED WAGE-EARNERS BETWEEN THE AGES OF 35 AND 54  
WHO LIVE IN HOUSEHOLDS CONSISTING OF AT LEAST TWO PEOPLE  
(Urban areas)**



**VENEZUELA 1992: EMPLOYED WAGE-EARNERS BETWEEN THE AGES OF 35 AND 54  
WHO LIVE IN HOUSEHOLDS CONSISTING OF AT LEAST TWO PEOPLE  
(Urban areas)**



Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

Country	Years of schooling	Average income in multiples of the poverty line	Percentage of non-poor	Percentage with incomes higher than 2.5 times the poverty line
Brazil, 1990	10 - 11	7.1	87	80
Chile, 1992	12 - 14	5.7	86	77
Colombia, 1992	12 - 14	5.4	87	84
Costa Rica, 1992	10 - 11	6.2	89	96
Guatemala, 1989	12 - 14	6.1	90	93
Honduras, 1990	10 - 11	6.3	82	84
Panama, 1991	12 - 14	7.0	91	95
Uruguay, 1992	10 - 11	5.4	97	82
Venezuela, 1992	10 - 11	4.6	84	96

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

## 2. Structure and trends of the working-age adult population's educational capital

In all of the countries analysed, the working-age adult urban population with 10 or more years of schooling continues to rise, at rates that generally range from 0.8% to 1.6% per year. Thus, in most of the countries, over 35% of urban adults have this level of education. In contrast, rural areas show a very low-quality educational profile, with either slow improvement or none at all.

Today, in the early 1990s, the proportion of working-age adults with 10 or more years of schooling continues to rise in all of the countries analysed.

In most of the countries, this proportion is increasing at a rate of between 0.8% and 1.6% a year; this rate is faster than the average annual increase during the 1980s in a third of the countries for which data on both periods are available (see table 50).

As a result of this trend, in 1992, the highest proportion of adult city dwellers —over 45%— had this level of education in four of the 11 countries studied; in three others, over 35% of urban adults belonged to this category. Although six to nine years of schooling was the most common level of education in the latter group of countries, characterizing over 45% of the adult population, all of these seven countries had the bulk of their stock of educational capital in the urban population, of which only 18% or less had completed fewer than six years of schooling.

In one of the remaining countries, 25% of the adult population had completed five or fewer years of schooling; in three others, that proportion was over 30%, and in two countries, about 50% of the adult population had that low level of education, according to data collected around 1990.

In contrast, a study of the educational profile of the adult population living in rural areas reveals severe backwardness in the countries, even those whose urban populations are most advanced in this respect. In Costa Rica, Panama and Chile, whose populations are among the region's best-educated, the proportion of rural adults with five or fewer years of schooling still exceeds 35%; only about 18% have

completed 10 or more years of schooling. Meanwhile, in Honduras, Brazil and Guatemala, over 70% and 80% of rural adults have completed five or fewer years of schooling, whereas only about 5% have completed 10 years or more.

With respect to the growth dynamics of educational capital, it should first be noted that during the 1980s, in most of the countries, the rate of increase in the proportion of people with 10 or more years of schooling was roughly equal to the rate of decrease in the proportion of people with fewer than six years of schooling.

The situation has changed in the early 1990s, since, in three of the 10 countries, the growth observed in the 10-years-and-over category is significantly faster than the decline in the zero-to-five-years category, meaning that the improvement seems to be strongest from the middle level upward; of the remaining seven countries, three are making faster progress in reducing their low-education sectors, while the other four show patterns similar to those of the 1980s, with comparable improvements at both extremes.

### 3. Earned income of the adult population: trends by sex and educational level

The earned income of urban adults is improving in more than a third of the countries, and has remained stable in half of them. However, data disaggregated by sex reveal the persistence of significant levels of wage discrimination against women.

In the early 1990s, promising trends have been observed in the earned income of urban adults who work more than 20 hours per week. Average incomes are rising in more than a third of the countries studied (Argentina, Uruguay, Chile and Mexico), while the same average levels have been maintained in nearly half of them (Bolivia, Costa Rica, Panama, Paraguay and Venezuela); income levels have fallen in only two of the cases

analysed (Colombia and Honduras). In rural areas, income is generally lower than in urban areas and its behaviour is less clear, though with some exceptions among the six cases on which information is available (see table 51).

When the situation is evaluated in terms of levels of education (zero to five years, six to nine years and 10 years or more), it appears that pay levels have generally remained stable in the first two categories, with some increases, whereas increases have clearly predominated in the group with 10 or more years of schooling.

This tallies with the fact that in the four countries with clear increases in average income, the gap between incomes at the highest and lowest educational levels has widened. In Argentina and Uruguay, this reflects increases at all three levels of education; in Chile and Mexico, it reflects the fact that income at the highest educational level has increased while income at the other two levels has remained unchanged or improved very slightly (see the "Difference" column of table 51).

In terms of the magnitude and patterns of pay differentials between the sexes, disaggregated by level of education, similar and significant levels of discrimination against female workers are still apparent

in over two thirds of the countries' urban areas. In sum, around 1992, women in urban areas earned between 66% and 80% of what men with the same level of education earned in eight out of every 10 cases analysed (see table 52).

In the educational category of zero to five years of schooling, women's average income usually represents between 50% and 70% of men's average income; the proportion generally ranges from 65% to 80% among women and men with six to nine years of schooling and, in most cases, among those with 10 or more years of schooling as well.

With respect to trends in income differentials at the beginning of the current decade, the ratio between women's and men's average earnings has not varied substantially in most of the urban areas analysed; thus, the same degree of discrimination generally persists at the middle and upper levels of education, while at the lower level —i.e., among women with fewer than six years of schooling— it has remained unchanged in some cases and improved in others.



## **VII**

### **THE SOCIAL AGENDA**



## 1. Introduction

The purpose of this chapter is to give an impressionistic description of the items on the social agenda which have stimulated public debate. On the one hand, this serves to illustrate the systematic interaction among certain issues or trends in social policy; on the other, it highlights the differences among the countries of the region, each of which has its own specific social characteristics and controversies that derive from both structural aspects and different political and ideological configurations.

There are actually two social agendas in the region: a structural one that forms the permanent backdrop for social policy, and a circumstantial one that varies according to the immediate importance which given issues may take on as a result of the interaction among different social actors. Both of these agendas are commonly reflected in the press, in government studies and plans and in the technical reports of international agencies and non-governmental organizations.

Lately, social concerns have been underpinned by an interest in governability and administrative transparency. The elections held in 11 of the countries in 1994 helped to lend a more political dimension to the discussion of social issues, which was often biased by electoral considerations.

Many countries are trying to redefine the relationship between the State and society through State reform and attempts to create opportunities for democratic, pluralistic participation.

Owing to the way in which democratic political systems function, the diversity of social actors may, in defending their interests, cause conflicts of various types. However, a strong trend towards preserving both political stability and the achievements of macroeconomic equilibrium can be discerned in the region. Consensus on the need for such stability appears to be growing among both Governments and the various actors involved in public debate. From the viewpoint of social policy, economic instability is an impediment to the setting of social priorities and, even more, to the achievement of social goals. In some cases, the primacy given to meeting economic objectives has led to the subordination or postponement of social ones, as a consequence of the view that objectives in these two areas must be pursued alternately, not concomitantly.

In general, it is widely acknowledged that social policy itself is also in need of thorough-going reforms; this translates into major controversies regarding health care and education reform and social security, and gives rise to new problems and programmes of other types, basically social investment funds and other measures to fight poverty. However, in some countries, failure to reach consensus on these issues has delayed action to address urgent problems.

This chapter also analyses the role of institutional reforms in the social sphere. Decentralization of social services is an important item on the social agenda of most of the countries. In addition, they are concerned about increasing efficiency and effectiveness in the use of the public resources allocated for social purposes, and therefore show a preference for targeted programmes.

## 2. Poverty

**Most of the countries have carried out intersectoral anti-poverty campaigns targeting specific vulnerable groups: women heads of household, indigenous peoples, teenage mothers, children and others. Some have also set up special funds for social investment or emergency action.**

Poverty and unequal income distribution in Latin America are transversal issues in that they cut across various sectoral components and have sparked wide-ranging debate from the viewpoint of social policies. Governments have focused on seeking the best ways to alleviate both structural poverty and the effects of adjustment measures. They have been aided in that effort by resources—primarily loans—from international agencies, both bilateral (United States Agency for

International Development (USAID), Canadian International Development Agency (CIDA), Japan International Cooperation Agency (JICA)) and multilateral (World Bank, Inter-American Development Bank (IDB)). At its annual meeting, held at Guadalajara in April, IDB placed special emphasis on the need to support the region's social development, to which end it decided to earmark 50% of its loans for social purposes, such as infrastructure, health and education projects. Several international forums have maintained that in order to protect recent free-market reforms, the Latin American countries must attack poverty and improve income distribution.

In the administration of social policy, a trend towards gradually overhauling both the general system of subsidies and the nature and efficiency of policy instruments has been observed in the region.

Thus, for example, Peru has given increasing priority to support systems that target the poorest sectors of society. Chile, Costa Rica, Honduras and Mexico designed their systems to reach some of the following target groups: children and young people living in poverty; families; poor women, based on their gender-specific characteristics; the working poor; older or disabled adults; women heads of household; children; and indigenous people.

To better the situation of those groups and sectors, priority is being given to job creation, support for micro-enterprises, incentives for small-scale rural production, improvement of community road networks, intensive use of manpower in infrastructure projects and enhancement of labour productivity. Moreover, programmes in these areas encourage participation on the part of the beneficiaries, mobilizing them through local governments, cooperative forms of production and private organizations (Chile, Costa Rica, Mexico and Peru).

To implement these programmes, the countries are carrying out institutional reforms aimed at providing the social sector with more expeditious, modern instruments. Many countries are restructuring the main institutions in charge of selective policies in order to define their responsibilities more clearly, interlink their functions and strengthen their management capacity. Costa Rica has structured its array of social programmes around five core areas: children, families, women, labour and solidarity. Guatemala established a Secretariat for Social Development, which also deals with ecological issues and regional and urban development. Bolivia, in reforming its Government's executive branch, created a Ministry of Human Development—which includes departments of education, health, housing and urban development, rural development, ethnic affairs, women and youth, culture and sports—and set up a Department of Public Participation within the Ministry of Sustainable Development and the Environment to take charge

of decentralizing social services and investments, and also to establish over 280 new town councils and to strengthen management capacity at that level. Since reforms of this type require a reallocation of resources from the national budget, they create a need to build public management capacity. Chile is considering the formulation of a new tax law to recognize private contributions to anti-poverty efforts.

Brazil's situation differs from that of most Latin American countries, where initiatives are conceived and carried out by the Government, in that civil society has actively joined that country's fight against poverty. An official document published in early 1993, known as the "hunger map", showed that the nutritional deficiencies of poor and indigent people in Brazil were attributable not to problems with the overall food supply, but rather to the low incomes of poor families, the disproportionate rise in the price of the shopping basket of staple foods and the large contingents of children who engaged in paid labour instead of attending school. Given this situation, the Movement for an Ethical Society proposed that hunger should be given top priority on the social agenda. The Government responded by establishing the National Food Security Council (CONSEA), consisting of various State ministers (of education, health, social welfare, planning, finance, labour and agriculture, as well as the Secretary-General of the Presidency) and representatives of organizations of civil society designated by the Movement for an Ethical Society. With the active participation of the Catholic Church, over 900 non-governmental organizations and intensive mass mobilization, this campaign, known as Citizens' Action to Fight Poverty and Enhance Life, has set up nearly 4,000 volunteer "citizens' committees" in virtually all Brazilian cities, which distribute a free shopping basket of staple foods to about 10 million people. For 1995, the movement has decided to focus its energies on job creation and on homesteading the landless rural poor.

A number of countries have attacked poverty through solidarity programmes and special funds created for that purpose. Mexico's National Solidarity Programme (PRONASOL) has inspired many similar efforts in the region. Since its establishment in 1989, it has allocated nearly US\$ 15 billion towards shoring up and improving the living conditions of the poorest sectors. With the introduction of solidarity committees —whose responsibilities are shared by the beneficiaries—, progress has been made in laying a foundation of basic social services, including the provision of municipal water and sewage systems, "decent" schools and health care services, as a result of the Programme's collaboration with the Ministry of Health and Welfare and the Mexican Social Security Institute. In Colombia, the current administration is setting up a Social Solidarity Network to help the country's 3 million critically poor people, who represent 8% of the population. Bolivia has redefined its social investment, regional development, rural development, alternative development and family and children's funds to ensure that they are specialized by type of project or target group.

In the area of production and employment —in addition to the aforementioned programmes to support micro-enterprises—, solidarity funds for production grant credit to small-scale farmers who do not meet the requirements for obtaining commercial credit; the loan repayments are then used to establish savings banks (Mexico).

In Cuba, successive studies showed that the proportion of poor people had risen to over 25% of the population, concentrated in certain types of households (headed by retirees) and areas of the country (the eastern provinces). This led to the maintenance of some subsidies, in the form of ration books, for certain staple foods, as well as special allowances for specific vulnerable groups (children, pregnant women, the elderly); recently, there has been increasing pressure to extend the targeting policy to other goods and services.

In sum, Latin American countries used a variety of methods to fight poverty in the early 1990s, although a number of them (Bolivia, Colombia, Chile, Honduras, Guatemala, Nicaragua, Peru, Venezuela) established emergency funds and social investment funds for projects in the areas of health, education and water and sewage systems, as temporary institutions that later became permanent or whose mandates were extended in order to finance social services and infrastructure projects targeting poor sectors. These funds, financed primarily by IDB and the World Bank, have played a limited role in launching long-term anti-poverty programmes; however, they have proved to be flexible and efficient as financial intermediaries. They must meet the challenge of sustainability over time by securing fresh resources and promoting the design of projects to be financed. One basic problem is linkage between the funds and the activities carried out by traditional sectoral ministries and other public agencies in the social field. Undoubtedly, the latter absorb the bulk of the public resources earmarked for these ends, which are generally allocated inefficiently.

**ANTI-POVERTY FUNDS AND PROGRAMMES BY COUNTRY, ACCORDING TO THE YEAR IN WHICH THEY WERE ESTABLISHED AND/OR TERMINATED**

Country	Name of fund or programme	Date of establishment	Date of termination
Argentina	Argentine Social Investment Fund (FAIS) Federal Solidarity Programme	1992	
Bolivia	President's Emergency Social Welfare Fund (FES) Social Investment Fund Rural Development Fund Alternative Development Fund National Housing Fund (FONVI) Regional Development Fund	1986	1990
Brazil	Social Investment Fund (FINSOCIAL) Programa da Fome	1993	
Chile	Solidarity and Social Investment Fund (FOSIS)	1990	
Colombia	Solidarity and Social Emergency Fund (FSES) National Rehabilitation Programme Cofinancing Fund for Social Investment Cofinancing Fund for Rural Investment Cofinancing Fund for Road and Urban Infrastructure	1993	
Costa Rica	Joint Institute for Social Aid (IMAS) Fund for Social Development and Family Allowances (FODESAF) National Social Compensation Programme Social Development Programme	1971 1974 1983 1990	1984 1994
Ecuador	Emergency Social Investment Fund (FISE) National Corporation for Assistance to Small-scale Productive Units (CONAUPE) Employment Development Programme (PROE) National Fund for the Feeding and Protection of the Child Population of Ecuador (FONIN) Child Development Fund (FODINFA) Housing Finance Fund (FFV) Development Fund for the Micro-Enterprise Sector (FODEME) National Micro-Enterprise Programme (PNM) National Environmental Sanitation Fund (FONASA) National Emergency Fund (FONEM) Guayaquil Urban Development Fund (FODUR) National Comprehensive Rural Development Fund (FONADRI) Development Fund for Marginalized Rural Areas (FODERUMA)	1993 1989 1989 1989 1988 1986 1986 1986 1986 1984 1983 1981 1980 1978	
El Salvador	Salvadorian Social Investment Fund (FIS)		

Country	Name of fund or programme	Date of establishment	Date of termination
Guatemala	National Peace Fund (FONAPAZ) Social Investment Fund (FIS) Solidarity Fund for Community Development National Land Purchase Fund (FONATIERRA) Guatemalan Housing Fund (FOGUAVI) Solidarity Fund for Primary Education (FODERE)	1991 1993  1992  1992	2002
Honduras	Honduran Social Investment Fund (FHIS) Informal Sector Support Programme (PASI) Productive and Social Infrastructure Building Programme (IPS) Basic Needs Programme Institution Building Programme (PFI)	1990	1993
Jamaica	Human Resources Development Programme (HRDP) Social and Economic Support Programme (SESP)	1990 1990	1995
Mexico	National Solidarity Programme (PRONASOL) Solidarity Enterprises Support Fund	1989 1991	
Nicaragua	Emergency Social Investment Fund (FISE)	1990	1995
Panama	Social Emergency Fund (FES)		
Peru	National Social Compensation and Development Fund (FONCODES) National Food Programme Social Compensation Programme Emergency Social Programme Social Emergency Programme National Social Compensation and Development System Support Programme for Grass-roots Social Organizations	1991  1988 1989 1989 1990 1991 1991	1988 1990 1989 1991
Dominican Republic	Fund for the Promotion of Community Initiatives (PRO-COMUNIDAD)*		
Uruguay	Emergency Social Investment Fund (FISE)		
Venezuela	Social Investment Fund (FONVIS)	1990	

**Source:** Rolando Franco and Ernesto Cohen, Financiamiento y criterios de racionalización de los programas contra la pobreza, document presented at the Workshop on Financing Alternatives for Anti-Poverty Programmes in Latin America and the Caribbean, organized by the Solidarity and Social Investment Fund (FOSIS), the Organization of American States (OAS) and ECLAC, Santiago, Chile, June 1994.

Steps are being taken to set up these funds with the support of two United Nations Development Programme (UNDP) projects geared towards the establishment of such funds: ARG/92/034 (in Argentina) and DOM/91/001 (in the Dominican Republic).

### 3. Education

**It is widely agreed that the countries must thoroughly reform and update education, primarily by decentralizing it, broadening its coverage and improving its quality and equity. However, there is disagreement on how (and what amount of) resources should be allocated to education, with conflicts among the various social actors involved, especially between teachers' associations and ministries of education.**

One of the key topics of debate in this field is the current state of education, in terms of both the coverage and the quality of the instruction provided and its adaptation to the modernization processes under way in the countries. Decentralization is another important consideration in this context. Conflicting views have arisen on these issues and especially on education financing and the forceful demands of teachers' unions (Bolivia, Chile, Colombia, Uruguay).

The press has devoted a great deal of attention to the low coverage of pre-basic and basic education and the deteriorating quality of basic and intermediate education, which translate into high drop-out and repetition rates in lower secondary school and inadequately prepared graduates (in Ecuador and the Dominican Republic), as well as poor school performance, as measured by education quality tests (in Chile and Uruguay). With respect to preschool education, some countries (Chile, Costa Rica, Ecuador and Paraguay) are trying to generalize its effective coverage and improve its quality by updating methods and techniques and implementing advisory, monitoring and assessment systems.

The basic aim, among other objectives, is to reduce the disparities in education quality that result in widely varying levels of student performance. This calls for improvements in textbooks and other teaching materials, in teacher quality, in support and supervision, in infrastructure and equipment and in curriculum design.

The adaptation of curricula and teaching styles to ensure that they impart the basic techniques required by the new production environment is especially apparent in Chile, Colombia, Costa Rica and Mexico. It is considered essential to teach the specific skills needed to engage in competitive activities, which the formal public education system is not equipped to offer (fluent English, computer literacy and computer languages, financial calculation, managerial and administrative skills, etc.). Moreover, Governments are placing more emphasis on encouraging the use of interactive and participatory methodologies, supported by self-instructional aids, throughout the educational system. In basic education, a wide gap is apparent between Mexico and its partners under the North American Free Trade Agreement (NAFTA), in terms of both the efficiency of secondary-school graduates and the academic preparation of the workforce in general.

Efforts have also been made to narrow the gap between urban and rural education, through programmes to raise the quality of education in one-teacher schools by promoting the development of techniques for teaching several grades simultaneously and for providing personalized assistance to each student (Colombia, Costa Rica). Bolivia's education reform emphasizes the achievement of universal coverage of all the primary grades, which would be of particular benefit in rural areas, where over 50% of potential pupils in these grades —especially girls— do not attend school. Bolivia is also introducing bilingual education (Spanish, Aymara, Guaraní and Quechua) to mitigate ethnic inequity in education.

Peru is considering whether to extend mandatory schooling to secondary education, and exploring ways to increase parents' participation and educational awareness. Proposals have also been made to redefine intermediate education by lengthening the core curriculum to 10 years and reformulating the model of scientific-humanistic and technical-professional modalities. Concepts such as multivalent schools, forward-looking curricula, personalized learning, modernization of education management and others frequently recur in the proposals of authorities and experts. In several countries (Chile, Costa Rica, Mexico and Uruguay), emphasis is also placed on the need to link education with the business world.

Pay increases for teachers are the main source of conflict in Bolivia, Chile, Colombia and Peru, in addition to the ongoing debate between teachers and Governments on different aspects of career development and the criteria for awarding tenure.

Various countries have begun to implement policies to improve equity in educational institutions, by increasing the education subsidies and resources granted to schools for their day-to-day functioning (Bolivia, Chile, Mexico, Peru); streamlining the Programme for Better-Quality Education with Greater Social Equity (Chile); lengthening the school day in institutions that perform poorly on education quality tests and, in general, increasing the number of hours per week in basic and intermediate education (Bolivia, Chile, Colombia, Costa Rica, Peru); implementing a comprehensive programme to modernize intermediate education; allocating special resources, awarded on a competitive basis, to fund institutional development projects; transferring teachers to critical areas; expanding aid programmes such as school feeding and scholarships (Chile); and launching a programme to develop science-oriented schools excelling in various disciplines (scientific, technical, artistic, etc.), with a view to forming a network closely linked to institutions of higher education. The objective of this last programme is to recruit the best students to build a new, multi-class intellectual élite (Costa Rica).

Studies on technical and higher education have also aroused criticism and prompted readaptations. At the university level, some countries are debating the effectiveness of higher education, whether or not it should be free and the extent to which it has redistributive effects (Argentina, Bolivia, Paraguay and Uruguay). In Paraguay, for example, only half of the students who enter university finish their studies after six or eight years. Moreover, 76% of university graduates say they are dissatisfied with the instruction received and recognize the need to complete their academic training with additional courses of study. Other countries are trying to make up for the severe backwardness of education in science and technology, and are seeking ways of stopping the exodus of highly skilled workers. They are also introducing new approaches to the development of science and technology, according to the demands of an open economy (Mexico).

Education budgets and their distribution have been under discussion in several countries. In both Chile and Mexico, the education sector has benefited most from this debate. In Mexico, public and private spending on education rose from 3.5% of GDP in 1988 to 5.7% in 1993, an unprecedented figure that was accompanied by education reform and constitutional amendments. On the other hand, Paraguay and the Dominican Republic are reassessing their meagre education budgets. In Paraguay, this sector accounts for only 1.9% of GDP in the country's 1995 budget. When general elections are held in Uruguay, a plebiscite will be held on a draft constitutional reform supported by teachers' unions, which proposes that resources for the sector account for at least 27% of the national budget, or 4.5% of GDP. Surveys indicate that this reform is very likely to be adopted, even though most political parties oppose it and some studies show that in order to implement it, current State programmes in other areas (under the Ministry of Public Health and the Ministry of Transport and Public Works) would have to be

discontinued, or else the value-added tax (VAT), currently 22%, would have to be raised to 32%. This, in turn, would raise the tax burden from 17.1% to 20.5% of GDP.

#### 4. Health

Press reports indicate that discussion has been focused on ways of reorganizing the health-care system and on the responsibilities of the public and private sectors, with emphasis being placed on decentralization and more efficient health services. In some countries these issues have given rise to conflict between the parties involved, particularly health workers' unions, medical associations and the relevant ministries.

In virtually all countries in the region, criticism is voiced with respect to the poor coverage and quality of health services, with non-poor population segments receiving most of the benefits of public expenditure and investment; attention is also drawn to the high maternal and infant morbidity and mortality, to the insufficient use made of the health services' infrastructure, and to the health services' low coverage and low productivity. A study conducted recently (1993) in Bolivia showed that the groups in the two highest income quintiles received over 50% of public sector health care. In the Dominican Republic, on the other hand, companies in the public sector pay

for workers with the lowest incomes to receive health care that is not in demand among such workers because it is of such poor quality.

In most countries the chief problem is not the accelerating cost spiral, as in developed countries with a high proportion of elderly people (20% or more) and universal or extensive (60% or more) health insurance coverage. In general, it is a question of extending existing coverage and raising the quality of health benefits, and of changing the institutional nature of the health sector. The last objective must be achieved by means of a gradual transfer of public responsibilities to diffused and decentralized sectors of the State's machinery, creating spheres in which regional and local governments and private organizations in civil society can operate, within the context of precise guidelines. In other cases, the private sector is seeking to assume responsibility for providing health benefits through company units, by making use of accumulative funds. It is maintained that once the transfer of the public responsibilities in question has been consolidated, health care will adjust to a multifaceted and more extensive demand.

Some countries have embarked upon reforms of their health systems that promote private sector participation. It is important to enlarge on the subject of what is happening in Colombia and Chile, since in many instances those countries' reform processes —undertaken over the past decade in Chile, and in the current decade in Colombia— are models that other countries are seeking to use.

The reform begun in Colombia in 1993 envisages the provision of health services of equal quality regardless of the individual's ability to pay, with special funding for the poorest and most vulnerable population segments, as well as mechanisms to prevent adverse selection and exclusion. Participants in the regular social security scheme are covered by a compulsory health plan that provides for preventive health care, medical treatment and surgery, and medicines. The scheme is funded by means of contributions paid by participants, or by means of fiscal resources, cooperative contributions and its own income. The organizations providing health services are public, joint, private, community or cooperative institutions set up to provide the services required under the scheme in question. In cases where health

services are provided through State social enterprises, such enterprises are decentralized public institutions, with legal personality, equity capital and administrative autonomy.

Reform of the health sector under the current Chilean Administration includes a change in the system of distributing contributions for primary care, priority being given to the poorest and remotest communes. In order to improve the public health scheme, the establishment of private corporations to assist hospitals is being promoted —according to government spokesmen, as a way of mitigating, even if only partially, the effects of the crisis that the system is undergoing. In the course of the current parliamentary process of amending the Health Insurance Institutions (ISAPRES) Act (the institutions in question are private companies), it will be decided whether to adopt a proposal to permit the institutions' beneficiaries to receive health care, against payment, in public hospitals with available beds (which would mean that the hospitals would have an additional source of income).

The relationship between the public and the private sector in the new model is under discussion, and legal changes in the method of funding the public scheme (National Health Fund (FONASA)) are being proposed, so that it may administer all the contributions it receives, in addition to part of the government contribution (which is to cover benefits for the indigent). FONASA will thus pay the health services direct for the benefits that the services provide to their beneficiaries. It will also adjust its operational and control systems, to eliminate duplicated subsidies (such as free care in public hospitals for participants in ISAPRES, and improper charges made by freely selected providers of services).

In the area of health, conflicts between the parties involved have come to the fore as a result of demands by health unions and health workers for better pay and demands by the relevant ministry for higher productivity. On this latter point, for example, the Ministry of Health of Chile has prepared a report on the productivity of public services that demonstrates that there is no link between the additional resources injected into the system in recent years and the results achieved.

In Brazil, according to a recent survey, owing to the deterioration in the public system and the limited coverage provided by private insurance schemes, particularly where catastrophic illness is concerned, major companies (those with over 2,000 employees) have their own social security schemes. In the Dominican Republic, it is estimated that 30% of the population are participants in private health plans.

In Cuba, whose health scheme has served as a model as regards universality of coverage and quality of services, the profound and prolonged economic crisis has meant that it has been necessary to ration basic medicines and limit access to an increasing number of types of specialized care, or to require payment. The reduction in budgetary resources available for health expenditure has been accompanied by cut-backs in investment in and expenditure on health facilities and a deterioration in the population's nutritional status, resulting in an increase in morbidity and mortality and a rise in demand for health services.

Where the health agenda is concerned, there are also new challenges to be faced, particularly the acquired immune deficiency syndrome (AIDS) and the reappearance of cholera. In Honduras, the situation is taking on catastrophic proportions; after Brazil, it is the country in the region with the most rapid increase in AIDS, which is aggravated by poverty in the population. The alarming spread of the disease has become an economic problem owing to the high cost of treatment, in a country where the Government allocates barely US\$ 0.6 annually per capita to health care in State institutions.

## 5. Social security

**The social security systems in some Latin American countries are undergoing far-reaching reform. In some cases the apportionment system is being abandoned and being replaced by a system based on capital formation by individuals, managed by public institutions or private companies known as pension fund administrators (AFPs). The new system tends to lead to the accumulation of enormous volumes of resources and has a significant impact at the macroeconomic level and on the channelling of resources towards investment.**

The endeavour to achieve greater efficiency has also become apparent in social security schemes. The schemes vary from one country to another, and the problems they have to face vary according to how long-standing they are and how extensive their coverage is. The "advanced" schemes were set up early on and now their coverage is extensive. Most of their resources are used for paying pensions, in view of the "maturity" of the schemes and the high life expectancy of the populations in question. They have very high liabilities-assets ratios, which together with problems relating to the way in which the resources contributed are handled, has given rise to serious actuarial and financial imbalances. Many schemes are having difficulty meeting the

cost of paying out pensions to their retired participants and participants about to retire. This problem is the result of both changes in the demographic profile of the population and poor management of the resources collected.

The schemes that could be referred to as "intermediate" emerged at a later stage and cover a lower proportion of the population; they spend their resources on health and to a lesser extent pensions. Given a high vegetative growth rate, their liabilities-assets ratios are satisfactory; however, they too suffer from actuarial imbalances, which will very soon also become financial imbalances.

Lastly, countries that have more recently set up their social security schemes have very low coverage, but a high potential for extending their coverage; they focus more on health, and there is no reason to anticipate financial imbalances in the short and medium term, although they may develop actuarial imbalances.

A recurring factor in this area is the struggle being waged by pensioners to maintain the purchasing power of their pensions. In Uruguay, for example, pensioners obtained the adoption of a constitutional amendment providing for automatic adjustment of pensions, which some analysts regard as one of the reasons for the persistence of an inflation rate in Uruguay higher than the regional average. Moreover, fear of a provision that was seen as paving the way for privatization of the social security system prompted the rejection of another constitutional amendment —even though all the political parties had expressed support for it; the proposed amendment was designed to extend electoral freedoms, and would have made it possible to vote for candidates belonging to different parties standing for election to national and local bodies.

In Argentina, once a week organized pensioners occupy public areas in front of the Government House, demanding the right to increased pensions. Recently, a number of court decisions recognized the right to have the real value of pensions maintained; these decisions were criticized by the government authorities, which believe that they will jeopardize the macroeconomic balances achieved by Argentina.

There is also increasing agreement that adjustments must be made in order to meet the needs both of current beneficiaries and of those who have been contributing to schemes for many years and will soon be claiming their entitlements. In Uruguay, the Social Insurance Bank would not be able to meet the cost of paying out pension benefits without the transfer of high amounts from the National Treasury. Various solutions have been proposed, ranging from raising the retirement age in order to improve the liabilities-assets ratio, to sharply reducing the ratio between retirement benefits and pay while in employment in order to reduce the pension scheme's disbursements, and to extending over an individual's entire working life the period used for calculating pensions, in order to increase revenues and reduce the amount of fraud resulting from the understatement of income.

In some countries the apportionment system has been replaced by a system based on capital formation, administered by either public institutions or private companies. In the case of Chile, whose system is the oldest and has served as a model for other countries, private pension funds already manage around US\$ 20 billion through the financial system. Parliamentary approval of social security reforms that promote the capital formation system has been difficult to obtain in Argentina, Bolivia and Colombia, and it has generally been necessary either to reformulate the reforms in response to strong union pressure or to reduce the fiscal costs necessary for financing the transition to the new system.

In Mexico the Mexican Social Security Institute was restructured, with management of the pension scheme being separated from the Institute's other activities and the pension scheme being privatized. Since 1992, pension funds have been administered by (reprivatized) banks, through individual accounts, under what is known as the Retirement Savings System (SAR).

In Peru, a private pension system was set up, which has approximately 900,000 participants and a volume of resources amounting to more than US\$ 120 million, in a context where there are eight private pension funds (AFPs). The number of participants in the system represents somewhat more than 10% of the estimated economically active population for 1993, and the system covers almost 45% of the contributing insured persons covered earlier by the national pension scheme. A report by the supervisory authorities indicated that just over one third of the participants were between 21 and 30 years of age, and that the proportion of males exceeded 60%. As in the case of Chile, establishment of the private system not only called for a major change in the area of social security but also had an impact on the capital market and on the management of national macroeconomic policy.

In Brazil, the hoped-for reform of the social security system did not materialize in the recent process of constitutional review. Matters that remain to be settled include fiscal reform, revision of the criteria for access and the pay limit for new retirement benefits, as well as the identification of reliable sources of funding for the system for providing medical care. The debate on the privatization of the pension funds has also been inconclusive. Moreover, as a result of a series of court decisions, there has been a real increase of 30% in the level of retirement benefits. Also as a result of administrative measures to improve the coverage system, 3 million new pensions have been granted. Lastly, social security fraud was investigated—according to some estimates, such fraud represents US\$ 1 billion each year in costs to the Treasury—and a national census of all beneficiaries was taken, which led to the payment of 1.2 million pensions being terminated.

## 6. Emerging issues

**In addition to recurring social policy issues, there are emerging issues that intersect social, economic and cultural spheres in a novel way, cutting across boundaries and affecting both these spheres and the social actors involved.**

In addition to the matters dealt with in the preceding sections, there are emerging issues that are taking on increasing importance. Among these are:

- a) Rural conflicts, which range from demands which are strictly ethnic and cultural in nature (involving questions such as bilingualism, land tenure and the boundaries of indigenous territories) to others involving the environment and physical infrastructure, as is the case in Bolivia, Brazil, Chile, Ecuador, Guatemala, Honduras, Mexico and Paraguay. In Brazil, financial and political difficulties in implementing agrarian reform initiatives have given rise to the Movement of the Landless, which has taken over land regarded as unproductive. Over the past decade, 7.6 million hectares have thus been expropriated for resettling these landless people; this process has benefited 130,000 families which have been given US\$ 50 million in official loans. This has resulted in violence in rural areas, and it is estimated that many of the 12,000 rural workers killed in conflicts during the past decade were participants in this movement;
- b) The clash of values has been reflected in the legal order, and has mainly taken the form of controversial discussions over legislation concerning the family, divorce, domestic violence, the decriminalization of abortion, pornography, public AIDS prevention campaigns, etc. The debate over divorce and abortion has become especially virulent, fuelled in intensity by the recent International Conference on Population and Development and the International Year of the Family;
- c) Concern about the environment and the impact of environmental degradation on people's lives in cities such as São Paulo, Santiago and Mexico City, where air pollution has been especially harmful to the elderly and to children;
- d) The persistence of issues that because of their symbolic nature have major political repercussions and that find expression in and have a broad impact owing to trials in the courts for human rights violations, as has happened in Chile, El Salvador, Guatemala and Honduras. It has also been reported that death squads to eliminate criminals have appeared. In Brazil, faced with the murder of children, the Parliamentary Commission for the Investigation of Violence has called for the prosecution of 110 people in Rio de Janeiro and 18 in São Paulo for involvement in paramilitary extermination groups;
- e) Corruption and various cases of tax evasion or of irresponsible management of public funds in many countries of the region;
- f) Discussion of military matters. On the one hand, there is a widespread approach that promotes the reduction of military expenditure in favour of social expenditure; on the other hand, debate has arisen in several countries over the advisability of compulsory military service. Argentina eliminated it and set up a system of voluntary service, following the death of a conscript at a military establishment. Honduras has also approved a system of voluntary military service that will formally take effect in 1995. In Chile, this issue has been raised by youth organizations, but has not found support in other sectors of society.

The abolition of the army, a measure taken by Costa Rica in 1948, is a step recently taken by Panama as well;

g) Growing concern about the increase in urban crime, the increase in drug abuse, discussion about the decriminalization of coca production (especially important in the producer countries) and legislation to control the laundering of money obtained through drug trafficking.

## **TABLES**



Table 1  
**LATIN AMERICA (13 COUNTRIES): EVOLUTION OF  
 SOCIO-ECONOMIC INDICATORS, 1980-1992**

	Per capita GDP (in 1980 dollars)	Per capita income (in 1980 dollars) <sup>a</sup>	Urban unem- ploy- ment <sup>b</sup> (%)	Variation between monthly averages of consumer price index	Percentage variations			
					Periods	Per capita GDP	Per capita in- come <sup>a</sup>	Urban minimum wage
<b>Argentina</b>								
1980	4 110	4 054	2.6	6.0	1980-1986	-11.0	-17.2	10.0
1986	3 659	3 358	5.6	5.5	1986-1990	-10.4	-14.2	-63.5
1990	3 278	2 881	7.5	29.9	1990-1992	15.5	20.7	9.5
1992	3 786	3 477	6.6	1.9	1980-1992	-7.9	-14.2	-56.0
<b>Bolivia</b>								
1980	785	740	7.1	3.3	1980-1990	-23.4	-28.0	...
1989	601	533	9.5	1.2	1990-1992	4.5	3.2	...
1992	628	550	5.8	1.0	1980-1992	-20.0	-25.7	...
<b>Brazil</b>								
1979	1 879	1 849	6.4	3.5	1979-1987	8.5	3.7	-25.5
1987	2 038	1 917	3.7	10.2	1987-1990	-6.6	-7.0	-26.4
1990	1 903	1 782	4.3	32.4	1990-1992	-3.4	-2.8	-0.4
1992	1 839	1 732	5.9	20.8	1979-1992	-2.1	-6.3	-45.4
<b>Chile</b>								
1980	2 315	2 228	9.0	2.5	1980-1985	-6.7	-17.4	-30.9
1987	2 160	1 840	11.9	1.5	1987-1990	15.0	18.2	26.6
1990	2 483	2 175	8.8	2.0	1990-1992	11.7	9.3	14.3
1992	2 774	2 377	6.0	1.2	1980-1992	19.8	6.7	0.0
<b>Colombia</b>								
1980	1 225	1 221	9.7	2.0	1980-1986	7.0	4.9	14.2
1986	1 310	1 282	13.8	1.4	1986-1990	10.2	4.8	-5.5
1990	1 444	1 343	10.3	2.2	1990-1992	2.0	0.6	-5.8
1992	1 473	1 351	9.1	2.0	1980-1992	20.3	10.6	1.6
<b>Costa Rica</b>								
1981	1 471	1 224	9.1	2.7	1981-1986	-3.9	-4.8	26.8
1988	1 414	1 166	6.3	1.6	1988-1990	3.4	3.8	5.1
1990	1 461	1 210	5.4	1.5	1990-1992	3.7	-2.4	-7.5
1992	1 516	1 181	4.2	1.7	1981-1992	3.1	-3.5	23.3
<b>Guatemala</b>								
1986	901	879	14.0	2.4	1986-1989	2.5	2.4	...
1989	923	901	6.2	1.0	1989-1992	2.4	7.5	...
1992	945	968	6.1	0.8	1986-1992	4.9	10.1	...
<b>Honduras</b>								
1980	705	664	8.8	1.4	1980-1990	-8.2	-8.3	...
1990	647	609	6.9	1.8	1990-1992	1.5	-1.5	...
1992	657	600	5.1	0.6	1980-1992	-6.8	-9.6	...

Table 1 (concluded)

	Per capita GDP (in 1980 dollars)	Per capita income (in 1980 dollars) <sup>a</sup>	Urban unemployment <sup>b</sup> (%)	Variation between monthly averages of consumer price index	Percentage variations			
					Period	Per capita GDP	Per capita income <sup>a</sup>	Urban minimum wage
<b>Mexico</b>								
1984	2 556	2 328	5.7	4.3	1984-1989	-6.0	-6.5	-29.7
1989	2 402	2 176	2.9	1.5	1989-1992	3.7	4.2	-17.1
1992	2 491	2 267	4.3	1.2	1984-1992	-2.5	-2.6	-41.8
<b>Panama</b>								
1979	1 592	1 569	11.6	0.6	1979-1986	15.9	22.7	...
1986	1 845	1 925	12.7	0.0	1986-1989	-18.7	-21.5	...
1989	1 500	1 512	20.4	0.0	1989-1991	10.5	-12.7	...
1991	1 657	1 320	18.6	0.1	1979-1991	4.1	-15.8	...
<b>Paraguay</b>								
1986	1 199	1 209	6.1	2.3	1986-1990	8.4	9.5	21.5
1990	1 299	1 324	6.6	2.7	1990-1992	-1.5	-2.3	-12.2
1992	1 279	1 294	5.0	1.2	1986-1992	6.7	7.0	6.6
<b>Uruguay</b>								
1981	2 289	2 255	6.7	2.5	1981-1985	-9.5	-16.7	-14.4
1986	2 071	1 877	13.1	4.8	1986-1989	7.3	8.9	-21.9
1990	2 222	2 044	9.3	6.5	1989-1992	9.2	13.5	-13.2
1992	2 426	2 320	8.4	4.4	1981-1992	6.0	2.9	-42.0
<b>Venezuela</b>								
1981	3 905	3 938	6.8	1.3	1981-1986	-13.7	-30.5	4.9
1986	3 371	2 738	10.7	0.9	1986-1990	-1.5	3.1	-34.4
1990	3 322	2 823	10.2	2.9	1990-1992	11.8	6.1	2.4
1992	3 714	2 996	7.3	2.3	1981-1992	-4.9	-23.9	-29.6

Source: ECLAC, on the basis of official figures supplied by the countries.

<sup>a</sup> Refers to real per capita gross national income.

<sup>b</sup> For Argentina (1990 and 1992), Bolivia (1989 and 1992), Chile (1990 and 1992), Colombia (1992), Costa Rica (1992), Honduras (1992), Mexico (1989 and 1992), Panama (1991), Paraguay (1992), Uruguay (1992) and Venezuela (1992), the urban unemployment rates correspond to the reference period of the respective household surveys and to the annual average.

Table 2  
**LATIN AMERICA (13 COUNTRIES): DISTRIBUTION OF THE EMPLOYED  
 ECONOMICALLY ACTIVE POPULATION, BY OCCUPATIONAL  
 CATEGORY, IN URBAN AREAS, 1980-1992**  
*(Percentages)*

	Total	Employ- ers	Wage-earners						Own- account and family workers	
			Total	Public sector	Private sector				Total	Non- prof- fes- sional, non tech- nical
					Total <sup>a</sup>	Pro- fes- sional and tech- nical	Non-professional, non-technical			
							Estab- lishments employ- ing more than 5 persons <sup>b</sup>	Estab- lishments employ- ing up to 5 persons		
<b>Argentina</b> (Greater Buenos Aires)										
1980	100.0	5.5	69.2	...	69.2	6.4	46.0	12.8	25.3	22.4
1986	100.0	5.0	68.8	...	68.8	7.9	42.7	12.9	26.1	23.0
1990	100.0	5.4	69.2	...	69.2	9.1	43.0	12.6	25.4	21.8
1992	100.0	5.5	70.0	...	70.0	...	...	...	24.5	...
<b>Bolivia</b>										
1989	100.0	2.7	52.7	18.3	34.4	3.0	13.9	12.1	44.6	42.4
1992	100.0	5.6	55.1	15.5	39.6	4.1	20.6	11.3	39.3	37.3
<b>Brazil <sup>c</sup></b>										
1979	100.0	4.4	75.4	...	75.4	8.2	43.2	16.5	20.2	19.3
1987	100.0	4.0	74.1	...	74.1	8.7	40.1	18.3	21.8	20.6
1990	100.0	5.2	72.4	...	72.4	8.8	39.0	18.5	22.4	21.2
<b>Chile <sup>d</sup></b>										
1987	100.0	1.6	72.9	11.6	61.3	6.9	46.7	...	25.5	23.2
1990	100.0	2.4	73.8	...	73.8	12.0	54.8	...	23.8	21.9
1992	100.0	2.1	74.4	...	74.4	12.3	42.3	13.1	23.5	22.1
<b>Colombia</b> (8 major cities)										
1980	100.0	4.0	69.6	10.6	59.1	4.9	47.4	...	26.4	24.6
1986	100.0	3.7	68.7	10.6	58.1	5.4	46.5	...	27.6	25.6
1990	100.0	4.2	69.5	10.4	59.2	6.9	46.8	...	26.3	23.9
1992	100.0	3.8	67.5	9.3	58.2	6.7	46.4	...	28.7	26.0
<b>Costa Rica</b>										
1981	100.0	3.9	77.3	29.9	47.5	4.6	26.0	11.8	18.7	17.8
1988	100.0	4.8	75.9	26.8	49.2	5.9	28.2	11.7	19.2	17.7
1990	100.0	5.5	74.8	25.0	49.7	5.8	29.5	10.0	19.7	18.2
1992	100.0	4.6	77.0	25.0	52.0	6.7	32.3	9.6	18.4	16.6
<b>Guatemala</b>										
1986	100.0	4.5	62.1	13.8	48.3	6.2	17.5	15.3	33.3	32.5
1989	100.0	2.6	63.8	14.7	49.2	7.6	20.3	14.3	33.6	32.7

Table 2 (concluded)

	Wage-earners								Own-account and family workers	
	Total	Employers	Private sector						Total	Non-professional, non technical
			Total	Public sector	Total <sup>a</sup>	Professional and technical	Non-professional, non-technical			
							Establishments employing more than 5 persons <sup>b</sup>	Establishments employing up to 5 persons		
<b>Honduras</b>										
1990	100.0	1.5	65.5	14.4	51.1	4.9	26.3	13.2	33.0	31.6
1992	100.0	1.6	66.1	14.9	51.2	6.6	28.1	9.9	32.3	30.8
<b>Mexico <sup>c</sup></b>										
1984	100.0	2.6	71.9	...	71.9	4.8	64.5	...	25.5	24.8
1989	100.0	3.3	76.4	...	76.4	7.3	66.4	...	20.3	19.2
1992	100.0	4.8	76.8	...	76.8	6.6	47.9	19.0	18.4	17.4
<b>Panama</b>										
1979	100.0	2.1	80.6 <sup>f</sup>	31.1	44.7	5.5	33.0	...	17.3	17.0
1986	100.0	1.9	75.7	27.4	48.3	3.6	32.3	5.5	22.4	21.9
1989	100.0	2.0	71.5	29.2	42.3	3.3	26.3	6.2	26.5	25.6
1991	100.0	3.4	73.1	26.6	46.5	4.1	30.0	5.4	23.5	22.5
<b>Paraguay (Asunción)</b>										
1986	100.0	7.7	65.4	12.6	52.8	4.6	22.0	12.3	26.9	24.9
1990	100.0	9.2	66.3	12.9	53.4	5.1	21.1	15.8	24.5	22.9
1992	100.0	6.8	68.3	14.3	54.0	7.3	24.4	11.5	24.9	22.2
<b>Uruguay</b>										
1981	100.0	4.6	76.7	23.7	53.0	2.6	35.4	8.0	18.7	17.1
1986	100.0	5.8	72.4	22.9	49.5	3.2	29.3	9.6	21.8	20.1
1990	100.0	4.5	74.2	21.8	52.4	3.6	31.5	10.4	21.3	19.3
1992	100.0	4.4	72.7	18.7	54.0	4.8	32.7	9.5	22.9	20.1
<b>Venezuela</b>										
1981	100.0	6.0	75.0	24.8	50.2	4.6	34.4	7.7	19.0	18.4
1986	100.0	7.5	71.2	21.7	49.6	5.2	34.0	6.6	21.3	20.6
1990	100.0	7.5	70.0	22.5	47.5	5.7	31.3	6.5	22.5	21.5
1992	100.0	7.6	70.1	19.5	50.6	4.4	34.8	6.4	22.3	21.2

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> Includes household employees. For Argentina, Brazil, Chile (1990 and 1992) and Mexico, also includes public-sector wage-earners.

<sup>b</sup> For Chile (1987 and 1990), Colombia, Mexico (1984 and 1989) and Panama (1979) no information was available on the size of business establishments. In those cases, wage-earners in non-professional, non-technical occupations in establishments employing 5 or fewer workers are included in the figures for establishments employing over 5 workers.

<sup>c</sup> Brazil's National Household Survey (PNAD) does not provide information on the size of business establishments. Accordingly, the figure given for Brazil in the column for establishments employing over 5 persons corresponds to the percentage of workers who have an employment contract ("carteira"), while the column for establishments employing 5 or fewer workers shows the percentage of workers who do not have such contracts.

<sup>d</sup> The data are from national socio-economic surveys (CASEN).

<sup>e</sup> The data are from national household income and expenditure surveys.

<sup>f</sup> Includes persons employed in the Panama Canal Zone.

Table 3  
**LATIN AMERICA (8 COUNTRIES): DISTRIBUTION OF THE EMPLOYED  
 ECONOMICALLY ACTIVE POPULATION, BY OCCUPATIONAL  
 CATEGORY, IN RURAL AREAS, 1980-1992**  
*(Percentages)*

	Total	Employ- ers	Wage-earners			Own-account and unpaid family workers	
			Total	Public sector	Private sector	Total <sup>a</sup>	Agri- culture
<b>Brazil</b>							
1979	100.0	2.8	38.0	...	38.0	59.2	53.2
1987	100.0	2.2	43.8	...	43.8	54.0	46.1
1990	100.0	3.0	44.2	...	44.2	52.8	44.5
<b>Chile<sup>b</sup></b>							
1987	100.0	1.3	63.7	3.2	60.5	35.0	27.4
1990	100.0	2.8	64.8	...	64.8	32.4	25.1
1992	100.0	1.5	64.4	...	64.4	34.1	26.0
<b>Costa Rica</b>							
1981	100.0	3.3	70.0	12.2	57.8	26.7	17.0
1988	100.0	4.9	65.8	10.3	55.5	29.3	18.6
1990	100.0	5.1	66.2	10.5	55.7	28.7	16.8
1992	100.0	5.1	67.5	10.1	57.4	27.5	15.1
<b>Guatemala</b>							
1986	100.0	0.5	39.8	2.3	37.5	59.7	46.4
1989	100.0	0.5	38.3	2.9	35.4	61.2	47.9
<b>Honduras</b>							
1990	100.0	0.5	34.9	4.0	30.9	64.6	47.6
1992	100.0	0.5	36.9	6.4	30.5	62.6	42.5
<b>Mexico<sup>c</sup></b>							
1984	100.0	0.9	48.3	...	48.2	50.8	38.1
1989	100.0	2.5	50.2	...	50.2	47.3	34.5
1992	100.0	1.6	48.9	...	48.8	49.5	33.6
<b>Panama</b>							
1979	100.0	0.7	40.1 <sup>d</sup>	13.5	25.8	59.2	48.9
1986	100.0	2.3	47.6	14.8	32.8	50.0	39.1
1989	100.0	2.0	38.9	11.5	27.5	59.1	47.3
1991	100.0	2.9	39.1	12.5	26.6	58.0	45.5
<b>Venezuela</b>							
1981	100.0	6.8	47.6	9.2	38.4	45.6	30.9
1986	100.0	6.3	44.8	7.9	36.9	48.8	36.0
1990	100.0	6.9	46.6	8.3	38.3	46.5	33.3
1992	100.0	8.2	50.3	7.8	42.5	41.5	26.5

Source : ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> Includes household employees. For Brazil, Chile (1990 and 1992) and Mexico, also includes public-sector wage-earners.

<sup>b</sup> The data are from national socio-economic surveys (CASEN).

<sup>c</sup> The data are from national household income and expenditure surveys.

<sup>d</sup> Includes persons employed in the Panama Canal Zone.

Table 4  
**LATIN AMERICA (13 COUNTRIES): AVERAGE INCOMES OF THE EMPLOYED  
 ECONOMICALLY ACTIVE POPULATION, BY OCCUPATIONAL CATEGORY,  
 IN URBAN AREAS, 1980-1992**  
*(In multiples of the respective per capita poverty lines)*

	Wage-earners								Own-account and family workers	
	Total	Employers	Private sector						Total <sup>b</sup>	Non-professional, non technical
			Total	Public sector	Total <sup>a</sup>	Professional and technical	Non-professional, non-technical			
							Establishments employing more than 5 persons <sup>b</sup>	Establishments employing up to 5 persons		
<b>Argentina</b> (Greater Buenos Aires)										
1980	8.1	19.3	6.6	...	6.6	12.6	6.5	4.9	9.6	8.7
1986	7.5	19.9	6.4	...	6.4	11.5	6.4	4.6	8.0	7.0
1990	6.4	20.6	4.7	...	4.7	9.4	4.5	3.6	7.9	7.2
1992	7.9	23.7	6.0	..	6.0	...	...	...	9.9	...
<b>Bolivia</b>										
1989	4.2	14.4	3.8	4.3	3.5	8.1	4.0	2.8	4.1	3.8
1992	4.3	12.9	3.9	4.9	3.5	7.2	3.5	2.8	3.5	3.2
<b>Brazil<sup>c</sup></b>										
1979	5.6	21.8	4.6	...	4.6	9.0	4.9	3.1	5.8	5.2
1987	5.2	22.2	4.3	...	4.3	7.7	4.9	2.7	5.5	4.9
1990	4.4	15.5	3.8	...	3.8	7.0	4.0	2.8	3.7	3.3
<b>Chile<sup>d</sup></b>										
1987	4.3	20.9	3.9	5.3	3.6	8.7	3.2	...	4.4	3.9
1990	4.3	17.6	4.1	...	4.1	7.0	3.7	...	3.9	3.6
1992	4.7	24.0	4.2	...	4.2	8.4	3.8	2.8	4.7	4.5
<b>Colombia</b> (8 major cities)										
1980	4.0	17.1	3.1	4.8	2.8	7.1	2.5	...	4.3	3.7
1986	4.1	12.1	3.3	5.1	2.9	5.6	2.8	...	4.8	4.4
1990	3.9	11.7	3.3	5.1	3.0	6.7	2.6	...	4.4	3.7
1992	3.4	11.1	2.9	4.6	2.7	6.2	2.3	...	3.5	3.1
<b>Costa Rica</b>										
1981	6.6	13.1	6.3	8.9	4.6	7.6	5.1	3.5	7.3	6.9
1988	5.4	8.9	5.1	6.8	4.2	6.6	4.5	3.0	5.4	5.1
1990	5.2	6.8	5.4	7.3	4.4	7.2	4.6	3.3	3.7	3.5
1992	5.1	10.0	5.0	6.9	4.1	7.5	4.0	3.1	4.3	3.9
<b>Guatemala</b>										
1986	3.1	10.6	2.9	4.6	2.5	3.9	3.2	1.6	2.4	2.2
1989	3.5	18.1	3.1	4.8	2.5	3.1	3.2	1.7	3.2	3.0

Table 4 (concluded)

	Wage-earners								Own-account and family workers	
	Total	Employers	Private sector						Total <sup>b</sup>	Non-professional, non technical
			Total	Public sector	Total <sup>a</sup>	Professional and technical	Non-professional, non-technical			
							Establishments employing more than 5 persons <sup>b</sup>	Establishments employing up to 5 persons		
<b>Honduras</b>										
1990	2.8	16.8	3.1	4.9	2.5	6.5	2.7	1.6	1.7	1.6
1992	2.4	8.6	2.4	3.5	2.1	4.8	2.1	1.4	1.9	1.6
<b>Mexico<sup>c</sup></b>										
1984	4.8	14.8	4.7	...	4.7	7.0	4.6	...	4.2	4.1
1989	4.4	21.6	3.5	...	3.5	5.5	3.4	...	4.8	4.4
1992	4.7	23.0	3.8	...	3.8	5.8	4.3	2.4	3.6	3.3
<b>Panama</b>										
1979	5.6	12.5	5.9 <sup>f</sup>	6.0	5.4	7.0	5.9	...	3.0	2.9
1986	5.5	12.8	6.2	7.1	5.6	15.8	6.2	3.1	2.7	2.6
1989	4.9	13.4	5.6	7.4	4.4	13.2	5.0	3.0	2.2	2.0
1991	5.0	11.8	5.5	7.4	4.4	8.2	4.8	3.0	2.5	2.3
<b>Paraguay (Asunción)</b>										
1986	3.1	8.2	2.6	3.3	2.4	5.9	3.1	1.7	2.6	2.2
1990	3.4	10.2	2.4	3.4	2.2	3.9	2.9	1.8	3.8	3.6
1992	3.6	10.7	3.0	4.4	2.6	5.9	2.5	2.1	3.4	3.1
<b>Uruguay</b>										
1981	6.0	23.6	4.3	5.0	4.0	6.9	4.5	3.0	7.7	7.1
1986	5.0	22.4	3.5	4.1	3.2	6.1	3.6	2.3	5.8	5.3
1990	4.3	12.0	3.7	4.0	3.5	6.0	4.0	2.5	3.5	2.7
1992	4.6	13.1	4.2	4.5	4.1	9.3	4.3	2.8	3.9	3.3
<b>Venezuela</b>										
1981	7.6	11.5	7.8	8.8	7.3	12.3	7.6	5.0	5.2	5.0
1986	5.7	11.9	5.3	5.9	5.0	5.3	5.5	3.5	4.4	4.2
1990	4.5	12.0	3.7	3.9	3.6	4.2	4.0	2.5	4.5	4.3
1992	4.8	12.3	3.8	4.4	3.5	6.4	3.6	2.5	5.4	5.1

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> For Argentina, Brazil and Mexico, includes public-sector wage-earners.

<sup>b</sup> Includes wage-earners in the agricultural, forestry, hunting and fisheries sectors together with wage-earners in professional and technical occupations.

<sup>c</sup> Brazil's National Household Survey (PNAD) does not provide information on the size of business establishments. Accordingly, the figure given for Brazil in the column for establishments employing over 5 persons corresponds to the percentage of workers who have an employment contract ("carteira"), while the column for establishments employing 5 or fewer workers shows the percentage of workers who do not have such contracts.

<sup>d</sup> The data are from national socio-economic surveys (CASEN).

<sup>e</sup> The data are from national household income and expenditure surveys.

<sup>f</sup> Includes persons employed in the Panama Canal Zone.

Table 5  
**LATIN AMERICA (8 COUNTRIES): AVERAGE INCOMES OF THE EMPLOYED  
 ECONOMICALLY ACTIVE POPULATION, BY OCCUPATIONAL  
 CATEGORY, IN RURAL AREAS, 1980-1992**  
*(In multiples of the respective per capita poverty lines)*

	Total	Employ- ers	Wage-earners			Own-account and unpaid family workers	
			Total <sup>a</sup>	Public sector	Private sector	Total <sup>b</sup>	Agri- culture
<b>Brazil</b>							
1979	2.1	10.9	2.3	...	2.3	1.5	1.3
1987	3.0	20.3	2.4	...	2.4	2.7	2.4
1990	2.4	10.7	2.6	...	2.6	1.8	1.6
<b>Chile<sup>c</sup></b>							
1987	3.2	18.7	2.8	5.5	2.6	3.5	3.4
1990	3.9	26.4	3.3	...	3.3	3.1	3.0
1992	3.8	26.2	3.3	...	3.3	3.6	3.6
<b>Costa Rica</b>							
1981	5.9	16.6	5.1	9.8	4.1	7.1	6.9
1988	5.2	11.5	4.8	6.8	4.4	5.1	4.6
1990	5.1	9.9	5.2	8.4	4.6	4.0	3.9
1992	5.3	9.9	5.2	7.8	4.8	4.6	4.6
<b>Guatemala</b>							
1986	2.4	16.4	2.1	5.0	1.9	2.2	2.1
1989	2.5	21.2	2.3	4.9	2.1	2.4	2.1
<b>Honduras</b>							
1990	1.7	13.8	2.2	4.9	1.8	1.3	1.3
1992	1.7	4.9	2.2	4.0	1.8	1.4	1.4
<b>Mexico<sup>d</sup></b>							
1984	3.5	7.4	4.0	...	4.0	2.9	2.8
1989	3.2	9.7	2.9	...	2.9	3.1	3.1
1992	2.9	10.5	2.7	...	2.7	2.1	2.1
<b>Panama</b>							
1979	3.6	4.0	5.6 <sup>e</sup>	6.7	4.6	2.3	2.0
1986	3.9	11.3	5.0	7.8	3.7	2.5	2.2
1989	3.1	9.4	5.0	8.0	3.7	1.7	1.5
1991	3.4	10.8	5.2	7.7	4.0	1.9	1.9
<b>Venezuela</b>							
1981	6.1	11.0	7.4	9.4	6.9	3.9	3.3
1986	4.3	11.9	4.4	6.2	4.0	3.1	2.8
1990	3.8	9.5	3.3	4.3	3.1	3.5	2.9
1992	4.4	10.1	3.5	4.8	3.3	4.5	4.4

Source : ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> For Brazil, Chile (1990 and 1992) and Mexico, also includes public-sector wage-earners.

<sup>b</sup> Includes wage-earners in all sectors of activity.

<sup>c</sup> The data are from national socio-economic surveys (CASEN).

<sup>d</sup> The data are from national household income and expenditure surveys.

<sup>e</sup> Includes persons employed in the Panama Canal Zone.

Table 6  
**LATIN AMERICA (13 COUNTRIES): PERCENTAGE VARIATIONS IN AVERAGE REAL INCOMES<sup>a</sup> OF THE EMPLOYED ECONOMICALLY ACTIVE POPULATION, BY OCCUPATIONAL CATEGORY, IN URBAN AREAS, 1980-1992**

	Wage-earners								Own-account and unpaid family workers	
	Total	Employers	Private sector						Total <sup>c</sup>	Non-professional non technical
			Total	Public sector	Total <sup>b</sup>	Professional and technical	Non-professional, non-technical			
							In establishments employing more than 5 persons <sup>b</sup>	In establishments employing up to 5 persons		
<b>Argentina</b> (Greater Buenos Aires)										
1980-1986	-7	3	-3	...	-3	-9	-2	-6	-17	-20
1986-1990	-15	4	-27	...	-27	-18	-30	-22	-1	3
1990-1992	23	15	28	...	28	...	...	...	25	...
<b>Bolivia</b>										
1989-1992	2	-10	3	14	-2	-11	-13	0	-15	-16
<b>Brazil<sup>d</sup></b>										
1979-1987	-7	2	-7	...	-7	-14	-2	-13	-5	-6
1987-1990	-15	-30	-12	...	-12	-9	-18	4	-33	-33
<b>Chile<sup>e</sup></b>										
1987-1990	1	-16	5	...	14	-20	16	...	-11	-8
1990-1992	9	36	2	...	2	20	-3	...	21	25
<b>Colombia</b> (8 major cities)										
1980-1986	2	-29	6	6	4	-21	12	...	12	19
1986-1990	-5	-3	0	0	3	18	-5	...	-8	-16
1990-1992	-13	-5	-12	-10	-10	-7	-12	...	-20	-16
<b>Costa Rica</b>										
1981-1988	-18	-32	-19	-24	-9	-13	-12	-14	-26	-26
1988-1990	-4	-24	6	7	5	9	3	10	-31	-31
1990-1992	-2	47	-7	-5	-7	3	-14	-6	16	11
<b>Guatemala</b>										
1986-1989	13	71	7	4	0	-19	-1	6	33	36
<b>Honduras</b>										
1990-1992	-14	-49	-23	-29	-16	-26	-22	-13	12	0
<b>Mexico<sup>f</sup></b>										
1984-1989	-8	46	-26	...	-26	-21	-26	...	14	7
1989-1992	7	6	9	...	9	5	11	...	-25	-25
<b>Panama</b>										
1979-1986	-2	2	5 <sup>g</sup>	18	4	125	6	-	-10	-10
1986-1989	-11	5	-10	4	-21	-16	-20	-3	-19	-23
1989-1991	2	-12	-2	0	0	-38	-4	0	14	15

Table 6 (concluded)

Wage-earners									Own-account and unpaid family workers	
Total	Employers	Private sector							Non-professional, non technical	
		Total	Public sector	Total <sup>b</sup>	Professional and technical	Non-professional, non-technical		Total <sup>c</sup>		
						In establishments employing more than 5 persons <sup>b</sup>	In establishments employing up to 5 persons			
<b>Paraguay</b> (Asunción)										
1986-1990	10	24	-8	3	-8	-35	-9	6	46	64
1990-1992	6	5	25	29	18	53	-12	17	-11	-14
<b>Uruguay</b>										
1981-1986	-17	-5	-19	-18	-20	-12	-19	-23	-25	-25
1986-1990	-14	-46	6	-2	9	-2	11	9	-40	-38
1990-1992	7	9	14	13	17	55	8	12	11	22
<b>Venezuela</b>										
1981-1986	-25	3	-32	-33	-32	-57	-27	-30	-15	-16
1986-1990	-21	1	-30	-34	-28	-20	-28	-29	2	2
1990-1992	7	3	3	13	-3	51	-10	0	20	19

Fuente: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> In terms of the respective per capita poverty lines.

<sup>b</sup> For Argentina, Brazil and Mexico, includes public-sector wage-earners.

<sup>c</sup> Includes wage-earners in the agricultural, forestry, hunting and fisheries sectors together with wage-earners in professional and technical occupations.

<sup>d</sup> Brazil's National Household Survey (PNAD) does not provide information on the size of business establishments. Accordingly, the figure given for Brazil in the column for establishments employing over 5 persons corresponds to the percentage of workers who have an employment contract ("carteira"), while the column for establishments employing 5 or fewer workers shows the percentage of workers who do not have such contracts.

<sup>e</sup> The data are from national socio-economic surveys (CASEN).

<sup>f</sup> The data are from national household income and expenditure surveys.

<sup>g</sup> Includes persons employed in the Panama Canal Zone.

Table 7  
**LATIN AMERICA (8 COUNTRIES): PERCENTAGE VARIATIONS IN REAL AVERAGE  
 INCOMES<sup>a</sup> OF THE EMPLOYED ECONOMICALLY ACTIVE POPULATION,  
 BY OCCUPATIONAL CATEGORY, IN RURAL AREAS, 1980-1992**

	Total	Employ- ers	Wage-earners			Own-account and unpaid family workers	
			Total <sup>b</sup>	Public sector	Private sector	Total <sup>c</sup>	Agri- culture
<b>Brazil</b>							
1979-1987	43	86	4	...	4	80	85
1987-1990	-20	-47	8	...	8	-33	-33
<b>Chile<sup>d</sup></b>							
1987-1990	22	41	18	...	18	-11	-12
1990-1992	-3	-1	0	...	0	16	20
<b>Costa Rica</b>							
1981-1988	-12	-31	-6	-31	7	-28	-33
1988-1990	-2	-14	8	24	5	-22	-15
1990-1992	4	0	0	-7	4	15	18
<b>Guatemala</b>							
1986-1989	4	29	10	-2	11	9	0
<b>Honduras</b>							
1990-1992	0	-64	0	-18	0	8	8
<b>Mexico<sup>e</sup></b>							
1984-1989	-9	31	-28	...	-28	7	11
1989-1992	-9	8	-7	...	-7	-32	-32
<b>Panama</b>							
1979-1986	8	183	-11 <sup>f</sup>	16	-20	9	10
1986-1989	-21	-17	0	3	0	-32	-32
1989-1991	10	15	4	-4	8	12	27
<b>Venezuela</b>							
1981-1986	-30	8	-41	-34	-42	-21	-15
1986-1990	-12	-20	-25	-31	-23	13	4
1990-1992	16	6	6	12	6	29	52

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> In terms of the respective per capita poverty lines.

<sup>b</sup> For Brazil, Chile (1990 and 1992) and Mexico, includes public-sector wage-earners.

<sup>c</sup> Includes wage-earners in all sectors of activity.

<sup>d</sup> The data are from national socio-economic surveys (CASEN).

<sup>e</sup> The data are from national household income and expenditure surveys.

<sup>f</sup> Includes persons employed in the Panama Canal Zone.

Table 8  
**LATIN AMERICA (13 COUNTRIES): INCIDENCE OF POVERTY IN SELECTED  
 OCCUPATIONAL CATEGORIES, IN URBAN AREAS <sup>a</sup>**  
*(Percentages)*

	Total population	Total employed population	Private sector wage-earners in non-professional, non-technical occupations			Non-professional, non-technical own-account workers	
			In establish- ments employing more than 5 persons	In establish- ments employ- ing up to 5 persons	House- hold employ- ees	Manufac- turing and cons- truction	Com- merce and ser- vices
<b>Argentina</b> (Greater Buenos Aires)							
1990	21	10	12	15	21	8	6
1992	13	5	6 <sup>c</sup>	7	8	3	2
<b>Bolivia</b>							
1989	53	40	41	52	33	47	40
1992	50	38	43	46	11	49	44
<b>Brazil</b> <sup>b</sup>							
1990	43	34	30	46	53	43	37
<b>Chile</b>							
1990	39	27	29 <sup>c</sup>	...	37	36	32
1992	32	22	23 <sup>d</sup>	31	24	29	25
<b>Colombia</b> (8 major cities)							
1990	39	29	36 <sup>e</sup>	...	27	30	34
1992	43	32	40 <sup>e</sup>	...	28	37	37
<b>Costa Rica</b>							
1990	25	15	15	22	28	28	24
1992	27	17	16	31	42	22	22
<b>Guatemala</b>							
1989	53	42	45	54	42	47	34
<b>Honduras</b>							
1990	70	60	56	75	51	81	72
1992	71	60	62	78	52	79	71
<b>Mexico</b>							
1989	42	33	36 <sup>f</sup>	...	60	31	29
1992	37	29	26 <sup>d</sup>	45	51	43	25
<b>Panama</b>							
1989	41	28	22	34	31	43	43
1991	40	26	22	38	31	42	38
<b>Paraguay</b> (Asunción)							
1990	42	32	38	49	29	41	31
1992	39	27	38	36	29	32	33

Table 8 (concluded)

	Total population	Total employed population	Private sector wage-earners in non-professional, non-technical occupations			Non-professional, non-technical own-account workers	
			In establishments employing more than 5 persons	In establishments employing up to 5 persons	Household employees	Manufacturing and construction	Commerce and services
<b>Uruguay</b>							
1990	18	11	9	19	25	21	14
1992	12	8	6	11	19	11	11
<b>Venezuela</b>							
1990	39	22	23	33	30	25	22
1992	36	21	25	32	35	17	17

Source: ECLAC, on the basis of special tabulations of data from household surveys.

<sup>a</sup> Refers to the percentage of employed persons in each category residing in households situated below the poverty line.

<sup>b</sup> The figures given in the columns for establishments employing more than 5 and up to 5 persons correspond to wage-earners with and without an employment contract ("carteira"), respectively.

<sup>c</sup> Refers to all wage-earners.

<sup>d</sup> Includes public-sector wage-earners.

<sup>e</sup> Includes wage-earners in establishments employing up to 5 persons.

<sup>f</sup> Includes wage-earners in the public sector and in establishments employing up to 5 persons.

Table 9  
**LATIN AMERICA (8 COUNTRIES): INCIDENCE OF POVERTY IN SELECTED  
 OCCUPATIONAL CATEGORIES, IN RURAL AREAS<sup>a</sup>**  
*(Percentages)*

	Total population	Total employed population	Private sector wage-earners in non-professional, non-technical occupations			Non-professional, non-technical own-account workers	
			In establish- ments employing more than 5 persons	In establish- ments employ- ing up to 5 persons	House- hold employ- ees	Total	Agri- culture, forestry and fish- eries
<b>Brazil<sup>b</sup></b>							
1990	63	55	34	58	55	62	65
<b>Chile</b>							
1990	43	29	29 <sup>c</sup>	...	24	28	37
1992	34	23	18 <sup>d</sup>	27	20	20	32
<b>Costa Rica</b>							
1990	27	17	13	23	22	24	27
1992	28	16	11	21	25	22	25
<b>Guatemala</b>							
1989	78	70	72	74	64	71	76
<b>Honduras</b>							
1990	88	83	71	90	72	88	90
1992	84	78	73	81	68	83	87
<b>Mexico</b>							
1989	57	49	53 <sup>c</sup>	...	50	47	54
1992	55	47	43 <sup>d</sup>	59	37	47	55
<b>Panama</b>							
1989	57	46	22	45	42	61	67
1991	51	40	24	43	43	52	57
<b>Venezuela</b>							
1990	47	31	35	37	44	32	37
1992	44	28	10	35	35	27	34

Source: ECLAC, on the basis of special tabulations of data from household surveys.

<sup>a</sup> Refers to the percentage of employed persons in each category residing in households situated below the poverty line.

<sup>b</sup> The figures given in the columns for establishments employing more than 5 and up to 5 persons correspond to wage-earners with and without an employment contract ("carteira"), respectively.

<sup>c</sup> Refers to all wage-earners.

<sup>d</sup> Includes public-sector wage-earners.

<sup>e</sup> Includes wage-earners in the public sector and in establishments employing up to 5 persons.

Table 10  
**LATIN AMERICA (13 COUNTRIES): DISTRIBUTION OF TOTAL EMPLOYED POPULATION  
 LIVING IN POVERTY, BY OCCUPATIONAL CATEGORY, IN URBAN AREAS**  
*(Percentages of total employed urban population living in poverty)*

	Private-sector wage-earners in non- professional, non-technical occupations			Non-professional non-technical own-account workers		Total <sup>a</sup>
	In establish- ments employing more than 5 persons	In establish- ments employing up to 5 persons	House- hold employees	Manufac- turing and construction	Commerce and services	
<b>Argentina</b>						
(Greater Buenos Aires)						
1980	68	17	5	4	4	98
1986	45	19	8	11	16	99
1990	46	14	8	11	18	97
1992	62 <sup>b</sup>	...	8	4	7	81
<b>Bolivia</b>						
1989	14	16	5	12	31	78
1992	23	14	1	14	29	81
<b>Brazil <sup>c</sup></b>						
1979	38	17	10	3	13	81
1987	33	20	11	5	16	85
1990	35	21	10	5	17	88
<b>Chile</b>						
1987	57 <sup>b</sup>	...	8	9	16	90
1990	59 <sup>b</sup>	...	10	8	18	95
1992	45	19	7	7	15	93
<b>Colombia</b>						
(8 major cities)						
1980	64 <sup>b</sup>	...	2	9	16	91
1986	61 <sup>b</sup>	...	5	6	18	90
1990	58 <sup>b</sup>	...	5	6	21	90
1992	58 <sup>b</sup>	...	4	8	22	92
<b>Costa Rica</b>						
1981	33	19	11	7	10	80
1988	31	19	9	6	12	77
1990	28	13	8	12	17	78
1992	32	18	9	8	13	80
<b>Guatemala</b>						
1986	17	15	7	9	16	64
1989	19	16	7	9	13	64
<b>Honduras</b>						
1990	27	17	6	12	23	85
1992	29	13	6	10	22	80
<b>Mexico</b>						
1984	62 <sup>b</sup>	...	5	3	12	82
1989	72 <sup>b</sup>	...	5	3	11	91
1992	43	29	6	5	11	94

Table 10 (concluded)

	Private-sector wage-earners in non-professional, non-technical occupations			Non-professional non-technical own-account workers		Total <sup>a</sup>
	In establishments employing more than 5 persons	In establishments employing up to 5 persons	Household employees	Manufacturing and construction	Commerce and services	
<b>Panama</b>						
1979	30 <sup>b</sup>	...	7	7	15	59
1986	19	4	7	8	13	51
1989	18	6	8	7	18	57
1991	25	8	8	7	16	64
<b>Paraguay (Asunción)</b>						
1986	25	17	11	10	21	84
1990	26	24	10	7	16	83
1992	34	15	11	7	18	85
<b>Uruguay</b>						
1981	40	11	21	3	9	84
1986	31	18	17	7	10	83
1990	24	17	15	10	15	81
1992	27	14	17	9	17	84
<b>Venezuela</b>						
1981	25	8	5	9	23	70
1986	29	9	5	7	20	70
1990	32	10	6	5	16	69
1992	42	10	8	4	13	77

Source: ECLAC, on the basis of special tabulations of data from household surveys.

<sup>a</sup> The totals are less than 100% owing to the exclusion of employers, professionals and technicians, and public-sector wage-earners.

<sup>b</sup> Includes wage-earners in establishments employing up to 5 persons.

<sup>c</sup> The figures given in the columns for establishments employing more than 5 and up to 5 persons correspond to wage-earners with and without an employment contract ("carteira"), respectively.

Table 11  
**LATIN AMERICA (8 COUNTRIES): DISTRIBUTION OF TOTAL EMPLOYED POPULATION  
 LIVING IN POVERTY, BY OCCUPATIONAL CATEGORY, IN RURAL AREAS**  
*(Percentages of total employed rural population living in poverty)*

	Private-sector wage-earners in non- professional, non-technical occupations			Non-professional non-technical own-account workers		Total <sup>a</sup>
	In establish- ments employing more than 5 persons	In establish- ments employing up to 5 persons	House- hold employees	Total	Agri- culture	
<b>Brazil</b> <sup>b</sup>						
1979	6	25	2	66	62	99
1987	8	29	3	59	52	99
1990	9	25	4	60	53	98
<b>Chile</b>						
1987	58 <sup>c</sup>	...	2	38	32	98
1990	57 <sup>c</sup>	...	2	38	31	97
1992	30	26	2	39	32	97
<b>Costa Rica</b>						
1981	29	36	10	20	14	95
1988	20	28	8	36	28	92
1990	25	23	6	41	27	95
1992	24	23	7	38	24	92
<b>Guatemala</b>						
1986	22	16	2	59	49	99
1989	22	12	2	62	52	98
<b>Honduras</b>						
1990	11	17	2	68	51	98
1992	15	12	2	66	48	95
<b>Mexico</b>						
1984	43 <sup>c</sup>	...	2	53	45	98
1989	50 <sup>c</sup>	...	3	45	38	98
1992	21	28	2	44	33	95
<b>Panama</b>						
1979	13 <sup>c</sup>	...	2	80	73	95
1986	11	16	4	64	54	95
1989	7	10	3	78	69	98
1991	9	9	3	75	65	96
<b>Venezuela</b>						
1981	15	7	2	68	53	92
1986	19	9	2	63	52	93
1990	28	14	3	48	39	93
1992	35	13	4	40	32	92

Source: ECLAC, on the basis of special tabulations of data from household surveys.

<sup>a</sup> The totals are less than 100% owing to the exclusion of employers, professionals and technicians, and public-sector wage-earners.

<sup>b</sup> The figures given in the columns for establishments employing more than 5 and up to 5 persons correspond to wage-earners with and without an employment contract ("carteira"), respectively.

<sup>c</sup> Includes wage-earners in establishments employing up to 5 persons.

Table 12  
**LATIN AMERICA (11 COUNTRIES): RATES OF OPEN URBAN  
 UNEMPLOYMENT, BY AGE AND SEX <sup>a</sup>**  
*(Percentages)*

Country	Year	Description	Total	Age 15-24	Age 25-34	Age 35-44	Age 45 and over
<b>Argentina</b>	(1992)	Both sexes	6.6	12.6	4.5	4.5	5.7
(Greater		Women	6.3	11.9	5.0	4.6	4.7
Buenos Aires)		Men	6.8	13.0	4.2	4.5	6.2
<b>Bolivia</b>	(1992)	Both sexes	5.5	8.6	5.3	4.3	3.8
		Women	5.6	9.8	5.4	3.8	2.9
		Men	5.4	7.5	5.3	4.5	4.4
<b>Chile</b>	(1992)	Both sexes	6.0	14.3	5.4	3.3	2.9
		Women	7.8	17.8	7.4	4.2	2.8
		Men	5.0	12.0	4.2	2.8	3.0
<b>Colombia</b>	(1992)	Both sexes	9.1	18.7	8.8	5.4	3.3
(8 major cities)		Women	12.6	22.7	12.4	7.6	3.9
		Men	6.5	14.9	5.8	3.6	3.0
<b>Costa Rica</b>	(1992)	Both sexes	4.2	9.0	3.9	2.5	1.9
		Women	5.5	10.4	6.3	2.6	2.1
		Men	3.5	8.2	2.4	2.5	1.8
<b>Honduras</b>	(1992)	Both sexes	5.1	6.9	6.4	3.8	2.4
		Women	4.2	6.7	5.4	2.3	0.8
		Men	5.8	7.1	7.2	4.8	3.3
<b>Mexico</b>	(1992)	Both sexes	4.3	9.9	2.4	1.2	2.3
		Women	3.9	9.6	2.6	0.7	0.1
		Men	4.4	10.1	2.3	1.4	3.2
<b>Panama</b>	(1991)	Both sexes	18.6	35.1	20.6	9.5	6.9
		Women	22.8	39.9	26.3	12.5	6.5
		Men	15.9	31.9	16.5	7.4	7.0
<b>Paraguay</b>	(1992)	Both sexes	5.0	9.7	3.0	4.5	2.6
(Asunción)		Women	3.7	8.7	2.1	1.9	0.5
		Men	6.0	10.7	3.6	6.9	3.7
<b>Uruguay</b>	(1992)	Both sexes	8.4	21.8	7.7	4.4	3.4
		Women	11.0	26.0	11.1	7.0	4.8
		Men	6.4	18.9	4.9	2.2	2.4
<b>Venezuela</b>	(1992)	Both sexes	7.3	14.2	7.4	4.3	3.6
		Women	5.9	12.7	6.5	3.0	1.4
		Men	8.1	15.0	8.0	5.0	4.6

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> Unemployment rates correspond to the reference period of each survey, not to the annual average.

Table 13  
**LATIN AMERICA (11 COUNTRIES): DISTRIBUTION OF THE UNEMPLOYED  
 POPULATION, BY AGE AND SEX**  
*(Percentages)*

Country	Year	Description	Total	Age 15-24	Age 25-34	Age 35-44	Age 45 and over
<b>Argentina</b>	(1992)	Both sexes	100.0	40.4	15.7	16.2	27.7
(Greater		Women	100.0	40.9	18.3	18.5	22.3
Buenos Aires)		Men	100.0	40.2	14.3	15.0	30.5
<b>Bolivia</b>	(1992)	Both sexes	100.0	35.5	29.4	20.0	15.1
		Women	100.0	44.2	28.1	17.2	10.4
		Men	100.0	29.1	30.4	22.0	18.5
<b>Chile</b>	(1992)	Both sexes	100.0	46.4	27.7	12.6	13.3
		Women	100.0	49.6	29.5	12.4	8.5
		Men	100.0	43.7	26.1	12.8	17.4
<b>Colombia</b>	(1992)	Both sexes	100.0	46.1	32.9	13.9	7.1
(8 major cities)		Women	100.0	45.6	35.4	14.5	4.5
		Men	100.0	46.7	29.2	13.1	11.0
<b>Costa Rica</b>	(1992)	Both sexes	100.0	47.3	27.8	15.8	9.1
		Women	100.0	44.0	36.3	13.3	6.4
		Men	100.0	50.3	20.2	18.0	11.5
<b>Honduras</b>	(1992)	Both sexes	100.0	38.0	36.9	14.7	10.4
		Women	100.0	45.6	40.0	10.5	3.9
		Men	100.0	34.3	35.3	16.8	13.6
<b>Mexico</b>	(1992)	Both sexes	100.0	66.4	16.8	5.9	10.9
		Women	100.0	75.6	19.9	4.1	0.4
		Men	100.0	62.4	15.4	6.7	15.5
<b>Panama</b>	(1991)	Both sexes	100.0	46.5	33.5	12.2	7.8
		Women	100.0	43.8	37.4	14.0	4.8
		Men	100.0	49.1	29.8	10.6	10.5
<b>Paraguay</b>	(1992)	Both sexes	100.0	52.5	15.9	18.5	13.1
(Asunción)		Women	100.0	70.2	14.9	11.8	3.1
		Men	100.0	44.2	16.4	21.7	17.7
<b>Uruguay</b>	(1992)	Both sexes	100.0	53.5	20.6	12.1	13.8
		Women	100.0	46.8	23.6	15.8	13.8
		Men	100.0	62.1	16.7	7.3	13.9
<b>Venezuela</b>	(1992)	Both sexes	100.0	43.5	31.3	14.8	10.4
		Women	100.0	46.0	36.0	13.8	4.2
		Men	100.0	42.6	29.5	15.1	12.8

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

Table 14  
**LATIN AMERICA (11 COUNTRIES): RATES AND DISTRIBUTION OF OPEN  
 URBAN UNEMPLOYMENT, BY YEARS OF SCHOOLING <sup>a</sup>**  
*(Percentages)*

Country	Year	Total	0-5 years	6-9 years	10-12 years	13 years and over
<b>Argentina</b> (Greater Buenos Aires)	(1992)	6.6	...	...	...	...
<b>Bolivia</b>	(1992)	5.5 (100.0)	3.6 (18.3)	6.4 (25.2)	6.7 (33.7)	5.4 (22.8)
<b>Chile</b>	(1992)	6.0 (100.0)	5.4 (11.5)	6.3 (27.9)	6.4 (40.8)	5.3 (19.8)
<b>Colombia</b> (8 major cities)	(1992)	9.1 (100.0)	7.6 (25.6)	11.6 (30.7)	11.1 (32.4)	5.9 (11.3)
<b>Costa Rica</b>	(1992)	4.2 (100.0)	4.1 (12.2)	5.3 (51.5)	4.5 (27.3)	1.9 (9.0)
<b>Honduras</b>	(1992)	5.1 (100.0)	4.1 (25.7)	6.2 (46.5)	5.5 (22.1)	3.2 (5.7)
<b>Mexico</b>	(1992)	4.3 (100.0)	3.3 (15.3)	4.9 (59.6)	3.8 (12.1)	3.7 (13.0)
<b>Panama</b>	(1991)	18.6 (100.0)	10.7 (6.8)	18.4 (37.1)	24.9 (39.0)	14.8 (17.1)
<b>Paraguay</b> (Asunción)	(1992)	5.0 (100.0)	7.6 (22.8)	4.6 (35.2)	6.3 (36.2)	1.7 (5.8)
<b>Uruguay</b>	(1992)	8.4 (100.0)	5.9 (9.6)	9.3 (52.0)	9.4 (29.8)	5.4 (8.6)
<b>Venezuela</b>	(1992)	7.3 (100.0)	7.7 (15.7)	8.2 (54.2)	7.0 (19.8)	4.9 (10.3)

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup>The percentage distribution appears in parentheses.

Table 15  
**LATIN AMERICA (11 COUNTRIES): RATES AND DISTRIBUTION OF OPEN URBAN  
 UNEMPLOYMENT, BY PER CAPITA HOUSEHOLD INCOME BRACKET,  
 EXPRESSED IN TERMS OF THE POVERTY LINE <sup>a</sup>**  
*(Percentages)*

Country	Year	Total	0-0.5	0.5-0.9	0.9-1.0	1.0-1.25	1.25-2.0	2.0-3.0	3 and over
<b>Argentina</b> (Greater Buenos Aires)	(1992)	6.6 (100.0)	44.2 (7.7)	33.8 (21.5)	20.7 (4.7)	18.6 (9.6)	10.8 (24.1)	6.4 (18.1)	1.7 (14.3)
<b>Bolivia</b>	(1992)	5.5 (100.0)	16.9 (40.9)	5.5 (21.0)	3.7 (3.5)	4.8 (8.4)	3.6 (12.9)	2.8 (7.1)	1.9 (6.2)
<b>Chile</b>	(1992)	6.0 (100.0)	22.1 (20.2)	11.1 (25.9)	8.2 (5.6)	7.8 (12.8)	4.8 (18.4)	3.2 (9.1)	1.8 (8.0)
<b>Colombia</b> (8 major cities)	(1992)	9.1 (100.0)	20.2 (26.5)	13.3 (26.9)	10.5 (4.3)	8.9 (8.9)	7.9 (17.1)	5.4 (8.2)	3.2 (8.1)
<b>Costa Rica</b>	(1992)	4.2 (100.0)	26.9 (24.4)	10.0 (25.7)	6.2 (4.7)	5.3 (11.0)	3.5 (19.2)	1.8 (9.2)	0.9 (5.8)
<b>Honduras</b>	(1992)	5.1 (100.0)	9.1 (56.5)	5.2 (25.4)	3.5 (2.2)	3.9 (6.2)	2.0 (5.8)	1.6 (2.1)	1.0 (1.8)
<b>Mexico</b>	(1992)	4.3 (100.0)	6.5 (9.5)	6.6 (29.7)	5.6 (5.6)	5.0 (12.1)	3.2 (16.6)	3.4 (12.5)	2.7 (14.0)
<b>Panama</b>	(1991)	18.6 (100.0)	36.5 (21.7)	27.6 (22.8)	25.7 (6.0)	22.0 (10.3)	18.2 (17.8)	14.1 (11.1)	6.9 (10.3)
<b>Paraguay</b> (Asunción)	(1992)	5.0 (100.0)	17.5 (32.0)	6.7 (18.5)	3.6 (3.5)	7.5 (15.9)	2.7 (12.0)	2.9 (10.3)	1.8 (7.8)
<b>Uruguay</b>	(1992)	8.4 (100.0)	28.5 (5.8)	20.7 (13.4)	13.9 (3.1)	15.9 (10.4)	11.1 (25.8)	7.4 (21.0)	4.1 (20.5)
<b>Venezuela</b>	(1992)	7.3 (100.0)	36.5 (30.0)	12.7 (23.5)	10.7 (5.6)	7.5 (9.9)	5.4 (18.4)	3.1 (7.5)	1.6 (5.1)

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> The percentage distribution appears in parentheses.

Table 16  
**LATIN AMERICA (13 COUNTRIES): URBAN POPULATION EMPLOYED IN  
 LOW-PRODUCTIVITY SECTORS OF THE LABOUR MARKET, 1980-1992**  
*(Percentages of the total employed urban population)*

	Microenterprise <sup>a</sup>					House- hold employ- ment	Unskilled independent workers <sup>c</sup>		
	Total	Employ- ers	Wage-earners				Total <sup>d</sup>	Manu- facturing and cons- truc- tion	Com- merce and servi- ces
			Total	Profes- sional and tech- nical <sup>b</sup>	Non-pro- fessional, non- technical				
<b>Argentina</b> (Greater Buenos Aires)									
1980	42.9	3.2	13.3	0.5	12.8	4.0	22.4	7.7	14.7
1986	45.0	3.3	13.4	0.5	12.9	5.3	23.0	6.4	16.5
1990	43.1	3.8	13.0	0.4	12.6	4.5	21.8	6.6	15.2
1992	45.0	3.9	15.0	...	...	4.5	21.6	6.5	15.0
<b>Bolivia</b>									
1989	62.3	1.1	13.2	1.1	12.1	5.4	42.6	10.0	31.0
1992	56.3	3.8	11.9	0.6	11.3	3.6	37.0	11.0	25.0
<b>Brazil<sup>e</sup></b>									
1979	45.7	...	18.9	2.4	16.5	7.5	19.3	3.3	13.5
1987	48.8	...	21.2	2.9	18.3	7.0	20.6	3.7	14.7
1990	48.8	...	21.5	3.0	18.5	6.1	21.2	3.5	15.6
<b>Chile<sup>f</sup></b>									
1987	...	...	...	...	...	7.7	23.2 <sup>h</sup>	6.2	15.5
1990	...	...	...	...	...	7.0	21.9 <sup>h</sup>	5.7	15.2
1992	43.4	2.7	14.6	1.5	13.1	6.7	19.4	5.2	13.3
<b>Colombia</b> (8 major cities)									
1980	...	...	...	...	...	6.8	24.6	7.6	16.5
1986	...	...	...	...	...	6.2	25.6	6.1	19.0
1990	...	...	...	...	...	5.5	23.9	5.8	17.7
1992	...	...	...	...	...	5.1	26.0	6.8	18.8
<b>Costa Rica</b>									
1981	37.7	2.8	12.0	0.2	11.8	5.1	17.8	4.9	11.1
1988	37.3	3.8	12.4	0.7	11.7	3.4	17.7	5.9	10.5
1990	37.6	4.4	10.6	0.6	10.0	4.4	18.2	6.5	10.6
1992	33.9	3.3	10.6	1.0	9.6	3.4	16.6	5.9	9.6
<b>Guatemala</b>									
1986	61.4	3.6	16.0	0.7	15.3	9.3	32.5	6.5	16.4
1989	56.8	2.1	15.0	0.7	14.3	7.0	32.7	7.6	16.3
<b>Honduras</b>									
1990	53.2	1.0	13.9	0.7	13.2	6.7	31.6	8.8	18.7
1992	48.8	0.8	10.6	0.7	9.9	6.6	30.8	7.9	18.9
<b>Mexico<sup>g</sup></b>									
1984	...	...	...	...	...	2.6	24.8	2.2	14.0
1989	...	...	...	...	...	2.7	19.2	3.0	12.8
1992	44.3	3.7	19.9	0.9	19.0	3.3	17.4	3.3	13.1

Table 16 (concluded)

	Microenterprise <sup>a</sup>					House- hold employ- ment	Unskilled independent workers <sup>c</sup>		
	Total	Employ- ers	Wage-earners		Total <sup>d</sup>		Manu- facturing and cons- truc- tion	Com- merce and servi- ces	
			Total	Profes- sional and tech- nical <sup>b</sup>					Non-pro- fessional, non- technical
<b>Panama</b>									
1979	-	...	...	...	...	6.2	17.0	4.0	9.9
1986	35.8	1.3	5.7	0.2	5.5	6.9	21.9	4.6	8.9
1989	39.9	1.2	6.6	0.4	6.2	6.5	25.6	4.6	11.9
1991	37.8	2.6	5.7	0.3	5.4	7.0	22.5	4.3	11.2
<b>Paraguay (Asunción)</b>									
1986	57.5	6.1	12.6	0.3	12.3	13.9	24.9	6.6	17.2
1990	57.6	7.2	16.1	0.3	15.8	11.4	22.9	5.6	16.7
1992	50.4	4.9	12.5	1.0	11.5	10.8	22.2	6.3	15.2
<b>Uruguay</b>									
1981	35.2	2.9	8.2	0.2	8.0	7.0	17.1	5.5	11.2
1986	41.3	3.9	9.9	0.3	9.6	7.4	20.1	6.3	12.9
1990	39.5	2.7	10.6	0.2	10.4	6.9	19.3	5.7	12.2
1992	39.6	2.6	9.9	0.4	9.5	7.0	20.1	6.3	12.5
<b>Venezuela</b>									
1981	34.7	4.5	8.3	0.6	7.7	3.5	18.4	4.3	12.9
1986	37.2	5.1	7.7	0.1	7.6	3.8	20.6	4.2	14.7
1990	37.1	4.9	6.7	0.2	6.5	4.0	21.5	4.1	15.5
1992	37.9	5.1	6.6	0.2	6.4	5.0	21.2	4.2	15.6

Source : ECLAC, on the basis of special tabulations of data from household surveys.

<sup>a</sup> Refers to establishments employing up to 5 persons (up to 4 persons in the cases of Panama and Venezuela). Where no information was available on the size of establishments, no data are given on the total population employed in low-productivity sectors.

<sup>b</sup> Values for samples that are not statistically significant.

<sup>c</sup> Refers to own-account and unpaid family workers engaged in non-professional, non-technical occupations.

<sup>d</sup> Includes persons employed in the agricultural, forestry, hunting and fisheries sectors.

<sup>e</sup> Wage-earners lacking an employment contract are included under the heading "Microenterprise".

<sup>f</sup> The data are from national socio-economic surveys (CASEN).

<sup>g</sup> The data are from national household income and expenditure surveys.

<sup>h</sup> Includes employers in microenterprise.

Table 17  
**LATIN AMERICA (13 COUNTRIES): AVERAGE INCOMES OF THE URBAN  
 POPULATION EMPLOYED IN LOW-PRODUCTIVITY SECTORS  
 OF LABOUR MARKET, 1980-1992**  
*(In multiples of the respective per capita poverty lines)*

	Microenterprise <sup>a</sup>					House- hold employ- ment	Unskilled independent workers <sup>c</sup>		
	Total	Employ- ers	Wage-earners				Total <sup>d</sup>	Manu- facturing and cons- truc- tion	Com- merce and servi- ces
			Total	Profes- sional and tech- nical <sup>b</sup>	Non-pro- fessional, non- technical				
<b>Argentina</b> (Greater Buenos Aires)									
1980	7.8	18.4	5.1	10.5	4.9	3.2	8.7	8.0	9.1
1986	6.8	18.7	4.9	11.3	4.6	3.2	7.0	6.9	7.0
1990	6.6	18.4	3.7	7.6	3.6	2.5	7.2	6.9	7.3
1992	...	21.6	4.9	...	...	3.6	...	...	...
<b>Bolivia</b>									
1989	3.6	11.2	3.3	8.3	2.8	1.5	3.8	3.4	4.0
1992	3.5	11.2	3.0	6.9	2.8	1.2	3.2	2.9	3.4
<b>Brazil <sup>e</sup></b>									
1979	3.9	...	3.6	6.9	3.1	1.1	5.2	5.0	5.7
1987	3.6	...	3.2	6.5	2.7	1.0	4.9	4.5	5.2
1990	3.0	...	3.4	7.0	2.8	0.9	3.3	3.1	3.5
<b>Chile <sup>f</sup></b>									
1987	...	...	...	...	...	2.0	3.9	3.1 <sup>h</sup>	4.3
1990	...	...	...	...	...	1.6	3.6	3.0 <sup>h</sup>	3.8
1992	3.6	11.8	3.3	7.3	2.8	1.7	3.4	3.2	3.6
<b>Colombia</b> (8 major cities)									
1980	...	...	...	...	...	2.1	3.7	2.9	3.9
1986	...	...	...	...	...	1.6	4.4	3.8	4.4
1990	...	...	...	...	...	1.7	3.7	3.3	3.8
1992	...	...	...	...	...	1.5	3.1	2.6	3.2
<b>Costa Rica</b>									
1981	5.6	12.9	3.5	5.1	3.5	1.7	6.9	5.6	7.1
1988	4.4	8.1	3.1	5.0	3.0	1.5	5.1	4.2	5.5
1990	3.6	6.5	3.5	6.1	3.3	1.5	3.5	3.0	3.7
1992	4.0	9.2	3.3	4.8	3.1	1.4	3.9	3.1	4.3
<b>Guatemala</b>									
1986	2.3	7.6	1.6	2.5	1.6	1.7	2.2	1.8	2.6
1989	2.9	13.1	1.8	4.2	1.7	1.4	3.0	2.4	3.7
<b>Honduras</b>									
1990	1.6	7.6	1.7	4.0	1.6	0.8	1.6	1.2	1.6
1992	1.5	5.1	1.5	3.4	1.4	0.6	1.6	1.6	1.7
<b>Mexico <sup>g</sup></b>									
1984	...	...	...	...	...	1.7	4.1	4.3	3.6
1989	...	...	...	...	...	1.4	4.4	3.9	5.2
1992	3.6	13.6	2.4	3.3	2.4	1.5	3.3	2.8	3.5

Table 17 (concluded)

	Microenterprise <sup>a</sup>					House- hold employ- ment	Unskilled independent workers <sup>c</sup>		
	Total	Employ- ers	Wage-earners				Total <sup>d</sup>	Manu- facturing and cons- truction	Com- merce and servi- ces
			Total	Profes- sional and tech- nical <sup>b</sup>	Non-pro- fessional, non- technical				
<b>Panama</b>									
1979	...	...	...	...	...	1.3	2.9	3.2	3.3
1986	2.7	10.1	3.2	7.1	3.1	1.5	2.6	3.0	3.5
1989	2.3	9.1	3.3	8.2	3.0	1.3	2.0	2.4	2.5
1991	2.6	7.7	3.1	5.5	3.0	1.3	2.3	2.5	2.9
<b>Paraguay</b> (Asunción)									
1986	2.3	7.6	1.7	...	1.7	0.7	2.2	1.7	2.5
1990	3.1	8.3	1.8	...	1.8	0.8	3.6	2.4	4.1
1992	3.1	9.9	2.4	5.5	2.1	1.0	3.1	2.9	3.2
<b>Uruguay</b>									
1981	6.1	19.9	3.0	3.6	3.0	1.7	7.1	5.7	7.9
1986	5.3	20.4	2.3	3.7	2.3	1.5	5.3	4.1	5.8
1990	3.2	8.9	2.5	4.9	2.5	1.5	2.7	2.1	3.0
1992	3.4	10.4	2.8	4.0	2.8	1.7	3.3	2.5	3.7
<b>Venezuela</b>									
1981	5.7	10.9	5.5	11.6	5.0	2.9	5.0	4.6	5.3
1986	4.6	9.5	3.5	5.1	3.5	2.3	4.2	3.8	4.5
1990	4.4	9.6	2.5	3.2	2.5	1.4	4.3	4.0	4.5
1992	4.9	10.3	2.5	3.8	2.5	2.0	5.1	4.6	5.4

Source : ECLAC, on the basis of special tabulations of data from household surveys.

<sup>a</sup> Refers to establishments employing up to 5 persons (up to 4 persons in the cases of Panama and Venezuela). Where no information was available on the size of establishments, no data are given on the total population employed in low-productivity sectors.

<sup>b</sup> Values for samples that are not statistically significant.

<sup>c</sup> Refers to own-account and unpaid family workers engaged in non-professional, non-technical occupations.

<sup>d</sup> Includes persons employed in the agricultural, forestry, hunting and fisheries sectors.

<sup>e</sup> Wage-earners lacking an employment contract are included under the heading "Microenterprise".

<sup>f</sup> The data are from national socio-economic surveys (CASEN).

<sup>g</sup> The data are from national household income and expenditure surveys.

<sup>h</sup> Includes employers in microenterprise.

Table 18  
**LATIN AMERICA (13 COUNTRIES): CHANGES IN HOUSEHOLD  
 INCOME LEVELS AND DISTRIBUTION**

	Average house- hold income <sup>a</sup>		Gini coefficient <sup>b</sup>		Poorest quartile's income share <sup>c</sup>		Income share of poorest 40%		Income share of richest 10%		Average income of richest 10% as multiple of average income of poorest 40%		House- holds with below- average income	
	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural
	Percentages													
	Percentages													
<b>Argentina</b>														
(Greater Buenos Aires)														
1980	4.56	...	0.365	...	9.3	...	18.0	...	29.8	...	6.7	...	66	...
1986	4.30	...	0.406	...	8.8	...	16.2	...	34.5	...	8.5	...	74	...
1990	3.59	...	0.423	...	8.4	...	14.9	...	34.8	...	9.3	...	72	...
1992	4.62	...	0.408	...	7.3	...	15.2	...	31.6	...	8.3	...	71	...
<b>Bolivia <sup>d</sup></b>														
(17 cities)														
1989	1.76	...	0.482	...	5.3	...	12.2	...	37.9	...	12.4	...	72	...
(9 cities)														
1992	2.08	...	0.478	...	6.4	...	13.0	...	40.0	...	12.3	...	74	...
<b>Brazil</b>														
1979	3.21	1.30	0.493	0.407	5.6	8.1	11.7	16.6	39.1	34.7	13.3	8.4	74	72
1987	3.43	1.50	0.543	0.472	4.4	6.6	9.7	13.9	44.3	40.0	18.2	11.5	76	75
1990	3.16	1.60	0.535	0.458	4.5	7.1	9.6	14.4	41.7	38.0	17.3	10.5	75	74
<b>Chile <sup>e</sup></b>														
(Greater Santiago)														
1978	2.58	...	...	...	6.9	...	14.5	...	30.1	...	8.3	...	...	...
1988	2.82	...	...	...	5.7	...	12.6	...	33.4	...	10.6	...	...	...
<b>Chile <sup>f</sup></b>														
1987	2.45	1.70	0.459	0.344	6.8	10.7	13.9	20.0	37.2	31.2	10.7	6.2	73	74
1990	2.46	2.50	0.450	0.454	7.0	7.1	14.3	14.8	37.2	40.6	10.4	11.0	73	77
1992	2.92	2.43	0.452	0.385	7.2	9.3	14.6	17.9	38.2	34.5	10.5	7.7	75	74
<b>Colombia</b>														
(8 major cities)														
1980	2.05	...	0.518	...	4.9	...	11.0	...	41.3	...	15.0	...	7	...
1986	2.36	...	0.455	...	5.7	...	13.0	...	35.3	...	10.9	...	72	...
1990	2.59	...	0.450	...	6.6	...	13.7	...	34.9	...	10.2	...	73	...
1992	2.44	...	0.454	...	5.9	...	12.9	...	34.5	...	10.7	...	72	...
<b>Costa Rica</b>														
1981	2.95	2.50	0.328	0.355	9.5	7.9	18.9	17.2	23.2	25.6	4.9	6.0	65	66
1988	2.57	2.30	0.364	0.358	8.3	7.8	17.2	17.0	27.6	26.3	6.4	6.2	68	66
1990	2.56	2.30	0.345	0.351	8.2	7.8	17.8	17.6	24.6	24.5	5.5	5.6	65	65
1992	2.49	2.30	0.362	0.358	7.9	7.7	17.0	17.3	26.9	25.2	6.4	5.8	67	66
<b>Guatemala</b>														
1986	1.55	1.01	0.464	0.472	5.8	6.1	12.5	13.1	36.4	39.5	11.6	12.1	72	76
1989	1.89	1.00	0.479	0.432	5.4	6.4	12.1	14.4	37.9	35.1	12.5	9.7	73	73
<b>Honduras</b>														
1990	1.27	0.70	0.487	0.465	5.4	6.1	12.2	13.1	38.9	37.4	12.8	11.4	73	75
1992	1.16	0.80	0.461	0.415	6.4	6.8	13.2	15.0	35.4	29.9	10.8	8.0	71	71

Table 18 (concluded)

	Average house-hold income <sup>a</sup>		Gini coefficient <sup>b</sup>		Poorest quartile's income share <sup>c</sup>		Income share of poorest 40%		Income share of richest 10%		Average income of richest 10% as multiple of average income of poorest 40%		House-holds with below-average income	
	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural
Percentages														
Percentages														
<b>Mexico <sup>g</sup></b>														
1984	2.33	1.75	0.321	0.323	10.5	10.6	20.1	20.3	25.8	26.4	5.1	5.2	70	71
1989	2.54	1.57	0.424	0.345	8.5	9.6	16.0	18.7	36.9	27.4	9.1	5.9	75	70
1992	2.74	1.75	0.414	0.341	8.7	10.0	16.6	19.4	34.8	28.9	8.4	6.0	73	72
<b>Panama</b>														
1979	2.65	1.67	0.399	0.347	7.0	9.5	15.5	17.8	29.1	28.1	7.5	6.3	67	67
1986	2.89	2.42	0.430	0.451	6.2	6.8	14.2	13.6	33.0	38.8	9.3	10.6	70	76
1989	2.86	1.90	0.460	0.432	6.0	7.6	13.2	15.0	36.2	36.1	10.9	9.7	73	73
1991	2.72	2.14	0.448	0.431	5.9	7.5	13.3	15.0	34.2	35.6	10.3	9.5	71	72
<b>Paraguay</b> (Asunción)														
1986	1.81	...	0.404	...	8.0	...	16.3	...	31.8	...	7.8	...	71	...
1990	1.92	...	0.357	...	9.4	...	18.6	...	28.9	...	6.2	...	68	...
1992	2.02	...	0.391	...	7.8	...	16.2	...	29.2	...	7.2	...	68	...
<b>Uruguay</b> (Urban areas)														
1981	3.91	...	0.379	...	9.3	...	17.7	...	31.2	...	7.1	...	69	...
1986	3.50	...	0.385	...	8.7	...	17.3	...	32.4	...	7.8	...	72	...
1990	3.29	...	0.353	...	10.9	...	20.1	...	31.2	...	6.2	...	70	...
1992	3.73	...	0.301	...	11.9	...	21.9	...	25.9	...	4.7	...	67	...
<b>Venezuela</b>														
1981	2.90	2.00	0.306	0.288	10.0	10.2	20.2	20.5	21.8	20.5	4.3	4.0	66	67
1986	2.53	1.80	0.384	0.370	8.0	9.0	16.3	17.6	28.9	29.2	7.2	6.7	70	69
1990	2.18	1.80	0.378	0.316	8.2	10.1	16.8	19.8	28.4	23.8	6.8	4.8	69	68
1992	2.30	1.93	0.380	0.331	8.0	9.2	16.4	19.2	28.1	25.0	6.8	5.2	70	68

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> Average per capita household income divided by the per capita poverty line.

<sup>b</sup> Calculated on the basis of per capita household income distribution by deciles.

<sup>c</sup> Percentage of total income received by the 25% of all households having the lowest incomes.

<sup>d</sup> Both the 1989 and 1992 surveys include the eight departmental capitals and El Alto. The 1989 survey also includes eight more cities, which represented 8.2% of the total.

<sup>e</sup> Estimates for Greater Santiago based on measurements of household consumption expenditure made as part of household budget surveys conducted in 1978 and 1988.

<sup>f</sup> Calculations based on 1987, 1990 and 1992 CASEN (national socio-economic survey) data.

<sup>g</sup> The data are from national household income and expenditure surveys.

Table 19  
**LATIN AMERICA (13 COUNTRIES): VARIATIONS IN AVERAGE  
 INCOMES<sup>a</sup> OF URBAN HOUSEHOLDS, BY PERCENTILE  
 HOUSEHOLD GROUPS**  
*(Percentages)*

	Total	Quartile 1 (poorest 25%)	Poorest 40%	Quartile 2	Quartile 3	Quartile 4	Richest 10%
<b>Argentina</b>							
(Greater Buenos Aires)							
1980-1986	-6	-11	-15	-15	-13	2	9
1986-1990	-17	-23	-22	-21	-16	-15	-17
1980-1990	-22	-31	-34	-33	-27	-13	-10
1990-1992	29	19	32	29	32	28	25
<b>Bolivia</b>							
1989-1992	17	30	20	13	10	21	30
<b>Brazil</b>							
1979-1987	7	-16	-11	-6	-2	14	21
1987-1990	-8	-5	-9	-11	-3	-9	-13
1979-1990	-2	-20	-19	-17	-6	4	5
<b>Chile</b>							
(Greater Santiago)							
1978-1988 <sup>b</sup>	9	-10	-5	0.2	1	18	21
1987-1990 <sup>c</sup>	0.4	7	8	8	5	-3	-3
1990-1992 <sup>c</sup>	19	21	19	17	15	20	24
						(25)	(28)
<b>Colombia</b>							
(8 major cities)							
1980-1986	15	35	36	43	36	3	-2
1986-1990	10	25	16	7	4	11	9
1980-1990	26	69	57	53	42	14	7
1990-1992	-5	-15	-12	-7	-4	-5	-5
						(1)	(1)
<b>Costa Rica</b>							
1981-1988	-13	-23	-21	-18	-16	-7	4
1988-1990	0	-2	3	7	8	-6	-11
1981-1990	-13	-25	-18	-12	-10	-12	-8
1990-1992	-3	-5	-7	-9	-7	1	5
<b>Guatemala</b>							
1986-1989	22	15	18	13	23	24	27
<b>Honduras</b>							
1990-1992	-8	-2	-4	-2	-4	-11	-12
						(-7)	(-9)
<b>Mexico<sup>d</sup></b>							
1984-1989	9	-12	-12	-13	-11	24	41
1989-1992	8	12	12	12	16	4	-1
						(13)	(7)
<b>Panama</b>							
1979-1986	9	-3	-0.1	3	5	14	24
1986-1989	-1	-4	-8	-9	-11	6	9
1979-1989	8	-7	-8	-6	-6	21	34
1989-1991	-5	-1	0	1	3	-8	-12
						(-7)	(-11)
<b>Paraguay</b>							
(Asunción)							
1986-1990	6	25	24	19	11	1	-1
1990-1992	5	-7	-2	5	6	6	6
						(9)	(9)

Table 19 (concluded)

	Total	Quartile 1 (poorest 25%)	Poorest 40%	Quartile 2	Quartile 3	Quartile 4	Richest 10%
<b>Uruguay</b>							
1981-1986	-13	-17	-17	-16	-13	-12	-10
1986-1990	9	4	3	4	3	-1	-1
1981-1990	-5	-14	-15	-13	-10	-13	-11
1990-1992	13	21	22	23	21	7	1
<b>Venezuela</b>							
1981-1986	-13	-30	-30	-25	-21	1	16
1986-1990	-14	-12	-11	-12	-13	-15	-15
1981-1990	-25	-38	-37	-34	-31	-14	-2
1990-1992	5	5	4	4	4	6	5

Source: ECLAC, on the basis of data from household surveys in the countries.

<sup>a</sup> The percentage variations in average household income were calculated using the increase in the poverty-line values used in ECLAC poverty estimates as a deflator. Where this deflator differs significantly from the overall consumer price index, the latter was used to calculate the percentage variations, which appear in parentheses.

<sup>b</sup> Estimates based on household budget surveys taken in 1978 and 1988.

<sup>c</sup> Estimates based on national socio-economic surveys (CASEN) taken in 1987, 1990 and 1992.

<sup>d</sup> Estimates based on national household income and expenditure surveys.

Table 20  
**LATIN AMERICA (8 COUNTRIES): VARIATIONS IN AVERAGE INCOMES<sup>a</sup>**  
**OF RURAL HOUSEHOLDS, BY PERCENTILE HOUSEHOLD GROUPS**  
*(Percentages)*

	Total	Quartile 1 (poorest 25%)	Poorest 40%	Quartile 2	Quartile 3	Quartile 4	Richest 10%
<b>Brazil</b>							
1979-1987	15	-6	-3	-2	3	29	33
1987-1990	7	15	11	4	10	5	1
1979-1990	23	8	7	2	14	36	35
<b>Chile<sup>b</sup></b>							
1987-1990	51	-3	8	20	-14	71	85
1990-1992	-3	32	23	14	6	-11	-15
<b>Costa Rica</b>							
1981-1988	-8	-9	-9	-10	-8	-7	-5
1988-1990	1	-8	0	5	4	-1	-4
1981-1990	-7	-16	-9	-5	-4	-8	-9
1990-1992	1	0	0	0	0	3	3
<b>Guatemala</b>							
1986-1989	0	5	10	16	8	-7	-11
<b>Honduras</b>							
1990-1992	8	24	25	25	20	1	-7
<b>Mexico<sup>c</sup></b>							
1984-1989	-10	-10	-8	-7	-8	-12	-15
1989-1992	11	7	6	5	3	16	25
<b>Panama</b>							
1979-1986	41	2	10	12	6	63	98
1986-1989	-20	-7	-10	-11	-9	-25	-30
1979-1989	13	-5	-1	0	-4	22	39
1989-1991	14	15	15	13	11	15	16
<b>Venezuela</b>							
1981-1986	-10	-21	-23	-25	-17	3	28
1986-1990	0	12	13	16	7	-10	-18
1981-1990	-10	-11	-13	-13	-11	-8	4
1990-1992	7	1	3	4	5	9	11

Source: ECLAC, on the basis of data from household surveys in the countries.

<sup>a</sup> The percentage variations in average household income were calculated using the increase in the poverty-line values used in ECLAC poverty estimates as a deflator. Where this deflator differs significantly from the overall consumer price index, the latter was used to calculate the percentage variations, which appear in parentheses.

<sup>b</sup> Estimates based on national socio-economic surveys (CASEN) taken in 1987, 1990 and 1992.

<sup>c</sup> Estimates based on national household income and expenditure surveys.

Table 21  
**LATIN AMERICA: CHANGES IN THE EXTENT  
 OF POVERTY, 1970-1990**

	Poor population <sup>a</sup>			Indigent population		
	Total	Urban	Rural	Total	Urban	Rural
<b>Percentages</b>						
1970	45	29	67	24	13	40
1980	41	30	60	19	11	33
1986	43	36	60	21	14	36
1990 <sup>c</sup>	46	39	61	22	15	37
<b>Thousands of persons</b>						
1970	119 800	44 200	75 600	63 700	19 900	43 800
1980	135 900	62 900	73 000	62 400	22 500	39 900
1986	170 200	94 400	75 800	81 400	35 800	45 600
1990 <sup>c</sup>	195 900	115 500	80 400	93 500	44 900	48 600

Source: ECLAC.

<sup>a</sup> Persons having incomes below the poverty line. Includes persons living in indigence.

<sup>b</sup> Persons having incomes below the indigence line.

<sup>c</sup> Estimates for 19 countries in the region.

Table 22  
**LATIN AMERICA (14 COUNTRIES): POVERTY  
 AND INDIGENCE LEVELS**  
*(Percentages)*

	Households below the poverty line <sup>a</sup>					Households below the indigence line				
	Total	Urban				Total	Urban			
		Total	Metro- politan area	Other urban areas	Rural		Total	Metro- politan area	Other urban areas	Rural
<b>Argentina</b>										
1970	8	5	...	...	19	1	1	...	...	1
1980	9	7	5	9	16	2	2	1	2	4
1986	13	12	9	15	17	4	3	3	4	6
1990	...	...	16	...	...	...	...	-4	...	...
1992	...	...	10	...	...	...	...	-1	...	...
<b>Bolivia</b>										
1989	...	50	...	...	...	...	22	...	...	...
1992	...	46	...	...	...	...	18	...	...	...
<b>Brazil</b>										
1970	49	35	...	...	73	25	15	...	...	42
1979	39	30	21 <sup>b</sup>	34	62	17	10	6 <sup>b</sup>	12	35
1987	40	34	24 <sup>b</sup>	37	60	18	13	8 <sup>b</sup>	16	34
1990	43	39	...	...	56	...	22	...	...	...
<b>Chile</b>										
1970	17	12	...	...	25	6	3	...	...	11
1987	38	37	33	40	45	14	13	11	15	16
1990	35	34	30	38	36	12	11	9	13	15
1992	28	27	22	30	29	7	7	5	8	9
<b>Colombia</b>										
1970	45	38	...	...	54	18	14	...	...	23
1980	39	36	30	37	45	16	13	10	14	22
1986	38	36	31	37	42	17	15	11	16	22
1990	...	35	...	...	...	...	12	...	...	...
1992	...	38	...	...	...	...	15	...	...	...
<b>Costa Rica</b>										
1970	24	15	...	...	30	6	5	...	...	7
1981	22	16	15	17	28	6	5	5	6	8
1988	25	21	19	22	28	8	6	5	6	10
1990	24	22	20	25	25	10	7	5	9	12
1992	25	25	22	29	25	10	8	7	9	12
<b>Guatemala</b>										
1970	...	...	...	...	...	...	...	...	...	...
1980	65	41	26	52	79	33	13	5	19	44
1986	68	54	45	59	75	43	28	20	31	53
1990	...	...	...	...	72	...	...	...	...	45
<b>Honduras</b>										
1970	65	40	...	...	75	45	15	...	...	57
1986	71	53	...	...	81	51	28	...	...	64
1990	75	65	...	...	84	54	38	...	...	66
1992	73	66	...	...	79	50	38	...	...	59

Table 22 (concluded)

	Households below the poverty line <sup>a</sup>					Households below the indigence line				
	Total	Urban			Rural	Total	Urban			Rural
		Total	Metro- politan area	Other urban areas			Total	Metro- politan area	Other urban areas	
<b>Mexico</b>										
1970	34	20	...	...	49	12	6	...	...	18
1977	32	... <sup>c</sup>	... <sup>c</sup>	... <sup>c</sup>	... <sup>c</sup>	10	... <sup>c</sup>	...	...	... <sup>c</sup>
1984	34	28	... <sup>d</sup>	... <sup>d</sup>	45	11	7	... <sup>d</sup>	... <sup>d</sup>	20
1989	39	34	...	...	49	14	9	...	...	23
1992	36	30	...	...	46	12	7	...	...	20
<b>Panama</b>										
1970	...	...	...	...	...	...	...	...	...	...
1979	36	31	27	42	45	19	14	12	19	27
1986	34	30	27	41	43	16	13	11	19	22
1989	38	34	32	42	48	18	15	14	20	25
1991	36	34	32	40	43	16	14	14	15	21
<b>Paraguay</b>										
1986	...	...	46	...	...	...	...	16	...	...
1990	...	...	37	...	...	...	...	10	...	...
1992	...	...	36	...	...	...	...	13	...	...
<b>Peru</b>										
1970	50	28	...	...	68	25	8	...	...	39
1979	46	35	29	41	65	21	12	9	15	37
1986	52	45	37	53	64	25	16	11	22	39
<b>Uruguay</b>										
1970	...	10	...	...	...	4	...	...	...	...
1981	11	9	6	13	21	3	2	1	3	7
1986	15	14	9	19	23	3	3	2	4	8
1990	...	12	7	17	...	...	2	1	3	-
1992	...	8	4	12	...	...	1	1	2	-
<b>Venezuela</b>										
1970	25	20	...	...	36	10	6	...	...	19
1981	22	18	12	20	35	7	5	3	6	15
1986	27	25	16	28	34	9	8	4	9	14
1990	34	33	25	36	38	12	11	7	12	17
1992	33	32	21	35	36	11	10	6	12	10
<b>Latin America</b>										
1970	40	26	...	...	62	19	10	...	...	34
1980	35	25	...	...	54	15	9	...	...	28
1986	37	30	...	...	53	17	11	...	...	30
1990	39	34	...	...	53	18	13	...	...	30

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> Includes households below the indigence line or living in extreme poverty.

<sup>b</sup> Average of the figures for Rio de Janeiro and São Paulo.

<sup>c</sup> Information available only at the national level.

<sup>d</sup> Estimates could not be made for the Federal District because the sample size is too small.

Table 23  
**LATIN AMERICA (13 COUNTRIES): DISTRIBUTION OF HOUSEHOLDS  
 BY PER CAPITA INCOME BRACKET IN TERMS OF  
 THE POVERTY LINE**

Per capita income brackets expressed in terms of the poverty line	Urban areas											
	Argentina		Bolivia		Brazil	Chile		Colombia		Costa Rica		Guate- mala
	1990	1992	1989	1992	1990	1990	1992	1990	1992	1990	1992	1989
0 - 0.5	3.5	1.4	22.1	17.5	16.4	10.8	7.1	11.9	14.8	7.3	7.8	...
0.5 - 0.9	10.6	6.5	23.5	23.0	18.1	19.0	16.0	18.7	19.7	11.2	13.4	21.0
0.9 - 1.0	2.1	1.9	4.0	5.2	4.0	4.4	4.4	4.0	3.7	3.7	3.7	4.3
(Poor)	(16.2)	(9.8)	(49.6)	(45.7)	(38.5)	(34.2)	(27.5)	(34.6)	(38.2)	(22.2)	(24.9)	...
1.0 - 1.25	7.3	4.6	9.2	9.2	7.5	10.1	9.8	9.7	8.7	7.9	9.0	8.5
1.25 - 2.0	22.5	19.6	16.5	17.8	15.7	20.3	21.6	19.1	18.2	21.9	22.2	17.3
2.0 - 3.0	18.7	18.6	10.3	12.0	11.6	14.4	15.7	13.4	13.0	20.2	18.6	11.0
Over 3.0	35.3	47.5	14.4	15.3	26.7	21.1	25.5	23.2	22.0	27.9	25.4	15.0
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Urban areas												
	Honduras		Mexico		Panama		Paraguay		Uruguay		Venezuela	
	1990	1992	1989	1992	1989	1991	1990	1992	1990	1992	1990	1992
0 - 0.5	38.0	38.3	9.3	6.9	14.8	13.9	10.4	13.2	2.0	1.4	10.9	10.4
0.5 - 0.9	22.7	24.7	19.8	18.5	15.7	15.5	21.7	17.1	7.0	4.5	17.5	16.6
0.9 - 1.0	3.8	2.6	4.8	4.0	3.5	4.2	4.7	5.3	2.8	1.8	5.0	4.8
(Poor)	(64.5)	(65.6)	(33.9)	(29.4)	(34.0)	(33.6)	(36.8)	(35.6)	(11.8)	(7.7)	(33.4)	(31.8)
1.0 - 1.25	8.2	7.9	11.0	9.7	8.4	8.5	13.6	10.4	7.1	4.8	10.9	9.6
1.25 - 2.0	12.0	12.7	22.3	21.4	17.8	17.0	19.6	21.1	22.7	18.5	21.5	22.4
2.0 - 3.0	6.5	5.6	13.1	15.6	14.2	13.7	14.2	15.0	23.1	22.8	14.8	14.9
Over 3.0	8.8	8.2	19.8	23.9	25.6	27.2	15.9	18.0	35.3	46.2	19.4	21.3
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

Table 24  
**LATIN AMERICA (8 COUNTRIES): DISTRIBUTION OF  
 HOUSEHOLDS BY PER CAPITA INCOME BRACKET  
 IN TERMS OF THE POVERTY LINE**

Per capita income brackets expressed in terms of the poverty line	Rural areas														
	Brazil		Chile		Costa Rica		Guate- mala	Honduras		Mexico		Panama		Venezuela	
	1990	1990	1992	1990	1992	1989	1990	1992	1989	1992	1989	1991	1990	1992	
0 - 0.5	30.6	14.9	8.6	12.3	12.1	45.2	66.4	59.3	22.6	19.9	25.1	21.1	16.5	15.5	
0.5 - 0.9	21.3	16.3	15.1	9.1	9.5	22.3	14.8	15.4	20.9	20.5	17.3	17.4	17.7	16.6	
0.9 - 1.0	4.3	5.0	5.2	3.5	3.6	4.6	2.3	4.5	5.2	6.0	5.9	4.0	4.2	3.9	
(Poor)	(56.2)	(36.2)	(28.9)	(24.9)	(25.2)	(72.1)	(83.5)	(79.2)	(48.7)	(46.4)	(48.3)	(42.5)	(38.4)	(36.0)	
1.0 - 1.25	9.2	11.2	12.6	9.5	9.1	6.9	4.3	5.1	10.6	11.8	8.2	9.1	11.1	11.0	
1.25 - 2.0	15.5	21.7	25.8	23.7	24.8	11.0	6.3	9.8	19	8.8	18.3	18.6	21.5	22.0	
2.0 - 3.0	8.6	13.2	15.0	19.1	17.2	5.1	2.6	2.8	10.5	12.9	11.1	12.5	14.3	14.1	
Over 3.0	10.7	17.7	17.6	22.7	23.6	4.9	3.2	3.2	11.2	10.2	14.2	17.3	14.7	16.9	
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

Table 25  
**LATIN AMERICA (12 COUNTRIES): SOCIAL EXPENDITURE**  
*(Averages)*

	Social expenditure /GDP			Real per capita social expenditure (1985 dollars) <sup>a</sup>			Social expenditure/total public expenditure		
	1980-1981	1982-1989	1990-1993	1980-1981	1982-1989	1990-1993	1980-1981	1982-1989	1990-1993
<b>High</b>	<b>14.9</b>	<b>14.9</b>	<b>15.1</b>	<b>304.7</b>	<b>276.0</b>	<b>309.1</b>	<b>57.4</b>	<b>43.9</b>	<b>58.2</b>
Uruguay	14.9	16.3	17.5 <sup>b</sup>	278.1	277.2	329.6 <sup>b</sup>	63.6	50.1	64.4 <sup>b</sup>
Argentina	16.8	15.1	16.7	569.9	470.8	516.5	49.0	39.4	63.3
Costa Rica	15.2	15.2	15.9 <sup>b</sup>	251.3	230.8	261.1 <sup>b</sup>	66.1	51.0	63.2 <sup>b</sup>
Chile	17.7	18.7	14.6	264.5	243.7	260.9	61.7	49.3	63.1 <sup>c</sup>
Brazil <sup>d</sup>	9.7	9.4	10.8 <sup>b</sup>	159.6	157.5	177.3 <sup>b</sup>	46.5	29.7	36.8 <sup>b</sup>
<b>Moderate</b>	<b>9.6</b>	<b>8.3</b>	<b>7.5</b>	<b>243.7</b>	<b>189.0</b>	<b>171.5</b>	<b>34.9</b>	<b>29.4</b>	<b>36.4</b>
Venezuela	11.5	9.5	8.5 <sup>c</sup>	475.5	346.5	306.1 <sup>c</sup>	35.9	27.6	32.0 <sup>e</sup>
Colombia	7.8	8.1	7.9 <sup>c</sup>	91.4	97.9	107.2 <sup>c</sup>	33.9	33.7 <sup>f</sup>	...
Mexico	8.6	6.8	7.1 <sup>b</sup>	224.8	163.0	167.4 <sup>b</sup>	31.1	24.9	40.7 <sup>b</sup>
Ecuador	10.3	8.9	6.4 <sup>b</sup>	182.9	148.6	105.4 <sup>b</sup>	38.8	31.4	36.6 <sup>b</sup>
<b>Low</b>	<b>5.1<sup>g</sup></b>	<b>4.2<sup>g</sup></b>	<b>3.3<sup>g</sup></b>	<b>55.5<sup>g</sup></b>	<b>41.2<sup>g</sup></b>	<b>29.3<sup>g</sup></b>	<b>25.8<sup>g</sup></b>	<b>19.5<sup>g</sup></b>	<b>25.2<sup>g</sup></b>
Bolivia	5.7	4.7	4.5 <sup>c</sup>	73.0	49.2	45.0 <sup>a</sup>	1.0	23.8	34.5 <sup>c</sup>
Paraguay	3.9	4.2 <sup>h</sup>	...	52.1	52.1 <sup>h</sup>	...	37.7	57.5 <sup>h</sup>	...
Peru <sup>d</sup>	4.5	3.6	2.0 <sup>b</sup>	38.0	33.1	13.6 <sup>b</sup>	20.6	15.2	15.8 <sup>b</sup>
Regional average <sup>g</sup>	11.2	10.6	10.2	237.2	201.7	108.2	43.5	34.2	45.0
<b>Countries with high social expenditure</b>									
Variation in social expenditure (%)	...	0.5	1.1	...	-9.4	12.0	...	-23.5	32.5
Variation in GDP (%)	...	-6.4	7.3	...	-6.4	7.3	...	-6.4	7.3
<b>Countries with moderate social expenditure</b>									
Variation in social expenditure (%)	...	-12.8	-10.2	...	-22.4	-9.2	...	-15.8	23.9
Variation in GDP (%)	...	-7.7	1.0	...	-7.7	1.0	...	-7.7	1.0
<b>Countries with low social expenditure</b>									
Variation in social expenditure (%)	...	-18.6	-21.7	...	-25.9	-28.8	...	-24.4	29.0
Variation in GDP (%)	...	-7.5	-7.0	...	-7.5	-7.0	...	-7.5	-7.0

Source: Economic Commission for Latin America and the Caribbean (ECLAC), *El gasto social en América Latina: un análisis cuantitativo y cualitativo*, Cuadernos de la CEPAL series, No. 73, Santiago, Chile, in press.

<sup>a</sup> The values for Bolivia, Venezuela and (to a lesser degree) Colombia appear overestimated, while those for Peru and (to a lesser degree) Brazil appear underestimated owing to the selection of 1985 as the base year.

<sup>b</sup> 1990-1991.

<sup>c</sup> 1990-1992.

<sup>d</sup> Underestimated owing to limited institutional coverage.

<sup>e</sup> 1990.

<sup>f</sup> 1982-1988.

<sup>g</sup> Simple average. Excludes Paraguay owing to the change in institutional coverage in 1988.

<sup>h</sup> 1982-1987.

Table 26  
**LATIN AMERICA (12 COUNTRIES): FISCAL ADJUSTMENT DURING THE 1980s**  
*(Variations expressed as percentages of GDP)*

	Fiscal adjustment (FNNFPS)a	Primary expenditure	Social expenditure	Non- social expenditure
<b>Argentina</b>				
1980-1990	-0.9	-5.0	-1.7	-3.8
1980-1982	4.7	0.2	-2.1	1.6
1983-1986	-6.7	-1.4	1.4	-3.8
1987-1988	4.8	2.0	-0.8	2.7
1989-1990	-3.7	-5.7	-0.2	-4.2
<b>Bolivia</b>				
1980-1989	-14.4	...	-2.2	...
1980-1984	18.8	7.4	-1.0	8.4
1985-1986	-23.6	-11.0	-3.1	-7.9
1986-1987	5.2	-1.1	2.3	-3.4
1988-1989	-14.4	...	-0.4	...
<b>Brazil</b>				
1980-1990	10.5	5.7	2.5	3.2
1980-1985	9.9	-2.1	-0.8	-1.3
1986-1987	-1.5	3.5	1.2	2.3
1988-1990	2.1	4.4	2.2	2.2
<b>Chile</b>				
1980-1989	10.9	-5.9	-3.0	-2.9
1980-1984	10.0	4.0	4.2	-0.2
1985-1987	-4.3	-4.2	-4.6	0.4
1988-1989	5.2	-5.7	-2.6	-3.1
<b>Colombia</b>				
1980-1988	0.1	-1.7	-0.2	...
1980-1983	5.1	0.4	1.4	-1.0
1984-1986	-6.9	-2.1	-1.1	-1.1
1987-1988	1.9	0.1	-0.5	...
<b>Costa Rica</b>				
1980-1990	-9.2	-0.4	-0.5	0.1
1980-1984	-12.2	-2.2	-1.9	-0.3
1985-1988	5.6	1.4	0.2	1.2
1989-1990	-2.6	0.5	1.2	-0.7
<b>Ecuador</b>				
1980-1987	0.0	-2.0	0.0	-2.0
1980-1982	3.1	-1.0	0.2	-1.2
1983-1985	-11.8	-2.7	-1.5	-1.2
1986-1987	8.7	1.7	1.3	0.4
<b>Mexico</b>				
1980-1989	-1.1	-3.8	-1.7	-2.1
1980-1982	9.0	6.3	1.1	5.2
1983-1984	-8.4	-7.7	-2.4	-5.3
1985-1986	7.3	0.4	-0.1	0.5
1987-1989	-9.1	-2.9	-0.3	-2.6

Table 26 (concluded)

	Fiscal adjustment (FNNFPS) <sup>a</sup>	Primary expenditure	Social expenditure	Non- social expenditure
<b>Paraguay</b>				
1980-1990	3.8	-8.1	...	-7.3
1980-1984	5.8	1.8	1.7	0.1
1985-1987	-4.6	-3.0	-1.6	-1.3
<b>Peru</b>				
1980-1989	1.6	-11.9	-1.5	-10.4
1980-1983	6.4	-0.3	-0.6	0.3
1984-1985	-7.7	0.0	-0.3	0.3
1986-1989	2.9	-11.8	-0.6	-11.0
<b>Uruguay</b>				
1980-1987	2.0	0.6	2.1	-1.5
1980-1982	11.8	7.6	5.8	1.7
1983-1987	-9.8	-7.0	-3.7	-3.3
<b>Venezuela</b>				
1980-1988	5.9	4.0	-3.2	7.2
1980-1983	11.3	3.6	-0.8	4.4
1984-1985	-12.8	-3.6	0.4	-4.0
1986-1988	7.4	4.0	-2.8	6.8

Source: Economic Commission for Latin America and the Caribbean (ECLAC), *El gasto social en América Latina: un análisis cuantitativo y cualitativo*, Cuadernos de la CEPAL series, No. 73, Santiago, Chile, in press.

<sup>a</sup> FNNFPS = Financing needs of the non-financial public sector. An increase in this indicator reflects an increase in the deficit, or a decrease in the surplus, of the non-financial public sector.

Table 27  
**LATIN AMERICA (12 COUNTRIES): CHANGES IN REAL PER CAPITA  
 SOCIAL EXPENDITURE**  
*(1985 dollars)*

Sectors	Real per capita social expenditure 1980-1981 <sup>a</sup>	Real per capita social expenditure 1982-1989 <sup>a</sup>	Real per capita social expenditure 1990-1993 <sup>a</sup>	Percentage variation (1990-1993 vs. 1980-1981)
<b>Education</b>				
Argentina	113.5	103.6	104.1 <sup>b</sup>	-8.3
Bolivia	48.1	35.6	29.0 <sup>c</sup>	-39.7
Brazil <sup>d</sup>	16.7	23.9	20.1 <sup>e</sup>	20.7
Chile	63.4	52.6	52.1 <sup>b</sup>	-17.8
Colombia	34.2	36.9	37.1 <sup>c</sup>	8.5
Costa Rica	92.0	69.1	78.7 <sup>e</sup>	-14.5
Ecuador	95.5	75.4	49.4 <sup>e</sup>	-48.3
Mexico	87.6	68.6	67.2 <sup>e</sup>	-23.3
Paraguay	17.0	14.3 <sup>f</sup>		
Peru <sup>d</sup>	25.9	23.9	10.0 <sup>e</sup>	-61.3
Uruguay	35.9	31.7	36.0 <sup>e</sup>	0.5
Venezuela	202.3	161.5	118.8 <sup>g</sup>	-41.3
<b>Health</b>				
Argentina	154.0 <sup>h</sup>	133.6	133.8 <sup>b</sup>	-13.1
Bolivia	18.7 <sup>i</sup>	10.0	13.4 <sup>c</sup>	-28.3
Brazil <sup>d</sup>	29.9 <sup>h</sup>	34.6	38.0 <sup>e</sup>	27.4
Chile	40.0 <sup>h</sup>	36.5	43.8 <sup>b</sup>	9.5
Colombia	13.2	13.5	16.5 <sup>c</sup>	25.0
Costa Rica	111.1 <sup>h</sup>	87.0	120.2 <sup>e</sup>	8.2
Ecuador	35.0 <sup>h</sup>	31.2	24.6 <sup>e</sup>	-29.8
Mexico	94.0 <sup>i</sup>	70.9	80.1 <sup>e</sup>	-14.7
Paraguay	5.6	5.2 <sup>f</sup>		
Peru <sup>d</sup>	9.1	8.1	3.4 <sup>e</sup>	-62.4
Uruguay	18.7	18.2	24.2 <sup>e</sup>	29.2
Venezuela	68.2	58.1	54.0 <sup>g</sup>	-20.8
<b>Social security</b>				
Argentina	255.8	191.6	238.0 <sup>b</sup>	-9.1
Bolivia	-	-	-	-
Brazil <sup>d</sup>	89.4	85.0	106.6 <sup>e</sup>	19.2
Chile	110.6	103.0	120.5 <sup>b</sup>	9.0
Colombia	35.5	39.3	49.4 <sup>c</sup>	39.2
Costa Rica	32.4	49.6	54.4 <sup>e</sup>	68.0
Ecuador	51.2	41.9	31.1 <sup>e</sup>	-39.3
Mexico	...	...	...	...
Paraguay	24.2	36.2 <sup>f</sup>		
Peru <sup>d</sup>	0.2	0.3	0.1 <sup>e</sup>	...
Uruguay	218.9	223.4	266.4 <sup>e</sup>	21.7
Venezuela	107.7	77.2	90.0 <sup>g</sup>	-16.4

Table 27 (concluded)

Sectors	Real per capita social expenditure 1980-1981 <sup>a</sup>	Real per capita social expenditure 1982-1989 <sup>a</sup>	Real per capita social expenditure 1990-1993 <sup>a</sup>	Percentage variation (1990-1993 vs. 1980-1981)
<b>Housing</b>				
Argentina	46.7	39.5	40.8 <sup>b</sup>	-12.6
Bolivia	1.3	0.5	0.3 <sup>c</sup>	-77.0
Brazil <sup>d</sup>	23.6	13.9	12.5 <sup>e</sup>	-46.9
Chile	16.8	15.7	22.3 <sup>b</sup>	32.7
Colombia	8.5	8.8	4.2 <sup>c</sup>	-50.6
Costa Rica	8.6	16.5	3.8 <sup>e</sup>	-43.4
Ecuador	...	...	...	...
Mexico	23.5 <sup>j</sup>	11.4	8.3 <sup>e,j</sup>	-64.9
Paraguay	4.8	2.7 <sup>f</sup>	~	
Peru <sup>d</sup>	2.7	0.9	0.1 <sup>e</sup>	-96.3
Uruguay	0.3	0.4	0.6 <sup>e</sup>	101.9
Venezuela	97.3	49.7	43.2 <sup>g</sup>	-55.6

Source: Economic Commission for Latin America and the Caribbean (ECLAC), *El gasto social en América Latina: un análisis cuantitativo y cualitativo*, Cuadernos de la CEPAL series, No. 73, Santiago, Chile, in press.

<sup>a</sup> The values for Bolivia, Venezuela and (to a lesser degree) Colombia appear overestimated, while those for Peru and (to a lesser degree) Brazil appear underestimated owing to the selection of 1985 as the base year.

<sup>b</sup> 1990-1993.

<sup>c</sup> 1990-1992.

<sup>d</sup> This value may be underestimated, owing to limited institutional coverage.

<sup>e</sup> 1990-1991.

<sup>f</sup> 1982-1987.

<sup>g</sup> 1990.

<sup>h</sup> Includes health care expenditure channelled through the social security system.

<sup>i</sup> Includes social security.

<sup>j</sup> Urban development.

Table 28  
**LATIN AMERICA (6 COUNTRIES): SOCIAL EXPENDITURE ON EDUCATION**  
*(In 1985 dollars)<sup>a</sup>*

	Real per capita social expenditure, 1980-1981	Real per capita social expenditure, 1982-1989	Real per capita social expenditure 1990-1991
<b>Argentina</b>			
Basic	77.3	72.8	68.5
Higher	26.4	22.6	19.5
Basic education coefficient <sup>b</sup>	74.5	76.1	77.8
<b>Chile</b>			
Basic	47.3 <sup>c</sup>	41.4	35.3 <sup>d</sup>
Higher	18.4	12.6	9.4 <sup>d</sup>
Basic education coefficient <sup>b</sup>	72.0	76.8	79.0
<b>Colombia</b>			
Basic	23.7	23.3	22.9 <sup>d</sup>
Higher	7.9	6.9	7.0 <sup>d</sup>
Basic education coefficient <sup>b</sup>	74.8	77.3	76.5
<b>Ecuador</b>			
Basic	...	50.5 <sup>e</sup>	27.9
Higher	...	14.0 <sup>e</sup>	10.1
Basic education coefficient <sup>b</sup>	...	78.4	73.0
<b>Paraguay</b>			
Basic	7.1	7.3 <sup>f</sup>	...
Higher	3.5	3.2 <sup>f</sup>	...
Basic education coefficient <sup>b</sup>	67.5	69.3	...
<b>Uruguay</b>			
Basic	23.9	19.1 <sup>g</sup>	...
Higher	5.4	4.5 <sup>g</sup>	...
Basic education coefficient <sup>b</sup>	81.7	80.8	...

Source: Economic Commission for Latin America and the Caribbean (ECLAC), *El gasto social en América Latina: un análisis cuantitativo y cualitativo*, Cuadernos de la CEPAL series, No. 73, Santiago, Chile, in press.

<sup>a</sup> Real expenditure per capita, not per student.

<sup>b</sup> Coefficient = basic education/(basic education + higher education), in percentages.

<sup>c</sup> 1980.

<sup>d</sup> 1990.

<sup>e</sup> 1985-1989.

<sup>f</sup> 1982-1987.

<sup>g</sup> 1982-1986.

Table 29  
**LATIN AMERICA (13 COUNTRIES): INCIDENCE OF POVERTY <sup>a</sup>**  
**IN URBAN AREAS, BY TYPE OF HOUSEHOLD**

	Type of household									
	Total	One-person	Nuclear				Extended		Composite	
			Child-less	Complete	Male-headed	Female-headed	Complete	Female-headed	Complete	Female-headed
<b>Argentina</b>										
1980	4.9	4.4	3.5	6.4	5.5	8.8	3.4	6.0	-.-	6.7
1992	9.8	0.5	12.5	10.9	4.6	12.0	11.1	14.2	-.-	6.7
<b>Bolivia</b>										
1980	...	...	...	...	...	...	...	...	...	...
1992	45.7	26.4	27.7	51.2	32.2	52.9	38.4	48.0	16.3	45.0
<b>Brazil</b>										
1979	29.6	9.0	13.0	31.3	23.4	47.5	27.6	35.6	17.2	19.0
1990	38.5	33.6	24.4	39.2	36.0	49.2	41.1	50.6	24.3	30.8
<b>Chile</b>										
1987	36.6	13.0	11.4	41.0	27.3	41.2	40.5	44.6	27.8	27.5
1992	27.4	9.6	8.9	32.3	16.2	29.7	29.1	33.1	35.5	21.9
<b>Colombia</b>										
1980	35.5	11.6	16.0	36.9	29.5	39.7	33.6	41.6	26.5	27.8
1992	38.2	13.0	17.3	41.6	28.9	42.1	40.4	44.4	28.1	25.3
<b>Costa Rica</b>										
1988	20.5	14.1	10.6	19.3	18.8	30.3	21.4	30.5	26.5	17.2
1992	24.9	25.3	18.4	23.6	16.8	31.4	22.0	37.0	20.4	15.1
<b>Guatemala</b>										
1986	54.4	29.3	32.6	58.9	51.9	59.2	58.6	53.9	52.9	54.9
1992	...	...	...	...	...	...	...	...	...	...
<b>Honduras</b>										
1988	52.9	15.2	32.3	55.1	45.0	65.0	52.6	68.9	39.8	47.3
1992	65.6	20.4	50.9	66.9	35.7	79.7	63.6	78.9	57.6	67.3
<b>Mexico</b>										
1988	...	...	...	...	...	...	...	...	...	...
1992	29.4	2.8	10.6	33.6	18.5	21.0	38.0	29.0	13.5	43.3
<b>Panama</b>										
1980	...	...	...	...	...	...	...	...	...	...
1991	33.6	21.8	14.8	35.8	31.3	44.2	34.7	42.4	25.9	31.8

Table 29 (concluded)

	Type of household									
	Total	One-person	Nuclear				Extended		Composite	
			Child-less	Complete	Male-headed	Female-headed	Complete	Female-headed	Complete	Female-headed
<b>Paraguay</b>										
1986	45.7	20.9	20.8	46.4	36.0	52.4	60.6	46.7	39.0	43.4
1992	35.6	26.4	11.9	41.6	28.1	41.6	32.5	45.7	29.6	35.1
<b>Uruguay</b>										
1981	9.2	3.3	2.8	12.8	9.4	14.8	10.6	11.4	9.9	12.5
1992	7.7	0.9	1.4	11.7	3.5	9.0	11.3	9.1	16.9	8.9
<b>Venezuela</b>										
1981	17.8	0.1	9.9	17.0	14.7	34.5	11.0	34.6	14.7	30.8
1992	31.8	28.6	19.9	29.9	28.1	42.6	22.9	34.9	29.3	43.5

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> Percentage of poor and indigent households out of the total number of households.

Table 30  
**LATIN AMERICA (8 COUNTRIES): INCIDENCE OF POVERTY<sup>a</sup>**  
**IN RURAL AREAS, BY TYPE OF HOUSEHOLD**

	Type of household									
	Total	One-person	Nuclear				Extended		Composite	
			Child-less	Complete	Male-headed	Female-headed	Complete	Female-headed	Complete	Female-headed
<b>Brazil</b>										
1979	61.7	17.2	38.9	70.0	47.9	69.9	60.6	63.4	38.6	43.8
1990	56.2	36.7	38.8	61.4	39.7	58.4	57.8	62.4	37.1	44.2
<b>Chile</b>										
1987	44.9	10.8	14.5	54.0	22.0	38.1	50.8	43.3	31.3	31.3
1992	28.9	6.4	8.2	35.2	15.1	33.4	30.0	33.6	23.8	33.6
<b>Costa Rica</b>										
1988	27.6	36.3	17.3	26.1	14.9	39.8	29.3	40.5	22.6	44.1
1992	25.7	38.0	23.4	22.8	13.8	33.3	25.4	38.8	14.9	23.8
<b>Guatemala</b>										
1986	75.4	43.9	55.7	79.0	55.6	76.6	79.5	49.5	74.7	80.5
1992	...	...	...	...	...	...	...	...	...	...
<b>Honduras</b>										
1988	80.5	23.8	50.2	85.6	66.5	85.8	82.6	84.8	65.6	52.6
1992	79.2	29.4	55.5	81.3	69.6	88.0	83.3	92.0	65.1	82.2
<b>Mexico</b>										
1988	...	...	...	...	...	...	...	...	...	...
1992	46.5	12.7	20.3	25.3	43.7	33.7	59.6	40.5	46.2	14.4
<b>Panama</b>										
1980	...	...	...	...	...	...	...	...	...	...
1991	42.5	18.1	20.0	50.8	39.6	46.2	27.4	44.6	44.8	49.7
<b>Venezuela</b>										
1981	35.2	2.6	7.3	43.3	18.6	55.8	13.7	52.6	33.3	44.5
1992	35.9	3.9	17.6	41.3	24.2	51.2	34.8	34.0	32.9	52.9

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> Percentage of poor and indigent households out of the total number of households.

Table 31  
**LATIN AMERICA (11 COUNTRIES): PERCENTAGE OF 12- TO 14-YEAR- OLDS  
 WHO WORK, IN URBAN AREAS, BY TYPE OF HOUSEHOLD (1992)**

Country/Poverty level	Type of household						
	Total	Nuclear		Extended		Composite	
		Com- plete	Fe- male- headed	Com- plete	Fe- male- headed	Com- plete	Fe- male- headed
<b>Argentina</b>							
Indigent	3.9	6.5	0.0	0.0	0.0	--	--
Non-indigent poor	5.8	4.6	0.0	11.4	19.3	--	--
Not poor	4.3	4.2	5.6	5.3	4.5	--	--
<b>Bolivia</b>							
Indigent	4.9	4.2	9.3	3.2	3.2	0.0	--
Non-indigent poor	8.9	8.0	7.3	8.0	13.5	0.0	64.7
Not poor	11.2	9.8	23.1	9.4	0.9	17.0	12.9
<b>Brazil</b>							
Indigent	18.1	17.4	20.7	17.0	20.6	14.6	8.8
Non-indigent poor	19.8	18.1	27.2	19.6	19.6	21.9	26.7
Not poor	12.6	11.5	15.0	13.5	16.1	14.4	11.4
<b>Chile</b>							
Indigent	2.0	1.4	2.3	4.1	34.1	0.4	--
Non-indigent poor	1.9	0.9	4.6	1.7	3.6	5.0	16.2
Not poor	1.5	1.1	4.4	1.1	2.4	--	--
<b>Colombia</b>							
Indigent	6.5	5.3	8.4	6.8	7.2	8.8	--
Non-indigent poor	5.6	4.7	8.2	6.1	4.7	7.8	26.4
Not poor	3.4	2.7	7.8	3.2	2.9	0.0	11.2
<b>Costa Rica</b>							
Indigent	3.3	9.3	--	--	--	--	--
Non-indigent poor	8.3	5.2	1.9	20.9	27.3	--	--
Not poor	4.5	2.7	15.4	5.7	8.3	--	--
<b>Honduras</b>							
Indigent	9.9	9.0	13.0	11.4	7.7	10.0	10.8
Non-indigent poor	8.8	6.7	20.0	7.3	4.5	14.2	--
Not poor	6.9	2.3	--	13.2	5.0	10.4	--
<b>Mexico</b>							
Indigent	7.5	4.1	25.8	6.1	8.4	--	--
Non-indigent poor	6.8	6.7	1.2	0.8	--	--	--
Not poor	4.5	4.3	7.3	3.8	1.8	--	--

Table 31 (concluded)

Country/Poverty level	Type of household						
	Total	Nuclear		Extended		Composite	
		Com- plete	Fe- male- headed	Com- plete	Fe- male- headed	Com- plete	Fe- male- headed
<b>Paraguay</b>							
Indigent	23.4	26.7	0.0	0.0	32.5	-.-	-.-
Non-indigent poor	10.5	9.9	26.0	7.6	13.8	-.-	-.-
Not poor	4.1	5.0	25.0	4.7	-.-	-.-	-.-
<b>Uruguay</b>							
Indigent	6.8	5.2	11.5	-.-	12.8	-.-	-.-
Non-indigent poor	4.6	4.6	0.0	-.-	6.7	27.9	-.-
Not poor	3.7	3.1	1.2	3.6	7.6	26.0	16.2
<b>Venezuela</b>							
Indigent	3.2	3.1	2.7	-.-	11.9	2.7	3.5
Non-indigent poor	3.9	3.9	3.3	7.2	-.-	4.0	3.7
Not poor	3.3	2.3	2.3	3.7	18.0	4.7	4.4

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

Table 32  
**LATIN AMERICA (12 COUNTRIES): PERCENTAGE OF 15- TO 17-YEAR- OLDS  
 WHO WORK, IN URBAN AREAS, BY TYPE OF HOUSEHOLD (1992)**

Country/Poverty level	Type of household						
	Total	Nuclear		Extended		Composite	
		Com- plete	Fe- male- headed	Com- plete	Fe- male- headed	Com- plete	Fe- male- headed
<b>Argentina</b>							
Indigent	24.3	15.1	--	21.7	--	--	--
Non-indigent poor	21.8	16.1	--	27.1	37.7	--	--
Not poor	26.0	21.9	30.5	36.1	30.1	53.5	--
<b>Bolivia</b>							
Indigent	12.6	9.7	27.4	13.2	17.3	6.5	--
Non-indigent poor	20.0	16.2	22.1	27.7	33.2	8.5	0.0
Not poor	22.8	19.1	29.7	26.7	28.0	42.1	32.8
<b>Brazil</b>							
Indigent	43.1	42.3	42.7	42.8	47.9	41.5	24.1
Non-indigent poor	51.5	50.5	61.1	47.8	53.7	53.2	70.9
Not poor	43.8	43.3	50.4	40.9	51.8	31.8	36.2
<b>Chile</b>							
Indigent	11.9	9.4	19.0	13.4	19.1	5.3	0.0
Non-indigent poor	13.0	9.5	15.2	15.5	17.5	27.9	10.3
Not poor	10.3	7.6	14.1	14.5	12.3	24.3	23.3
<b>Colombia</b>							
Indigent	24.8	17.8	33.1	27.7	32.5	39.1	21.6
Non-indigent poor	22.8	20.9	27.8	17.8	29.5	15.1	11.9
Not poor	17.4	14.2	24.7	18.0	19.9	20.5	26.4
<b>Costa Rica</b>							
Indigent	25.6	1.5	58.8	54.5	23.4	--	--
Non-indigent poor	24.6	22.6	32.9	33.6	14.9	--	--
Not poor	20.4	15.9	25.4	30.9	33.5	--	60.4
<b>Honduras</b>							
Indigent	29.3	29.4	36.0	28.0	27.0	26.2	18.6
Non-indigent poor	32.6	32.1	43.8	27.2	32.4	19.8	57.5
Not poor	19.6	11.8	2.4	29.4	19.1	24.7	32.6
<b>Mexico</b>							
Indigent	36.6	30.1	38.0	41.9	61.8	0.0	0.0
Non-indigent poor	37.4	33.9	47.7	41.1	34.8	38.4	0.0
Not poor	19.9	20.9	23.7	32.0	34.3	37.6	31.6

Table 32 (concluded)

Country/Poverty level	Type of household						
	Total	Nuclear		Extended		Composite	
		Com- plete	Fe- male- headed	Com- plete	Fe- male- headed	Com- plete	Fe- male- headed
<b>Panama</b>							
Indigent	24.9	26.8	20.7	--	--	31.7	16.2
Non-indigent poor	19.8	16.0	18.3	11.1	35.5	26.9	24.8
Not poor	13.1	10.1	13.5	4.6	18.7	16.3	19.8
<b>Paraguay</b>							
Indigent	47.7	42.8	--	39.1	21.3	--	59.6
Non-indigent poor	38.0	30.2	32.7	50.0	56.0	33.0	50.0
Not poor	29.0	18.0	16.4	38.1	39.2	37.0	48.1
<b>Uruguay</b>							
Indigent	53.3	48.2	50.0	50.9	27.7	73.1	0.0
Non-indigent poor	38.5	37.7	39.3	41.5	22.6	51.2	0.0
Not poor	31.3	28.5	32.9	33.7	42.9	35.2	50.6
<b>Venezuela</b>							
Indigent	15.4	11.7	16.4	0.0	12.6	19.5	15.5
Non-indigent poor	18.8	13.9	18.1	37.8	11.8	22.1	22.5
Not poor	20.5	16.7	24.9	19.5	26.7	22.2	25.7

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

Table 33  
**LATIN AMERICA (12 COUNTRIES): PERCENTAGE OF FEMALE  
 HEADS OF HOUSEHOLD AND SPOUSES WHO WORK, BY  
 TYPE OF HOUSEHOLD, IN URBAN AREAS (1992)**  
*(Percentages)*

Country/Poverty level	Type of household								
	Total	One-person	Nuclear			Extended		Composite	
			Child-less	Complete	Female-headed	Complete	Female-headed	Complete	Female-headed
<b>Argentina</b>									
Indigent	26.7	-	0.0	23.1	100.0	12.8	34.6	--	--
Non-indigent poor	13.6	48.7	3.1	13.6	23.4	10.1	33.4	--	--
Not poor	39.5	32.5	35.1	38.5	62.0	41.7	39.6	39.1	54.0
<b>Bolivia</b>									
Indigent	36.6	20.7	18.4	31.4	77.4	27.5	50.3	0.0	0.0
Non-indigent poor	47.2	27.8	22.4	43.9	79.5	42.6	60.6	39.1	81.9
Not poor	56.0	57.6	41.7	55.7	78.1	50.0	58.3	67.3	71.0
<b>Brazil</b>									
Indigent	29.9	12.4	11.3	26.5	55.1	26.6	35.4	42.3	50.5
Non-indigent poor	35.6	24.9	24.5	32.8	57.9	35.9	43.1	40.2	59.7
Not poor	45.6	54.2	45.5	43.3	55.6	41.7	51.6	53.7	67.6
<b>Chile</b>									
Indigent	19.9	55.7	28.5	14.5	41.5	10.4	33.6	32.3	49.6
Non-indigent poor	20.5	24.6	14.0	14.4	61.2	13.3	35.0	17.3	41.9
Not poor	38.0	39.2	31.4	38.9	52.8	31.7	38.0	33.3	46.6
<b>Colombia</b>									
Indigent	37.4	27.1	16.8	31.8	74.3	29.2	44.0	32.3	44.9
Non-indigent poor	41.7	51.0	40.3	36.1	69.9	37.3	48.9	46.8	64.7
Not poor	53.1	62.4	53.2	53.8	63.0	42.3	50.7	53.0	68.3
<b>Costa Rica</b>									
Indigent	20.0	7.6	--	16.4	47.7	7.1	15.1	--	--
Non-indigent poor	20.8	37.5	--	12.7	51.4	14.1	35.4	32.4	60.8
Not poor	38.1	40.5	29.0	36.7	56.8	25.4	48.0	48.0	74.3
<b>Honduras</b>									
Indigent	34.9	--	42.9	25.5	63.2	25.4	38.5	22.3	47.9
Non-indigent poor	43.0	--	30.8	36.5	64.8	38.7	52.2	43.3	33.6
Not poor	59.8	40.9	49.5	62.4	74.2	53.4	61.9	57.3	85.2
<b>Mexico</b>									
Indigent	18.8	--	6.5	9.6	89.0	20.0	36.3	--	8.2
Non-indigent poor	25.2	5.1	10.6	20.0	57.1	26.2	58.8	--	--
Not poor	37.2	60.1	32.8	33.9	51.4	34.3	44.7	25.1	74.9

Table 33 (concluded)

Country/Poverty level	Type of household								
	Total	One-person	Nuclear			Extended		Composite	
			Child-less	Com-plete	Fe-male-headed	Com-plete	Fe-male-headed	Com-plete	Fe-male-headed
<b>Panamá</b>									
Indigent	27.6	25.0	14.7	22.4	51.6	25.7	0.0	15.0	36.7
Non-indigent poor	31.6	25.3	8.4	23.8	64.8	33.4	67.8	26.0	40.8
Not poor	47.8	40.6	32.1	50.0	65.3	64.5	46.0	40.4	50.7
<b>Paraguay</b>									
Indigent	34.8	21.3	--	34.2	63.9	16.4	28.3	41.4	50.0
Non-indigent poor	33.6	54.1	25.7	31.3	61.9	24.7	36.7	41.9	--
Not poor	52.9	59.7	48.6	51.4	59.2	55.7	43.9	52.5	72.7
<b>Uruguay</b>									
Indigent	49.7	--	46.3	49.3	77.5	19.4	58.5	22.3	0.0
Non-indigent poor	39.7	24.0	31.5	40.6	68.5	31.0	24.7	73.1	47.6
Not poor	44.6	26.5	31.3	56.6	54.2	42.8	36.1	49.6	40.7
<b>Venezuela</b>									
Indigent	20.2	--	6.5	13.9	36.0	15.6	24.8	13.0	21.7
Non-indigent poor	26.3	5.2	10.8	19.2	75.7	19.1	60.3	19.9	37.7
Not poor	48.7	91.0	45.0	46.7	69.2	60.4	73.4	40.0	53.9

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

Table 34  
**LATIN AMERICA (13 COUNTRIES): AVERAGE NUMBER OF PEOPLE PER  
HOUSEHOLD IN URBAN AREAS, BY TYPE OF HOUSEHOLD**

	Type of household							
	Total	Nuclear			Extended		Composite	
		Com- plete	Male- headed	Fe- male- headed	Com- plete	Fe- male- headed	Com- plete	Fe- male- headed
<b>Argentina</b>								
1980	3.6	4.2	2.8	2.8	5.2	3.4	4.2	..
1992	3.4	4.3	2.5	2.8	5.5	4.1	3.3	3.8
<b>Bolivia</b>								
1980	...	...	...	...	...	...	...	...
1992	4.5	5.0	3.3	3.5	6.4	4.5	6.2	4.4
<b>Brazil</b>								
1979	4.2	4.9	3.5	3.4	5.7	3.7	5.4	3.8
1990	4.0	4.5	3.0	3.3	5.8	4.4	5.0	4.0
<b>Chile</b>								
1987	4.2	4.4	2.9	3.1	5.9	4.6	4.2	5.0
1992	3.9	4.3	2.7	2.9	5.8	5.2	6.2	4.2
<b>Colombia</b>								
1980	4.9	5.0	3.9	3.8	6.8	5.2	4.4	6.4
1992	4.3	4.4	3.3	3.3	6.2	4.8	5.7	4.7
<b>Costa Rica</b>								
1988	4.4	4.6	3.2	3.5	6.1	4.6	3.8	5.6
1992	4.1	4.5	2.7	3.3	5.8	4.5	5.1	4.4
<b>Guatemala</b>								
1986	4.9	5.1	4.0	3.6	6.2	3.6	3.1	5.9
1992	...	...	...	...	...	...	...	...
<b>Honduras</b>								
1988	5.1	5.1	3.1	3.9	7.0	5.7	4.9	6.4
1992	4.9	4.9	3.3	3.9	6.6	5.5	6.0	5.0
<b>Mexico</b>								
1988	...	...	...	...	...	...	...	...
1992	4.5	4.7	3.4	3.4	6.5	4.5	4.9	4.2
<b>Panama</b>								
1980	...	...	...	...	...	...	...	...
1991	4.3	4.7	3.0	3.5	6.3	4.7	5.4	4.6

Table 34 (concluded)

	Type of household							
	Total	Nuclear			Extended		Composite	
		Com- plete	Male- headed	Fe- male- headed	Com- plete	Fe- male- headed	Com- plete	Fe- male- headed
<b>Paraguay</b>								
1986	4.6	4.7	4.1	3.5	6.3	5.0	4.7	5.6
1992	4.5	4.7	2.9	3.3	6.0	4.7	5.9	5.8
<b>Uruguay</b>								
1981	3.4	4.1	2.6	2.8	5.1	3.4	3.5	4.4
1992	3.2	4.1	2.5	2.7	5.2	3.5	4.7	3.4
<b>Venezuela</b>								
1981	5.5	5.2	3.8	4.0	5.7	5.0	4.2	6.6
1992	4.9	4.8	3.2	3.5	5.4	3.8	6.5	5.7

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

Table 35  
**LATIN AMERICA (13 COUNTRIES): AVERAGE NUMBER OF CHILDREN PER  
HOUSEHOLD IN URBAN AREAS, BY TYPE OF HOUSEHOLD**

	Type of household							
	Total	Nuclear			Extended		Composite	
		Com- plete	Male- headed	Fe- male- headed	Com- plete	Fe- male- headed	Com- plete	Fe- male- headed
<b>Argentina</b>								
1980	0.9	1.4	0.6	0.5	1.3	0.7	1.3	0.3
1992	0.9	1.5	0.3	0.7	1.5	1.0	0.2	0.9
<b>Bolivia</b>								
1980	...	...	...	...	...	...	...	...
1992	1.8	2.3	0.9	1.3	2.2	1.4	2.4	1.4
<b>Brazil</b>								
1979	1.5	2.0	1.0	1.2	1.9	0.9	1.5	0.6
1990	1.3	1.7	0.6	1.0	1.8	1.2	1.4	0.9
<b>Chile</b>								
1987	1.2	1.5	0.4	0.8	1.6	1.2	1.1	...
1992	1.1	1.5	0.4	0.7	1.6	1.2	1.1	0.9
<b>Colombia</b>								
1980	1.6	1.9	0.9	1.1	2.1	1.4	1.7	...
1992	1.3	1.6	0.7	0.9	1.8	1.4	1.6	0.9
<b>Costa Rica</b>								
1988	1.5	1.8	0.6	1.2	1.8	1.5	1.8	...
1992	1.3	1.7	0.2	1.1	1.6	1.3	1.5	1.1
<b>Guatemala</b>								
1986	2.0	2.4	1.4	1.6	2.7	..	2.1	...
1992	...	...	...	...	...	...	...	...
<b>Honduras</b>								
1988	2.1	2.5	1.1	1.8	2.7	2.4	2.2	...
1992	2.0	2.3	1.2	1.7	2.4	2.0	2.2	1.5
<b>Mexico</b>								
1988	...	...	...	...	...	...	...	...
1992	1.5	1.9	0.6	0.9	2.1	1.2	1.3	1.2
<b>Panama</b>								
1980	...	...	...	...	...	...	...	...
1991	1.3	1.7	0.9	1.2	1.6	0.5	1.7	1.5

Table 35 (concluded)

	Type of household							
	Total	Nuclear			Extended		Composite	
		Com- plete	Male- headed	Fe- male- headed	Com- plete	Fe- male- headed	Com- plete	Fe- male- headed
<b>Paraguay</b>								
1986	1.6	2.0	1.0	1.1	2.1	1.6	1.9	...
1992	1.5	1.9	0.9	1.0	1.8	1.3	1.8	1.8
<b>Uruguay</b>								
1981	0.9	1.4	0.4	0.7	1.4	0.7	1.1	...
1992	0.8	1.3	0.4	0.5	1.3	0.7	1.2	0.6
<b>Venezuela</b>								
1981	2.1	2.3	1.2	1.4	2.1	1.9	2.3	...
1992	1.7	1.9	0.8	1.2	1.9	0.8	2.1	1.9

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

Table 36  
**LATIN AMERICA (12 COUNTRIES): DISTRIBUTION OF HOUSEHOLDS BY  
 TYPE AND POVERTY LEVEL, IN URBAN AREAS (1992)**  
*(Percentages)*

Country/Poverty level	Type of household								
	Total	One-person	Nuclear			Extended		Composite	
			Child-less	Complete	Female-headed	Complete	Female-headed	Complete	Female-headed
<b>Argentina</b>									
Indigent	100.0	--	2.2	64.0	6.4	16.9	6.4	--	--
Non-indigent poor	100.0	0.8	22.5	48.9	8.8	10.0	6.4	--	0.4
Not poor	100.0	14.4	14.9	45.6	6.7	9.6	4.2	0.5	0.5
<b>Bolivia</b>									
Indigent	100.0	4.3	3.5	62.9	11.1	11.1	6.1	0.5	0.1
Non-indigent poor	100.0	3.5	3.6	66.0	8.8	10.9	5.8	0.4	0.6
Not poor	100.0	9.0	7.8	53.0	7.2	15.2	5.4	1.8	0.4
<b>Brazil</b>									
Indigent	100.0	1.0	4.2	71.6	5.4	12.6	4.0	1.0	0.2
Non-indigent poor	100.0	7.6	8.8	58.4	5.1	15.0	3.8	1.2	0.1
Not poor	100.0	8.8	12.8	53.9	4.8	14.0	3.0	2.4	0.3
<b>Chile</b>									
Indigent	100.0	4.0	3.3	56.6	9.2	16.0	9.1	1.1	0.8
Non-indigent poor	100.0	2.2	2.6	57.7	7.9	17.6	9.9	1.4	0.7
Not poor	100.0	9.5	10.9	46.1	7.3	16.5	7.4	1.5	0.9
<b>Colombia</b>									
Indigent	100.0	2.8	2.6	56.2	11.4	14.7	10.3	1.4	0.8
Non-indigent poor	100.0	0.9	2.1	54.6	9.8	19.3	10.9	1.9	0.6
Not poor	100.0	6.7	6.7	48.0	8.8	17.4	8.3	2.7	1.2
<b>Costa Rica</b>									
Indigent	100.0	13.6	6.4	33.5	19.1	10.1	16.5	0.7	0.2
Non-indigent poor	100.0	2.0	4.6	56.0	9.8	14.2	11.5	1.2	0.8
Not poor	100.0	5.5	7.5	52.8	9.2	15.2	7.4	1.4	1.1
<b>Honduras</b>									
Indigent	100.0	2.0	1.6	42.7	14.6	18.5	15.3	3.3	2.2
Non-indigent poor	100.0	0.7	4.0	43.5	10.9	20.1	15.8	3.6	1.4
Not poor	100.0	10.8	4.7	42.6	6.3	21.2	7.9	4.8	1.7
<b>Mexico</b>									
Indigent	100.0	0.1	0.9	64.6	6.9	21.2	5.8	0.4	0.2
Non-indigent poor	100.0	0.6	3.0	63.9	5.0	21.5	5.5	0.2	0.3
Not poor	100.0	7.3	8.9	54.0	8.5	15.6	5.7	0.5	0.2

Table 36 (concluded)

Country/Poverty level	Type of household								
	Total	One-person	Nuclear			Extended		Composite	
			Child-less	Com-plete	Fe-male-headed	Com-plete	Fe-male-headed	Com-plete	Fe-male-headed
<b>Panama</b>									
Indigent	100.0	10.8	3.5	61.0	19.6	1.0	0.8	0.1	0.7
Non-indigent poor	100.0	5.6	5.1	65.2	17.1	1.1	0.4	1.6	0.7
Not poor	100.0	13.6	12.5	55.5	11.1	1.5	1.0	1.3	0.5
<b>Paraguay</b>									
Indigent	100.0	5.7	0.7	44.6	12.2	13.4	15.0	4.2	4.2
Non-indigent poor	100.0	4.7	3.6	46.9	5.7	17.1	11.5	9.0	1.7
Not poor	100.0	7.9	10.2	36.7	6.4	18.1	8.5	9.5	2.7
<b>Uruguay</b>									
Indigent	100.0	1.8	1.7	66.0	11.3	8.5	8.3	2.5	0.0
Non-indigent poor	100.0	1.9	3.5	60.1	7.5	16.6	7.9	1.6	1.1
Not poor	100.0	16.5	18.8	39.6	6.9	10.0	6.6	0.7	0.8
<b>Venezuela <sup>a</sup></b>									
Indigent	100.0	0.5	2.7	36.0	18.0	19.5	23.4	...	...
Non-indigent poor	100.0	6.3	3.0	44.4	7.6	24.4	14.5	...	...
Not poor	100.0	5.1	5.4	45.8	6.9	26.0	10.7	...	...

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> Figures for extended households also include composite households.

Table 37  
**LATIN AMERICA (12 COUNTRIES): VULNERABILITY OF  
 HOUSEHOLDS AND OF CHILDREN UNDER  
 15 IN URBAN AREAS (1992)**

	Poor and indigent households			Poor and indigent children		
	Total <sup>a</sup>	Female-headed <sup>b</sup>		Total <sup>c</sup>	Female-headed <sup>d</sup>	
		No spouse	No spouse and more than 3 children		No spouse	No spouse and more than 3 children
Argentina	9.8	12.7	3.7	20.8	11.9	8.7
Bolivia	45.7	14.3	4.1	58.2	13.9	8.7
Brazil	38.5	16.6	1.5	54.2	17.6	10.7
Chile	27.4	16.4	3.8	44.2	14.8	7.4
Colombia	38.2	19.3	4.9	55.2	17.8	9.3
Costa Rica	24.9	26.3	6.8	36.4	24.4	16.4
Honduras	65.6	25.3	9.8	78.4	25.3	16.8
Mexico	29.4	10.4	4.3	46.7	9.1	6.8
Panama	33.6	23.0	7.3	51.7	22.2	13.6
Paraguay	35.6	19.3	5.3	...	...	...
Uruguay	7.7	17.5	6.0	24.1	14.1	10.1
Venezuela	31.8	24.6	10.1	46.0	26.7	19.2

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> Percentage of all households.

<sup>b</sup> Percentage of all poor and indigent households.

<sup>c</sup> Percentage of all children under 15.

<sup>d</sup> Percentage of all poor and indigent children under 15.

Table 38  
**LATIN AMERICA (7 COUNTRIES): CHILDREN AGED 7 TO 14 WHO  
 ARE BEHIND IN THEIR STUDIES, BY HOUSEHOLD EDUCATIONAL  
 ENVIRONMENT AND INCOME LEVEL, IN URBAN AREAS**  
*(Circa 1990; percentages)*

	Low-quality educational environment		Average educational environment			High-quality educational environment	
	Q1	Q2	Q1	Q2	Q4	Q2	Q4 <sup>a</sup>
<b>Simple average</b>	<b>42</b>	<b>37</b>	<b>23</b>	<b>17</b>	<b>12</b>	<b>9</b>	<b>7</b>
Brazil	52	43	30	25	16	15	7
Chile	31	26	19	14	11	7	7
Colombia	44	39	28	21	17	14	11
Costa Rica	43	43	24	19	13	6	6
Guatemala	56	50	24	19	14	8	8
Honduras	33	32	12	15	8	7	5
Uruguay	34	25	21	9	4	4	2

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> Q1, Q2, Q3 and Q4 refer to household income quartiles.

Table 39  
**LATIN AMERICA (7 COUNTRIES): AVERAGE YEARS OF SCHOOLING COMPLETED  
 BY NON-INDEPENDENT YOUNG PEOPLE AGED 15 TO 24, BY HOUSEHOLD  
 EDUCATIONAL ENVIRONMENT AND INCOME LEVEL, IN URBAN AREAS**  
*(Circa 1990)*

	Low-quality educational environment		Average educational environment			High-quality educational environment	
	Q1	Q2	Q1	Q2	Q4	Q2	Q4 <sup>a</sup>
<b>Simple average</b>	<b>6.1</b>	<b>6.9</b>	<b>7.8</b>	<b>8.4</b>	<b>9.7</b>	<b>10.1</b>	<b>10.9</b>
Brazil	4.5	5.7	6.3	7.2	9.3	9.6	9.9
Chile	7.6	8.6	8.9	9.8	10.0	10.4	11.2
Colombia	6.8	7.7	8.1	8.7	10.0	10.2	11.4
Costa Rica	6.3	6.8	7.9	8.6	10.3	10.8	11.3
Guatemala	4.9	5.5	8.0	8.2	9.1	9.3	10.9
Honduras	5.5	5.7	7.1	7.5	9.2	10.2	10.5
Uruguay	7.3	8.1	8.1	9.1	10.3	10.4	11.3

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> Q1, Q2, Q3 and Q4 refer to household income quartiles.

Table 40  
**LATIN AMERICA (5 COUNTRIES): CHILDREN AGED 7 TO 14 WHO ARE  
 BEHIND IN THEIR STUDIES, BY HOUSING CONDITIONS  
 AND FAMILY TYPE, IN URBAN AREAS**  
*(Circa 1990; percentages)*

	Low-quality educational environment and income quartile 1				Average educational environment and income quartile 2		
	Overcrowded <sup>a</sup>		Not overcrowded		Overcrowded	Not overcrowded	
	SWHH <sup>b</sup>	MC <sup>c</sup>	SWHH	MC	MC	SWHH	MC
<b>Simple average</b>	<b>52</b>	<b>43</b>	<b>38</b>	<b>36</b>	<b>21</b>	<b>20</b>	<b>13</b>
Chile	57	39	35	29	15	18	12
Colombia	62	54	43	47	20	29	22
Guatemala	59	57	52	49	24	19	14
Honduras	41	30	32	28	22	21	12
Uruguay	39	34	26	27	22	13	7

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> Overcrowded households are those with more than two persons per room, considering all the rooms occupied except bathrooms and kitchens.

<sup>b</sup> SWHH = Single woman head of household.

<sup>c</sup> MC = Household headed by a married couple.

Table 41  
**LATIN AMERICA (5 COUNTRIES): AVERAGE YEARS OF SCHOOLING COMPLETED BY  
 NON-INDEPENDENT YOUNG PEOPLE AGED 15 TO 24, BY HOUSING  
 CONDITIONS AND FAMILY TYPE, IN URBAN AREAS**  
*(Circa 1990)*

	Low-quality educational environment and income quartile 1				Average educational environment and income quartile 2		
	Overcrowded <sup>a</sup>		Not overcrowded		Overcrowded	Not overcrowded	
	SWHH <sup>b</sup>	MC <sup>c</sup>	SWHH	MC	MC	SWHH	MC
<b>Simple average</b>	<b>5.7</b>	<b>5.9</b>	<b>7.0</b>	<b>7.1</b>	<b>7.9</b>	<b>8.3</b>	<b>9.0</b>
Chile	7.3	7.3	8.2	8.4	9.9	10.0	10.2
Colombia	5.9	5.4	6.7	6.5	7.3	8.7	8.1
Guatemala	4.7	4.8	6.6	6.5	7.1	7.0	8.6
Honduras	4.4	5.3	6.1	6.5	7.1	7.0	8.6
Uruguay	6.4	6.6	7.3	7.8	8.2	8.9	9.3

**Source:** ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> Overcrowded households are those with more than two persons per room, considering all the rooms occupied except bathrooms and kitchens.

<sup>b</sup> SWHH = Single woman head of household.

<sup>c</sup> MC = Household headed by a married couple.

Table 42  
**LATIN AMERICA (10 COUNTRIES): CHILDREN AGED 0 TO 5 AND 6 TO 14  
 RESIDING IN HOUSEHOLDS WITH RISK FACTORS FOR THE  
 FORMATION OF EDUCATIONAL CAPITAL, IN URBAN AREAS**  
*(Percentages)*

	Children in households with low-quality educational environment and income quartile 1 or 2		Children in overcrowded households with low-quality educational environment and income quartile 1 or 2, or with average educational environment and income quartile 1	
	Ages 0-5	Ages 6-14	Ages 0-5	Ages 6-14
<b>Bolivia<sup>a</sup></b>				
1989	24.8	23.6	...	...
1992	23.0	23.6	...	...
<b>Brazil</b>				
1979	55.9	61.8	...	...
1990	47.9	52.1	...	...
<b>Chile</b>				
1990	12.0	14.3	2.9	2.2
1992	8.5	11.9	2.8	2.1
<b>Colombia</b>				
1980	43.0	47.6	...	...
1990	30.9	33.1	17.7	16.9
1992	27.9	31.8	...	...
<b>Costa Rica</b>				
1988	14.0	19.2	...	...
1990	18.8	22.4	...	...
1992	15.0	17.3	...	...
<b>Guatemala</b>				
1986	50.5	50.4	33.5	33.9
1989	...	47.4	...	34.1
<b>Honduras</b>				
1988	42.2	43.4	29.0	28.7
1990	42.6	46.2	19.6	17.9
1992	37.7	43.3	14.7	14.7
<b>Paraguay<sup>b</sup></b>				
1986	24.3	22.6	22.9	24.7
1990	20.7	16.6	20.4	16.5
1992	17.3	19.6	25.9	20.8

Table 42 (concluded)

	Children in households with low-quality educational environment and income quartile 1 or 2		Children in overcrowded households with low-quality educational environment and income quartile 1 or 2, or with average educational environment and income quartile 1	
	Ages 0-5	Ages 6-14	Ages 0-5	Ages 6-14
<b>Uruguay</b>				
1981	27.3	29.1	21.7	16.6
1989	18.5	22.6	18.6	18.3
1992	15.3	19.3	15.9	13.2
<b>Venezuela</b>				
1981	34.8	37.6	17.4	17.3
1990	26.4	28.7	16.0	14.6
1992	23.2	24.8	15.9	14.1

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> Data are for La Paz, El Alto and the departmental capitals.

<sup>b</sup> Data are for Asunción only.

Table 43  
**LATIN AMERICA (10 COUNTRIES): 16-YEAR-OLDS WHO HAVE COMPLETED  
 EIGHT OR MORE YEARS OF SCHOOLING, IN URBAN AREAS**  
*(Percentages)*

	Total	Q1	Q2	Q3	Q4 <sup>a</sup>	Difference (Q4-Q1)
<b>Brazil <sup>b</sup></b>						
1979	31.2	12.4	23.3	40.0	60.1	47.7
1990	32.5	13.5	25.3	43.4	64.8	51.3
<b>Chile</b>						
1992	85.1	75.5	86.5	90.0	95.8	20.3
<b>Colombia <sup>b</sup></b>						
1980	43.1	31.2	37.4	49.5	58.4	27.2
1990	60.4	48.5	57.4	64.6	76.2	27.7
1992	62.0	49.7	62.1	72.1	68.4	18.7
<b>Costa Rica</b>						
1981	63.2	40.8	74.3	79.4	81.9	41.1
1990	61.0	45.8	58.7	65.8	88.5	42.7
1992	57.8	40.0	49.5	71.0	83.8	43.8
<b>Guatemala <sup>b</sup></b>						
1986	44.2	22.4	41.0	51.3	62.1	39.7
1989	43.3	23.7	35.9	56.9	58.7	35.0
<b>Honduras <sup>b</sup></b>						
1988	40.0	31.5	28.8	50.0	51.6	20.1
1990	32.5	22.9	21.7	37.6	51.1	28.2
1992	34.3	29.4	25.0	38.1	47.7	18.3
<b>Panama</b>						
1979	66.8	60.5	65.4	80.2	67.3	6.8
1991	71.8	57.7	76.5	85.7	79.4	21.7
<b>Paraguay <sup>b c</sup></b>						
1986	69.1	59.7	66.1	72.6	77.7	18.0
1992	73.4	72.7	71.4	71.9	79.7	7.0
<b>Uruguay</b>						
1981	60.7	42.0	67.7	75.0	84.1	42.1
1989	70.0	55.7	73.4	85.2	87.0	31.3
1992	66.9	50.7	71.2	85.4	90.0	39.3
<b>Venezuela</b>						
1981	53.1	45.6	47.8	55.6	69.9	24.3
1990	57.1	48.9	55.2	56.4	74.2	25.3
1992	63.8	54.8	61.2	67.1	77.0	22.2

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> Q1, Q2, Q3 and Q4 refer to household income quartiles.

<sup>b</sup> Data are for 17-year-olds, since the minimum age of entry into primary school is 7.

<sup>c</sup> Data are for Asunción only.

Table 44  
**LATIN AMERICA (9 COUNTRIES): 13- TO 17-YEAR-OLDS WHO WORK,**  
**BY HOUSEHOLD INCOME LEVEL**  
*(Percentages)*

	Urban areas					Rural areas				
	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4 <sup>a</sup>
<b>Argentina<sup>b</sup></b>										
1980	22.3	17.3	24.8	27.3	20.4	...	...	...	...	...
1992	14.3	10.0	12.8	23.0	10.8	...	...	...	...	...
<b>Brazil</b>										
1979	31.1	29.4	34.2	33.4	26.3	57.1	58.4	58.2	57.6	53.1
1990	32.3	30.4	37.6	34.5	23.1	55.5	54.3	57.1	57.1	52.5
<b>Chile</b>										
1987	3.8	3.5	4.6	4.3	2.8	12.0	6.7	11.0	18.4	23.5
1992	6.2	5.9	7.1	7.8	3.5	15.4	9.3	14.2	20.9	24.7
<b>Colombia</b>										
1980	17.0	12.7	18.4	17.4	22.5	...	...	...	...	...
1992	13.5	12.1	14.7	13.1	14.6	...	...	...	...	...
<b>Costa Rica</b>										
1988	15.0	12.3	16.7	16.4	15.1	33.4	27.5	33.9	37.7	40.1
1992	13.0	11.2	19.2	12.0	5.6	28.4	19.3	28.1	35.3	33.8
<b>Honduras</b>										
1988	20.7	17.9	22.9	21.6	21.0	33.5	32.9	35.7	35.4	28.9
1992	22.3	19.5	21.1	27.8	21.6	34.9	34.2	34.1	35.8	36.0
<b>Mexico</b>										
1989	15.5	17.6	16.5	15.6	8.3	29.1	31.7	29.0	27.1	27.2
1992	16.9	18.9	20.2	15.2	6.8	30.1	29.7	31.2	29.6	29.5
<b>Uruguay<sup>c</sup></b>										
1981	21.9	26.7	22.6	18.9	13.5	...	...	...	...	...
1992	19.0	21.9	19.5	16.6	11.2	...	...	...	...	...
<b>Venezuela</b>										
1981	11.7	8.0	12.6	14.0	14.8	24.9	20.8	21.6	31.2	30.4
1992	12.0	8.9	12.0	15.6	13.3	23.7	16.7	25.4	27.8	28.6

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> Q1, Q2, Q3 and Q4 refer to household income quartiles.

<sup>b</sup> Data are for Greater Buenos Aires only.

<sup>c</sup> Owing to the design of the survey, the data are for 14- to 17-year-olds.

Table 45  
**LATIN AMERICA (9 COUNTRIES): 13- TO 17-YEAR-OLDS WHO NEITHER  
 WORK NOR ATTEND SCHOOL, BY HOUSEHOLD INCOME LEVEL**  
*(Percentages)*

	Urban areas					Rural areas				
	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4 <sup>a</sup>
<b>Argentina<sup>b</sup></b>										
1980	15.9	25.0	16.6	8.4	8.2	...	...	...	...	...
1992	13.3	24.6	11.7	6.4	6.5	...	...	...	...	...
<b>Brazil</b>										
1979	12.6	18.5	13.1	9.2	4.4	16.5	16.4	17.6	17.1	14.2
1990	12.1	19.4	12.0	7.0	3.6	15.7	16.9	17.0	15.6	11.9
<b>Chile</b>										
1987	7.3	12.0	5.9	4.2	2.0	23.1	28.3	22.0	19.9	12.5
1992	5.9	9.5	6.1	3.0	1.2	18.4	24.2	17.5	16.7	7.9
<b>Colombia</b>										
1980	9.9	14.0	11.0	7.6	3.4	...	...	...	...	...
1992	9.1	16.0	8.9	5.3	1.3	...	...	...	...	...
<b>Costa Rica</b>										
1988	14.6	22.9	15.9	10.2	4.1	31.2	37.4	34.5	27.3	23.5
1992	12.4	19.0	12.8	7.1	5.5	23.8	31.7	24.4	21.3	13.5
<b>Honduras</b>										
1988	16.8	24.5	21.2	11.7	6.5	29.4	31.8	28.1	28.6	28.7
1992	18.6	25.1	23.7	13.8	6.9	26.7	28.7	28.6	29.2	17.1
<b>Mexico<sup>c</sup></b>										
1989	15.2	19.6	12.7	13.8	10.4	28.3	34.3	29.5	22.6	23.4
1992	15.1	18.7	17.1	12.4	4.4	26.4	34.9	26.1	22.2	17.4
<b>Uruguay<sup>d</sup></b>										
1981	15.7	25.3	15.0	6.5	5.2	...	...	...	...	...
1992	13.2	22.3	9.4	4.9	1.4	...	...	...	...	...
<b>Venezuela</b>										
1981	13.2	15.2	14.6	11.9	7.8	19.5	18.2	17.8	22.8	20.7
1992	12.8	15.7	13.7	10.9	7.8	20.1	23.7	20.1	17.7	16.2

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> Q1, Q2, Q3 and Q4 refer to household income quartiles.

<sup>b</sup> Data are for Greater Buenos Aires only.

<sup>c</sup> Owing to the design of the survey, the data are for persons who did not describe themselves as students and did not state that they were working.

<sup>d</sup> Owing to the design of the survey, the data are for 14- to 17-year-olds.

Table 46  
**LATIN AMERICA (12 COUNTRIES): NON-INDEPENDENT MEN AGED 15 TO 24 WHO  
 NEITHER WORK NOR ATTEND SCHOOL, BY HOUSEHOLD INCOME LEVEL**  
*(Percentages)*

	Urban areas				Rural areas			
	Total	Q1	Q4 <sup>a</sup>	Differ- ence (Q1-Q4)	Total	Q1	Q4	Differ- ence (Q1-Q4)
<b>Argentina<sup>b</sup></b>								
1980	10.7	17.1	5.8	11.3	...	...	...	...
1986	9.3	19.3	2.0	17.3	...	...	...	...
1992	12.9	27.8	6.0	21.8	...	...	...	...
<b>Brazil</b>								
1979	10.6	19.8	4.3	15.5	4.3	5.3	3.0	2.3
1987	11.0	21.7	5.3	16.4	5.1	6.6	3.5	3.1
1990	11.4	21.3	4.4	16.9	5.4	7.7	3.9	3.8
<b>Chile</b>								
1987	18.2	27.5	10.0	17.5	21.1	32.6	9.5	23.1
1990	16.5	26.4	7.4	19.0	16.2	28.0	8.1	19.9
1992	12.6	23.7	6.8	16.9	15.4	27.1	7.0	20.1
<b>Colombia</b>								
1980	12.1	20.4	4.7	15.7	...	...	...	...
1990	16.0	27.7	8.3	19.4	...	...	...	...
1992	12.8	21.2	5.0	16.2	...	...	...	...
<b>Costa Rica</b>								
1988	11.3	25.8	5.8	20.0	12.5	24.5	4.7	19.8
1990	11.0	26.9	3.8	23.1	11.1	23.7	2.7	21.0
1992	8.8	21.1	3.3	17.8	9.8	19.2	4.2	15.0
<b>Guatemala</b>								
1986	11.5	17.9	8.0	9.9	6.4	13.4	4.9	8.5
1989	9.4	12.6	5.9	6.7	5.1	8.5	3.5	5.0
<b>Honduras</b>								
1988	17.1	29.0	6.4	22.6	8.4	7.1	11.3	-4.2
1990	14.6	26.8	7.9	18.9	7.9	5.1	9.5	-4.4
1992	13.2	26.4	3.1	23.3	10.5	7.9	11.1	-3.2
<b>Mexico</b>								
1989	11.1	18.0	5.6	12.4	7.4	10.9	2.5	8.4
1992	12.3	18.5	8.3	10.2	10.1	10.1	9.0	1.1
<b>Panama<sup>c</sup></b>								
1979	23.9	39.7	10.9	28.8	10.0	9.6	9.1	0.5
1989	24.1	31.8	10.1	21.7	14.2	11.8	12.9	-1.1
1991	21.3	29.4	7.9	21.5	12.9	15.7	14.1	1.6

Table 46 (concluded)

	Urban areas				Rural areas			
	Total	Q1	Q4 <sup>a</sup>	Difference (Q1-Q4)	Total	Q1	Q4	Difference (Q1-Q4)
<b>Paraguay</b> <sup>c d</sup>								
1986	16.4	24.1	3.2	20.9	...	...	...	...
1990	21.9	33.3	11.8	21.5	...	...	...	...
1992	11.5	20.9	6.5	14.4	...	...	...	...
<b>Uruguay</b>								
1981	12.0	21.1	4.1	17.0	...	...	...	...
1989	13.2	20.6	4.5	16.1	...	...	...	...
1992	13.8	24.6	2.9	21.7	...	...	...	...
<b>Venezuela</b>								
1981	15.0	23.8	8.3	15.5	10.9	11.9	8.5	3.4
1990	20.6	31.7	10.5	21.2	14.3	19.3	10.2	9.1
1992	15.5	25.2	7.5	17.7	12.5	22.6	7.1	15.5

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> Q1, Q2, Q3 and Q4 refer to household income quartiles.

<sup>b</sup> Data are for Greater Buenos Aires only.

<sup>c</sup> Owing to the design of the survey, the data for these countries are for young men who did not describe themselves as students and did not state that they were working.

<sup>d</sup> Data are for Asunción only.

Table 47  
**LATIN AMERICA (11 COUNTRIES): NON-INDEPENDENT 20- TO 24-YEAR OLDS  
WHO DO NOT ATTEND SCHOOL AND HAVE COMPLETED LESS THAN 10  
YEARS OF SCHOOLING, BY HOUSEHOLD INCOME LEVEL**  
*(Percentages)*

	Urban areas				Rural areas			
	Total	Q1	Q4 <sup>a</sup>	Differ- ence (Q1-Q4)	Total	Q1	Q4	Differ- ence (Q1-Q4)
<b>Argentina</b> <sup>b c</sup>								
1980	27.0	56.1	11.4	44.7	...	...	...	...
1992	44.4	67.1	24.1	43.0	...	...	...	...
<b>Brazil</b>								
1979	52.6	74.5	23.7	50.8	85.4	86.8	79.5	7.3
1990	52.6	73.8	19.9	53.9	84.5	88.4	76.2	12.2
<b>Chile</b>								
1987	22.7	42.6	6.0	36.6	73.0	83.2	58.3	24.9
1992	20.5	38.4	8.2	30.2	62.8	70.7	51.7	19.0
<b>Colombia</b>								
1980	43.8	64.5	16.2	48.3	...	...	...	...
1992	32.6	54.1	9.9	44.2	...	...	...	...
<b>Costa Rica</b>								
1988	39.8	62.9	20.5	42.4	70.9	73.4	65.2	8.2
1992	34.9	58.7	9.8	48.9	74.3	81.8	64.4	17.4
<b>Honduras</b>								
1988	49.7	70.0	24.0	46.0	90.4	97.9	78.4	19.5
1992	54.1	73.6	26.0	47.6	85.9	96.0	63.5	32.5
<b>Mexico</b>								
1989	53.6	73.8	31.7	42.1	85.2	92.3	80.3	12.0
1992	51.0	82.2	20.0	62.2	85.4	93.4	74.3	19.1
<b>Panama</b> <sup>d</sup>								
1979	39.8	54.1	25.0	29.1	72.2	85.9	53.4	32.5
1992	32.3	48.2	10.0	38.2	58.6	74.8	33.5	41.3
<b>Paraguay</b> <sup>d e</sup>								
1986	41.1	53.1	23.4	29.7	...	...	...	...
1992	30.0	52.4	16.8	35.6	...	...	...	...

Table 47 (concluded)

	Urban areas				Rural areas			
	Total	Q1	Q4 <sup>a</sup>	Difference (Q1-Q4)	Total	Q1	Q4	Difference (Q1-Q4)
<b>Uruguay</b>								
1981	52.8	79.1	27.0	52.1	...	...	...	...
1992	38.0	62.7	13.1	49.6	...	...	...	...
<b>Venezuela</b>								
1981	55.9	62.6	42.4	20.2	86.0	86.8	80.4	6.4
1992	45.7	57.3	26.0	31.3	77.4	81.8	67.2	14.6

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> Q1, Q2, Q3 and Q4 refer to household income quartiles.

<sup>b</sup> The figures are for categories of incomplete education up to that of secondary school uncompleted, instead of 9 or fewer years of schooling.

<sup>c</sup> Data are for Greater Buenos Aires only.

<sup>d</sup> Owing to the design of the survey, the data for these countries are for young people who did not describe themselves as students and have completed 9 or fewer years of schooling.

<sup>e</sup> Data are for Asunción only.

Table 48  
**LATIN AMERICA (12 COUNTRIES): INDEPENDENT 15- TO 24-YEAR-OLDS  
 WHO WORK MORE THAN 20 HOURS PER WEEK AND DO NOT ATTEND  
 SCHOOL, WITH A CEMIT<sup>a</sup> OF 2.5 OR LESS, BY  
 YEARS OF SCHOOLING COMPLETED**  
*(Percentages)*

	Urban areas					Rural areas				
	Total	Years of schooling			Differ- ence (0-5 - 10+)	Total	Years of schooling			Differ- ence (0-5 - 10+)
		0-5	6-9	10 or over			0-5	6-9	10 or over	
<b>Bolivia</b> <sup>b</sup>										
1989	70.7	87.5	69.0	55.1	32.4	...	...	...	...	...
1992	65.7	84.8	62.9	49.1	35.7	...	...	...	...	...
<b>Brazil</b>										
1979	57.2	69.6	43.4	14.9	54.7	76.0	78.6	45.4	-.-	
1990	62.5	79.1	57.8	32.3	46.8	67.0	72.7	46.2	-.-	
<b>Chile</b>										
1990	63.9	59.0	78.7	56.7	2.3	48.6	63.1	51.2	29.8	33.3
1992	56.3	75.6	69.4	49.1	26.5	54.2	62.8	56.1	46.4	16.4
<b>Colombia</b>										
1980	80.8	88.1	77.7	44.8	43.3	...	...	...	...	...
1990	75.9	87.2	78.5	51.7	35.5	...	...	...	...	...
1992	84.4	93.4	87.1	68.0	25.4	...	...	...	...	...
<b>Costa Rica</b>										
1988	27.6	57.3	29.0	14.3	43.0	12.2	19.8	11.3	8.7	11.1
1990	28.5	38.8	32.6	19.9	18.9	10.4	16.5	10.2	-	
1992	34.3	72.6	42.7	10.8	61.8	8.5	9.9	9.1	4.3	5.6
<b>Guatemala</b>										
1986	76.9	86.8	76.7	30.2	56.6	71.5	75.1	58.7	-.-	
1989	70.2	84.2	71.7	15.8	68.4	62.2	63.5	58.7	-.-	
<b>Honduras</b>										
1988	86.9	94.3	91.6	47.0	47.3	85.6	90.9	75.9	-.-	
1990	83.1	92.8	87.3	43.9	48.9	81.3	90.7	73.5	11.6	79.1
1992	88.2	98.2	92.8	62.9	35.3	78.8	85.9	78.8	23.6	62.3
<b>Mexico</b>										
1989	51.4	71.9	61.9	23.0	48.9	63.4	78.4	55.0	18.0	60.4
1992	55.8	71.4	63.0	25.0	46.4	52.7	59.5	57.2	8.3	51.2
<b>Panama</b>										
1979	44.6	79.7	59.3	10.9	68.8	29.2	48.1	29.8	-.-	
1989	61.5	69.6	78.0	35.3	34.3	51.4	84.3	50.4	37.9	46.4
1991	67.3	87.7	81.4	36.8	50.9	48.7	53.8	54.1	19.5	34.3

Table 48 (concluded)

	Urban areas					Rural areas				
	Total	Years of schooling			Difference (0-5 - 10+)	Total	Years of schooling			Difference (0-5 - 10+)
		0-5	6-9	10 or over			0-5	6-9	10 or over	
<b>Paraguay<sup>c</sup></b>										
1986	94.3	95.2	97.2	82.2	13.0	...	...	...	...	...
1990	86.0	94.3	90.2	65.3	29.0	...	...	...	...	...
1992	82.9	100.0	92.4	50.9	49.1	...	...	...	...	...
<b>Uruguay</b>										
1981	34.4	45.4	41.3	18.9	26.5	...	...	...	...	...
1990	47.7	70.0	53.1	32.2	37.8	...	...	...	...	...
1992	45.9	57.3	48.2	39.6	17.7	...	...	...	...	...
<b>Venezuela</b>										
1981	19.2	39.3	15.5	3.1	36.2	14.4	19.0	11.8	-.-	
1990	41.8	68.4	44.9	16.4	52.0	35.8	36.3	35.0	16.6	19.7
1992	43.3	68.4	46.5	19.2	49.2	28.7	35.6	25.3	17.9	17.7

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> The CEMIT (monthly income capacity equivalent) represents monthly income calculated on the basis of value per working hour and is expressed in terms of the poverty line.

<sup>b</sup> Data are for La Paz, El Alto and the departmental capitals.

<sup>c</sup> Data are for Asunción only.

Table 49  
**LATIN AMERICA (13 COUNTRIES): AVERAGE CEMIT<sup>a</sup> OF  
 INDEPENDENT 15- TO 24-YEAR-OLDS WHO WORK MORE THAN  
 20 HOURS PER WEEK AND DO NOT ATTEND SCHOOL, BY YEARS  
 OF SCHOOLING COMPLETED**

	Urban areas					Rural areas				
	Total	Years of schooling			Differ- ence (10+ - 0-5)	Total	Years of schooling			Differ- ence (10+ - 0-5)
		0-5	6-9	10 or over			0-5	6-9	10 or over	
<b>Argentina<sup>b</sup></b>										
1980	5.0	4.6	4.6	6.4	1.8	...	...	...	...	...
1990	4.7	2.3	4.3	6.0	3.7	...	...	...	...	...
1992	5.8	3.5	4.9	7.7	4.2	...	...	...	...	...
<b>Bolivia<sup>c</sup></b>										
1989	2.4	1.6	2.3	3.3	1.7	...	...	...	...	...
1992	2.6	1.7	2.5	3.6	1.9	...	...	...	...	...
<b>Brazil</b>										
1979	3.3	2.3	4.0	7.9	5.6	2.2	2.0	3.5	7.6	5.6
1990	2.9	1.8	2.9	5.6	3.8	2.5	2.2	3.4	4.6	2.4
<b>Chile</b>										
1990	2.5	2.2	2.0	2.8	0.6	2.8	2.4	2.5	3.9	1.5
1992	2.9	2.2	2.3	3.2	1.0	2.8	2.4	2.7	3.1	0.7
<b>Colombia</b>										
1980	2.0	1.6	1.9	4.3	2.7	...	...	...	...	...
1990	2.3	1.7	2.0	3.9	2.2	...	...	...	...	...
1992	1.7	1.3	1.5	2.6	1.3	...	...	...	...	...
<b>Costa Rica</b>										
1988	3.6	2.4	3.6	4.2	1.8	5.1	4.0	5.1	6.0	2.0
1990	3.8	2.9	3.4	4.7	1.8	4.9	3.9	4.8	7.2	3.3
1992	3.5	1.8	3.1	4.7	2.9	4.8	4.7	4.7	5.3	0.6
<b>Guatemala</b>										
1986	2.1	1.8	1.9	4.2	2.4	2.3	2.2	2.8	..	
1989	2.4	1.7	2.5	4.7	3.0	2.6	2.4	2.7	..	
<b>Honduras</b>										
1988	1.3	0.9	1.1	3.2	2.3	1.5	1.3	1.8	5.1	3.8
1990	1.5	1.0	1.3	3.4	2.4	1.7	1.3	2.0	5.8	4.5
1992	1.4	0.7	1.2	2.6	1.9	2.0	1.5	2.1	5.2	3.7
<b>Mexico</b>										
1989	3.2	2.2	2.8	4.6	2.4	2.6	2.2	2.7	6.7	4.5
1992	3.0	2.2	2.5	5.1	2.9	2.9	2.2	2.7	5.8	3.6

Table 49 (concluded)

	Urban areas					Rural areas				
	Total	Years of schooling			Difference (10+ - 0-5)	Total	Years of schooling			Difference (10+ - 0-5)
		0-5	6-9	10 or over			0-5	6-9	10 or over	
<b>Panama</b>										
1979	3.6	1.7	2.5	5.9	4.2	4.7	2.8	3.9	9.0	6.2
1989	2.7	2.0	1.9	3.9	2.0	2.8	2.3	2.5	3.8	1.5
1991	2.5	1.4	1.8	4.1	2.7	3.3	2.8	3.3	4.2	1.4
<b>Paraguay<sup>d</sup></b>										
1986	1.0	0.8	0.9	1.8	1.0	...	...	...	...	...
1990	1.3	0.8	1.1	2.5	1.7	...	...	...	...	...
1992	1.7	0.9	1.3	3.0	2.1	...	...	...	...	...
<b>Uruguay</b>										
1981	3.9	3.1	3.7	4.6	1.5	...	...	...	...	...
1990	2.9	2.1	2.8	3.4	1.3	...	...	...	...	...
1992	3.1	2.6	2.9	3.5	0.9	...	...	...	...	...
<b>Venezuela</b>										
1981	5.9	4.2	5.6	9.3	5.1	6.5	4.9	7.5	11.0	6.1
1990	3.2	2.3	3.1	4.3	2.0	3.6	3.3	3.9	4.3	1.0
1992	3.4	2.1	3.1	5.0	2.9	4.2	3.9	4.3	5.2	1.3

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> The CEMIT (monthly income capacity equivalent) represents monthly income calculated on the basis of value per working hour and is expressed in terms of the poverty line.

<sup>b</sup> The categories of educational levels used here were primary school uncompleted, primary school completed/secondary school uncompleted and secondary school completed and over, rather than 0-5, 6-9 and 10 or over, respectively. Data are for Greater Buenos Aires only.

<sup>c</sup> Data are for La Paz, El Alto and the departmental capitals.

<sup>d</sup> Data are for Asunción only.

Table 50  
**LATIN AMERICA (13 COUNTRIES): POPULATION BETWEEN 25 AND 59 YEARS  
 OF AGE, BY YEARS OF SCHOOLING COMPLETED**  
*(Percentages)*

	Urban areas			Rural areas		
	Years of schooling			Years of schooling		
	0-5	6-9	10 or over	0-5	6-9	10 or over
<b>Argentina<sup>a</sup></b>						
1980	28.8	48.9	22.2	...	...	...
1990	12.4	51.6	35.8	...	...	...
1992	11.3	51.6	37.1	...	...	...
<b>Bolivia<sup>b</sup></b>						
1989	36.2	16.1	47.7	...	...	...
1992	31.4	18.4	50.2	...	...	...
<b>Brazil</b>						
1979	70.2	12.7	17.1	96.7	1.9	1.4
1987	53.3	18.2	28.5	86.9	7.3	5.8
1990	55.5	17.1	27.5	89.2	6.3	4.5
<b>Chile</b>						
1987	18.7	29.6	51.7	50.7	35.5	13.8
1990	15.7	29.5	54.7	43.8	37.5	18.8
1992	15.5	28.3	56.2	43.8	38.4	17.8
<b>Colombia</b>						
1980	52.4	22.3	25.3	...	...	...
1990	37.4	23.4	39.2	...	...	...
1992	34.3	23.0	42.8	...	...	...
<b>Costa Rica</b>						
1981	27.2	41.5	31.3	58.1	33.5	8.4
1990	16.9	40.9	42.3	40.3	45.2	14.5
1992	15.0	39.6	45.4	35.5	48.0	16.5
<b>Guatemala</b>						
1986	52.8	26.3	21.0	92.8	5.9	1.3
1989	51.5	26.6	21.9	90.7	7.3	1.9
<b>Honduras</b>						
1988	40.1	30.8	29.6	83.2	13.2	3.7
1992	35.7	32.9	31.4	71.2	22.2	6.6
<b>Mexico</b>						
1989	29.6	47.1	23.3	70.0	25.2	4.8
1992	24.8	49.5	25.7	68.0	28.0	4.0
<b>Panama</b>						
1979	18.2	47.8	34.0	57.4	36.6	6.0
1989	14.5	42.0	43.5	40.4	42.7	16.9
1991	13.7	39.4	46.9	37.6	43.9	18.5

Table 50 (concluded)

	Urban areas			Rural areas		
	Years of schooling			Years of schooling		
	0-5	6-9	10 or over	0-5	6-9	10 or over
<b>Paraguay</b> <sup>c</sup>						
1986	21.6	37.5	40.9	...	...	...
1990	16.9	40.5	42.7	...	...	...
1992	18.1	36.5	45.4	...	...	...
<b>Uruguay</b>						
1981	26.6	46.4	27.0	...	...	...
1990	17.2	46.1	36.7	...	...	...
1992	15.3	46.4	38.3	...	...	...
<b>Venezuela</b>						
1981	30.0	49.4	20.6	73.5	22.8	3.8
1990	19.4	48.3	32.3	61.0	32.4	6.6
1992	17.1	47.9	35.0	55.0	34.0	11.0

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> The categories of educational levels used here were primary school uncompleted, primary school completed/secondary school uncompleted and secondary school completed and over, rather than 0-5, 6-9 and 10 or over, respectively. Data are for Greater Buenos Aires only.

<sup>b</sup> Data are for La Paz, El Alto and the departmental capitals.

<sup>c</sup> Data are for Asunción only.

Table 51  
**LATIN AMERICA (13 COUNTRIES): CEMIT<sup>a</sup> OF GAINFULLY EMPLOYED  
 25- TO 59-YEAR-OLDS WHO WORK MORE THAN 20 HOURS PER WEEK,  
 BY YEARS OF SCHOOLING COMPLETED**  
*(Percentages)*

	Urban areas					Rural areas				
	Total	Years of schooling			Differ- ence (10+ - 0-5)	Total	Years of schooling			Differ- ence (10+ - 0-5)
		0-5	6-9	10 or over			0-5	6-9	10 or over	
<b>Argentina<sup>b</sup></b>										
1980	8.8	5.6	7.3	13.9	8.3	...	...	...	...	...
1990	5.9	4.3	5.1	7.5	3.2	...	...	...	...	...
1992	8.6	5.3	6.8	11.9	6.6	...	...	...	...	...
<b>Bolivia<sup>c</sup></b>										
1989	4.9	3.2	3.9	6.3	3.1	...	...	...	...	...
1992	5.0	3.1	3.7	6.4	3.3	...	...	...	...	...
<b>Brazil</b>										
1979	7.0	4.2	7.4	15.5	11.3	3.1	2.9	6.6	14.2	11.3
1990	5.6	3.0	4.5	10.6	7.6	3.5	3.0	5.5	9.4	6.4
<b>Chile</b>										
1990	4.3	2.3	2.7	5.4	3.1	3.6	2.7	2.9	6.2	3.5
1992	5.0	2.5	2.8	6.4	3.9	3.9	2.7	3.1	7.9	5.2
<b>Colombia</b>										
1980	4.6	2.3	3.6	9.1	6.8	...	...	...	...	...
1990	4.2	2.3	3.0	6.3	4.0	...	...	...	...	...
1992	3.6	1.9	2.4	5.3	3.4	...	...	...	...	...
<b>Costa Rica</b>										
1988	5.9	3.7	4.3	7.7	4.0	6.0	5.4	5.7	8.3	2.9
1990	5.7	3.2	4.0	7.7	4.5	5.9	4.9	5.4	8.8	3.9
1992	5.6	3.5	3.9	7.2	3.7	5.9	5.2	5.3	8.5	3.3
<b>Guatemala</b>										
1986	3.7	2.2	3.3	7.2	5.0	3.0	2.6	5.7	12.3	9.7
1989	4.4	2.5	3.8	7.9	5.4	3.4	3.0	4.6	10.5	7.5
<b>Honduras</b>										
1988	3.8	1.7	2.6	6.9	5.2	2.3	1.9	2.6	7.3	5.4
1990	3.4	1.6	2.5	6.7	5.1	2.3	1.9	3.3	7.5	5.6
1992	2.8	1.3	1.9	4.8	3.5	2.2	1.7	2.5	5.3	3.6
<b>Mexico</b>										
1989	4.7	3.0	3.9	7.2	4.2	3.8	3.2	4.5	7.5	4.3
1992	5.7	2.8	4.2	9.6	6.8	3.4	2.6	4.0	8.9	6.3
<b>Panama</b>										
1979	7.0	3.7	5.0	10.2	6.5	4.6	3.4	5.1	10.1	6.7
1989	6.4	3.2	4.1	8.6	5.4	5.7	3.3	4.5	9.3	6.0
1991	6.5	3.3	4.1	8.4	5.1	6.1	3.7	5.1	9.0	5.3

Table 51 (concluded)

	Urban areas					Rural areas				
	Total	Years of schooling			Difference (10+ - 0-5)	Total	Years of schooling			Difference (10+ - 0-5)
		0-5	6-9	10 or over			0-5	6-9	10 or over	
<b>Paraguay</b> <sup>d</sup>										
1986	3.6	1.4	2.2	5.5	4.1	...	...	...	...	...
1990	3.7	2.0	2.7	5.1	3.1	...	...	...	...	...
1992	3.9	2.0	2.5	5.6	3.6	...	...	...	...	...
<b>Uruguay</b>										
1981	6.2	4.4	5.4	8.8	4.4	...	...	...	...	...
1990	4.3	2.8	3.4	5.7	2.9	...	...	...	...	...
1992	4.8	3.1	3.9	6.4	3.3	...	...	...	...	...
<b>Venezuela</b>										
1981	8.5	6.0	7.9	12.4	6.4	7.4	6.1	9.2	16.3	10.2
1990	5.4	3.9	4.6	7.1	3.2	5.1	4.4	5.8	7.3	2.9
1992	5.7	4.0	4.7	7.3	3.3	5.6	4.8	5.9	8.0	3.2

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> The CEMIT (monthly income capacity equivalent) represents monthly income calculated on the basis of value per working hour and is expressed in terms of the poverty line.

<sup>b</sup> The categories of educational levels used here were primary school uncompleted, primary school completed/secondary school uncompleted and secondary school completed and over, rather than 0-5, 6-9 and 10 or over, respectively. Data are for Greater Buenos Aires only.

<sup>c</sup> Data are for La Paz, El Alto and the departmental capitals.

<sup>d</sup> Data are for Asunción only.

Table 52  
**LATIN AMERICA (13 COUNTRIES): CEMIT<sup>a</sup> FOR WOMEN AS A PERCENTAGE  
 OF CEMIT FOR MEN AMONG GAINFULLY EMPLOYED 25- TO 59-YEAR-OLDS  
 WHO WORK MORE THAN 20 HOURS PER WEEK, BY YEARS  
 OF SCHOOLING COMPLETED**

	Urban areas					Rural areas				
	Total	Years of schooling			Differ- ence (10+ - 0-5)	Total	Years of schooling			Differ- ence (10+ - 0-5)
		0-5	6-9	10 or over			0-5	6-9	10 or over	
<b>Argentina<sup>b</sup></b>										
1980	78	80	70	71	-9	...	...	...	...	...
1990	90	93	80	87	-6	...	...	...	...	...
1992	76	104	73	67	-37	...	...	...	...	...
<b>Bolivia<sup>c</sup></b>										
1989	67	64	85	69	5	...	...	...	...	...
1992	64	63	78	70	7	...	...	...	...	...
<b>Brazil</b>										
1979	53	46	49	45	-1	56	52	45	46	-6
1990	67	51	56	62	11	65	56	54	57	1
<b>Chile</b>										
1990	77	65	69	75	10	108	93	83	86	-7
1992	74	68	71	73	5	103	93	78	82	-11
<b>Colombia</b>										
1980	62	62	77	59	-3	...	...	...	...	...
1990	76	72	78	70	-2	...	...	...	...	...
1992	75	68	74	73	5	...	...	...	...	...
<b>Costa Rica</b>										
1988	84	79	64	81	2	79	57	61	94	37
1990	84	64	73	81	17	92	62	72	101	39
1992	83	73	69	79	6	85	52	68	92	40
<b>Guatemala</b>										
1986	75	71	85	73	2	77	74	46	61	-13
1989	85	71	90	80	9	86	81	63	85	4
<b>Honduras</b>										
1988	70	65	64	64	-1	104	68	107	85	17
1990	71	56	53	72	16	88	60	69	119	59
1992	69	67	68	69	2	87	63	61	108	45
<b>Mexico</b>										
1989	75	78	79	72	-6	97	100	93	86	-14
1992	68	66	82	65	-1	80	74	73	73	-1
<b>Panama</b>										
1979	78	63	64	75	12	118	85	83	85	0
1989	84	61	65	79	18	111	76	75	107	31
1991	88	58	69	82	24	100	68	73	95	27

Table 52 (concluded)

	Urban areas					Rural areas				
	Total	Years of schooling			Difference (10+ - 0-5)	Total	Years of schooling			Difference (10+ - 0-5)
		0-5	6-9	10 or over			0-5	6-9	10 or over	
<b>Paraguay</b> <sup>d</sup>										
1986	58	65	59	60	-5	...	...	...	...	...
1990	63	70	56	65	-5	...	...	...	...	...
1992	77	77	79	79	2	...	...	...	...	...
<b>Uruguay</b>										
1981	63	53	60	63	10	...	...	...	...	...
1990	74	63	67	72	9	...	...	...	...	...
1992	75	66	70	69	3	...	...	...	...	...
<b>Venezuela</b>										
1981	82	60	72	92	32	85	64	72	123	59
1990	73	65	70	69	4	85	78	72	89	11
1992	77	62	68	77	15	89	90	76	88	-2

Source: ECLAC, on the basis of special tabulations of data from household surveys in the countries.

<sup>a</sup> The CEMIT (monthly income capacity equivalent) represents monthly income calculated on the basis of value per working hour and is expressed in terms of the poverty line.

<sup>b</sup> The categories of educational levels used here were primary school uncompleted, primary school completed/secondary school uncompleted and secondary school completed and over, rather than 0-5, 6-9 and 10 or over, respectively. Data are for Greater Buenos Aires only.

<sup>c</sup> Data are for La Paz, El Alto and the departmental capitals.

<sup>d</sup> Data are for Asunción only.