2009

Social Panorama
of Latin America

United Nations

ECLAC

Alicia Bárcena
Executive Secretary

Antonio Prado
Deputy Executive Secretary

Martín Hopenhayn
Director of the Social Development Division

Luis Beccaria
Director of the Statistics and Economic Projections Division

Dirk Jaspers_Faijer
Director of the Latin American and Caribbean Demographic Centre (CELADE)-
Population Division of ECLAC

Sonia Montaño
Officer-in-Charge
Division for Gender Affairs

Susana Malchik
Officer-in-Charge
Documents and Publications Division

The *Social Panorama of Latin America* is prepared each year by the Social Development Division and the Statistics and Economic Projections Division of ECLAC, under the supervision of Martin Hopenhayn and Luis Beccaria, respectively. On this occasion, the Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC and the Gender Affairs Division, directed by Dirk Jaspers_Faijer and Sonia Montaño, respectively, also worked on the preparation of the report.

Work on the 2009 edition was coordinated by Fernando Filgueira and Juan Carlos Feres who, together with Simone Cecchini, Ernesto Espíndola, Daniela González, Diego Hernández, Martín Hopenhayn, Sandra Huenchuan, Xavier Mancero, María Nieves Rico and Pablo Villatoro, prepared the chapters of the report. Claudia Arias, Jimena Arias, Carlos Daroch, Andrés Espejo, Ernesto Espíndola, Fabiola Fernández, Marco Galván, Consuelo Gálvez, Diego Hernández, Carlos Howes, Isidora Iñigo, Aldo Madariaga, Francisca Miranda, Miguel Ojeda, Katherine Páez, Carla Parraguez, Claudia Robles, Nora Ruedi and Fernanda Stang prepared substantive inputs and processed statistical data. Valuable comments and suggestions regarding different sections of the document were received from Carlos Maldonado, Ciro Martínez, Sonia Montaño, Vivian Milosavljevic and Daniela Trucco.

Work on chapters II and III was supported by the programme of cooperation between ECLAC and the Swedish International Development Cooperation Agency (SIDA) "Enhancing Economic and Social Conditions and Opportunities of Vulnerable Groups in Latin America" and the Commission's Joint project with the Spanish International Cooperation Agency for Development (AECID) on follow-up to the poverty component of the first Millennium Development Goal. The chapter entitled "Impact of population dynamics on the different generations and on care issues in the framework of social protection" benefited from contributions from the ECLAC and United Nations Population Fund (UNFPA) Annual Work Plan 2009.

Explanatory notes

Three dots (...) indicate that data are missing, are not available or are not separately reported.
Two dashes and a full stop (-.-) 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.
The use of a hyphen (-) between years (e.g., 1990-1998) indicates reference to the complete number of calendar years involved, including the beginning and end years.
A slash (/) between years (e.g., 2003/2005) indicates that the information given corresponds to one of these two years.
The world "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.

United Nations publication
ISBN: 978-92-1-121729-2 • ISSN printed version: 1020-5160
LC/G.2423-P • Sales No. E.09.II.G.135

Printed in Santiago, Chile • 2009-787

Contents

Tables

Diagrams

Figures

Boxes

Foreword

The 2009 edition of *Social Panorama of Latin America* links trends in poverty and income distribution with social protection systems, placing special emphasis on how these systems have responded to the social impacts of the current crisis and on medium- and long-term projections. It focuses in particular on the impact of public transfers, trends in social spending, the mechanisms by which social vulnerability is reproduced and changing intergenerational and gender relations. These changes pose significant challenges for the role played by the State, the market and families in jointly meeting needs related to the population's welfare.

The document is divided into two parts. Part 1 includes the usual chapter on poverty and income distribution in the region and a second chapter that examines these issues in greater depth through an analysis of social spending, monetary transfers and conditional cash transfer programmes. The third chapter examines poverty and social vulnerability in light of the crisis and post-crisis situation and analyses how the countries' social protection systems can mitigate these effects of the crisis. Part 2 focuses on the care economy. It includes a chapter on paid and unpaid work from a gender perspective, highlighting inequalities and outstanding debts in the sexual division of labour; a chapter that looks at population projections and trends and underscores the pressing short- and medium-term priorities for care work; and a final chapter on the policy implications of these transformations.

Chapter I gives the most recent estimates available on poverty and inequality for the countries of Latin America. In 2008, 33.0% of the region's inhabitants were poor, including 12.9% who were indigent. These figures attest to a slowdown in poverty reduction and to a rise in indigence, caused mainly by higher food prices. Notwithstanding these setbacks, the overall comparison with 2002 and the two previous decades is favourable.

The most recent statistics also indicate that income distribution has improved with respect to both 2002 and 1990, which partially accounts for the lower poverty rate. Nevertheless, the decrease in poverty was due mainly to higher average income and the demographic dividend (a proportionately larger working-age population). Despite this progress, the fact that children, women and members of ethnic groups continue to be at greater risk of falling into poverty is a source of concern.

Between 2008 and 2009, the poverty rate for the region could rise by 1.1 percentage points and indigence by approximately 0.8 percentage points. This would be a less negative impact than that seen in previous crises, because most of the region is now better prepared to respond to and mitigate some of the adverse effects on living standards.

The first chapter examines inequality from the standpoint of citizens' perception of great distributive injustice, an issue that was addressed in previous editions of the *Social Panorama of Latin America*. This perception is associated mainly with the belief that basic social and economic guarantees do not exist. The perception that income distribution is highly inequitable is associated with a distrust of political institutions and a belief that governments serve the elites more than they serve the majority. Hence, the population perceives inequality as a problem of the elites' wielding of political power, above and beyond the concentration of economic assets in their hands. Unless addressed comprehensively, the issue of political power could thwart efforts to promote social cohesion.

Chapter II examines social spending, its links with the business cycle, trends by sector, incidence in GDP and total public spending. The chapter then examines the redistributive impact of the various monetary transfers covered by household surveys (retirement benefits, pensions, insurance, welfare transfers from governments and private, non-profit organizations) on primary household income. It also looks at conditional or co-responsibility cash transfer programmes and their effect on social spending and the well-being of beneficiary households, before examining the challenges to designing and managing these programmes.

Despite governments' efforts to allocate more resources to meeting social needs, the amount of social spending continues to be insufficient and has failed to have the impact needed to improve well-being and increase equity —particularly in countries where it is needed the most. As most social spending continues to be procyclical, the amounts involved contract during crisis periods. Public transfers, although significantly reducing households' need to rely on primary income, have an uneven redistributive impact from one sector and programme to the next. Conditional cash transfer programmes are more progressive, although the amounts allocated are modest. Currently reaching more than 22 million families in 17 countries of Latin America and the Caribbean, these programmes aim to reduce poverty in its many facets.

Chapter III warns that once the crisis has passed the economic and demographic factors (larger economically active population and lower fertility and dependency rate) that came together in the previous six years to sharply reduce poverty are unlikely to be sustained. The improved income distribution and higher social spending that characterized the period 2002-2008 are being tested as the fiscal situation deteriorates and regressively distributive forces gain strength.

The different States of the region vary in their preparedness to protect at-risk groups in an economic downturn. While the relatively more developed countries have a large number of tools to mitigate the impact of crisis, in those with more incipient welfare states, families' well-being largely depends on their strategies for entering various markets and on their ability to do so. That said, the countries of the region have responded proactively to the complex situation, adopting countercyclical economic and social measures. Nevertheless, no strategy has yet emerged to address the complex interplay among the State, the family and the market —which worsens social vulnerability over the longer term— and to link up short-term responses with longer-term policies.

Chapter IV examines paid and unpaid work from the standpoint of gender. It focuses in particular on the stratified integration of women; the excessive demands that they have to cope with, as almost sole performers of care and domestic work; and men's low degree of participation in the home. In addition, because of the absence of policies and regulatory frameworks, the care services offered by the State and the market are insufficient. This creates a vicious cycle that perpetuates asymmetries.

This situation exacts the highest price from women in the lowest two quintiles, whether because they bear the heaviest burden of the double workday or because the lack of support they receive for the care work means that they have fewer possibilities to earn their own income and to contribute to total household income. These problems are a key contributing factor in the reproduction of poverty and inequality. Consequently, this chapter stresses the importance of social protection systems to promote collective, universal care services, as well as State regulations and incentives that encourage fairer division of paid and unpaid work between men and women, in both the workplace and the home.

Chapter V refers to the region's changing demographic patterns in recent decades, with a declining proportion of persons aged under 15 and a steady increase in that of persons aged 60 or over, whose different needs structure has led to changes in the demand for social services. This progressive ageing, along with a still-significant proportion of children and an increasing number of persons with some level of dependence owing to age-related health conditions, is the main reason for the heavier care burden in the region. The backdrop to this is that the possibilities of finding caregivers among the population will shrink throughout the period 2000-2050.

An examination of the setting in the different countries underscores the differences in care systems from one country to the next as well as within countries. The population's changing age structure directly affects the demand for care and the possibility of meeting that demand. Consequently, this chapter estimates and analyses the likely demand for care as well as the potential supply. These estimates and analyses suggest that, because of its demographic, economic and social impact, care will emerge as one of the most challenging social issues of the twenty-first century.

Chapter VI discusses policy considerations regarding the care needs covered in chapters IV and V and the limitations that need to be overcome. The chapter posits that social protection systems must promote equal access for persons of varying income levels who require care; aim to make services and benefits available to all while paying special attention to the different needs of families and individuals; and foster greater intergenerational solidarity through the provision of benefits. These principles must be enshrined in the countries' respective social protection systems, according to risk profiles, the place attributed to family and policy and the type of welfare regime instituted.

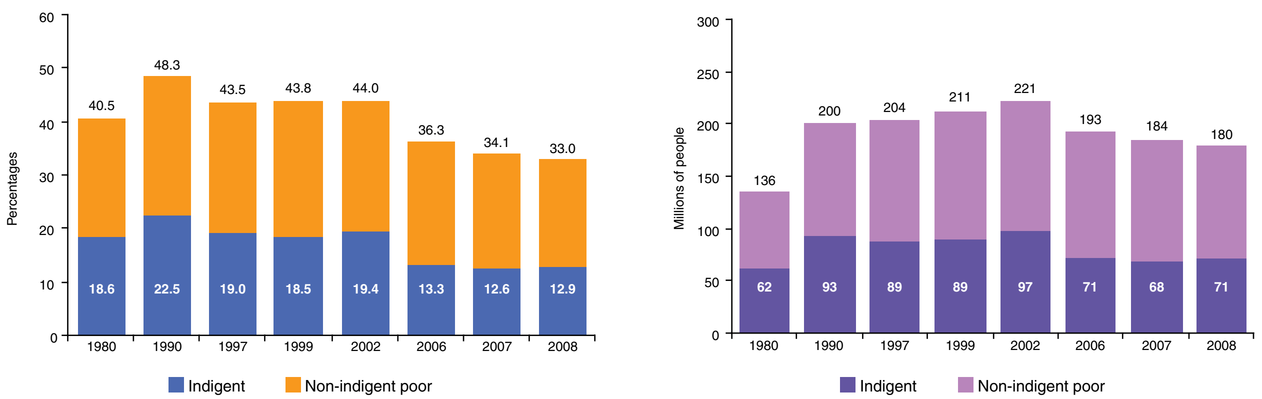
Summary

Poverty and inequality in the context of the economic crisis

Poverty and inequality until 2008

The poverty rate among the region's population was 33.0% in 2008, including 12.9% who lived in extreme poverty, or indigence —equivalent to 180 million poor and 71 million indigent persons (see figure 1).[1]

Figure 1
LATIN AMERICA: POVERTY AND INDIGENCE, 1980-2008 [a]
(Percentages and millions of persons)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the relevant countries.
[a] Estimate for 18 countries of the region, plus Haiti. The figures shown above the bars are the percentage and total number of poor persons (indigent plus non-indigent poor).

1 According to the approach used by ECLAC in estimating poverty, a person is classified as "poor" when the per capita income of that person's household is below the poverty line, i.e., the minimum income needed to meet a person's basic needs. In the case of indigence, the line is based on the cost of satisfying a person's food needs only.

These figures indicate a slowdown in poverty reduction and, in the case of indigence, a reversal of the improvement seen since 2002. The decline in the poverty rate from 2007 to 2008 —1.1 percentage points— is notably smaller than the 2-point average annual decrease from 2002 to 2007. Moreover, the indigence rate rose 0.3 percentage points from 2007 to 2008 after having decreased an average of 1.4 points per year since 2002. Higher food prices, which led to a rapid increase in the cost of the basic food basket, were the main reason for worsening indigence.

Notwithstanding the lacklustre results for poverty and indigence reduction in 2008, the figures are still an improvement with respect to 2002 and the two previous decades. Not only are the current poverty and indigence rates far below those recorded in 1990, but, in absolute terms, the number of poor has fallen by 20 million. Comparison with 1980 also shows that the poverty rate and especially the indigence rate have declined considerably, albeit to a degree insufficient to completely offset the high rate of population growth during this period.

The most recent figures for 2008 reflect the gains in poverty reduction with respect to 2007. In Brazil, Peru and Uruguay (data for urban areas), the poverty rate fell by at least 3 percentage points; in Costa Rica and Paraguay it declined by more than 2 points; and in the Bolivarian Republic of Venezuela and Panama it dropped by about 1 point. Notably, Colombia's poverty rate came down by 4 percentage points, but in this case, in the period 2005-2008.[2] In the Dominican Republic and Ecuador, the rate did not vary significantly. Only in Mexico did the situation worsen, as the poverty rate rose by 3.1 percentage points between 2006 and 2008, reflecting the first effects of the economic crisis that began in late 2008 (see table 1).

Table 1

LATIN AMERICA (18 COUNTRIES): PERSONS LIVING IN POVERTY AND INDIGENCE, AROUND 2002 AND 2007, AND 2008

(Percentages)

Country	Around 2002			Around 2007			2008		
	Year	Poverty	Indigence	Year	Poverty	Indigence	Year	Poverty	Indigence
Argentina [a]	2002	45.4	20.9	2006	21.0	7.2	…	…	…
Bolivia (Plurinational State of)	2002	62.4	37.1	2007	54.0	31.2	…	…	…
Brazil	2001	37.5	13.2	2007	30.0	8.5	2008	25.8	7.3
Chile	2000	20.2	5.6	2006	13.7	3.2	…	…	…
Colombia [b]	2002	51.5	24.8	2005	46.8	20.2	2008	42.8	22.9
Costa Rica	2002	20.3	8.2	2007	18.6	5.3	2008	16.4	5.5
Ecuador [a]	2002	49.0	19.4	2007	38.8	12.4	2008	39.0	14.2
El Salvador	2001	48.9	22.1	2004	47.5	19.0	…	…	…
Dominican Republic	2002	47.1	20.7	2007	44.5	21.0	2008	44.3	22.6
Guatemala	2002	60.2	30.9	2006	54.8	29.1	…	…	…
Honduras	2002	77.3	54.4	2007	68.9	45.6	…	…	…
Mexico	2002	39.4	12.6	2006	31.7	8.7	2008	34.8	11.2
Nicaragua	2001	69.4	42.5	2005	61.9	31.9	…	…	…
Panama	2002	36.9	18.6	2007	29.0	12.0	2008	27.7	13.5
Paraguay	2001	61.0	33.2	2007	60.5	31.6	2008	58.2	30.8
Peru c	2001	54.7	24.4	2007	39.3	13.7	2008	36.2	12.6
Uruguay [a]	2002	15.4	2.5	2007	18.1	3.1	2008	14.0	3.5
Venezuela (Bolivarian Republic of)	2002	48.6	22.2	2007	28.5	8.5	2008	27.6	9.9

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the relevant countries.
[a] Urban areas.
[b] The data for 2008 came from a new household survey, which was applied with the earlier series by the National Administrative Department of Statistics (DANE) and the National Planning Department (DNP) of Colombia. Since ECLAC has yet to complete internal processing of the new data, the figures for 2008 have been estimated in a preliminary manner by applying to the 2005 values (calculated by ECLAC) the percentage variations implicit in the figures official issued.
[c] Figures from the National Institute of Statistics and Informatics (INEI) of Peru. These values are not comparable to those of previous years owing to changes in the sample framework used in the household survey. In addition, the figures given for 2001 correspond to the fourth quarter, whereas those shown for 2006 and 2007 refer to the entire year.

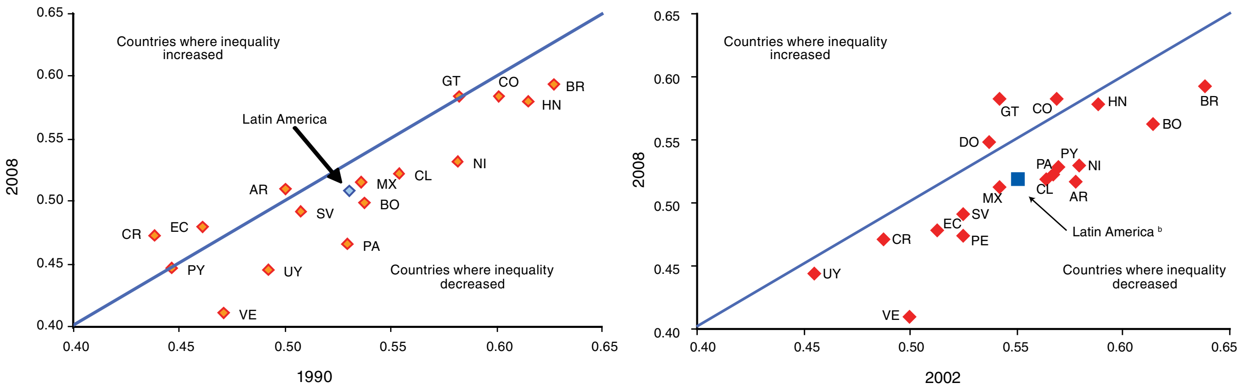
[2] The figures for Colombia correspond to a preliminary estimate by ECLAC, based on official data issued by the country (press release by DANE, 24 August 2008, http://dane.gov.co/files/noticias/Presentacion_pobreza_dane_OVP.pdf).

There was an overall increase in indigence, with only Brazil, Paraguay and Peru managing to reduce their figures, by around one percentage point. This is in contrast with the increases recorded by the Bolivarian Republic of Venezuela, the Dominican Republic, Ecuador, Mexico and Panama, of between 1.4 and 2.5 percentage points, and by Costa Rica and Uruguay, which had very slight increases. In Colombia, indigence rose by 2.7 percentage points between 2005 and 2008, which corresponds to 0.9 of a percentage point per year.

So, in 2008 Latin America as a region was well on its way to meeting the first target of Goal 1 of the Millennium Development Goals, although the situation varies considerably from one country or one subregion to another. The region's indigent population, at 12.9%, was 2 percentage points short of the target (11.3%), an 85% improvement. Progress towards a more demanding target, such as reducing total poverty by half, between 1990 and 2015, was less (real progress of 63%, compared with the 72% that was expected between 1990 and 2008).

As for income distribution, recent figures for each country compared with those that are available around 2000 show improvement. The Gini index decreased by an average of 5% during the period analysed. A number of countries posted significant declines: at least 8% in Argentina, the Bolivarian Republic of Venezuela, Nicaragua, Peru, Panama, Paraguay and the Plurinational State of Bolivia. The only countries whose income concentration increased during this period were Colombia, the Dominican Republic and Guatemala (see figure 2).[3]

Figure 2
LATIN AMERICA (18 COUNTRIES): GINI INDEX, AROUND 1990, 2002 AND 2008 [a]



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries.
[a] The survey year used differs from country to country. The period 1990 refers to the available survey nearest to that year; the period 2002, to the most recently available survey between 2000 and 2002; the period 2008, to available surveys from between 2004 and 2008. Geographical coverage varies according to the availability of data. The comparison of 1990 to 2008 uses data from Greater Buenos Aires, for Argentina; the metropolitan area of Asuncion, for Paraguay; and urban area data for Ecuador, Panama the Plurinational State of Bolivia and Uruguay. The comparison of 2002 to 2008 uses urban area data for Argentina, Ecuador and Uruguay.
[b] The figure for Latin America refers to the simple average of the Gini indices for each country.

Income distribution also improved compared with 1990, with an average drop of 4% in the Gini index. In this comparison, the largest falls in income concentration were in the Bolivarian Republic of Venezuela, Nicaragua Panama (urban areas), and Uruguay, whereas Argentina (data from Greater Buenos Aires), Costa Rica and Ecuador showed deteriorations. Despite the progress, the fact remains that in Latin America income concentration levels are among the highest in the world.

Distributive changes that took place during the period contributed partially to poverty reduction, though not to their full potential. The variations in poverty and indigence rates may be broken down into two components: growth of average income, or "growth effect", changes in the way income is distributed, and "distribution effect". This type of analysis shows that the decline in poverty between 1990 and 2008 was explained mainly by the growth effect, which accounts for 85% of the decrease, while the distribution effect accounted for the remaining 15%. Distributive improvements contributed to poverty reduction particularly during the 2002-2008 period, during which they played the primary role in reducing poverty in three countries.

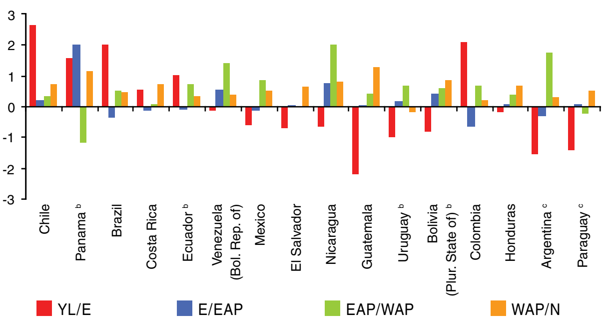
[3] It should be noted that data relating to Colombia are from 2005 and those relating to Guatemala, from 2006.

Job income contributed most to poverty reduction between 1990 and 2008. The increase in job-related income per person was due, foremost, to the reduction of the demographic dependency rate in all countries (except Uruguay), often called the "demographic dividend". In practically all countries the activity rate increased significantly, regardless of the achievements in poverty reduction. On the other hand, job-related income per worker differed markedly from country to country. Brazil, Chile, Costa Rica, Ecuador (urban areas) and Panama (urban areas), the countries with largest gains in poverty reduction (in terms of change in the percentage rate itself), are precisely the same countries that saw the greatest increases in income per worker among poor households. Colombia is an exception, given that although it showed a significant increase in this variable, poverty was reduced at a much slower pace, due in part to an increase in unemployment. In the rest of the countries, employment income per worker tended to decline (see figure 3).

Figure 3

LATIN AMERICA (16 COUNTRIES): ANNUAL VARIATION IN EMPLOYMENT-INCOME COMPONENTS PER PERSON, IN POOR HOUSEHOLDS, 1990-2008 [a]

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries.

[a] Countries, in order of variation in annual poverty rate. a The survey year used differs from country to country. The period 1990 refers to the closest available survey to that year, and 2008, to the most recent available survey between 2004 and 2008. YL = employment income; E = number of employed; EAP = economically active population; WAP = working age population; N = total population.

[b] Urban areas.

[c] Metropolitan area.

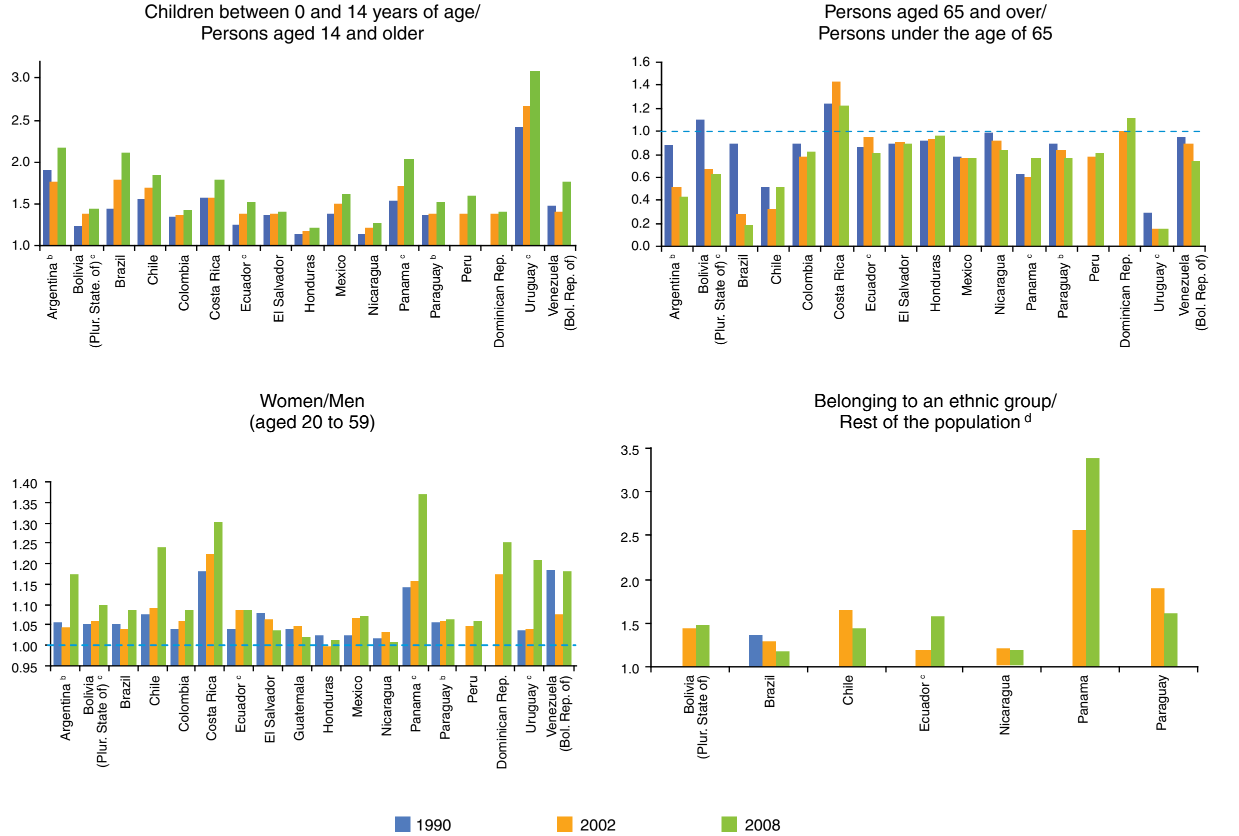
One aspect of concern relating to poverty in Latin America is the persistence of vulnerability gaps tied to demographic characteristics, particularly age, sex and ethnicity. High rates of fertility and dependency within the home are distinctive features of poverty and place children in a particularly disadvantaged situation. Poverty among children under the age of 15 is, on average, 1.7 times higher than poverty among adults. Between 1990 and 2008, the ratio of the child poverty rate to the adult poverty rate rose in most countries of the region, with the greatest increases observed in Brazil, Panama and Uruguay (see figure 4).

The pattern for persons aged 65 years and over is the inverse of that for children, given that usually this group has lower poverty rates than the rest of the population, with the only exceptions being Costa Rica and Dominican Republic. Although at first glance this result seems to indicate a positive situation, a number of elements need to be considered. For elderly adults, retirement funds and pensions are an indispensable income source for escaping poverty. However, this type of income tends to perpetuate the distributive inequality created by the job market throughout the life cycle, given that the amounts of retirement income are tied to contributions made and often lack any sort of basic universal coverage. Furthermore, when using a poverty threshold expressed in per capita terms there is a tendency to underestimate the minimum amount required to cover the basic needs of those who live alone, which is often the case for the elderly. At the same time, the region faces the challenge of a growing burden of time spent caring for the elderly, which strains the capacity to meet the basic needs of adults who live in extended family units.

Women in all countries of the region are more exposed to poverty than men. The widest gender gaps are found in Argentina, the Bolivarian Republic of Venezuela, Chile, Costa Rica, Dominican Republic, Panama and Uruguay, where the poverty rate of women is 1.15 times higher than that of men. And in some countries this differential has been widening, as in the case of Chile and Uruguay. It should be borne in mind that these gaps do not reflect the full magnitude of the problem, given that the methods used to measure poverty do not take into consideration the allocation of resources within the household, which is precisely one of the settings in which the greatest gender disparities are present.

Ethnicity correlates closely with poverty. In the seven countries for which data are available, the poverty rate is 1.2 to 3.4 times higher for indigenous and afrodescendent groups than for the rest of the population. Moreover, the gap between ethnic groups and the rest of the population has grown in all countries studied, except for Brazil.

Figure 4
LATIN AMERICA (18 COUNTRIES): RATIO OF POVERTY RATES OF DIFFERENT SUBGROUPS OF THE POPULATION, AROUND 1990, 2002 AND 2008 [a]
(Ratios)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries.

[a] The survey year used differs from country to country. The period 1990 refers to the available survey nearest to that year; the period 2002, to the most recently available survey between 2000 and 2002; the period 2008, to surveys available between 2004 and 2008.

[b] Metropolitan area.

[c] Urban areas.

[d] Identified on the basis of information obtained from household surveys, according to the following categories: Brazil, "Indigenous or black skinned"; Chile, "Amara, Rapa Nui, Quechua, Mapuche, Atacameño, Coya, Kawaskar, Yagán, Diaguita"; Ecuador, " indigenous, and negroes and mixed race (mulattos)"; Nicaragua (2001), "coastal mestizo, creole, negro/creole, miskito, mayagna (sumu), rama, others"; Nicaragua (2005), "indigenous", Panama, "Indigenous ", and Paraguay: Guaraní is the only language spoken Plurinational State of Bolivia, "Quechua, Aimara, Guaraní, Chiquitano, Mojeño and others".

Crisis, employment and poverty

In recent decades the region has gone through three periods of broad decline in per capita GDP. During the 1995 Mexican peso crisis, per capita GDP dropped by 1.2% at the regional level and by at least 2% in Argentina, Mexico and Uruguay. A second contraction, this time by 1.2%, occurred in 1999 as a result of the effects of the Asian crisis, which was felt by South American countries between 1998 and 2000, but which had no effect on Central American countries or Mexico. The region's per capita GDP decreased again in 2001 and 2002, by 1.1% and 1.8%, respectively, as a result of problems in the international financial markets (tied to the so-called dot.com bust and Turkish crisis), compounded by the Argentine crisis.

To study the impact of recessions on the living conditions of low-income persons, a set of individuals was selected for whom per capita GDP declined sharply during the years for which household surveys are available. The study covers 17 different episodes of per capita GDP declines, which in some measure match the three regional periods of contraction mentioned above.

The experience drawn from these episodes shows that poor and vulnerable households have been harder hit than others during economic downturns; examples abound showing that that group suffered above-average drops in income, compared with the totality of households. Argentina (1999-2002), Ecuador (1997-1999) and the Dominican Republic (2002-2004) are striking examples in this regard, with differentials of more than 3 percentage points separating one group from the other. Furthermore, when household incomes did rise, those of lower-income households rose less.

As might be expected, the heaviest impact of the economic decline on household income was channelled the job market, given that job-related income accounts for a high percentage of total income. A breakdown of income sources for total per capita income among poor and vulnerable households shows that, in 11 of the crises studied, reductions in job-related income accounted for at least 75% of the drop.

In most of the cases studied, the root cause of this decrease in employment income was that each worker earned less, not that the employment rate fell. Not only did the employment rate show scant variation, but in over half the cases it actually rose (see table 2).

Table 2

LATIN AMERICA (13 COUNTRIES): ANNUAL VARIATION IN EMPLOYMENT INCOME COMPONENTS PER PERSON IN POOR AND VULNERABLE HOUSEHOLDS DURING SELECTED CRISIS PERIODS

(Percentages)

Country	Period	Employment income per person	Per capita employment income components		Components by employment/activity rate	
			Employment income per worker	Percentage of workers	Employment rate	Activity rate
Mexico	1994-1996	-5.3	-7.9	2.9	-0.4	3.3
Argentina [a]	1997-1999	0.4	-1.5	2.0	0.8	1.2
Brazil	1996-1999	-2.0	-2.5	0.6	-1.2	1.9
Colombia	1997-1999	-4.1	-3.3	-0.8	-4.6	4.0
Ecuador [b]	1997-1999	-9.6	-9.5	-0.1	-3.4	3.4
Honduras	1997-1999	-3.2	-4.8	1.7	0.0	1.7
Paraguay [b]	1996-1999	-4.8	-0.8	-4.1	-0.6	-3.5
Peru	1997-1999	-4.2	-4.3	0.2	2.3	-2.0
Venezuela (Bolivarian Republic of)	1997-1999	-1.3	1.1	-2.5	-3.2	0.7
Argentina [b]	1999-2002	-18.3	-17.7	-0.7	-2.2	1.5
Costa Rica	1999-2002	0.3	-1.2	1.5	-0.3	1.8
Mexico	2000-2002	1.8	-0.5	2.4	-0.3	2.7
Panama [b]	1999-2001	-3.5	3.5	-6.8	-4.3	-2.6
Paraguay [b]	1999-2001	-0.7	-6.1	5.8	-0.6	6.4
Uruguay [b]	1999-2002	-11.4	-9.8	-1.8	-3.2	1.5
Venezuela (Bolivarian Republic of)	1999-2002	0.6	-1.8	2.4	-0.7	3.2
Dominican Republic	2002-2004	-8.6	-9.3	0.8	-3.0	3.9

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries.
[a] Greater Buenos Aires.
[b] Urban areas.

Changes in the employment rate revealed two opposing trends in employment and activity rates. On the one hand, the crisis periods studied were characterized by a drop in employment rates (the number of persons employed divided by the economically active population); in other words, the average unemployment rate rose. On the other, during these same periods, otherwise inactive persons tended to enter the labour market, effectively offsetting the lower employment rate. In fact, despite overall increases in unemployment, the employment rate (the ratio of employed workers to number of persons of working age) tended to remain constant and, in over half of the cases, even increased.

The current crisis, which began at the end of 2008 with the financial collapse of the real estate mortgage sector in the United States, has had an impact on most countries in the region, but to a lesser degree than previous crises. Lower GDP per capita is expected in most economies, and there is no expectation that any economy will show any significant growth. Also, unemployment has increased in several countries and is expected to reach 8.5% by the end of 2009.

This recession has some characteristics that differ from previous GDP contractions, and these have lessened the impact on poverty. Although for the region as a whole employment rates dropped from 55.1%, in the first half of 2008, to 54.4% for the same period in 2009, not all countries experienced this decrease. Furthermore, the partial data on wages suggest that the drop in per capita GDP is not automatically being transposed to job-related household income. The fact that wage purchasing power has been kept afloat during the current crisis is due, in part, to inflation rates, which in most countries, are not merely low, but in fact dropped, compared with those of the previous year. Another favourable trend is that the fiscal setting for most countries has improved, supporting a broader array of social programmes with which to relieve the negative impacts the crisis could otherwise have had on a significant segment of the population.

With these factors in mind, simulations have been run to forecast the likely evolution of indigence and poverty in 2009, based on household survey data. According to the most probable scenario, between 2008 and 2009, the poverty level for the region could climb by about 1.1 percentage points, with a rise in indigency of approximately 0.8 of a percentage point. This translates into an increase of around nine million in the number of poor, of whom over half will be living in extreme poverty (see figure 5).

As is to be expected, these averages mask disparities between countries. Mexico stands out, in particular, having posted the greatest increases in poverty and indigence because of its sharply lower GDP and deteriorating situation with respect to jobs and wages. Also worthy of mention is the Bolivarian Republic of Venezuela, whose above-average deterioration stems primarily from the shrinking purchasing power of wages.

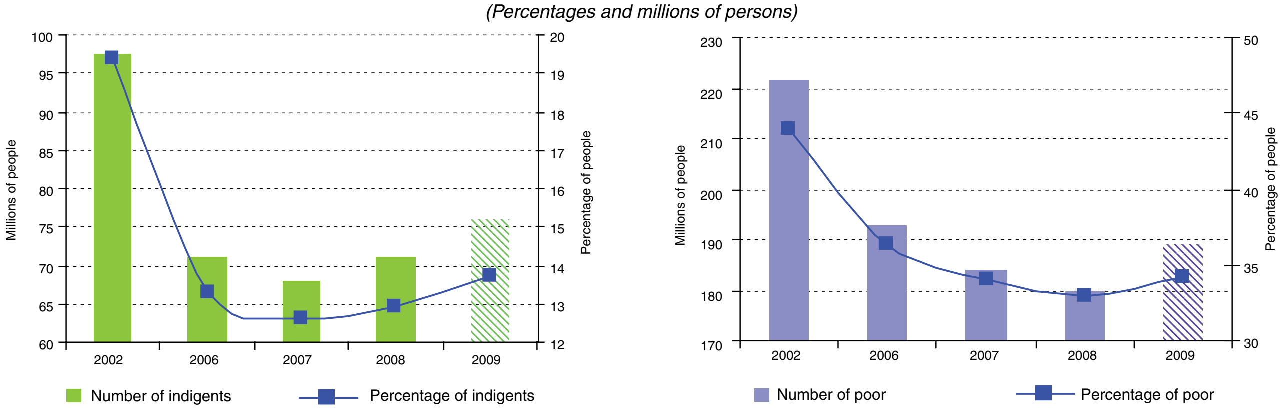
In the context of the last six years, these figures point to a set back in poverty reduction, but they do not undo the progress made, not only as regards the percentage of poor persons, but also in terms of the number of poor. From 2002 to 2008, the percentage living in poverty dropped by 11 points, and indigence figures came down by 7 points, amounts that heavily outweigh the drops forecast for 2009. The impact is largest in the number of poor, given that the 2009 crisis will apparently return to poverty around a quarter of the 41 million who had made their way out of poverty over prior years.

If these forecasts are borne out, it may be that the current crisis is having less of an impact on poverty than previous crises. From 1997 to 2002, a period that spanned the crises of 1999 and 2001-2002, the growth elasticity of poverty was -1.6%, whereas according to simulations, the figure for the current crisis will be -1.1%.

Figure 5

LATIN AMERICA: EXPECTED EFFECT OF THE ECONOMIC CRISIS ON POVERTY AND INDIGENCE

(Percentages and millions of persons)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries.

These results also mean it will be more difficult to achieve the first target of the Millennium Development Goals, given that the percentage of progress would decline to 78%, which is practically the same percentage as for the period 1990-2015 (76%). Therefore, the countries of the region should redouble their efforts to improve living standards for those whose resources are inadequate.

It is important to stress that these hypotheses on the expected impact of the crisis are presented within a context of great uncertainty. Although the worst of the crisis had supposedly passed by the second half of the year —which would make it shorter and not as deep than initially predicted— it is also possible that recovery will be slow and that employment rates will lag significantly.

Perceptions of inequality

A study of 18 countries in Latin America, using data provided by Latinobarómetro, showed that perceptions of highly unfair income distribution are attributable primarily to the opinion among citizens that there are no basic economic and social guarantees, which highlights the need for States to take action to close the social gaps and make progress towards social cohesion. The study further showed that the perception of highly unfair income distribution is related to distrust in political institutions and to the belief that governments serve the elite more than the majority, which suggests that citizens perceive inequality as a power issue that extends beyond mere concentration of wealth and which, if not dealt with as a whole, could hinder social cohesion initiatives.

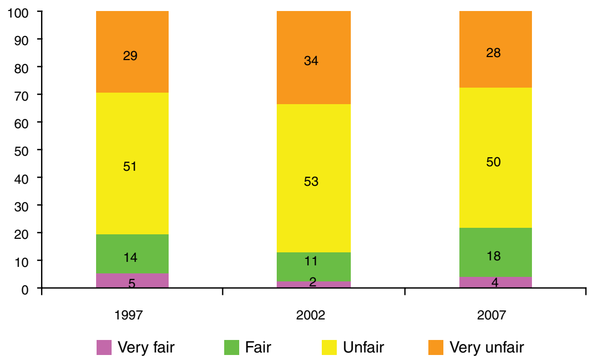
Despite positive regional trends in reducing distributive inequities in recent years, levels are still high, which coincides, in aggregate terms, with popular perceptions. In 1997, 2002 and 2007, the great majority of Latin American people were of the opinion that income distribution was very unfair or unfair (80%, 87% and 78%, respectively). This could worsen during the current economic crisis and become a problem for social cohesion, not only because general discontent among citizens could generate conflicts, but also because of the difficulty in creating protection agreements that engage large numbers of players and social strata (see figure 6).

In 2007, the main factor associated with the opinion that income distribution was unfair was the perception of an absence of basic guarantees of social security, assistance and solidarity with the poorest segments, as well as an absence of job opportunities. This highlights the need for States to play a more active role in providing basic protection. Other related factors included negative attitudes about the role of private firms as service providers, and the perception of insufficient income to meet basic needs of household members and raise levels of schooling (see figure 7).

Figure 6

LATIN AMERICA (18 COUNTRIES)[a]: OPINIONS ABOUT FAIRNESS IN INCOME DISTRIBUTION, 1997-2007

(Percentages of population, 18 years and older)



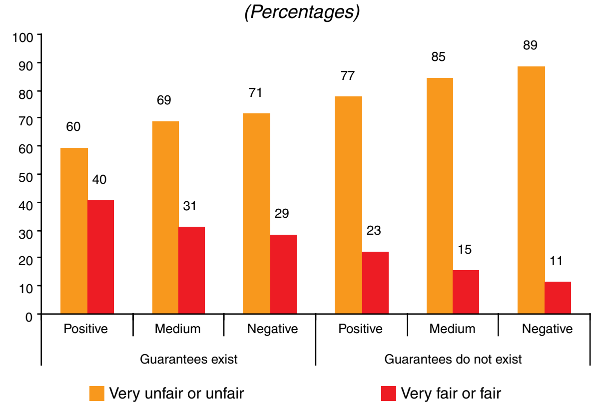
Source: Economic Commission for Latin America and the Caribbean (ECLAC), 2009.

[a] The Dominican Republic is included in 2007 only. The question asked for all three years was: "In your opinion, how fair is income distribution in your country?".

Figure 7

LATIN AMERICA (18 COUNTRIES): OPINIONS ON THE FAIRNESS OF INCOME DISTRIBUTION AND ATTITUDES TOWARD THE PRIVATE SECTOR[a] AND PERCEPTIONS ABOUT BASIC GUARANTEES

(Percentages)

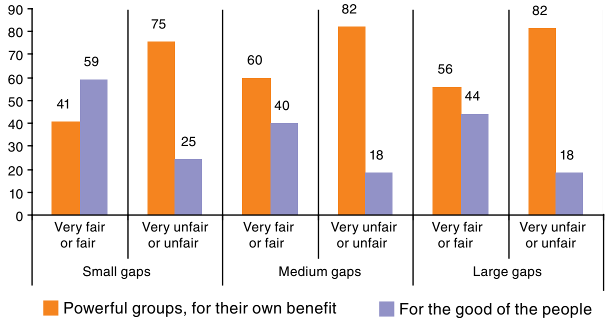


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from the Latinobarómetro database, 2007.

[a] Recodification of points in the non-weighted summary index on the basis of an analysis of its distribution and a breakdown into three groups. Categories were established as follows: 2 to 4 points, positive attitudes; 5 points, medium attitudes; 6 to 8 points, negative attitudes.

The public's confidence in political institutions (congress and political parties) worsened drastically, as did perceptions about fair income distribution. The studies indicate that this was evident in 1997, 2002 and 2007. In 2007, the percentage of people who believed their country was being governed by a few very powerful individuals for their own benefit was higher among those who also believed income distribution was unfair or very unfair in their countries (see figure 8).

Figure 8
LATIN AMERICA (18 COUNTRIES): OPINIONS ON PERSONS IN GOVERNMENT AND THEIR MOTIVATIONS,[a] ACCORDING TO PERCEIVED DISTRIBUTIVE JUSTICE AND CLASSIFICATION OF COUNTRIES BY SIZE OF SOCIAL GAPS,[b] 2007
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from the Latinobarómetro database, 2007, and data from CEPALSTAT, http://websie.eclac.cl/sisgen/ConsultaIntegrada.asp?idAplicacion=6.

[a] The question asked in the Latinobarómetro 2007 survey was: In general terms, would you say that it (the country) is being governed by a few powerful groups for their own benefit, or is it being governed for the good of all the people?

[b] Countries with small gaps = Argentina, Bolivarian Republic of Venezuela, Chile, Costa Rica, and Uruguay; countries with medium-sized gaps = Brazil, Colombia, Dominican Republic, El Salvador, Ecuador; Mexico, Panama and Peru; countries with wide gaps = Guatemala, Honduras, Nicaragua Paraguay and Plurinational State of Bolivia.

Dynamics of social spending, monetary transfers and co-responsibility transfer programmes

Recent approaches to social protection place increasing importance on protecting against income interruption, income poverty and social exclusion, all of which place people in positions of vulnerability and social risk. These approaches represent a break away from the problem of opposition between the principles of universality of rights and rational targeting, and shed doubt on the merits of models based on individual funding of social protection systems. Lastly, these new approaches also seek to align efforts to reduce poverty with the struggle against inequality and the promotion of social cohesion, by developing and executing a variety of social programmes that harmonize traditional social security, delivery of social services and the supply of assistance programmes.

Following five years of positive gains in the reduction of poverty, unemployment and income inequities, the recent crisis and its impacts once again shine a spotlight on the important role of the State as a regulating and, potentially, an intervening agent in response to market failures and asymmetries. In this context, the dynamics of social spending are reexamined, as are the redistributive impacts of the various types of monetary transfers on primary household income and the importance of co-responsibility transfer programs, with the attendant challenges in terms of design and management.

Dynamics of social spending

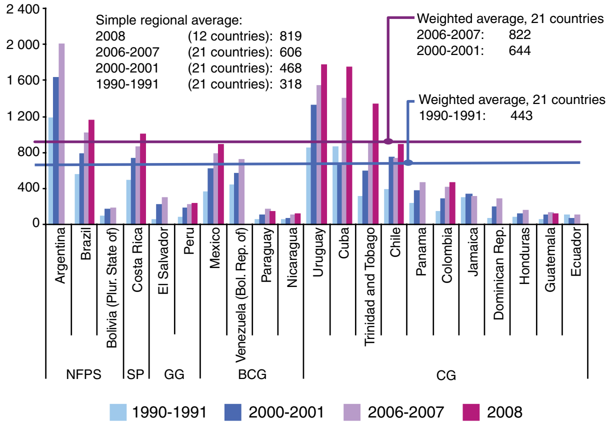
The crisis Latin America underwent in the early 1980s imposed stiff financial constraints on public spending. To close the larger fiscal gap, the policy options were either to increase fiscal revenue, reduce public spending or combine the two. The preferred choice for balancing fiscal accounts was to reduce public spending, although this had an adverse effect on social spending amid a deterioration in levels of well-being. By the mid-1990s, governments had already begun to recognize the benefits and importance of social spending as an instrument for channelling resources to the poorest segments of the population, and of the important role social development has in stimulating economic development.

The upward trend in public social spending, which began in the 1990s, attests to the progressive commitment of Latin American countries to allocate public funds to social policies, giving them stronger funding guarantees as well as greater stability and institutional legitimacy. These efforts, to a great extent, match the level of development of each country. There is a direct relationship between each government's capacity to collect revenue and the availability of public funds to finance protection systems that address old and new social and economic risks. The region does a poor job of collecting the low taxes it charges. Low tax burdens persist, as do regressive tax structures, which place severe limitations on budgets. Nevertheless, governments have made significant efforts to increase their budgets —especially those budget items that target social functions— with tighter fiscal discipline than in the past.

Since the early 1990s, the pace of growth in social spending in the region has sometimes stalled, and varies from country to country, but it has never gone into reverse. Analysis of the pace at which fiscal and macroeconomic efforts have grown in public spending in the region shows that public spending, per person, almost doubled during the 2006-2007 period, compared with 1990-1991 (to stand at US$ 820 per person at 2000 prices), and increased by 18% compared with 2004-2005.

Nevertheless, there are enormous disparities between countries; the country that spends the most spends a full 20 times more per capita than the country that spends the least. Of the 21 countries studied, eight spend less than US$ 300 per person, and six spend less than US$ 200 (Ecuador, Guatemala, Honduras, Nicaragua, Paraguay and Plurinational State of Bolivia). Only four countries spend more than US$ 1,000: Argentina, Brazil, Cuba and Uruguay. This reflects a direct correlation between spending and overall economic resources (see figure 9).

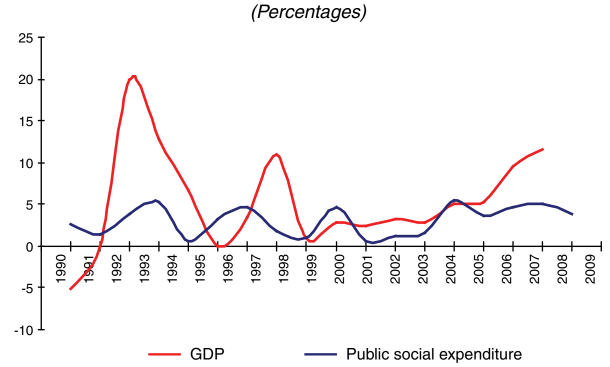
Figure 9
LATIN AMERICA AND THE CARIBBEAN (21 COUNTRIES): PER CAPITA SOCIAL SPENDING, 1990-1991 AND 2008
(Constant 2000 dollars)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) on the basis of information from the Commission's social expenditure database.
Note: NFPS: non-financial public sector; PS: public sector (total); GG: general government; BCG: budgetary central government; CG: central government.

Despite governments' efforts to allocate more resources to social development, social spending has been markedly procyclical in the region, with expenditures freezing or shrinking in times of crisis (see figure 10). This reflects the budget constraints of the least developed countries that have less capacity to implement countercyclical measures during economic downturns. It should be noted, however, that in the last decade, these are also the countries that have most notably increased the priority awarded to this aspect of macroeconomic policy.

Figure 10
LATIN AMERICA AND THE CARIBBEAN (21 COUNTRIES): ANNUAL VARIATION IN PUBLIC SOCIAL SPENDING AND GROSS DOMESTIC PRODUCT [a]
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) on the basis of information from the Commission's social expenditure database.
[a] Weighted average of the countries.

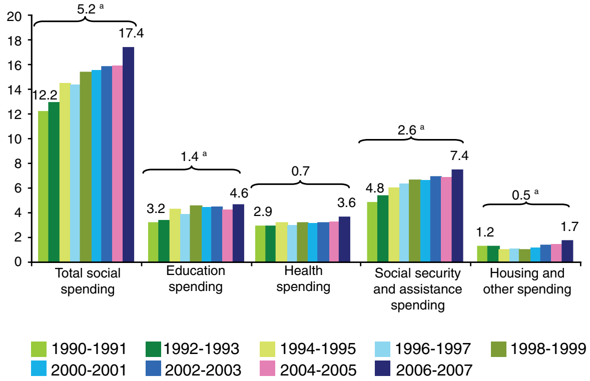
By sector, social security and assistance,[4] followed by education, largely account for the increases in this priority component of macroeconomic policy. These items represent four of the five percentage points by which total social expenditures have increased (see figure 11). This reveals how heavily macroeconomic policy is focusing on the public funding of social development and reflects States' efforts to reduce poverty and increase social protection in response to the changes under way in family and population structures in the region.

Which sectors are targeted by public funding varies according to the level of development, the production structure and the sociodemographic features of each country and according to the population's unmet basic needs. Despite the surge in public spending counteracting the more orthodox vision promoted by the Washington Consensus, the increased fiscal effort made by governments has not been enough to substantially reduce inequality and poverty or to enable countries to respond properly to the latest internal and external shocks. This raises the question as to in which areas and at what pace steps should be taken to further the State's role in increasing well-being and reducing inequalities.

Figure 11

LATIN AMERICA AND THE CARIBBEAN (21 COUNTRIES): PUBLIC SPENDING BY SECTOR, 1990-1991 TO 2006-2007 [a]

(Percentages of GDP)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) on the basis of information from the Commission's social expenditure database.

[a] Weighted average of the countries.

[b] Ultimately, the main destination sectors of public funds vary according to the countries' degree of development and production structure, and the population's sociodemographic traits and unmet basic needs. Despite the expansion of public spending, undertaken contrary to the dictates of the more orthodox approach endorsed by the Washington consensus, the increase in fiscal transfers by governments has not sufficed to substantially redress inequality and poverty levels or to respond adequately to new external and domestic shocks. The question is, therefore, in what areas and how quickly the State should assume a greater role in the provision of well-being and reduction of inequalities

Cash transfers to households

The primary income of households, as determined by the income obtained from the participation of household members in the labour market and on account of their ownership of various assets, is the main source of the huge inequities that make Latin America and the Caribbean the most unequal region in the world. In addition to the excessive concentration of property in the hands of a few, operational flaws and the resulting segmentation of the labour market generate and perpetuate the unequal opportunities that characterize the region. The significant progress made in recent years in economic growth and the more active participation of the State in the social arena have not greatly altered these features of the labour market nor reduced the huge inequalities within it. The labour market and its flaws are therefore still determining factors of the high levels of poverty in the region.

Modern societies and States have a series of mechanisms for ensuring that families are not automatically plunged into poverty and condemned to fall apart when they are unable to participate in the labour market or own property. Primary income distribution is corrected through income redistribution mechanisms that can be activated because taxes are systematically levied on current income, property, profits and consumption and because mandatory contributions of a portion of labour income are established to finance the benefits and transfers that workers receive when their working lives come to an end. There are also voluntary, solidarity-based redistribution mechanisms that function not only through donations between private households, but also through the participation of the organized community.

Transfers have a de-concentrating effect in nearly all countries, inasmuch as they increase the participation in income of 40% of the poorest households, as shown in figure 12. The countries in which the concentration of primary income is most noticeably reduced thanks to the action of monetary transfers are also the ones with the most developed and comprehensive social security systems, whether they be pay-as-you-go or other schemes.

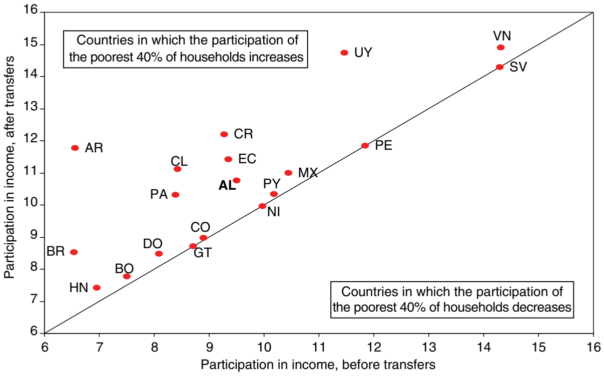
On average, transfers have little bearing on total or per capita income in households in the region as they account for only 9% of total income. The most significant ones are of course pension payments. These are particularly important in the households receiving them because they account for almost one third of income. This is largely because, in the relatively more developed countries of the region, a larger proportion of households consist of only older persons who basically live off their pensions.

[4] The information available does not allow for the separation of the social security and social assistance spending items.

Figure 12

LATIN AMERICA (18 COUNTRIES): PARTICIPATION OF THE POOREST 40% OF HOUSEHOLDS IN INCOME, BEFORE AND AFTER TRANSFERS, AROUND 2008 [a]

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

[a] Income before transfers refers to the per capita income obtained by households through their participation in the labour market (primary income). The households reported as low-income before and after transfers are not necessarily the same ones.

Another reflection of the important role that transfers play in the welfare of people and households and of their multiplying effect is their contribution to poverty reduction. On average, transfers lower household poverty levels by 6.5 percentage points (see table 3) and the number of poor persons by slightly less (close to 5 percentage points). This occurs for two reasons: it is easier to reduce poverty in households with fewer members; and the most significant transfers are pension and retirement benefits, which are generally received by older persons. Poverty meanwhile hits mostly children, and the social protection schemes for children tend to be limited to State aid aimed at combating poverty over the longer term (conditional transfer programmes, for example).

Table 3

LATIN AMERICA (15 COUNTRIES): THE EFFECT OF DIFFERENT TYPES OF TRANSFERS ON POVERTY REDUCTION, AROUND 2008

Countries	Retirement benefits	Pensions	Insurances and indemnities	School grants	Welfare payments		Total transfers	Reduction in percentage points	Percentage reduction
					Private	Public			
Argentina 2006	+++	+	=	=	...	=	+++	15.8	52
Bolivia (Plurinational State of) 2007	+	=	...	...	...	=	+	3.0	6
Brazil 2008	+++	++	=	...	=	...	+++	14.2	42
Chile 2006	++	++	=	...	=	++	+++	11.2	50
Colombia 2008	+	=	=	...	=	=	+	3.9	10
Costa Rica 2008	++	+	...	+	+	=	+++	9.7	40
Ecuador 2008	+	...	...	...	+	+	++	7.2	16
El Salvador 2007	+	=	=	...	...	=	+	1.5	5
Guatemala 2006	=	=	=	=	=	=	+	1.7	4
Honduras 2007	=	=	...	=	...	=	=	1.0	2
Mexico 2008	+	...	=	=	=	+	++	4.1	13
Nicaragua 2005	=	=	=	=	=	...	+	1.2	2
Panama 2008	++	+	...	=	...	=	++	7.8	27
Paraguay 2008	+	=	...	...	...	...	+	2.8	5
Peru 2008	=	=	=	...	=	=	=	0.3	1
Dominican Rep. 2008	+	...	...	...	...	=	+	2.0	5
Uruguay 2008	+++	++	+	...	=	+	+++	14.0	62
Venezuela (Bolivarian Republic of) 2008	+	=	...	=	...	=	+	2.1	8

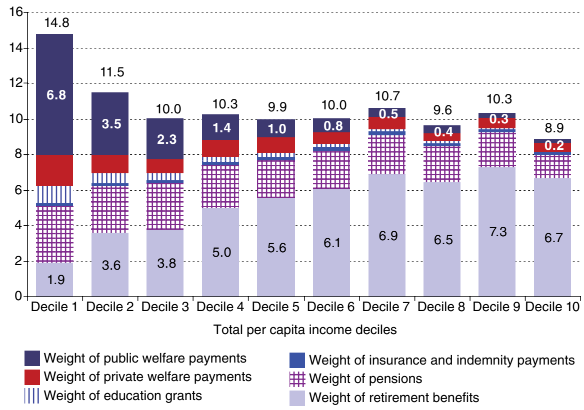
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries.

Note: Equals sign (=) and red: less than 2% reduction; plus sign (+) and yellow: less than 10% reduction; double plus sign (++) and green: less than 30% reduction; triple plus sign (+++) and light blue: 30% reduction or more.

Monetary transfers made through donations from non-governmental organizations are, in most countries, progressive in relation to primary income. Public monetary transfers, on the other hand, have a broader coverage and they are more progressive. On average, 12% of households benefit from these transfers, and they reach over one quarter of the lowest-income households (the first decile) and one fifth of the next lowest-income households (second decile). Their impact in terms of de-concentrating income is equivalent to only about 20% of the aggregate effect of all transfers, however.

Although the transfers associated with retirement benefits and pensions have the greatest impact on income distribution and poverty reduction, welfare transfers in general, and public ones in particular, are particularly important for raising the living standards of the poorest segments of society, as shown in figure 13. On average, total transfers account for almost 15% of per capita income in the poorest households, and only 10% on the richest, although the weight of the different transfers varies considerably.

Figure 13
LATIN AMERICA (18 COUNTRIES): WEIGHT OF THE DIFFERENT TRANSFERS IN THE PER CAPITA INCOME OF HOUSEHOLDS, AROUND 2008
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries.

Conditional transfer programmes

Conditional transfer programmes (CTPs) are today one of the main social policy instruments developed by governments in the region to combat poverty. They are non-contributory and seek both to raise household consumption levels by providing families with monetary transfers (and thus reduce poverty in the short term) and to increase the human capital of household members, with a view to ending the transmission of poverty from one generation to the next. CTPs have multiplied since the mid-1990s. They are now operating in 17 countries in Latin America and the Caribbean and involve over 22 million families, in other words around 100 million people (17% of the population of the region). On average, however, they represent only 2.3% of total public social expenditures and 0.25% of GDP in the region.

The situation varies considerably from country to country, both in terms of the proportion of GDP that CTPs represent and the percentage of the population they cover. In the countries with the more established programmes, Brazil and Mexico, spending on CTPs is above the regional average (0.41% and 0.43%, respectively). The number of beneficiaries of these programmes exceeds the number of people living in extreme poverty, respectively 83% and 71% of the poor population.[5] In contrast, the population covered by CTPs in Central America does not exceed 20% of the poor.

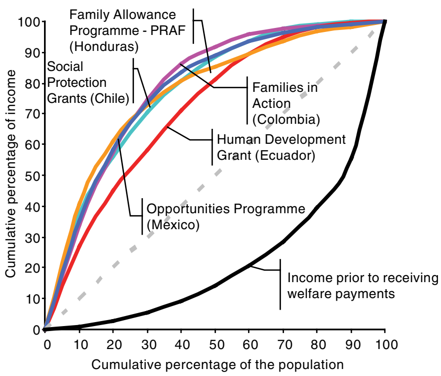
CTPs are by their very nature more progressive than other types of transfers (see figure 14). About 200 million people are thought to be living in poverty in 2009, and 101 million of them are benefiting from CTPs. It could therefore be argued that there is still room to enlarge the programmes and cover more families that are unable to meet their basic needs on their own. In fact, some of the region's countries have announced that they will be expanding the scope of their CTPs in response to the international economic crisis and the associated threat of rising poverty levels.

As far as their impact on poverty indicators are concerned, these transfer programmes have been particularly effective in narrowing the poverty gap (the distance between per capita income and the cost of the basket of items needed to satisfy basic needs) and in reducing the severity of poverty (inequality among the poor). This is because although CTPs usually effectively target the poorest people, they do not always involve large sums. They therefore help move people towards the poverty line but not necessarily to actually cross it. The data for 14 Latin American countries show that the per capita minimum amount of the transfers on average represents 16% of the indigence line and 9% of the poverty line in rural areas and 15% of the indigence line and 8% of the poverty line in urban areas. The evidence of the

5 The data on CTP coverage of the poor and indigent population do not take inclusion and exclusion errors into account.

contribution that CTPs make to poverty reduction comes from countries in which the amount of the transfers is significant and the scope of the programmes is broad, such as Argentina, Brazil, Ecuador, Jamaica and Mexico. In countries in which the volume and coverage of the transfers made under CTPs are low, the impact on poverty is next to nothing. In Honduras, the small sums involved in the Family Allowance Programme (PRAF) result in a meagre 0.2 percentage-point reduction in poverty.

Figure 14
LATIN AMERICA (5 COUNTRIES): DISTRIBUTION OF CONDITIONAL CASH TRANSFERS VERSUS DISTRIBUTION OF PER CAPITA HOUSEHOLD INCOME BEFORE WELFARE TRANSFERS
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries.

In times of economic crisis, predictable ongoing transfers that are not linked to occurrences in the labour market, such as those made under CTPs, can play a significant role in containing the rise in poverty. Some countries in the region have in fact announced that they are going to expand the scope of their CTPs. The Government of Brazil has said that the *Bolsa Familia* grant programme will be extended to an additional 1.3 million families and has raised the amount of the benefits. In Mexico, participants in the “Opportunities” programme began to receive an income supplement of 120 pesos (US$ 11) a month as of July 2008 through the “Living Better Food Support” programme.

How well CTPs work depends on how much the country has achieved in ensuring universal access to basic social services and close collaboration between the programmes’ leaders and the education, health and nutrition sectors. The largest challenges include coordinating with the ministries of the social sectors and developing close and effective working relations between the central and decentralized or local levels of administration. Implementing CTPs can pave the way for new management patterns in traditionally compartmentalized public institutions, forge new links between sectors and encourage joint ventures among units from different levels of the hierarchy. Action on the demand side, however, needs to be combined with action regarding the supply of public services and programmes. The CTPs themselves can cause quality problems by increasing demand to such an extent that health services, for example, are overwhelmed. Furthermore, the levels of sophistication reached in the targeting of the programmes has made eligibility criteria increasingly obscure, which causes tension in the community between those who receive the benefits and those who do not, and this can threaten the social capital that the CTPs are supposed to generate.

The crisis, post-crisis scenarios and social vulnerability in Latin America

The social impact of the current global crisis on the different countries of Latin America varies considerably. Effects include a rise in unemployment and informal employment, higher levels of poverty and indigence and risks of falling into poverty, problems in sustaining the expansion of social spending and increased threats to the survival of small and medium-sized enterprises.

The region is, nevertheless, in a better position to respond to the crisis than in previous economic downturns. This is due not only to the region’s own meritorious efforts regarding prudent fiscal management and inflation control, but also to the fact that in 2002-2008, the region benefited from a highly favourable international situation and reaped the benefits of the demographic dividend.[6] Both factors are losing strength and are projected to even turn negative in the future. The two new allies

6 Period in which the working-age population increases and the demographic dependency rate falls because households shrink thanks to declining fertility rates.

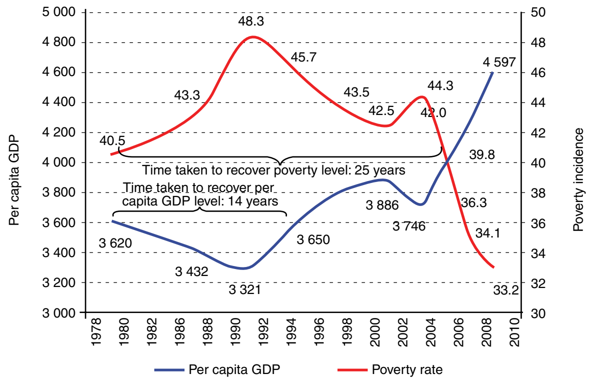
in the fight against poverty in 2002-2008, increased social spending and improved income distribution, may suffer as a result. If governments manage to avoid a repetition of the past, when the vulnerable sectors paid the costs of downturns without benefiting from the recoveries (see figure 15), the region will have made a considerable leap forward.

Jumpstarting the economy and reactivating the labour market are two fundamental objectives now. But more is needed that that. A countercyclical approach to monetary and fiscal policy management, better targeted social spending that is adequately sustained, and labour markets that do not expel the most vulnerable members of society will be crucial if the region is not to lose all the ground gained in six-year run up to the crisis.

Figure 15

LATIN AMERICA AND THE CARIBBEAN (19 COUNTRIES): COMPARISON BETWEEN PER CAPITA GDP AND THE POVERTY RATE, 1980-2008 [a]

(Dollars and percentages of the population)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries and official figures.

[a] Weighted averages.

The vulnerability of the social structure

Although there was a marked reduction in poverty in 2002-2008, most of those who recently left poverty are, in income terms, living only just above the poverty line. This means that the proportion of people at risk of falling into poverty is very large, although it varies considerably from country to country (see figure 16).

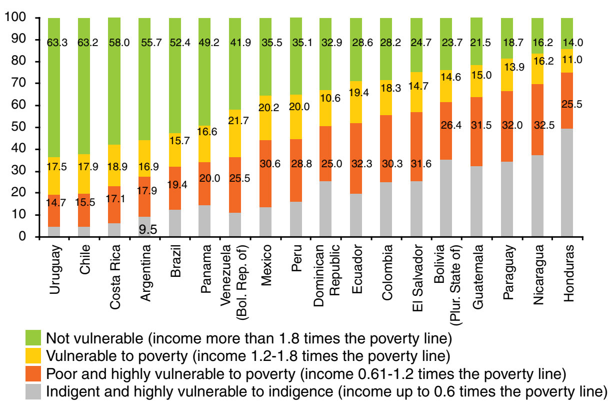
The key variables that reflect the different dimensions of the vulnerability of this population and can hence be used to increase the efficiency of spending fall under three broad headings: (i) households, labour market and income; (ii) household structure and family structure; and (ii) the human capital of households.

In terms of households, labour market and income, figure 17 contrasts the ratio of employed persons/total persons in poor households with those not in danger of falling into poverty in income terms. The difference is particularly marked in the richer countries. In many relatively less developed countries, the gaps are smaller, or in the case of the Plurinational State of Bolivia, there is hardly any difference at all. This is explained by the low productivity and low wages of those sectors in these poorer countries. In contrast, in the richer countries, a high employment ratio tends to ensure in income terms that the household escapes both poverty and the risk of falling into poverty.

Figure 16

LATIN AMERICA (18 COUNTRIES): POVERTY VULNERABILITY PROFILE BY COUNTRY, 2008

(Percentages)

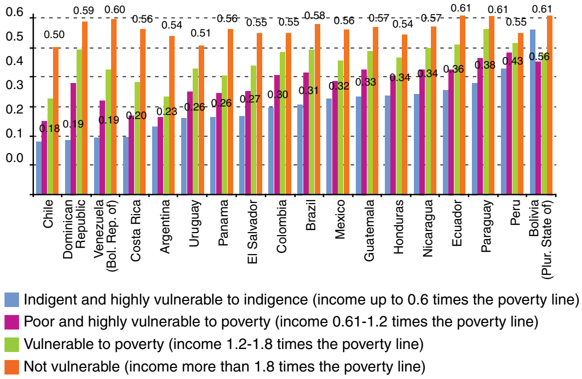


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries.

Figure 17

LATIN AMERICA (18 COUNTRIES): RATIO OF EMPLOYED TO TOTAL HOUSEHOLD MEMBERS, BY VULNERABILITY CATEGORY, AROUND 2007

(Number of employed members divided by total members)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries.

As far as household and family structure is concerned, household dependency rates (the number of non-working-age persons per working-age person) vary according to the stage of demographic transition each country has reached. In all countries, except Chile, the ratio is one or higher in households that are extremely poor or in danger of becoming so. This means that the number of dependent persons is equal to or higher than the number of persons aged 14-64 years. This ratio falls to 0.5 and 0.4 in the case of households that are not vulnerable to poverty, and the pattern continues across the remaining categories: in other words, the higher the income, the lower the dependency rate (see figure 18).

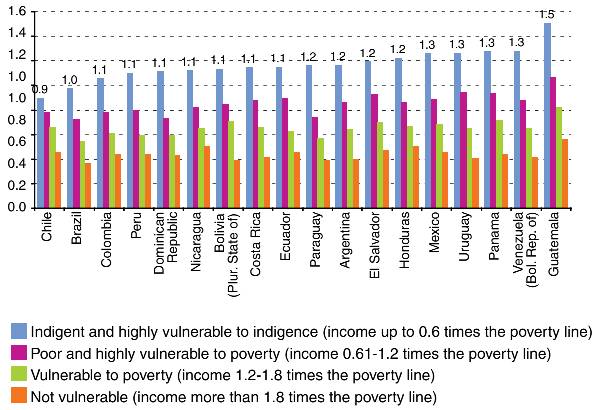
One of the realities of Latin American society is a direct consequence of this demographic feature. A disproportionate number of children in the region live in extreme poverty, in poverty or at risk of poverty, and the more advanced the country is in its demographic transition, the more apparent this is. It will be difficult to take advantage of the second stage of the demographic dividend (when the dependency ratio stabilizes) if increasing proportions the active population have had an impoverished childhood. Making sure the crisis does not spell the juvenilization of poverty is one of the main challenges currently facing the region.

The socio-economic stratification of the human capital of households has been thoroughly documented. As the main determining factor of people's career paths throughout their working life, it constitutes the main link in the transmission of inequality from one generation to the next (see figure 19).

Figure 18

LATIN AMERICA (18 COUNTRIES): DEMOGRAPHIC DEPENDENCY RATE BY VULNERABILITY CATEGORY, AROUND 2007 [a]

(Number of employed members divided by total members)



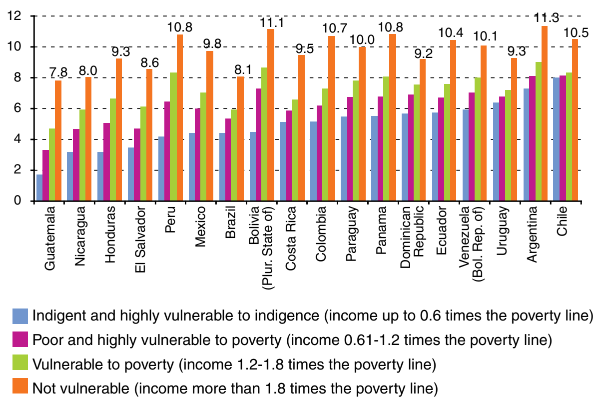
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries.

[a] The data for Peru correspond to 2003; for El Salvador, to 2004; to Colombia and Nicaragua, to 2005; and to Argentina, Chile, Guatemala and Mexico, to 2006. The calculation was made by dividing the number of persons aged under14 and over 64 by those aged between 15 and 64. Households where the denominator was zero (according to the survey, no people in the household were aged between 15 and 64) were excluded from the calculation.

Figure 19

LATIN AMERICA (18 COUNTRIES): AVERAGE YEARS OF SCHOOLING OF HOUSEHOLD MEMBERS AGED 25 YEARS AND OVER IN HOUSEHOLDS CLASSIFIED AS VULNERABLE, AROUND 2007 [a]

(Number of years)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries.

[a] The data for Peru correspond to 2003; for El Salvador, to 2004; for Colombia and Nicaragua, to 2005; and for Argentina, Chile, Guatemala and Mexico, to 2006.

Social protection matrixes, responses to the crisis and future prospects

The wide range of social protection systems in place across the region suggests that countries' capacity to protect their most vulnerable populations against the impact of economic downturns and external shocks varies considerably. In terms of social spending levels and coverage, the countries of the region fall into three broad categories, those with: (i) universal schemes; (ii) dual schemes; and (iii) schemes that draw on family support to provide protection.

As shown in table 6, the three categories are not determined only by the spending levels and coverage of countries' social protection systems. The smaller the proportion of the burden carried by the State and the lower a country's average productivity, the greater the burden on out-of-pocket expenditures and on families to find ways to handle crisis situations and attain some form of social protection. This increases the differences between countries.

Table 4

LATIN AMERICA: SOCIAL SPENDING INDICATORS BY GROUP OF COUNTRIES, AROUND 2007

(Simple averages)

	Per capita social spending (Dollars) [a]	Public social spending (Percentage of GDP) [a]	Public spending on social security and assistance (Percentage of GDP) [b]	Social spending on health (Percentage of GDP) [a]	Social spending on education (Percentage of GDP) [a]
Group 1: Argentina, Brazil, Chile, Costa Rica, Panama and Uruguay	1 102	17.7	7.9	3.9	4.5
Group 2: Bolivarian Republic of Venezuela, Colombia and Mexico	638	13.0	4.9	2.2	4.3
Group 3: Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Paraguay, Peru and the Plurinational State of Bolivia	178	10.2	2.6	2.3	4.1

Source: Economic Commission for Latin America and the Caribbean (ECLAC) on the basis of information from the Commission's social expenditure database.
[a] 2000 dollars. Data from 2006/2007.
[b] 2000 dollars. Data from 2006/2007. Does not include Nicaragua.

Table 5

LATIN AMERICA: COVERAGE INDICATORS OF THE SOCIAL SECURITY, HEALTH AND EDUCATION SYSTEMS, BY GROUP OF COUNTRIES

(Simple averages)

Coverage	Percentage of workers contributing to the social security system [a]	Percentage of people covered by pension and retirement schemes in urban areas [a]	Percentage of people covered by health insurance [a]	Percentage of 15-17-year olds attending school [b]
Group 1: Argentina, Brazil, Chile, Costa Rica, Panama and Uruguay	53.1	64.4	69.7	79.0
Group 2: Bolivarian Republic of Venezuela, Colombia and Mexico	34.3	26.6	45.6	64.5
Group 3: Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Paraguay, Peru and the Plurinational State of Bolivia	20.0	14.1	17.2	63.8

Source: Carmelo Mesa-Lago, "Efectos de la crisis global sobre la seguridad social de salud y pensiones en América Latina y el Caribe y recomendaciones de política", *Políticas sociales series*, No.150 (LC/L.3104-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), October 2009. United Nations publication, Sales No. S.09.II.G.85.
[a] Does not include Brazil Data corresponds to 2004, 2005 and 2006.
[b] Does not include the Bolivarian Republic of Venezuela or the Dominican Republic.

Table 6

LATIN AMERICA: SELECTED WELFARE INDICATORS BY GROUP OF COUNTRIES, AROUND 2004

(Simple averages)

	Proportion of population that make out-of-pocket health expenditures	Remittances from abroad (Percentages of GDP)	Employed population living below the poverty line (Percentages of total working population)	Extended and composite families (Percentage of total families)
Group 1: Argentina, Brazil, Chile, Costa Rica, Panama and Uruguay	23.3	0.9	16.7	19.0
Group 2: Bolivarian Republic of Venezuela, Colombia and Mexico	35.1	2.2	28.6	23.4
Group 3: Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Paraguay, Peru and the Plurinational State of Bolivia	72.1	9.8	38.4	27.9

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the relevant countries and *Social Panorama of Latin America*, various years; World Bank, World Development Indicators, 2006 [online database] http://ddp-ext.worldbank.org/ext/DDPQQ/member.do?method=getMembers&userid=1&queryId=6; and Latinobarómetro survey, 2007.

All Latin American governments have been much more proactive in responding to the crisis this time around. First and foremost this has been demonstrated by the widespread use of monetary instruments to sustain economic activity, boost liquidity and increase access to credit. Second, it is reflected in the investment programmes that have been developed or brought forward with a view to stimulating the economy and generating employment in the face of falling consumption and private investment. Finally, States have employed all the tools available to them in their social protection systems to mitigate the social impact of the crisis. Government action in this regard falls into four broad categories: monetary transfers; sectoral policies (health, education, housing and food); active employment and credit policies; and subsidies for basic non-food-related services (transport, electricity and water).

The evidence available shows that, within their response to the crisis, governments are taking social and sectoral policy action that has a redistributive function. Nevertheless, much remains to be done in terms of improving the medium- and long-term consistency and structuring of these measures. Women, children and, in the near future, older persons, as well as the less-skilled, fill or will fill the ranks of the indigent, poor and vulnerable population in Latin America. Fully understanding the linkages between market, State and family is essential attacking the social effects of the crisis and laying the foundations for a more efficient and egalitarian social protection system.

Table 7
LATIN AMERICA: INSTRUMENTS USED TO TACKLE THE IMPACT OF THE CRISIS

	Monetary transfers		
Pensions	Unemployment benefits	Family allowances	Other direct monetary transfers (CTPs,[a] solidarity grants, etc.)
Increases in the value of pensions Extension of the coverage of non-contributory pensions One-off bonus payments to supplement very low pensions	Extension of the duration of unemployment benefits Broadening of eligibility criteria Creation of partial and flexible unemployment insurance schemes	Increase in the value of the allowances Extension of programme coverage One-off bonus payments for family allowance beneficiaries	Increase in the value of allowances Extension of programme coverage
	Sectors traditionally targeted by social policy		
Education	Health	Housing	Food
Increased resources and supplies for school meal programmes and support to cover education expenses	Elimination of co-payments or subsidies for medicines Expansion of services and infrastructure	Construction of low-income housing Home-loan subsidies	Rural nutrition programmes Expansion of hand-outs of staple food items and support for food programmes
Employment and labour market policies		Credit, facilities and subsidies for microenterprises and small and medium-sized enterprises (SMEs)	
Increases in the minimum wage Public investment in social infrastructure Direct job creation		Extension of credit to those eligible for microloans Support for SMEs (tax exemptions and credit)	
Basic services		Transport	
Creation of more or new subsidies Targeting of subsidies		Increase in general or targeted subsidies Creation of subsidies for new population groups	

Source: Economic Commission for Latin America and the Caribbean (ECLAC).
[a] Conditional transfer programmes.

Gender and paid and unpaid work: links in the chains of discrimination and inequality

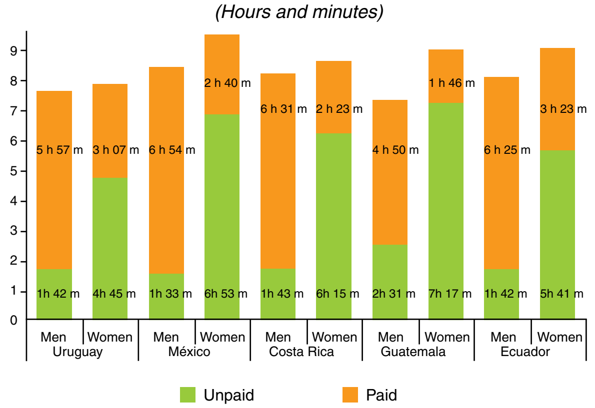
The crisis in the care sector and two-fold gender-based discrimination

Latin America is currently in the midst of a care crisis inasmuch as paid wage work and unpaid domestic work patterns are shifting at a time when the sexual division of labour in the home and the gender-based segmentation of the labour market are still extremely rigid. These asynchronous trends are occurring within a context of profound transformations in family life, which do not, however, entail an increased participation of men in care work, and without there being sufficient State or market mechanisms to assume responsibility for the provision of care.

The situation is exacerbated by the rising demand for care that is being generated by the ageing of the population, the persistence of relatively high fertility rates and the increase in the number of people suffering from chronic illnesses. And this is occurring in a region where many families have to cope with the burden of dependents with no recourse to social protection or with only limited pension or retirement benefits.

Care work is part of the unpaid work that also includes household tasks, such as cleaning and preparing food. Care work is performed with no contract that establishes the price, responsibilities and benefits involved and it takes up time that could be devoted to other activities. The gender inequalities in this area are huge. The average number of hours devoted daily to unpaid work by women ranges between almost five hours in Uruguay and slightly over seven in Guatemala. The number of hours that men spend on caring for others never rises above two, except in Guatemala (see figure 20).

Figure 20
LATIN AMERICA (SELECTED COUNTRIES): WORKLOAD BY GENDER, DIFFERENT YEARS BETWEEN 2002 AND 2007
(Hours and minutes)

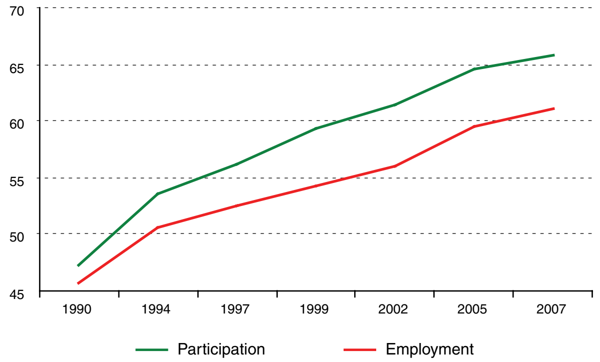


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries.

The incorporation of women into the labour market: an essential and irreversible, but stratified, process

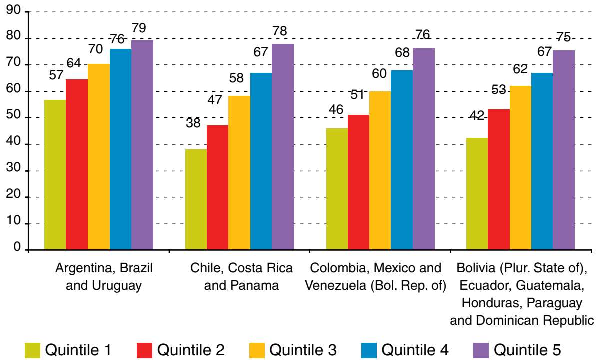
The proportion of women seeking employment or engaged in wage work has steadily risen in the region. Between 1990 and 2007, the participation rate of women aged 25-54 in the labour market had risen by close to 20 percentage points, and in wage work, by over 15 percentage points (see figure 21A). In many homes, the woman has become the main or sole wage-earner or is producing as much income as the man. The pronounced socio-economic stratification of women's labour-market integration in the labour market is a salient feature of all countries in the region. Although the participation and employment rates for women vary considerably from one group of countries to another, Costa Rica, Chile and Panama notably have both the lowest and the most stratified labour-market participation rates in the region (see figure 21B).

Figure 21.a
LATIN AMERICA (WEIGHTED AVERAGE FOR 15 COUNTRIES): LABOUR MARKET PARTICIPATION AND EMPLOYMENT OF WOMEN AGED 25 TO 54 YEARS, 1990-2007
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries.
Note: Does not include data for the Dominican Republic, Guatemala or Peru for any year. For the countries lacking data, the year closest to the reference year is used for the historical series. The data for Ecuador, the Plurinational State of Bolivia and Uruguay refer to urban areas; data for Argentina and Paraguay refer to the main urban area.

Figure 21.b
LATIN AMERICA (WEIGHTED AVERAGES FOR 4 GROUPS OF COUNTRIES): LABOUR MARKET PARTICIPATION OF WOMEN AGED 25 TO 54 YEARS, BY INCOME QUINTILE, AROUND 1990
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries.
Note: The data for Colombia and Nicaragua correspond to 2005; the data for Argentina, Chile and Mexico to 2006. Data for Argentina refer to Greater Buenos Aires; for Ecuador to urban areas; for Paraguay to Asuncion and the Central Department; for the Plurinational State of Bolivia to eight main cities plus El Alto; and for Uruguay to urban areas.

Getting women into the labour market is essential to save many households from slipping into poverty or to help them climb out of it. This situation is obvious among female-headed households and clearly visible among two-parent households. Raising women's participation rates, especially in the lower income quintiles, would thus be enormously helpful in reducing poverty.

Labour-market integration, inequality and the reproduction of inequality

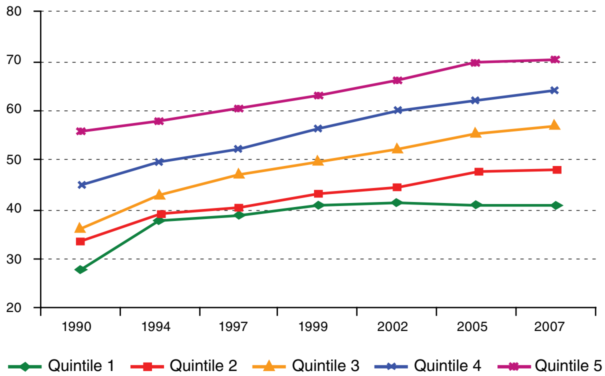
Women with dependent children between the ages of 0 and 5 in areas where school coverage is low and demand for care high show much lower labour-market participation and employment rates than women with dependents in the 6 to 14 age group and no younger children. In 2007, the difference was almost 9 percentage points in the poorest quintiles, 7 points in the middle quintile and non-existent in quintile 5. This indicates that women in quintiles 1 to 4 pay an additional cost in terms of labour-market participation because of the lack of school services and the additional care demands of young children, and the poorer the household, the higher the cost (see figures 22.a and 22.b). Given the great inequalities that are characteristic of the region, the difficulties all women face in entering the labour market, securing quality employment and sharing unpaid work with men are worst of all in the lowest-income sectors.

If they are to gain a sustainable position in the labour market and secure quality employment, women must be able to reduce their burden of unpaid and care work, either through increased flexibility of the sexual division of labour in the household, or through access to care services, whether provided by the State or purchased in the market. The hours devoted by women to paid and unpaid work converge towards the top of the income structure, but there is no such convergence in the case of men, which is indicative of strong rigidity in male roles that prevents men from combining the two types of work, regardless of socio-economic level (see figures 23.a and 23.b).

Figure 22.a

LATIN AMERICA (WEIGHTED AVERAGE FOR 15 COUNTRIES): LABOUR MARKET PARTICIPATION OF WOMEN AGED 15 TO 49 WITH CHILDREN AGED 0 TO 5, BY INCOME QUINTILE, 1990-2007

(Percentages)



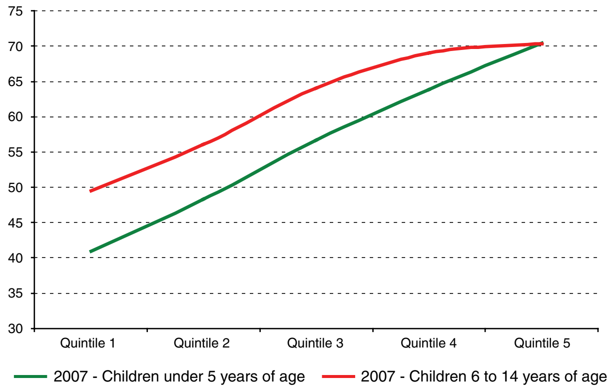
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries.

Note: Does not include data for the Dominican Republic, Guatemala or Peru for any year. For the countries lacking data, the year closest to the reference year is used for the historical series. The data for Ecuador, the Plurinational State of Bolivia and Uruguay refer to urban areas; data for Argentina and Paraguay refer to the main urban area.

Figure 22.b

LATIN AMERICA (WEIGHTED AVERAGE FOR 14 COUNTRIES): LABOUR MARKET PARTICIPATION OF WOMEN AGED 15 TO 49 BY INCOME QUINTILE AND AGE OF CHILDREN, AROUND 2007

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries.

Note: Does not include data for the Dominican Republic, El Salvador, Guatemala or Peru for any year. The data for Colombia and Nicaragua correspond to 2005; the data for Argentina, Chile and Mexico to 2006. Data for Argentina refer to Greater Buenos Aires; for Ecuador to urban areas; for Paraguay to Asuncion and the Central Department; for Bolivia to eight main cities plus El Alto; and for Uruguay to urban areas.

Figure 23.a

URUGUAY: TIME SPENT PERFORMING PAID AND UNPAID WORK, BY SEX AND INCOME QUINTILE, 2007

(Hours)

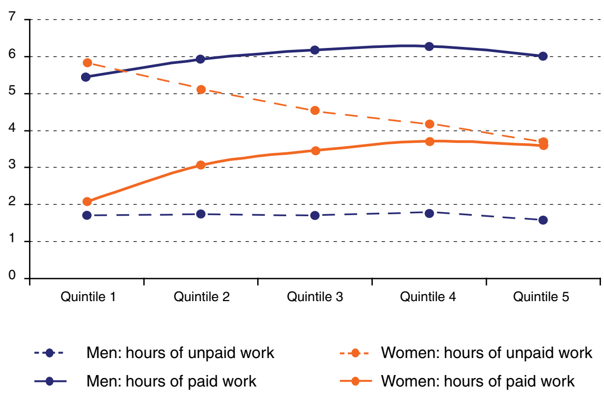
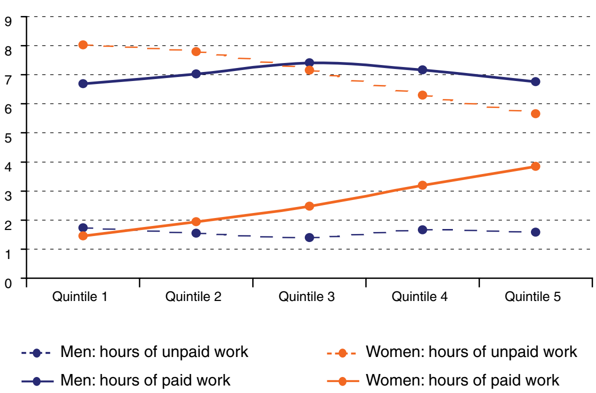


Figure 23.b

MEXICO: TIME SPENT PERFORMING PAID AND UNPAID WORK, BY SEX AND INCOME QUINTILE, 2002

(Hours)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of time-use surveys.

The evidence also indicates that women spend much more time on unpaid work at reproductive ages, whereas the time spent by men on these tasks does not vary from one age group to another. Here again, there is a differential effect among women by income quintile. In the poorest sectors, the increase in hours devoted to unpaid work is sharper and occurs at younger ages, reflecting earlier fertility and more limited access to external care services among poorer women.

Another aspect to consider is men's lack of flexibility in adjusting their decisions and behaviour patterns in response to employment or unemployment. In this, the distances between men and women hold steady across almost all the age groups and they are especially large for the ages at which the care burden is heaviest. In Ecuador, the low absolute elasticity of men to changes in employment status contrasts with the employment status elasticity of women. In Uruguay, unemployed women aged between 31 and 35 spend an average of about three more hours performing unpaid work than they do during periods of employment. Men in the same age groups and countries spend less than one hour extra on such work. In Ecuador the elasticity differentials are smaller, but only because much of the unpaid work is invariably performed by women (see figure 24).

Figure 24.a
URUGUAY: TIME SPENT PERFORMING UNPAID WORK, BY INCOME QUINTILE, 2007
(Hours and age groups)

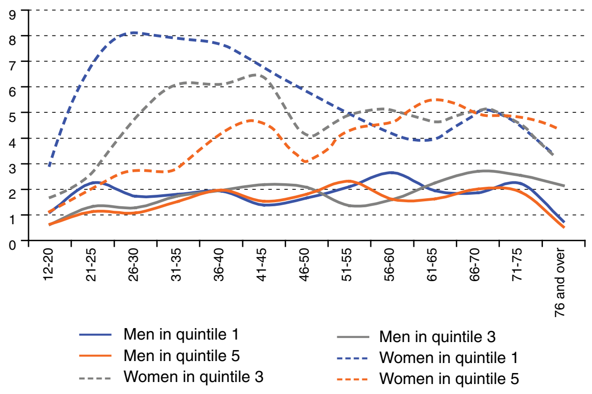
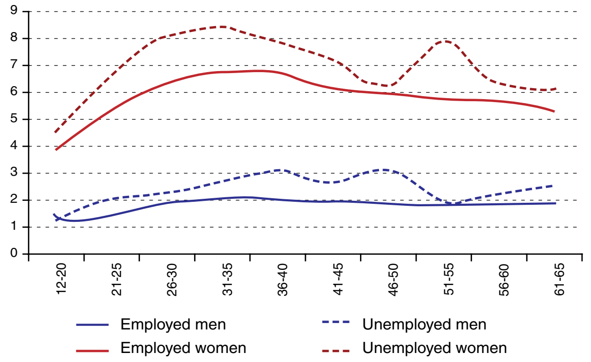


Figure 24.b
ECUADOR: TIME SPENT PERFORMING UNPAID WORK, BY EMPLOYMENT STATUS, 2007
(Hours and age groups)



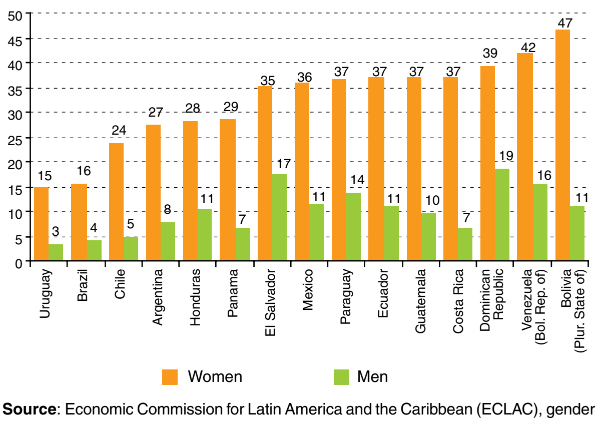
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries.

State, employment formality and women's vulnerability, now and in the future

Women's participation in the labour market is characterized by higher levels of unemployment, more precarious working conditions and higher levels of informality, compared with that of men. Women are more likely to have limited health benefits, lower rates of affiliation to social security and lower wages. As is the case for men, informality in women's employment reflects the difficulty in finding formal jobs, but it also has to do with the flexibility that informal employment offers women for discharging family responsibilities. Formal employment as it exists today discriminates against women by failing to acknowledge the burden of reproductive and care work they are fitting into their time and stages of life. This damages their working trajectories and restricts their access to training and social security.

In 2007, the proportion of men and women without an independent income in the older age groups differed by between 12 and 36 percentage points, depending on the country, with women coming off worse (see figure 25). This asymmetry may sharpen in the future with the rising number of people needing intensive care and services but lacking the independent income to pay for them. Such a situation will place pressure on public services, but also on younger family members, particularly women, if there is no change in the current distribution of care and domestic work and in social services eligibility criteria that do not recognize the costs associated with unpaid work.

Figure 25
LATIN AMERICA (15 COUNTRIES): PERSONS AGED 60 AND OVER WITHOUT INDEPENDENT INCOME, BY SEX, AROUND 2007
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), gender statistics [online] http://www.cepal.org/mujer/.

Families real and imagined: the need to adapt schemes and actions

A key feature of the shifts that have occurred in the Latin American family is the rise in single-parenthood. The proportion of female-headed urban households increased steadily from 1990 to 2007 and accounts for over 10% of all households in some of the countries, including Argentina, Brazil and Paraguay. The number of births outside marriage also increased between 1970 and 2000 and has come to represent 72.8% and 79.9% of all births in El Salvador and Panama, respectively. At the same time, the number of people divorced and separated has risen, with the highest percentages —25.2% and 20.7%, respectively— in those same two countries.

Combination of resources within the household is the principal strategy by which social groups protect themselves against risk and reproduce well-being. The less integrated the household, the greater the privatization and individualization of care or the heavier the burden on the social protection system of assuming responsibility for dependents. The structural changes in family arrangements and the diversity of family types now existing are such that instead of defining a desirable family structure on which to base legal and protection systems, what is now needed is to legally and formally recognize as families the units that actually exist in society and provide them with an environment more conducive to a balanced and egalitarian division of labour between men and women.

In order to respond to the care crisis now and as it deepens into the future, a transformation is needed in social protection systems and labour rules and in the patriarchal models that sanction the unequal distribution of work between women and men. With this in mind, it is necessary to promote universal care services and develop State regulations and incentives that recognize and favour a more equitable distribution and coordination of paid and unpaid work. Otherwise, society will be generating a multiplier of inequality and poverty which will disadvantage low-income women and children the most.

Generational impacts of population dynamics and care provision in the framework of social protection

From the point of view of social protection, care refers to action taken to ensure the social and physical survival of those who lack or have lost their autonomy and need help to perform the basic tasks of daily life. The issue of care has come strongly to the fore in modern societies because of the combination of two key factors: the increase in the population which, for different types of reasons, needs help, and the crisis in traditional assistance modalities.

In Latin America, the mounting demand for care is driven by three main causes: the still-large proportion of children, the ageing of the population and the rising numbers of people with some level of health-related dependency. This is taking place amid limited possibilities of solidarity, which have been narrowed by changes in the sexual distribution of labour, the integration of women into paid employment, the diversification of family types and ever higher life expectancies. There are also other factors stemming directly from social protection systems which, generally speaking, have delegated to the family the safety and protection of those who need help. Yet the conditions in which life is lived today make it increasingly difficult for family members to provide mutual help.

The study of demography offers valuable insights for contextualizing and analysing this phenomenon. First, it provides ways of estimating the supply of, and demand for, care by age and health status. Here, although age is not an inexorable determinant of need for help, it does constitute a basic approximation. And, second, population studies shed light on aspects of the situation that are not always obvious to the makers and executors of policies. In this case, demography shows how changes in the age structure of the population will shift the composition of demand. As a result, it may help to balance out ingrained notions about the child population as the main target of care and show that in the not-too-far-distant future older persons will also represent a major challenge for social protection systems.

This chapter describes the profound changes in the setting for care issues, which, given their demographic, economic and social impact, will undoubtedly become one of the most pressing social questions of the twenty-first century. The way these issues evolve in the future will depend on the specific public and private institutional arrangements each country makes within the framework of international guidelines. Those arrangements will affect not only the division of responsibility for the provision of well-being among State, family, market and community, but also gender and generational compacts on care issues.

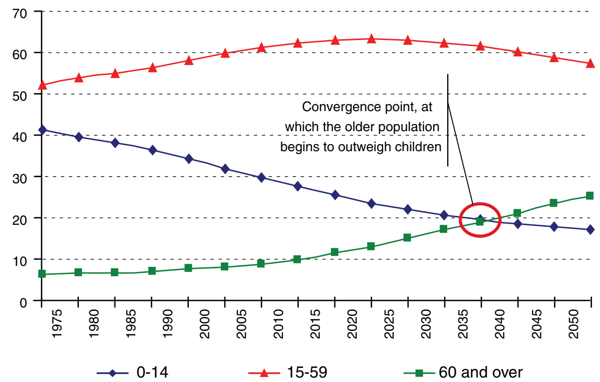
The context for care systems: how the age structure of the population has evolved and what the future holds

In 1975, the Latin American population numbered 314 million people. Population estimates indicate that this figure has now practically doubled, with 575 million inhabitants in the region today. In the next 40 years, the total population is expected to expand by 26% to reach 723 million. What these data show is that the Latin American countries are still a long way from completing the demographic transition and they are all continuing to register population growth and major shifts in age structure.

In the last three decades the rate of population growth has varied considerably from one age group to another. In absolute terms, from 1975 to 1985, the child and youth population was expanding rapidly. The population aged over 60 was also growing, albeit more slowly. In the present period, 2005-2015, children aged under 15 are decreasing in number and the intermediate age groups are expanding; so, too, is the over-60 age group, although again at a slower rate. During the decade 2035-2045, by contrast, the population aged 60 and over will be larger than it is now, contrasting with all the five-year age groups under 40, which will decrease in absolute terms.

These trends are even more obvious in an analysis of patterns in the Latin American population by the three major age groups. As shown in figure 26, the greatest changes will occur at the two extremes of the age structure: the number of children under 15 will decrease as a proportion of the total population while the proportion of older persons will rise gradually. Around 2035 these groups will each represent around 20% of the population. The population aged 15 to 59 will show fewer changes, proportionally speaking, during the period examined and will remain stable at around 60%, although it will undergo some internal shifts as it ages.

Figure 26
LATIN AMERICA: POPULATION BY MAJOR AGE GROUPS, 1975-2050
(Percentages)



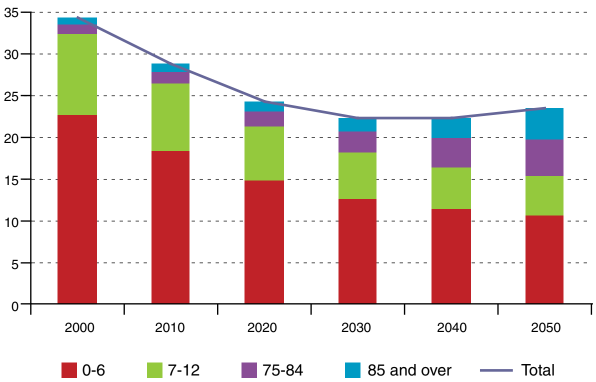
Source: Latin American and Caribbean Demographic Centre (CELADE)-Population Division of ECLAC, Population estimates and projections, 2008.

Undoubtedly, the most salient feature of demographic patterns in all the countries in the next few decades will be the growing proportion of the older population and the decrease in the young population. This change —which is part of progress towards more advanced stages of the transition— will not occur at the same time in all the countries and most of them will have a window of opportunity in which to bring about the institutional, programmatic and practical changes required by the alteration of the age structure of the population and the resulting changes in sectoral demands. One of the most obvious changes refers to the care burden and the demographic capacity to provide assistance in a context of changes in family structures and women's roles.

Care demand scenarios in Latin America

The care dependency ratio, which was high at the start of the 2000s, will gradually drop in the next four decades.[7] Around 2040, however, there is a turning point at which demand for care will start to rise again, owing to the effect of the increase in the population aged 75 and over, which will have tripled between 2000 and 2050 (see figure 27).

Figure 27
LATIN AMERICA: CARE DEPENDENCY RATIO, 2000-2050
(Percentages)

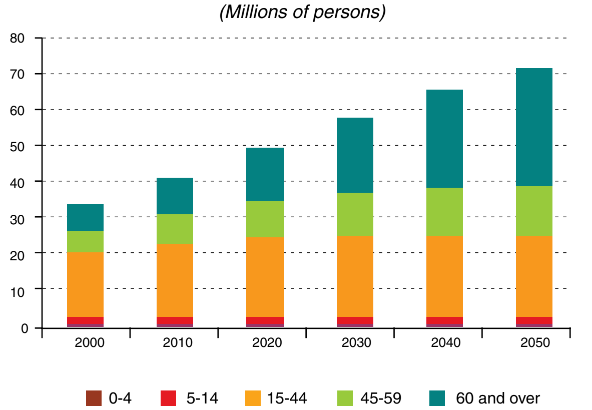


Source: Latin American and Caribbean Demographic Centre (CELADE)-Population Division of ECLAC, Population estimates and projections, 2008.

This overall trend in the region varies widely among countries, but two types of situation emerge quite clearly. One encompasses the countries that are furthest behind in the demographic transition, which start the period with a heavy childcare burden and limited numbers of potential caregivers to meet the demand. At the end of the period, the care burden in those countries will have decreased to converge with the regional average, and demand for care will be just beginning to age (Guatemala, Honduras, Nicaragua and the Plurinational State of Bolivia). At the other extreme are the countries furthest ahead in the demographic transition. They begin the period with a care burden that is already ageing, but with potential caregivers outnumbering the regional average. In the near future the numbers of caregivers in these countries will come to a standstill or even go into decline owing to the effects of ageing, and they will find themselves with a demand for care that is heaviest among the older population (Argentina, Chile, Cuba and Uruguay).

At the same time, the population needing care owing to some kind of health dependency is expected to rise considerably. The number of dependent individuals is projected to double between 2000 and 2050, from 34 million to 72 million (WHO, 2002). And, although dependency occurs in all age groups, analysis by age shows that although the dependent care burden today is greatest in the 15 to 59 age group, by the mid-twenty-first century older persons will represent almost half of this dependent population (see figure 28).

Figure 28
LATIN AMERICA AND THE CARIBBEAN: NUMBER OF DEPENDENT PERSONS NEEDING CARE, BY AGE GROUP, 2000-2050
(Millions of persons)



Source: Latin American and Caribbean Demographic Centre (CELADE)-Population Division of ECLAC, on the basis of World Health Organization (WHO), *Current and Future Long-Term Care Needs*, Geneva, 2002.

The rising and shifting care burden occurs in a context in which the capacity of the population to provide assistance will become increasingly limited between 2000 and 2050, although this varies considerably from one country to another, entirely as a function of the stage of the demographic transition each country will have reached (see figure 29).

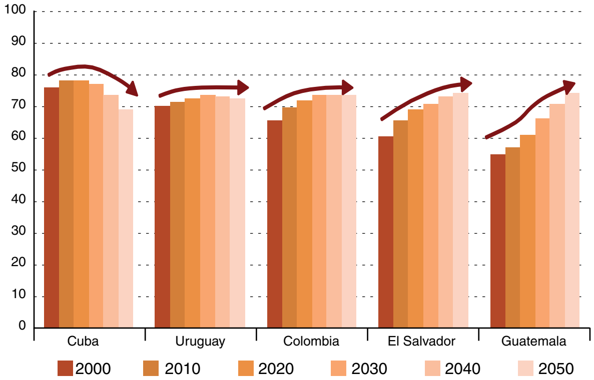
---

7 The care dependency ratio is defined in terms of age groups and is heaviest among individuals who have specific care needs: the age groups 0-6 and 85 and over. Then come the age groups 7-12 and 75-84 who, though they require some care, do not always have such intensive needs as the first groups. In the middle —the population aged between 15 and 74— are the potential caregivers. Methodologically speaking, the indicator does not account for the population aged 13 and 14 because they do not in principle have such heavy care needs as those aged 0-12 or 75 and over, nor are they in a position to provide care.

Figure 29

LATIN AMERICA AND SELECTED COUNTRIES: POTENTIAL CAREGIVERS,[a] 2000-2050

(Percentages)



Source: Latin American and Caribbean Demographic Centre (CELADE)-Population Division of ECLAC, Population estimates and projections, 2008.

[a] Potential caregivers are defined as persons aged between 15 and 74. They are calculated as a percentage of the total population.

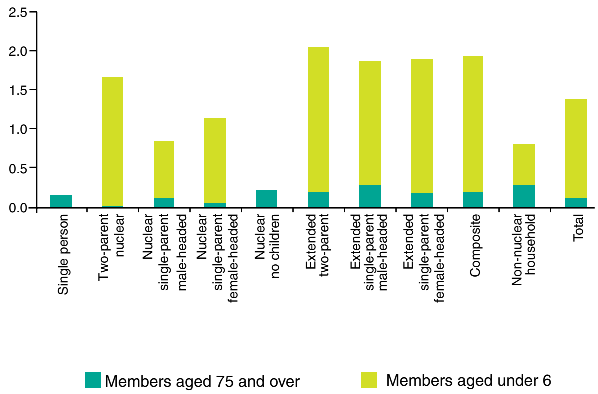
As well as gender inequalities in the sexual division of care work and generational obstacles to solidarity, care provision is also fraught with economic inequality. In times of crisis, households with sufficient financial resources can pay for the care of their dependent members; they may even do so at an inequitable exchange value. Poor households may face a dilemma, however: to devote their available human resources to caring for dependent members or to mobilize their assets. The evidence shows that, whatever strategy the poor choose, the associated adjustment usually carries economic and psychological costs for women and girls or leaves those who need care at risk.

The analysis must also consider how realistic a proposition it is for families to provide care, when the normative and programmatic frameworks for the protection of children and older and dependent persons in the region's countries are increasingly allocating the risks associated with care to the family. A regional overview based on responses to household surveys available for 17 countries shows that care issues are exerting severe pressure on family structures today. Those facing the heaviest pressure are extended and composite families (see figure 30), for whom the average number of members needing intensive care is almost two per family unit, a high figure given the tendency towards decreasing family sizes in Latin America. Some of these family structures are also those that have traditionally been hardest hit by poverty and those which lack the flexibility and autonomy to make the changes demanded by modern life and the obligations of family solidarity.

Figure 30

LATIN AMERICA (17 COUNTRIES): AVERAGE NUMBER OF FAMILY MEMBERS WITH INTENSIVE CARE NEEDS, BY FAMILY STRUCTURE, AROUND 2007 [a]

(Number of persons)



Source: Latin American and Caribbean Demographic Centre (CELADE)-Population Division of ECLAC, on the basis of special tabulations of data from household surveys conducted in the respective countries.

[a] Members with intensive care needs refer to those aged 75 and over and children aged under 6 years.

In short, although children represent the heaviest care burden in many Latin American countries today, in the near future, older persons and those with some kind of dependency will add to this burden for health and age reasons, in a context fraught with limitations arising from the demographic and socio-economic conditions in which society is reproduced. It is therefore essential to plan for the future and make preparations for the demographic changes that lie ahead.

In this framework, and based on the proposal made by ECLAC with regard to social protection, care should be understood as a collective responsibility and supported by benefits and services that fully leverage the autonomy and well-being of families and individuals. Public responses in this area must be conceived as a logical extension of the work of the State and will thus create certain immediate obligations towards givers and receivers of care. And here lies one of the greatest challenges of the twenty-first century: to move towards the recognition and inclusion of care in public policies in a framework of solidarity and equality.

Public policies and the care crisis: alternatives and initiatives

Social protection, inequality and care needs: normative considerations

The three normative principles of social protection analysed in this chapter propose: greater equality in access to services among people of differing resource levels who need care; universal and needs-based services and benefits; and intergenerational solidarity. All these principles must be enshrined in the countries' respective social protection systems, according to their measurement of risk profiles, the place attributed to family and policy and the type of welfare regime instituted.

In the Latin American countries, both the normative frameworks and the social programmes in place to protect children, older persons and dependents are tending to shift the risks associated with care increasingly onto the family. This situation worsens existing vulnerabilities and further skews the already unequal distribution of risks and responsibilities among different types of families, since some have more resources to deal with internal dependency and care needs than others.

Where public institutions provide insufficient protection, access to care services through the market is segmented by economic inequalities. At the same time, the support networks that help to maintain or improve material, physical and emotional well-being are impaired by social inequalities. And lastly, gender inequalities are evident in the excessive burden of care work performed by women and the barrier that the sexual division of care work poses to the unfettered development of women and of society in general.

The whole issue of care must be construed from a normative perspective of equality, universality and solidarity, as the underlying principles of the respective social protection systems.

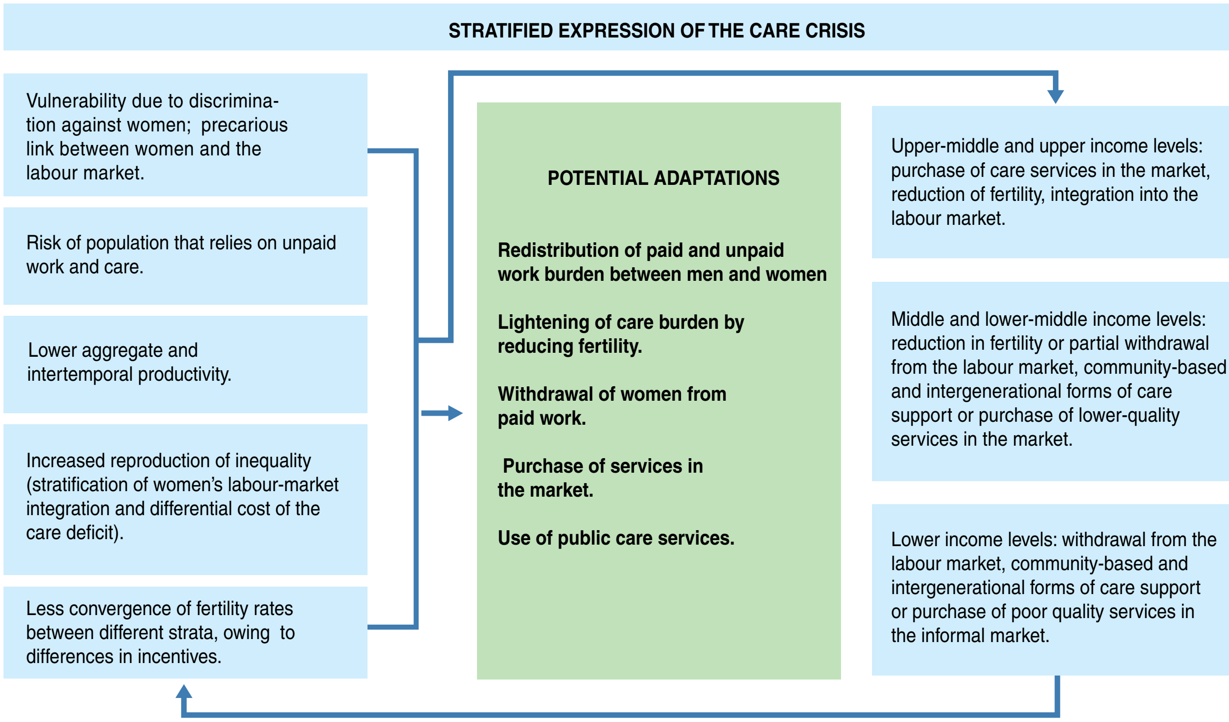
Risk, the role of family and policy, and welfare regimes: analytical considerations

The traditional welfare regime in Latin America is premised on the model of the male breadwinner and the female homemaker caring for children and older persons. Both the empirical evidence and the normative principles comprehensively challenge this vision today, however. Nevertheless, a clear consensus has yet to be reached on legislation for reconciling paid and unpaid work since, although in principle it should promote equality of opportunities between women and men, ultimately it actually tends to distribute rights and responsibilities in a gender-differentiated manner.

This is why caregiving, gender inequity and intergenerational solidarity coalesce into such a key issue. As women enter the labour market, the population ages and family arrangements change, gender and generational compacts come under pressure. When welfare regimes run into these problems, responses tend to arise in four different areas: market-based care and protection solutions, State-operated care and protection schemes, redistribution of the care and protection burden between men and women and between the different generations in the family, and collective non-State solutions (third-sector and community-based models). Within this complex layout of responses, however, those provided by the State (through policies that touch on the family and social protection) impact, in turn, on the solutions worked out within families, those sourced from the market and those crafted through community action. Government policies are not neutral in the redistribution of care and protection responsibilities within the family or in families' capacity to provide care and protection.

Diagram 1

STRATIFIED RISKS AND MODALITIES OF ADAPTATION TO THE CARE CRISIS AND WOMEN'S DOUBLE BURDEN OF PAID AND UNPAID WORK



Source: Economic Commission for Latin America and the Caribbean (ECLAC).

If care provision is somehow to be combined with paid work, then the strategies adopted must factor in specific formulas applicable not only to women but to society in general. In other words, there is no way to resolve the care crisis without redistributing the burdens of paid work, unpaid work and care work. Some of this may be accomplished within households, but it also needs to be undertaken and promoted by the State, through regulation, taxation practice and the provision of social services. This calls for concerted State and public policy measures, including:

- The provision of care services through preschool education, extended school time and care for older persons.
- The provision of money for families in recognition of the cost of social reproduction and to support the purchase of services in the market. This helps to combat the inversely stratified impoverishing effect of maternity.
- The formulation of regulations and material incentives and the exertion of cultural pressure to encourage a new sexual division of labour within the household, including reproductive control for women and concerted efforts to combat domestic violence.
- Creation of incentives and regulations to avoid gender discrimination in the labour market and to allow men and women to adequately coordinate productive and reproductive demands.
- The formulation of regulations and incentives for employers to reconcile paid and unpaid work (flexile working hours, company childcare centres and the like).
- The development of legal provisions recognizing different family types and compositions, in order to strengthen the co-responsibility of men and women in unpaid, paid and care work.

Monetary transfers, family and gender: is there room for a new intergenerational covenant?

As the population ages, the generational focus of public spending will become an unavoidable issue. Spending on social security, in the form of pensions and health care, may rise to the point of crowding out spending on services for the reproductive function of society, which involves women and children. And this may well occur without the first type of spending even covering the needs of the older population.

The countries of the region must craft a response to a critical problem: How can they provide basic cash transfers for older persons who can no longer work or find employment while continuing to facilitate high rates of female labour-market participation and investing in human capital for the generations to come?

Furthermore, given the proportion of women in older age groups and their lack of working careers that would have provided them with retirement benefits, pension systems must either recognize the cost in employment continuity and quality borne by those who shoulder the burden of unpaid work or delink a large share of future pensions from the formal labour market.

Services and families: collective strategies for redistributing the care burden

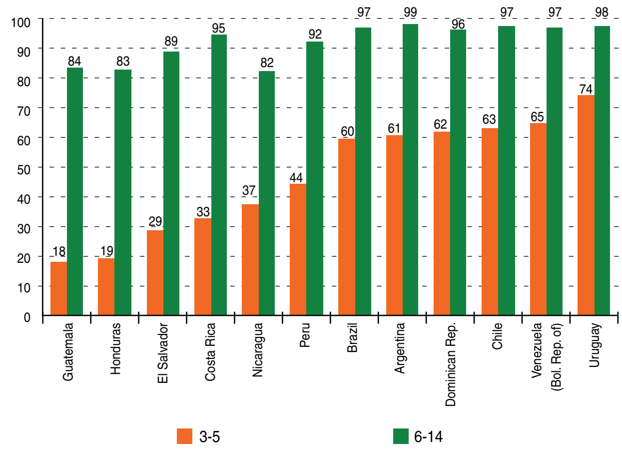
Historically speaking, government care provision has usually targeted groups with specific characteristics and has thus not been universal. The support provided through public schemes has tended to operate on the assumption that there are caregivers, particularly women, in the home with time available. In recent years, there have been some advances, albeit isolated and uneven, in broadening early education (children aged 0 to 5) and extending the school day (see figure 31).

Although services for the youngest in society need to be considered, care for older persons is becoming extremely important, given population ageing and the projected changes in the age pyramid described in chapter V. With the exception of the notable advances made by some countries since the start of the 2000s, services for older persons are heavily biased towards welfare and benefits depend more on the resources of older persons than on their needs. Programmes often rely on families and on the work of volunteers, leaving the provision of certain services, generally those for which resources are insufficient, to the informal market.

Figure 31

LATIN AMERICA (12 COUNTRIES): COVERAGE OF CARE AND EDUCATION IN EARLY CHILDHOOD (AGES 3 TO 5), IN PRIMARY SCHOOL AND IN THE FIRST CYCLE OF SECONDARY EDUCATION (AGES 6 TO 14), AROUND 2007

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries.

A model in the making

The economic crisis put an end to six years of growth. Lack of inflation, sound financial systems and fiscal leeway built up by dint of bitter experience have cushioned the effects of the crisis. If the region had responded to this crisis with the type of fiscal adjustments and market reforms deployed in the past, the social impact would have been much harsher than the effects seen today. Instead of tightening spending, privatizing socials services and deregulating the labour market, the region has kept up social spending, expanded investment in social services infrastructure and taken steps to protect jobs. The countries have also provided direct monetary transfers to the most vulnerable sectors (through such instruments as conditional transfer schemes, non-contributory pensions, non-contributory family benefits and unemployment insurance with expanded coverage and eligibility). But this assertive response may be insufficient unless policymakers grasp the magnitude of the challenge, not now, in the short term, but in the medium and long terms.

As the first three chapters of this book argue, the steps taken to tackle the crisis —especially those that have borne fruit— are not merely a temporary response but form the cornerstones of the social protection system that Latin America needs. Chapters IV and V examine the particular measures that should be pursued most vigorously, as the core of the social protection system.

The data analysed in this issue of Social Panorama support 10 general recommendations that have served as good responses to the crisis as well as offering worthwhile medium- and long-term strategies:

- Improve the coverage and quality of monetary transfer systems (especially benefits provided under conditional transfer schemes) with a strong emphasis on coverage for families with children.
- Set up and capitalize non-contributory or subsidized solidary modalities within traditional insurance systems (especially retirement benefits and pensions).
- Reduce the fragmentation and stratification of contributory retirement and pension systems and limit or eliminate subsidies for the schemes of privileged sectors (adjust the benefits to the actuarial health of the systems).
- Expand unemployment insurance systems to incorporate workers who bear the brunt of recessionary cycles (as well as expanding coverage, this means creating financing modalities to encompass these workers).
- Recognize and develop strategies to integrate transfers from the non-State solidary sector into the architecture of social protection for the most vulnerable in society, with a view to guaranteeing their rights.

The measures listed up to this point help to cushion the effects of the crisis and perform a redistributive function, aiming to combat inequality and poverty. Those mentioned below, meanwhile, are directed towards building up the capacities of households and individuals to enter and remain in the labour market, in order to avoid dependence on transfers. They are also essential to adjust the welfare regime to the major shifts that have occurred in family structures and the changing role of women and to prepare for the challenges posed by demographic patterns.

- Broaden preschool (ages 0 to 5) enrolment in education and care services and their coverage.
- Increase school hours to a full day or an extended school day, for children aged 6 to 14.
- Especially in the countries that are furthest ahead in the demographic transition, develop collective care services for older persons and invest sufficiently in preventive care to increase healthy life years for the older population.
- Provide State regulation and incentives to facilitate the coordination of paid and unpaid work and penalize discrimination against women in the labour market.
- Ensure that the State plays an active role in redefining family, gender and intergenerational compacts, promoting the recognition of multiple types of family arrangements and a balanced distribution of care burdens between the genders and among generations.

The fiscal costs of a strategy such as this are no small consideration and lie well outside the reach of countries with smaller resource endowments. These proposals do not represent a single prescription, however, nor must they necessarily be implemented right away. The path to take, choice of priorities and pace of adaptation will be dictated by the demographic stage each country has reached, the development of its labour markets and its fiscal capacities. The proposals set forth here are not a dogma, but a set of directions and forward-looking strategic instruments.

Introduction

The international crisis and its impact on Latin America and the Caribbean

In 2008, the economy of Latin America and the Caribbean continued to grow, albeit at a slower pace than in previous years. The per capita GDP for the region increased by an average of 3.0% compared to 4.6% in each of the previous two years. Most of the countries in the region reflected the region-wide slowdown in growth, but the effects of that slowdown were most visible in the Bolivarian Republic of Venezuela, Colombia and Costa Rica (see table of the statistical annex to this report).

This continuation of growth led to a fresh decline in unemployment: from 8.1% in 2007 to 7.5% in 2008. Average real wages increased once again, this time by 1.3%, a rate similar to 2007.

Two prominent features of the economic situation in the region in 2008 had a major impact on living conditions. The first was a continuous and steepening rise in international commodity prices, which lasted until mid-2008 and was passed through to the food-price component of consumer price indices. This was partly reflected in the average inflation rate for the region, which climbed from 6.4% in 2007 to 8.4% in 2008.

The second factor was the outbreak of the international financial crisis, which marked the end of a period of growth for the region that had begun in 2003 and had been the longest and strongest expansion since the 1970s. Growth took place against a backdrop of global economic expansion, which was particularly strong from 2003 to mid-2007, when problems in the subprime mortgage market in the United States began to spread to other markets and regions. That shock wave was felt in financial systems around the world, and hit the goods and labour markets especially hard, beginning in September 2008. This led to unusually severe global economic turbulence, similar enough to the Great Depression of the 1930s to prompt comparisons between the two crises.

However, this time, the economic policy response was much faster and more effective. The crisis of the 1930s taught the lesson that, in cases like these, it is critical to contain the damage as quickly as possible and to set up expansionary monetary and fiscal policies in order to lessen the risk of a depression. Another major difference that sets this crisis apart from the Great Depression of the 1930s is that today there are a number of international coordinating institutions, both regional and global, many of which were created following the Great Depression and the Second World War. Others were created more recently, such as the Group of Twenty (G-20). Despite their limitations, these institutions have some capacity to enhance policies that countries implement individually, in order to prevent or at least limit predatory practices that, through trade or exchange-rate policies, could otherwise undermine international trade, which has already been quite badly hit by the crisis.

The financial crisis was rapidly passed through to real variables and spread internationally, owing to four main factors: (i) the credit crunch, (ii) the erosion of wealth, (iii) the shrinking of world trade, and (iv) deteriorating expectations with respect to economic activity.

The Latin American and Caribbean region was not exempt from the fallout from these events. The region's GDP growth began to slow in the third quarter of 2008, and began to post negative growth in early 2009. Although clear signs of recovery emerged in the second half of the year, estimates are that the region's economic activity dropped in 2009 by between 1.5% and 2%, which translated into a per capita decrease of about three percentage points. The crisis was felt more severely in a few countries, such as Mexico and several countries of Central America and the Caribbean.

The transmission channels by which this crisis made its way into the economies of Latin America and the Caribbean set it apart from past crises. Unlike in similar previous episodes, the strongest impacts have come through the real economy. Volume and prices of exports, remittances and other elements directly related to economic activity, combined with a deterioration in consumer and producer confidence, were the factors behind the abrupt slowdown of growth.

Another distinctive feature of the current situation is that during the period leading up to the crisis, governments in the region increased their savings rates. That reduced dependency on external funds and, in many cases, lowered governments' external liabilities. At the same time, governments accumulated significant amounts of international reserves to lessen their dependency on external financing in the event of liquidity difficulties.

These steps not only distinguished the current financial crisis from those the countries have faced in the past but they have also given the governments more room for implementing public policies. Nevertheless, recent economic performance, shaped by the repercussions of the crisis, has narrowed the macroeconomic space available to governments for pursuing policies aimed at boosting domestic demand and has heightened the competition among goals for government policies and resources.

Although growth in Latin America and the Caribbean is expected to resume in 2010, the pace will likely be slower than it was during the boom period that was truncated by the crisis. The expected growth could be insufficient to meet the demand for jobs, which will impede an early recovery of the job market, in terms of both quality and quantity of jobs and, hence, of social indicators as well. Investment will also shrink, which not only will trigger an immediate setback in the demand for goods and on activity levels but will also hamper the region's capacity for future growth.

Chapter I

Poverty and inequality in the context of the economic crisis

A. Poverty and inequality until 2008

The year 2008 was the last of a six-year period in which poverty fell and inequality decreased. In 2008, poverty reached 33%, down 11 percentage points from 2002. Although sharply higher food prices caused the indigence rate to increase in 2008, it was two-thirds of 2002 levels. Poverty reduction was due mainly to a rise in average incomes, complemented by improvement in income distribution in several countries. Despite the gains, poverty levels in the region are still high and continue to affect women and children most of all.

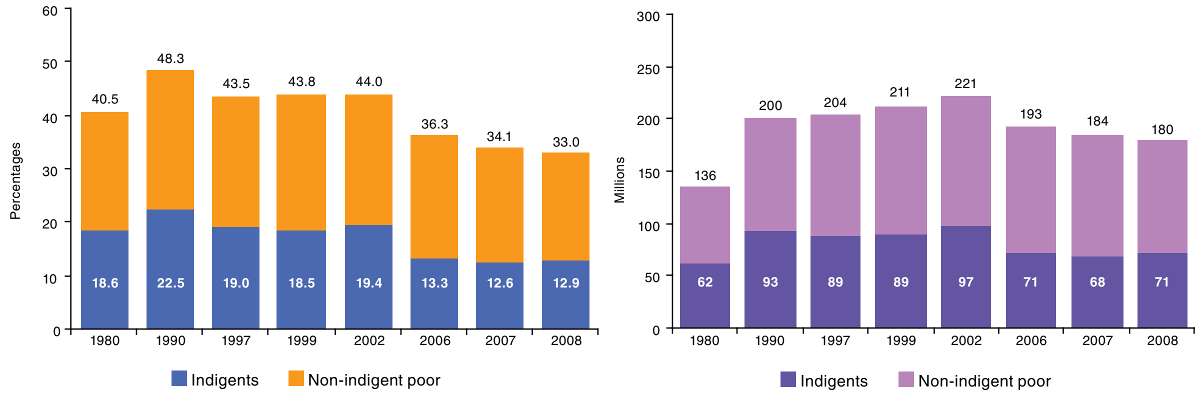
1. Poverty and indigence in the region

Although the effects of the economic crisis began to be felt in Latin America at the end of 2008, that year was the sixth consecutive year of growth for Latin America and the Caribbean, with 4.1% growth in GDP, which translates into 3.0% growth in per capita GDP. The employment rate increased from 54.8% to 55.1%, and unemployment dropped from 7.9% to 7.4%. Average inflation in 2008 was held to single digits at 8.4%, but rose two percentage points from 2007, as the result of higher food prices, which had already begun to climb in 2007.

The poverty rate among the region's population was 33.0% in 2008, including 12.9% who lived in extreme poverty or indigence —the equivalent of 180 million poor and 71 million indigent persons (see figure I.1 and tables I.1 and I.2).[1]

These figures show that the rate of poverty reduction slowed, and, in the case of indigence, the trend it had maintained since 2002 actually reversed. The decline in the poverty rate in 2008 —by 1.1 percentage points— is notably smaller than the two-percentage-point average annual decrease that occurred between 2002 and 2007. However, the indigence rate rose by 0.3 percentage points, after having decreased an average of 1.4 points per year. The increase in indigence was mainly due to higher food prices, which sharply raised the cost of basic food items (see ECLAC, 2009b).

Figure I.1
LATIN AMERICA: POVERTY AND INDIGENCE, 1980-2008 [a]
(Percentages and millions of persons)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.
[a] Estimate for 18 countries of the region including Haiti. The figures shown above the bars are the percentage and total number of poor persons (indigent plus non-indigent poor).

Table I.1
LATIN AMERICA: POVERTY AND INDIGENCE RATES, 1980-2008 [a]
(Percentages)

	Poor [b]			Indigents [c]		
	Total	Urban	Rural	Total	Urban	Rural
1980	40.5	29.8	59.9	18.6	10.6	32.7
1990	48.3	41.4	65.4	22.5	15.3	40.4
1997	43.5	36.5	63.0	19.0	12.3	37.6
1999	43.8	37.1	63.7	18.5	11.9	38.3
2002	44.0	38.4	61.8	19.4	13.5	37.9
2006	36.3	31.0	54.0	13.3	8.5	29.2
2007	34.1	28.9	52.1	12.6	8.1	28.1
2008	33.0	27.6	52.2	12.9	8.3	29.5

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.
[a] Estimate for 18 countries of the region plus Haiti.
[b] Percentage of the population living below the poverty line, including people living in indigence.
[c] Percentage of the population living below the indigence line.

[1] According to the approach used to estimate poverty in this report, a person is classified as "poor" when the per capita income of that person's household is below the poverty line, that is, the minimum income needed to meet a person's basic needs. The indigence line is based on the cost of satisfying a person's food needs only. For more details, see box I.1.

Table I.2
LATIN AMERICA: POOR AND INDIGENT POPULATION, 1980-2008 [a]
(Millions of persons)

	Poor [b]			Indigents [c]		
	Total	Urban	Rural	Total	Urban	Rural
1980	135.9	62.9	73.0	62.4	22.5	39.9
1990	200.2	121.7	78.5	93.4	45.0	48.4
1997	203.8	125.7	78.2	88.8	42.2	46.6
1999	211.4	134.2	77.2	89.4	43.0	46.4
2002	221.4	146.7	74.8	97.4	51.6	45.8
2006	193.5	127.2	66.3	70.6	34.7	35.9
2007	183.9	121.0	62.9	67.9	33.9	34.0
2008	180.4	118.3	62.1	70.7	35.7	35.0

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.
[a] Estimate for 18 countries of the region plus Haiti.
[b] Number of people living below the poverty line, including people living in indigence.
[c] Number of people living below the indigence line.

Box I.1
METHOD USED TO MEASURE POVERTY

According to the approach used to estimate poverty in this report, a person is classified as "poor" when the per capita income of that person's household is below the poverty line, that is, the minimum income needed to meet a person's basic needs. Poverty lines expressed in national currency reflect a calculation of the cost of a basket of basic goods and services, using the "cost of basic needs" method.

Where relevant data was available, the cost of a basic food basket that covers a person's nutritional needs was estimated for each country and geographical area, taking into account consumption habits, the actual availability of foodstuffs and their relative prices, as well as the differences between metropolitan areas, other urban areas and rural areas.

The poverty line is defined by adding to the indigence line an estimate of the resources needed by a household to satisfy its basic non-nutritional needs. This estimated amount is the product obtained when the indigence line is multiplied by a constant factor of 2 for urban areas and 1.75 for rural areas.[a]

In most cases, data concerning the structure of household consumption of both foodstuffs and other goods and services came from national household-budget surveys.[b] Because those surveys were conducted before the poverty estimates were made, indigence lines and poverty lines have been updated using cumulative variations in the consumer price index (CPI). Until December 2006, the same variation was applied to both lines. As of 2007, however, the indigence line has been adjusted to reflect changes in the foodstuffs component of the CPI, whereas the part of the poverty line that corresponds to non-food spending is adjusted to reflect changes in that component of the CPI. From 2007 onwards, therefore, the differential between the indigence and poverty lines is no longer constant.

Data on family income were taken from household surveys conducted in each country in the years that correspond to the poverty estimates contained in this publication. In line with its usual practice, ECLAC made corrections to account for a lack of response to some income-related questions (in the case of wage-earners, self-employed workers and retirees) and for probable biases that stem from underreporting. This was done by comparing the survey entries for income with figures from an estimate of household income and spending taken from each country's System of National Accounts (SNA), prepared for this purpose using official information.

Income here means total current income; that is, income from wage labour (monetary and in-kind wages), independent labour (including self-supply and the value of home-made product consumption), property, retirement and other pensions and other transfers received by households. In most countries, household income included the imputed rental value of owner-occupied dwellings.

Source: Economic Commission for Latin America and the Caribbean (ECLAC).
[a] The sole exceptions to this general rule were Brazil and Peru. For Brazil, the study used new indigence lines estimated for different geographical areas within the country, in the framework of a joint project conducted by the Brazilian Geographical and Statistical Institute, the Brazilian Institute of Applied Economic Research and ECLAC in the late 1990s. For Peru, the indigence and poverty lines used were estimates prepared by the National Institute of Statistics and Informatics under the Programme for the Improvement of Surveys and the Measurement of Living Conditions in Latin America and the Caribbean implemented in that country.
[b] When data from the processing of a recent survey of this type were not available, other information on household consumption was used.

Despite the fact that reduction in poverty and indigence in 2008 were rather meagre, there was still an improvement over 2002, the year when indicators reached their highest peaks since the 1990s. The accumulated drop in the poverty rate was 11 percentage points, while indigence declined by 6.4 percentage points. If these figures are expressed in terms of percentage of change in the rates, then indigence was reduced more, because it dropped at a rate of 6.6% per year, while poverty dropped at a 4.7% annual rate. The period 2002–2008 was also characterized by a reduction in the total number of poor and indigent persons (41 million and 26 million, respectively). This is a clear-cut break with previous periods, during which the number of poor and indigent persons grew consistently.

Achievements in recent years in combating poverty have improved the current situation compared to the past two decades. Not only are current poverty and indigence rates much lower than in 1990, when practically one-half of all Latin Americans lacked enough income to meet their basic needs but there are also about 20 million fewer persons living in poverty than there were in 1990. Comparison with 1980 also shows that the poverty rate, and especially the indigence rate, have declined appreciably, although not enough to completely offset population growth over that period. The number of poor and indigent persons in 2008 exceeds the number in 1980 by 44 million and 9 million, respectively.

Poverty and indigence are much more pervasive in rural areas than in urban areas. In 2008, the proportion of poor persons in rural areas (52.2%) was almost double the figure for urban areas (27.6%). The gap is even more pronounced for indigent persons, with a 29.5% rate in rural areas, which is three times greater than the urban indigent population (8.3%). These figures also show that most of the poor population in rural areas live in extreme poverty, which is different from urban poor. This highlights the fact that rural areas suffer a more pervasive shortfall of resources needed to meet basic needs (see table I.1).

The fact that Latin America's population is highly concentrated in cities means that poverty is predominantly an urban characteristic: 66% of all poor persons live in cities. The concentration of indigent persons in urban areas is somewhat less, with both urban and rural areas sharing similar numbers. The distribution of indigent persons shifted significantly between 1980 and 1990; decade during which it stopped being a predominantly rural characteristic; this distribution remained practically invariable afterwards (see table I.2).

Poverty and indigence have been reduced primarily in urban areas. Compared with either 1990 or 2002, the percentage variations for both poverty and indigence are much greater in urban than in rural areas. For example, between 2002 and 2008, the poverty rate dropped by 28% in urban areas and by 16% in rural areas. In the case of indigence, the percentages were 39% for urban areas and 22% for rural areas (see table I.1).

2. Poverty and indigence in the countries of the region

One distinguishing feature of Latin America is that poverty scenarios vary widely from country to country. The lowest poverty levels are found in Argentina (data from urban areas only), Chile, Costa Rica and Uruguay, which have poverty rates below 22% and indigence rates that fall between 3% and 7%. The lower-to-mid poverty group is made up of the Bolivarian Republic of Venezuela, Brazil, Mexico and Panama, with poverty rates below 30%. Countries with higher-to-mid poverty levels include Colombia, the Dominican Republic, Ecuador (urban data), El Salvador, Mexico and Peru, with rates between 35% and 48%. Those with the highest poverty and indigence rates, above 50% and 30% respectively are Guatemala, Honduras, Nicaragua, Paraguay and the Plurinational State of Bolivia (see table I.A-1 in the annex to this chapter).

New data available for 2008 reflect advances in reducing poverty compared with 2007. In Brazil, Peru and Uruguay (data for urban areas), the poverty rate fell by at least three percentage points; in Costa Rica and Paraguay it declined by more than two points; and in the Bolivarian Republic of Venezuela and Panama it dropped by around one percentage point. Colombia is also worthy of mention, having recorded a four-percentage-point reduction, but stretched over the period 2005–2008.[2] In the Dominican Republic and Ecuador, rates did not change significantly. Only in Mexico did the situation worsen, as the poverty rate rose by 3.1 percentage points between 2006 and 2008, reflecting the first effects of the economic crisis that began late in 2008 (see figure I.2).

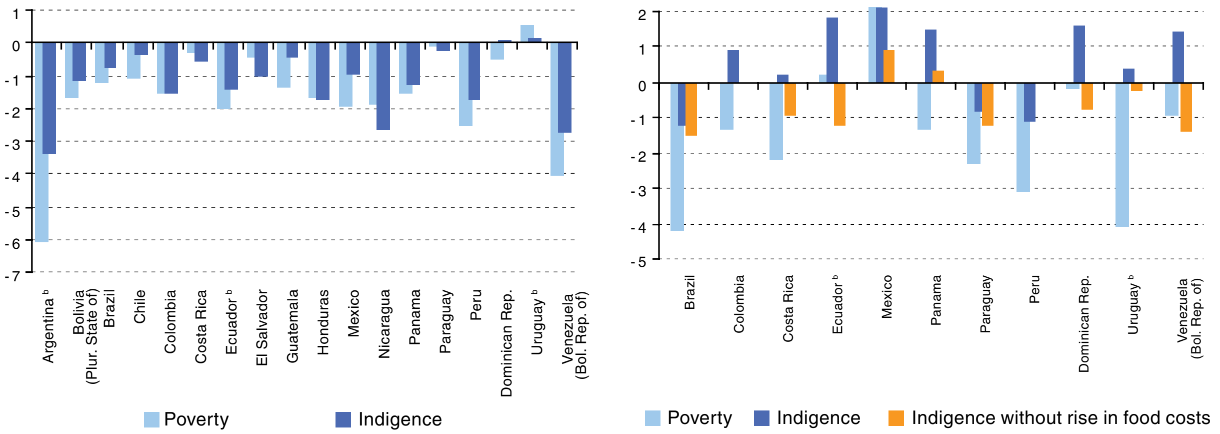
In contrast, indigence grew across the board, with only Brazil, Paraguay and Peru managing to reduce their rates by about one percentage point. For their part, the Bolivarian Republic of Venezuela, the Dominican Republic, Ecuador, Mexico and Panama posted increases of between 1.4 and 2.5 percentage points, while Costa Rica and Uruguay recorded slight increases. In Colombia, indigence increased by 2.7 percentage points between 2005 and 2008, which is the equivalent of a 0.9-point annual increase.

2 The data for 2008 are based on a new household survey, which was combined with previous data by the National Administrative Department of Statistics (DANE) and the National Planning Department (DNP) of Colombia. Because ECLAC has not finished processing the new surveys, the data for 2008 have been preliminarily estimated by applying the percentage variations implied in the figures officially published by the country for 2005 (as estimated by ECLAC).

Figure I.2

LATIN AMERICA (18 COUNTRIES): ANNUAL CHANGE IN POVERTY AND INDIGENCE RATES, 2002–2007 AND 2007-2008 [a]

(Percentage points)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

[a] Variations reflect rate changes in percentage points, divided by the number of years in the period. a The survey year used differs from country to country. The period 2002 refers to the most recently available survey between 2000 and 2002, and 2007, to the most recently available survey between 2004 and 2007; the period 2008 refers exclusive to data from that year.

[b] Urban areas.

As was mentioned earlier when discussing the overall situation of the region as a whole, the various dynamics seen in the changes to poverty and indigence rates are tied to sharp increases in food prices. In Brazil, the increase in the value of the indigence line exceeded the rise of the poverty line fourfold, in Costa Rica, Ecuador, Panama and Peru by 1.5 times and by 1.3 times in the other countries.

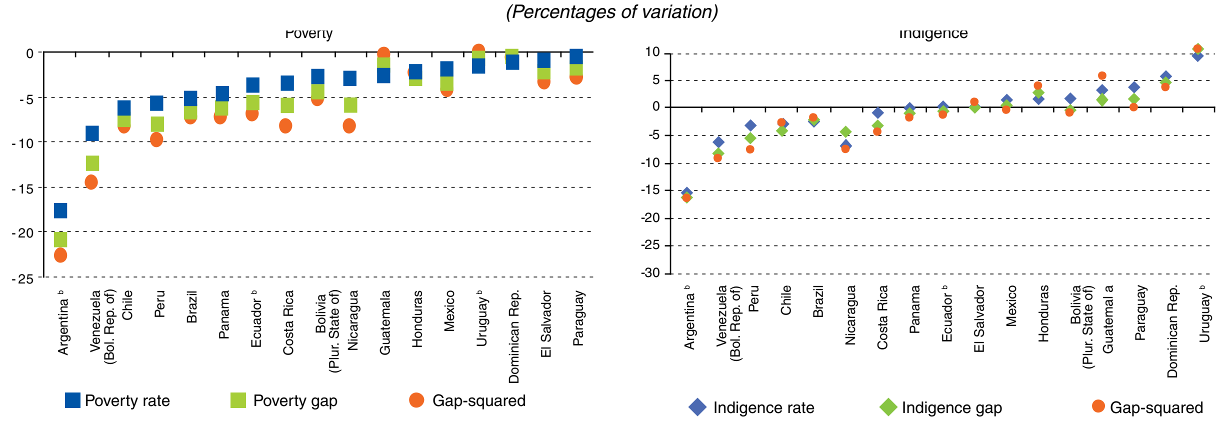
To reflect the effect of rising food prices, estimates of indigence for 2008 were included in figure I.2 based on poverty lines that were adjusted to reflect non-food CPI changes, which represents what would have happened had food prices behaved in line with other products. If food prices had mirrored changes to the non-food CPI, the indigence rates of the Bolivarian Republic of Venezuela, Costa Rica, Ecuador and Paraguay would have dropped with respect to those of 2007 instead of climbed, and Mexico and Panama would have seen an increase in indigence, but on a much smaller scale.

The tally was positive for the full six-year period, including the 2008 results, for all countries with available data. All countries in the region reported poverty rates that, for the first time, were lower than those of 2002. Argentina, the Bolivarian Republic of Venezuela. Chile, Peru and Brazil, in that order, had the highest annual rates of decrease, exceeding 5% annually in all five countries.[3] At the other end of the spectrum, annualized decreases for the Dominican Republic, El Salvador, Paraguay and Uruguay were less than 2% (see figure I.3).

Figure I.3

LATIN AMERICA (17 COUNTRIES): ANNUAL VARIATION OF THE POVERTY AND INDIGENCE RATES, 2002-2008 [a]

(Percentages of variation)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

[a] The survey year used differs from country to country. The period 2002 corresponds to the most recent survey available between 2000 and 2002, and the period 2008 represents surveys available between 2004 and 2008.

[b] Urban areas.

[3] In this case, changes are expressed as an annualized percentage change in poverty and indigence rates, which takes into consideration the indicator's initial level when evaluating progress made.

The indigence rate also fell in all countries, except in the Dominican Republic and Uruguay. Although actual percentage-point changes for declines in indigence rates are usually less than the they are for poverty rates, the opposite is true when it comes to comparing percentages of change, which show that the greatest improvements in living conditions occurred mostly among those in the lowest income distribution group, despite the rise in food costs in 2008.

As a result, the poverty gap index and the gap-squared index show that poverty reduction was due not only to a decrease in the number of persons with income below the poverty line but also to an increase in average income among the poor and less disparity in the distribution of incomes (see box I.2). These indices are based not only on the percentage of poor persons but also on the gap between the average income of poor persons and the poverty line, and also on the way income is distributed among the poor (in the case of the second index). They showed percentage drops that were greater than poverty and indigence rates for most countries (see figure I.3).

Box I.2
INDICATORS FOR MEASURING POVERTY

The poverty measurements used in this document belong to the family of parametric indices proposed by Foster, Greer and Thorbecke (1984), which are obtained from the following equation.

$$(1)\quad FGT_{\alpha} = \frac{1}{n}\sum_{i=1}^{q}\left(\frac{z-y_i}{z}\right)^{\alpha}$$

Where n represents the size of the population, q denotes the number of people with income below the poverty line (z), and the parameter $\alpha > 0$ assigns varying weights to the difference between the income (y) of each poor or indigent individual and the poverty or indigence line.

When $\alpha = 0$ equation (1) corresponds to what is known as the headcount index (H), which represents the proportion of the population with income lower than the poverty or indigence line.

$$(2)\quad H = q/n$$

When $\alpha = 1$, the equation yields an indicator that measures the relative income shortfall of poor people with respect to the value of the poverty line. This indicator is known as the poverty or indigence gap (PG).

$$(3)\quad PG = \frac{1}{n}\sum_{i=1}^{q}\left[\frac{z-y_i}{z}\right]$$

When $\alpha = 2$ the indicator gives greater relative weight in the final result to those who fall furthest below the poverty (or indigence) line, by squaring the relative income difference.

$$(4)\quad FGT_2 = \frac{1}{n}\sum_{i=1}^{q}\left(\frac{z-y_i}{z}\right)^2$$

Source: James Foster, Joel Greer and Erik Thorbecke, "A class of decomposable poverty measures", *Econometrica*, vol. 52, 1984.

3. Progress towards the first target of the first Millennium Development Goal

As in previous editions of *Social Panorama of Latin America*, the most recent figures on poverty and indigence are used to evaluate progress by the countries in moving towards the first target of the first Millennium Development Goal (MDG), which is to reduce the percentage of persons living in extreme poverty by half, between 1990 and 2015.[4]

In 2008, the Latin American region was well on its way to meeting the first target of the first Millennium Development Goal. The region's indigent population, at 12.9%, was two percentage points away from the target (11.3%). In other words, the region had achieved 85% of the target in 72% of the time projected for that achievement (see figure I.4).

Progress toward the more difficult MDG of reducing poverty by half between 1990 and 2015 was less at 63%. Meeting this challenge would require that the regional poverty rate decrease to 24%, practically nine percentage points lower than it was in 2008 (see figure I.4).

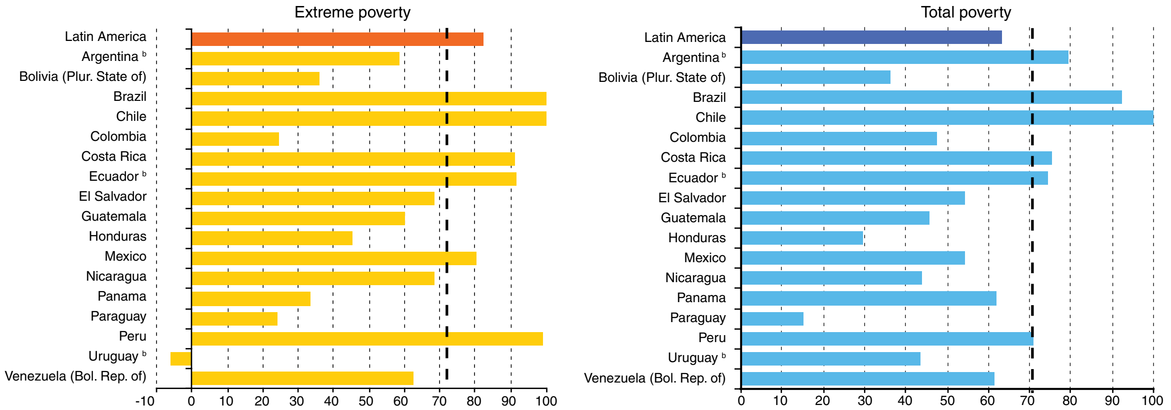
Brazil and Chile reached the target for indigence a few years ago. Peru is the most recent country to do so, with an indigence rate just one tenth of a percentage point higher than the target. Costa Rica, Ecuador (urban areas) and Mexico have achieved significant progress, fulfilling 72% of the target or more. However, other countries have not kept pace with these advances. For instance, Uruguay, according to recent figures, is in a worse position than it was in 1990. However, it must be kept in mind that changes in Uruguay's indigence rate have been relatively

4 The target is evaluated using indigence and poverty lines estimate by ECLAC for each country. The use of indigence and poverty lines that better reflect national peculiarities has been officially proposed as a means to complement evaluation of the first target of MDG 1, which was originally expressed as a function of a line set at one dollar per day.

minor, despite appearing magnified when expressed as a percentage. The rate for extreme poverty in Uruguay in 2008 was 3.5%, only one tenth of a percentage point higher than it was in 1990. Colombia, Honduras, Panama, Paraguay and the Plurinational State of Bolivia also maintain low levels of progress of less than 50%.[5]

As for total poverty, the countries that are in the best positions are practically the same ones mentioned earlier, despite the fact that their rates of progress in reducing poverty overall tend to fall below their rates for reducing extreme poverty. For example, Chile has reached the target, Brazil is close to reaching it and Costa Rica, Ecuador and Peru have rates of progress that outpace the advances projected for the time frame. Argentina, despite making only scant progress to reduce indigence, has covered 80% of the road to the goal of reducing poverty by one half.

Figure I.4
LATIN AMERICA (17 COUNTRIES): PROGRESS TOWARDS REDUCING EXTREME POVERTY AND TOTAL POVERTY, BETWEEN 1990 AND 2008 [a]
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.
[a] The amount of progress made (expressed as a percentage) is calculated by dividing the percentage-point reduction (or increase) in indigence registered during the period by one half of the indigence rate for 1990. The dotted line represents the amount of progress expected by 2008 (72%). The figures reflect a projection for 2008 in the case of countries whose most recent survey data are prior to that year.
[b] Urban areas.

4. Inequality

One of the ways distributive inequality can be gauged is by looking at how total income is distributed among different household groups. For income distribution to be equitable, each group would receive an amount of income proportional to its share of the population. Discrepancies between those two values reveal how resources are concentrated. A convenient way to gauge this is to use four groups: 40%, 30%, 20% and 10%, respectively, of the households in each country, ranked in ascending order according to their per capita income.

The first group, made up of lower-income households representing 40% of all households, captures an average of 15% of total income; namely, less than half its proportional share of the population. In the Bolivarian Republic of Venezuela and Uruguay, which most indicators suggest have the best income distribution in the region, the 40% group receives a proportion of total income (20%) representing less than half its share in total population.The lowest figures show up in the Dominican Republic, Honduras and the Plurinational State of Bolivia, where the income share of the first four deciles is below 12% (see figure I.5 and table I.A.2 of the annex to this chapter).

In all countries, the income received by the group made up of the fifth, sixth and seventh deciles (the “next 30%” group in figure I.5) is less than that group’s proportional share of the population. The proportional share of the income for this group is an average of 24%, although it ranges between 19% and 28%. The group made up of the eighth and ninth deciles receives more income than would be commensurate with its share of the

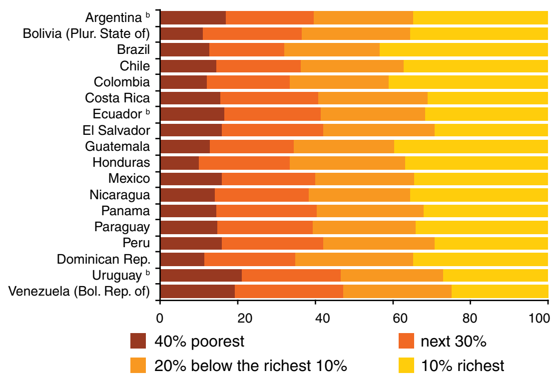
[5] In order to harmonize comparison periods, projections of extreme poverty rates for 2008 were used for those countries whose most recent surveys were prior to that year.

population. On average, this group captures 27% of total income, a percentage that ranges from 25% to 30% in various countries.

Figure I.5

LATIN AMERICA (18 COUNTRIES): STRUCTURE OF INCOME DISTRIBUTION BY DECILES, AROUND 2008 [a]

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

[a] The year of the most recent survey available ranges from 2004 to 2008.

[b] Urban areas.

The top 10% of wealthy households receives an average of 34% of total income. This group's share of income varies greatly among the countries of the region. The highest percentages of income received exceed 40% in countries such as Brazil and Colombia, while the lowest percentages are less than 27% in the Bolivarian Republic of Venezuela and Uruguay.

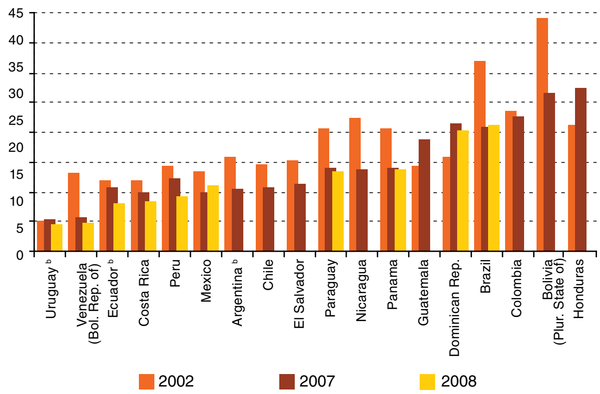
Between 2007 and 2008, trends showed that 7 out of 10 countries were closing the gaps between the extreme groups in terms of income distribution. The ratio of the income captured by the richest quintile to the income captured by the poorest quintile dropped by more than two points in Ecuador (urban area) and Peru, and at least 0.5 points in the Bolivarian Republic of Venezuela, Costa Rica, the Dominican Republic, Paraguay and Uruguay. Mexico was the only country to show a clear trend toward worsening income distribution, with a 1.2-percentage-point increase in the gap between quintiles, compared with 2006. Lastly, Brazil and Panama showed no significant changes in this indicator (see figure I.6).

A comparison of more recent figures with those of 2002 underscores the trend towards improved income distribution. The Gini coefficient, one of the most-utilized indicators for measuring inequality, declined by an average of 5% over that period. That indicator showed significant drops in several countries, among which are the Bolivarian Republic of Venezuela (-18%), Argentina (-10%), Peru (-9%), Nicaragua, Panama, Paraguay and the Plurinational State of Bolivia, (each with -8%). The only countries whose income concentration increased during this period were Colombia, the Dominican Republic and Guatemala (see figure I.7 and table I.A-3 of the annex to this chapter).[6]

Figure I.6

LATIN AMERICA (18 COUNTRIES): RATIO OF INCOME BETWEEN THE RICHEST AND POOREST QUINTILES, AROUND 2002, 2007 AND 2008 [a]

(Ratios)



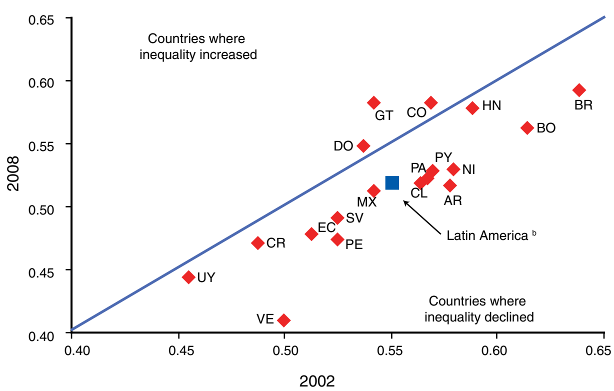
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

[a] The survey year used differs from country to country. The period 2002 refers to the most recently available survey between 2000 and 2002 and 2007 refers to the most recently available survey between 2004 and 2007. The period 2008 refers exclusively to data from that year.

[b] Urban areas.

Figure I.7

LATIN AMERICA (18 COUNTRIES): GINI COEFFICIENT, AROUND 2002 AND 2008



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

[a] The year of the survey used differs from country to country. The period 2002 corresponds to the most recent survey available between 2000 and 2002, and the period 2008 represents surveys available between 2004 and 2008.

[b] The figure for Latin America is the simple average of the Gini indices for each country.

[6] It is important to point out that figures for income distribution in Colombia are from 2005 and those in Guatemala are for 2006, which may mean that they are not representative of the 2002–2008 period.

Inequality also shows signs of having improved in the long-term. Figure I.8 illustrates the percentage change in the Gini, Theil and Atkinson indices (the latter, calculated with an inequality aversion ratio of 1.5) between 1990 and the date of the most recent data available. Because these indices assign different weights to each income distribution bracket, they may show different trends. Therefore, it is advisable to view them as complementary to each other (see box I.3).

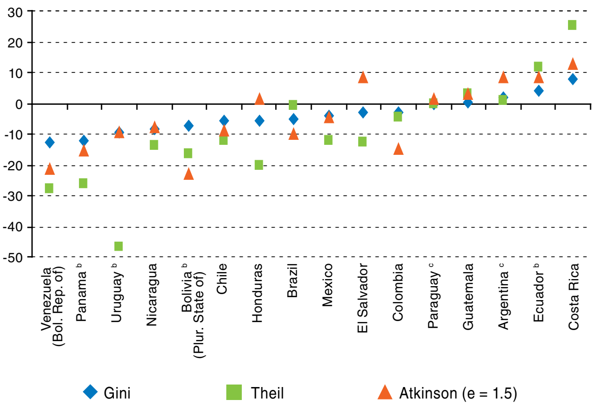
In 9 out of 16 countries, there is agreement among the three indices, showing that income distribution gaps narrowed. Two countries, El Salvador and Honduras, diverged from the rest, with only some indicators showing improved distribution. In Guatemala and Paraguay (urban data), the indicators showed virtually no change. Only three countries showed signs of having experienced setbacks in distribution: Argentina (urban area), Costa Rica and Ecuador (urban area). It is important to mention that these setbacks happened during the 1990s and early 2000s and not during the most recent six-year period, during which those countries saw improvements in inequality indicators (see figure I.8).

It should be kept in mind that the positive results of the past six years do not change the fact that the level of inequality in Latin America still ranks as one of the highest in the world. This is borne out not only through comparisons of the traditional indices that measure income distribution among the regions but also through the perceptions of local inhabitants, most of whom consider income distribution to be unfair. The third section of this chapter is dedicated to a more detailed analysis of these issues.

Figure I.8

LATIN AMERICA (16 COUNTRIES): VARIATIONS IN THE GINI, THEIL AND ATKINSON INDICES, 1990-2008 [a]

(Percentages of variation)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

[a] Countries ordered according to variations in the Gini coefficient. The year of the survey used differs from country to country. The period 2002 corresponds to the most recent survey available between 2000 and 2002, and the data for the period 2008 is based on surveys available between 2004 and 2008.

[b] Metropolitan area.

[c] Urban areas.

Box I.3

INDICATORS FOR MEASURING DISTRIBUTIVE INEQUALITY

The degree of concentration displayed by a given income distribution can be measured using a wide range of indicators. This chapter uses four of the best known, which are described in detail below.

Gini coefficient

$$G = \frac{1}{2n^2\mu}\sum_{i=1}^{n}\sum_{j=1}^{n}\left|y_i - y_j\right|$$

Theil index

$$T = \frac{1}{n}\sum_{i=1}^{n}\frac{y_i}{\mu}\log\left(\frac{y_i}{\mu}\right)$$

Atkinson index

$$A_\varepsilon = 1 - \left[\frac{1}{n}\sum_{i=1}^{n}\left(\frac{y_i}{\mu}\right)^{1-\varepsilon}\right]^{\frac{1}{1-\varepsilon}}$$

Logarithmic variance

$$VL = \frac{1}{n}\sum_{i=1}^{n}\left[\log\left(\frac{y_i}{\mu}\right)\right]^2$$

where n = population size, y_i = per capita income of the i[th] individual, μ= mean income and log denotes natural logarithm.

The Gini coefficient is the best-known index for analysing income distribution. It corresponds to the area between the Lorenz curve and the equi-distribution line. The greater the income concentration, the larger this area will be, which increases the value of the indicator.

Despite its popularity, the Gini coefficient does not satisfy the "transfer principle"—a desirable property for inequality indicators whereby inequality should decrease in response to a progressive transfer of income (i.e. from a "rich" household to a "poor" one). For that reason, it is advisable to complement this analysis with other indicators that do satisfy this property, such as the Theil and Atkinson indices and the logarithmic variance.

In all four cases, the higher the value of the indicator, the greater the inequality. Nonetheless, while the Gini and Atkinson indicators take values in the range of zero to one (where zero corresponds to absolute equality and one represents absolute inequality), the other two indicators have maximum values greater than one. It is also important to point out that the formula for the Atkinson index employs an additional parameter called "inequality aversion"(ε). The greater the value used, the higher the weight given to observations in the lower part of the distribution, most frequently between 0.5 and 2.0.

All inequality indicators are ordinal, so their values are not comparable. Furthermore, as each of them measures partial aspects of inequality, it is possible for them to generate different rankings for the same distribution. The ranking of a group of distributions can be considered definitive only if it does not vary depending on the index used. The best procedure, therefore, is to use inequality indices in a complementary way and analyse the results jointly.

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Frank Cowell, "Measuring Inequality", *LSE Handbooks in Economics*, Prentice Hall, 2000.

5. Factors associated with poverty and indigence

The importance of several factors that have long been associated with poverty in determining trends can be analysed from various angles. One involves determining to which extent changes in poverty rates are attributable to changes in income level and to which extent they are attributable to changes in income distribution. Another approach evaluates the role of different sources of household income, placing special emphasis on labour market factors that explain changes in labour income. In this section, both methodologies are applied to data from 1990-2008, in order to gain a perspective that complements analyses conducted in previous editions of *Social Panorama of Latin America.*[7]

A comparison of extreme years reveals the net effect of changes to the variables analysed. However, these variables fluctuated throughout various stages of expansion and contraction that characterized the period studied. Therefore, to the extent possible, a distinction is made between the 2002-2008 period characterized by sustained growth and poverty reduction, and 1990-2002.

(a) Effects of growth and distribution

Poverty and indigence rate changes can be disaggregated into two components: increases of average income, called "growth effect", and changes in income distribution, the "distribution effect". This breakdown makes it possible to determine whether a change in income that affected the poverty rate is part of a general trend that cuts across all income groups or whether it is a change that primarily affects the poorest groups. The findings of this analysis, which are based on household survey data, are presented in such a way that both factors account for the overall change in poverty rates over a given period (see box I.4).

Box I.4

METHODOLOGY FOR ANALYSING THE FACTORS BEHIND CHANGES TO POVERTY

Effects of growth and distribution

According to the traditional scheme for measuring poverty based on lack of income, a country's poverty rate at a given point in time is wholly determined by three elements: the poverty line, average income and the structure of income distribution. Accordingly, if the poverty line remains constant in real terms, any change in the poverty indicator can be analysed in terms of changes in average income and income distribution.

According to Datt and Ravallion (1992), a poverty indicator can be calculated using income distribution for the initial period and average income for the final period. The difference between this indicator and the poverty rate observed in the initial period can be interpreted as the "growth effect". It is also possible to calculate the poverty rate corresponding to average income in the initial period, but with income distribution similar to that of the final period. The difference between this indicator and the initial poverty rate is the "distribution effect". The two effects can also be calculated with the initial and final periods interchanged.

In formal terms, if H(yt, dt) is the poverty indicator for period t, determined by average income (yt) and the shape of the distribution (dt), a breakdown into growth and distribution effects can be expressed as:

$$H(y_2,d_2)-H(y_1,d_1)=\underbrace{\left[H(y_2,d_1)-H(y_1,d_1)\right]}_{\text{Growth effect}}+\underbrace{\left[H(y_1,d_2)-H(y_1,d_1)\right]}_{\text{Distribution effect}}+R$$

The breakdown as specified here has two disadvantages. First, it is not an exact breakdown, and the residual value has no analytical interpretation. The second shortcoming is that the size of each effect depends on the base year used in the comparison (initial or final year). Both disadvantages can be overcome by averaging the calculated effects using both base years (Kakwani, 1997), a procedure that was used to make the calculations presented in this chapter.

Breakdown of per capita labour income

Labour income per person can be disaggregated into a series of multiplication factors that have a direct interpretation in the context of employment. Per-person labour income (YL/N) is the product of labour income per employed person (YL/O) multiplied by the global employment rate (O/N). The global employment rate can be broken into the following elements:

- Demographic dependency ratio: the ratio of population of working age (PET) to total population (N);
- Participation ratio: the economically active population (PEA) divided by the population of working age (PET);
- Employment rate: number of employed persons (O) divided by the economically active population (PEA); that is, the complement of the unemployment rate.

Thus, variations in labour income over time can be disaggregated into the product of the variations of each of its components:

$$\frac{YL/N(t_1)}{YL/N(t_0)}=\frac{YL/O(t_1)}{YL/O(t_0)}\times\frac{O/PEA(t_1)}{O/PEA(t_0)}\times\frac{PEA/PET(t_1)}{PEA/PET(t_0)}\times\frac{PET/N(t_1)}{PET/N(t_0)}$$

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Gaurav Datt and Martin Ravallion, "Growth and redistribution components of changes in poverty measures", J*ournal of Development Economics*, vol. 38, 1992; Nanak Kakwani, "On measuring growth and inequality components of changes in poverty with application to Thailand", *Discussion Paper, University* of New South Wales, 1997; Simone Cecchini and Andras Uthoff, "Reducción de la pobreza, tendencias demográficas, familias y mercado de trabajo en América Latina", *Social policies series*, No. 136, Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), 2007. United Nations publication, Sales no.: E.OX.II.G.110.

[7] It is important to note that in comparing recent data with that of 1990, analysis has to be limited to the geographic coverage allowed by the surveys taken at that time.

The growth effect was the primary cause of the fall in poverty rates between 1990 and 2008. About 85% of the change in the poverty rate is attributable to higher average household incomes. The growth effect varied widely from country to country, although it was usually more than 50%. Some countries, such as Argentina, Costa Rica and Ecuador, where income distribution worsened during the period analysed, showed growth effects that exceeded 100%. In contrast, in the Bolivarian Republic of Venezuela, Honduras, Panama, the Plurinational State of Bolivia and Uruguay, the distribution effect played an important role in reducing poverty by at least 30%. Of this group of countries, Uruguay stands out in that income redistribution was the major factor (see table I.3)

Table I.3

LATIN AMERICA (16 COUNTRIES): GROWTH EFFECT AND DISTRIBUTION EFFECT AS FACTORS IN POVERTY REDUCTION, 1990-2008

(Percentages)

	Year		Poverty			Effect		Percentage of contribution to total variation	
	Initial	Final	Initial	Final	Variation	Growth	Distribution	Growth	Distribution
Argentina [a]	1990	2006	21.2	19.3	-1.8	-2.4	0.5	130	-30
Bolivia (Plurinational State of)	1989	2007	52.6	42.4	-10.2	-6.1	-4.1	60	40
Brazil	1990	2008	48.0	25.8	-22.2	-17.0	-5.2	77	23
Chile	1990	2006	38.6	13.7	-24.9	-20.2	-4.7	81	19
Colombia	1994	2005	52.5	46.8	-5.7	-5.2	-0.5	91	9
Costa Rica	1990	2008	26.3	16.4	-9.9	-12.7	2.9	129	-29
Ecuador [b]	1990	2008	62.1	39.0	-23.2	-25.3	2.1	109	-9
El Salvador	1995	2004	54.2	47.5	-6.7	-5.8	-0.9	86	14
Guatemala	1989	2006	69.4	54.8	-14.6	-14.8	0.2	102	-2
Honduras	1990	2007	80.8	68.9	-12.0	-7.7	-4.2	65	35
Mexico	1989	2008	47.7	34.8	-12.9	-10.6	-2.2	83	17
Nicaragua	1993	2005	73.6	61.9	-11.6	-11.6	0.0	100	0
Panama [b]	1991	2008	32.7	17.0	-15.7	-7.9	-7.7	51	49
Paraguay [a]	1990	2008	43.2	48.8	5.6	5.6	0.0	101	-1
Uruguay [b]	1990	2008	17.9	14.0	-3.8	-1.6	-2.3	41	59
Venezuela (Bolivarian Republic of)	1990	2008	39.8	27.6	-12.2	-6.6	-5.6	54	46

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

[a] Metropolitan area.

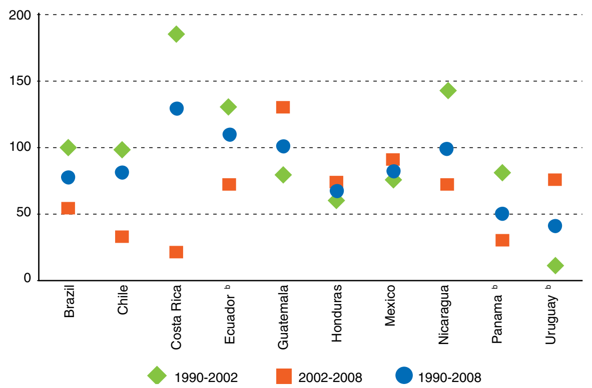
[b] Urban areas.

The influence of the growth and distribution effects varied throughout the period. Although between 2002 and 2008 the major factor that influenced poverty reduction was the growth effect, its influence was much less than in 1990–2002. Figure I.9 shows the percentage by which the growth effect contributed to poverty reduction in countries where poverty rates declined in both periods analysed. It is worth mentioning that in 1990–2002, not only did the growth effect prevail over distribution effect but the latter even had an adverse effect in some countries, causing poverty to increase. In contrast, in the subsequent period, part of the influence of growth effect was shifted over to distribution effect, which favourably contributed to poverty reduction in all countries, except Guatemala. In fact, for Chile, Costa Rica and Panama, the distribution effect played the major role in poverty reduction. Meanwhile, in some countries the predominance of the growth effect in each period was different. In Honduras and Mexico, the role played by the growth effect remained the same in both periods, while in Guatemala and Uruguay, its influence was greater between 2002 and 2008 than in 1990–2002.

Figure I.9

LATIN AMERICA (10 COUNTRIES): GROWTH EFFECT AS A FACTOR IN POVERTY REDUCTION, 1990–2008 [a]

(Percentages)



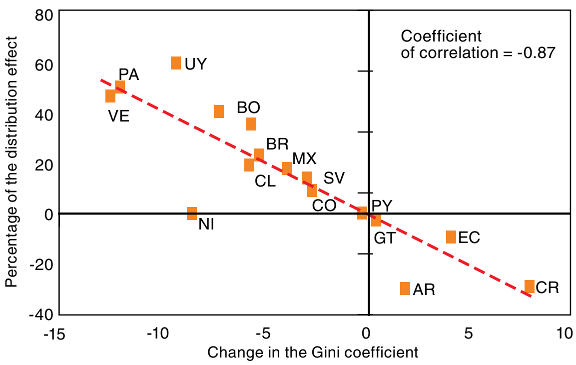
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

[a] The survey year used differs from country to country. The period 1990 refers to the survey available for the nearest to that year; the period 2002, to the most recently survey available between 2000 and 2002 and the period 2008, to surveys available from between 2004 and 2008.

[b] Urban areas.

It is important to note that distributive changes that helped reduce poverty were the result of broad changes in income concentration and were not limited to improvements that specifically benefited households near the poverty line. Between 1990 and 2008, variations in the Gini coefficient correlated closely with the share of the distribution effect in reducing poverty (see figure I.10).

Figure I.10
LATIN AMERICA (16 COUNTRIES): DISTRIBUTION EFFECT AND DISTRIBUTIVE CHANGES, 1990-2008 [a]
(Percentages)



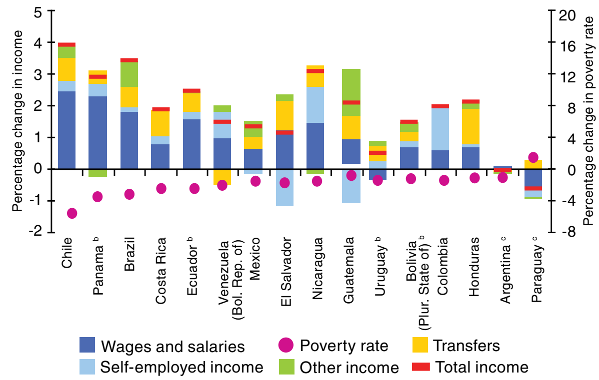
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.
[a] The survey year used differs from country to country. The period 1990 refers to the available survey nearest to that year; the period 2002, to the most recently available survey between 2000 and 2002; the period 2008, to available surveys from between 2004 and 2008.

(b) Breakdown of income sources

Households earn income from various sources, such as wages, public transfers (including social security and poverty reduction programmes), private transfers (such as remittances, donations and gifts from other households), property income and others, including the imputed rent of owner-occupied dwellings.

Most household income comes from the labour market, regardless of whether or not a household is poor. Therefore, to a great extent, changes in total income over a given period are closely tied to what happens to labour income. Between 1990 and 2008, poverty reduction was mainly the result of a real increase in labour income, especially in countries that showed the greatest reduction in poverty. In the Bolivarian Republic of Venezuela, Chile, Ecuador and Panama, at least 70% of the increase in income of the poor came from the jobs market. In Brazil and Costa Rica, labour income played a smaller role, although it still accounted for over 50% of the variation in total income (see figure I.11).[8]

Figure I.11
LATIN AMERICA (16 COUNTRIES): ANNUAL VARIATION OF INCOME PER PERSON TOTAL AND OF EACH SOURCE, IN POOR HOUSEHOLDS, 1990-2008 [a]
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.
[a] Countries, in order of variation in annual poverty rate. The survey year used differs from country to country. The period 1990 refers to the survey available nearest to that year; the period 2008, to surveys available from between 2004 and 2008. The percentage of population analysed is the same for both periods and refers to the poverty rate in 1990.
[b] Metropolitan area.
[c] Urban areas.

Labour income of poor households has been determined primarily by wages earned from salaried jobs. Nevertheless, wages and self-employment income tended to vary in the same direction, with a few exceptions. In El Salvador, Guatemala and Mexico self-employment income dropped, and wages and salaries increased, while in Uruguay the opposite occurred.

Transfers have helped increase the income of poor households in amounts that vary greatly from country to country. In Costa Rica, El Salvador, Honduras and Uruguay, transfers accounted for over 50% of the increase in total income. In countries that saw their poverty reduced the most, such as Brazil, Chile, Ecuador and Panama, transfers accounted for about 20% of the increase in total income. It is not possible in every case to determine from available data exactly which types of transfers resulted in income increases, because surveys taken around 1990 tended to capture aggregate data. Those cases where it is possible to distinguish the different types of transfers show that this income category has many sources. In Chile, the increase in transfers came mainly from subsidies and pensions. In Ecuador, they came from remittances and grants known as *Bono de Desarrollo Humano*. In Mexico, they came from the *Oportunidades* ("Opportunities") Programme, in Guatemala and Nicaragua from remittances, and in Panama from monetary and food assistance.[9]

---

[8] In order to facilitate comparison between different periods, the percentage of persons used in each country corresponds to the poverty rate around 1990.

[9] The method of measuring income used in Brazil does not allow for a breakdown of the various conditional transfer programmes. It is assumed that these explain the growth under "other income". In contrast, it is worth clarifying that the notable growth of "other income" in Guatemala has to do with the fact that the 2006 survey captures sporadic income that was not measured in the 1990 survey.

When analysing factors related to poverty reduction, it is important also to recognize that per capita labour income can be expressed as the product of labour income per employed person multiplied by the ratio of employed persons to total population. The latter factor can also be formulated as the product of the employment rate (number of employed persons divided by the number of economically active persons) multiplied by the percentage of economically active persons.[10] Therefore, it is possible to identify how much each of these components contributes to the annual variation of labour income per person (see box I.4).

These variables produced changes in labour income to different degrees during each period: 1990–2002 and 2002–2008. During the first period, labour income per employed person shrank overall in the region, except in countries that achieved the highest poverty reduction figures, while the employment rate showed null to negative changes overall. More precisely, it was the growth in the percentage of active population that caused labour income per person to increase or at least not to decrease as much during that period (see figure I.12).

In contrast, the period 2002–2008 was characterized by a pronounced increase in labour income per employed person, which was also accompanied by a lower unemployment rate. The percentage of active population did not show significant variations during this period and, in many cases, posted negative figures, including in the countries that achieved the greatest reduction of poverty.

A close look at the effect for the whole 1990–2008 period confirms that the reduction in the demographic dependency rate (or demographic dividend) played a positive role in all countries, except Uruguay. In practically all countries the activity rate increased significantly, regardless of their effects in reducing poverty.

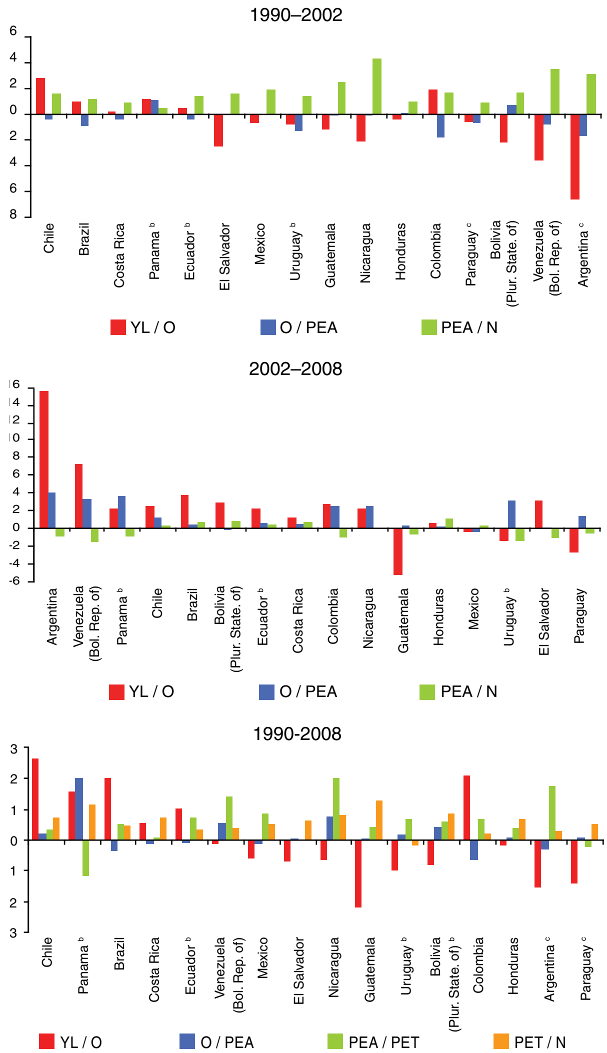
Change in labour income per employed person is the variable that differed the most from country to country. Brazil, Chile, Costa Rica, Ecuador (urban area) and Panama (urban area), the countries with largest gains in poverty reduction (in terms of percentage change in the rate), are precisely the same countries that saw the greatest increase in labour income per worker among poor households. Colombia is an exception; although it registered a significant increase in this variable, poverty was reduced at a much slower pace, in part due to an increase in unemployment. In the other countries, labour income per employed person tended to decline.

[10] This latter factor can be broken down further by multiplying the participation rate and (the inverse of) the dependency rate. However, because these are demographic variables that hardly vary over the short term, their disaggregate analysis is omitted.

Figure I.12

LATIN AMERICA (16 COUNTRIES): ANNUAL CHANGE OF LABOUR INCOME COMPONENTS PER PERSON, IN POOR HOUSEHOLDS, 1990-2002 AND 2002-2008 [a]

(Percentage variation)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

[a] Countries in order of variation in annual poverty rate. The survey year used differs from country to country. The period 1990 refers to the survey nearest to that year; the period 2002, to the survey available nearest to 2000 and 2002; and the period 2008, to surveys available between 2004 and 2008. The percentage of population analysed is the same for both periods and refers to the poverty rate in 1990. YL = labour income; O = number of employed persons; PEA = economically active population; PET = working-age population; N = total population.

[b] Metropolitan area.

[c] Urban areas.

In short, all countries in the region went through similar changes, with declining demographic dependency rates and more people moving into the labour market, the effect of which was to raise the percentage of the population that is employed. In the countries that saw the greatest poverty reduction, the workforce grew in tandem with higher labour income per employed person, while in the other countries that was not the case.

6. Poverty and vulnerable groups

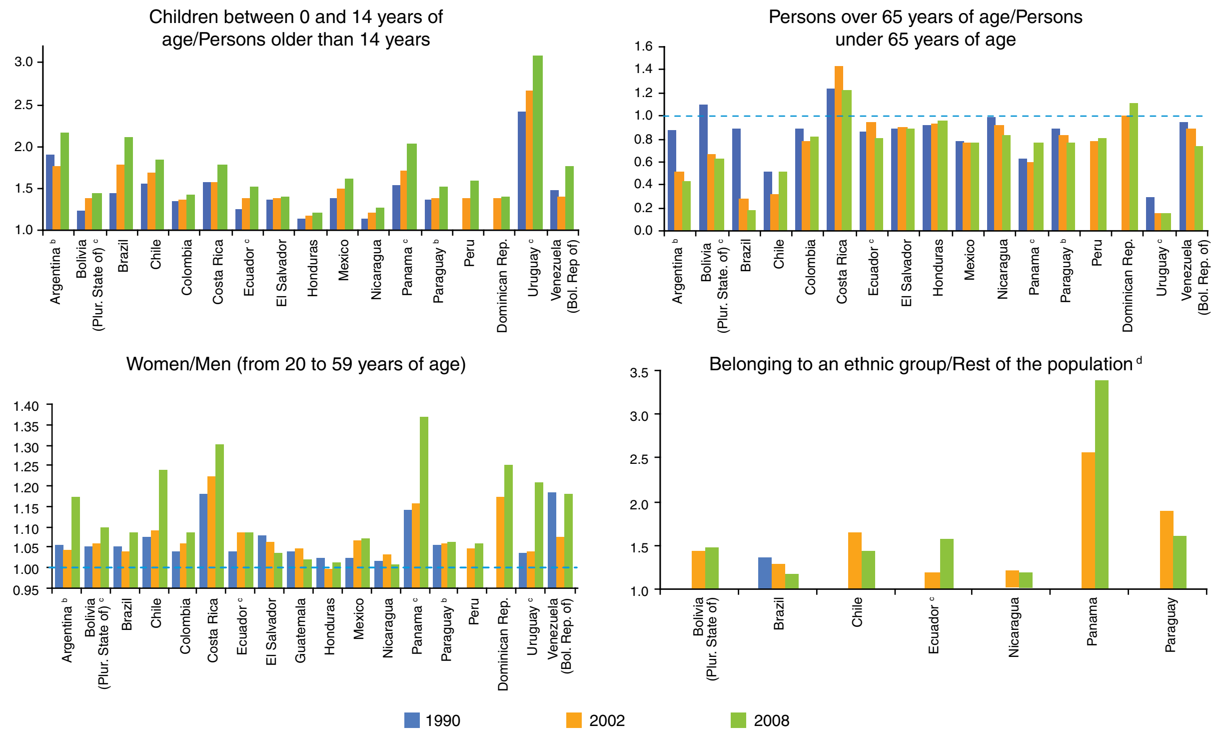
The exposure of individuals to poverty varies according to their demographic characteristics, particularly age, gender and ethnicity. A simple way to illustrate these differences is to compare the poverty rate of a group of persons with a given trait with others who do not share that trait.

One trait that most commonly determines whether or not a person will be poor is that of being a child. Poverty among children under 15 years of age is, on the average, 1.7 times greater than poverty among persons over age 15. Although this tendency holds in all countries, the differences by gender vary among them. While in Uruguay the ratio of poverty rate is 3.1, in Honduras and Nicaragua it is less than 1.3 (see figure I.13).

Figure I.13

LATIN AMERICA (18 COUNTRIES): RATIOS OF POVERTY RATES AMONG SUBGROUPS OF THE POPULATION, AROUND 1990, 2002 AND 2008 [a]

(Ratios)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

[a] The survey year used differs from country to country. The period 1990 refers to the survey available nearest to that year; the period 2002, to the most recently survey available between 2000 and 2002; the period 2008, to surveys available from between 2004 and 2008.

[b] Metropolitan area.

[c] Urban areas.

[d] Identified on the basis of information obtained from household surveys, according to the following categories: Bolivia: "Quechua, Aymara, Guarani, Chiquitano, Mojeño and others"; Brazil: "Indigenous or black skin"; Chile: "Aymara, Rapa Nui, Quechua, Mapuche, Atacameño, Coya, Kawaskar, Yagán, Diaguita"; Ecuador: "Indigenous, Negroes and mixed race (mulattoes)"; Nicaragua (2001): "Coastal mestizo, Creole, Negro/creole, Miskito, Mayangna (Sumu), Rama, others"; Nicaragua (2005): "Indigenous", Panama: "Indigenous", and Paraguay: Guarani is the only language spoken.

In reading the results, it should be kept in mind that the higher a country's poverty rate, the narrower the gaps between the poverty rates of two sub-groups. That occurs because as the overall poverty rate increases, differentiation between the profiles of poor and non-poor households becomes less clear cut. Thus, it should not be surprising to see that the countries whose child poverty rate (ratio of child to non child poverty rates) is low are actually the countries with the highest overall poverty rates. That is not, however, the only explanation as countries with similar overall poverty rates may differ when it comes to child poverty relative to overall poverty. In fact, although Chile and Uruguay have similar poverty rates, child poverty in Chile is 1.8 times greater than it is among the adult population, while in Uruguay it is 3.1 times greater.

Another consideration has to do with the fact that the method used to measure poverty could overestimate it in larger households that have more children. This would produce artificially high child poverty rates. Still, the evidence shows that even if economies of scale are taken into consideration when measuring poverty, child poverty rates still do not come down to levels lower than that of the overall population (see box I.5).

Box I.5

MEASURING POVERTY AND ECONOMIES OF SCALE

The usual way to measure poverty is based on a poverty line expressed in per capita terms. This line represents the cost of meeting the basic needs of one person. Measuring poverty this way assumes that the per capita cost of meeting an individual's basic needs is unaffected by the number of persons living in a household or by the household's demographic characteristics.

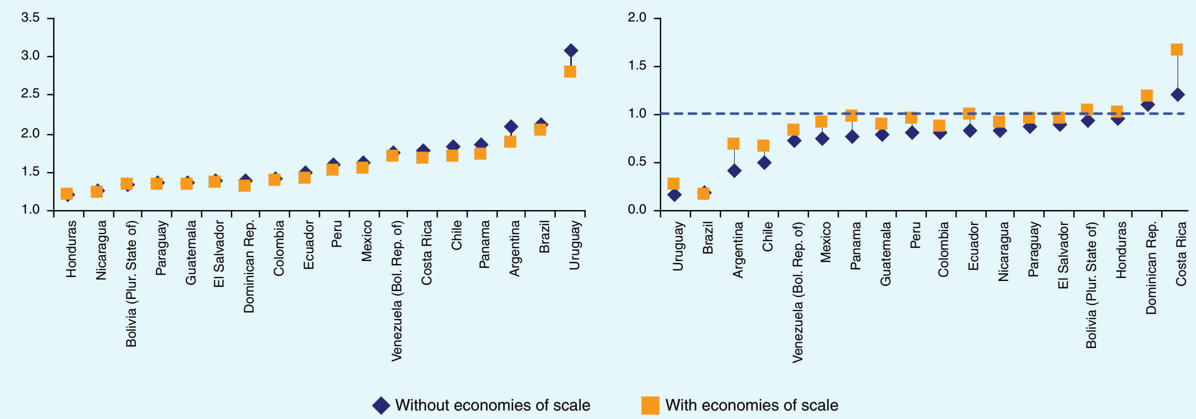
However, the expense required to cover basic needs is usually subject to economies of scale, because some goods and services used by a household are shared among its members. In other words, large households can meet certain needs at less cost per person than households with fewer members. It also means that in using the per capita poverty line there is a tendency to overestimate the expenses required for large households and to underestimate the expenses of smaller households.

This methodological characteristic takes on relevance when analysing the exposure of children and older persons to poverty, given that large households are largely made up of children, while many older persons live alone. However, an exercise that gauges the extent to which this method introduces a bias into the profile of poor households reveals that its influence is minimal.

The use of economies of scale downsizes the child poverty rate and raises it among older persons. Nevertheless, the gap between child poverty and poverty among the rest of the population remains practically unchanged, which corroborates the notion that children are the group most exposed to poverty. The effect is more significant in the second group, given that when economies of scale are considered, the differences with the rest of the population tend to be reduced.

LATIN AMERICA (18 COUNTRIES): EFFECT WHEN ECONOMIES OF SCALE ARE APPLIED TO POVERTY MEASUREMENT AMONG CHILDREN AND OLDER ADULTS, AROUND 2008 [a]

(Ratios)



Source: Economic Commission for Latin America and the Caribbean (ECLAC).

[a] Economies of scale are incorporated by raising the number of persons by a factor of 0.75.

Between 1990 and 2008, poverty among children declined less than it did among the rest of the population. The ratio of poor children to poor adults increased in all of the countries of the region (except El Salvador, where it remained constant), with the greatest increases in Brazil, Panama and Uruguay.

The fact that households with children are the main group lacking enough income to meet their their basic needs should be one of the central concerns of public policy. Efforts should be made to guarantee the rights of the child and to facilitate children's access to basic goods and services that households cannot afford to acquire on their own.

Evidence shows that the region has a long way to go before the rights of children are fully protected. In a study by ECLAC/UNICEF (2009b), the issue of child poverty was evaluated using indicators of deprivation in six categories of well-being, each tied to a specific fundamental right of the child: nutrition, access to drinking water, access to sanitation, housing conditions, access to education and access to information. For each indicator, thresholds were defined for severe and moderate needs. The results indicate that almost half of all children in the region are poor, with at least one of the basic needs being unmet, either moderately or extremely. The study also found that one in five children lives in extreme poverty. As is the case with monetary poverty, there is a pronounced difference among the countries when it comes to the failure to meet at least one extreme need, with variations ranging from 8% to 42% (see box I.6).

Box I.6

MEASURING CHILD POVERTY USING INDICES OF DEPRIVATION

One of the major large-scale attempts to measure child poverty with a focus on rights was conducted by the United Nations Children's Fund (UNICEF) with researchers from Bristol University and the London School of Economics and Political Science. The Bristol study established a basket of goods and services considered to be essential to ensuring the well-being of children and defined several thresholds of deprivation (Gordon and others, 2003).

ECLAC and UNICEF worked together to adapt this methodological approach to the countries of Latin America. Indices of deprivation were identified for the major areas of well-being of children, and separate thresholds of deprivation were established: one moderate, the other severe, as is depicted in the following table.

The number of situations of deprivation indicates the degree of poverty: children are assumed to be in extreme poverty if they suffer one or more severe deprivations, and in moderate poverty if they suffer one or more moderate deprivations.

Levels and indicators of deprivation	Moderate	Severe	Unit of analysis used for measurement and for application of the index
Nutrition			
Ratio weight/age Ratio size/age	(Chronic global malnutrition) moderate-severely underweight, or moderate-severely undersize for age: less than -2 standard deviations from benchmark	Seriously underweight or seriously undersize: less than -3 standard deviations from benchmark	Children 0 to 4 years of age
Sanitation (1)			
Access to drinking water according to origin, supply, time of access (if available)	Well or pump as water source Water supplied from outside the house or away from the house.	Unsafe water source Access time to water source, 15 minutes or more	Housing: Children and teenagers, 0 to 17 years of age
Sanitation (2)			
Connected to sewage system	No sewage connection or access outside the house or away from the house	No sewage system	Housing: Children and teenagers, 0 to 17 years of age
Housing			
Number of persons per bedroom/room Type of floors Type of walls Type of roof	Crowding: three or more persons per bedroom/room, earthen floors, unsafe building materials	Crowding: five or more persons per bedroom/room, temporary housing, walls and roof built with recovered materials	Housing: Children and teenagers, 0 to 17 years of age
Education			
School attendance and number of years of schooling completed	Children and teenagers who attended school but dropped out before finishing secondary levels	Children and teenagers who have never gone to school	Children from 7 or 8 years of age to 17 years of age
Information			
Access to electricity Possession of a radio, television or telephone	No household access to electricity, telephone or radio/TV (at least two of these unavailable)	No household access to electricity, telephone or radio/TV (simultaneously	Home: Children and teenagers, 0 to 17 years of age

Source: Economic Commission for Latin America and the Caribbean/United National Children's Fund (ECLAC/UNICEF), "Pobreza infantil, desigualdad y ciudadanía." Final report. ECLAC/UNICEF initiative in Latin America and the Caribbean, 2009, unpublished.

For persons over 65 years of age, the situation is the opposite of that of children because as a group older persons usually have lower poverty rates than the rest of the population, the only exceptions being Costa Rica and the Dominican Republic. Although at first glance this might seem positive, there are several elements that need to be considered. For older adults, retirement funds and pensions are an indispensable income source for escaping poverty. However, this type of income tends to perpetuate the distributive inequality created by the job market throughout the life cycle, given that retirement income is paid in amounts that are tied to contributions made. Often there is no basic universal coverage. Also, a significant segment of older adults that do not receive income could appear to be above the poverty line, because they live in large family units, creating a situation that increases the burden of time dedicated to caring for older persons. Furthermore, any time a poverty threshold expressed in per capita terms is used, there is a tendency to underestimate the minimum amount needed to cover the basic needs of those who live alone, as is often the case of older persons (see box I.5).

Poverty also affects women more than men. In most of the countries in the region, the poverty femininity index is higher than 1.0.[11] The highest index ratings are in Argentina, the Bolivarian Republic of Venezuela, Chile, Costa Rica, the Dominican Republic, Panama and Uruguay, where the poverty rate of women is 1.15 times or more that of men. Several countries have seen the gap widen between men and women. Chile and Uruguay stand out as clear examples of this, with female poverty indices that rose by 0.17 points between 1990 and 2008.

It is important to underscore that these figures do not fully capture the differences between women and men when it comes to exposure to poverty. The most common method for measuring poverty uses per capita household income as the indicator for personal well-being, although it does not take into consideration how resources are allocated within the home, which is precisely one of the spheres where the greatest disparities between genders take place.[12] Aspects such as women not having their own income, wage gaps and the heavier burden borne by women in performing non-paying domestic work are analysed in detail in chapter IV.

The ethnicity of a population correlates closely with the risk of being poor. In the seven countries that have data available for indigenous and afro-descendant groups, poverty rates of these ethnic groups are between 1.2 and 3.4 times greater than the poverty rates for the rest of the population. More importantly, the gap between ethnic groups and the rest of the population has widened in all countries studied, except Brazil.

B. The crisis and its probable impact on poverty

Latin America has gone through three periods of region-wide downturn in per capita GDP since 1990. Those periods were each characterized by a reduction of household income, which most heavily affects the most vulnerable groups. Though it is true that the current crisis shares some features with those earlier periods, there are some differences that raise the expectation that the impact of the current recession on poverty and income distribution will be less harmful than in previous episodes. Estimates for 2009 suggest that poverty and indigence rates might increase by 1.1 and 0.8 percentage points, respectively. This would raise the number of poor persons in the region by almost nine million, over half of which would be indigent.

1. Some lessons from previous crises

In recent decades, the region has gone through three periods of broad decline in per capita GDP. During the 1995 Mexican crisis, per capita GDP dropped by 1.2% at the regional level and by at least 2% in Argentina, Mexico and Uruguay. In 1999, there was a second crisis that saw per capita GDP drop by 1.2%. That crisis was part of the fallout of the "Asian crisis" and was felt by South American countries between 1998 and 2000, although it had no effect on Central America or Mexico. The region's per capita GDP contracted again in 2001 and 2002 by 1.1% and 1.8%, respectively, as a result of problems in the international financial markets (tied to the so-called "dot-com crisis" and the "Turkish crisis") as well as the Argentina crisis.[13] Only a few countries in the region saw their economies grow during those years (see figure I.14).

---

11 The ratio of poverty rates of women to men is equal to the poverty femininity index, which is usually presented as: ((number of poor women)/(total number of women)) ((number of poor men)/(total number of men)).

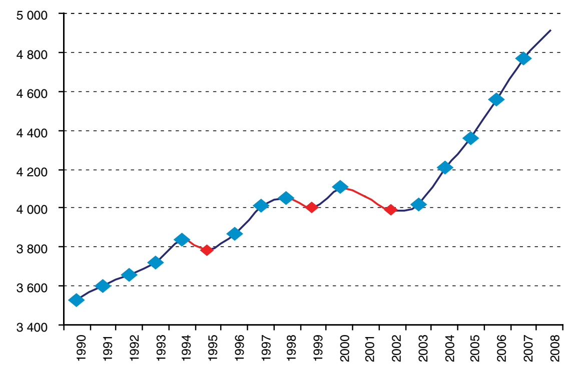
12 This consideration is also given to child poverty and poverty among older persons.

13 The names of the crises are based on Pineda, Pérez-Caldentey and Titelman (2009).

These periods of macroeconomic contraction had a negative effect on household living conditions. To attempt to characterize these negative effects, a set of episodes has been selected in which per capita GDP growth was either null or negative for the countries of the region, during years for which household surveys are available. The study covers 17 different episodes of declining per capita GDP, which in some measure match the three periods of regional contraction mentioned above. The 1995 crisis refers to Mexico (1994–1996), the 1999 crisis refers to eight cases, and the 2001–2002 crisis refers to the remaining cases (see table I.4).[14]

These episodes reveal that when per capita GDP declines, per capita household income usually also decreases.[15] In fact, in over half of the cases, households saw their real income shrink by rates that exceeded the rate of decline in per capita GDP during the same period. The most notable cases in this regard are Argentina (1999–2002), Mexico (1994–1996) and Panama (1999–2001). In most other cases, the drop in household income closely matched the decline in GDP. Only in Argentina (1997–1999), the Bolivarian Republic of Venezuela (1999–2002), Costa Rica (1999–2002) and Paraguay (1999–2001) did average household income increase while the macroeconomic environment was contracting.

Figure I.14
LATIN AMERICA: PER CAPITA GDP
(Constant 2000 dollars)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official figures.

Table I.4
LATIN AMERICA (13 COUNTRIES): SELECTED CRISIS EPISODES
(Annualized changes)

Country	Period	GDP per capita	Per capita income (all households) (Percentage)	Per capita income (poor and vulnerable households)	Poverty rate	Indigence rate	Gini coefficient (Percentage)
					(Percentage points)		
Mexico	1994-1996	-2.3	-6.7	-5.2	3.9	2.6	-1.2
Argentina [a]	1997-1999	-1.0	0.4	-1.8	0.9	0.0	1.1
Brazil	1996-1999	-0.3	-1.9	-1.4	0.6	-0.3	0.2
Colombia	1997-1999	-3.5	-3.3	-4.1	2.0	1.7	0.3
Ecuador [b]	1997-1999	-3.6	-2.3	-7.9	3.7	4.6	5.9
Honduras	1997-1999	-1.6	-2.4	-2.3	0.3	1.2	0.5
Paraguay [b]	1996-1999	-1.5	-3.5	-4.9	0.9	0.4	0.3
Peru	1997-1999	-1.5	-1.2	-3.0	0.5	-1.4	1.1
Venezuela (Bolivarian Republic of)	1997-1999	-4.8	-4.6	-4.1	0.7	0.6	-0.9
Argentina [b]	1999-2002	-6.4	-14.0	-17.3	7.2	4.8	2.4
Costa Rica	1999-2002	-0.2	2.8	1.2	0.0	0.1	1.0
Mexico	2000-2002	-0.9	-0.8	2.2	-0.9	-1.3	-2.6
Panama [b]	1999-2001	-0.3	-4.4	-4.9	2.4	1.8	0.0
Paraguay [b]	1999-2001	-2.7	2.6	1.4	0.6	0.5	1.4
Uruguay [b]	1999-2002	-5.6	-6.8	-8.4	2.0	0.2	1.1
Venezuela (Bolivarian Republic of)	1999-2002	-2.6	0.8	0.6	-0.3	0.2	0.1
Dominican Republic	2002-2004	-1.0	-1.8	-8.7	3.7	4.2	4.5

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.
[a] Greater Buenos Aires.
[b] Urban areas.

In order to provide a basis of comparison for understanding the current crisis and to study its potential impacts on poverty and inequality, it is very important to evaluate what happens to households that are in the least favoured groups. To accomplish this, the lower-income household group was analysed. This group is defined to include indigent and non-indigent poor households, as well as persons that are not poor but whose income is less than

[14] Although the Dominican Republic crisis of 2002–2004 does not exactly match the 2001–2001 crisis, it has been included so as to increase the number of observations taken into account in the analysis.

[15] Although it is to be expected that changes in per capita GDP and average income will tend to move together, as shown in the surveys, it is important to remember that these variables relate to different concepts. Also, there are methodological differences that can widen discrepancies, such as the type of income flows that are actually measured and geographic coverage (some surveys cover only urban areas), to name only the most important shortcomings.

1.5 times the poverty line. This last group would be the population most vulnerable to falling into poverty if it were to suffer a marginal loss of income-generating capacity.[16]

It is clear from this analysis that the crisis has affected poor and vulnerable households more than other households. A predominant pattern emerges across the episodes analysed: this group's income declined more than that of the total group of households. Argentina (1999–2002), the Dominican Republic (2002–2004) and Ecuador (1997–1999) stand out in this regard, with differentials of more than three percentage points of change separating one group from the other. Furthermore, when household incomes did increase, those of lower-income households increased less.

This different changes among population groups match the deterioration in distribution that affected countries during the periods of crisis. The two crises that took place in Mexico (1994–1996 and 2000–2002), are special cases because the concentration of income shrank, as measured by the Gini coefficient. The latter crisis is also an exception in the region because it was the only crisis in which poor and vulnerable households saw their income increase despite the fact that income declined for other households (see table I.4).

As one might expect, and as was discussed in section 5 of this chapter, the economic slowdown impacted household income most through the job market, given that labour income accounts for the greatest portion of income. A breakdown of income sources for total per capita income among poor and vulnerable households shows that in 11 of the crises studied, reduction in labour income accounted for at least 75% of the drop in income (see figure I.15).

Non-labour income (which includes mainly retirement income, pensions, monetary transfers and capital inflows) tended to decline with labour income, which exacerbated the squeeze on household resources and, therefore, worsened the effects of the crisis.[17] This is particularly pronounced in crises that saw the greatest decrease in total income, namely, in order of magnitude of income drop, the crises in Argentina (1999–2002), the Dominican Republic (2002–2004), Uruguay (1999–2002), Mexico (1994–1996), Paraguay (1996–1999) and Panama (1999–2001). There were a few exceptions in which income expanded as the result of increased transfers. Only in Mexico (2000–2002) was the increase directly associated with the benefits of a conditioned cash transfer programme (called "Oportunidades"). In all other countries, the increase in income was due either to assistance from other households within the country or abroad or to sources whose composition is not precisely defined.[18]

Figure I.15
LATIN AMERICA (13 COUNTRIES): ANNUAL CHANGE IN TOTAL PER CAPITA INCOME AND THE CONTRIBUTION BY EACH SOURCE, IN POOR AND VULNERABLE HOUSEHOLDS DURING SELECTED CRISIS PERIODS
(Percentage variation)

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

On the basis of the breakdown presented in the previous section, per capita labour income can be expressed as the product of labour income per employed person multiplied by the ratio of employed persons to the total population. The latter ratio can be expressed as the product of the employment rate (number of employed persons divided by the number of economically active persons) multiplied by the percentage of economically active persons. Therefore, it is possible to identify the contribution that each of these components makes to the annual variation of per capita labour income (see box I.4).

In most of the crises studied, the root cause of this decrease in labour income per employed persons was the reduction in earnings, not that the employment rate dropped. Not only did the employment rate show hardly any change but in over half the cases it actually rose (see table I.5).

16 See chapter III for an analysis of vulnerability.
17 For the sake of simplicity, the imputed rent analysis is omitted as are other unusual income streams, although these are considered when calculating poverty and distributive inequality.

18 In Ecuador, increases of non-labour income are the result of transfers unrelated to social security; in Honduras, they result from remittances from abroad and assistance from other households within Honduras; and in Paraguay, those increases result from help from family members and "other transfers" (separate from retirement income, pensions and remittances). The limited information contained in surveys does not allow more exact identification of the composition of transfers in the other countries that saw this type of income increase.

Changes in the employment rate were caused by two opposing trends related to employment and activity rates. First, the crises studied were characterized by falling employment rates; that is, the average unemployment rate rose. However, during those same periods, otherwise inactive persons tended to enter the labour market, which compensated for lower employment rates. In fact, despite overall increases in unemployment, the occupation rate (the ratio of employed workers to the number of persons of working age) tended to remain constant and, in over half the cases, even increased.

Table I.5

LATIN AMERICA (13 COUNTRIES): ANNUAL VARIATION IN LABOUR INCOME COMPONENTS PER PERSON, IN POOR AND VULNERABLE HOUSEHOLDS DURING SELECT PERIODS OF CRISIS

(Percentages)

			Components of labour income per person		Components of the percentage of employed persons	
Country	Period	Labour income per person	Labour income per employed person	Percentage of employed persons	Employment rate	Activity rate
Mexico	1994-1996	-5.3	-7.9	2.9	-0.4	3.3
Argentina [a]	1997-1999	0.4	-1.5	2.0	0.8	1.2
Brazil	1996-1999	-2.0	-2.5	0.6	-1.2	1.9
Colombia	1997-1999	-4.1	-3.3	-0.8	-4.6	4.0
Ecuador [b]	1997-1999	-9.6	-9.5	-0.1	-3.4	3.4
Honduras	1997-1999	-3.2	-4.8	1.7	0.0	1.7
Paraguay [b]	1996-1999	-4.8	-0.8	-4.1	-0.6	-3.5
Peru	1997-1999	-4.2	-4.3	0.2	2.3	-2.0
Venezuela (Bolivarian Republic of)	1997-1999	-1.3	1.1	-2.5	-3.2	0.7
Argentina [b]	1999-2002	-18.3	-17.7	-0.7	-2.2	1.5
Costa Rica	1999-2002	0.3	-1.2	1.5	-0.3	1.8
Mexico	2000-2002	1.8	-0.5	2.4	-0.3	2.7
Panama [b]	1999-2001	-3.5	3.5	-6.8	-4.3	-2.6
Paraguay [b]	1999-2001	-0.7	-6.1	5.8	-0.6	6.4
Uruguay [b]	1999-2002	-11.4	-9.8	-1.8	-3.2	1.5
Venezuela (Bolivarian Republic of)	1999-2002	0.6	-1.8	2.4	-0.7	3.2
Dominican Republic	2002-2004	-8.6	-9.3	0.8	-3.0	3.9

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.
[a] Greater Buenos Aires.
[b] Urban areas.

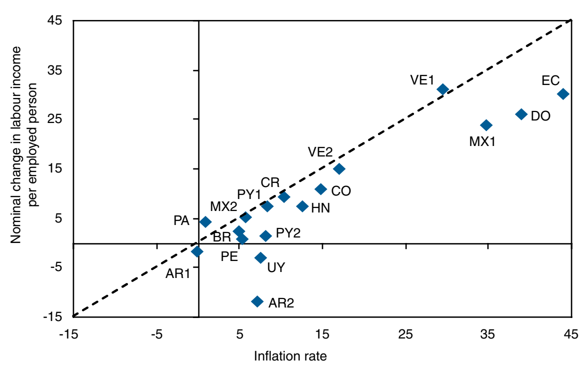
Regarding the drop in real income per employed person, two things should be kept in mind aside from a possible reduction in nominal wages paid by employers, which is uncommon. First, during a crisis, employers might cut back on the number of hours worked. Second, increases in nominal wages may have been lower than inflation.

It is important to keep in mind that in most of the crises studied, real income declined because of inflation, given that nominal labour income per employed person increased, with few exceptions (among which, Argentina (1999–2002) stands out). As will be shown below, this behaviour contrasts with the current crisis, which is characterized by annual inflation rates lower than 5% in most countries of the region (see figure I.16).

Figure I.16

LATIN AMERICA (13 COUNTRIES): ANNUALIZED CHANGE IN NOMINAL LABOUR INCOME PER EMPLOYED PERSON AND THE INFLATION RATE, DURING SELECTED CRISES [a]

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys and official information from the relevant countries.
[a] Where there was more than one crisis per country, the numerals 1 and 2 indicate to which crisis the data refers.

2. Expected effect of the crisis on poverty

Evidence available up to mid-2009 shows that the current economic crisis has affected most of the countries of the region. Projections predict a drop in GDP of between 1.5% and 1.8% for the region as a whole. In per capita terms, that means a decline of between 2.6% and 2.9%. Honduras, Mexico and Paraguay are expected to have the biggest declines in per capita GDP, by at least four percentage points, followed by most of Central America. Even though a few countries will not suffer a slowdown, none of them will grow by more than 1% in per capita terms.

According to data available at the time this report was written, the regional employment rate dropped from 55.1% in the first semester of 2008 to 54.4% for the same period of 2009. Practically all countries recorded an increase in unemployment rates compared with 2008. However, that did not always lead to a negative change in the occupation rate. While this rate in Chile, Ecuador and Mexico dropped significantly, it rose in the Bolivarian Republic of Venezuela, Colombia and Uruguay. Additionally, the informal job market may have grown, as the number of jobs with social security benefits and full-time jobs shrank (ECLAC/ILO, 2009).

For their part, compared with the first half of 2008, real wages of salaried formal-market employees improved in Brazil, Chile, Nicaragua and Uruguay and remained unchanged or fell off slightly in Colombia, Mexico and Peru. The Bolivarian Republic of Venezuela is the only country with data available showing a significant decline in this income category (ECLAC/ILO, 2009). However, from what little data is available about changes in real income of employed persons as a whole, which includes both salaried and self-employed persons, Brazil, Chile and Peru saw increases, while Mexico saw a decline. Although the data on wages is only partial, one can at least infer that the drop in per capita GDP does not automatically lead to a reduction in labour income per household.

The fact that wages are retaining their purchasing power during the current crisis sets this recession apart from others. Most of the countries of the region have not only low inflation rates but rates that are actually declining compared with 2008. In none of the countries did the inflation rate between July 2008 and July 2009 exceed 7%, except in the Bolivarian Republic of Venezuela (where inflation was about 28%). In fact, half of the countries in the region had inflation rates below 3%. Furthermore, inflation during that period was lower than the accumulated inflation for July 2007 to July 2008 in all of the countries.

Another favourable feature of the current crisis that sets it apart appreciably from previous crises is that, this time, most countries of the region are better situated fiscally and have more social programmes, with broader coverage, than before, to which countries have been able to make short-term adaptations to relieve the negative effects of this crisis on a significant segment of the population. This not only refers to monetary transfer programmes, which have improved and expanded the benefits of conditioned cash transfer programmes, unemployment insurance and retirement income and pensions but also refers to sector, employment and credit policy measures and to the subsidising of basic consumer services (see chapter III). It is expected that resources reaching households through social programmes will offset not only the eventual loss of labour income but also non-labour income that is at risk of decreasing during the crisis, especially assistance from family members living abroad.

With these factors in mind, simulations have been run that forecast the likely evolution of indigence and poverty in 2009, based on data from household surveys. Table I.6 presents outcomes for three scenarios. The first two simulations assume changes in household income that are similar to the projected change in per capita GDP, although their assumptions differ as to magnitude of the distributive effects of the crisis. The third simulation was constructed on the basis of hypothetical situations related to labour market behaviour, on the basis of information available on changes in employment rates and income of employed persons up to the writing of this report.

Table I.6

LATIN AMERICA: PROJECTED INDIGENCE AND POVERTY, 2009 [a]

		Change from 2008	
		Percentage points	Million people
Scenario 1	Indigence	0.9	5.5
	Poverty	1.5	10.6
Scenario 2	Indigence	0.7	4.8
	Poverty	1.2	9.4
Scenario 3	Indigence	0.8	5.4
	Poverty	1.1	8.7

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

[a] Scenario 1 is based on a change of household income similar to the decline in GDP projected for 2009, with slight distributive deterioration. Scenario 2 is similar to 1, but with no distributive deterioration. Scenario 3 simulates employment rates and income of employed persons according to the most recently available data and assumes a negative distributive impact on labour income.

The results indicate that between 2008 and 2009, poverty in the region could increase by 1.1 to 1.5 percentage points. Indigence could increase by 0.7 to 0.9 percentage points. This translates into an increase of between 9 and 11 million poor persons, of which over half will be living in extreme poverty (see table I.6).

As is to be expected, these figures reveal disparities among countries. Mexico stands out, having posted the largest increases in poverty and indigence, because of its reduction in GDP and deteriorating jobs and salaries situation. Also worthy of mention is the Bolivarian Republic of Venezuela, whose above-average deterioration stems primarily from the shrinking purchasing power of salaries.

Looking at the past six years, these figures indicate that gains in poverty reduction have slowed, but without surrendering all the ground that has been gained in reducing not only the percentage of poor persons but also the actual number of persons living in poverty. From 2002 to 2008, the percentage of persons living in poverty dropped by 11 points, and indigence figures dropped by seven points, amounts considerably greater than the declines projected for 2009. In terms of the number of persons living in poverty, the 2009 crisis is expected to return to poverty about one fourth of the 41 million persons who managed to escape it over previous years.

If things play out as depicted in the third scenario, one could assert that the current crisis is having a smaller impact on poverty than previous crises. From 1997 to 2002, a period that spanned the crises of 1999 and 2001–2002, the growth elasticity of poverty was of -1.6%, whereas the simulation forecasts that in the current crisis, the figure will be -1.1%.[19]

These results also mean that it will be more difficult to achieve the first target of the first Millennium Development Goal, given that the percentage of progress would shrink to 78%, which is practically the same percentage of the time elapsed until 2009 (76%). Therefore, countries of the region should step up their efforts to improve the living conditions of the poor.

It is important to stress that these hypotheses about the expected impact of the crisis are presented within a context of great uncertainty. Although the worst of the crisis is expected to have passed by the second half of 2009, meaning it would have been shorter lived and not as deep as initially predicted, there is, nonetheless, still a possibility of a slow recovery and of employment only recovering after a long contraction.

However, it should be acknowledged that the region appears to have learned several lessons from previous crises. Given the macroeconomic context, which is less vulnerable in this crisis, and given the progress that has been made in the area of social protection, there is a possibility that the social fallout from the crisis can be mitigated more effectively.

C. Perceptions of inequality

In Latin America, the widespread perceptions of distributive injustice are correlated with the popular opinion that there are no basic economic and social guarantees. That highlights the need for governments to take action to close the social gaps and make progress towards social cohesion. The perception of the existence of highly unfair income distribution is also associated with a lack of confidence in political institutions and a belief that governments serve the elites more than they serve the majority. That association suggests that citizens perceive inequality as a power issue extending beyond the concentration of wealth. If not dealt with comprehensively, that could in fact thwart efforts to promote social cohesion.

[19] Elasticity indicates the percentage rate of change in poverty in response to a 1% change in per capita GDP.

As noted in preceding sections of this chapter, although most countries in Latin America saw a reduction in distributive inequality in 2008, levels of inequality remained high. In addition, perception by public opinion that the income distribution is unfair (ECLAC, 2009d) is more or less widespread. That perception could spread during the current economic crisis and hinder social cohesion, not only because of possible conflicts stemming from general discontent but also because of the difficulty in agreeing on social protection measures for all persons and social strata (see figure 6).

Still, higher rates of poverty and inequality will not necessarily translate into higher levels of discontent regarding income distribution. An ECLAC analysis (2009d) of changes in objective and subjective indicators of inequality in the countries of the region found that the trends for these two variables converged in several cases and diverged in others. That would appear to indicate that discontent regarding income distribution might be linked to changes in an array of economic, institutional, political and public-opinion factors.

This section is divided into two parts: the first describes changing perceptions of distributive justice and some factors that may have been associated with these perceptions between 1997 and 2007, with an emphasis on specific situations in several countries;[20] the second focuses specifically on the effect of certain public-opinion factors on perceptions of distributive justice and analyses the relationship between perception of distributive justice and public opinion on how certain political and State institutions work —with a view to gaining an understanding of the political and institutional repercussions of inequity.

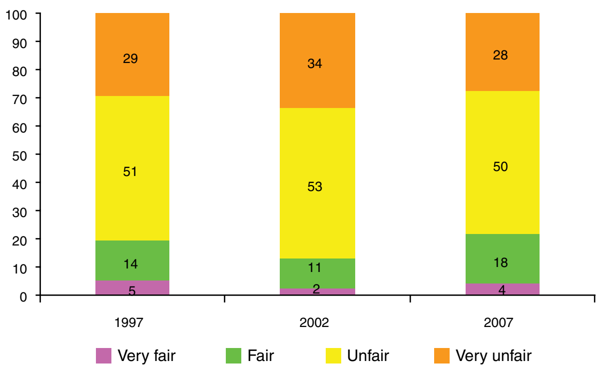
1. General background

As noted in preceding sections, income concentration in Latin America has been reduced to some extent by the economic growth recorded in the region from 2003 to 2008, and, possibly, by social policies implemented in several countries (ECLAC, 2008). In any event, stark inequity continues to coexist with high levels of absolute poverty. As also indicated above, the current crisis can be expected to lead to a slight increase in poverty and inequality.

A high degree of distributive inequality is not a sufficient condition for producing problems of legitimization and, consequently, a systemic crisis. Such a crisis requires that members of society perceive the asymmetries as critical and that the foundations of social integration and consensus have weakened (Habermas, 1989). Regarding subjective opinions, data indicate that perceptions of distributive justice are generally in line with "objective" data, given that in 1997, 2002 and 2007 by far most of the population of Latin America considered income distribution to be unfair or very unfair (80%, 87% and 78%, respectively).

This does not, however, mean that distributive asymmetries are perceived as being critical. Indeed, in opinion surveys show that, in general, respondents do not feel that distribution-related issues are among a country's most important problems (see, for example, ECLAC, 2009d). This might be a mechanism of pragmatic acceptance of inequality by which people define asymmetries as inevitable and even normal, which would mean that most persons see the idea of a society with fair income distribution as unobtainable (Kane and Kyyro, 2001; Mann, 1970; Hoffman and Centeno, 2003). In turn, the idea that an unjust distribution of wealth has become a sort of subjective parameter of social life is compatible with the apparent invariability of perceptions of the fairness of income distribution, reflected by a lack of variation in the aggregate values throughout the region (for example, the percentage of persons who believe that distribution is unfair ranges from 50% to 53%).

Figure I.17
LATIN AMERICA (18 COUNTRIES): OPINIONS ON FAIRNESS OF INCOME DISTRIBUTION, 1997-2007 [a]
(Percentages of the population 18 years and older)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), "Percepciones de equidad: juntando las tablas", Santiago, Chile, unpublished, 2009.

[a] The Dominican Republic was included only in 2007. The question asked for all three years was: How fair is income distribution in your country?

[20] The year 2007 was chosen because more recent data on perceptions of distributive justice are not available.

The hypothesis of pragmatic acceptance of inequality is also consistent with assertions by Tironi (2007), who states that high levels of inequality in Latin America might not undermine social cohesion as long as objective asymmetries exist alongside high expectations of social mobility, an ideology dominated by individualistic values and the belief that economic welfare is attributable to individual achievement more than to one's place in the social and economic structure. According to this view, inequalities are not a source of systemic illegitimacy, given that their main effects are mitigated by "extraordinarily high" expectations of social mobility and economic progress.[21]

The idea that inequalities and traditional social cleavages are becoming less important as sources of political conflict and identity originates in Western countries, in particular in English-speaking countries. Different authors has asserted that higher levels of economic growth, education and social mobility have given way to an ideology that they describe as "meritocratic" (Nisbett and Ross, 1980), "success-based" (Ichheiser, 1949), "dominant" (Huber and Form, 1973) or based on "a consensus concerning individualism." The core of this ideology is assumed to be values such as individual effort and responsibility, a belief in a social structure that is open to social mobility, attribution of success or failure to individuals themselves and not to the structure and even opposition to distributive policies and taxes (Bowler and Donovan, 1995).

The so-called "value-attitudinal consensus" regarding individualism and meritocracy in English-speaking countries is an issue that is not free of conceptual and empirical controversy —beyond the evident differences between the realities of Latin America and English-speaking countries. (The latter have lower levels of concentration of income distribution, a higher degree of material well-being and more robust institutional structures, among other advantages.)[22] Several distinctive characteristics of the Latin American context should also be taken into account. For example, high expectations of social mobility in the region have not necessarily been synonymous with the spread of meritocratic individualism. Safa (2004), drawing on ethnographic studies, holds that during the import-substitution period most of the working class were rural migrants to urban areas who were optimistic about their prospects for social mobility.

In any event, on the surface, the data series for Latin America indicates that expectations have evolved more or less in step with economic performance.[23] For example, between 2000 and 2008, respondents grew more optimistic regarding their future during periods of growth but their optimism decreased during periods of contraction (see figure I.18). Moreover, between 2000 and 2008, the population in the countries with the lowest levels of poverty and inequality tended to be more optimistic regarding the future well-being of their children than in countries with higher levels of poverty and inequality. Hence, it may be posited that expectations of social mobility are in general associated with a country's economic and social structures and, in particular, with the positions that individuals hold in those structures (for more details on the structural determination of expectations associated with social identities of ethnicity and class, see box on adding the ethnic cleavage in this section).

Given the relationship between GDP performance and economic expectations, in 2009 Latin Americans can be expected to be less optimistic regarding the future well-being of their children. Hence, lower expectations in 2008 might be attributed to lower economic growth and to higher inflation (especially for food) than in previous years as well as to the media's widely disseminated predictions that the arrival of the global economic crisis was imminent (ECLAC, 2009b). This implies that, even if expectations of mobility can be assumed to have a "mitigating" effect on people's discontent with social inequality, the outlook appears less promising now than it did a few years ago.

A recent study of the relationship between perceived distributive inequality and income concentration found that perceptions of distributive inequity vary considerably from one country to another as well as within countries and that in some cases those perceptions coincide with variations in "objective" income concentration coefficients

[21] The legitimacy of a systemic order should be sought in subjective elements. For example, in a caste society "objectively existing" inequality will not pose a problem, given that asymmetries are perceived as natural, the product of fate or the result of the will of a divine power.

[22] Evans (1997) analysed the influence of three models of beliefs on popular explanations of occupational achievement in England: (i) the class-inequality model, (ii) the meritocratic model and (iii) the political-polarization model. He found that the class-inequality model best predicted explanations of occupational achievement. A factor analysis of questions gauging redistributive attitudes among the general public in the United States detected two components —social responsibility and individualism— and found that advocates of social responsibility were poorer and less politically active (Bobo, 1991). And a study that analysed the attitudes of the general public in the United States towards "economic democracy" and the nationalization of companies found that ethnicity was the most important determinant of preferences regarding egalitarianism and nationalization (Collom, 2001).

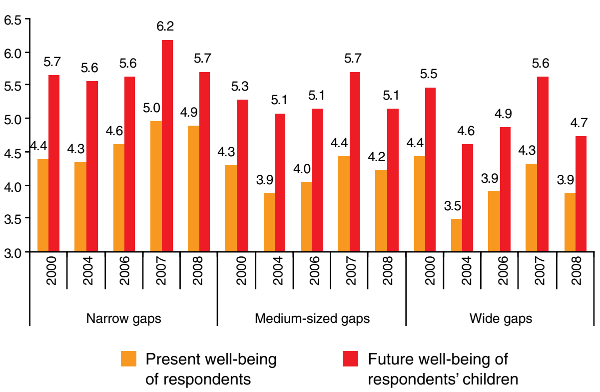
[23] The relationship between economic growth and expectations can also be determined through other indicators, such as the percentage of persons who believe that their children will be worse off than they are —in this case, with data from CEPALSTAT and Latinobarómetro for each year from 2001 to 2005 and for 2007. Here, the correlation between GDP growth rate and changes in the percentage of the population who believe that their children will be worse off -0.359, with an adjusted R squared of 12% and a B coefficient of -0.600.

and other indicators of economic performance, while in others they diverge from those coefficients and indicators (ECLAC, 2009d). This suggests that discontent regarding income distribution might be linked to the behaviour of an array of economic, institutional, political and public-opinion factors, a full understanding of which requires analysing the situation in each country.

Figure I.18

LATIN AMERICA (18 COUNTRIES): CURRENT MATERIAL WELL-BEING AND EXPECTATIONS FOR FUTURE WELL-BEING OF ONE'S CHILDREN, ACCORDING TO COUNTRIES' SOCIAL GAPS, 2000-2008 [a]

(Simple average on a scale of 1 to 10)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of the Latinobarómetro 2002–2008 survey database and the CEPALSTAT database [online] http://websie.eclac.cl/sisgen/ConsultaIntegrada.asp?idAplicacion=6.

[a] Data for the Dominican Republic are available starting in 2004. Averages are measured on a scale of 1 to 10, in which 1 = poorest and 10 = wealthiest. The questions asked in the Latinobarómetro survey for all the years included in the analysis were as follows: Imagine a 10-step scale, with the first step corresponding to the poorest persons and the tenth to the wealthiest. Where would you be? And, where do you believe your children will be? Countries were classified using a non-hierarchical cluster based on 2007 values and with the following variables: (1) percentage of the population under the poverty line, and (2) income ratio between the wealthiest income distribution quintile and the poorest. Based on this exercise, the following classification was devised: Countries with narrow gaps: Argentina, the Bolivarian Republic of Venezuela, Chile, Costa Rica and Uruguay; countries with medium-sized gaps: Brazil, Colombia, the Dominican Republic, Ecuador, El Salvador, Mexico, Panama and Peru; countries with wide gaps: Guatemala, Honduras, Nicaragua, Paraguay and the Plurinational State of Bolivia.

For example, as shown in table I.7, the Bolivarian Republic of Venezuela was the country where the indicators of fairness in income distribution improved the most: from 1997 to 2007 the percentage of the population that believed that income distribution was fair/very fair rose by 42 points, while the proportion of persons who felt that it was unfair declined by 26 points. To a lesser extent, the same trend was seen in the Plurinational State of Bolivia between 2002 and 2007 (in all likelihood, at the beginning of Evo Morales' term in office) as well as in Brazil and Ecuador. In Costa Rica, perceptions of distributive injustice remained low throughout the years analysed (for more details, see box I.8).

Which elements are shared by the Bolivarian Republic of Venezuela, Brazil, Ecuador and the Plurinational State of Bolivia?[24] First, in three of these four countries, income concentration diminished between 1997 and 2007, while poverty indicators improved, which indicates that there was a redistribution of wealth. Second, several of these countries had (and continue to have) social movements that triggered changes of government and brought about institutional arrangements that channelled social demands and made distributions of token goods among the population. A third factor, brought up by Hoffman and Centeno (2003) in reference to President Luiz Inácio Lula da Silva in Brazil, is that several of these countries' new presidents were not from the traditional elites, which may have given a clear sign to the population that social mobility is possible, even for the most disadvantaged.

A cursory examination of changing perceptions of distributive injustice in the countries of the region appears to indicate that these perceptions have remained high, even during periods of strong economic growth, and that these high levels are found even when economic optimism is strong among Latin America's population. Nevertheless, a more in-depth analysis shows that perceptions of distributive justice have varied in recent years. This may not suggests that these changes be associated exclusively with economic issues and with the crises that have occurred, but also with political and institutional arrangements that have been put in place during the past decade, and which, although they were initially expressed through intense social conflicts, later culminated in political responses that to a certain extent channelled the population's principal demands. Another factor that might affect perception of distributive justice is the specific composition of the welfare regimes of certain countries, such as Costa Rica (see box I.7).

[24] This article does not intend to express opinions on the political and economic viability and suitability of the path chosen by the Bolivarian Alternative for Latin America and the Caribbean (ALBA), but only to describe trends in the indicators, both regarding wealth and at the level of public opinion.

Table I.7

LATIN AMERICA (18 COUNTRIES): CHANGES IN OPINIONS ON DEGREE OF FAIRNESS IN INCOME DISTRIBUTION, BY COUNTRY, 1997-2007

(Percentages)

Countries	Percentage that believe that distribution is very fair or fair			Percentage that believe that distribution is very unfair		
	1997	2002	2007	1997	2002	2007
Argentina	4	2	10	55	64	31
Bolivia (Plurinational State of)	10	13	31	24	24	14
Brazil	7	14	14	39	33	33
Colombia	15	9	17	32	42	30
Chile	12	9	10	34	30	45
Costa Rica	23	25	30	15	16	17
Ecuador	13	12	23	33	36	24
El Salvador	39	19	27	17	22	27
Guatemala	37	13	24	25	34	28
Honduras	24	18	21	16	19	28
Mexico	29	8	25	32	48	24
Nicaragua	37	22	31	19	24	23
Panama	21	8	18	21	47	32
Paraguay	12	8	6	36	40	55
Peru	14	14	9	29	29	26
Dominican Republic	-	-	26	-	-	27
Uruguay	21	8	20	27	30	21
Venezuela (Bolivarian Republic of)	15	25	57	37	24	11

Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Social Panorama of Latin America 2008* (LC/G.2402-P), Santiago, Chile, March, 2009. United Nations publication, Sales no. E.08.II.G.89.

Box I.7

LATIN AMERICA (SELECTED COUNTRIES): CHANGES IN PERCEPTIONS OF DISTRIBUTIVE JUSTICE AND RECENT HISTORICAL CONTEXTS

The trend in Chile is noteworthy, given that from 1997 to 2007 the percentage of the population that believed that income distribution was fair or very fair remained at about 10%, lower than in the other countries of the region. In addition, although the figure fell between 1997 and 2002, the proportion of the population that believed that income distribution was very unfair increased by 15% from 2002 to 2007, placing Chile in second place in the region (with 45% of the population believing in 2007 that distribution was very unfair), only behind Paraguay with 55%. This trend stands in sharp contrast with the performance of objective indicators of inequality, especially of poverty in Chile, deviates from what has been said about the role that may be played by a president from sectors habitually excluded from power (in this case, by the country's first-ever female president) and is also inconsistent with the various efforts made in Chile to broaden the social safety net. The factors that may explain this include the targeted nature of social programmes implemented in Chile (even though that has changed considerably in recent years) and the population's low level of confidence in the country's institutions.

Costa Rica, which has enjoyed long periods of political stability, has a social welfare system that provides basic guarantees in health and pensions and that has been constructed on the base of institutional consensuses. The pension system was thoroughly overhauled in 2000, based on forums for social dialogue, the most important of which was the 1998 Forum for National Consensus Building (Foro de Concertación Nacional). Costa Rica's pension system is divided into two parts: a contributory part and a non-contributory part, the latter providing a minimum pension for all adults over 65 who lack other economic means of support. Access to pensions is nearly universal, and coverage depends on demand and tax receipts. The three cornerstones of Costa Rica's health system are universal access, equity and solidarity, the latter implying redistribution towards the lowest income sectors. Provision of health care services is managed by the Seguro de Enfermedad y Maternidad (SEM), a distribution fund into which all contributions are placed and which covers the expenses of all health services. The SEM does not allow discrimination between contributing and non-contributing members, and benefits must meet the population's actual needs (Martínez Franzoni and Mesa-Lago, 2003).

In Argentina, indicators of perceptions of distributive justice are among the worst in the region, despite having improved in 2007. Indeed, in 2002, when the effects of the economic, institutional and political crisis were being felt with a vengeance (recall the "*corralito*", and the subsequent social crisis that led to President de la Rúa's resignation in December 2001), the percentage of the population that felt that income distribution was very unfair rose to 64%, the highest level for the three years analysed (1997, 2002 and 2007) as well as for the 18 countries in question. The sharp drop to 31% in this indicator in 2007 does not mean that there was a change or reversal of perceptions, but rather that opinions became less polarized. In other words, the opinion of those who felt that income distribution was "very unfair" did not change to "very fair" or to "fair", but rather to merely "unfair". Indeed, the percentage of the population that believed that distribution was unfair rose from 34% in 2002 to 58% in 2007. It should be noted that confidence in

Box I.7 (concluded)

State institutions and political parties touched bottom during the 2001–2002 crisis and, despite improving somewhat in subsequent years, it remains among the lowest in the region.

In Uruguay the effects of the 2001–2002 crisis were nearly as severe as those in Argentina, yet changes in perceptions of distributive justice differed between the two counties. For example, from 1997 to 2002, the percentage of the population that felt that distribution was very unfair rose slightly, from 27% to 30%, while the proportion that felt that it was very fair or fair fell much more sharply, from 21% to 8%. In other words, attitudes in Uruguay were much less polarized than in Argentina. Uruguay also saw social unrest, but on a smaller scale than in Argentina, and a political crisis led to the sacking of part of President Battle's economic team but not to the resignation of the president himself. In addition, in comparative terms, the indicators of confidence in the country's institutions have generally been among the highest in the region, except in 2001 and 2002.

In the Bolivarian Republic of Venezuela, the improvement in perceptions of distributive justice might be associated with the "social missions" carried out in that country. These missions, which began in 2003, were intended to satisfy the unmet needs of low-income sectors not covered by social policies. The programmes were introduced at a time of intense polarization, the most stark manifestations of which were the April 2002 attempted coup d'état, the shutdown of the oil sector in December of that year and the August 2004 referendum. The most wide-ranging missions are: Barrio Adentro (primary health care), Robinson I and II (literacy and primary education), Ribas (secondary education), Sucre (higher education), Mercados de Alimentos Mercal (a food programme that in September 2008 distributed foodstuffs to 48% of the population), Vuelvan Caras (training in production and the running of cooperatives) and Hábitat (land, housing and urban projects).

The Plurinational State of Bolivia has experienced considerable political instability in recent years. Improvement in perceptions of distributive justice might be the result of the fact that the demands of urban and campesino social movements have been heard, most notably through recognition of indigenous peoples and greater State control of natural resources such as gas and petroleum. As recently as 2005, there were heated protests against fuel price hikes in which campesinos and a large number of residents of the city of El Alto participated. These movements culminated in a transition government, which temporarily eased tension by nationalizing gas and petroleum and calling for a constituent assembly. In 2006, the first indigenous president in the country's history came to power. His programme called for returning control of natural resources to the State, for bringing about national renewal through changes to the constitution and for modifying the Government's land policy. In the same year, the hydrocarbons law was enacted, giving the company Yacimientos Petrolíferos Fiscales Bolivianos (YPFB) control over prices and production for both the domestic and external markets. Lastly, the first draft of the new Constitution was approved at the end of 2007 by the Constituent Assembly, declaring Bolivia a plurinational State.

Source: Economic Commission for Latin America and the Caribbean (ECLAC).

2. Perceptions of distributive injustice and associated factors

No comparative studies have been carried out in the region to determine popular beliefs on which perceptions of distributive justice are based. Consequently, a survey was conducted to identify factors associated with perceptions of distributive injustice among the general public in 18 countries in Latin America. The variables analysed include meritocratic individualistic attitudes and expectations of social mobility, attitudes toward the private sector's role, political self-identification, perceptions of basic social protections and guarantees, socio-economic self-description and respondents' schooling (for more details, see box I.8).

The results of the application of a regression model indicate that nearly all of the variables included in that exercise are statistically significant (with the exception of political self-identification) and that the regression coefficients move in the expected directions (except in the case of schooling). Those who believe that their country does not offer basic guarantees, who self-identify with very low socio-economic positions and who hold negative opinions of the private sector are more likely to perceive income distribution as unfair/very unfair. The individualism/expectations of mobility factor is associated with perceptions of distributive justice, and the sign of the regression coefficient is as expected. Hence, as a group meritocratic individualists are less likely to perceive income distribution as unfair. Nevertheless, this factor has little predictive capacity, given that it enters the stepwise regression only in the fifth stage, without increasing the variance explained by the model.

Box I.8

FACTORS ASSOCIATED WITH PERCEPTIONS ON FAIRNESS IN INCOME DISTRIBUTION

A multifactorial analysis was carried out to identify factors associated with perceptions of distributive justice. The indicators analysed were: (i) a measurement composed of meritocratic individualistic attitudes and expectations of social mobility, (ii) an indicator of attitudes toward the private sector's role, taking into account perceptions regarding privatization and opinions on private enterprise's role in providing basic services, (iii) a scale of political self-identification, (iv) an index of perceptions of basic social protections and guarantees, (v) a variable of socio-economic self-classification and (vi) a question on respondents' level of schooling. The results are given in the table below, in two parts: first as a multiple regression, in which predictors are entered together and then as a stepwise regression in which the variables that best "predict" perceptions on distributive justice are entered in order of importance. A unique characteristic of stepwise regression models is that they are used to select predictors according to their partial correlations with the dependent variable, which eliminates the variance shared by the predictors.

LATIN AMERICA (18 COUNTRIES): PREDICTORS OF PERCEPTIONS OF THE DEGREE OF FAIRNESS IN INCOME DISTRIBUTION, LOGISTIC REGRESSION MODEL, 2007

Dependent variable: 0 = very fair/fair income distribution; 1= unfair/very unfair **Predictors** = individualism-expectations of social mobility,[a] political position, attitudes towards the private sector's role,[b] perception of basic protections and guarantees,[c] schooling and subjective income			
Multiple linear regression model **Cox-Snell R-squared = 7%**	B	Significance [d]	Explained (B)
Individualism/expectations of mobility (1 = non-individualistic or ambivalent/expectations for downward mobility or no mobility, 2 = intermediate group, 3 = individualistic/ meritocratic and with expectations of upward mobility)	-0.106	0.007**	0.900
Political position (scale of 0 to 10, in which 0 = far left and 10 = far right)	-0.017	0.063	0.983
Attitudes towards the private sector's role (2 = the most positive 8 = the most negative)	0.196	0.000***	1.216
Perception of basic protections and guarantees (1 = many or some, 2 = few or none)	0.974	0.000***	2.650
Schooling (1 = illiterate, 2 = incomplete primary, 3 = complete primary, 4 = incomplete secondary, 5 = complete secondary, 6 = incomplete higher and 7 = complete higher)	0.116	0.000***	1.123
Perceived sufficiency of family income (1 = easily sufficient, able to save, 2 = just sufficient, 3 = insufficient, have difficulties, and 4 = insufficient, considerable difficulties)	0.217	0.000***	1.242
Forward-conditional stepwise regression model			
Step 1 Cox-Snell R-squared = 4.6%	B	Significance	Explained (B)
Perception of basic protections and guarantees	1.034	0.000***	2.811
Step 2 Cox-Snell R-squared = 6%			
Perception of basic protections and guarantees	1.007	0.000***	2.737
Attitudes towards the private sector's role	0.203	0.000***	1.225
Step 3 Cox-Snell R- squared = 6.3%			
Perception of basic protections and guarantees	1.013	0.000***	2.754
Attitudes towards the private sector's role	0.203	0.000***	1.225
Schooling	0.085	0.000***	1.089
Step 4 -Snell R-squared = 6.9%			
Perception of basic protections and guarantees	0.981	0.000***	2.667
Attitudes towards the private sector's role	0.199	0.000***	1.220
Schooling	0.114	0.000***	1.120
Perceived sufficiency of family income	0.224	0.000***	1.251
Predictors excluded in the first four steps: individualism/expectations of social mobility and political position * (p<0.05), ** (p<0.01), *** (p<0.001).			

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of the Latinobarómetro 2007.

[a] The following procedure was used to construct this factor: (1) an index composed of meritocratic individualism, based on the following questions: (a) two persons of the same age work as computer programers and perform the same work. One earns more than the other, but is faster, more efficient and more reliable. Do you find this fair or unfair? and (b), do you believe that in (country), a person who is born poor and works hard can become rich, or do you believe that it is not possible to be born poor and become rich? (2) Construction of an index of expectations of intergenerational social mobility by subtracting the values for the subjects' answers to the following questions: (a) Imagine a ten-step scale in which the poorest persons are on the first step and the wealthiest on the tenth. Where would you be located? And, where do you believe your children will be located? The categories in the index were: expectations for upward mobility, no mobility or downward mobility and (3) Cross-tabulating the meritocratic individualism index against the intergenerational social mobility expectations index: The cross-tabulation produced the following categories: a = non-individualistic or ambivalent with expectations for downward mobility or no mobility; b = intermediate group; c = individualistic/meritocratic and with expectations for upward mobility.

[b] Unweighted summation index, obtained by aggregating respondents' answers to the following questions: How much of a role do you feel the private sector should have in health? (completely in charge, a majority interest, a minority interest, no interest, and, Do you agree or disagree with the following sentence: the privatization of State-owned companies has been beneficial for the country.

[c] Classification constructed on the basis of a non-hierarchical cluster analysis of the following questions: To what extent do you believe that the following rights, benefits and opportunities are guaranteed in the country: (1) social security, (2) solidarity with the poorest and neediest and (3) opportunities to obtain work.

[d] * (p<0.05), ** (p<0.01), *** (p<0.001).

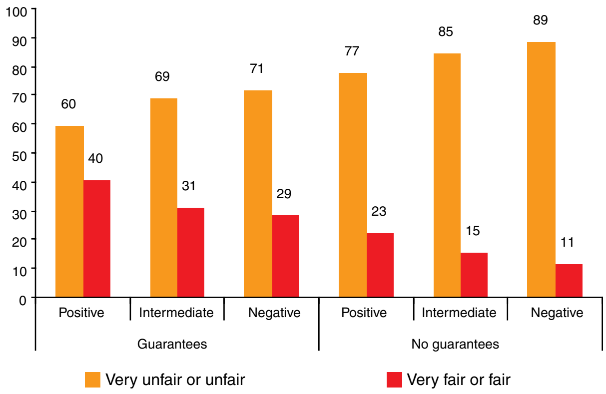
In the stepwise regression model, the principal predictors are perceived basic protections and guarantees, attitudes towards the private sector, schooling and subjective income, in that order. The relationship between perceived guarantees (social security, schooling, assistance for the poorest, employment opportunities), attitudes towards the private sector's role (the ideological models on which traditional political identities and discourses in the region have been based)[25] and opinions regarding distributive justice are shown in figure I.19. The percentage who believe that income distribution is unfair rises sharply among those who also believe that there are no guarantees and who hold negative opinions of the private sector. By contrast, the proportion of respondents who believe that income distribution is very fair or fair is highest among those who also believe that there are guarantees and who have positive opinions of the private sector. Still, these data cannot be used to conclude that a segment of the population adheres to a "syndrome of beliefs in basic guarantees", even when such a conclusion might be plausible given the growing public dissemination of discussion about civic rights.

The question on perceived income sufficiency can be used to roughly determine social class self-identification, since respondents are asked to classify themselves according to the degree to which their family monetary income is or is not sufficient to meet their basic needs and those of their families and to determine whether different beliefs on inequality exist, based on social class identity. The percentage of persons who believe that income distribution is unfair is lower among those who state that their income is sufficient and higher among those who state that it is not.[26] This correlation is in keeping with reproduction theories, which assume that dominant groups, because they benefit from inequality, have an interest in maintaining and legitimating it (Kane and Kyyro, 2001).

Figure I.19

LATIN AMERICA (18 COUNTRIES): OPINIONS ON THE FAIRNESS OF INCOME DISTRIBUTION, ACCORDING TO ATTITUDES TOWARDS THE PRIVATE SECTOR AND PERCEPTIONS OF BASIC GUARANTEES, 2007 [a]

(Percentages)



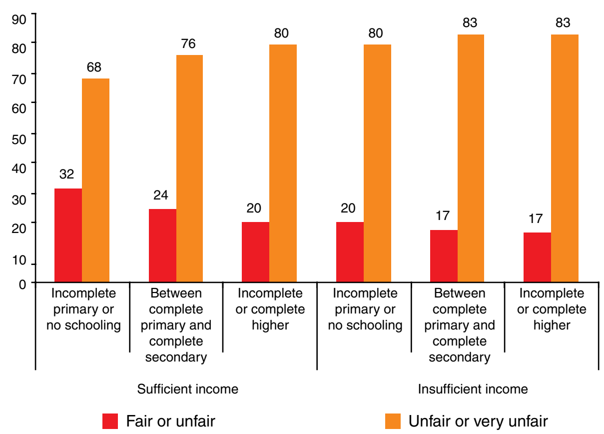
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of the Latinobarómetro 2007.

[a] Re-codification of points in the non-weighted summary index, beginning with analysis of distribution and broken into three groups. Categories were established as follows: 2 to 4 points, positive attitudes; 5 points, intermediate attitudes; 6 to 8 points, negative attitudes.

Figure I.20

LATIN AMERICA (18 COUNTRIES): OPINIONS ON FAIRNESS IN INCOME DISTRIBUTION, ACCORDING TO SCHOOLING AND PERCEIVED ADEQUACY OF FAMILY INCOME, 2007

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of the Latinobarómetro 2007.

Moreover, the correlation between schooling and perceptions of distributive injustice among the group of respondents who state that their income is sufficient to meet their basic needs is consistent with enlightenment theories, according to which knowledge gained through education helps reduce prejudice and negative attitudes among the members of dominant groups, ease inter-group tension and promote greater equality (Lipset, 1960). It is noteworthy that the group of respondents who state that their income is sufficient

[25] An alternative interpretation of the questions about the private sector's role is that they may refer to meritocratic individualistic ethics; however, at least regarding the data presented here, this interpretation is not borne out, since there is no link between attitudes towards the role of the private sector, expectations of mobility and the degree of adherence to meritocratic values. There is merely a tendency to associate individualism (measured basically as adherence to belief in personal effort and hard work) and attitudes that favour the role of the private sector, but the differences are never above eight percentage points.

[26] At the regional level, the percentage of the population who consider that the income distribution is unfair or very unfair is 82%, 81%, 76.5% and 68% respectively in the groups arranged according to the perceived sufficiency of family income (insufficient and have considerable difficulties, insufficient and have difficulties, just sufficient, easily sufficient and able to save).

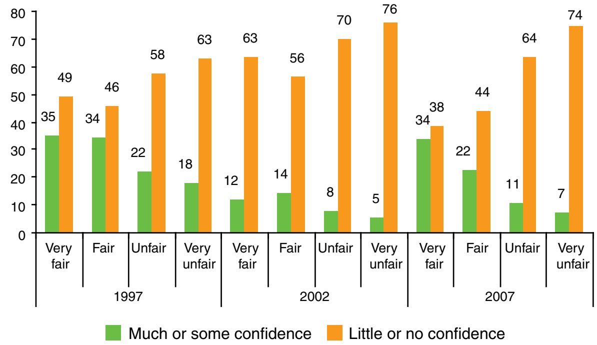
and who have the least schooling is the same group among whom perceptions of distributive justice are the highest. One explanation might be that this group rejects the existence of distributive injustice,in order to reduce their perception of the inconsistency of their status and cognitive dissonance, reaffirm their social identify (in this case their class identity) and strengthen their self-assessment (self-esteem).

A topic related to predictors of perceptions of income distribution fairness, with various policy implications, has to do with the linkages between perceptions of inequity or equity of income distribution and the confidence expressed by citizens regarding the manner in which political institutions are run. If confidence in political institutions reflects a person's socially learned expectations regarding those institutions (Paxton, 2002), in a context in which the dominant beliefs are perceptions of distributive injustice, people also might believe that political institutions benefit the few rather than citizens in general.

The data in figure I.21 indicate that confidence in political institutions (congress and political parties) declines drastically when perceptions of fairness in income distribution worsen. This was the case in 1997, 2002 and 2007. Hence, perceptions of distributive inequality correlate to a lack of confidence in political institutions. Nonetheless, and even if this correlation points to a situation that might become complex in times of economic crisis, such as the outbreak of social unrest in Argentina during the 2001 and 2002 collapses (see box I.7), this analysis does not provide direct proof of the relationship between perceptions of injustice in income distribution and opinions that institutions are run so as to benefit only the few (in this case, members of the elites).

Figure I.22 provides a direct measurement of the relationship between perceptions of inequity in income distribution and opinions of how government operates. The percentage of respondents who believe that their country is governed by a few powerful individuals for their own benefit is higher among those who also believe that income distribution in their country is unfair or very unfair. Moreover, the belief that one's country is governed in the interest of the entire population rises above the 50% threshold only among respondents who believe that income distribution is fair or very fair and who live in countries with the lowest rates of poverty and the lowest levels of objective inequality. Consequently, perceptions of distributive injustice should be analysed not only in light of economic issues but also within a much broader context that takes into account the general concentration of power (economic, political) and the use of institutions as mechanisms that allow for the reproduction of those asymmetries.

Figure I.21
LATIN AMERICA (18 COUNTRIES): CONFIDENCE IN POLITICAL INSTITUTIONS ACCORDING TO PERCEIVED FAIRNESS OF INCOME DISTRIBUTION, 1997-2007 [a b]
(Percentages)

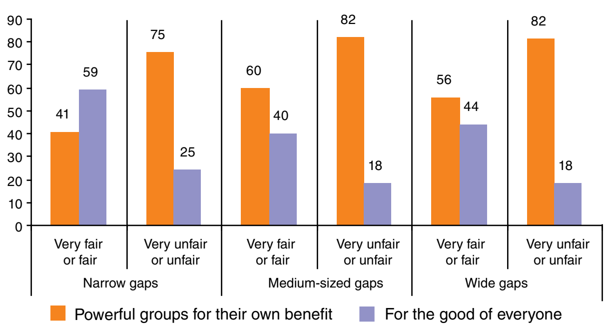


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of the Latinobarómetro 1997, 2000 and 2007.

[a] Data for the Dominican Republic are available only for 2007.

[b] The indicator of confidence in political institutions was constructed on the basis of the following questions: "Please look at this card and tell me how much confidence do you have in each group, institution or person mentioned on the list: much, some, a little, none". Political parties and the congress/parliament. Respondents were classified into three groups, according to whether they: (1) have much or some confidence in the congress/parliament and political parties, (2) have little or no confidence in the congress/parliament and political parties or (3) are between these two groups, having much or some confidence in either the congress/parliament or political parties.

Figure I.22
LATIN AMERICA (18 COUNTRIES): OPINIONS ON WHO GOVERNS AND THEIR MOTIVATIONS, ACCORDING TO PERCEIVED FAIRNESS OF INCOME DISTRIBUTION AND SIZE OF SOCIAL GAPS IN COUNTRIES, 2007 [a b]
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of the Latinobarómetro 2007 survey database and CEPALSTAT database [online] http://websie.eclac.cl/sisgen/ConsultaIntegrada.asp?idAplicacion=6.

[a] The following question was asked in the Latinobarómetro 2007 survey: "In general terms, would you say that (country) is governed by a few powerful groups for their own benefit or is it governed for the good of the entire population?"

[b] Countries with narrow gaps = Argentina, the Bolivarian Republic of Venezuela, Chile, Costa Rica and Uruguay; countries with medium-sized gaps = Brazil, Colombia, the Dominican Republic, Ecuador, El Salvador, Mexico, Panama and Peru; countries with wide gaps = Guatemala, Honduras, Nicaragua, Paraguay and the Plurinational State of Bolivia.

In short, perceptions of an absence of basic protections and guarantees in Latin America are associated with higher perceptions of inequity in income distribution, which makes it clear that governments need to narrow the gaps and make progress in social cohesion. Moreover, the perception of distributive inequity correlates with a lack of confidence in political institutions and with the perception that governments aim to meet the objectives of the elites. This correlation indicates that Latin Americans perceive inequality as a problem of concentration of power that goes beyond economic matters and that, if not addressed comprehensively, may constitute a formidable obstacle to initiatives to enhance social cohesion. All of this underscores the need to make progress in public-policy and research agendas that address inequality in its multiple facets (economic, political, social and cultural) and according to the many cleavages that it causes (by class, gender, ethnic group).

Box I.9

ADDING THE ETHNIC CLEAVAGE FACTOR

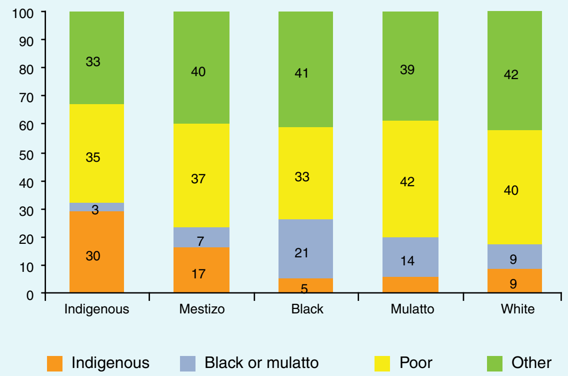
In Latin America, as in other regions, it is apparent that there is a need for a research agenda to address the challenge of understanding inequalities in their various facets (economic, social, cultural and political) and interconnections (Jelin, 2004; Howard, 2000). Reskin (2002) warns of the danger that research on equity will be "Balkanized" —that is, that it will be based on the assumption, first, that there are different explanations for different types of inequality. This assumption clouds understanding if distinct results for each gap are derived from the same general stratification process, in which the overlaying of different hierarchical categories might play a central role. The result of such a superimposition of categories might be particularly important in the case of the intersections of class and ethnicity. For example, Hale (1997) has posited that in Latin America, ethnic identity is the result of class position, geographic location and individual strategies and, at the same time, a means of expressing and pursing interests, demands and values.

A starting point is to conceptualize social structure as a multidimensional space of positions in which the population is distributed and in which social class and ethnic group are parameters that differentiate the social positions occupied by individuals and that underlie the distinctions that individuals make in their social relationships (Blau, 1977). Hence, ethnicity can be understood as a hierarchical space of symbolic distinctions, more than as a simple indicator of group heterogeneity. Thus, social identities would be mediators between the "objective" social structure and the representations that persons or groups construct of their position in that space. Models (organized information packets) are the cognitive version of group identities, given that they include information on positions and stratification criteria, such as gender, race and class, that serve to explain social relationships (Reskin, 2002; Tajfel, 1981; Howard, 2000).

One way to apply notions of identity-based symbolic limits and models to Latin American reality is by comparing perceptions concerning which groups are the most discriminated against, as indicated by different forms of ethnic self-identification. As shown in the following figure, those who identify themselves as indigenous or of African origin indicate, more than in the case of the remaining social categories in question, that the members of their own group (native peoples or Afro-descendants) are the most discriminated against. Hence, discrimination of ethnic minorities is more significant for respondents who identify themselves as members of minority groups.

LATIN AMERICA (18 COUNTRIES): PERCEPTIONS OF SOCIALLY MOST DISCRIMINATED GROUPS ACCORDING TO ETHNIC SELF-IDENTIFICATION,[a] 2008

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of the Latinobarómetro 2008 survey database.

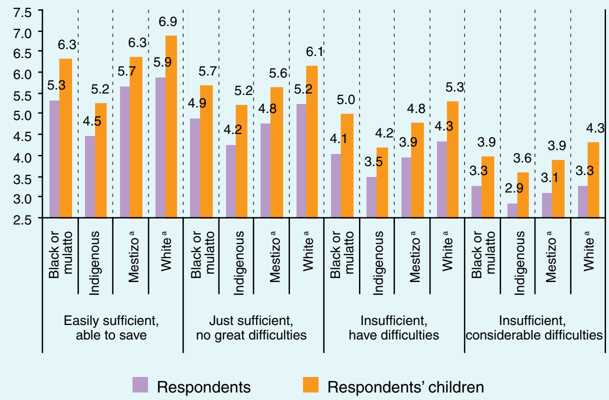
[a] The following question was asked in the Latinobarómetro 2008 survey: "Based on what you know or have heard, who do you believe are the persons or groups of persons who are the most discriminated against in this country or do you believe that no persons or groups are discriminated against in this country?" The incidences of respondents who said that there was no discrimination were eliminated, given that they represented a very small minority and the percentage did not vary strongly among the different groups of ethnic self-identification. The question asked in the Latinobarómetro 2008 survey was: "Which race do you consider that you belong to?" When the data were processed, the responses of persons who had identified themselves as Asian, Jewish or of another race or ethnic group were eliminated.

Box I.9 (concluded)

Another way of visualizing the symbolic limits associated with social identities is by analysing expectations of social mobility according to ethnic identification and the perceived sufficiency of family income. Expectations of social mobility vary, in part, with economic cycles, but they are also structurally associated with class and ethnic identities. This association can be seen in the following figure, which shows that the respondents who have the highest expectations for the well-being of their children are those who identify themselves as white and declare that their income is sufficient and that they are able to save, while the expectations are the lowest among those who describe themselves as indigenous and state that their income is insufficient and that they have considerable difficulty meeting their basic needs.

LATIN AMERICA (18 COUNTRIES): PRESENT AND FUTURE LEVELS OF WELL-BEING ACCORDING TO ETHNICITY AND PERCEIVED SUFFICIENCY OF FAMILY INCOME, 2008

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from the Latinobarómetro database, 2008.

[a] A scale of 1 to 10 is used, in which 1 = poorest and 10 = the wealthiest.

Source: Economic Commission for Latin America and the Caribbean (ECLAC).

Annex

Table I.A-1
LATIN AMERICA (18 COUNTRIES): POVERTY AND INDIGENCE INDICATORS, 1990-2008 [a]
(Percentages)

Country	Year	Poverty [b]				Indigence			
		Households	Population			Households	Population		
		Incidence (H)	Incidence (H)	Gap (PG)	Gap squared (FGT2)	Rate (H)	Incidence (H)	Gap (PG)	Gap squared (FGT2)
Argentina [c]	1990 [d]	16.2	21.2	7.2	3.4	3.5	5.2	1.6	0.8
	1999	16.3	23.7	8.6	4.3	4.3	6.6	2.1	1.1
	2002	34.9	45.4	21.1	12.8	13.9	20.9	8.4	4.6
	2005	18.7	26.0	10.4	5.8	6.0	9.1	3.4	1.8
	2006	14.7	21.0	8.3	4.6	4.9	7.2	2.8	1.5
Bolivia	1989 [e]	48.9	52.6	24.5	15.0	21.9	23.0	9.7	6.1
(Plurinational State of)	1999	54.7	60.6	33.9	24.1	32.5	36.4	20.3	14.7
	2002	55.5	62.4	34.4	23.8	31.7	37.1	19.5	13.5
	2004	56.4	63.9	32.1	20.1	29.9	34.7	15.0	8.9
	2007	47.2	54.0	27.8	18.2	27.2	31.2	14.5	9.7
Brazil	1990	41.4	48.0	23.5	14.7	18.3	23.4	9.7	5.5
	1999	29.9	37.5	17.0	10.2	9.6	12.9	5.3	3.3
	2001	29.9	37.5	17.3	10.7	10.0	13.2	5.8	3.8
	2007	23.4	30.0	13.0	7.8	6.7	8.5	3.9	2.7
	2008	19.9	25.8	10.7	6.3	5.8	7.3	3.3	2.2
Chile	1990	33.3	38.6	14.9	8.0	10.6	13.0	4.4	2.3
	1998	17.8	21.7	7.5	3.8	4.6	5.6	2.0	1.1
	2000	16.3	20.2	7.0	3.7	4.5	5.6	2.1	1.2
	2003	15.3	18.7	6.3	3.2	3.9	4.7	1.7	1.0
	2006	11.3	13.7	4.4	2.2	2.7	3.2	1.1	0.7
Colombia	1994	47.3	52.5	26.6	17.5	25.0	28.5	13.8	9.1
	1999	48.7	54.9	25.6	15.7	23.2	26.8	11.2	6.9
	2002	45.6	51.5	24.3	15.1	21.8	24.8	10.5	6.6
	2005	40.6	46.8	20.7	12.3	17.4	20.2	8.3	5.0
	2008 [f]	...	42.8	...	...	...	22.9	...	...
Costa Rica	1990	23.6	26.3	10.7	6.5	10.0	10.1	4.8	3.4
	1999	18.2	20.3	8.1	4.8	7.5	7.8	3.5	2.3
	2002	18.6	20.3	8.4	5.2	7.7	8.2	3.9	2.7
	2007	17.1	18.6	6.2	3.3	5.1	5.3	2.0	1.2
	2008	14.8	16.4	5.8	3.1	5.2	5.5	2.2	1.4
Ecuador [c]	1990	55.8	62.1	27.6	15.8	22.6	26.2	9.2	4.9
	1999	58.0	63.5	30.1	18.2	27.2	31.3	11.5	6.3
	2002	42.6	49.0	20.8	11.8	16.3	19.4	6.9	3.7
	2007	32.6	38.8	14.8	7.8	10.2	12.4	4.1	2.2
	2008	33.1	39.0	14.7	7.7	11.6	14.2	4.7	2.4
El Salvador	1995	47.6	54.2	24.0	14.3	18.2	21.7	9.1	5.6
	1999	43.5	49.8	22.9	14.0	18.3	21.9	9.4	5.8
	2001	42.9	48.9	22.7	14.0	18.3	22.1	9.5	5.7
	2004	40.4	47.5	21.1	12.6	15.6	19.0	8.1	5.0
Guatemala	1989	63.0	69.4	35.9	23.1	36.7	42.0	18.5	11.2
	1998	53.5	61.1	27.3	15.4	26.1	31.6	10.7	5.1
	2002	52.8	60.2	27.0	15.4	26.9	30.9	10.7	5.5
	2006	46.7	54.8	25.5	15.2	22.7	29.1	11.3	5.8
Honduras	1990	75.2	80.8	50.2	35.9	53.9	60.9	31.5	20.2
	1999	74.3	79.7	47.4	32.9	50.6	56.8	27.9	17.5
	2002	70.9	77.3	45.3	31.2	47.1	54.4	26.6	16.2
	2006	65.7	71.5	43.1	31.3	43.4	49.3	27.4	19.0
	2007	63.1	68.9	39.5	27.6	39.9	45.6	23.9	15.7
Mexico	1989	39.0	47.7	18.7	9.9	14.0	18.7	5.9	2.7
	1998	38.0	46.9	18.4	9.4	13.2	18.5	5.3	2.2
	2002	31.8	39.4	13.9	6.7	9.1	12.6	3.5	1.4
	2006	24.6	31.7	10.5	4.9	6.0	8.7	2.4	1.0
	2008	27.9	34.8	12.0	5.7	8.2	11.2	3.2	1.3

Table I.A-1 (concluded)

Country	Year	Poverty [b]				Indigence			
		Households	Population			Households	Population		
		Incidence (H)	Incidence (H)	Gap (PG)	Gap squared (FGT2)	Rate (H)	Incidence (H)	Gap (PG)	Gap squared (FGT2)
Nicaragua	1993	68.1	73.6	41.9	29.3	43.2	48.4	24.3	16.2
	1998	65.1	69.9	39.4	27.3	40.1	44.6	22.6	15.1
	2001	63.0	69.4	37.1	24.5	36.5	42.5	19.2	12.0
	2005	54.4	61.9	29.1	17.3	26.8	31.9	12.3	6.5
Panama	1991 [c]	27.4	32.7	13.7	8.1	10.1	11.5	5.2	3.4
	1999 [c]	17.0	20.8	7.6	4.1	4.9	5.9	2.3	1.4
	2002	30.0	36.9	16.8	10.2	14.4	18.6	7.6	4.3
	2007	22.2	29.0	11.7	6.4	8.6	12.0	4.3	2.2
	2008	21.5	27.7	11.5	6.5	9.5	13.5	5.1	2.7
Paraguay	1990 [g]	36.8	43.2	16.1	8.0	10.4	13.1	3.6	1.5
	1999	51.7	60.6	30.2	19.0	26.0	33.8	14.5	8.5
	2001	52.0	61.0	30.3	19.5	26.5	33.2	15.4	9.6
	2007	53.2	60.5	28.4	17.4	26.0	31.6	13.5	8.0
	2008	50.2	58.2	26.9	15.9	25.1	30.8	12.1	6.5
Peru	1997	40.5	47.6	20.8	12.0	20.4	25.1	10.1	5.7
	1999	42.3	48.6	20.6	11.7	18.7	22.4	9.2	5.1
	2001 [h]	48.7	54.7	24.7	14.5	20.4	24.4	9.6	5.2
	2007 [h]	33.9	39.3	15.3	8.1	11.4	13.7	4.3	1.9
	2008 [h]	31.0	36.2	13.6	7.0	10.5	12.6	4.0	1.8
Dominican Republic	2002	42.2	47.1	20.9	12.6	18.2	20.7	8.8	5.3
	2007	41.2	44.5	20.6	12.6	19.6	21.0	8.9	5.5
	2008	40.1	44.3	20.2	12.1	20.4	22.6	8.8	5.0
Uruguay [c]	1990	11.8	17.9	5.3	2.4	2.0	3.4	0.9	0.4
	1999	5.6	9.4	2.7	1.2	0.9	1.8	0.4	0.2
	2002	9.3	15.4	4.5	1.9	1.3	2.5	0.6	0.2
	2007	11.3	18.1	5.2	2.1	1.7	3.1	0.7	0.2
	2008	8.6	14.0	4.3	1.9	1.9	3.5	0.9	0.3
Venezuela (Bolivarian Republic of)	1990	34.2	39.8	15.7	8.5	11.8	14.4	5.0	2.4
	1999	44.0	49.4	22.6	13.7	19.4	21.7	9.0	5.5
	2002	43.3	48.6	22.1	13.4	19.7	22.2	9.2	5.7
	2007	24.5	28.5	10.2	5.4	7.5	8.5	3.2	1.9
	2008	23.6	27.6	9.9	5.2	8.5	9.9	3.5	2.0
Latin America [i]	1990	41.0	48.3	…	…	17.7	22.5	…	…
	1999	35.4	43.9	…	…	14.1	18.7	…	…
	2002	36.1	44.0	…	…	14.6	19.4	…	…
	2007	27.1	34.1	…	…	9.7	12.6	…	…
	2008	26.2	33.0	…	…	10.0	12.9	…	…

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the relevant countries.

[a] H = Headcount index; PG = Poverty gap; FGT2 = Foster, Greer and Thorbecke index.
[b] Includes households (persons) living indigence or extreme poverty.
[c] Urban areas.
[d] Greater Buenos Aires.
[e] Eight main cities and El Alto.
[f] The data for 2008 are based on a new household survey, which was combined with the previous series by the National Administrative Department of Statistics (DANE) and the National Planning Department (DNP) of Colombia. Because ECLAC has not finished processing the new surveys, the data for 2008 have been preliminarily estimated by applying the percentage variations implied in the official figures by the figures for 2005 (as estimated by ECLAC).
[g] Asunción metropolitan area.
[h] Figures compiled by the National Institute of Statistics and Informatics (INEI) of Peru. These figures are not comparable with those of previous years because of a change in the sample framework used in the household survey. Similarly, figures for 2001 refer to the fourth quarter, whereas those for 2005 to 2008 are for the entire year.
[i] Estimate for 18 countries of the region plus Haiti.

Table I.A-2
LATIN AMERICA (18 COUNTRIES): HOUSEHOLD INCOME DISTRIBUTION, 1990-2008 [a]
(Percentages)

Country	Year	Average income [b]	Share in total income of				Ratio of average income per capita [c]	
			Poorest 40%	Next 30%	20% below the wealthiest 10%	Wealthiest 10%	$D^{10}/D^{(1\ a\ 4)}$	Q^{5}/Q^{1}
Argentina [d]	1990 [e]	10.6	15.0	23.7	26.7	34.6	13.5	13.5
	1999	11.3	15.8	22.1	25.3	36.8	16.2	16.6
	2002	7.3	14.4	20.5	24.6	40.5	19.0	20.7
	2005	9.6	16.4	22.7	25.4	35.5	14.9	16.1
	2006	10.8	16.9	22.9	25.2	35.0	14.4	15.5
Bolivia	1989 [f]	7.7	12.1	21.9	27.9	38.1	17.1	21.4
(Plurinational State of)	1999	5.6	9.3	24.1	29.6	37.0	26.7	48.1
	2002	6.1	9.5	21.4	28.3	40.8	30.3	44.2
	2004	5.3	12.2	22.7	27.3	37.8	20.6	24.8
	2007	6.1	11.2	25.2	28.2	35.4	22.2	31.5
Brazil	1990	9.4	9.6	18.5	28.0	43.9	31.2	35.0
	1999	11.3	10.0	17.4	25.4	47.2	32.0	35.6
	2001	11.0	10.3	17.4	25.6	46.7	32.2	36.9
	2007	10.8	12.7	19.5	25.7	42.1	22.7	25.9
	2008	12.1	12.7	19.2	24.7	43.4	23.8	26.2
Chile	1990	9.5	13.2	20.8	25.3	40.7	18.2	18.4
	1998	13.7	13.0	20.4	26.6	40.0	19.1	19.7
	2000	14.0	13.5	20.5	25.3	40.7	19.2	19.5
	2003	13.6	13.8	20.8	25.6	39.8	18.8	18.4
	2006	14.4	14.6	21.6	26.7	37.1	15.9	15.7
Colombia	1994	7.7	9.9	21.3	27.0	41.8	26.8	35.2
	1999	6.7	12.4	21.6	26.0	40.0	22.3	25.6
	2002	6.9	12.3	22.4	26.5	38.8	24.1	28.5
	2004	6.9	12.1	21.9	26.0	40.0	25.1	29.1
	2005	7.8	12.2	21.3	25.4	41.1	25.2	27.8
Costa Rica	1990	9.5	16.7	27.4	30.2	25.7	10.1	13.1
	1999	11.4	15.3	25.7	29.7	29.3	12.6	15.3
	2002	11.7	14.4	25.6	29.7	30.3	13.7	16.9
	2007	11.0	15.0	24.9	28.1	32.0	13.9	14.8
	2008	11.1	15.4	25.2	28.4	31.0	12.5	13.5
Ecuador [d]	1990	5.5	17.1	25.4	26.9	30.6	11.4	12.3
	1999	5.6	14.1	22.7	26.5	36.7	17.2	18.4
	2002	6.7	15.5	24.3	26.1	34.1	15.7	16.8
	2007	8.3	15.4	23.1	26.1	35.4	15.4	15.8
	2008	7.6	16.6	24.8	26.9	31.7	12.3	13.2
El Salvador	1995	6.2	15.5	24.8	27.0	32.7	14.1	16.9
	1999	6.6	13.8	25.0	29.1	32.1	15.2	19.6
	2001	6.7	13.5	24.7	28.7	33.1	16.2	20.3
	2004	6.2	15.9	26.0	28.8	29.3	13.3	16.3
Guatemala	1989	6.0	11.8	20.9	26.9	40.4	23.6	27.4
	1998	7.1	14.3	21.6	25.0	39.1	20.4	19.8
	2002	6.8	14.1	22.4	27.3	36.2	18.6	19.3
	2006	7.6	12.8	21.8	25.7	39.7	22.0	23.9
Honduras	1990	4.3	10.2	19.7	27.1	43.0	27.4	30.7
	1999	3.9	11.8	22.9	29.0	36.3	22.3	26.5
	2002	4.3	11.4	21.7	27.6	39.3	23.6	26.3
	2006	4.5	8.8	22.5	29.3	39.4	27.8	40.9
	2007	4.7	10.1	23.5	29.5	36.9	23.6	32.5

Table I.A-2 (concluded)

Country	Year	Average income [b]	Share of total income corresponding to				Ratio of average income per capita	
			Poorest 40%	Next 30%	20% below the wealthiest 10%	Wealthiest 10%	$D^{10}/D^{(1\ a\ 4)}$	Q^5/Q^1
Mexico	1989	8.6	15.8	22.5	25.1	36.6	17.2	16.9
	1998	7.7	15.0	22.7	25.6	36.7	18.4	18.5
	2002	8.2	15.7	23.8	27.2	33.3	15.1	15.5
	2006	8.7	16.9	24.1	26.1	32.9	14.7	14.8
	2008	8.6	16.0	24.0	25.6	34.4	16.1	16.0
Nicaragua	1993	5.2	10.4	22.8	28.4	38.4	26.1	37.7
	1998	5.6	10.4	22.1	27.0	40.5	25.3	35.1
	2001	5.8	12.0	21.7	25.6	40.7	23.6	27.5
	2005	6.5	14.3	24.0	26.2	35.5	17.2	18.6
Panama	1991 [d]	10.8	14.1	23.9	29.3	32.7	16.8	20.1
	1999 [d]	12.6	15.6	25.2	27.8	31.4	14.0	15.9
	2002	9.8	12.2	23.6	28.0	36.2	20.1	25.7
	2007	10.1	14.7	25.4	28.2	31.7	15.6	18.9
	2008	10.3	14.5	25.7	27.8	32.0	15.2	18.8
Paraguay	1990 [g]	7.7	18.7	25.7	26.8	28.8	10.2	10.6
	1999	6.2	13.2	23.0	27.8	36.0	19.3	22.6
	2001	6.2	12.9	23.5	26.3	37.3	20.9	25.6
	2007	5.7	14.3	23.9	25.2	36.6	17.0	19.1
	2008	5.7	14.7	24.7	26.4	34.2	16.7	18.4
Peru	1997	7.5	13.3	24.6	28.7	33.4	17.9	20.9
	1999	7.5	13.3	23.1	27.1	36. 5	19.5	21.7
	2001	6.4	13.4	24.6	28.5	33.5	17.4	19.3
	2007	7.7	14.3	25.1	28.4	32.2	14.7	16.5
	2008	7.8	15.7	26.5	28.4	29.4	12.8	14.4
Dominican Republic	2002	6.9	12.7	22.7	26.9	37.7	17.8	20.7
	2007	7.5	11.0	22.0	29.2	37.8	21.3	26.4
	2008	7.3	11.5	23.3	30.4	34.8	21.2	25.3
Uruguay [d]	1990	9.9	18.9	23.3	22.5	35.3	11.0	10.5
	1999	11.9	21.6	25.5	25.8	27.1	8.8	9.5
	2002	9.4	21.7	25.4	25.6	27.3	9.5	10.2
	2007	8.4	21.1	25.1	26.3	27.5	9.6	10.3
	2008	9.2	21.2	25.5	26.3	27.0	9.0	9.6
Venezuela (Bolivarian Republic of)	1990	8.9	16.7	25.7	28.9	28.7	12.1	13.4
	1999	7.2	14.5	25.0	29.0	31.5	15.0	18.0
	2002	7.1	14.3	25.0	29.5	31.2	14.5	18.1
	2007	8.9	18.4	27.5	28.5	25.6	9.3	10.6
	2008	8.6	19.2	27.9	28.1	24.8	8.4	9.7

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the relevant countries.

[a] Households arranged in order of per capita income.
[b] Average monthly household income, in multiples of the per capita poverty line.
[c] D(1 to 4) means the 40% of households with the lowest income, while D10 means the 10% of households with the highest income. The same notation is used for quintiles (Q), where each group represents 20% of total households.
[d] Urban total.
[e] Greater Buenos Aires.
[f] Eight major cities and El Alto.
[g] Asunción metropolitan area.

Table I.A-3
LATIN AMERICA (18 COUNTRIES): INDICATORS OF INCOME CONCENTRATION, 1990-2008 [a]

Country	Year	Percentage of the population with per capita income below 50% of the median	Indices of concentration			
			Gini [b]	Variance Log	Theil	Atkinson (ε=1,5)
Argentina [c]	1990 [d]	20.5	0.501	0.982	0.555	0.473
	1999	22.2	0.539	1.194	0.667	0.530
	2002	24.3	0.578	1.510	0.724	0.593
	2005	22.1	0.526	1.190	0.602	0.525
	2006	21.7	0.519	1.173	0.626	0.522
Bolivia (Plurinational State of)	1989 [e]	20.6	0.537	1.528	0.574	0.600
	1999	29.5	0.586	2.548	0.658	0.738
	2002	28.6	0.614	2.510	0.776	0.738
	2004	23.8	0.561	1.559	0.636	0.600
	2007	27.2	0.565	2.159	0.611	0.709
Brazil	1990	26.6	0.627	1.938	0.816	0.664
	1999	25.9	0.640	1.913	0.914	0.663
	2001	26.1	0.639	1.925	0.914	0.665
	2007	24.7	0.590	1.559	0.744	0.605
	2008	24.3	0.594	1.538	0.808	0.604
Chile	1990	20.4	0.554	1.261	0.644	0.546
	1998	21.0	0.560	1.302	0.654	0.553
	2000	20.3	0.564	1.308	0.676	0.556
	2003	19.5	0.552	1.203	0.674	0.535
	2006	18.5	0.522	1.065	0.568	0.497
Colombia	1994	26.0	0.601	2.042	0.794	0.684
	1999	21.8	0.572	1.456	0.734	0.603
	2002	22.4	0.569	1.396	0.705	0.580
	2004	22.0	0.577	1.410	0.727	0.580
	2005	21.2	0.584	1.460	0.752	0.591
Costa Rica	1990	19.4	0.438	0.833	0.328	0.412
	1999	20.7	0.473	0.974	0.395	0.457
	2002	21.2	0.488	1.080	0.440	0.491
	2007	18.9	0.484	0.918	0.466	0.449
	2008	18.5	0.473	0.893	0.427	0.439
Ecuador [c]	1990	17.4	0.461	0.823	0.403	0.422
	1999	18.8	0.526	1.075	0.567	0.498
	2002	19.6	0.513	1.031	0.563	0.487
	2007	19.0	0.520	1.043	0.550	0.488
	2008	18.5	0.480	0.915	0.454	0.449
El Salvador	1995	22.0	0.507	1.192	0.502	0.525
	1999	24.2	0.518	1.548	0.496	0.601
	2001	24.4	0.525	1.559	0.528	0.602
	2004	21.3	0.493	1.325	0.449	0.552
Guatemala	1989	22.7	0.582	1.476	0.736	0.590
	1998	20.0	0.560	1.182	0.760	0.534
	2002	17.9	0.542	1.157	0.583	0.515
	2006	24.7	0.585	1.475	0.773	0.590
Honduras	1990	26.1	0.615	1.842	0.817	0.649
	1999	25.7	0.564	1.560	0.636	0.603
	2002	26.5	0.588	1.607	0.719	0.608
	2006	31.9	0.605	2.332	0.736	0.713
	2007	30.5	0.580	1.963	0.650	0.661

Table I.A-3 (concluded)

Country	Year	Percentage of the population with per capita income below 50% of the median	Indices of concentration			
			Ginib	Variance Log	Theil	Atkinson (ε=1,5)
Mexico	1989	19.7	0.536	1.096	0.680	0.509
	1998	22.9	0.539	1.142	0.634	0.515
	2002	21.2	0.514	1.045	0.521	0.485
	2006	19.5	0.506	0.992	0.527	0.481
	2008	19.9	0.515	1.024	0.599	0.485
Nicaragua	1993	27.4	0.582	1.598	0.671	0.619
	1998	26.8	0.583	1.800	0.731	0.654
	2001	23.8	0.579	1.599	0.783	0.620
	2005	22.6	0.532	1.187	0.614	0.526
Panama	1991 [c]	22.0	0.530	1.254	0.543	0.534
	1999 [c]	21.7	0.499	1.088	0.459	0.490
	2002	26.6	0.567	1.691	0.616	0.618
	2007	25.9	0.524	1.334	0.520	0.547
	2008	25.4	0.524	1.381	0.522	0.557
Paraguay	1990 [f]	16.4	0.447	0.737	0.365	0.386
	1999	25.7	0.565	1.555	0.668	0.599
	2001	26.4	0.570	1.705	0.702	0.631
	2007	21,9	0.539	1.309	0.701	0.557
	2008	22.7	0.527	1.187	0.597	0.525
Peru	1997	25.6	0.533	1.351	0.567	0.554
	1999	23.6	0.545	1.357	0.599	0.560
	2001	23.9	0.525	1.219	0.556	0.527
	2007	24.2	0.500	1.081	0.486	0.489
	2008	22.3	0.476	0.969	0.428	0.457
Dominican Republic	2002	22.1	0.537	1.247	0.569	0.536
	2007	24.2	0.556	1.466	0.599	0.587
	2008	25.0	0.550	1.408	0.593	0.569
Uruguay [c]	1990	17.4	0.492	0.812	0.699	0.441
	1999	19.0	0.440	0.764	0.354	0.393
	2002	19.6	0.455	0.802	0.385	0.412
	2007	19.5	0.457	0.787	0.389	0.403
	2008	19.0	0.446	0.778	0.372	0.399
Venezuela (Bolivarian Republic of)	1990	20.1	0.471	0.930	0.416	0.446
	1999	21.6	0.498	1.134	0.464	0.507
	2002	22.4	0.500	1.122	0.456	0.507
	2007	18.1	0.427	0.734	0.321	0.381
	2008	17.8	0.412	0.689	0.295	0.363

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.
[a] Calculated on the basis of per capita income distribution throughout the country.
[b] Includes persons with zero income.
[c] Urban total.
[d] Greater Buenos Aires.
[e] Eight major cities and El Alto.
[f] Asunción metropolitan area.

Chapter II

Trends in social spending, cash transfers and conditional transfer programmes

A. Introduction

During the application of the outward-oriented development model which prevailed up to the mid-twentieth century, the scope of social benefits in Latin America was limited to civil servants and the personnel of agricultural and mining operations connected with international trade. With the growth of the urban middle class and the working class, the State came under pressure to change its approach to social issues, and an industrialization model based on import substitution was adopted. This involved the State managing and ensuring both economic development and the provision of well-being, which was to be achieved by protecting wage-earners as key actors and constructing a segmented protection system.

In the early 1980s, however, a different system began to be implemented. From the debt crisis onwards, economic stabilization and structural adjustment programmes were promoted in the region, marking the arrival of the free-market model. Social policy in the employment field was characterized by measures to deregulate contractual arrangements and improve flexibility in order to lower wage costs. Against a backdrop of high unemployment, job security worsened, and own-account work and informal employment increased. The coverage of work-related risks was meanwhile shifted to the market in the form of privately-managed and publicly-regulated quasi-markets for health care and social security (Andrenacci and Repetto, 2006).

In the area of social services, education and public health systems were decentralized, which led to funding problems at the subnational level and hence to the partial privatization of those systems and the basic social infrastructure. Social welfare efforts focused on developing anti-poverty policies, and targeted social programmes expanded and multiplied.

From the mid-1990s, without any substantive changes in the open-economy approach, which remained based on the market as the main supplier and distributor of social services, and heeding the need to attain fiscal equilibrium, certain new social-policy mechanisms began to be tested in order to tackle the persistent problems of poverty, lack of equity and inequality.

The various episodes of economic instability recorded in the late 1990s —triggered by the Asian crisis, natural disasters in Central America, the drop in world commodity prices, paralysis of the world economy in 2000 and, soon thereafter, the crisis which hit Argentina and Uruguay— finally drove the region to reformulate social policy in general and anti-poverty policies in particular. This resulted from the realization that the approaches implemented so far had made little progress in reducing poverty and that the “trickle-down” mechanisms of the growth model had had little impact in terms of improving poor people’s incomes.

It became apparent that crises tend to lead to disorganization in State-run social services and to a rapid rise in poverty and unemployment indices, which subsequently take a long time to recover or do so only partially (Ocampo, 2004). Decentralization processes, the generation of quasi-markets and the privatization of basic services and the social insurance system were also showing worrisome signs in terms of loss of coverage, fragmentation and unequal access to allowances and related benefits.

The new approaches to social protection emphasize safeguards against cases of income loss, poverty and social exclusion which leave people in situations of vulnerability and social risk (Serrano, 2005). Those approaches have been partially and gradually permeated by views on the need to guarantee economic, social and cultural rights, the central idea of which is social citizenship through legislation. They depart from the opposition between the universality of rights and the rationality of targeting, and call into question the merits of social protection regimes based on individual capitalization. Lastly, these new approaches also seek to combine the core elements of the fight against poverty with those of the fight against inequality and efforts to promote social cohesion.

This new orientation is reflected in the call for the creation of social protection systems or networks that are conceived as mechanisms for the organization and execution of a variety of social programmes which provide the coverage of traditional social security schemes in combination with social services and welfare programmes.

The formulation and design of these networks has revolved around two predominant concepts: social capital and social risk management. The former can be understood as an intangible resource which enables individuals and groups to obtain certain benefits on the basis of social relations based on trust, reciprocity and cooperation (Arriagada, 2005). The theory suggests that, as the social capital of protection networks increases, disparities in benefits will decrease. That inverse ratio between income inequality and average benefit levels is due: in part to the result of the terms of trade in networks with abundant social capital, which favour the least privileged groups; to higher investment in public goods, which helps to improve the situation of the participants regardless of individual income; and to the social rules applied by those who share that social capital, which allow for greater equality of opportunities (Robinson, Silles and Schmid, 2003).

From a different perspective, the broad notion of protection networks is defined by social risk management. It is argued that when risk becomes fact, those affected see their security endangered and even feel that the circumstances oblige them to sacrifice their families’ future capacities. Such eventualities must therefore be foreseen so that mechanisms can be created to reduce the vulnerability of certain social groups and conserve human and social capital (Cohen and Franco, 2006a). Two of the risks taken into account in the formulation of programmes of this type are the absence or loss of employment —particularly among groups such as young people, women, ethnic minorities and unskilled workers— and the loss of income which occurs when the head of household has lost his or her job. There are also risks connected with certain stages in the life cycle, such as ageing and maternity, the negative impact of school dropouts on human capital, poor nutrition or the lack of health care, and the effects of natural disasters such as floods, earthquakes and droughts.

Initially, protection networks were conceived as emergency programmes to overcome the impacts of crises, but efforts have been made gradually to strengthen them and make them permanent in response to the continuance of the crises and the frequency of economic downturns (Acosta and Ramírez, 2004). Although it has been demonstrated that in the long term, factors such as demographic transition and economic growth have generally had a greater impact on poverty reduction than social policy, some countries have in recent years developed broader, more comprehensive and more coordinated policies, which have been particularly successful in reducing poverty and indigence. These include innovative link-ups between programmes to create employment —public works, job creation subsidies and subsidized lines of credit— and provide training for young people and the unemployed and the conditional transfer programmes. The latter will be considered later in this chapter.

Following a five-year period which was positive in terms of reducing poverty, unemployment and income inequality, the repercussions of the recent global crisis have brought back into focus the role of the State as a regulating and even participating agent in response to failures of the market and its various asymmetries. Measures adopted by many of the region’s governments show that the State has played an active part in mitigating the effects of the crisis (see chapter III). That role depends, however, on what resources it can mobilize, its institutional strength and the level of coordination among the measures taken in response to the crisis and between those measures and longer-term sectoral programmes.

It is therefore necessary to examine the mechanisms used by governments and States to counteract and mitigate the social costs of the crisis and to promote greater well-being in society. This chapter will consider the growth of social spending, its relationship with the business cycle, its sectoral performance and its size in relation to GDP and total public spending. It will analyse the impact of the various cash transfers recorded by household surveys on the redistribution of primary household income. It will also examine the significance of conditional cash transfer programmes in terms of social spending and the well-being of the recipient households, as well as the challenges involved in their design and management.

The chapter will close with a summary of the main elements of the discussion in recent years on the concept of social policy and its role in relation to economic development, both in the framework of the current financial crisis and in terms of the challenges to be faced by the region in the coming decades. The purpose of this is to identify essential aspects of the restructuring needed in the welfare regimes of Latin America, in accordance with the countries' varying situations and challenges.

B. Trends, behaviour and characteristics of social spending

The upward trend in public social spending, which has risen by five percentage points of GDP since the early 1990s, reflects the Latin American countries' growing commitment to social policy formulation. The sectoral focus of public social spending varies according to the countries' levels of development and productive structures, their socio-demographic characteristics and the unmet basic needs of the population. Despite governments' efforts to increase the funding available for social purposes, amounts of social spending remain insufficient and are unable to produce the necessary effects to improve levels of well-being and equity. Social spending is mostly procyclical and tends to decrease in times of crisis. Although it is true that transfer programmes to combat poverty have increased in number and scope in the region, they are too small to cover existing needs and do not develop human capital sufficiently to detain the reproduction of inequality. Furthermore, social challenges are increasing owing to the new external and internal shocks associated with market volatility.

The scale, behaviour and distribution of social spending at the sectoral level reflects the priorities of States and their efforts to delink the well-being of individuals and families from their socio-economic condition and their fate in the hands of the market. The goal of the economic reforms of the 1990s was to increase levels of well-being by improving the functioning of markets based on free competition, under the supposition that the market would generate a more efficient and fairer distribution of the resources obtained from individual labour and productivity. As a result, in many cases the actions of the State were restricted to a subsidiary, segment-specific role, to ensure that the poorest people would have a share in the benefits of growth. The reforms did not, however, produce the expected results in terms of reducing social inequality. As a result, the region continues to be faced with the problems associated with poverty and major social and economic inequality (see chapter I). Social policies have not succeeded in satisfying the demand for protection, even though governments and States have sought, by means of a variety of instruments, to increase social investment and enhance the impact of their actions.

1. Trends in public social spending

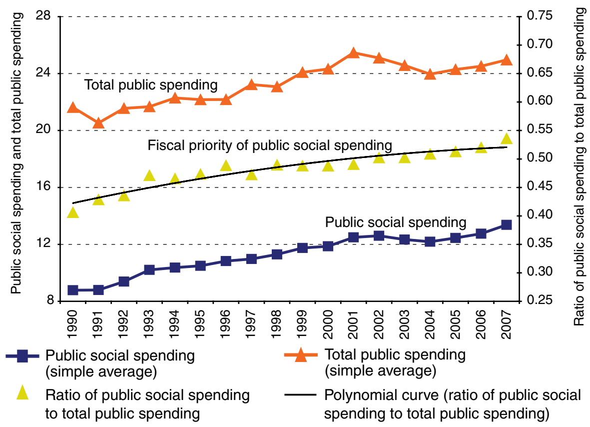
In the wake of the crisis which hit Latin America in the early 1980s, public spending suffered marked financial restraints. The policy options for narrowing the widening fiscal gap were to boost fiscal revenue, reduce public spending, or both (Mostajo, 2000). The latter was chosen for balancing fiscal accounts, and this had a negative impact on social spending at a time when levels of well-being were deteriorating.

In the 1990s, governments began to recognize the benefits and importance of social spending as an instrument for channelling resources to the poorest populations, as well as the important role of social development in stimulating economic growth. The rising growth rate of public social spending, which began in the early 1990s, attests to the increasing commitment of Latin American countries to allocate public funds to social policies, to enhance their stability and institutional legitimacy and to establish stronger funding guarantees for them. These efforts depend to a great extent on the level of development of each country (ECLAC, 2007b). There is a direct relationship between each government's capacity to collect revenue and the availability of public funds to finance protection systems that address old and new social and economic risks. The tax burden in the region is still low, however, which imposes considerable budgetary constraints. Nonetheless, governments have made major efforts to increase public spending in a framework of tighter fiscal discipline, especially —as figure II.1 shows— on budget items associated with social development.

Since the early 1990s, public social spending as a percentage of GDP, calculated using the weighted average for all the countries, has risen by five percentage points (see figure II.2). This shows a trend in the region towards allocating larger resources to social policy, although the growth of social spending has stalled at times. In particular, it stagnated following 1999 and 2000, and especially in 2002-2003 when Argentina, for example, experienced a 2.5 percentage-point drop in GDP. Nevertheless, aside from a possible decline in social spending as a result of the current world economic crisis, the upward trend has continued in recent years.[1]

In 2006-2007, public social spending was almost double that recorded in 1990-1991, rising to US$ 820 per capita in 2000 prices, 18% above the 2004-2005 figure. There are huge disparities among countries, with the highest per capita figure as much as 20 times higher than the lowest. Eight of the 21 countries analysed spend less than US$ 300 per capita, and in six countries —Ecuador, Guatemala, Honduras, Nicaragua, Paraguay and the Plurinational State of Bolivia— the figure is below US$ 200. Only in four countries does it exceed US$ 1,000: Argentina, Brazil, Cuba and Uruguay. This reflects the close link between public social spending and the economy's general level of resources (see figure II.3).

Figure II.1
LATIN AMERICA (21 COUNTRIES): TRENDS IN PUBLIC SOCIAL SPENDING AND TOTAL PUBLIC SPENDING [a]
(Percentages of GDP)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the Commission's social expenditure database.
[a] Weighted averages.

Using the scheme developed by Mostajo (2000), which classified the countries into three groups according to the macroeconomic resources they devote to social spending —measured as percentages of GDP— it can be seen that between the early 1990s and 2006-2007, the countries in the low-spending category made particular efforts to increase their expenditure (see tables II.1 and II.2).[2] Despite the progress made, however, the gap between the low- and high-spending countries has not narrowed.

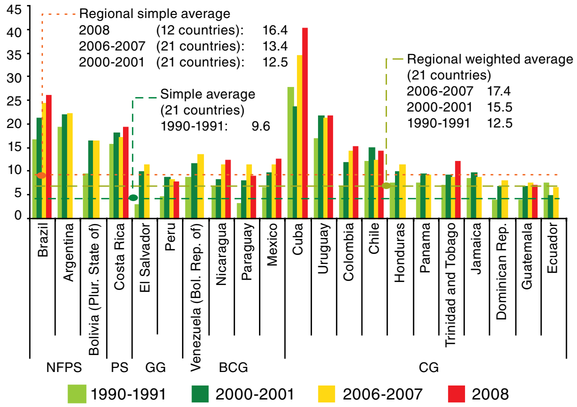
[1] Although insufficient information is available to assess reactions to the current crisis from the social spending viewpoint, the initiatives announced and implemented by the various governments are detailed in chapter III.

[2] Of particular note is the effort made by the Plurinational State of Bolivia, which moved up from the low social spending group in the early 1990s to the high group in 2006-2007.

Figure II.2

LATIN AMERICA AND THE CARIBBEAN (21 COUNTRIES): PUBLIC SOCIAL SPENDING AS A PERCENTAGE OF GDP, 1990-1991 TO 2008

(Percentages)



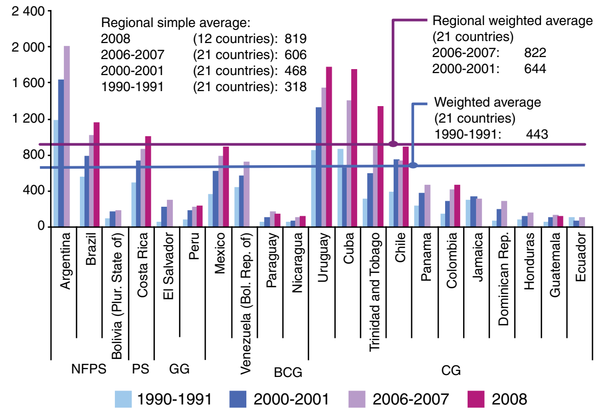
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the Commission's social expenditure database.

Note: NFPS: non-financial public sector; PS: public sector; GG: general government; FG: federal government; BCG: budgetary central government; CG: central government.

Figure II.3

LATIN AMERICA AND THE CARIBBEAN (21 COUNTRIES): PER CAPITA PUBLIC SOCIAL SPENDING, 1990-1991 TO 2008

(In dollars at 2000 prices)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the Commission's social expenditure database.

Note: NFPS: non-financial public sector; PS: public sector; GG: general government; FG: federal government; BCG: budgetary central government; CG: central

Table II.1

TRENDS IN PUBLIC SOCIAL SPENDING (PSS), 1985-1990 AND 2006-2007

Classification according to macroeconomic priority	PSS in the post-reform period, 1985-1990 (Percentages of GDP)	Current period, 2006-2007	PSS 2006-2007	PSS per capita 2006-2007 (in dollars at 2000 prices)
High social spending (more than 13% of GDP)	Argentina Chile Costa Rica	Argentina	22.1	2 002
		Bolivia (Plurinational State of)	16.2	178
		Brazil	24.4	1 019
		Colombia	14.3	411
		Costa Rica	17.2	855
		Cuba	34.5	1 395
		Uruguay	21.2	1 542
		Venezuela (Bolivarian Republic of)	13.4	722
Average for the group	16.8		20.4	1 015
Medium social spending (9%-13% of GDP)	Brazil Colombia Jamaica	Chile	12.2	733
		El Salvador	11.3	291
		Honduras	11.4	156
		Mexico	11.2	782
		Nicaragua	11.4	100
		Panama	9.3	460
		Paraguay	11.3	162
Average for the group	10.8		11.1	383
Low social spending (less than 9% of GDP)	Bolivia (Plurinational State of) Mexico Peru	Ecuador	6.4	104
		Jamaica	8.6	309
		Guatemala	7.5	124
		Peru	8.2	214
		Dominican Republic	8.0	276
		Trinidad and Tobago	8.7	904
Average for the group	5.9		7.9	322

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the Commission's social expenditure database, and R. Mostajo, "Gasto social y distribución del ingreso: caracterización e impacto redistributivo en países seleccionados de América Latina y el Caribe", *Reformas económicas* series (LC/L.1376-P), No. 69, Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), 2000.

Note: In the case of social spending in relation to GDP, updated figures from the 21 countries were classified using the criteria of Mostajo (2000).

Table II.2
TRENDS IN FISCAL PRIORITY, 1982-1983 AND 2006-2007

	Post-reform public social spending, 1985-1990 (percentages of GDP)	Fiscal priority (public social spending as a percentage of total public spending)			
		1982-1983	1988-1989	2000-2001	2006-2007
High social spending (more than 13% of GDP)	Argentina	41.5	52.2	62.8	63.9
	Chile	61.3	58.2	67.7	66.4
	Costa Rica	67.6	65.1	…	…
Average for the group	16.8%	56.8	58.5	-	-
Medium social spending (9%-13% of GDP)	Brazil	46.3	42.3	62.1	73.4
	Colombia	32.6	31.8	42.6	…
	Jamaica	…	28.4	…	…
Average for the group	10.8	-	34.1	-	-
Low social spending (less than 9% of GDP)	Bolivia (Plurinational State of)	29.3	40.3	42.8	49.1
	Mexico	27.6	34.0	61.3	59.3
	Peru	21.7	20.0	52.3	53.1
Average for the group	5.9	26.2	31.4	51.3	52.7

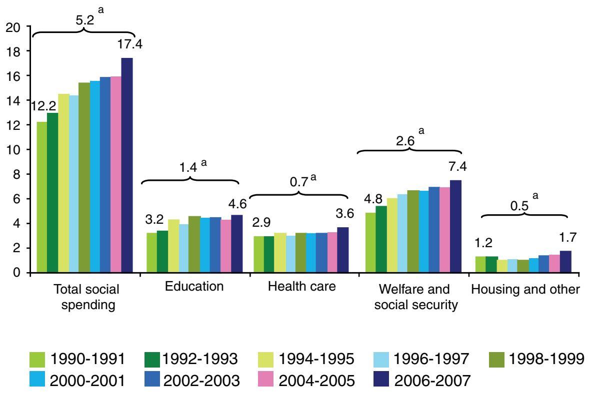
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the Commission's social expenditure database, and R. Mostajo, "Gasto social y distribución del ingreso: caracterización e impacto redistributivo en países seleccionados de América Latina y el Caribe", *Reformas económicas* series (LC/L.1376-P), No. 69, Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), 2000.
Note: In the case of social spending in relation to GDP, updated figures from the 21 countries were classified using the criteria of Mostajo (2000). For fiscal priority, figures were updated for nine countries from the original classification.

Despite the efforts of governments to increase the resources available for social spending, these continue to be insufficient and have not had the impact needed to improve levels of well-being and equity. There have been deficiencies in the allocation and use of those resources and, despite the considerable achievements in the coverage of social spending, there have been no advances in the quality of benefits.

The social spending items that have increased the most since 1990-1991 are welfare, social security and education. These together represent four of the five percentage points of GDP by which overall social spending has risen. This shows that the macroeconomic priority of public finances tends to be the social sphere, reflecting the concern of States for combating poverty and increasing protection in response to demographic trends and changes in family structures (see figure II.4). In particular, the region has developed and extended transfer programmes designed to fight poverty, although their magnitude is not yet sufficient to cover all needs (see section II.D).

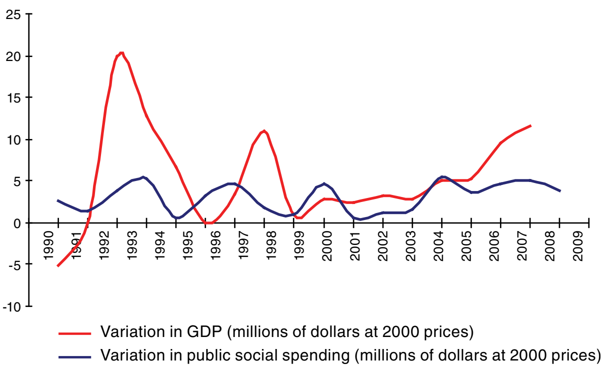
Since the early 1990s, the behaviour of social spending has remained procyclical, contracting in times of crisis and expanding considerably during periods of economic growth (see figure II.5). This reflects the lack of macroeconomic policies that make it possible to deploy policies to offset social risks in times of crisis, as highlighted in the *Social Panorama of Latin America 2007*.

Figure II.4
LATIN AMERICA AND THE CARIBBEAN (21 COUNTRIES): PUBLIC SOCIAL SPENDING, BY SECTOR, 1990-1991 TO 2008
(Percentages of GDP)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the Commission's social expenditure database.
[a] Increase in spending in percentage points, between the periods 1990-1991 and 2006-2007.

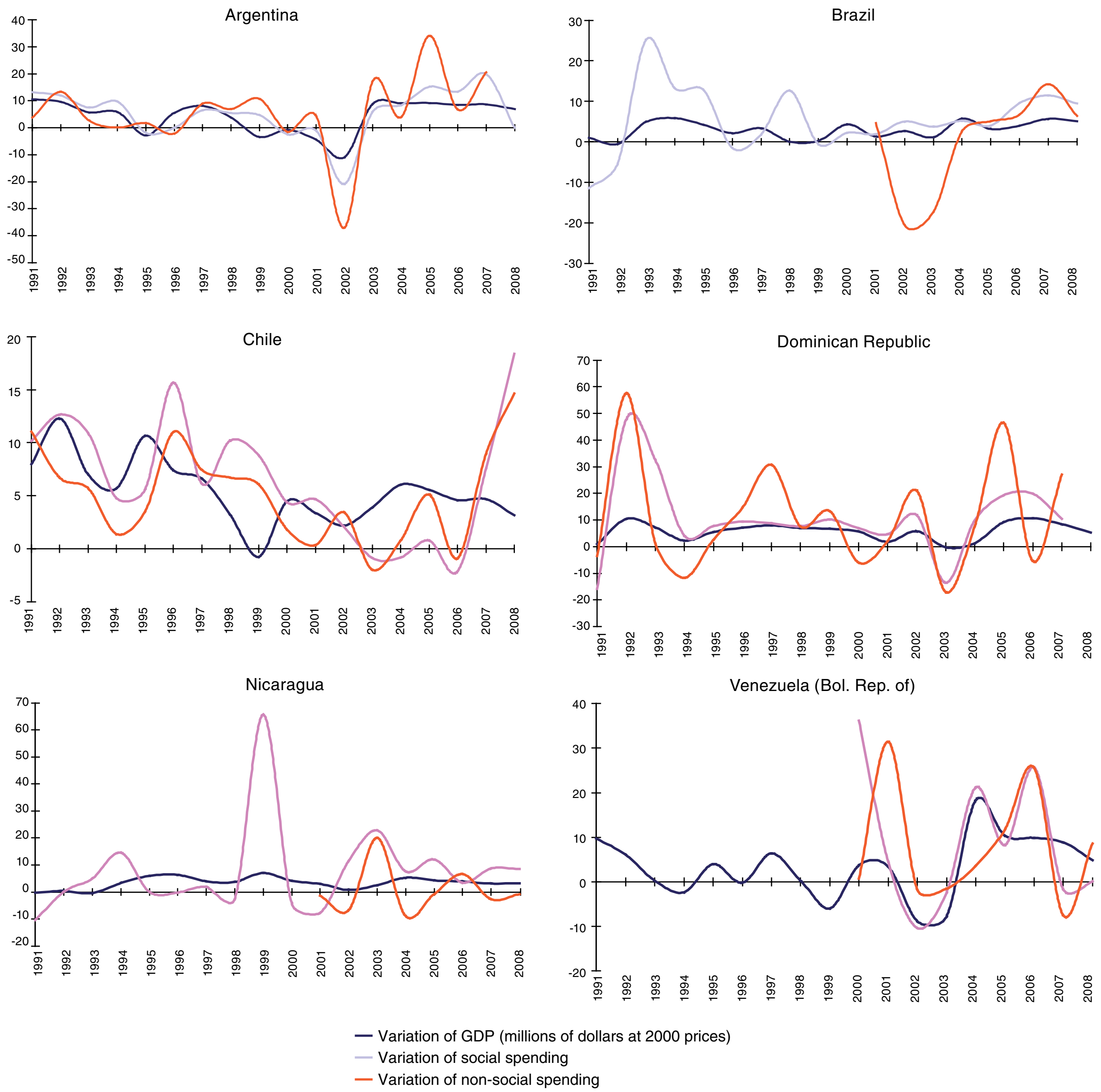
Figure II.5
LATIN AMERICA AND THE CARIBBEAN (21 COUNTRIES): YEARLY VARIATIONS IN PUBLIC SOCIAL SPENDING AND GDP
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the Commission's social expenditure database.

Public spending in general has continued its procyclical behaviour in relation to GDP. As shown in figure II.6, the volatility of non-social public spending is even more pronounced that that of social spending, and there are considerable differences from one country to another.

Figure II.6
PROCYCLICAL BEHAVIOUR OF SOCIAL AND NON-SOCIAL PUBLIC SPENDING
(Percentage change)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the Commission's social expenditure database.

Box II.1

UPDATING OF INFORMATION ON SOCIAL SPENDING

To update information on social spending for the present edition of the *Social Panorama of Latin America*, public social spending data up to 2007 were obtained in accordance with the total and sectoral spending series published in previous editions. Figures updated to 2008 were available in 12 of the 21 countries considered, and these have been published because it is important to have recent data even if they are provisional, estimated or incomplete. Data were updated during the third quarter of 2009, and the process was closed in mid-September.

In most cases it was possible to obtain data on budgetary execution by the central government, and in a number of countries data were collected on actual spending by agencies with budgetary autonomy, local government and non-financial public corporations. Although differences in institutional coverage make comparison between countries difficult, it has been decided to publish the most extensive data available for each country, except when the information involved serious constraints for constructing a series for 1990-2008. This is because the Commission's main interest is to establish with maximum accuracy the amount of each country's public social spending in order to reflect the efforts made by States in this area.

The following table classifies countries according to the institutional coverage of the social spending series used.

Institutional coverage	Country
Total public sector = NFPS + FPS	Costa Rica
Non-financial public sector = GG + NFPE	Argentina, Brazil, Plurinational State of Bolivia
General government = CG + LG	Peru y El Salvador
Central government = GCB + AA	Colombia, Chile, Cuba, Dominican Republic, Ecuador, Guatemala, Honduras, Jamaica, Panama, Trinidad and Tobago, Uruguay
Budgetary central government	Mexico, Nicaragua, Paraguay and Bolivarian Republic of Venezuela

Where AA = agencies with budgetary autonomy; LG = local government; NFPE = non-financial public enterprises; FPE = financial public enterprises.

Since several countries have only very recently adopted the classification system of the *Manual on Government Finance Statistics 2001* of the International Monetary Fund, harmonized with the System of National Accounts (SNA) of 1993, the series for 1990-2008 is not always compatible at the level of subfunctions, subgroups or both. For this reason, up to the previous edition of this publication, ECLAC worked on and published only the series for total public social spending, at the level of major functions or sectors. On this occasion, however, given the importance of the subject and the need for information regarding it, the chapter on social spending analysis for the region now incorporates the functions classified as non-social. At the time this edition went to press, data were available for only 11 countries, since most of them used an aggregate functional classification by major group.

Within the data continuity problems, in some particular cases the aforementioned change led to a lack of information on the complete series or for certain years, functions, or both. This is true for social protection in the Plurinational State of Bolivia from 1990 to 1994; El Salvador, from 1990 to 1992; and Trinidad and Tobago from 1990 to 1999, as well as for figures on social security in Nicaragua. In other countries, such as Jamaica and Trinidad and Tobago, it was impossible to construct the complete series for 1997-1999 owing to the lack of data on the intermediate periods. The figures for the series on Colombia are provisional, there is a change of base in GDP and the guidelines of the *Manual on Government Finance Statistics 2001* are being incorporated in function classifications. In Peru, whereas the series for 1990-1999 corresponds to the budgetary central government, the data for 2000 onwards refer to general government. Lastly, in the case of the Bolivarian Republic of Venezuela, series are available on agreed public social spending (the budgetary law and its modifications at 31 December each year) and on actual public spending outlays, which began in 1999. The institutional coverage of the figures for that country corresponds to the budgetary central government. Since it is a federal country, the published figures may have underestimated total social spending to a greater extent than in other countries reporting that coverage. The same is true of Mexico: the available information on the highly-decentralized execution of its spending show that the figures should be studied more carefully than in other cases because the underestimation of social spending levels may be quite considerable.

As in earlier editions, the *Social Panorama of Latin America 2009* presents social spending data on the basis of two-yearly averages. The indicators shown are for overall public social spending and spending by function or sector —education, health, social security and welfare, and housing, sanitation and other functions not included in the previous categories— as percentages of GDP, in dollars per capita and as percentages of total public spending. In the case of this last indicator, official information from the countries is used, but these figures may differ from those based on other classification systems (such as the economic or administrative classification of spending) because interest payments on public debt may or may not be included and different methodological options may be applied to the classification of expenditure.

The figures used for the calculation of percentages are in current prices for each year and each country. These proportions are then applied to the GDP series in dollars at 2000 prices so that per capita social spending, expressed in dollars, can be derived. This may result in certain variations in relation to the data in constant currency reported by the countries, which depend on the degree of exchange-rate appreciation or depreciation implicit in the official parity of each country's currency in relation to 2000, and also on the population data on which the per capita calculations are based.

Figures at current prices on overall and social public spending, and the sectoral breakdown of the latter, are official data provided by the corresponding government bodies. Depending on the country, these may be directorates, departments, sections or units for planning, budgeting or social policy within the ministries of the treasury, finance or the economy. In addition, information on budgetary execution was obtained from the countries' general accounting offices or treasury departments, and occasionally from central banks, national statistical institutes, and national social and economic information systems.

Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Social Panorama of Latin America 2006* (LC/G.2326-P), Santiago, Chile, 2007. United Nations publication, Sales No. E.06.II.G.133; for GDP: ECLAC, on the basis of official figures; for population: Latin American and Caribbean Demographic Centre (CELADE) -Population Division of ECLAC; and United Nations and others, *System of National Accounts 1993*, 2006.

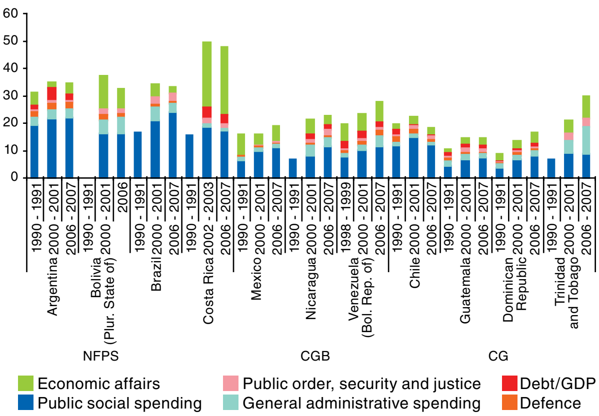
2. Social and non-social public spending

The functional classification of spending makes it possible to identify the distribution of public resources based on the activities conducted by the various areas of government in the economic and social sphere, and also to examine trends over time. The availability of data on spending by disaggregated function is generally limited, and there is no cross-referencing of information between economic and functional classifications.[3] The countries of the region have been gradually incorporating the recommendations of the *Manual on Government Finance Statistics 2001* into their accounts of government outlays. There are, however, considerable differences as to the availability of information and the classification systems used, so caution should be exercised in making comparisons between countries.

Based on the data for 11 countries, comparisons can be made between the aggregate functions of outlays, distinguishing those relating to open social spending in the following sectors: (i) education, recreation, culture and religion; (ii) health care; (iii) social protection, employment and welfare; (iv) housing and urban planning, community services or both; and (v) environmental protection. Non-social spending includes: (i) general public services; (ii) defence; (iii) public order, security and justice; (iv) economic affairs; and (v) payments related to the servicing of public debt. In some countries the latter item is included as part of general public services, so these payments were separated in the classification available in each case in order to evaluate the size of this function in relation to the others.

Despite the limitations regarding some figures and the availability of information, a number of characteristics of spending in the region can be distinguished. Among the 11 countries considered, there is a group in which social spending largely exceeds non-social spending. In 2003-2004, for example, social spending in Brazil was almost three times more than non-social spending; in Argentina and Chile it was twice more, and in Mexico it was one and a half times more.[4] The Bolivarian Republic of Venezuela and Costa Rica are at the opposite extreme, with non-social spending exceeding social spending throughout the periods considered.[5] Other countries such as the Dominican Republic and Nicaragua have begun to change their priorities from the non-social to the social field, while in Guatemala resources are split evenly between the two areas. Most countries are enjoying greater fiscal space derived from reduced spending on debt servicing (interest payments), which means that they have more room to fund social programmes (see figures II.7 and II.8).

Figure II.7
LATIN AMERICA AND THE CARIBBEAN (11 COUNTRIES): FUNCTIONAL PUBLIC SPENDING
(Percentages of GDP)



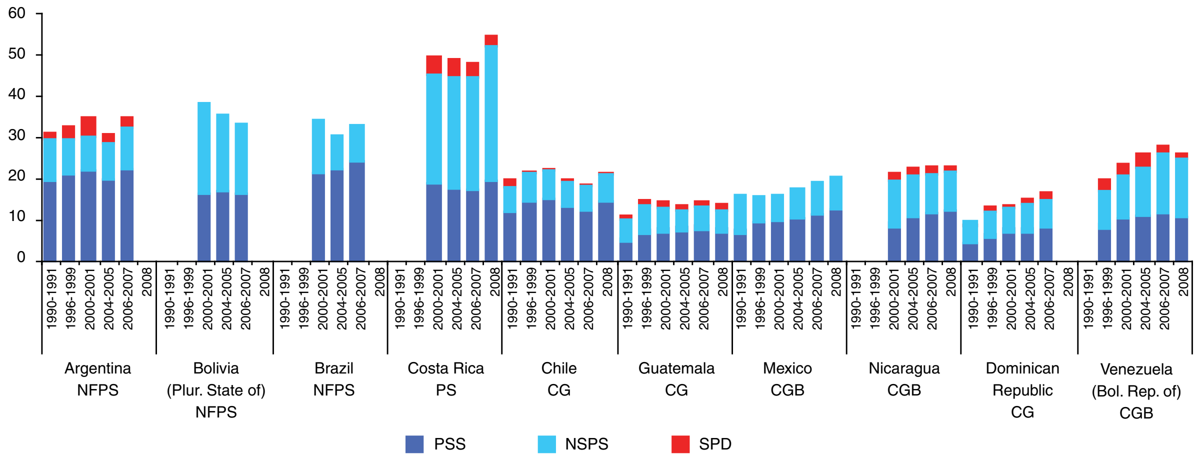
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the Commission's social expenditure database.
Note: NFPS = non-financial public sector; PS = public sector; GG = general government; BCG = budgetary central government; CG = central government.

3 The categories of the functional classification of expenditure include fixed capital consumption, which represents the cost of using fixed assets acquired previously. There is an overlap between the statistics of the functional classification of expenditure for the current period and those relating to the period when the assets were acquired. Consequently, the Manual on Government Finance Statistics 2001 (IMF, 2002) recommends that a cross analysis should be made between those statistics and the economic classification, particularly in relation with purchases of non-financial assets (IMF, 2002).

4 Calculations relating to Brazil do not include the category of "encargos especiais" (special outlays), which covers payments and refinancing of the internal and external debt. Since it was not possible to distinguish interest, it was not taken into account in total public spending.

5 The information gathered by means of household surveys does not include the cash or non-cash transfers of the "social missions".

Figure II.8
LATIN AMERICA AND THE CARIBBEAN (11 COUNTRIES): SOCIAL AND NON-SOCIAL PUBLIC SPENDING
(Percentages of GDP)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the Commission's social expenditure database.

Note: NFPS = non-financial public sector.
PS = public sector.
CG = central government.
BCG = budgetary central government.
PSS = public social spending.
NSPS = non-social public spending.
SPD = servicing of the public debt.

C. Significance of cash transfers to households and their redistributive effects

In Latin America, State transfers make a considerable difference to levels of well-being in the poorest households. Although they are highly progressive, they have limited effects in terms of reducing inequality because they represent a small proportion of total transfers.

The transfers which take up the greatest share of resources are retirement benefits and pensions, although their design does not make them the most progressive. Pensions are by nature the more progressive of the two. Private insurance and compensation for lost employment or illness do not have a major effect on average household incomes. Furthermore, such transfers tend to be concentrated in higher-income groups, as are educational scholarships given that the requirements for obtaining them are difficult for low-income students to satisfy.

Societies have a variety of mechanisms for promoting the well-being of their members. Their establishment and distribution is based on relations between families, the private sector, the market, the State and civil society, organized or otherwise (see box II.2). In the current development model, the form and intensity of those interactions depend on people's links with the labour market and their resulting ability to demand social services and goods. In response to the poverty of some families, both the State and civil society subsidize those benefits, provide them free of charge, or make direct income transfers to the households to improve their levels of well-being. Naturally, the provision of social services by one and the other depends on the availability of resources, on the sources of funding and on the will to construct mechanisms which will redistribute wealth in more or less progressive ways.

Box II.2
MODEL FOR THE MEASUREMENT OF SOCIAL SPENDING

In 2007, the Social Development Division of ECLAC began to develop a model to improve the measurement of social spending and unify the criteria used in the region in respect of social functions, financial transactions and the universe and coverage of measurements. The ultimate aim was to increase the use of this information in public administration and social policy in the countries of the region.

A crucial element in the proposal was to extend the concept of social spending, by defining it as the amount of resources allocated to fund plans, programmes and projects whose goal is to generate positive effects in respect of any social problem, regardless of the administrative entity or sector carrying out each function (education, health and nutrition, social security, social welfare, employment, housing, water and sanitation) of the source of funding (public sources, co-financing by beneficiaries, private or external grants) and of the budget item under which the resources are recorded (current or capital expenditures). The extension of the universe of social spending beyond the public sphere has occurred primarily owing to changes in countries' economic and social structures. The formation of various types of public-private partnerships has meant that some functions have been transferred to the private sector and are therefore not taken into account in social spending measurements. Another major characteristic of the proposal was to integrate two economic information systems already used by the countries (public finances and national accounts) into the model to ensure congruency between the results of the model and the official information from each country.

The non-public agents involved include various entities which finance programmes, provide social services or both, such as non-financial corporate enterprises, non-profit institutions serving households and the households themselves. The spending of the first two is generally measured in the system of national accounts, so the scale of their contribution can be determined by conducting an exhaustive review of those accounts and isolating information relating to the social field. How well total private spending can be incorporated and how easily sources of financing (use of own capital, households, transfers from the public sector and others) can be differentiated depends on the countries' progress in implementing the system of national accounts and on the capacity of statistical systems to identify sources by reconciling existing information.

Outlays by households to meet costs not covered by the public system are measured through the spending of non-financial corporate enterprises; it is therefore necessary to use household surveys or the information available in the entities which regulate such services. Household spending in connection with unpaid work is measured using information collected by time-use surveys, which are increasingly being conducted in the countries of Latin America and the Caribbean.

Involvement of non-public agents in measuring social spending is recent in the region, and there are no official statistics which can quantify its effects. There are, however, country-level initiatives under way in Chile, Mexico and Peru. The information on Mexico is set out in the databases published by the Organisation for Economic Co-operation and Development (OECD), which show that in 2003, private social spending in Mexico stood at 2.7% of GDP.

In the case of Chile, estimates were made of private social spending by non-financial corporate enterprises in the areas of health care, education and social protection, specifically for older adults.[a] In 2003-2007 that spending reached 13% of GDP, while public social spending averaged 12.6% of GDP. This shows that information currently published underestimates the country's social spending by about 50%, without taking into account spending undertaken by households to bridge the gaps not covered by social security.

In Peru, data on social spending funded by non-public agents were obtained from the national accounts statistics, in which it was possible to isolate the functions of health care, cultural activities, recreation and religion, environmental protection, education and social protection. In this case, the funding comes from non-financial corporate enterprises and non-profit institutions serving households, which together made up 11.3% of GDP in 2001, while public spending stood at 9.3% of GDP. In the years that followed, that ratio was evened up through considerable investment in sporting and other infrastructure, which contributed to the rise in the amount of public social spending.

Only two national cases of private social spending have been examined to date, but the findings call for the expansion of the measurement and analysis of such spending to other countries in the region. Private social spending seems to play a major role in the countries of Latin America and the Caribbean, far more so than in the OECD countries. The 2005 average for public social spending in the OECD countries was around 21% of GDP, whereas the figure for private social spending was only 3% of GDP.

The work completed to date in connection with the aforementioned methodological proposal represents a substantial advance in the measurement of social spending, but much still remains to be done in terms of improving it. The unification of criteria on the scope of private social spending and the universe and coverage of measurements, the social functions to be included and the frontiers existing between them, among other points, still need to resolved, both at the country and the regional level. There is also the challenge of improving the quality and availability of social statistics and the evaluation function, not only because they are a benefit in themselves, but also because this will make it possible to obtain a more complete picture of the management and results of social policy.

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the project entitled Model for the Measurement of Social Spending.
[a] Unofficial figures, estimated only in order to evaluate the model developed by ECLAC.

A series of mechanisms and systems, which may be more or less effective in terms of reducing income inequality, has been put in place for those who are not in a position to achieve well-being through full-time or occasional labour-market participation. The mechanisms generally used by the various social agents for redistributing wealth and, ultimately, well-being are outlined below.

First, families distribute their resources to meet the needs of their dependent members. Second, the State plays a key redistributive part, using funds from general revenue and specific instruments, such as social security contributions, to provide various social services, either in a completely non-commercial manner or through subsidies. Third, the market has assumed an increasingly important role since the first wave of State reforms, which included the privatization of a number of basic services, the transfer of revenue management to the private sector (especially in social security and health care) and the development of private insurance systems. Lastly, the community has historically played a considerable part in providing well-being for its less able members.[6]

This section analyses the importance, as far as primary income is concerned, of the various income flows identified as transfers and of the agents involved (the family, the market, the State and the community), using data from household surveys. The transfers under consideration include retirement benefits; invalidity pensions, widows' and orphans' pensions, alimony and child support payments; unemployment and sickness insurance; transfers related to employment or the loss thereof; educational scholarships; civil-society grants (made by religious groups, communities, non-governmental organizations (NGOs) and foreign entities) and public transfers (for greater detail see box II.2 and appendix, table II.18).

The purpose is to show that public transfers are not the only ones actioning the mechanisms that produce, distribute and redistribute well-being and that the reach of social policy or well-being programmes depends on the coordination of activity between various economic and social agents. This has been demonstrated by the recent changes in the approaches used in social policy management and the fight against in Latin America and in the action taken to mitigate the effects of the international financial crisis.

1. Primary income, cash transfers and total income

Households' primary income, obtained through their members' participation in the labour market and the ownership of various assets, is the main source of the huge disparities that make Latin America the most unequal region in the world. In addition to the excessive concentration of property, the poor functioning and resulting segmentation of labour markets bring about and reinforce the inequality of opportunities and outcomes so typical of Latin America. The increased labour-market flexibility promoted in most countries under the development model adopted in the 1980s failed to lead to faster growth in labour demand; rather, it introduced job insecurity for a high proportion of workers. Moreover, in conjunction with the increasing instability of employment, social benefits tended to be linked to employment contracts. Thus, the relatively unproductive and uncompetitive informal sector persisted, and many workers moved towards own-account work characterized by low income levels, lack of regulation and exclusion from social protection systems, in particular from social security and health care.

Despite major progress in recent years in terms of economic growth and increased State participation in the social sphere, there have been no substantial changes in the ways in which the labour market works or in the major inequalities within that market. Such deficiencies remain a decisive factor in the region's high levels of poverty.

Today's societies and States have several mechanisms to prevent some people's inability to take part in the labour market and in ownership from resulting in pauperization and household disintegration. Primary income distribution is corrected through wealth redistribution schemes which can function provided that there is a revenue collection system which taxes current income, wealth, profits and consumption and which, for workers, includes the obligation to contribute a proportion of their income to finance benefits and transfers to be paid when their working lives have come to an end. There are also voluntary, solidarity-based redistributive mechanisms, which involve not only gifts among private households but also participation by community organizations.

The distribution of primary household income is highly concentrated, especially in Argentina, Brazil, Chile, Colombia and Guatemala, where labour-market participation and the degree of dependency on transfers differ widely from household to household. The countries where primary income is less concentrated are the Bolivarian Republic of Venezuela, El Salvador, Peru and Uruguay. The situation of Uruguay is of particular note owing to the large proportion of people who depend on transfers, in this case retirement benefits, suggesting that the labour market is not very segmented and has fewer income disparities than in the region as a whole.

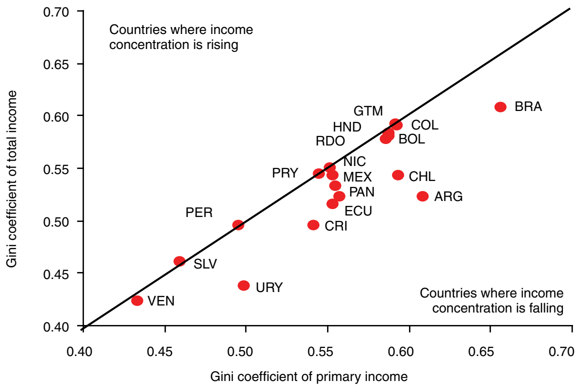
As can be seen in figure II.9 and in more detail in the appendix, table II.15, transfers in all the countries

[6] The importance assumed by the (re)distributive circuit of "grants" following the structural adjustment of the 1980s is reflected in the recognition of a "third sector" of the economy, which consists of private and religious foundations and especially non-governmental organizations that also channel a proportion of international aid. In the current system of national accounts, they are accounted for as non-profit or charitable institutions.

help to reduce primary income concentration. This is true particularly in those countries whose social-security system is better developed and has wider coverage, regardless of whether it is public or private. Of particular note in this regard are the reductions in inequality which can be seen in Argentina, Brazil, Chile, Costa Rica and Uruguay.

Figure II.9

LATIN AMERICA (18 COUNTRIES): GINI COEFFICIENT OF PER CAPITA HOUSEHOLD INCOMES BEFORE AND AFTER TRANSFERS, AROUND 2008 [a]



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the relevant countries.

[a] Primary income after tax and social security contributions.

While transfers as a whole reduce the original concentration of household incomes, and are therefore progressive in respect of the former, this does not mean that they are also progressive in absolute terms in all countries, in other words, that the greatest proportion of them reaches the lowest-income households. Although in Argentina, Costa Rica, Ecuador and Panama the reduction of that concentration resulting from transfers in respect of primary income is highly progressive, only in the first two, together with Uruguay, does it represent a volume of income sufficient for a substantial improvement in secondary income. The Bolivarian Republic of Venezuela, Chile, the Dominican Republic, Paraguay and Uruguay also record progressive transfers, but these are closer to equal distribution.

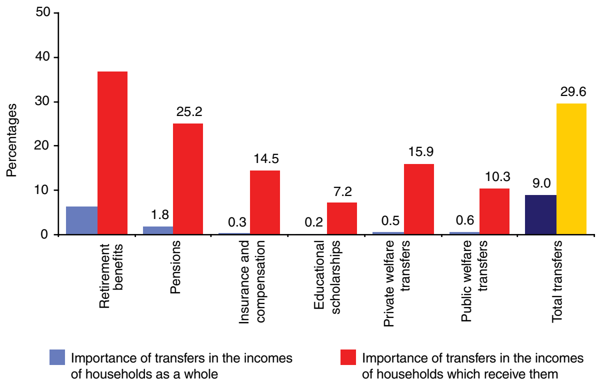
On the other hand, in Guatemala, Nicaragua and Peru the transfers are focused on households with higher per capita primary incomes. As will be seen below, this is largely caused by the high participation and weight of retirement benefits, but it is also due to the fact that the proportion of households dependent solely on transfers of that type is lower.

On average, transfers do not play a major part in the total income and per capita income of the region's households as a whole, since they stand at only 9% of total income.[7] Nonetheless, they are very important for the recipients, since they make up almost a third of their incomes (see figure II.10). This is mostly because countries with a higher relative level of development have a greater proportion of households consisting only of older adults, who are essentially dependent upon that type of income.

Figure II.10

LATIN AMERICA (18 COUNTRIES): IMPORTANCE OF TRANSFERS IN THE PER CAPITA INCOME OF ALL HOUSEHOLDS AND OF THOSE WHICH RECEIVE THEM, AROUND 2008

(Simple average of the countries)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the relevant countries.

Another reflection of the importance of transfers for well-being, and of the effects of their progressive nature, is their impact on poverty reduction. On average, transfers cut households' poverty level by 6.5 percentage points. The number of people living in poverty, however, is down by only 5 percentage points. This is because it is easier to reduce poverty in households comprising fewer members, since the most significant transfers —pensions and retirement benefits— generally target older persons. The proportion of children living in poverty is greater because social protection mechanisms for children tend to be limited to welfare-type benefits, such as conditional transfer programmes, whose goal is to combat long-term poverty.[8]

The countries which are achieving the best results in terms of poverty reduction, at both the household and the individual levels, are Argentina, Brazil, Chile, Costa Rica and Uruguay. On average, they have slashed poverty for households by 50% from the initial position (by 13 percentage points) and by 40% for individuals (considering only primary income), which in practice means a fall of 10 percentage points (see table II.3). In the

[7] The most significant transfers are, of course, retirement benefits and pensions.

[8] It should be borne in mind that the measurement of levels of poverty, based on a comparison of the value of a basic basket of products in relation with households' per capita income (without scales of equivalence), has a bias in respect of larger households and those with children. For additional details on the procedures used in measuring poverty, see chapter I.

countries where transfers are not producing great effects in terms of income concentration, poverty reduction has been less significant; indeed, they are the region's poorest countries: Guatemala, Honduras, Nicaragua and the Plurinational State of Bolivia. El Salvador, for which no poverty estimates were available, is the only country in the region where total transfers actually contribute to higher income concentration (see table II.17 in the appendix).

Table II.3

LATIN AMERICA (17 COUNTRIES): EFFECTS OF THE DIFFERENT TYPES OF TRANSFERS ON REDUCING POVERTY LEVELS IN HOUSEHOLDS, AROUND 2008

Country	Retirement benefits	Pensions	Insurance and compensation	Educational scholarships	Welfare transfers		Total transfers	Reduction (percentages)	Reduction (percentages)
					Private	Public			
Argentina 2006	+++	+	=	=	...	=	+++	15.8	52
Bolivia (Plurinational State of) 2007	+	=	...	...	...	=	+	3.0	6
Brazil 2008	+++	++	=	...	=	...	+++	14.2	42
Chile 2006	++	++	=	...	=	++	+++	11.2	50
Colombia 2008	+	=	=	...	=	=	+	3.9	10
Costa Rica 2008	++	+	...	+	+	=	+++	9.7	40
Ecuador 2008	+	...	...	...	+	+	++	7.2	16
El Salvador 2007	+	=	=	...	...	=	+	1.5	5
Guatemala 2006	=	=	=	=	=	=	+	1.7	4
Honduras 2007	=	=	...	=	...	=	=	1.0	2
Mexico 2008	+	...	=	=	=	+	++	4.1	13
Nicaragua 2005	=	=	=	=	=	...	+	1.2	2
Panama 2008	++	+	...	=	...	=	++	7.8	27
Paraguay 2008	+	=	...	...	...	...	+	2.8	5
Peru 2008	=	=	=	...	=	=	=	0.3	1
Dominican Rep. 2008	+	...	...	...	...	=	+	2.0	5
Uruguay 2008	+++	++	+	...	=	+	+++	14.0	62
Venezuela (Bolivarian Republic of) 2008	+	=	...	=	...	=	+	2.1	8

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the relevant countries.

Note: Sign = and red background: less than 2% reduction.
Sign + and yellow background: less than 10% reduction.
Sign ++ and green background: less than 30% reduction.
Sign +++ and blue background: reduction of 30% or more.

2. Retirement benefits and pensions

Generally speaking, retirement benefits can be seen as deferred payment for work performed in the past, based on a system of contributions to a social security fund managed by the State or the private sector. Benefits derived from social-security or health-care systems may be distributed throughout the working life (health care) or when it has ended (retirement pensions). They are financed wholly or partly through market mechanisms, where the amount of the pension is calculated on the basis of the total contributions made in the past by an individual, and solidarity-based schemes funded by the State or corporate bodies such as *mutuales* (friendly societies) and associations. The funding of solidarity-based systems —which are not necessarily progressive— depends on the role of general revenue and the redistributive policies applied to pension funds. This may refer to solidarity between generations and between strata of taxpayers, or the solidarity of society in general towards those who are entitled to receive social-security benefits. Household surveys do not reflect the contributory and non-contributory components of retirement pensions or the origin of their financing.

Pensions may be based on contributory mechanisms —such as dependants' pensions and old-age pensions funded by the spouse's contributions— or on certain legal obligations of compensation between private agents —alimony and child support— or they may be solidarity- or welfare-based or both, such as orphans' and disability pensions. Survey data do not always make it possible to distinguish between retirement benefits and pensions.

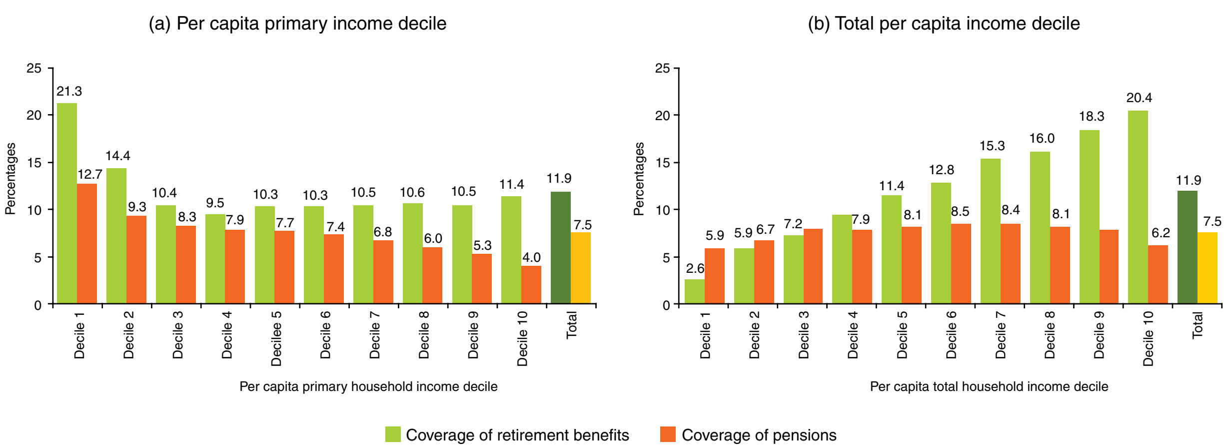
As for primary income distribution, particularly in those countries whose retirement-benefit and pension systems are more developed, transfers under both headings are highly progressive (see appendix, table II.15). This is particularly true in Argentina, Chile, Costa Rica and Uruguay, where retirement benefits are received by 20%-30% of households. The exceptions include Brazil, where retirement benefits are somewhat regressive in absolute terms despite the high level of coverage, and the Bolivarian Republic of Venezuela, the Dominican Republic, Ecuador, Panama and Paraguay, where the benefits are somewhat progressive but coverage is low. As for pensions, their distribution is generally progressive in relation to primary income, but coverage is limited and they benefit less than 8% of households on average, with the notable exception of Uruguay (see appendix, table II.16).

Figure II.11 shows, from the viewpoint of the coverage of retirement benefits and pensions, two results which in principle are contrasting; depending on the case, they can be expressed using the metaphorical "half-full glass" or "half-empty glass". Figure II.11.b shows that retirement benefits and pensions are concentrated in the highest income deciles, confirming the usual theory on the regressive nature of social security. Figure II.11.a illustrates the situation without including retirement benefits and pensions; as a result, many households for which those are the main source of income clearly move towards the poorest deciles. From this perspective, consideration of the coverage of these transfers by primary per capita income decile shows that they are progressive, that is, the coverage is greater among the poorest groups. This seems to contradict the widespread notion that social security systems are regressive.

Figure II.11

LATIN AMERICA (18 COUNTRIES): COVERAGE OF RETIREMENT BENEFITS AND PENSIONS BY THE PER CAPITA PRIMARY INCOME DECILE OF HOUSEHOLDS AND THEIR TOTAL PER CAPITA INCOME, AROUND 2008

(Simple average of the countries)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the relevant countries.

In a way, therefore, retirement benefits and pensions are indeed progressive. It must be borne in mind, however, that many of them are based on past employment, and also that their extent and amount are subject to a type of occupational stratification which at one time gave rise to a regressive primary-income structure. The degree to which this unfavourable past translates into a more or less progressive present in terms of access to social security benefits will depend on the weight of the relevant solidarity-based component. It is precisely in those countries where the coverage of this mechanism is low, and where levels of poverty are generally high, that retirement benefits and pensions are regressive. This is clearly the case in Guatemala, Nicaragua and Peru. In Guatemala and Peru, social security is even more regressive than primary income (see appendix, table II.15).

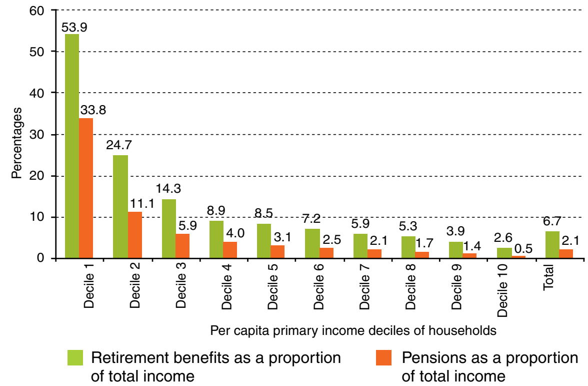
Furthermore, non-contributory pension systems are highly progressive from the perspective of both primary and secondary income. This may be seen in the case of Costa Rica, where such systems were measured separately from retirement benefits (concentration of -0.366). Despite this, national studies show that the distribution of public spending in the area of retirement benefits and pensions is generally regressive (ECLAC, 2007b). This occurs when the strata having independent incomes are factored into the analysis —that is, when the contributory or "market" element of retirement benefits is included in primary or base income—, given that the allocation of public resources largely favours those who already receive retirement benefits or pensions.

Retirement benefits and pensions do not make up a significant proportion of households' income in general, but for the recipient households they are a large proportion. Retirement benefits are very important in the lowest primary-income decile (54% of total income), since a significant number of households are completely dependent on those benefits. As for pensions, which are mostly non-contributory and welfare-based, their impact is mostly concentrated in lower-income strata (see figure II.12).

Figure II.12

LATIN AMERICA (18 COUNTRIES): RETIREMENT BENEFITS AND PENSIONS AS A PROPORTION OF TOTAL INCOME BY PER CAPITA PRIMARY INCOME DECILE, AROUND 2008 [a]

(Simple average of the countries)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the relevant countries.

[a] Does not include the share of primary income, since this flow is very significant in some households, sometimes as high as 100% of total income, and cannot be expressed as a percentage of the former.

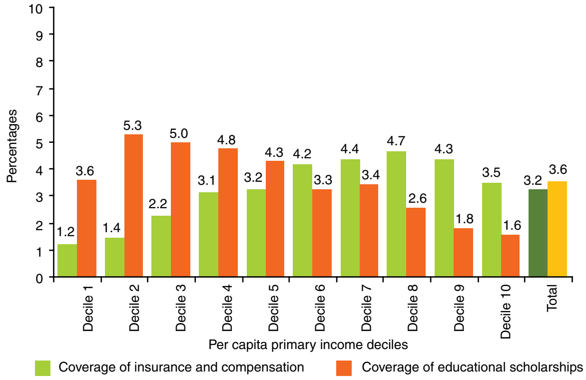
3. Transfers linked to employment, unemployment and insurance systems

The scope of transfers of this type is generally not very significant as it depends mostly on families' ability to access market-based insurance systems (see appendix, table II.16). They therefore tend to be quite regressive, except in countries where formal employment and social security coverage are widespread, as in the cases of Argentina, Chile and Uruguay (see appendix, table II.15). Given the low level of coverage, their limited size in terms of the volume of resources involved, and their high concentration, transfers of this type have little effect on poverty reduction. The exception is unemployment insurance, which compensates for sudden drops in households' incomes and acts as a protective mechanism against the vulnerability in well-being terms caused by job loss. Unfortunately, they do not have mass coverage and generally protect only formal wage-earners.

4 Transfers in the field of education

The amount of transfers of this type is calculated in only a few countries. They tend to be of a different nature, because although they are valued in the relevant measurements, they relate to a benefit in kind; more precisely, from the beneficiaries' viewpoint, they consist of decommodified access to the education system. These transfers generally have a limited scope, although in both Costa Rica and Panama they benefit over 8% of households. Except for those two countries and the Bolivarian Republic of Venezuela, the allocation of educational scholarships is not progressive. In other words, the beneficiaries tend to be households and individuals located in the intermediate strata of per capita primary income. This is due to the fact that students from high income groups can finance their own studies, while the performance standard of those from low-income groups usually does not enable them to qualify for this benefit. Thus, given their basically meritocratic nature, and despite the political will to channel them towards the most vulnerable social groups, transfers of this type are regressive because they are mainly granted to middle-income groups (see figure II.13). Furthermore, they have little weight in households' per capita income, since they average only about 7% of that income for the recipient households.

Figure II.13
LATIN AMERICA (18 COUNTRIES): COVERAGE OF EMPLOYMENT AND HEALTH INSURANCE AND COMPENSATION, AND OF EDUCATIONAL SCHOLARSHIPS, BY PER CAPITA PRIMARY INCOME DECILE, AROUND 2008
(Simple average of the countries)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the relevant countries.

5. Public and private welfare transfers

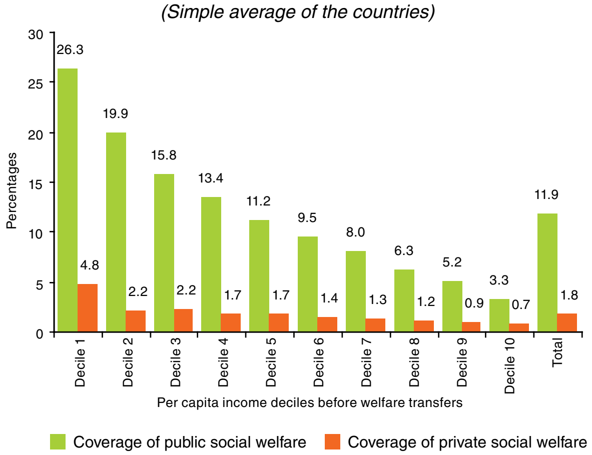
The purpose of welfare transfers, whether private or public, is to provide compensation in short- or long-term situations of inability to obtain income independently. Thus, they tend to mitigate the negative impact on well-being of the lack of sufficient income. Normally, the absence or recurring insufficiency of income leads to deterioration in well-being or access to it, which makes it impossible for families to invest income to develop their own capacities or take advantage of the (often scarce) opportunities for long-term human capital formation.

The main welfare transfers consist of decommodified services usually provided in the areas of nutrition, education and preventive (and occasionally remedial) health care. Also significant are transfers in the form of subsidies on public or private services that, for the families concerned, result in smaller out-of-pocket expenses in comparison with the market price of those services. The present study analyses cash transfers which act as subsidies on demand, whether in the form of discretionary spending or vouchers for a particular social service for which they can choose only the supplier, although in many cases the geographical concentration of supply is such that the user actually has no freedom of choice.

Aside from the State, the other important actor in the redistribution of resources for welfare purposes is the "third sector", that is, the voluntary sector or civil society organizations and, for purposes of analysis, the community. The voluntary sector redistributes monetary and non-monetary resources, as in the case of the mobilization of social capital to achieve shared objectives, which is defined as the use of social networks to obtain collective benefits which would, for many people, be inaccessible on the basis of individual effort. This involves a solidarity-based mechanism under which those who possess more social resources contribute them to achieve benefits distributed on a needs basis rather than a capacity basis. The redistribution of resources also takes the form of provision of free or low-cost social services, as well as direct cash transfers to households and families, by community and religious organizations, non-governmental organizations, international bodies and socially responsible enterprises. This redistributive system, which has also been called a "grants economy" (Razeto, 1992), involves the voluntary act of transferring resources with no motive of profit or obtaining financial gain. At the international level, this system mobilizes several billion dollars per year (see European Union, 2008).

In almost all countries, cash transfers obtained from grants by non-State organizations are progressive in relation to monetary income (see appendix, table II.1). Although it is necessary for analytical purposes to consider transfers as a whole in relation to primary income distribution, it is reasonable to suppose that those responsible for designing public or private welfare projects and programmes, instead of that indicator, use the total per capita income of the households or individuals, basic needs and other indices of well-being after other transfers (mainly retirement benefits and pensions). It was for this reason that a concept intermediate between primary and final income was used in this analysis, that is, income before welfare transfers, while taking into account that some of the pensions measured also apply this logic. Thus, it can be affirmed that the principles of welfare transfers are highly progressive, at least in terms of coverage. Transfers from civil society, however, are of little significance; they cover fewer than 2% of households, and a little below 5% of those belong to the lowest per capita income decile (see figure II.14).

Figure II.14
LATIN AMERICA (18 COUNTRIES): COVERAGE OF PUBLIC AND PRIVATE WELFARE TRANSFERS BY PER CAPITA PRIMARY INCOME DECILE, AROUND 2008
(Simple average of the countries)

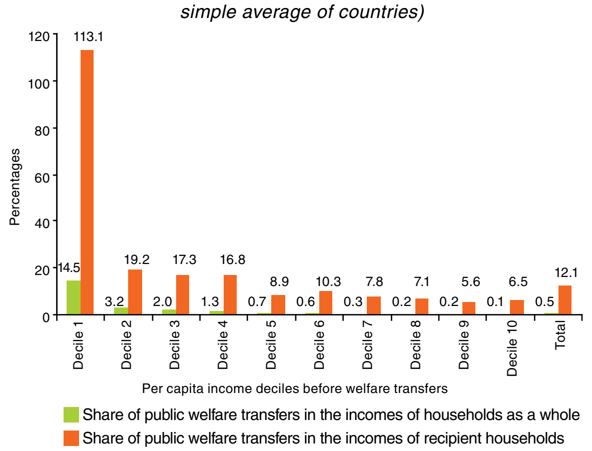


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the relevant countries.

The coverage of public monetary transfers is broader and more progressive: as can be seen in figure II.14, they benefit an average of 12% of households and cover more than a quarter of the lowest income group (first decile) and a fifth of the next group up (second decile). Even taking into account the fact that some of the welfare transfers were not designed to target solely the lowest-income strata, or that they do so on the basis of criteria which do not necessarily depend on household income, social transfer programmes show some selectivity problems which are more prominent in the case of private welfare transfers. [9]

Although the volume of resources redistributed through compensatory mechanisms and programmes is not very large (0.5% of total per capita income of households as a whole), they raise the incomes of the recipient households by an average of 12%. This is particularly significant in the first decile, where public welfare transfers almost double pre-transfer incomes (see figure II.15). Households in the first two deciles have a 3.2% share of total income before the welfare transfers and receive 40% of the corresponding public resources and 30% of the private ones. Comparison of the redistributive effect of public welfare cash transfers with that of other transfers shows the latter to be relatively smaller, despite their being highly progressive. In terms of reducing income concentration, they account for about 20% of the aggregate impact of all transfers.

Figure II.15
LATIN AMERICA (18 COUNTRIES): SHARE OF PUBLIC WELFARE TRANSFERS IN PRIMARY INCOME BY PER CAPITA PRIMARY INCOME DECILE, AROUND 2008
(Base = per capita pre-transfer income of households, simple average of countries)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the relevant countries.

In sum, social mechanisms for the redistribution of well-being are significantly broader than State actions on their own. These mechanisms can mobilize significant resources, redistribute them among social groups and engage a diverse range of agents in collecting, channelling or allocating resources or providing services. Since in Latin America the actions of the State are relatively less significant than those of other agents in the production and distribution of well-being, it would be useful to broaden the array of instruments and partnerships incorporated into social-policy design. The State must not only ensure that all members of society can enjoy active citizenship, which requires the construction and consolidation of mechanisms for social promotion and protection: it must also operate as a coordinating and regulatory body for all the actors that make it possible to generate or redistribute well-being. The State can achieve this by guiding and fostering a supply of social services which is compatible with an uneven demand structure and unequal access and by creating redistribution mechanisms that guarantee a universal minimum level of well-being so as to ensure the full exercise of rights and capacity-building.

9 Problems of selectivity relate both to errors of inclusion (beneficiaries who are not part of the target population) and of exclusion (members of the target population who are not beneficiaries).

Box II.3

CLARIFICATIONS ON OPERATIONAL MATTERS AND INFORMATION SOURCES USED FOR THE ANALYSIS OF CASH TRANSFERS

Cash transfers are significant precisely because they facilitate families' access to social services with commercial value, but a large proportion of them involve totally or partially decommodified access to those services; for example, cost-free access education or public health-care services where a payment is made which does not of itself cover the price of the benefit involved. Most transfers of that kind, recorded in the system of national accounts (SNA) as public spending or outlays and household income, are provided by the State. The redistributive effect of non-monetary transfers is subject to discussion, given that they are not accounted for according to market value, but according to factor costs (the cost to the State of producing the relevant goods and services), which do not reflect exactly the alternative cost of using private or public services.

Up to a point, the measurement of income by means of household surveys provides only an approximation to the conceptual ideas used in the framework of current recommendations for the construction of national accounts (SNA 1993). For example, no data are available on pre-tax income, social security contributions or non-cash transfers accounted for by access to public services. Thus, the surveys do not make it possible to construct exactly the concepts of primary income and total disposable income as defined in the SNA.

The operating definitions and procedures used in the analysis carried out in this document, and for the purpose of establishing to some extent the importance of the various redistributive mechanisms available to each society in Latin America, are described below.

First, the basic unit of economic analysis is the household, not the individual. Individuals receive income from a variety of sources and contribute them to the shared funds of their households, distributing well-being among their members, although not necessarily equitably.

Second, households' primary incomes depend on market participation by their members and are made up of wages and returns from labour, earnings, profits, rents and other related income. Also considered as part of primary income are private transfers between households, generally remittances sent by family members working in other geographical areas. It should be noted that some surveys do not make a precise distinction between remittances from family members and gifts from unrelated households in the context of community-based redistribution mechanisms.

Lastly, the following six major flows of transfers to households were considered:

(i) Income from retirement benefits. This is deferred payment for past labour, which may come from contributory, non-contributory or mixed mechanisms, public or private. The household surveys do not distinguish the source of income, particularly between what are strictly "returns" of contributions made and solidarity-based payments; nor do they determine whether this redistribution depends on public resources financed from general taxation or on social security funds, or whether solidarity mechanisms between generations or strata of contributors are activated.

(ii) Pension income. This includes old-age pensions, widows' and disability pensions, child support, alimony and others, which are mostly non-contributory and, in the case of transfers between private households, are of an obligatory nature. Not all surveys make the distinction between retirement benefits and pensions.

(iii) Income from insurance and compensation. Most income in this category is derived from transfers linked to the (private) insurance market in the areas of labour and health; public resources may also play a part in, for example, funding unemployment insurance.

(iv) Income from educational scholarships. This category has been separated because it is not conceptually comparable with any of the others. The surveys do not make the distinction as to whether the scholarships are of public or private origin or whether they correspond to merit-based rewards; furthermore, they tend to be of a non-transferable nature.

(v) Income from private welfare transfers. This includes all monetary transfers by civil society organizations, in particular religious institutions and national and foreign non-governmental organizations. It was not possible to separate them in all cases from gifts by private households.

(vi) Income from public welfare transfers. These include monetary transfers in the context of public social programmes and subsidies, some of which involve not a real transfer but a reduction in the cost of access to public services.

The use of household surveys entails not only the difficulty of isolating income flows that are equally comparable between countries, but also the impossibility of adhering strictly to conceptual constructs which might apply. For example, the exclusion of non-monetary income as part of transfers takes away consistency from the measurement of households' total and per capita income and its relationship to poverty. It would be incorrect, however, to include it in primary income. Also, even in countries where some non-monetary income is measured and valued, there is no way to be sure that total disposable income can be calculated, since not all non-commercial services are valued. Lastly, not only must it be borne in mind that not all transfers are measured, but also some of them may be underestimated owing to incorrect declarations of income in surveys. Adjustment of the figures derived from systems of national accounts is usually done in relation with the largest flows (retirement benefits and pensions) or with transfers as a whole. Because the surveys are sample-based, some transfers to minority groups may be underrepresented in terms of coverage and the total volume of resources involved. This demonstrates that results must be taken with some caution; in the best case, they give an approximate picture of the significance of transfers in each society, and country-to-country differences may reflect both the importance of the various redistributive mechanisms and measurement failures.

Once these difficulties had been recognized, some classical approaches were used to measure the degree of progressivity or regressivity of transfers, their impact on income distribution and their relative effectiveness in reducing income inequality. In particular, the Gini coefficient was used; this measures the bias or degree of income concentration. It was also used for evaluating the orientation of taxes and public spending. The formula used to calculate the Gini coefficient, was as follows:

$$(1)\quad \underset{i=0}{\overset{N}{G}} = 1 - \sum \left(\delta Y_{i-1} + \delta Y_i\right) \times \left(\delta X_{i-1} - \delta X_i\right)$$

where δX and δY are the cumulative percentages of X (population) and Y (income), respectively, and N is the number of cases (extended) in each survey. Other coefficients, which reveal the degree of progressivity of each transfer in respect of primary income, were also calculated. In 1986, Nanak Kakwani proposed a simple measurement known as the relative concentration coefficient or Kakwani index (Ps), whose value is negative when spending is progressive in relation to income distribution, and positive when spending is regressive in relation to it.

$$(2)\quad Ps = CC - Gini_i$$

where $Gini_i$ is the distribution of primary income.

Box II.3 (concluded)

To disaggregate the impact of each item of public social spending on the trend in income concentration, the following formula was used:

The change in income concentration:

(3) $\Delta Gini = Gini_f - Gini_i$

where $Gini_f$ is income distribution after State transfers (total income).

(4) $$\Delta Gini = \frac{Ps \times \gamma}{1+\gamma},$$

where γ is the proportion of financial assistance in total primary income. Given that $Ps = CC - Gini_i$, then

(5) $$\Delta Gini = \frac{(CC - Gini_i) \times \gamma}{1+\gamma}$$

This equation may be used both for total transfers and for each item *j*, since $Gini_{fj}$ is the change in the Gini which produces item *j*.

Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Social Panorama of Latin America, 2006* (LC/G.2326-P), Santiago, Chile, 2007. United Nations publication, Sales No.E.06.II.G.133, and United Nations, *System of National Accounts, 1993*, 2006.

D. Conditional transfer programmes: a key element in the new social protection matrix?

In an economic crisis, the need to alleviate rising poverty and indigence and protect the most vulnerable sectors makes it essential to maintain and perhaps expand spending on conditional transfer programmes. Such programmes, which now cover over 22 million families in 17 countries in Latin America and the Caribbean, are designed to reduce poverty in its numerous aspects, both by mitigating its most immediate effects and by promoting capacity-building. Conditional transfer programmes aim to protect the universal social and economic rights of all citizens, beginning with the poorest, and represent one of the main roads forward towards protection systems which will reduce social inequalities. Nonetheless, analysis of the region's conditional transfer programmes reveals a great deal of unevenness in terms of goals, management models, factors and consequences.

1. Rights, social welfare and crisis

From a rights viewpoint, the human person is the central actor in public-policy design. In other words, the poor are not considered as needy people who must be helped with a set of goods and services, but as citizens who have the right to demand those things from society. Thus, the State becomes the guarantor of the enjoyment of those rights.

Rather than as reductionist action, social welfare and conditional transfer programmes can be seen as mechanisms which seek to universalize the social and economic rights of all citizens, beginning with those who are least able to exercise those rights: those living in situations of poverty (ECLAC, 2006a). As is pointed out in a recent report of the Human Rights Council (United Nations, 2009, p.7), cash transfer programmes "have the potential to assist in the realization of the right to an adequate standard of living, including adequate food, clothing and housing", although they should be seen as a component of social welfare policies and should be integrated within broader social protection systems.

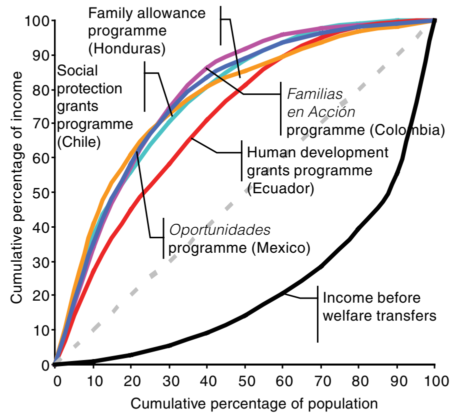
To attenuate growing poverty and indigence and the impoverishment of middle-income groups in the context of the current economic crisis, protection must be strengthened in the various fields —health care, pensions, income transfers— and consequently, social spending must be defended. Although social policy involves goals which go beyond combating poverty, such as building societies with greater social cohesion and equity, the shortage of public resources —particularly in periods of crisis— makes it necessary to be selective in order to ensure that monetary transfers and social services reach the poorest part of the population (ECLAC, 2000). The use of targeting mechanisms in the framework of conditional transfer programmes should not be seen as an end in itself, but as a social policy instrument to "do more with less" and increase the progressivity of social spending by guiding public efforts towards those whose need is greatest.

Figure II.16 shows the high level of progressivity of five conditional transfer programmes in relation to households' pre-transfer per capita incomes. Bearing in mind that in 2009 around 190 million people lived in situations of poverty (see chapter I) and that such programmes were benefiting 101 million, it could be argued that there is still scope for increasing such programmes and covering greater numbers of families who are unable to satisfy their basic needs by their own means. In the framework of the current worldwide economic crisis and the resulting threat of rising poverty, some countries in the region have in fact announced expansions in conditional transfer programmes. The Government of Brazil, for example, has announced that its grants programme, *Bolsa Família* ("Family Basket"), will cover an additional 1.3 million families and that the amount of the benefits will be increased. In the case of Mexico, in response to rising food prices, beginning in July 2008 the beneficiaries of the *Oportunidades* ("Opportunites") scheme began to receive a supplement of 120 pesos (US$ 11) per month through the programme *Apoyo Alimentario Vivir Mejor* ("Food Support for a Better Life").

Figure II.16

LATIN AMERICA (5 COUNTRIES): DISTRIBUTION OF THE CASH TRANSFERS OF CONDITIONAL TRANSFER PROGRAMMES IN RELATION TO HOUSEHOLDS' PER CAPITA INCOME BEFORE WELFARE TRANSFERS

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the relevant countries.

Other important measures to protect poor and vulnerable people in times of crisis may include direct State contributions to health care for the poorest segments of the population, subsidies to broaden the coverage of contributory health insurance or the creation of basic packages of services guaranteed for the whole population. For progress to be made in the area of solidarity and expansion of insurance coverage, there should be a mechanism to deliver certain elementary welfare benefits to all those who, owing to their precarious employment status, have been unable during their working lives to accumulate savings to finance a pension or who, despite having done so, are receiving excessively small pensions.

2. Overview of conditional transfer programmes

(a) Basic shared characteristics of conditional transfer programmes

The basic structure of all conditional transfer programmes consists of delivering monetary and non-monetary resources to families living in poverty or indigence and who have one or more minor children, on the condition that they comply with certain behaviour patterns related to the improvement of human capital. Some programmes include the granting of benefits to other population groups, such as persons with disabilities or older adults, thereby including certain families who do not have minor children.

The behaviour required under the programmes is mostly related to the fields of education, health care and nutrition: for example, the requirement that children attend school or preventive health-care centres, or both. In addition to cash transfers, a number of programmes provide for transfers in kind, such as food supplements or packages containing educational supplies (the *mochilas* (backpacks) or *bolsones* (school bursary programmes), as well as services in the areas of education and health care, such as educational, informational, guidance and counselling discussions on health care, nutrition and public health, family dynamics and sexual and reproductive health.

The base unit for these programmes is the family as a whole, rather than the individuals who make it up; within the family, a leading role is assigned to women. In the great majority of the programmes the recipients of the transfers are women. It is assumed that they will use the relevant monetary resources to improve well-being for the family in general and their children in particular. The mothers take responsibility for meeting the conditions and often act as promoters of the programmes.

Another common aspect is the adoption of technical criteria for selecting beneficiaries, generally based on a series of procedures in two stages. The first stage involves selecting the geographical areas which have the highest levels of poverty. This is usually done using an index of unmet basic needs constructed from population censuses or household surveys. The second stage is the selection of the most needy families through the use of a proxy means test, as occurs in the great majority of programmes, or through direct testing as in Brazil. Some programmes also include a final stage involving the approval of the selected families by community organizations, such as the community validation assemblies of the *Juntos* ("Together") programme in Peru.

b) Diversity of experiences

While conditional transfer programmes can be seen to have a shared basic design, they vary considerably across the region in terms of their scope, goals and consequences.

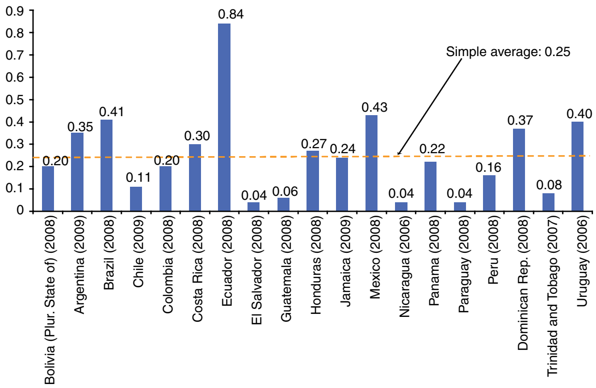
(i) Scope. Conditional transfer programmes currently cover over 22 million families in Latin America and the Caribbean, 12 million of which are in Brazil and 5 million in Mexico. *Bolsa Família* and *Oportunidades*, followed by the *Familias en Acción* ("Families in Action") programme in Colombia and the human development grants in Ecuador, are the region's largest programmes in terms of the absolute number of beneficiaries.

In the countries concerned, conditional transfer programmes cover an average of 12% of the population and represent an investment of 0.25% of GDP. The magnitude of the expenditures on these programmes in GDP terms and the percentage of the population covered varies considerably, however, from country to country. In Brazil and Mexico, where the programmes have grown the most, the number of recipients exceeds the number of people in indigence, corresponding to 83% and 71% of the population living in poverty, respectively.[10] In comparison, the scope of conditional transfer programmes in Central America does not exceed 20% of the poor population (see figures II.18, II.19 and II.20, and appendix, table II.19).

Figure II.17

LATIN AMERICA (19 COUNTRIES): SPENDING ON CONDITIONAL TRANSFER PROGRAMMES, 2006-2009

(Percentages of GDP)

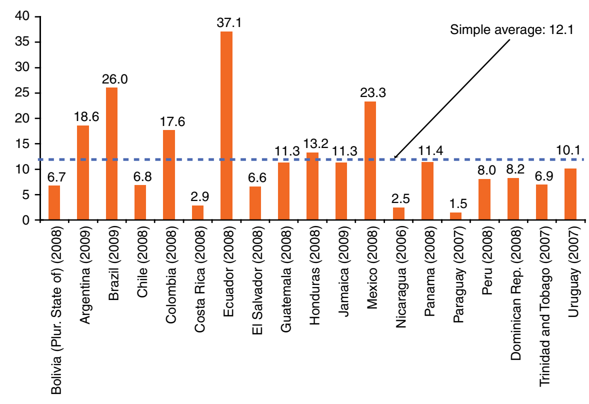


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official information from the relevant countries.

Figure II.18

LATIN AMERICA (19 COUNTRIES): SCOPE OF CONDITIONAL TRANSFER PROGRAMMES, 2006-2009

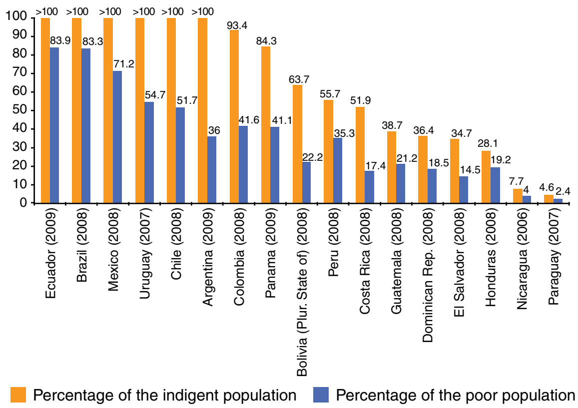
(Percentages of the total population)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official information from the relevant countries.

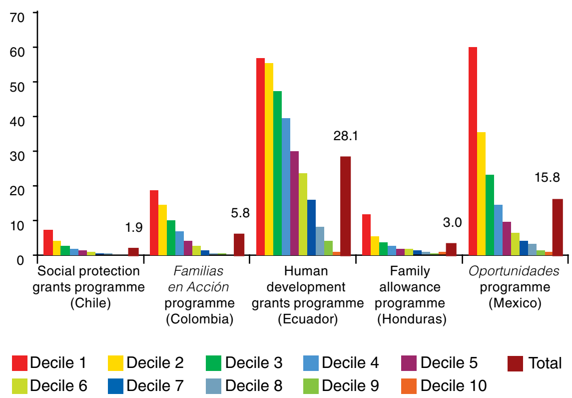
[10] Data on the coverage of conditional transfer programmes in respect of the indigent and poor population do not include errors of inclusion and exclusion.

Figure II.19
LATIN AMERICA (17 COUNTRIES): SCOPE OF CONDITIONAL TRANSFER PROGRAMMES, 2006-2009
(Percentages of the indigent and poor population) [a]



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys and official information from the relevant countries.
[a] Data on the scope of the programmes with respect to the indigent and poor population do not include errors of inclusion and exclusion.

Figure II.20
LATIN AMERICA (5 COUNTRIES): COVERAGE OF CONDITIONAL TRANSFER PROGRAMMES BY PRE-TRANSFER PER CAPITA HOUSEHOLD INCOME
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the relevant countries.

A shared feature of the broadest programmes is that before they began, there were already other significant poverty reduction programmes in place. In Mexico, *Oportunidades* was preceded by the national solidarity programme PRONASOL and, more directly, by the education, health and nutrition programme *Progresa*.[11] In Brazil, *Bolsa Escola* ("School Bursary") —a programme of minimum income linked to education, created in 2001— and the sectoral income transfer programmes *Bolsa Alimentação* ("Food Grant"), *Cartão Alimentação* ("Food Card") and *Auxílio Gás* ("Gas Help") , were gradually incorporated into *Bolsa Família* between 2003 and 2006 (Afonso, 2007). In 1998-2002 in Ecuador, the *Bono Solidario* ("Solidarity Grant"), a non-conditional cash transfer, preceded the *Bono de Desarrollo Humano* ("Human Development Grant") (Naranjo, 2008a). In the case of Colombia, 2007 saw a large increase in the number of recipient families when, six years following their creation, conditional transfer programmes began to function in urban areas and covered over 200,000 displaced persons, as well as the indigenous and Afro-Colombian communities.[12]

(ii) Goals. While all conditional transfer programmes are intended to reduce poverty, either by raising families' consumption levels through cash transfers (short-term goal) or by building human capital (long-term goal), they differ in terms of their emphasis on one or other of these goals. This is reflected in the relative importance attached to the various programme components.

One category of conditional transfer programme, the main example of which is *Oportunidades*, includes those whose final aim is to build up the human capital of poor families, by increasing their use of public services such as schools, health centres or nutritional programmes. To that end, various types of benefits are established depending on the specific sectoral goals, and transfers are differentiated according to the opportunity cost of different segments of the target population at the time when they gain access to the public services. Given the importance of human capital, strict systems of rewards and penalties are needed so that the incentives mechanism can operate. As a result, robust instruments must be developed to monitor the conditions.[13]

In another category are the conditional transfer programmes which, like *Bolsa Família*, mainly aim to ensure a minimum level of consumption for poor families. In programmes of this type, different amounts are established for cash transfers depending on the recipient families' socio-economic level and composition. The requirements tend to be of a secondary nature in operational terms, so they are monitored more flexibly.

---

[11] In the case of PRONASOL, there is evidence of clientelism and political use of transfers (Díaz Cayeros and Magaloni, 2003), problems which the *Progresa* and *Oportunidades* programmes aim to resolve.

[12] The Government of Colombia plans to extend the coverage of the conditional transfer programmes to 2.2 million families by 2009.

[13] In the case of *Oportunidades*, various types of penalties are provided for: interruption of the monthly benefit, indefinite suspension and definitive suspension, as well as procedures for restoration of rights (Steta, 2006).

In addition to those two types of programme, there is a third whose goal is to coordinate the varied State initiatives, providing "psychosocial" support to poor families and conducting with them an intervention strategy aimed at bringing about changes in perceptions, attitudes and behaviours. The benchmark for these programmes is *Chile Solidario* (Cohen and Villatoro, 2006). Monetary transfers plays a part, generally through the incorporation of families into certain income transfer schemes already existing in the public network, as in the case of the consolidated household subsidy of *Chile Solidario*.[14]

Although some countries have taken the programmes of Brazil, Chile and Mexico as points of reference, they have adapted them to their particular needs and the specifics of their political and institutional situation.[15] This means that conditional transfer programmes respond more than is generally believed to the institutional path taken by each country in terms of public policy and the political economy of social-sector reforms.

(iii) Consequences. Conditional transfer programmes have a variety of impacts on families' incomes and consumption, their use of public services, their educational level and the nutritional and health status of the recipient population. Currently, the preferred methods for measuring such impacts are experimental or quasi-experimental assessments which evaluate programmes' various aspects by means of control groups. These reveal the consequences for beneficiaries brought about solely by the programme, once certain external factors such as variations in levels of employment or income in the country concerned have been discounted. The *Progresa* and *Oportunidades* programmes of Mexico produce considerable numbers of assessments.

Impact assessments of conditional transfer programmes generally show that there have been advances in terms of "intermediate goals" (Bastagli, 2008) such as improving access to schools and health services and certain indirect indicators, such as school enrolment and attendance (Schady, 2006), the monitoring of children's growth and increasing preventive medical examinations. There is no conclusive information on other aspects such as learning (Reimers, DeShano da Silva and Trevino, 2006) or children's nutritional status (Castiñeira, Nunes and Rungo, 2009). Greater improvements in access and coverage indicators tend to be recorded in countries whose baselines were lower, among students in transitional grades which showed high dropout rates —such as between primary and secondary school— and in the poorest households.

Income-oriented evaluations of conditional transfer programmes are divided between those which focus on their impacts from the beneficiary viewpoint and those which measure their effects on the countries' poverty indices. The impact of transfers on the incomes of recipient families can be substantial in the short term, although this varies from one programme to another. One way of visualizing the diversity in this respect is to measure the percentage represented by the relevant cash transfers in comparison with the poverty line or indigence line in each country. Table II.20 in the appendix contains data on the 14 Latin American countries in which it was possible to compare the minimum per capita amount of the transfers and the values of the poverty and indigence lines in the same year and geographical area in which they were delivered. That information shows that, in rural areas, the amount of the transfers averages 16% of the indigence line and 9% of the poverty line, while in urban areas they are equivalent to 15% and 8%, respectively.

The impact of transfers on poverty at the country level is visible mostly in indicators of the poverty gap (FGT1) and of poverty severity (FGT2) (Veras Soares, 2009a), since transfers tend to focus on the poorest groups (see figure II.20). They do not always, however, represent a large amount, so they can raise the recipients' status closer to the poverty line without necessarily exceeding it. Information on the positive impacts of conditional transfer programmes on poverty at the national level comes from countries where they have considerable scope and the amounts of transfers are significant, such as Argentina (Galasso and Ravallion, 2004), Brazil (Cury, Coelho and Pedrozo, 2007; Fiszbein and Schady, 2009; Veras Soares and others, 2006), Ecuador (Naranjo, 2008b; Fiszbein and Schady, 2009), Jamaica (Fiszbein and Schady, 2009) and Mexico (Fiszbein and Schady, 2009; Skoufias and McClafferty, 2001). In those where the coverage and amount of the transfers are lower, there is no major impact on poverty. In the case of Honduras, Guerreiro Osório (2008) concludes that the modest amount of the transfers under the family allowance programme (PRAF) has led to a decline in poverty of only 0.02 percentage points.

---

14 In Chile, the *Puente* ("Bridge") programme is working to define certain conditions for family improvements, but no subsidy depends on compliance with those conditions and no sanctions are provided for.

15 In the case of Colombia, for example, *Familias en Acción* was inspired by *Oportunidades*, whereas Juntos, the new social protection network for overcoming extreme poverty, has been influenced by *Chile Solidario*.

3. Challenges of conditional transfer programmes

Conditional transfer programmes are an instrument which makes it possible to improve the income and living conditions of a considerable section of the population of Latin America and the Caribbean which is still living in extreme poverty, as well as those living in poverty and members of vulnerable groups. These programmes also reveal the need to extend education and health services to those sectors of society and geographical areas which are currently deprived of them, by revitalizing the public supply of some of those services and associating them with conditionalities and promoting cooperation and coordination among the public bodies involved. The correct functioning of conditional transfer programmes depends on each country's achievements in terms of universalizing basic social services, and also on close collaboration between programme leaders and the education, health-care and nutrition sectors.

Some of the main challenges in conditional transfer programmes therefore are institutional coordination and service provision. It is not possible to cover all the areas of concern in this report, but the main ones will be examined below.

(a) Challenges in terms of institutional coordination and service provision

(i) Institutional coordination problems. Achieving the goals of conditional transfer programmes requires good coordination between the ministries responsible for the various social sectors, as well as close collaboration between central government and decentralized or local authorities. The implementation of the programmes can introduce new approaches to management in traditionally segmented public bodies as they foster sectoral links and promote joint efforts between entities from different levels with the hierarchy. Nonetheless, in a few cases the programmes have in practice been isolated interventions which, rather than favouring integration among social institutions, have tended to fragment them and generated badly integrated parallel structures, which can be even less in tune with sectoral policies.[16] At the operational level, those in charge of implementing and monitoring the programmes often see them as a burden of work beyond the realm of their institutions' responsibilities, which hampers identification with the programme and its beneficiaries.[17] When the attitude of those responsible for service delivery impedes fulfilment of the relevant conditions, this can ultimately result in a great weakness in the supply component of the programme.[18]

(ii) Service supply difficulties. To improve the population's education and health through the conditional delivery of monetary resources, first, the relevant services must exist, and second, the supply must be of good quality. Interventions on the demand side should therefore be accompanied by others on the supply side of public services and programmes.[19] Conditional transfer programmes can themselves cause quality problems such as the saturation of health-care services owing to the rising demand they bring about.[20] The programmes in Honduras and Nicaragua are interesting examples of the search for improved coordination of demand and supply, through efforts to provide incentives to supply, as well as other measures.[21]

(b) Operational challenges

(i) Targeting challenges. In the context of conditional transfer programmes, considerable efforts have been made to create sophisticated procedures and techniques to select the beneficiaries in order to minimize errors of exclusion and inclusion. The results have generally been satisfactory, and it can be said that conditional transfer projects are successful in reaching the poor (Fiszbein and Schady, 2009; Villatoro, 2007). By reducing discretionality, these technical mechanisms can act as barriers to the practices of clientelism which have characterized traditional welfare programmes (Sojo, 2007). The complexity of targeting procedures is another reason why selection

[16] Concerning Honduras, see Cecchini and others (2009) and Moore (2008).

[17] See Roberts (2006) regarding the Programme of Advancement Through Health and Education (PATH), of Jamaica.

[18] For example, the beneficiaries of the conditional transfer programmes may decide not to attend health centres because they have been mistreated or have received defective care owing to privileged treatment given by health workers to those who are able to pay.

[19] It is this aspect that is denoted by the concept of shared responsibility, since it involves both the beneficiaries' responsibility regarding the fulfilment of particular criteria and that of the State in terms of ensuring the necessary supply of services for those criteria to be met.

[20] In the case of Mexico, González de la Rocha (2008) describes the quality issues which arise owing to the saturation of clinical services as a result of the *Oportunidades* programme.

[21] See Moore (2009) and (2008).

criteria become less and less transparent (Mkandawire, 2005), which leads to tension between beneficiaries and non-beneficiaries, threatening the communities' social capital. In the case of small countries with high poverty indices, geographic or categoric targeting would suffice, given the prevalence and homogeneity of poverty at the local level and the considerable efforts in terms of monetary and human resources which are required for setting up information systems to provide the necessary data for selecting households.[22]

(ii) Costs and complexities of monitoring conditions. Monitoring shared responsibility is perhaps one of the most demanding aspects of conditional transfer programmes in relation with the installed capacity of public services. Several authors have mentioned the considerable resources that countries have to use just to ensure that the transfer conditions are met (Villatoro, 2008; Parra Correa and Pérez Ribas, 2008), but there is as yet no clear picture of the associated costs. A study on Honduras, Mexico and Nicaragua (Caldés, Coady and Maluccio, 2006) shows that the cost of targeting and monitoring can be as much as 60% of the annual budget for a programme such as *Progresa*. Fiszbein and Schady (2009), however, point out that those costs depend on the stage that programme implementation has reached.

It should also be noted that the sophistication of mechanisms for monitoring the conditions of the programmes may make them ineffective when those responsible for executing those actions are focused on other considerations or when the verification process is slow and difficult and the information technologies which might facilitate it are unavailable. In some cases, local operators report that the conditions have been fulfilled when this is not the case, because depriving certain families of the benefits would mean depriving them of a major means of support (Villatoro, 2008). Thus, the monitoring of compliance can become a focus for clientelism. The difficulties affecting the operation of the programmes in this regard are associated with the need to keep records but reduce bureaucracy, to supervise verification costs, to find alternative ways of penalizing non-compliance and to make the flow of information and the payment cycle as simultaneous as possible (Tesluic, 2006).

(iii) Lack of clarity in rules and conditions for programme exit. One of the central challenges to be faced in relation with conditional transfer programmes is to determine exit conditions for beneficiaries, that is, when are they ready to exit from the programme and develop independently without risk of returning to their situation of poverty in the short term. Under a social-policy scheme that strongly emphasises the accumulation of human capital and elements of social promotion, beneficiaries should exit when the families no longer need to receive the transfers and are capable of generating their own incomes.

The experience of programmes in various countries shows, however, that either the implementation of graduation schemes has been postponed —owing to their complexity or simply because the periods involved exceed the lifetimes of the governments creating them— or that the implementation of such schemes has run into major problems (Yaschine and Dávila, 2008; Villatoro, 2008). Many conditional transfer programmes in the region have not planned for exit mechanisms as such, but simply expected families to stop receiving benefits when their children exceed the eligible age or when the agreed conditions are not being complied with. Programme exit can also occur when the beneficiaries exceed the maximum number of years allowed in the programme. The periods involved vary from two years in the case of *Bolsa Família* and the Conditional Cash Transfer Programme (CCTP) in Trinidad and Tobago to six years in the case of *Oportunidades*. There is not necessarily any clear reason for the number of years in each case.[23] Lastly, other conditional transfer programmes have incorporated exit strategies of more complex design, combining temporal and other elements. In the case of *Chile Solidario*, the exit scheme provides for a gradual decrease in the amount of the cash transfers.

It seems, therefore, that exit criteria are subject to financial or political motives (Cohen and Franco, 2006a; Villatoro, 2008), while the long-term goals of human capital formation and overcoming poverty take second place. In order to tackle the major challenge of encouraging productive and sustainable exits by beneficiaries from conditional transfer programmes, governments in the region could consider coordinating exit plans with training activities or labour-market integration or granting exemptions or benefits to small and medium-sized enterprises in order to increase employment opportunities to those exiting from the programmes (León, 2008).

It must be remembered, however, that not all families taking part in the programmes have the same capacities for labour-market integration. A number of assessments by *Chile Solidario* (Bravo, Contreras and Ruiz-Tagle, 2009; Nun and Trucco, 2008) show that there is a fairly clear differentiation among the families benefiting from it. On the one hand, there is a group of poor families which comply with the relevant goals; this group generally coincides with those families which were in better conditions before the intervention. Families in the other group reach the end of the programme without

[22] In some cases, for example, ad hoc population censuses should be taken to determine the situation of potential beneficiaries.

[23] When the maximum period has passed, the renewal of the condition of beneficiary can be requested, as in the cases of *Bolsa Família* in Brazil, *Oportunidades* in Mexico, PATH in Jamaica and *Solidaridad* in the Dominican Republic.

having fulfilled their goals, so they remain in a situation of continuing vulnerability.

(c) Gender and ethnic perspectives

(i) The central role of women in the programmes: independence or overwork? A central role is attributed to women in conditional transfer programmes, in both managing the resources provided and complying with the conditionalities and promotion of the programmes. In this way, although not a stated aim in most cases, the programmes promote women's independence and empowerment (León, 2008).

Nonetheless, the assignation of numerous functions to women in the management of the programmes has raised a number of criticisms and questions. First, it has been argued that although experiences show that, as a result of the programmes, women feel more empowered and independent, they also have to bear the cost of additional responsibilities, since on top of their traditional domestic tasks (and sometimes employment) they now have to perform those involved in meeting the conditionalities. Second, it has been said that behind the design of conditional transfer programmes lies a traditional, patriarchal view of the family, which holds that women must care for children and domestic tasks and, in addition, manage the resources and ensure compliance with the conditionalities (Arriagada and Mathivet, 2007; Martínez and Voorend, 2008).

(ii) Strengthening cultural aspects. As for the approach of conditional transfer programmes to the most vulnerable groups, there has been criticism of the fact that almost no attention has been paid to certain key specificities for work with indigenous and Afro-descendant peoples (Tendler, 2004). These groups make up between 8% and 10% of the total population of Latin America (ECLAC, 2006b) and, in comparison with the rest of the population, they have the worst indicators in the areas relating to the programmes, such as income, health, education and nutrition (Hall and Patrinos, 2006). In order to deal with the ethnic factors, systems must be developed to design, target and manage conditional transfer programmes, and those systems must include, in addition to operational mechanisms, participation and consultation procedures that take into account the authority and decision-making structures of the peoples concerned, as well as cultural variables, especially in the planning of the conditions that will be have to be met. Action in this regard can range from the provision of information in native languages to the appropriate provision of education and health care (Robles, 2009).

4. Conditional transfer programmes and economic crises

Since conditional transfer programmes aim to break the intergenerational reproduction of poverty, they can be seen more as programmes to combat structural poverty than as short-term initiatives. Nonetheless, in times of economic crisis, when unemployment and informal employment rise and poverty also increases as a result, transfers which are predictable, constant and unrelated to developments in the labour market, as is the case with conditional transfers, can play a major part in mitigating the social consequences. Nonetheless, the capacity of conditional transfer programmes to absorb the families affected by the crisis and act as a sort of unemployment insurance for informal-sector workers remains to be demonstrated (Veras Soares, 2009a).

The minimal design conditions for incorporating those affected by economic crisis into conditional transfer programmes are the existence of continuing procedures of registration and updating of records of beneficiaries, as well as the use of mechanisms for beneficiary identification which take account of income variations and people's employment situations, or both. In most countries the selection of beneficiaries is on the basis of indirect means of verification or by means of indicators of unmet basic needs whose characteristics do not vary in the short term, such as housing conditions and the educational levels of household members. The notable exceptions in this regard include Brazil, where the means test is direct and income-based, and Chile, where the social protection record measures the family's financial resources and its needs as well as the risks it faces, with an approach to poverty that is more dynamic than that of other indirect means-testing methods. Lastly, the complexities and costs of compliance monitoring are not compatible with the speed and efficiency needed to deal with the effects of economic crises. Perhaps one of the most important contributions of conditional transfer programmes to the search for solutions to rising poverty caused by crises may be the fact that the design of such programmes has led to the modernization of, and improved quality in, beneficiary information and registration systems (Veras Soares, 2009a and 2009b). These could constitute strong platforms for the development of other anti-poverty programmes.

5. Conclusion

The more structural rules of universality, solidarity and efficiency have been gaining ground against viewpoints that were individualistic and based on the market and on targeting as the basis of social welfare. This has gone hand in hand with practical and theoretical innovations, incorporating the notions of social capital, protection, cohesion and risk insurance, as well as a renewed concern for inequality and recognition of the contribution that can be made by family and market concepts to such problems.

In more concrete terms, there are five changes which, despite certain country-level variations, can be identified as innovative currents and which are part of the "reform of reforms" trend.

(a) Legitimization of direct income transfers to the poorest sectors, financed from general revenue

Countries such as Brazil and Mexico, which did not use social investment fund schemes to combat poverty, have been the first to conduct transfer initiatives whose benefits depend on the incorporation of beneficiaries into social programmes of a sectoral nature which are now known as conditional transfer programmes. They emphasize three aims: direct income transfers to alleviate poverty, encouraging investment in human capital, and bringing the population into social protection and promotion networks.

(b) State-coordinated networks for social protection and activation of human and social capital

Active employment policies, microcredit, and the formation of mixed community and State networks have gained momentum as instruments through which the State seeks to build on the resources and capacities of individuals and communities and to coordinate them with State programmes and policies. *Chile Solidario* and the Uruguayan *Rutas de Salida* ("Ways Out") programme are examples of such initiatives. In many cases they are linked to, or subordinate to, conditional transfer programmes and they create connections between poor sectors of the population and the State, the resources available on the market, and the communities themselves.

(c) Recognition of the need to build non-contributory State mechanisms or to subsidize contributions to social insurance systems (social security and health care)

Since the reform of health care and social security, which entailed the privatization of social insurance, and since the impact of those reforms in terms of inequality of access and limited scope became clear, there is growing support for the idea of building or strengthening the solidarity-based or non-contributory pillars of the health and social security systems. The health-care reform in Uruguay, the universal access and specific health guarantee plan (AUGE) in Chile, the pioneering Single Health System (SUS) of Brazil, the targeted welfare health scheme (*seguro popular*) in Mexico and the health-care reform in Colombia all come close to the model of social risk management or to a solidarity- and citizenship-based emphasis in the area of health care. Examples in the area of pensions and retirement benefits include the pension-system reform and solidarity-based pensions in Chile, universal non-contributory pensions in Mexico City and their extension, with certain variations, to a number of States elsewhere in Mexico, the reform of the retirement benefits system in Argentina, the "continuing benefit" provision in Brazil and other innovations which are being discussed or implemented in the region. Uruguay and Chile are also evaluating or implementing a reform of unemployment insurance aimed at maintaining income levels or establishing a basic replacement level for informal workers.

(d) Restoration of a central distributive role which will regulate and combat inequalities generated by decentralization and the delegation of responsibilities to quasi-markets or private providers

Reforms to decentralize services on a political and geographical basis and delegate their provision to private-sector suppliers of health care and education have been moderated or improved on through the creation of superintendencies, solidarity funds and redistributive transfer formulas, to regulate and moderate the regressive and stratifying impacts which resulted from those reforms.

(e) The appearance on the public agenda, although it is still incipient, of a new area of action and redistribution related to the care, coordination and redistribution of paid and unpaid work

Broadening the scope of the education system to include the preschool level and lengthening the school day are policies whose central goal is to improve human capital and to bring about equality of opportunities in the near future. There is an additional argument in favour: they collectivize the care of young children and the time required for it, thereby contributing to the redistribution of that burden between genders and social strata. The fact that policies for reconciling paid and unpaid work are now on the agenda reflects recognition of the need to approach the issue of unpaid work and care from a rights and equality perspective.

Annex

Table II.A-1

LATIN AMERICA AND THE CARIBBEAN (21 COUNTRIES): PUBLIC SOCIAL SPENDING AS A PERCENTAGE OF GDP

(Percentages)

Country	Period									
	1990-1991	1992-1993	1994-1995	1996-1997	1998-1999	2000-2001	2002-2003	2004-2005	2006-2007	2008
Argentina	19.3	20.1	21.1	20.0	21.0	21.8	19.5	19.6	22.1	…
Bolivia (Plurinational State of) [a]	…	…	12.9	14.6	16.2	16.3	17.4	17.0	16.2	…
Brazil	16.6	16.1	19.5	19.4	21.6	21.2	22.1	22.4	24.4	26.1
Chile	12.0	12.4	12.2	12.8	14.3	15.0	14.8	13.2	12.2	14.2
Colombia [b]	5.9	7.0	10.2	13.6	12.2	11.1	11.1	11.9	12.3	12.6
Costa Rica	15.6	15.2	15.8	16.8	16.4	18.0	18.7	17.6	17.2	19.3
Cuba	27.6	32.8	28.5	23.1	22.4	23.7	26.5	31.0	34.5	40.1
Ecuador [c]	7.4	8.0	6.1	5.6	4.9	4.9	5.5	6.2	6.4	…
El Salvador [d]	…	2.9	5.4	6.3	8.2	10.0	10.8	11.1	11.3	…
Guatemala	3.7	4.6	4.6	4.8	6.7	6.8	7.3	7.3	7.5	7.0
Honduras	7.5	7.6	6.6	6.6	7.4	10.0	11.3	11.6	11.4	…
Jamaica [e]	8.4	8.0	8.2	9.0	…	9.5	8.3	8.6	…	…
Mexico	6.5	8.1	8.8	8.5	9.2	9.7	10.2	10.2	11.2	12.5
Nicaragua	6.6	6.5	7.2	6.5	7.6	8.1	9.3	10.8	11.4	12.3
Panama	7.5	9.3	8.3	8.8	9.7	9.5	8.3	8.0	9.3	…
Paraguay	3.2	6.6	7.8	8.7	9.1	8.0	8.9	7.7	11.3	8.9
Peru [f]	3.9	5.1	6.5	6.9	7.4	8.8	9.5	9.2	8.2	7.8
Dominican Republic	3.8	5.4	5.7	5.4	5.6	6.8	6.5	6.8	8.0	…
Trinidad and Tobago [g]	6.9	7.3	6.6	6.4	…	9.1	9.7	9.9	8.7	12.1
Uruguay	16.8	18.9	20.2	21.3	20.0	21.6	21.8	19.6	21.2	21.7
Venezuela (Bolivarian Republic of)	8.8	9.2	7.8	8.6	8.8	11.6	11.7	11.7	13.4	…
Latin America and the Caribbean [h]	9.6	10.7	11.0	11.2	11.7	12.5	12.8	12.9	13.7	16.2
Latin America and the Caribbean [i]	12.2	12.9	14.4	14.3	15.3	15.5	15.7	15.9	17.3	…

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the Commission's social expenditure database.

[a] The figure for 1994-1995 relates to 1995, and the figure for 2006-2007, to 2006.

[b] Preliminary figures. Figures since 2000 are from the Ministry of Finance and are not comparable with earlier figures. The previous series is from the National Department of Planning and the National Administrative Department of Statistics (DANE).

[c] The figure for 2006-2007 relates to 2006.

[d] The figure for 1992-1993 relates to 1993.

[e] The figure for 1996-1997 relates to 1996, and the figure for 2004-2005, to 2004.

[f] From 1990 to 1999, the figures correspond to the budgetary central government, and from 2000 onwards, to general government.

[g] The figure for 1996-1997 relates to 1996.

[h] Simple average of the countries. Includes estimates for years in which information is missing on certain countries.

[i] Weighted average of the countries. Includes estimates for years in which information is missing on certain countries.

Table II.A-2

LATIN AMERICA AND THE CARIBBEAN (21 COUNTRIES): PER CAPITA PUBLIC SOCIAL SPENDING

(In dollars at 2000 prices)

Country	Period									
	1990-1991	1992-1993	1994-1995	1996-1997	1998-1999	2000-2001	2002-2003	2004-2005	2006-2007	2008
Argentina	1 179	1 414	1 551	1 547	1 683	1 635	1 301	1 531	2 002	…
Bolivia (Plurinational State of) [a]	…	…	122	143	164	165	177	179	178	…
Brazil	554	536	697	712	783	785	827	882	1 019	1 158
Chile	381	458	501	595	686	745	757	734	733	886
Colombia [b]	129	160	248	338	295	264	269	308	355	376
Costa Rica	486	516	566	606	651	727	773	775	855	1 002
Cuba	864	779	632	563	568	661	772	1 028	1 395	1 749
Ecuador [c]	98	106	81	76	65	65	77	97	104	…
El Salvador [d]	…	53	104	128	175	222	248	267	291	…
Guatemala	49	62	64	70	100	105	113	114	124	119
Honduras	80	85	72	75	84	116	136	149	156	…
Jamaica [e]	294	284	298	324	…	331	294	309	309	…
Mexico	358	457	492	482	559	621	644	672	782	885
Nicaragua	45	42	47	45	57	63	73	90	100	110
Panama	229	317	287	315	377	371	328	345	460	…
Paraguay	45	95	115	128	129	107	116	105	162	135
Peru [f]	64	85	125	140	150	179	201	211	214	229
Dominican Republic	69	109	121	127	146	188	188	201	276	…
Trinidad and Tobago [g]	303	312	294	304	…	588	728	874	904	1 331
Uruguay	850	1 046	1 193	1 332	1 304	1 328	1 186	1 246	1 542	1 767
Venezuela (Bolivarian Republic of)	441	489	396	438	434	560	483	557	722	…
Latin America and the Caribbean [h]	317	358	382	405	436	468	461	508	604	812
Latin America and the Caribbean [i]	442	482	557	573	624	642	637	691	818	…

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the Commission's social expenditure database.

[a] The figure for 1994-1995 relates to 1995, and the figure for 2006-2007, to 2006.

[b] Preliminary figures. Figures since 2000 are from the Ministry of Finance and are not comparable with earlier figures. The previous series is from the National Department of Planning and the National Administrative Department of Statistics (DANE).

[c] The figure for 2006-2007 relates to 2006.

[d] The figure for 1992-1993 relates to 1993.

[e] The figure for 1996-1997 relates to 1996, and the figure for 2004-2005, to 2004.

[f] From 1990 to 1999, the figures correspond to the budgetary central government, and from 2000 onwards, to general government.

[g] The figure for 1996-1997 relates to 1996.

[h] Simple average of the countries. Includes estimates for years in which information is missing on certain countries.

[i] Weighted average of the countries. Includes estimates for years in which information is missing on certain countries.

Table II.A-3

LATIN AMERICA AND THE CARIBBEAN (21 COUNTRIES): PUBLIC SOCIAL SPENDING AS A PERCENTAGE OF TOTAL PUBLIC SPENDING [a]

(Percentages)

Country	Period									
	1990-1991	1992-1993	1994-1995	1996-1997	1998-1999	2000-2001	2002-2003	2004-2005	2006-2007	2008
Argentina	62.2	63.4	65.7	65.5	64.3	62.8	66.2	64.3	63.9	…
Bolivia (Plurinational State of) [b]	…	…	36.6	44.1	50.0	42.8	49.4	48.1	49.1	…
Brazil	48.9	47.2	58.6	51.0	55.8	62.1	70.4	73.2	73.4	73.7
Chile	61.2	63.0	64.5	65.5	66.4	67.7	68.0	67.3	66.4	67.0
Colombia [c]	28.8	32.2	36.5	…	…	…	…	74.8	71.5	69.5
Costa Rica	38.9	41.2	38.2	42.0	40.7	40.5	37.8	36.1	36.0	35.6
Cuba	35.6	34.7	39.4	45.7	44.8	47.0	51.4	53.0	52.4	52.8
Ecuador [d]	42.8	48.5	33.7	27.6	21.7	20.9	25.2	28.5	27.9	…
El Salvador [e]	…	22.2	23.2	28.1	32.5	38.6	39.5	45.8	45.7	…
Guatemala	29.9	33.3	41.3	42.7	45.1	47.3	50.4	53.8	51.8	51.3
Honduras	40.7	36.6	40.6	40.5	39.5	45.4	49.9	52.8	52.9	…
Jamaica [f]	26.8	23.2	20.6	19.2	…	17.1	17.3	16.3	16.3	…
Mexico	41.3	50.2	53.1	52.3	59.4	61.3	57.8	58.6	59.3	68.7
Nicaragua	34.0	38.5	39.9	37.0	37.1	38.4	42.0	47.9	50.2	53.8
Panama	38.1	50.6	48.6	39.6	46.4	42.5	39.1	39.3	42.1	…
Paraguay	39.9	42.9	43.3	47.1	44.5	38.3	48.5	41.6	57.1	55.0
Peru [g]	33.0	35.0	39.4	39.6	41.9	52.2	52.3	52.3	53.1	51.2
Dominican Republic	43.1	44.3	50.6	45.6	43.3	49.9	47.9	46.2	48.6	…
Trinidad and Tobago [h]	40.6	40.6	42.8	40.7	…	43.5	44.6	37.9	29.4	34.4
Uruguay	62.3	67.7	70.8	70.8	67.3	68.1	61.4	61.8	67.5	75.4
Venezuela (Bolivarian Republic of)	32.8	40.1	35.3	35.4	36.6	37.8	38.6	41.0	44.0	…
Latin America and the Caribbean [i]	40.0	42.9	44.7	44.9	46.2	47.3	48.9	49.4	50.4	57.4
Latin America and the Caribbean [j]	44.1	46.5	52.0	50.2	54.1	57.3	60.2	61.8	62.3	…

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the Commission's social expenditure database.

[a] Data on the official amount of total public spending come from the relevant functional classification used by the countries, but they may differ from other reports, also official, based on different classifications (see box II.1).

[b] The figure for 1994-1995 relates to 1995, and the figure for 2006-2007, to 2006.

[c] Preliminary figures. Figures since 2000 are from the Ministry of Finance and are not comparable with earlier figures. The previous series is from the National Department of Planning and the National Administrative Department of Statistics (DANE). Discontinued series. The figure for 1994-1995 relates to 1994, and the figure for 2004-2005, to 2005.

[d] The figure for 2006-2007 relates to 2006.

[e] The figure for 1992-1993 relates to 1993.

[f] The figure for 1996-1997 relates to 1996, and the figure for 2004-2005, to 2004.

[g] From 1990 to 1999, the figures correspond to the budgetary central government, and from 2000 onwards, to general government.

[h] The figure for 1996-1997 relates to 1996.

[i] Simple average of the countries. Includes estimates for years in which information is missing on certain countries.

[j] Weighted average of the countries. Includes estimates for years in which information is missing on certain countries.

Table II.A-4

LATIN AMERICA AND THE CARIBBEAN (21 COUNTRIES): PUBLIC SOCIAL SPENDING ON EDUCATION AS A PERCENTAGE OF GDP

(Percentages)

Country	Period									
	1990-1991	1992-1993	1994-1995	1996-1997	1998-1999	2000-2001	2002-2003	2004-2005	2006-2007	2008
Argentina	3.6	4.0	4.2	4.2	4.7	5.1	4.2	4.5	5.3	…
Bolivia (Plurinational State of) [a]	…	…	5.5	5.9	6.0	5.8	6.6	6.6	6.3	…
Brazil	3.4	2.8	5.1	4.3	5.5	5.0	4.7	4.6	5.0	5.6
Chile	2.3	2.4	2.6	3.0	3.6	3.9	4.0	3.6	3.3	4.1
Colombia [b]	2.4	2.9	3.0	4.2	4.1	3.3	3.8	3.2	3.0	3.0
Costa Rica	3.9	4.2	4.2	4.6	4.4	5.1	5.7	5.5	5.2	5.9
Cuba	10.8	11.9	9.0	7.3	7.7	9.1	11.1	13.3	14.6	16.3
Ecuador [c]	2.8	3.0	2.6	2.5	2.5	2.1	2.6	2.6	2.6	…
El Salvador [d]	…	1.8	2.0	2.5	3.0	3.4	3.5	3.2	3.1	…
Guatemala	1.8	2.0	1.9	1.9	2.5	2.9	2.9	2.9	3.0	2.9
Honduras	4.3	4.3	3.7	3.9	4.5	6.2	7.1	7.7	7.6	…
Jamaica [e]	4.1	4.0	4.1	4.9	…	5.8	4.5	4.7	4.7	…
Mexico	2.6	3.5	3.9	3.7	3.8	3.9	4.0	3.8	4.0	4.1
Nicaragua	2.6	2.2	2.8	2.9	3.4	3.7	4.4	4.7	5.1	5.5
Panama	3.6	3.7	3.5	4.0	4.1	4.2	4.1	3.8	4.0	…
Paraguay	1.3	2.9	3.6	4.2	4.4	4.3	4.0	3.9	4.5	4.1
Peru [f]	1.6	2.0	2.7	2.5	2.5	2.8	3.0	3.0	2.6	2.6
Dominican Republic	0.9	1.3	1.6	1.8	2.2	2.5	2.6	1.8	2.3	…
Trinidad and Tobago [g]	3.2	3.3	3.0	3.0	…	3.9	4.4	4.4	3.8	5.0
Uruguay	2.5	2.5	2.5	3.0	3.0	3.0	3.3	3.3	3.9	4.3
Venezuela (Bolivarian Republic of)	3.5	4.0	3.8	3.2	4.0	5.1	5.1	5.0	5.5	…
Latin America and the Caribbean [h]	3.2	3.5	3.6	3.7	4.0	4.3	4.5	4.6	4.7	5.3
Latin America and the Caribbean [i]	3.2	3.4	4.2	3.9	4.5	4.5	4.4	4.3	4.6	…

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the Commission's social expenditure database.

[a] The figure for 1994-1995 relates to 1995, and the figure for 2006-2007, to 2006.

[b] Preliminary figures. Figures since 2000 are from the Ministry of Finance and are not comparable with earlier figures. The previous series is from the National Department of Planning and the National Administrative Department of Statistics (DANE).

[c] The figure for 2006-2007 relates to 2006.

[d] The figure for 1992-1993 relates to 1993.

[e] The figure for 1996-1997 relates to 1996, and the figure for 2004-2005, to 2004.

[f] From 1990 to 1999, the figures correspond to the budgetary central government, and from 2000 onwards, to general government.

[g] The figure for 1996-1997 relates to 1996.

[h] Simple average of the countries. Includes estimates for years in which information is missing on certain countries.

[i] Weighted average of the countries. Includes estimates for years in which information is missing on certain countries.

Table II.A-5

LATIN AMERICA AND THE CARIBBEAN (21 COUNTRIES): PUBLIC SOCIAL SPENDING ON HEALTH CARE AS A PERCENTAGE OF GDP

(Percentages)

Country	Period									
	1990-1991	1992-1993	1994-1995	1996-1997	1998-1999	2000-2001	2002-2003	2004-2005	2006-2007	2008
Argentina	4.3	4.6	4.9	4.6	4.9	5.0	4.4	4.5	4.9	…
Bolivia (Plurinational State of) [a]	…	…	3.3	3.3	3.3	3.0	3.1	3.2	3.2	…
Brazil	3.3	2.4	4.1	3.8	3.8	4.1	4.0	4.3	4.6	4.9
Chile	1.8	2.1	2.3	2.4	2.7	2.9	3.0	2.8	2.9	3.4
Colombia [b]	0.9	1.1	2.6	2.9	3.3	2.2	1.8	2.0	1.9	1.9
Costa Rica	4.9	4.5	4.7	4.7	4.8	5.2	5.7	5.0	5.0	5.8
Cuba	5.0	6.6	5.6	4.9	5.4	5.6	5.7	6.5	8.5	11.8
Ecuador [c]	1.4	1.6	0.8	0.9	0.7	0.8	1.1	1.2	1.3	…
El Salvador [d]	…	1.1	2.6	2.8	3.2	3.3	3.4	3.4	3.6	…
Guatemala	1.0	1.1	1.0	0.8	1.2	1.2	1.1	1.1	1.2	1.2
Honduras	2.9	2.8	2.6	2.3	2.4	3.3	3.8	3.5	3.4	…
Jamaica [e]	2.2	2.4	2.2	2.3	…	2.2	2.2	2.4	2.4	…
Mexico	3.0	3.4	2.3	2.2	2.3	2.3	2.3	2.5	2.8	2.8
Nicaragua	2.8	2.5	2.8	2.5	2.7	2.9	3.3	3.3	3.6	3.7
Panama	1.6	1.9	1.8	1.9	2.0	2.3	2.0	2.3	2.2	…
Paraguay	0.3	1.1	1.2	1.3	1.4	1.2	1.4	1.2	2.1	1.5
Peru [f]	0.9	0.9	1.3	1.4	1.5	1.4	1.5	1.4	1.2	1.2
Dominican Republic	0.8	1.0	1.0	1.1	1.2	1.6	1.4	1.2	1.4	…
Trinidad and Tobago [g]	2.6	2.8	2.2	2.0	…	2.1	2.3	2.6	2.3	3.4
Uruguay	2.9	3.0	3.4	2.5	3.2	3.5	3.4	3.3	3.8	4.5
Venezuela (Bolivarian Republic of)	1.6	1.7	1.1	1.1	1.4	1.5	1.6	1.6	1.8	…
Latin America and the Caribbean [h]	2.3	2.5	2.5	2.4	2.6	2.7	2.8	2.8	3.1	3.8
Latin America and the Caribbean [i]	2.9	2.9	3.2	3.0	3.2	3.2	3.1	3.3	3.6	…

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the Commission's social expenditure database.

[a] The figure for 1994-1995 relates to 1995, and the figure for 2006-2007, to 2006.

[b] Preliminary figures. Figures since 2000 are from the Ministry of Finance and are not comparable with earlier figures. The previous series is from the National Department of Planning and the National Administrative Department of Statistics (DANE).

[c] The figure for 2006-2007 relates to 2006.

[d] The figure for 1992-1993 relates to 1993.

[e] The figure for 1996-1997 relates to 1996, and the figure for 2004-2005, to 2004.

[f] From 1990 to 1999, the figures correspond to the budgetary central government, and from 2000 onwards, to general government.

[g] The figure for 1996-1997 relates to 1996.

[h] Simple average of the countries. Includes estimates for years in which information is missing on certain countries.

[i] Weighted average of the countries. Includes estimates for years in which information is missing on certain countries.

Table II.A-6

LATIN AMERICA AND THE CARIBBEAN (20 COUNTRIES): PUBLIC SOCIAL SPENDING ON SOCIAL SECURITY AND WELFARE AS A PERCENTAGE OF GDP

(Percentages)

Country	Period									
	1990-1991	1992-1993	1994-1995	1996-1997	1998-1999	2000-2001	2002-2003	2004-2005	2006-2007	2008
Argentina	9.7	9.9	10.3	9.8	9.9	10.3	9.7	9.2	10.1	…
Bolivia (Plurinational State of) [a]	…	…	1.5	2.8	3.9	5.6	5.8	5.1	4.7	…
Brazil	8.5	9.7	10.0	10.6	11.7	11.2	12.0	12.1	13.0	13.4
Chile	7.7	7.6	7.1	7.1	7.6	7.9	7.5	6.5	5.8	6.4
Colombia [b]	2.2	2.6	4.0	5.4	3.8	4.8	4.9	6.0	7.0	7.1
Costa Rica	4.9	4.7	5.2	5.8	5.7	6.1	5.5	5.3	5.2	5.5
Cuba	7.0	9.9	8.6	7.0	7.0	6.5	7.1	8.2	8.7	9.2
Ecuador [c]	3.2	3.4	2.2	2.0	1.5	1.7	1.7	2.2	2.3	…
El Salvador [d]	…	0.0	0.8	0.9	1.1	1.1	2.2	2.5	2.3	…
Guatemala	0.8	0.9	0.8	0.8	1.0	1.2	1.3	1.2	1.1	1.1
Honduras	0.4	0.4	0.3	0.3	0.3	0.2	0.3	0.3	0.3	…
Jamaica [e]	0.6	0.4	0.4	0.3	…	0.4	0.4	0.4	0.4	…
Mexico	0.1	0.1	1.3	1.5	1.9	2.3	2.4	2.2	2.4	3.7
Panama	1.2	2.2	1.5	1.0	1.9	1.6	1.2	1.1	1.6	…
Paraguay	1.2	2.3	2.4	2.7	3.1	2.1	3.3	2.5	4.3	2.9
Peru [f]	1.3	2.2	2.5	2.8	3.2	4.0	4.5	4.4	3.8	3.3
Dominican Republic	0.3	0.3	0.3	0.5	0.6	1.1	0.9	2.1	2.2	…
Trinidad and Tobago [g]	0.1	0.1	0.1	0.1	…	1.4	1.8	1.5	1.2	1.8
Uruguay	11.2	13.1	13.9	15.3	12.6	13.7	13.6	11.7	12.0	11.0
Venezuela (Bolivarian Republic of)	2.0	2.1	2.3	3.0	2.5	3.7	4.1	4.1	4.6	…
Latin America and the Caribbean [h]	3.2	3.7	3.8	4.0	4.0	4.3	4.5	4.4	4.6	5.9
Latin America and the Caribbean [i]	4.8	5.4	6.0	6.3	6.6	6.7	6.9	6.9	7.4	…

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the Commission's social expenditure database.

[a] The figure for 1994-1995 relates to 1995, and the figure for 2006-2007, to 2006.

[b] Preliminary figures. Figures since 2000 are from the Ministry of Finance and are not comparable with earlier figures. The previous series is from the National Department of Planning and the National Administrative Department of Statistics (DANE).

[c] The figure for 2006-2007 relates to 2006.

[d] The figure for 1992-1993 relates to 1993.

[e] The figure for 1996-1997 relates to 1996, and the figure for 2004-2005, to 2004.

[f] From 1990 to 1999, the figures correspond to the budgetary central government, and from 2000 onwards, to general government.

[g] The figure for 1996-1997 relates to 1996.

[h] Simple average of the countries. Includes estimates for years in which information is missing on certain countries. Does not include Nicaragua.

[i] Weighted average of the countries. Includes estimates for years in which information is missing on certain countries. Does not include Nicaragua.

Table II.A-7
LATIN AMERICA AND THE CARIBBEAN (21 COUNTRIES): PUBLIC SOCIAL SPENDING ON HOUSING AND OTHER ITEMS AS A PERCENTAGE OF GDP
(Percentages)

Country	Period									
	1990-1991	1992-1993	1994-1995	1996-1997	1998-1999	2000-2001	2002-2003	2004-2005	2006-2007	2008
Argentina	1.7	1.6	1.6	1.4	1.5	1.4	1.1	1.5	1.9	…
Bolivia (Plurinational State of) [a]	…	…	2.6	2.6	2.9	1.8	1.9	2.1	2.0	…
Brazil	1.4	1.3	0.4	0.8	0.6	1.1	1.5	1.4	1.7	2.1
Chile	0.2	0.2	0.2	0.3	0.4	0.3	0.3	0.3	0.3	0.4
Colombia [b]	0.5	0.5	0.7	1.0	1.0	0.9	0.6	0.7	0.5	0.5
Costa Rica	1.9	1.8	1.7	1.8	1.5	1.6	1.8	1.8	1.8	2.1
Cuba	4.8	4.4	5.3	4.0	2.3	2.6	2.6	3.0	2.8	2.8
Ecuador [c]	0.0	0.1	0.4	0.2	0.1	0.4	0.2	0.2	0.2	…
El Salvador [d]	…	0.0	0.0	0.2	0.8	2.1	1.7	2.0	2.3	…
Guatemala	0.1	0.6	0.8	1.3	1.9	1.6	1.9	2.1	2.2	1.8
Honduras	0.0	0.0	0.0	0.0	0.2	0.2	0.1	0.1	0.1	…
Jamaica [e]	1.5	1.2	1.6	1.4	…	1.1	1.2	1.1	1.1	…
Mexico	0.9	1.2	1.3	1.2	1.1	1.3	1.5	1.8	2.1	1.9
Nicaragua	1.2	1.8	1.5	1.2	1.5	1.5	1.6	2.7	2.8	3.1
Panama	1.1	1.4	1.4	1.9	1.7	1.3	1.0	0.8	1.5	…
Paraguay	0.5	0.3	0.6	0.4	0.2	0.5	0.2	0.2	0.4	0.4
Peru [f]	0.1	0.1	0.1	0.2	0.3	0.6	0.5	0.4	0.6	0.8
Dominican Republic	1.8	2.8	2.9	2.1	1.7	1.6	1.7	1.8	2.1	…
Trinidad and Tobago [g]	1.0	1.1	1.3	1.3	…	1.5	1.3	1.4	1.3	1.8
Uruguay	0.3	0.4	0.5	0.5	1.2	1.4	1.5	1.4	1.6	1.9
Venezuela (Bolivarian Republic of)	1.7	1.4	0.6	1.3	0.9	1.3	0.9	1.0	1.6	…
Latin America and the Caribbean [h]	1.1	1.2	1.2	1.2	1.2	1.2	1.2	1.3	1.5	1.6
Latin America and the Caribbean [i]	1.2	1.2	1.0	1.1	1.0	1.2	1.3	1.4	1.7	…

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the Commission's social expenditure database.
[a] The figure for 1994-1995 relates to 1995, and the figure for 2006-2007, to 2006.
[b] Preliminary figures. Figures since 2000 are from the Ministry of Finance and are not comparable with earlier figures. The previous series is from the National Department of Planning and the National Administrative Department of Statistics (DANE).
[c] The figure for 2006-2007 relates to 2006.
[d] The figure for 1992-1993 relates to 1993.
[e] The figure for 1996-1997 relates to 1996, and the figure for 2004-2005, to 2004.
[f] From 1990 to 1999, the figures correspond to the budgetary central government, and from 2000 onwards, to general government.
[g] The figure for 1996-1997 relates to 1996.
[h] Simple average of the countries. Includes estimates for years in which information is missing on certain countries.
[i] Weighted average of the countries. Includes estimates for years in which information is missing on certain countries.

Table II.A-8

LATIN AMERICA AND THE CARIBBEAN (21 COUNTRIES): PER CAPITA PUBLIC SOCIAL SPENDING ON EDUCATION

(In dollars at 2000 prices)

Country	Period									
	1990-1991	1992-1993	1994-1995	1996-1997	1998-1999	2000-2001	2002-2003	2004-2005	2006-2007	2008
Argentina	220	279	311	328	374	382	282	349	478	…
Bolivia (Plurinational State of) [a]	…	…	52	58	61	59	67	69	69	…
Brazil	114	93	181	157	200	183	175	179	211	249
Chile	73	90	105	139	175	194	206	198	196	255
Colombia [b]	51	66	72	106	100	77	93	83	85	89
Costa Rica	123	142	151	164	176	206	234	241	260	304
Cuba	338	283	200	178	196	253	324	442	589	712
Ecuador [c]	37	39	35	35	33	27	36	40	43	…
El Salvador [d]	…	31	39	51	64	76	81	77	79	…
Guatemala	24	27	27	27	38	44	45	45	49	49
Honduras	46	49	41	45	51	73	86	99	104	…
Jamaica [e]	144	142	147	175	…	201	159	169	169	…
Mexico	143	196	219	207	233	250	255	250	276	289
Nicaragua	17	14	19	20	26	30	35	39	45	50
Panama	109	128	122	145	160	164	162	165	200	…
Paraguay	18	41	53	62	63	57	53	53	64	63
Peru [f]	27	33	51	50	50	57	64	68	68	75
Dominican Republic	17	26	33	41	57	70	74	52	79	…
Trinidad and Tobago [g]	139	142	134	142	…	264	330	386	397	556
Uruguay	124	137	145	189	198	187	177	207	284	354
Venezuela (Bolivarian Republic of)	177	214	192	164	198	248	211	238	296	…
Latin America and the Caribbean [h]	96	106	111	118	135	147	150	164	192	254
Latin America and the Caribbean [i]	116	126	163	157	183	185	178	186	219	…

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the Commission's social expenditure database.

[a] The figure for 1994-1995 relates to 1995, and the figure for 2006-2007, to 2006.

[b] Preliminary figures. Figures since 2000 are from the Ministry of Finance and are not comparable with earlier figures. The previous series is from the National Department of Planning and the National Administrative Department of Statistics (DANE).

[c] The figure for 2006-2007 relates to 2006.

[d] The figure for 1992-1993 relates to 1993.

[e] The figure for 1996-1997 relates to 1996, and the figure for 2004-2005, to 2004.

[f] From 1990 to 1999, the figures correspond to the budgetary central government, and from 2000 onwards, to general government.

[g] The figure for 1996-1997 relates to 1996.

[h] Simple average of the countries. Includes estimates for years in which information is missing on certain countries.

[i] Weighted average of the countries. Includes estimates for years in which information is missing on certain countries.

Table II.A-9

LATIN AMERICA AND THE CARIBBEAN (21 COUNTRIES): PER CAPITA PUBLIC SOCIAL SPENDING ON HEALTH CARE

(In dollars at 2000 prices)

Country	Period									
	1990-1991	1992-1993	1994-1995	1996-1997	1998-1999	2000-2001	2002-2003	2004-2005	2006-2007	2008
Argentina	264	321	362	356	392	378	296	351	443	…
Bolivia (Plurinational State of) [a]	…	…	31	33	34	30	32	34	35	…
Brazil	110	80	145	138	138	150	148	171	195	220
Chile	59	80	95	112	129	144	153	157	173	209
Colombia [b]	19	24	63	72	79	52	43	51	54	58
Costa Rica	153	154	168	171	189	210	235	220	248	302
Cuba	157	157	125	119	135	156	166	215	345	515
Ecuador [c]	19	21	11	12	10	10	15	19	21	…
El Salvador [d]	…	20	50	57	70	75	77	83	93	…
Guatemala	13	15	14	13	18	18	18	17	20	20
Honduras	31	32	29	27	27	39	46	45	47	…
Jamaica [e]	77	85	79	84	…	78	77	87	87	…
Mexico	162	189	129	122	142	146	147	166	193	198
Nicaragua	19	17	18	18	20	23	26	28	31	33
Panama	49	66	63	66	79	90	79	98	107	…
Paraguay	4	16	18	20	20	16	18	17	31	23
Peru [f]	15	15	24	29	31	28	32	31	32	34
Dominican Republic	14	20	21	25	31	44	39	36	50	…
Trinidad and Tobago [g]	115	119	99	94	…	136	170	234	241	376
Uruguay	147	165	203	156	210	214	187	207	274	364
Venezuela (Bolivarian Republic of)	79	89	56	59	70	70	66	77	96	…
Latin America and the Caribbean [h]	73	81	85	84	95	100	98	111	134	196
Latin America and the Caribbean [i]	107	108	123	120	129	133	126	144	170	…

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the Commission's social expenditure database.

[a] The figure for 1994-1995 relates to 1995, and the figure for 2006-2007, to 2006.

[b] Preliminary figures. Figures since 2000 are from the Ministry of Finance and are not comparable with earlier figures. The previous series is from the National Department of Planning and the National Administrative Department of Statistics (DANE).

[c] The figure for 2006-2007 relates to 2006.

[d] The figure for 1992-1993 relates to 1993.

[e] The figure for 1996-1997 relates to 1996, and the figure for 2004-2005, to 2004.

[f] From 1990 to 1999, the figures correspond to the budgetary central government, and from 2000 onwards, to general government.

[g] The figure for 1996-1997 relates to 1996.

[h] Simple average of the countries. Includes estimates for years in which information is missing on certain countries.

[i] Weighted average of the countries. Includes estimates for years in which information is missing on certain countries.

Table II.A-10

LATIN AMERICA AND THE CARIBBEAN (20 COUNTRIES): PER CAPITA PUBLIC SOCIAL SPENDING ON SOCIAL SECURITY AND WELFARE

(In dollars at 2000 prices)

Country	Period									
	1990-1991	1992-1993	1994-1995	1996-1997	1998-1999	2000-2001	2002-2003	2004-2005	2006-2007	2008
Argentina	592	699	758	755	795	773	651	717	913	…
Bolivia (Plurinational State of) [a]	…	…	15	28	40	57	59	54	52	…
Brazil	283	322	357	389	423	413	448	477	544	598
Chile	244	279	291	331	366	391	385	364	346	397
Colombia [b]	49	58	97	135	92	114	119	157	201	213
Costa Rica	152	160	187	208	226	248	227	234	260	287
Cuba	217	234	191	171	178	181	206	273	349	401
Ecuador [c]	42	45	29	27	21	23	24	34	38	…
El Salvador [d]	…	1	15	18	24	25	50	60	60	…
Guatemala	11	13	12	12	15	18	21	19	18	19
Honduras	4	4	3	4	4	3	3	4	4	…
Jamaica [e]	21	15	15	12	…	13	14	14	14	…
Mexico	7	6	71	86	116	146	149	142	165	263
Panama	37	76	54	35	72	64	48	47	78	…
Paraguay	17	33	36	40	44	27	43	33	62	43
Peru [f]	23	36	48	57	65	82	95	102	99	95
Dominican Republic	5	7	7	12	16	31	27	62	75	…
Trinidad and Tobago [g]	3	4	4	5	…	90	133	129	131	197
Uruguay	564	725	817	958	821	842	740	743	871	897
Venezuela (Bolivarian Republic of)	101	110	115	152	124	178	168	196	246	…
Latin America and the Caribbean [h]	119	142	156	172	173	186	180	193	226	310
Latin America and the Caribbean [i]	198	233	278	301	320	321	311	334	398	…

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the Commission's social expenditure database.

[a] The figure for 1994-1995 relates to 1995, and the figure for 2006-2007, to 2006.

[b] Preliminary figures. Figures since 2000 are from the Ministry of Finance and are not comparable with earlier figures. The previous series is from the National Department of Planning and the National Administrative Department of Statistics (DANE).

[c] The figure for 2006-2007 relates to 2006.

[d] The figure for 1992-1993 relates to 1993.

[e] The figure for 1996-1997 relates to 1996, and the figure for 2004-2005, to 2004.

[f] From 1990 to 1999, the figures correspond to the budgetary central government, and from 2000 onwards, to general government.

[g] The figure for 1996-1997 relates to 1996.

[h] Simple average of the countries. Includes estimates for years in which information is missing on certain countries. Does not include Nicaragua.

[i] Weighted average of the countries. Includes estimates for years in which information is missing on certain countries. Does not include Nicaragua.

Table II.A-11

LATIN AMERICA AND THE CARIBBEAN (21 COUNTRIES): PER CAPITA PUBLIC SOCIAL SPENDING ON HOUSING AND OTHER ITEMS

(In dollars at 2000 prices)

Country	Period								
	1990-1991	1992-1993	1994-1995	1996-1997	1998-1999	2000-2001	2002-2003	2004-2005	2006-2007	2008
Argentina	102	116	121	108	121	103	74	114	169	…
Bolivia (Plurinational State of) [a]	…	…	25	26	30	19	20	22	22	…
Brazil	47	42	15	29	23	39	57	56	71	92
Chile	7	9	10	13	17	17	14	16	20	26
Colombia [b]	10	11	16	25	25	22	13	18	15	15
Costa Rica	58	61	61	64	60	64	77	81	88	109
Cuba	154	105	118	96	59	72	77	99	112	121
Ecuador [c]	0	1	6	3	2	6	3	4	3	…
El Salvador [d]	…	1	1	5	18	47	40	47	58	…
Guatemala	2	8	12	20	30	25	30	34	37	31
Honduras	0	0	0	1	2	2	1	2	1	…
Jamaica [e]	53	43	59	52	…	40	44	38	38	…
Mexico	47	67	74	67	69	81	93	116	149	135
Nicaragua	8	11	10	8	12	12	13	23	25	27
Panama	35	49	49	68	67	52	40	36	77	…
Paraguay	6	5	9	6	4	7	3	3	6	6
Peru [f]	1	2	3	4	5	13	11	10	15	24
Dominican Republic	34	57	61	49	44	44	49	52	72	…
Trinidad and Tobago [g]	46	47	58	64	…	98	95	126	136	201
Uruguay	15	20	29	29	76	86	82	89	113	152
Venezuela (Bolivarian Republic of)	85	77	33	64	44	64	39	47	84	…
Latin America and the Caribbean [h]	35	36	37	38	40	43	42	49	62	78
Latin America and the Caribbean [i]	44	47	38	43	41	48	53	62	80	…

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the Commission's social expenditure database.

[a] The figure for 1994-1995 relates to 1995, and the figure for 2006-2007, to 2006.

[b] Preliminary figures. Figures since 2000 are from the Ministry of Finance and are not comparable with earlier figures. The previous series is from the National Department of Planning and the National Administrative Department of Statistics (DANE).

[c] The figure for 2006-2007 relates to 2006.

[d] The figure for 1992-1993 relates to 1993.

[e] The figure for 1996-1997 relates to 1996, and the figure for 2004-2005, to 2004.

[f] From 1990 to 1999, the figures correspond to the budgetary central government, and from 2000 onwards, to general government.

[g] The figure for 1996-1997 relates to 1996.

[h] Simple average of the countries. Includes estimates for years in which information is missing on certain countries.

[i] Weighted average of the countries. Includes estimates for years in which information is missing on certain countries.

Table II.A-12

LATIN AMERICA (18 COUNTRIES): GINI COEFFICIENT OF CONCENTRATION OF PRIMARY INCOME AND OF THE VARIOUS TYPES OF TRANSFERS AT THE HOUSEHOLD LEVEL, AROUND 2008 [a]

(Gini coefficients)

Country	Primary income	Retirement benefits	Pensions	Insurance and compensation	Educational scholarships	Welfare transferss		Total transfers	Total income ordered by [b]	
						private	publics		primary	final
Argentina 2006	0.609	-0.349	-0.435	-0.148	0.078	…	-0.421	-0.357	0.473	0.523
Bolivia (Plurinational State of) 2007	0.586	0.046	-0.091	…	…	…	0.057	0.029	0.555	0.577
Brazil 2008	0.656	0.092	0.081	0.712	…	-0.109	…	0.083	0.523	0.608
Chile 2006	0.594	-0.067	-0.168	-0.068	…	0.112	-0.444	-0.132	0.512	0.543
Colombia 2008	0.592	0.249	0.187	0.473	…	-0.324	0.066	0.258	0.557	0.591
Costa Rica 2008	0.542	-0.312	-0.366	…	-0.317	-0.129	-0.619	-0.301	0.437	0.495
Ecuador 2008	0.553	-0.207	…	…	…	-0.436	-0.393	-0.304	0.457	0.516
El Salvador 2007	0.460	0.085	-0.076	0.436	…	…	-0.460	0.088	0.446	0.461
Guatemala 2006	0.592	0.615	0.147	0.570	0.386	-0.080	-0.236	0.466	0.588	0.591
Honduras 2007	0.588	0.277	0.172	…	0.293	…	0.074	0.193	0.573	0.584
Mexico 2008	0.553	0.221	…	0.410	0.199	0.414	-0.293	0.151	0.527	0.543
Nicaragua 2005	0.551	0.436	0.293	0.101	0.261	-0.803	…	0.339	0.545	0.551
Panama 2008	0.557	-0.217	-0.321	…	-0.079	…	-0.430	-0.245	0.441	0.523
Paraguay 2008	0.545	-0.001	-0.219	…	…	…	…	-0.033	0.505	0.544
Peru 2008	0.496	0.625	0.460	0.141	…	0.848	-0.073	0.477	0.496	0.496
Dominican Republic 2008	0.588	-0.038	…	…	…	…	-0.275	-0.061	0.563	0.580
Uruguay 2008	0.499	-0.130	-0.042	-0.097	…	-0.026	-0.218	-0.107	0.361	0.437
Venezuela (Bolivarian Republic of) 2008	0.433	-0.093	-0.259	…	-0.257	…	-0.409	-0.119	0.415	0.423
Simple average	0.555	0.068	-0.042	0.253	0.071	-0.053	-0.272	0.024	0.498	0.532

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the relevant countries.

[a] All the income flows analysed are per capita. When calculating the concentration coefficient for transfers, the distribution of households —from low to high— by per capita primary income was preserved.

[b] The additive decomposition of the concentration effect and volume of the transfers in respect of per capita income can be seen from the difference between the Gini coefficients of final and primary income, when the initial distribution (penultimate and first columns) is preserved. Nonetheless, transfers bring about a reordering of households according to their final income. This produces a concentration index which differs from the one that is calculated according to the classification of primary income, a value shown in the last column.

Table II.A-13

LATIN AMERICA (18 COUNTRIES): SHARE OF TRANSFERS IN HOUSEHOLDS, AROUND 2008

(Percentages)

Country	Retirement benefits	Pensions	Insurance and compensation	Educational scholarships	Welfare transfers		Total transfers
					private	public	
Argentina 2006	27.2	8.3	0.7	1.2	…	6.9	40.6
Bolivia (Plurinational State of) 2007	5.1	1.2	…	…	…	2.6	8.6
Brazil 2008	24.9	14.9	0.0	…	2.5	…	36.9
Chile 2006	19.8	13.9	0.3	…	1.0	39.5	61.2
Colombia 2008	10.0	1.2	20.5	…	2.5	8.7	39.1
Costa Rica 2008	16.0	12.2	…	9.1	7.3	1.3	39.0
Ecuador 2008	8.6	…	…	…	11.4	28.1	43.0
El Salvador 2007	6.6	0.5	0.5	…	…	0.2	7.7
Guatemala 2006	6.6	3.2	3.2	1.9	6.5	5.4	23.7
Honduras 2007	2.1	0.6	…	0.8	…	46.8	48.5
Mexico 2008	12.6	…	1.5	4.4	0.4	21.3	36.5
Nicaragua 2005	3.5	3.2	1.5	1.2	1.0	…	9.8
Panama 2008	14.2	14.2	…	8.2	…	7.0	36.6
Paraguay 2008	5.2	1.8	…	…	…	…	6.8
Peru 2008	9.1	8.2	1.0	…	0.2	7.6	24.5
Dominican Rep. 2008	5.7	…	…	…	…	14.6	19.9
Uruguay 2008	29.9	28.1	3.1	…	0.2	24.1	63.8
Venezuela (Bolivarian Republic of) 2008	7.5	1.8	…	1.9	…	0.3	11.0

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the relevant countries.

Table II.A-14

LATIN AMERICA (18 COUNTRIES): GINI COEFFICIENT OF PER CAPITA PRIMARY INCOME, INCOME BEFORE WELFARE TRANSFERS AND TOTAL INCOME, AND INCIDENCE OF POVERTY BEFORE AND AFTER TRANSFERS, AROUND 2008

(Gini coefficients and percentages)

Country	Income concentration						Incidence of poverty [a]			
	Per capita primary income		Per capita income before transfers		Total per capita income		On primary income		On total income	
	Households	Individuals	Households	Individuals	Households	Individuals	Households	Individuals	Households	Individuals
Argentina 2006	0.609	0.572	0.526	0.523	0.523	0.519	30.5	30.6	14.7	21.0
Bolivia (Plurinational State of) 2007	0.586	0.576	0.579	0.572	0.577	0.570	50.2	58.0	47.2	55.7
Brazil 2008	0.656	0.626	0.610	0.595	0.608	0.594	34.1	37.3	19.9	25.8
Chile 2006	0.594	0.561	0.553	0.532	0.543	0.522	22.5	22.4	11.3	13.7
Colombia 2008	0.592	0.569	0.593	0.573	0.591	0.570	39.3	46.7	35.4	42.8
Costa Rica 2008	0.542	0.505	0.503	0.481	0.495	0.473	24.5	23.4	14.8	16.4
Ecuador 2008	0.553	0.530	0.544	0.526	0.516	0.504	43.7	48.0	36.5	42.7
El Salvador 2007	0.460	0.450	0.461	0.452	0.461	0.452	…	…	…	…
Guatemala 2006	0.592	0.585	0.593	0.586	0.591	0.583	48.1	56.0	46.4	54.4
Honduras 2007	0.588	0.586	0.589	0.587	0.584	0.580	64.1	69.7	63.1	68.9
Mexico 2008	0.553	0.523	0.551	0.524	0.543	0.515	32.0	38.2	27.9	34.8
Nicaragua 2005	0.551	0.533	0.551	0.533	0.551	0.532	55.6	62.7	54.4	61.9
Panama 2008	0.557	0.544	0.526	0.526	0.523	0.522	29.3	33.1	21.5	27.2
Paraguay 2008	0.545	0.525	0.544	0.527	0.544	0.527	53.0	60.1	50.2	58.2
Peru 2008	0.496	0.476	0.496	0.476	0.496	0.476	…	…	…	…
Dominican Republic 2008	0.588	0.555	0.583	0.553	0.580	0.550	42.1	45.8	40.1	44.3
Uruguay 2008	0.499	0.492	0.443	0.455	0.437	0.446	22.5	26.0	8.5	13.9
Venezuela (Bolivarian Republic of) 2008	0.433	0.418	0.425	0.413	0.423	0.411	25.7	29.3	23.6	27.6
Simple average	0.555	0.535	0.537	0.524	0.532	0.519	38.6	43.0	3.2	38.1

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the relevant countries.

Table II.A-15

LATIN AMERICA (18 COUNTRIES): INCOME FLOWS FROM TRANSFERS AS MEASURED IN HOUSEHOLD SURVEYS

Country	Year	Retirement benefits and pensions	Pensions	Insurance and compensation	Educational scholarships	Welfare transfers from the private sector	Welfare transfers from the public sector
Argentina	2006	Household income from retirement benefits or pensions	Household income from food allowances or cash assistance from persons not residing in the household	Household income from compensation for job loss and unemployment insurance	Household income from educational scholarships		Household income from subsidies or assistance from government, churches and others
Bolivia (Plurinational State of)	2007	Household income from retirement (old age) benefits or merit awards	Household income from invalid, widow's or orphan's pensions				Household income from family allowances
Brazil	2008	Household income from retirement benefits from the Instituto de Previdência (State pension fund) or the federal government	Household income from pensions from the Instituto de Previdência (State pension fund) or the federal government	Household income from the exemptions granted those who opt not to retire when they are eligible to do so (*abono de permanência*)		Household income from donations	
Chile	2006	Household income from old-age pensions, retirement benefits or life annuity systems	Household income from invalid, dependent's, widow's or orphan's pensions, food allowances or other pensions	Household income from unemployment or job-loss insurance		Household income from donations	Household income from the non-contributory welfare pension (PASIS) for persons aged over 65 (tranches from 65 to 69, 70 to 74 and 75 or over), from invalid and mental deficiency pensions, and from family allowances
Colombia	2008	Household income from retirement benefits or pensions	Household income from food allowances	Household income of wage-earners from pensions for industrial accidents, and from education subsidies, family subsidies in kind, transport subsidies, food subsidies and unemployment benefits		Household income from cash assistance from national or foreign institutions	Household income from subsidies in cash or in kind for the purchase, construction or improvement of housing and from unemployment benefits, and income in cash or in kind from the programmes *Familias en Acción* ("Families in Action"), *Jóvenes en Acción* ("Youth in Action") and *Familias de Guardabosques* ("Families of Forest Wardens")
Costa Rica	2008	Household income from retirement benefits or pensions	Household income from pensions from the non-contributory system and food allowances	Household income from educational scholarships		Household income from other cash transfers	Household income from the Joint Institute for Social Aid (IMAS) and other subsidies
Ecuador	2008	Household income from retirement benefits and pensions of various types				Household income from gifts and donations	Household income from human development grants
El Salvador	2008	Household income from retirement benefits or pensions	Household income from food allowances	Household income from compensation for redundancy or retirement			Household income from government compensation or assistance in kind
Guatemala	2008	Household income from retirement benefits or pensions	Household income from food grants	Household income from compensation and scholarships		Household income from donations from NGOs, religious groups, international institutions and private organizations	Household income from donations from public institutions
Honduras	2007	Household income from retirement benefits	Household income from pensions and alimony				Household income from subsidies, grants and school lunch programmes

Table II.A-15 (concluded)

Country	Year	Retirement benefits and pensions	Pensions	Insurance and compensation	Educational scholarships	Welfare transfers from the private sector	Welfare transfers from the public sector
Mexico	2008	Household income from retirement benefits or pensions originating within Mexico, from other countries or unspecified		Household income from compensation from insurance on third-party risks, industrial accidents and redundancy or retirement	Household income from scholarships from the government or private institutions	Household income from donations from various organizations	Household income from the *Oportunidades* ("Opportunities") human development programme, the Direct Support Programme for Rural Areas (PROCAMPO), the Programme for Older Persons and other social programmes
Nicaragua	2005	Household income from retirement benefits or pensions	Household income from food grants or orphan's, widow's, war and disability pensions	Household income from insurance, compensation for industrial accidents and employment and unemployment compensation	Household income from educational scholarships	Household income from donations in cash or goods from institutions	
Panama	2008	Household income from retirement benefits	Household income from pensions, including food grants		Household income from educational scholarships		Household income from the Housing Assistance Fund (FASHABI), the non-returnable housing subsidy (improved PARVIS) and other subsidies
Paraguay	2008	Household income from retirement benefits or pensions	Household income from pensions, alimony or child maintenance				
Peru	2008	Household income from national or foreign retirement benefits	Household income from national or foreign alimony, food grants or old-age pensions	Household income from accident or old-age insurance or compensation for accident or redundancy		Household income from transfers from foreign institutions	Household income from transfers from national institutions
Dominican Republic	2008	Household income from national or foreign retirement benefits					Household income from government assistance
Uruguay	2008	Household income from retirement benefits from the industry and commerce pension scheme, the civil pension scheme, and from the services and rural sector retirement benefits of the social security fund Banco de Previsión Social, as well as from the retirement benefits granted through the postal, military, police and professional unions	Household income from retirement benefits from the industry and commerce pension scheme, the civil pension scheme, and from the services and rural sector retirement benefits of the social security fund Banco de Previsión Social, as well as from the retirement benefits granted through the postal, military, police and professional unions	Household income from unemployment insurance and accident compensation		Household income from educational scholarships, subsidies and donations from foreign sources	Household income from family allowances, scholarships, subsidies and donations from national sources
Venezuela (Bolivarian Republic of)	2008	Household income from Social Security retirement benefits or pensions or employment-related retirement benefits	Household income from orphan's and old-age pensions and others	Household income from educational scholarships or assistance			Household income from family subsidies

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of household surveys conducted in the relevant countries.

Table II.A-16

LATIN AMERICA (21 COUNTRIES): INDICATORS OF COVERAGE AND PUBLIC SPENDING ON CONDITIONAL TRANSFER PROGRAMMES, 2006-2009

(Percentages)

Country	Coverage (thousands of households)	Coverage (thousands of persons)	Coverage of conditional transfer programmes relative to total population	Coverage of conditional transfer programmes relative to poor population [a]	Coverage of conditional transfer programmes relative to indigent population[a]	Spending on conditional transfer programmes relative to GDP [b c]	Funding source	Public social spending relative to GDP (2007)	Public social spending on human capital relative to GDP (2007)[d]	Spending on conditional transfer programmes relative to total public social spending	Spending on conditional transfer programmes relative to public social spending on human capital
Argentina	603 (2009)	2 712 (2009)	6.7	36.0	> 100.0	0.20 (2009)	Government of Argentina and Inter-American Development Bank (IDB)	23.2	10.5	0.9	1.9
Bolivia (Plurinational State of)	…	1 802 (2008) [e]	18.6	35.3	55.7	0.35 (2008)	Government of the Plurinational State of Bolivia, World Bank	16.2	9.5	2.2	3.7
Brazil	11 994 (2009) [f]	50 376 (2009) [f g]	26.0	83.3	> 100.0	0.41 (2008) [h]	Government of Brazil, World Bank	24.8	10.1	1.7	4.1
Chile	333 (2008)	1 147 (2008)	6.8	51.7	> 100.0	0.11 (2009)	Government of Chile	12.4	6.3	0.8	1.5
Colombia	1 765 (2008) [j]	7 944 (2008) [g j]	17.6	41.6	93.4	0.20 (2008)[h]	Government of Colombia, IDB and World Bank	14.9	5.7	1.3	3.5
Costa Rica	…	129 (2008) [k]	2.9	17.4	51.9	0.30 (2008)	Government of Costa Rica, World Bank	17.4	10.4	1.6	2.6
Cuba	…	110 (2007)	1.0	…	…	…	Government of Cuba	36.9	25.8	…	…
Ecuador	1 486 (2009)	5 052 (2009) [l g]	37.1	83.9	> 100.0	0.84 (2008)	Government of Ecuador, IDB, World Bank	6.4	3.9	13.1	21.6
El Salvador	84 (2008)	402 (2008) [g]	6.6	14.5	34.7	0.04 (2008)	World Bank, IDB and other bilateral and multilateral sources	11.1	6.5	0.4	0.6
Guatemala	281 (2008)	1 546 (2008) [g]	11.3	21.2	38.7	0.06 (2008)	Government of Guatemala	7.2	4.0	0.9	1.5
Honduras[m]	151 (2008) [n]	970 (2008) [g]	13.2	19.2	28.1	0.27 (2008)	Government of Honduras and IDB	11.4	11.1	2.4	2.4

Table II.A-16 (concluded)

Country	Coverage (thousands of households)	Coverage (thousands of persons)	Coverage of conditional transfer programmes relative to total population	Coverage of conditional transfer programmes relative to poor population	Coverage of conditional transfer programmes relative to indigent population	Spending on conditional transfer programmes relative to GDP	Funding sources	Public social spending relative to GDP (2007)	Public social spending on human capital relative to GDP (2007)	Spending on conditional transfer programmes relative to total public social spending	Spending on conditional transfer programmes relative to public social spending on human capital
Jamaica	…	307 (2009) [o]	11.3	> 100.0 [p]	…	0,24 (2009)	Government of Jamaica and World Bank	8.6	7.1	2.8	3.4
Mexico	5 049 (2008)	25 246 (2008) [g]	23.3	71.2	> 100.0	0,43 (2008)	Government of Mexico, IDB, World Bank	11.6	6.8	3.7	6.3
Nicaragua	24 (2006)	136 (2006) [g]	2.5	4.0	7.7	0,04 (2006) [h]	Government of Nicaragua and IDB	11.7	8.9	0.4	0.5
Panama	71 (2008)	387 (2008)	11.4 [q]	41.1	84.3	0,22 (2008) [h]	Government of Panama	9.4	6.0	2.3	3.7
Paraguay	15 (2007)	89 (2007)	1.5	2.4	4.6	0,04 (2007)	IDB	9.3	5.7	0.4	0.7
Peru	420 (2008)	2 313 (2008) [g]	8.0	22.2	63.7	0,16 (2008)	Government of Peru	8.7	4.9	1.8	3.3
Dominican Republic	198 (2008) [r]	792 (2008)	8.2	18.5	36.4	0,37 (2008) [h]	Government of the Dominican Rep.	9.0	4.6	4.1	8.1
Trinidad and Tobago	23 (2008)	92 [g] (2008)	6.9	9.9 [p]	> 100.0 [p]	0,08 (2007)	Government of Trinidad and Tobago	8.9	6.2	0.9	1.3
Uruguay	75 (2007)	338 (2007)	10.1	54.7	> 100.0	0,40 (2006) [h]	Government of Uruguay	22.0	7.9	2.0	5.4
Venezuela (Bolivarian Republic of)	…	…	…	…	…	…	Government of the Bolivarian Republic of Venezuela	13.4	7.3	…	…
Latin America and the Caribbean	22 473 [s]	101 416 [s]	12.1 [t]	40.7 [t]	> 100.0 [t]	0,25 [t]	--	14.0 [t]	8.1 [t]	2.3 [t]	4.0 [t]

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official country figures; ECLAC, *Economic Survey of Latin America and the Caribbean, 2008-2009* (LC/G.2410-P), Santiago, Chile, 2009.

[a] Errors of inclusion and exclusion of programmes are not taken into account.
[b] Unless otherwise indicated, data correspond to the budget for each programme.
[c] GDP figures for 2009 are projections.
[d] Includes public social spending on education and health care.
[e] Beneficiaries of the Juancito Pinto grant.
[f] Data relate to September 2009.
[g] Estimated coverage on the basis of the number of beneficiary families and the average size of urban households in the poorest quintile, information for the most recent year available (ECLAC, Social Indicators and Statistics Database (BADEINSO) of CEPALSTAT).
[h] The amount relates to the executed budget.
[i] Beneficiaries of the Puente programme.
[j] Includes indigenous and displaced beneficiary families.
[k] Beneficiaries as of October.
[l] Includes beneficiaries who are older persons or with disabilities.
[m] Includes the pilot family allowance programme (PRAF)/IDB phase III.
[n] Planned coverage.
[o] Information relates to February.
[p] Figure calculated on the basis of national poverty estimates which are incompatible with ECLAC estimates on the countries of Latin America.
[q] Includes the programme Family Vouchers for Food Purchases which is functioning in rural indigenous areas.
[r] Coverage estimated on the basis of the number of beneficiary families and the average size of urban households in the poorest quintile, information for the most recent year available (ECLAC, Social Indicators and Statistics Database (BADEINSO) of CEPALSTAT).
[s] Total relates to all countries for which information is available, except Nicaragua and Uruguay, where there are currently no conditional transfer programmes.
[t] Simple average.

Table II.A-17

LATIN AMERICA (14 COUNTRIES): AMOUNT OF CONDITIONAL TRANSFERS AND PERCENTAGE THAT THEY REPRESENT RELATIVE TO POVERTY AND INDIGENCE LINES

(Monthly value per person)

Country	Programme	Type of transfer	Year	Amount of transfer [a]		Percentage of the indigence line (IL) and the poverty line (PL)[b]			
				Local currency [c]	Dollars [d]	Urban areas		Rural areas	
						IL	PL	IL	PL
Argentina	*Familias por la Inclusión Social* ("Families for Social Inclusion")	Non-remunerative income	2007	93 [e]	30 [e]	67 [f]	34 [f]	…	…
Bolivia (Plurinational State of)	Juancito Pinto grant		2007	17 [g]	2 [g]	7	4	9	6
Brazil	*Bolsa Família* ("Family Basket")	Basic benefit	2008	15 [h]	8 [h]	15	7	18	8
		Variable benefit/ adolescent benefit	2008	20	11	21	9	24	11
Chile	*Chile Solidario* ("Solidarity with Chile")	Protection bonus/ exit bonus	2006	1 105 [h]	2 [h]	5	2	6	3
		Consolidated household subsidy (SUF)	2006	4 864	9	21	10	27	15
Colombia	*Familias en Acción* ("Families in Action")	Nutrition subsidy	2005	10 333 [h]	4 [h]	10	5	12	7
		Education subsidy	2005	14 000	6	14	7	16	9
Costa Rica	*Avancemos* ("Let's Move Forward")	Conditional cash transfer	2008	15 000	29	48	26	61	37
Ecuador	*Bono de Desarrollo Humano* ("Human development grant")		2008	7 [h]	7 [h]	15	8	22	13
Honduras	Family allowance programme (PRAF)/ Inter-American Development Bank (IDB) phase II	Mother and child allowance	2007	96	5	10	5	14	8
		Educational grant	2007	17 [h]	1 [h]	2	1	2	1
		Older person's bonus	2007	50	3	5	3	8	4
Mexico	*Oportunidades* ("Opportunities")	Food support	2008	39 [h]	4 [h]	4	2	5	3
		Educational support	2008	130	12	13	7	18	11
		Support for older persons	2008	275	25	27	14	38	22
		Energy support	2008	11 [h]	1 [h]	1	1	2	1
		Apoyo Alimentario Vivir Mejor ("Food Support for a Better Life")	2008	24 [h]	2 [h]	2	1	3	2

Table II.A-17 (concluded)

Country	Programme	Type of transfer	Year	Amount of transfer [a]		Percentage of the indigence line (IL) and the poverty line (PL)			
				Local currency [c]	Dollars[d]	Urban areas		Rural areas	
						IL	PL	IL	PL
Nicaragua [j]	*Red de Protección Social* (“Social Protection Network”)	Food security bonus	2005	30 [h]	2 [h]	[k]	[k]	8	5
		Educational bonus	2005	22 [h]	1 [h]	[k]	[k]	6	3
Panama	*Red de Oportunidades* (“Opportunities Network”)	Conditional cash transfer	2008	11 [h]	11 [h]	23	12	30	17
Paraguay	Tekopora	Food support	2008	12 245 [h]	3 [h]	[k]	[k]	5	3
		Education and health-care support	2008	30 000	7	[k]	[k]	13	8
Dominican Republic	*Solidaridad* (“Solidarity”)	*Comer es primero* (“Food Comes First”)	2008	175 [h]	5 [h]	8	4	9	5
		School attendance incentive (ILAE)	2008	300	9	14	7	16	9
		Home-gas bonus	2008	57 [h]	2 [h]	3	1	3	2
Uruguay	*Plan de Equidad* (“Equity Plan”)	Food purchase card	2008	435	21	27	15	36	22

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official information from the relevant countries.

[a] The values of transfers refer to the minimum or initial per capita amount allocated to families. In cases where the transfers are made on the basis of family composition, the sum grows according to the number of eligible beneficiaries, generally up to a given number of transfers or a maximum amount. Depending on the programme, the amounts are not always proportional to the number of eligible beneficiaries per household; they may decline gradually or a fixed sum may be added until the maximum amount or number is reached. In cases where the programme provides for a flat amount which does not take account of household composition, the value has been divided by the number of household members. For that purpose, the calculation was made using the information on the average size of urban households in the poorest quintile according to the most recent population statistics from the Latin American and Caribbean Demographic Centre (CELADE) – Population Division of ECLAC.

[b] Monthly value per person of IL and PL in the corresponding year, according to the ECLAC method.

[c] Argentina, ($) peso; Bolivia, Plurinational State of, (Bs) boliviano; Brazil, (R$) real; Chile, (Ch$) peso; Colombia, (Col$) peso; Costa Rica, (¢) colón; Ecuador, (US$) dollar; Honduras, (Lps) lempira; Mexico, (MN$) new peso; Nicaragua, (C$) córdoba; Panama, (PAB) balboa; Paraguay, (G) guaraní; Dominican Republic, (RD$) peso; Uruguay, ($) peso.

[d] Dollars at each year’s level; conversion is made using the “rf” exchange rate of the International Monetary Fund.

[e] Transfer takes place beginning with the second child.

[f] Values of the indigence line (IL) and the poverty line (PL) in the second half of 2006.

[g] Approximate monthly amount. Transfers are paid in a single annual amount equivalent to 200 bolivianos (25 dollars).

[h] Approximate per capita value depending on household size.

[j] In the case of Nicaragua, the source used was Moore (2009).

[k] The programme operates in rural areas.

Chapter III

Social welfare during the crisis and government responses

A. The crisis, post-crisis scenarios and vulnerability in Latin America

Despite the fact that the global crisis finds the region on a better economic, social and fiscal footing than in previous crises, the scenario over the coming years will be difficult. Three of the engines responsible for propelling social indicators upward during the preceding years —high growth rates, increased social spending and yields from the demographic dividend— will stall or could shut down, making efforts to reduce poverty and indigence more difficult.

The economic lessons learned from the failures of the 1980s and 1990s left Latin America better equipped to deal with the current global crisis. Policies implemented by most governments helped control their fiscal deficits (even leading to surpluses), reduce and stabilize inflation, lower public debt and regulate the financial sector. The adoption of flexible exchange rates has left national economies better placed to deal with falling external demand and slackening economic activity. The maintenance of high benchmark interest rates by central banks created manoeuvring room for countercyclical monetary policy measures to operate. In some cases, a favourable fiscal and debt situation facilitated implementation of substantive fiscal packages in the region.

In short, the region —much of it at least— learned from the errors of the 1980s and 1990s, bringing together a set of pragmatic, common-sense tools accumulated and deployed during that period. The fact that the present crisis does not involve inflationary and hyperinflationary processes, the collapse of domestic financial systems or a public sector fiscal crisis is good news both socially and economically.

However, as documented in various studies, the global crisis has been transmitted to the regional economies through four major channels: a decline in external demand and commodity prices, a scarcity and higher cost of international credit, a decrease in FDI and reduced employment opportunities and wages for emigrants. This last factor has had a dual effect: shutting off the depressurizing valve that emigration provided for domestic labour markets and reducing remittances. In several countries, there has also been a fifth effect, namely the loss of revenues from tourism caused by the crisis in the central countries.[1]

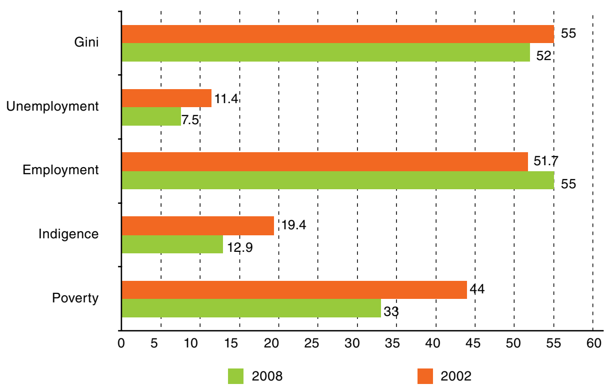
These factors and their impact on economic activity raise at least four risks: (i) declining employment and income, (ii) fiscal vulnerability and decreased capacity for social spending, (iii) higher rates of poverty, indigence and risk of impoverishment, and (iv) greater vulnerability for businesses —particularly for small and medium-sized enterprises (SMEs)— and reduced investment. While these four risks are clearly the result of lower capital flows, they could ultimately affect the capital of families, the State and businesses. At the same time, it is clear that the region is better prepared to deal with these risks than in the past.

Latin America's longest cycle of economic expansion since 1970 came to an end in the third quarter of 2008. The nearly six-year span from 2002 to 2008 witnessed the most substantive and consistent progress the region has experienced in reducing poverty and indigence, expanding and enhancing employment and, in many cases, lessening inequality.

Figure III.1

LATIN AMERICA AND THE CARIBBEAN: POVERTY, INDIGENCE, EMPLOYMENT, UNEMPLOYMENT AND THE GINI COEFFICIENT, [a] AROUND 2002 AND 2008 [b]

(Gini coefficients times 100; other figures in percentages)



Source: Economic Commission for Latin America and the Caribbean/International Labour Organization (ECLAC/ILO), "Crisis and the labour market", *ECLAC/ILO Bulletin, The employment situation in Latin America and the Caribbean*, No. 1, Santiago, Chile, June 2009.

[a] Figures for poverty, indigence, employment and unemployment are weighted averages. The Gini coefficient is a non-weighted average of 17 countries (excluding El Salvador). For both poverty and the Gini index, the year in which the survey was conducted varies from one country to another. Employment and unemployment figures are for urban areas of Latin America and the Caribbean.

[b] Figures for 2002 are from the survey for the closest available year, while those for 2008 are from surveys available between 2007 and 2008.

As was documented in chapter I, the combined effect of growth and improved income distribution caused a major reduction in poverty in nearly all of the countries between 2002 and 2008. At the same time, economic growth led to an increase in jobs and employment income among the most vulnerable segments of the population. This effect was smaller and less consistent from 1990 to 2002, but took on far greater significance between 2002 and 2008.

While the broad indicators highlighted that trend, progress was also achieved in institution-building and government efforts to combat poverty, social exclusion and inequality. The first evidence of this was sustained growth in social spending, both in per capita terms and as a percentage of GDP. As detailed in chapter II, total social spending grew from 12.2% of GDP in 1990 to 17.3% in 2007.

Moreover, nearly all the countries in the region created or strengthened existing ministries of social development or similar institutions, focusing on and raising the profile of efforts to combat inequality, vulnerability and poverty. Countries also established or shored up institutions and ministries dealing with women's issues, agencies designed to address population, the family and poverty from a social policy perspective and secretariats concerned with youth and combating racial discrimination. Simultaneously, there was a change in the paradigm and practices with regard to social protection. Direct income transfers to vulnerable segments of the population became accepted policy, the non-contributory and solidarity-based components of health insurance and social security systems were strengthened and programmes and initiatives to improve the market reforms of the 1990s were expanded. While this did not occur in all countries, it was a clearly identifiable pattern.

In short, the improved social situation reflects a positive change in synergy between the economy, employment, income distribution and poverty, as well as renewed impetus and focus —and a greater role— for social policy. This, however, is not the sole explanation for the magnitude of the social advances achieved. Two basic factors accompanied these positive shifts in the gears of well-being: an excellent global economic environment and returns on the demographic dividend. These engines have either shut down (economic environment and growth effect) or will be more difficult to leverage in the future (demographic dividend). As the engines of growth run out of fuel and as yields from the demographic dividend taper off —or become harder to extract— the biggest risk is that the social accomplishments of the past six years will prove to be fragile.

[1] On channels of transmission and prospects for Latin America, see Kacef and Jiménez (2009), ECLAC (2009a) and (2009c) and IMF (2009).

1. Vulnerability of measures to combat poverty

Four main factors make the situation challenging: (i) the persistence of an economic model, which, although improved, creates little or no employment and the employment that it does create is fragile and unstable in a sensitive global context; (ii) the fact that demographic dependency rates have already fallen significantly in several countries in the region; (iii) governments' structural inability to keep up levels of tax collection and, therefore, to maintain —or much less to expand— vital social expenditure; and (iv) the governments' shortcomings in directing sufficient resources towards current and future social risks.

Added to these risks, as will be seen further on, is a structure that is vulnerable to shocks; one in which abrupt drops in capital flows are occurring at a time when families have less physical, human and social capital.

(a) Economic crisis and employment and income vulnerability

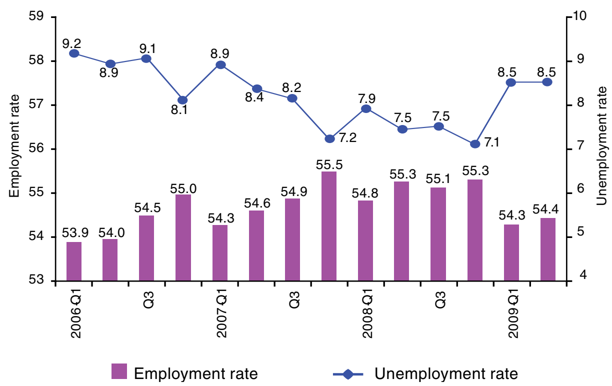
Several ECLAC studies have dealt with the effects that the crisis and post-crisis could have on rates of employment, unemployment and precariousness and on work-related income. Clearly, the slowdown in economic activity and a sluggish recovery —which, in any case, will fall short of the growth rates seen between 2003 and 2008— point to a complex scenario for Latin America.

The most recent data suggest a less problematic situation than was predicted at the start of 2009. Indeed, based on the most recent official information from the continent's countries, ECLAC/ILO (2009) projections paint a slightly less gloomy picture than the one envisioned at the beginning of the year. One positive factor and one negative factor account for this change: first, a smaller decrease in the year-on-year employment rate than was originally projected and, second, a drop in the participation rate (especially among young people).

Despite these adjustments, there are indications that the crisis will produce profound tremors in labour markets in Latin America and the Caribbean in the second quarter of 2009, with the likelihood that they will slowly reach an inflection point during the fourth quarter of 2009 or at the beginning of 2010. All labour market indicators for 2009 are expected to be down in aggregate terms.

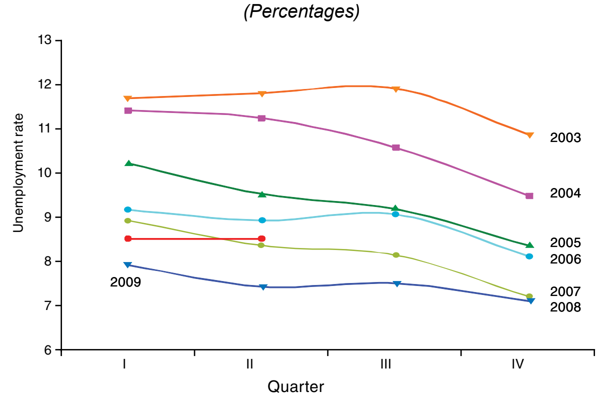
An uptick in unemployment rates is expected to an average of 8.5% for the region along with a decline in employment rates to about 54.4%. Both employment and unemployment rates would be more negative but for the decline in the participation rate. Evidence also suggests that there will be a deterioration in the quality of employment, with growth in wage employment and in the formalization of employment weakening, while strengthening for job categories in low-productivity sectors.

Figure III.2
LATIN AMERICA AND THE CARIBBEAN (9 COUNTRIES): EMPLOYMENT AND UNEMPLOYMENT RATES, FIRST QUARTER OF 2006 TO SECOND QUARTER OF 2009
(Percentages)



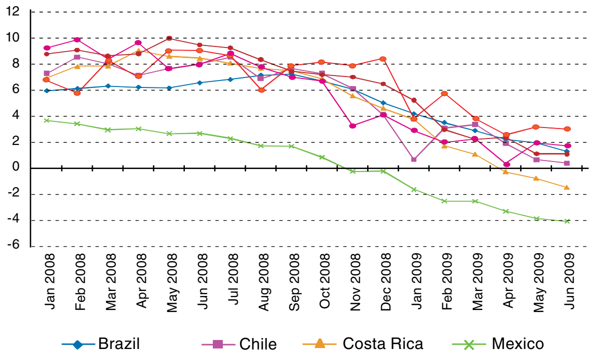
Source: Economic Commission for Latin America and the Caribbean/International Labour Organization (ECLAC/ILO), "Crisis in the labour markets and countercyclical responses", *ECLAC/ILO Bulletin, The employment situation in Latin America and the Caribbean*, No. 2, Santiago, Chile, September 2009 and special tabulations of data from household surveys conducted in the relevant countries.

Figure III.3
LATIN AMERICA AND THE CARIBBEAN (9 COUNTRIES): UNEMPLOYMENT RATE, BY QUARTER, FIRST QUARTER OF 2003 TO SECOND QUARTER OF 2009
(Percentages)



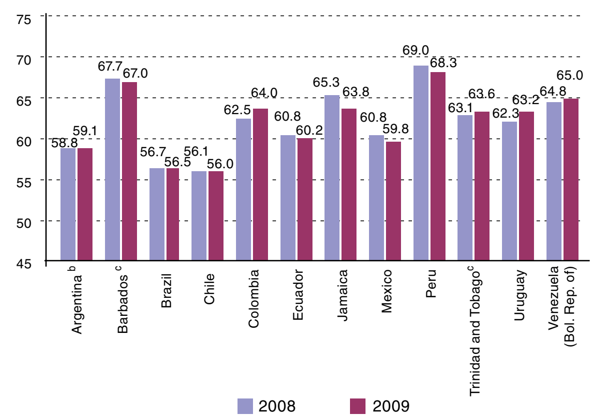
Source: Economic Commission for Latin America and the Caribbean/International Labour Organization (ECLAC/ILO), "Crisis in the labour markets and countercyclical responses", *ECLAC/ILO Bulletin, The employment situation in Latin America and the Caribbean*, No. 2, Santiago, Chile, September 2009 and special tabulations of data from household surveys conducted in the relevant countries.

Figure III.4
LATIN AMERICA AND THE CARIBBEAN (7 COUNTRIES): RATE OF CHANGE IN EMPLOYMENT COVERED BY SOCIAL SECURITY, JANUARY TO JUNE 2009
(Percentages)



Source: Economic Commission for Latin America and the Caribbean/International Labour Organization (ECLAC/ILO), "Crisis in the labour markets and countercyclical responses", *ECLAC/ILO Bulletin, The employment situation in Latin America and the Caribbean*, No. 2, Santiago, Chile, September 2009 and special tabulations of data from household surveys conducted in the relevant countries.

Figure III.5
LATIN AMERICA AND THE CARIBBEAN (12 COUNTRIES): URBAN PARTICIPATION RATE, FIRST QUARTERS OF 2008 AND 2009 [a]
(Percentages)



Source: Economic Commission for Latin America and the Caribbean/International Labour Organization (ECLAC/ILO), "Crisis in the labour markets and countercyclical responses", *ECLAC/ILO Bulletin, The employment situation in Latin America and the Caribbean*, No. 2, Santiago, Chile, September 2009 and special tabulations of data from household surveys conducted in the relevant countries.

[a] Figures for Barbados, the Bolivarian Republic of Venezuela, Chile, Jamaica and Trinidad and Tobago represent national totals.

[b] For Argentina, figures are estimates for the first quarter of 2009.

[c] For Barbados and Trinidad and Tobago they cover the first quarter of the year.

In the event of a decline proportional to the drop in per capita output, the average income per worker would contract by approximately two to three percentage points, given the known elasticities. However, as seen in chapter I, the scant regional data available for the region —which cover up to the second quarter of 2009— indicate that, with the exception of the Bolivarian Republic of Venezuela and Mexico, no significant drop in real wages is occurring in the formal sector or for workers overall. Even the most optimistic hypotheses are dramatically at odds with the average increase in workers' incomes in 2002–2008. Even if the negative projections on employment are moderated, the change will fall well below the nearly 4% level seen in several of the region's countries for the same period.

(b) The demographic dividend: influential, but with weaker impact

Relying on aggregate data, Ros (2009) holds that from 1990 to 2004–2005 the basic factor responsible for the reduction in poverty was the change in dependency rates. Based on the analysis in chapter I, the microdata confirm this hypothesis, as reflected most clearly by the 1990–2002 period. The analysis suggests that the increase in income per worker and the rise in number of workers per household for this period are not highly important or are only marginally so. The rise in work-related per capita household income is linked to increases in the economically active population (EAP) within households and the corresponding reduction in dependency rates. This means an increase in the potential number of income recipients and is associated with a drop in the average size of households and a decline in fertility rates, leading, in turn, to a rise in per capita income. The same analysis shows that for 2002–2008 this effect diminished, while the uptick in employment rates and workers' incomes assumed greater importance.

Circumstances in 1990–2002 and 2002–2008 came together to produce a decline in poverty. The demographic dividend, however, which was strong in the former period and marginally so in the second, is entering the asymptotic portion of the curve in many countries, after having passed through the steep portion of the curve of declining dependency rates. Although the demographic dividend lasts longer than the drop in the dependency ratio (persisting until that ratio begins to grow again owing to the ageing of the population), the easy yields that the dividend provides in employment, and from the effect of lower numbers of dependants per worker, are much clearer and stronger when the dependency ratio falls, driven by the downturn in the fertility rate.

For half of Latin America, a sharp drop in the dependency ratio has already occurred, and from 2010 to 2015 most of these countries will brake the fall and begin to see a slow rise in the dependency burden. There will be an important period in which, as indicated in the *Social Panorama of Latin America 2008*, although there will still be a "dividend", it will no longer produce, in the short term, an increase in the number of people of working age in relation to the number of dependants, but rather a prolongation of low combined dependency rates. The reason for this is simple. A fall in the dependency rate following a decline in fertility rates to replacement (or similar) levels will not produce a decrease in the size of households, but merely a stabilization in the number of dependent children. In mathematical terms, once the fertility rate stops falling, the number of births will remain unchanged over a given period, while when the fertility rate falls, fewer children (represented by the nominator in the children-per-household ratio) will be born than in the preceding year.

(c) Fiscal vulnerability of Latin America: fiscal status, tax revenues and spending

States carry out three essential operations: obtaining revenue from the population, providing goods, services and transfers to that same population and regulating —prescriptively or through incentives based on regulations and transfers— the actions of individuals and groups (the market, families, the community) (Filgueira, 2007).

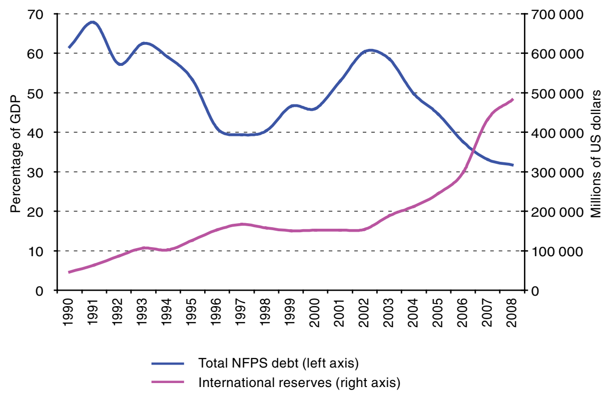
Latin American countries have considerable room to improve their capacity to obtain revenue and provide services and transfers. With regard to the tax burden and tax structure, as well as social spending, those countries are in a difficult position; one that becomes more critical when faced with economic crises and shocks. Two factors deserve mention in this context: first, changes in the fiscal solvency of the region's countries and second —partly a consequence of the first— the capacity of these same countries to sustain necessary spending levels and to increase spending in times of crisis.

(i) A better scenario than in the past: tax base and fiscal situation

In 2007, Latin American countries' fiscal deficits, indebtedness and reserves, as well as their trade balances, were much better than those at the start of previous regional or subregional crises.

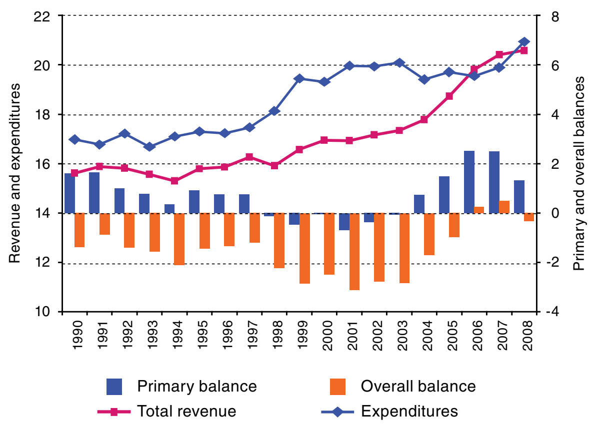
These achievements are attributable, in large part, to the excellent economic situation from 2002 to 2008, as well as to responsible management of public finances. As can be seen in figures III.6 to III.9, a further factor is the higher tax revenues resulting from increased collections, whether because of formal expansion of the tax burden or lower levels of tax evasion.

Figure III.6
LATIN AMERICA AND THE CARIBBEAN: TOTAL NON-FINANCIAL PUBLIC SECTOR DEBT AND INTERNATIONAL RESERVES
(Percentages of GDP and US$ millions)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Economic Survey of Latin America and the Caribbean, 2008-2009* (LC/G.2410-P), Santiago, Chile, July. United Nations publication, Sales No. E.09.II.G2; in the case of the debt, on the basis of official figures; for international reserves, based on figures from the Economic Commission for Latin America and the Caribbean (ECLAC) and the International Monetary Fund (IMF).

Figure III.7
LATIN AMERICA AND THE CARIBBEAN (20 COUNTRIES): CENTRAL GOVERNMENT REVENUES, EXPENDITURES AND PRIMARY BALANCE, 1990-2008
(Simple averages, as a percentage of GDP)



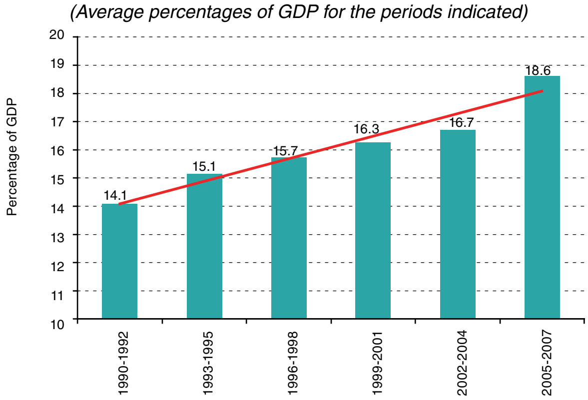
Source: Juan Pablo Jiménez and Juan Carlos Gómez Sabaini, *The Role of Tax Policy in the Context of the Global Crisis: Consequences and Prospects* (LC/L.3037), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), May 2009.

As figure III.9 shows, tax revenues of the Latin American countries are highly volatile —a level clearly exceeding that of the central countries. This implies a certain risk to fiscal sustainability in the event of a crisis, particularly, during a sluggish recovery. Indeed, though there are positive trends, the States' levels of tax burden and, above all, their fiscal structures, are far from robust and continue to be highly vulnerable to external shocks and economic crises (See figures III.10 and III.11).

Figure III.8

LATIN AMERICA AND THE CARIBBEAN: CHANGE IN THE TAX BURDEN

(Average percentages of GDP for the periods indicated)

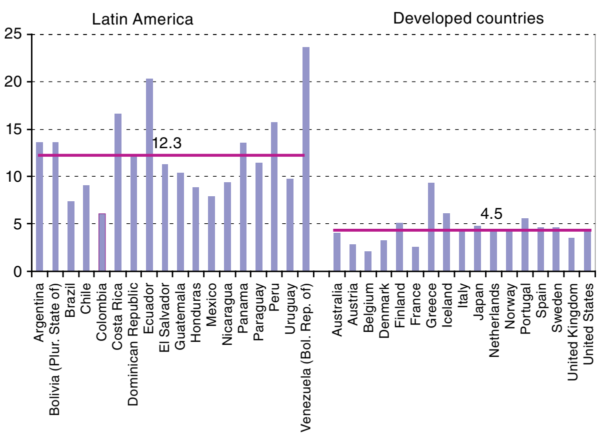


Source: Juan Pablo Jiménez and Juan Carlos Gómez Sabaini, *The Role of Tax Policy in the Context of the Global Crisis: Consequences and Prospects* (LC/L.3037), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), May 2009.

Figure III.9

TAX REVENUE VOLATILITY OF LATIN AMERICAN AND DEVELOPED COUNTRIES

(Standard deviations)

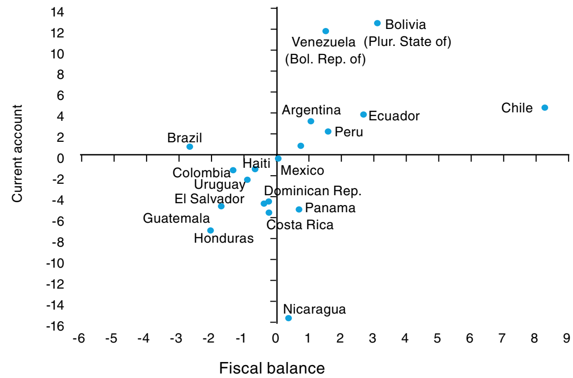


Source: López Monti, 2009 cited in Juan Pablo Jiménez and Juan Carlos Gómez Sabaini, *The Role of Tax Policy in the Context of the Global Crisis: Consequences and Prospects* (LC/L.3037), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), May 2009.

Figure III.10

LATIN AMERICA AND THE CARIBBEAN (19 COUNTRIES): CURRENT ACCOUNT BALANCE AND FISCAL BALANCE,[a] 2006 AND 2007

(Percentages of GDP)



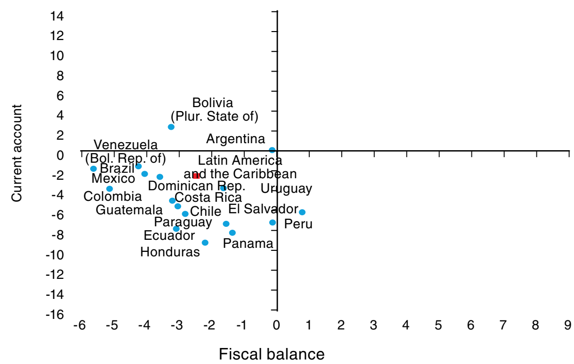
Source: Juan Pablo Jiménez and Juan Carlos Gómez Sabaini, *The Role of Tax Policy in the Context of the Global Crisis: Consequences and Prospects* (LC/L.3037), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), May 2009.

[a] Data are for the central government, except in the cases of Argentina, Brazil, Colombia and Mexico, where they are for the non-financial public sector (NFPS).

Figure III.11

LATIN AMERICA AND THE CARIBBEAN (17 COUNTRIES): CURRENT ACCOUNT BALANCE AND FISCAL BALANCE, 2009[a]

(Percentages of GDP)



Source: Juan Pablo Jiménez and Juan Carlos Gómez Sabaini, *The Role of Tax Policy in the Context of the Global Crisis: Consequences and Prospects* (LC/L.3037), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), May 2009

[a] Data are for the central government, except for the Plurinational State of Bolivia, where they are for the non-financial public sector.

(ii) Sustainability and protection of social spending

The preceding chapter presented clear evidence of changes in the characteristics of social spending, highlighting those elements that are inadequate as ways of offsetting cycles of economic and social crisis. Their shortcomings include low productivity and a tendency to be procyclical. In addition, the low amounts spent are insufficient to have aggregate effects on the economy and on social vulnerability. This is not to minimize the progress achieved, examples of which include the creation and implementation of automatic stabilizers to accompany the increase in spending. However, the situation remains far short of that found in countries with more developed social welfare institutions.

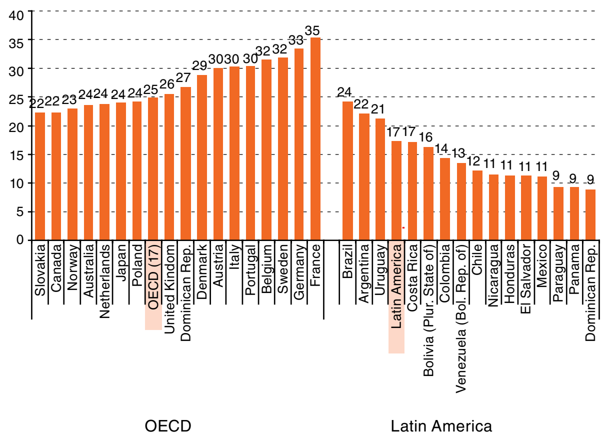
A comparison of spending by European and Latin American countries highlights the first constraint (the problem of low productivity). As is evident from figure III.12, spending as a percentage of GDP is markedly lower in Latin America, even in the more developed countries of the region. As one would expect, differences in per capita spending are even more pronounced, with the European Union average for 2001 being 5,800 euros, compared to a high in Latin America of US$ 1,640 (Argentina) and a low of less than US$ 100 (Ecuador).[2]

The differences involve not only different fiscal priorities —which, in some cases, are much more pronounced in the European countries— but also vast discrepancies in the tax burden that makes it possible to finance such spending. These burdens are partly the result of different levels of wealth in the countries. However, the tax burden in the Latin American countries is also generally lower than would be expected based on per capita income (Cetrángolo and Gómez Sabaini, 2007). While, in the short and medium term, a structural brake is being applied to the engine of growth —the demographic dividend and the expansion of social spending— a Damocles sword is hanging over the poverty-reduction dynamic.

Figure III.12

LATIN AMERICA (15 COUNTRIES) [a] AND OECD COUNTRIES (17 COUNTRIES): [b] PUBLIC SOCIAL SPENDING, AROUND 2007

(Percentages of GDP)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), for data relating to the Latin America; Statistics Portal [online] http://www.oecd.org/statsportal for information on the countries of the Organisation for Economic Co-operation and Development (OECD).

2 Given the discrepancy in national wealth between Latin America and many European countries, the per capita differences are not surprising. It is more difficult to explain the wide difference in amounts that the respective regions spend as percentages of GDP.

B. Vulnerability of the social structure

The region's social structure leaves a high percentage of the population vulnerable, not only in terms of income but also in terms of people's assets, demographic and family circumstances, capacity to enter the labour market and earn a living wage and stock of human capital. The same data also indicate that the ability of people in sectors with few resources to rise from poverty and accumulate capital depends on their assets and resources, as well as their age. In this race to attain a satisfactory living standard, families with young children are being left behind. Social protection systems must deal with these realities and trends and, during times of crisis, protect the fragile gains of this population, since it is least equipped to take advantage of periods of expansion and is at the greatest risk in periods of recession.

1. Legacies of the past: a social structure highly vulnerable to crises

Evidence has already been presented here showing the varying rates at which recent economic and social recovery has been occurring in the region. Figure III.13 shows the asynchronous nature of the change in regional per capita GDP and in poverty.

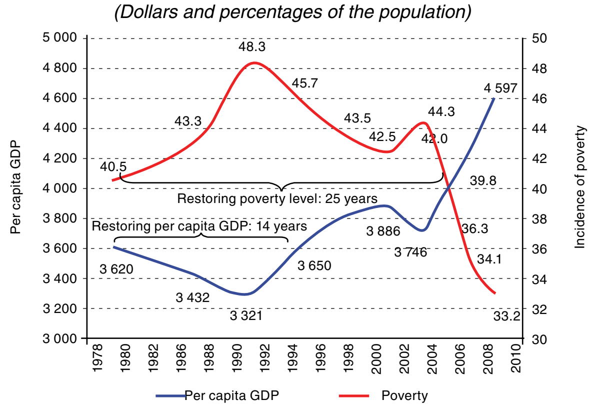
The estimates in chapter I confirm that growth elasticity and poverty levels are lower than during previous crises. Although over the course of six years (2002–2008) Latin America reduced the number of poor by 41 million, current estimates indicate that a quarter of this population was impoverished by the 2009 crisis. Thus, in a single year there will have been a loss of 25% of the gains of the preceding years.

This pattern is attributable to a variety of factors. The major downturn in per capita social spending that occurred at the beginning of the 1980s, as well as the structural adjustments that were prescribed during the latter years of that decade and the early years of the 1990s, were primarily responsible for the asynchronicity of the economic and social recovery. At the same time, the crisis-with-inflation environment that predominated in the region in the 1980s and 1990s affected the capacity of lower-income sectors to protect themselves and imposed a highly regressive inflationary tax. Moreover, elements of the reforms of the 1980s and 1990s —and the lessons learned from the successes and failures of those periods— have been central to the ability to deal with the present crisis without inflation setting in.

Figure III.13

LATIN AMERICA AND THE CARIBBEAN (WEIGHTED AVERAGE, 19 COUNTRIES): COMPARISON BETWEEN PER CAPITA GDP AND THE INCIDENCE OF POVERTY, 1980-2008

(Dollars and percentages of the population)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries and official figures.

In expansionary times, the capacity of the business —and particularly the financial— sectors to rebuild their earnings was greater than the capacity of the poor sectors —and non-wage sectors generally— to regain lost jobs and wages. This can be seen in the negative performance of employment during the expansionary cycles that occurred in the 1990s, especially with regard to employment among the most vulnerable sectors.

Three additional factors help to explain the cycles: (i) a major segment of the population that has risen from poverty or that hoped to do so in an expansionary environment finds itself largely unable to advance; (ii) one reason for this is that the lack of assets among people in these sectors often prevents them from taking advantage of opportunities and accessing basic types of insurance; and (iii) when, as a result, the vulnerable and poor sectors are subject to shocks, they lose not only their flow but also their stock of capital. The route to re-establishing well-being is therefore more complex for them: they have fewer assets than in the past, since what they had was destroyed in the crisis, and the resulting loss of physical, human and social capital takes a long time to recover.

Thus, the risks to health, the loss of the stock of physical capital, the indebtedness at extremely high formal or informal interest rates, the loss of living accommodations as a result of the inability to pay property taxes or rent and other catastrophic events or chains of events are much more pronounced in lower-income sectors, owing to their greater exposure to these risks and the fact that they have no system to insure against eventualities such as those cited. Whether in connection with the State, the market or their own families, the intensity and range of risks and the absence of mechanisms for insuring against them —through savings or other methods— are characteristic of the lower-income sectors of Latin America (Katzman, 1999). Thus, segments of the population that have distanced themselves from poverty over the past 15 years (particularly in the past seven years) are experiencing a degree of vulnerability and fragility more akin to their recent past than to their present circumstances.

2. Fragility of income and vulnerability to impoverishment

The process of emerging from poverty is a relatively new phenomenon. Although a larger percentage of the population lives above the poverty line today compared to the corresponding number in 1990, most are "recent graduates". These new non-poor, also known as the new middle class, have income slightly above the official poverty line.

Table III.1

LATIN AMERICA (18 COUNTRIES): AVERAGE PER CAPITA INCOME OF HOUSEHOLDS, BY INCOME DECILE, AROUND 1990, 2005 AND 2008

(Multiples of the poverty line)

		I	II	III	IV	V	VI	VII	VIII	IX	X	Average per decile
Chile	1990	0.3	0.5	0.7	0.9	1.1	1.4	1.8	2.4	3.7	11.1	--
	2003	0.5	0.9	1.2	1.5	1.8	2.2	2.8	3.7	5.5	17.2	--
	2006	0.6	1.1	1.4	1.7	2.1	2.5	3.2	4.1	6.0	16.4	3.9
Uruguay	1990	0.6	0.9	1.2	1.5	1.8	2.2	2.6	3.2	4.3	12.7	--
	2005	0.5	0.8	1.1	1.4	1.8	2.1	2.6	3.3	4.5	9.6	--
	2008	0.6	1.1	1.4	1.8	2.2	2.6	3.1	3.8	5.1	9.9	3.2
Costa rica	1990	0.3	0.7	0.9	1.2	1.5	1.8	2.2	2.8	3.6	7.0	--
	2005	0.4	0.8	1.1	1.4	1.7	2.1	2.6	3.4	4.7	9.8	--
	2008	0.5	1.0	1.3	1.6	2.0	2.4	2.9	3.5	4.9	10.5	3.1
Argentina	1990	0.5	0.8	1.1	1.4	1.8	2.2	2.7	3.5	4.8	12.2	--
	2005	0.4	0.8	1.1	1.4	1.7	2.1	2.6	3.4	4.8	13.1	--
	2006	0.4	0.8	1.1	1.4	1.8	2.3	2.8	3.6	5.1	13.3	3.3

Table III.1 (concluded)

		I	II	III	IV	V	VI	VII	VIII	IX	X	Average per decile
Panama	1991	0.2	0.4	0.6	0.8	1.0	1.3	1.8	2.4	3.6	9.5	--
	2005	0.2	0.5	0.8	1.0	1.4	1.8	2.3	3.2	4.7	11.0	--
	2008	0.3	0.7	1.0	1.3	1.6	2.0	2.5	3.2	4.5	10.4	2.7
Mexico	1989	0.3	0.5	0.6	0.8	0.9	1.2	1.5	1.9	2.7	8.5	--
	2005	0.3	0.5	0.7	1.0	1.2	1.5	1.9	2.4	3.4	9.8	--
	2008	0.4	0.7	0.9	1.0	1.2	1.5	1.8	2.3	3.2	8.5	2.2
Brazil	1990	0.2	0.3	0.5	0.7	0.9	1.2	1.7	2.4	4.0	12.1	--
	2005	0.2	0.5	0.7	1.0	1.3	1.6	2.1	2.8	4.4	15.0	--
	2008	0.3	0.7	1.0	1.3	1.7	2.2	2.8	3.6	5.5	17.6	3.7
Venezuela (Bolivarian Republic of)	1990	0.3	0.5	0.7	0.9	1.1	1.4	1.7	2.2	3.0	6.5	--
	2005	0.2	0.5	0.7	1.0	1.2	1.5	1.9	2.4	3.2	7.2	--
	2008	0.4	0.7	0.9	1.2	1.4	1.7	2.1	2.5	3.3	6.2	2.0
Ecuador	1990	0.2	0..4	0.5	0.6	0.7	0.9	1.1	1.4	1.9	4.3	--
	2005	0.2	0.5	0.6	0.8	1.0	1.3	1.6	2.1	2.9	7.4	--
	2008	0.3	0.5	0.7	0.9	1.1	1.3	1.6	2.0	2.7	6.6	1.8
El Salvador	1995	0.1	0.3	0.5	0.7	0.8	1.0	1.3	1.6	2.3	5.6	--
	2004	0.2	0.4	0.6	0.7	0.9	1.1	1.4	1.9	2.6	5.7	--
Colombia	1991	0.2	0.4	0.5	0.6	0.8	1.0	1.2	1.6	2.3	6.6	--
	2005	0.2	0.4	0.6	0.8	0.9	1.2	1.5	2.0	3.1	10.2	--
Paraguay	1990	0.3	0.5	0.7	0.9	1.1	1.2	1.5	2.0	2.8	5.9	--
	2005	0.3	0.5	0.6	0.8	0.9	1.2	1.4	1.8	2.6	6.6	--
	2008	0.2	0.4	0.5	0.6	0.8	0.9	1.2	1.5	2.1	5.6	1.4
Guatemala	1989	0.1	0.2	0.3	0.4	0.5	0.7	0.9	1.2	1.8	5.7	--
	2002	0.2	0.3	0.5	0.6	0.7	0.9	1.2	1.6	2.4	6.3	--
	2006	0.2	0.4	0.5	0.7	0.8	1.0	1.3	1.6	2.4	6.9	1.6
Bolivia (Plurinational State of)	1989	0.1	0.4	0.5	0.7	0.9	1.1	1.4	1.9	2.8	7.0	--
	2004	0.3	0.5	0.6	0.7	0.9	1.1	1.3	1.8	2.7	7.3	--
	2007	0.1	0.3	0.4	0.6	0.8	1.0	1.3	1.7	2.5	6.2	1.5
Nicaragua	1993	0.0	0.2	0.3	0.4	0.5	0.6	0.8	1.1	1.6	4.5	--
	2001	0.1	0.2	0.3	0.4	0.6	0.7	0.9	1.2	1.8	5.5	--
	2005	0.2	0.4	0.5	0.6	0.7	0.9	1.1	1.4	1.9	5.2	1.3
Honduras	1990	0.1	0.1	0.2	0.3	0.4	0.5	0.6	0.9	1.4	4.4	--
	2003	0.1	0.2	0.2	0.3	0.4	0.6	0.8	1.1	1.6	4.4	--
	2007	0.1	0.2	0.3	0.4	0.6	0.7	0.9	1.2	1.7	4.2	1.0

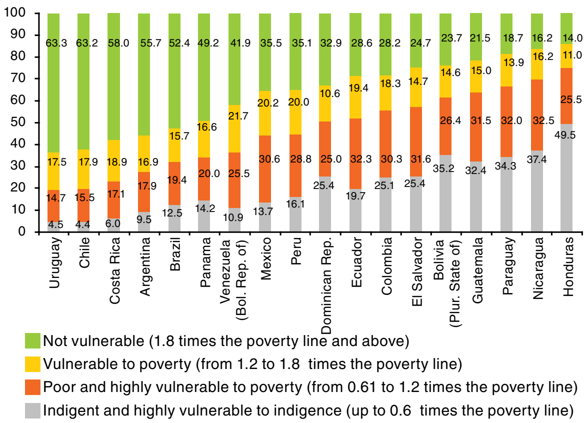
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of additional tabulations of household surveys conducted in the respective countries, and Economic Commission for Latin America and the Caribbean (ECLAC), *Social Panorama of Latin America 2007* (LC/G.2351-P), Santiago, Chile, 2008. United Nations publication, Sales No. E.07.II.G.124.

One way of gauging vulnerability is to classify the population by income, as expressed in major poverty-line categories. The following exercise categorized the population in four large groups: (i) up to 0.6 times the poverty line;,(ii) up to 1.2 times the poverty line, (iii) from 1.2 to 1.8 times the poverty line and (iv) above 1.8 times the poverty line. The first category includes those who are indigent or are near the borderline and who under normal circumstances tend to move in and out of extreme poverty. Next are the poor and those who, because they are close to the line, also move into and out of poverty during normal economic cycles. Third are those who are vulnerable to poverty; these are sectors with income between 1.2 and 1.8 times the poverty line. In a recessionary environment, which tends to affect employment, wages and (potentially) transfers, a major proportion of people in these sectors face the risk of falling into poverty or of losing their income and approaching the poverty threshold.

Figure III.14

LATIN AMERICA (18 COUNTRIES): INCOME VULNERABILITY PROFILE, BY COUNTRY, 2008

(Percentages)



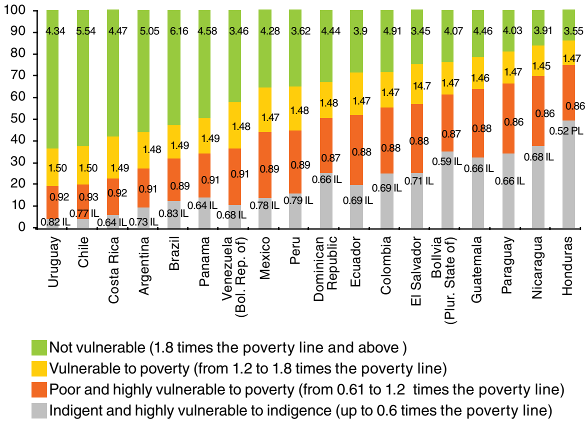
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

The first thing to note in the above figure is the low proportion of the population living above 1.8 times the poverty line. Only in Argentina, Brazil, Chile, Costa Rica, Panama and Uruguay are 50 to 60% of the population *not* vulnerable to poverty. In the remaining countries of the region, only a third to a fourth of the population falls in this category, while in Paraguay and Nicaragua less than 20% of the population has incomes that are not vulnerable to cyclic effects. Examining this same structure from the perspective of income, one again sees the clear risk facing those who are vulnerable to poverty. Expressed as poverty-line multiples, average income for this population fluctuates between approximately 1.4 and 1.6 times the poverty line.

Figure III.15

LATIN AMERICA (18 COUNTRIES): AVERAGE INCOME OF EACH VULNERABILITY CATEGORY, AROUND 2008

(Multiples of the indigence line (IL) and of the poverty line (PL) for the remaining categorie and percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

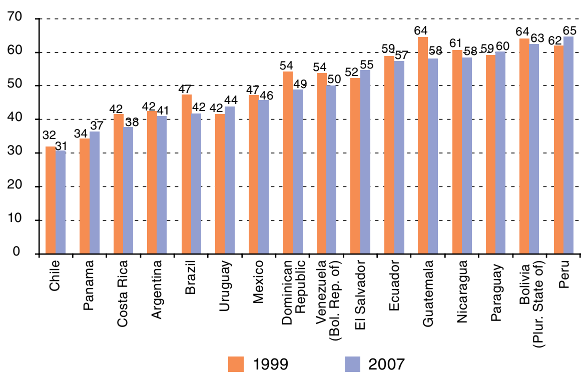
Thus, one can see that there is a large contingent of people and households moving in and out of poverty on a recurring basis. These sectors lack a variety of resources: unemployment insurance, monetary savings, in many cases their own housing and means of moving about independently, health protection (which, if they do have, they could lose in the crisis), adequate pensions or retirement benefits and private insurance to cover unanticipated circumstances. They also generally have high rates of dependency and lack the human capital needed to function in recessionary labour markets. It is this profound structure of social vulnerability in Latin America that makes the economic crisis so devastating to social conditions in the region. To overcome that vulnerability, the State will need to build effective social protection systems that operate countercyclically, in order to counteract the market effects and fragile conditions that families face in times of crisis.

Which dimensions, variables and indicators, then, capture the deepest structural aspects of the vulnerability faced by households in a given income strata? Despite the limited information available, it is possible to identify a number of significant variables and indicators. These can be placed in three major groups: (i) households and the labour market, (ii) household family structure and (iii) stock of human capital. All of these dimensions will be examined in relation to income categories, so as to identify patterns that can be used to discern relationships between them. By way of example, the number of employed persons in a home will largely determine the likelihood that the household will be above (or below) the poverty line. By the same token, the possibility of employment will depend on other factors, such as the number of children being cared for and the presence of older persons (dependency rate of the household).

3. Households, labour market and income

The labour market provides the means by which households can secure an acceptable level of well-being. What capacity, then, does the labour market have to absorb workers, and what possibilities does it hold for households? One way of evaluating this is through productivity: the economic capacity of a country determines how many high-productivity jobs are available. Figure III.16 shows the proportion of low-productivity jobs. Despite the limitations involved in its construction (associated with the use of business size as an indicator and the inclusion of own-account work), the measurement of low-productivity employment provides a good approximation in most countries of access to social security and wage levels.

Figure III.16
LATIN AMERICA (17 COUNTRIES): URBAN EMPLOYED POPULATION IN LOW-PRODUCTIVITY SECTORS OF THE LABOUR MARKET, AROUND 1999 AND 2007 [a]
(Percentages)



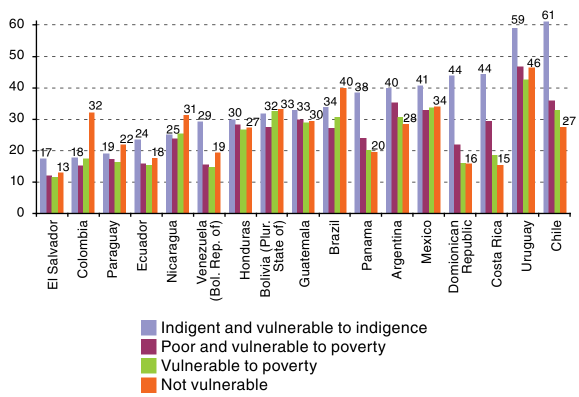
Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Social Panorama of Latin America, 2008* (LC/G.2402-P), Santiago, Chile, March 2009. United Nations publication, Sales No. E.08.II.G.89.

[a] Data on Argentina are for Greater Buenos Aires and are for 1999 and 2007, on Chile for 2000 and 2006, on El Salvador for 1999 and 2004, on Guatemala for 2000 and 2006, on Mexico for 2002 and 2007, on Nicaragua for 1998 and 2005, on Peru for 1997 and 2003 and on the Dominican Republic for 2002 and 2007.

The quality of a job determines how "profitable" that job is, in terms of well-being, for members of a household to enter the labour market. It also suggests how many human resources in a home or family must be employed in order to earn sufficient income. In addition, a household's income, or part of it, is indirect and comes from State transfers. Unlike wage income, which consists of flows, transfers —if sustained over time— are part of the stock of capital of the household and are less affected by the broader economic situation.

Figure III.17 shows non-wage income as a proportion of all household income. In the most vulnerable sectors, as the preceding chapter makes clear, these transfers generally consist of social programmes or non-contributory insurance regimes, along with private donations (with no other private sources of income, such as returns on capital or real property). The figure shows the amount of non-work-dependent income in different categories of households. In the poorest sectors, this depends on what social safety nets the country has in place. The extent to which this portion of the income is protected and guaranteed depends largely on whether the source is public or private. As figure III.17 indicates, this is also associated with how highly developed the social protection systems are.

Figure III.17
LATIN AMERICA (17 COUNTRIES): NON-WAGE INCOME OF HOUSEHOLDS, BY VULNERABILITY CATEGORY, AROUND 2007 [a]
(Percentages of total income)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

[a] Data on Peru are for 2003, on El Salvador for 2004, on Colombia and Nicaragua for 2005, and on Argentina, Chile, Guatemala and Mexico for 2006. With the exception of Chile, El Salvador, Panama and Paraguay, total household income includes charges for rent. Wage income includes both working for an employer and own-account work.

Figure III.17 compares percentages of transfer income for different countries, according to socioeconomic level. This basic information confirms the more exhaustive analysis of the preceding chapter. In Chile and Uruguay, in particular, a large proportion of the income of indigent households is from non-work sources. In over half of the countries, however, transfers average no more than a third of the income of households that are indigent or highly vulnerable to indigence.

The fact that a high percentage of the income of the most disadvantaged sectors is non-work-dependent shows that some basic guarantees are in place. Notwithstanding the percentage cited above, transfer amounts are invariably minimal. Thus, guaranteed assistance does little more than provide for survival.

Another discernible pattern is that, in countries where non-work income does not represent a major portion of the income of indigent households, other types of households have comparable percentages of non-work income (with non-vulnerable households even, in some cases, having higher percentages). This again confirms the analysis in chapter II, which points to an approach that provides minimal levels of protection, though it also indicates the presence of highly stratified contributory systems of protection (in the form of pensions and retirement benefits). In these cases, there is a small integrated sector of the society with access to a good social welfare system, while at the same time there are large disadvantaged sectors with no guarantees of present income —no supply of resources to rely on— and no insurance against future needs. In some countries, such as Argentina, Mexico and Uruguay, the two exist side by side. On the one hand, there is a network providing extensive protection, with relatively high coverage levels and quality of benefits and, at the same time, substantial income guarantees for non-vulnerable workers, who also receive major income guarantees.

The scenario defined by the variable analyzed here creates two types of challenges. First, in the poorest countries, where the percentage of non-work income among the indigent, poor and vulnerable sectors is low, programmes providing certain minimal income guarantees need to be expanded and strengthened. If this were to occur, the variable would no longer behave exclusively as a flow, and a proportion of it would become a part of households' stock of capital. Second, it is essential that there be investment in human capital, so that the productivity of the majority of the population can be increased.

However, the need to strengthen direct transfer programmes comes from the fact that there is still a huge gap between present productivity and genuine well-being, and, if unchanged, this will condemn several future generations to living below minimum welfare levels. It is therefore important to combine increased spending dedicated to protecting low-income sectors with high levels of investment in education for these sectors.

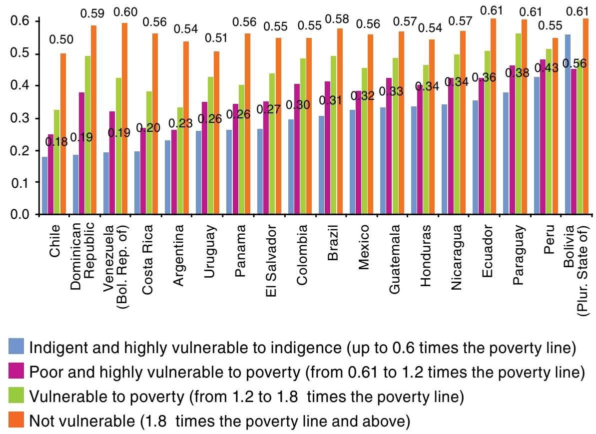
Households with a higher number of workers available to enter the market will have a greater likelihood of overcoming poverty or distancing themselves from it. Households whose availability of workers leads to actual jobs have an even greater probability of escaping poverty, since the ratio of "sustainers" to dependants will be higher: the higher the ratio, the larger a household's income base. In this case, the variable, as mentioned above, consists of a flow rather than stock, since work income depends on fluctuations in the labour market. However, the higher the ratio of a household's working members to the total number of household members, the less vulnerable a household is to these fluctuations. For example, during a period of recession and labour-market contraction, a four-member household with two working members, one of whom loses his or her employment, will not automatically descend into poverty, as could easily happen in a household with only one wage earner.

Figure III.18 shows the ratio of workers to total household members for the Latin American countries.

Figure III.18

LATIN AMERICA (18 COUNTRIES): RATIO OF EMPLOYED HOUSEHOLD MEMBERS TO TOTAL NUMBER OF HOUSEHOLD MEMBERS, BY VULNERABILITY CATEGORY, AROUND 2007 [a]

(Average percentages of household members employed)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

[a] Data on Peru are for 2003, on El Salvador for 2004, on Colombia and Nicaragua for 2005 and on Argentina, Chile, Guatemala and Mexico for 2006.

As this chart shows, there is, in almost all of the countries, a substantial difference between the ratio of workers to total household members for poor households, and the same ratio for households that are not income vulnerable —a situation particularly conspicuous in the wealthier countries. In many less-developed countries, the gaps are smaller or, as is the case with the Plurinational State of Bolivia, are virtually non-existent. This is the result of extremely low wages and productivity in the poor and indigent sectors. In wealthier countries, on the other hand, a household's employment rate tends to ensure that it will escape income-based vulnerability and poverty.[3]

[3] As was seen in chapter IV, part of the explanation for the low employment rates in lower-income sectors has to do with the difficulty of bringing women, within these households, into the labour market, given the heavy burden these women have in unpaid-work and care giving.

4. Household and family structure

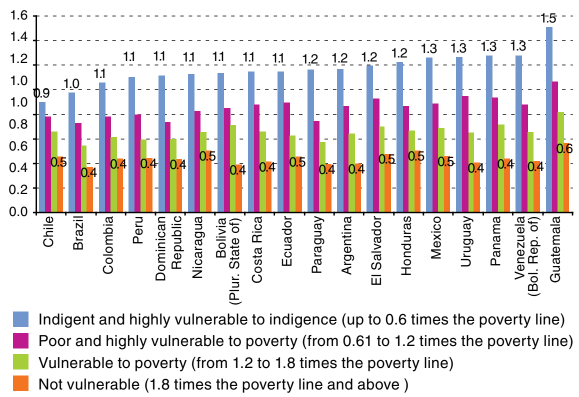
The process of demographic transition varies sharply not only in intensity and phase from country to country within the region but also between different strata of the population within countries. The household dependency ratio (the number of dependent-age people in relation to the number of working-age people) reflects this diversity. This has substantial implications, since the dependency ratio prevents a large percentage of adults of economically active age from participating in the labour market.

In all countries except Chile, the ratio is one or higher in households that are indigent or are vulnerable to indigence. This means that the number of dependent persons is equal to or greater than the number of persons aged 14 to 64. That ratio falls to between 0.4 and 0.5 in the case of households that are not vulnerable to poverty, and the pattern continues across the remaining categories: where there is greater income, there is a lower dependency rate.

Figure III.19

LATIN AMERICA (18 COUNTRIES): DEMOGRAPHIC DEPENDENCY RATE, BY VULNERABILITY CATEGORY, AROUND 2007 [a]

(Ratio of dependent-age persons to each working-age person)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

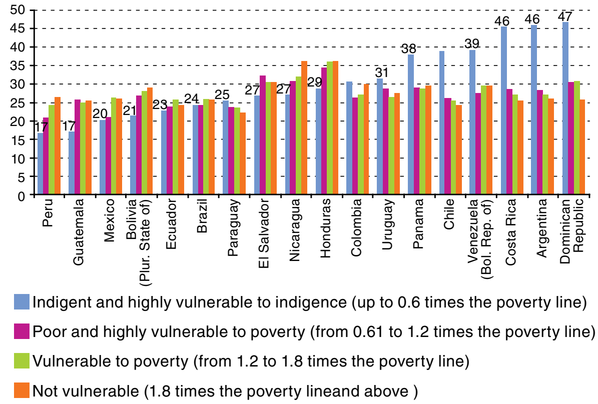
[a] Data on Peru are for 2003, on El Salvador for 2004, on Colombia and Nicaragua for 2005, and on Argentina, Chile, Guatemala and Mexico for 2006. The calculation was made by dividing the number of people under 14 and over 64 years of age by those between 15 and 64 years of age. Households for which the denominator was 0 (where the survey indicated that there were no persons between 15 and 64 years of age in the household) were excluded from the calculation.

Another socio-demographic factor that affects the ability of households to deal with crisis and improve well-being is the proportion of single-parent households in various income brackets (see figure III.20). The first notable fact here is that all of the countries have high percentages of single-parent households. Even in lower-income countries, single parent households represent close to 25% of households with children. The second significant fact is that in many countries single parenthood is distributed rather evenly among wealth/poverty brackets, indicating that, at least in these cases, single parenthood per se does not increase social vulnerability. In some countries, however, the vulnerability of single-parent households is conspicuous and troubling. In Argentina, the Bolivarian Republic of Venezuela, Chile, Costa Rica, the Dominican Republic and Panama, single parenthood is 40% and above in lower-income households.

Figure III.20

LATIN AMERICA (18 COUNTRIES): PERCENTAGE OF SINGLE-PARENT HOUSEHOLDS, BY VULNERABILITY CATEGORY, AROUND 2007 [a]

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

[a] Data on Peru are for 2003; El Salvador for 2004; Colombia and Nicaragua for 2005; and Argentina, Chile, Guatemala and Mexico for 2006.

In many cases, the combination of market, family and social-protection system produces patterns of increased risk for certain age groups. One of the possible results of this is that certain social groups are overrepresented in several age brackets. Knowing these age biases in a country's vulnerability structure provides information that can be crucial in designing a welfare system that not only addresses these situations but does so in a way that is efficient in the long term.

The ratios indicate the proportion of children in each population category in relation to the total population. A ratio greater than 1 indicates that children are overrepresented in the category, while a ratio of less than 1 indicates that they are underrepresented. In the region as a whole, children are overrepresented in the categories of extreme poverty, poverty and vulnerability to poverty. Although there are significant differences in this respect between countries, the situation clearly demonstrates the danger that poverty will become a children's phenomenon in the region. This is consistent with the diachronic analysis in chapter I, which shows that from 1990 to 2008, despite major advances in fighting poverty, the ratio between poor children and the total population over 14 years of age has worsened, in the sense that poverty is afflicting a larger percentage of children. One might ask why, when poverty is being reduced, child poverty is increasing, and whether this sort of pattern is inevitable. If it prevails, the region will face a problem, since an ever-increasing proportion of new workers will have grown up in poverty. It will be difficult to take advantage of the second phase of the demographic dividend —when the dependency rate decreases— if the economically active population comes increasingly from an impoverished childhood.

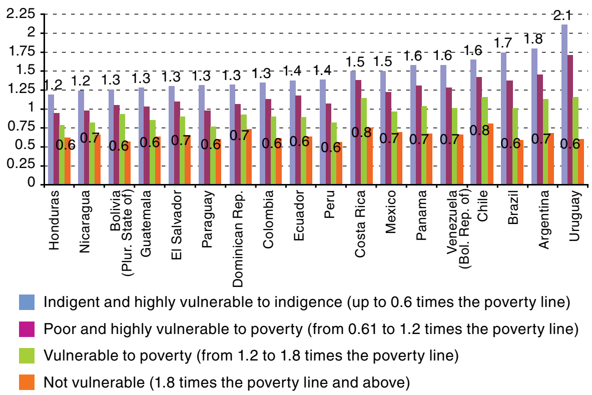
As shown in figure III.22, the flip side of this is that senior citizens are underrepresented among the poor and vulnerable population in by far most of the countries of the region. This underrepresentation is particularly marked in Argentina, Brazil and Uruguay.

This imbalance between generations is not the result of a random process. Welfare regimes (their States, markets and families) play a role in this result. In a region that is ageing and in which the burden of dependent children is decreasing, this is not good news, given that the future welfare of elder persons will largely hinge on the future productivity of today's children. Moreover, the more countries age, the more rigid becomes the inequality of their structures, which leaves less fiscal room for them to invest where a return can be expected from higher productivity and greater equality.

Figure III.21

LATIN AMERICA (18 COUNTRIES): RATIO BETWEEN THE PROPORTION OF CHILDREN AGED 0 TO 14 YEARS IN EACH VULNERABILITY CATEGORY AND THE PROPORTION OF SUCH CHILDREN IN THE OVERALL POPULATION, AROUND 2007 [a]

(Ratio of percentages)



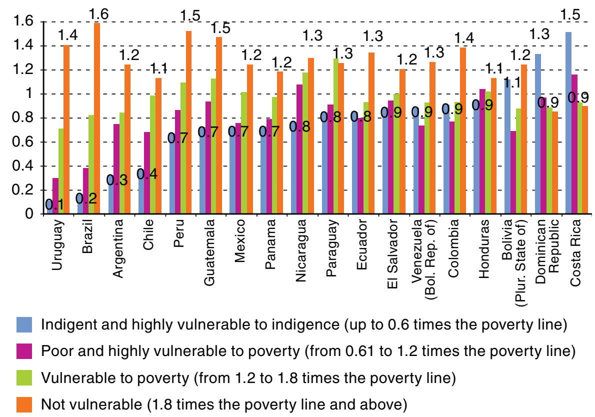
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

[a] Data on Peru are for 2003, on El Salvador for 2004, on Colombia and Nicaragua for 2005, and on Argentina, Chile, Guatemala and Mexico for 2006.

Figure III.22

LATIN AMERICA (18 COUNTRIES): RATIO BETWEEN THE PROPORTION OF PERSONS AGED 65 AND OVER IN EACH VULNERABILITY CATEGORY AND THE PROPORTION OF SUCH PERSONS IN THE OVERALL POPULATION, AROUND 2007 [a]

(Ratio of percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries

[a] The data for Peru correspond to 2003; for El Salvador, to 2004; for Colombia and Nicaragua, to 2005; and for Argentina, Chile, Guatemala and Mexico, to 2006.

5. Human capital of households

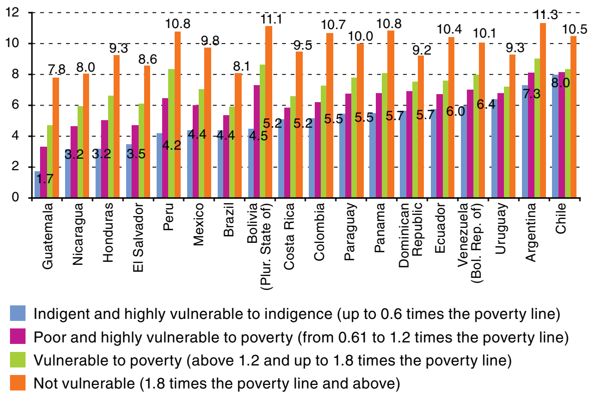
It is clear that lower-income households are insufficiently endowed in human capital as expressed in years of formal education. In turn, in relatively less-developed countries, the levels of educational achievement of poor households and households that are vulnerable to poverty are so low that it is not surprising that these countries —including some that have high employment rates— are unable to escape from poverty or vulnerability. The unequal endowment of human capital in some countries poses a serious obstacle to achieving, in the near future, improvements in social equity by reversing the intergenerational reproduction of poverty.

Figure III.23 gives the distribution of human capital for a type of population that may not have much formal education. It is especially among the poorest sectors that formal educational careers most often end prematurely. Thus, it is important to determine if this situation is subject to reversal in future generations. The data given in *Social Panorama of Latin America 2008* point to a substantial improvement in enrolment levels, although completion levels have improved much less. While there is a certain degree of convergence in some countries, large gaps remain in others.

Figure III.23

LATIN AMERICA (18 COUNTRIES): AVERAGE YEARS OF SCHOOLING OF HOUSEHOLD MEMBERS AGED 25 YEARS AND OVER, BY VULNERABILITY CATEGORY, AROUND 2007 [a]

(Number of years)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

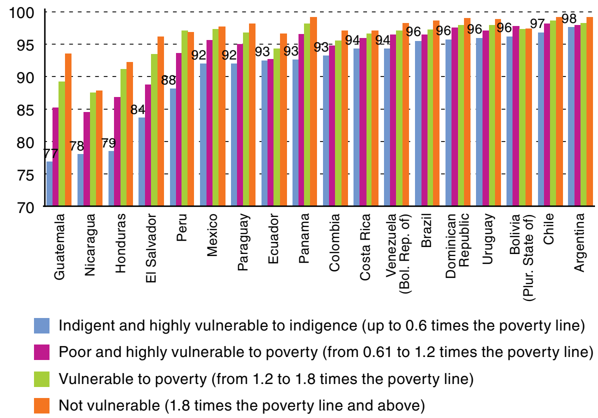
[a] The data for Peru correspond to 2003; for El Salvador, to 2004; for Colombia and Nicaragua, to 2005; and for Argentina, Chile, Guatemala and Mexico, to 2006.

In sum, the social structure of the countries of the region leaves a high percentage of the members of the population vulnerable, because of their income, their assets, the demographic and family reality in which they live and their capacity to integrate into the labour market and have access to living wages, as well as because of the endowment and distribution of human capital in their societies. The same data also indicate that the ability of sectors with few resources to rise out of poverty and to accumulate stocks of capital varies according to these general endowments of assets and resources and they point, as well, to generational differences. It is families with young children that are being left behind in the race to attain welfare. Social protection models must deal with this reality and these trends and, in times of crisis, protect this population's fragile gains.

Figure III.24

LATIN AMERICA (18 COUNTRIES): ASSISTANCE TO AN EDUCATIONAL ESTABLISHMENT FOR CHILDREN AND YOUNG PEOPLE AGED 6 TO 14, AROUND 2007 [a]

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

[a] The data for Peru correspond to 2003; for El Salvador, to 2004; for Colombia and Nicaragua, to 2005; and for Argentina, Chile, Guatemala and Mexico, to 2006.

C. Social protection models and responses to the crisis

Through welfare regimes, the State, markets and families play a role in promoting social protection. There are significant variations among these regimes in Latin America. Although some States play a strong role in providing social protection, others play a significant role, but only regarding the needs of a part of the population. Moreover, relatively less-developed countries delegate most social protection responsibilities to families. Notwithstanding these important differences, all of the countries of the region have tried different methods to respond to the crisis through their social protection systems. For the countries of the region to move forward and turn this crisis into an opportunity, many of these measures should remain in place beyond the short-term and be coordinated as part of their medium and long-term strategies. Specifically, more than a merely adequate short-term response, expansion of the coverage of non-contributory income transfers and of unemployment insurance and investment in education and health infrastructure are a strategic component that needs to be developed over the long term.

1. Points of departure, instruments and response to the crisis

Enormous differences separate the social protection systems of Latin America. As documented in previous editions of *Social Panorama of Latin America*, three large groups of countries can be identified in terms of their different capacities and the diverse degrees and intensities of their social needs.

Table III.2 shows one dimension of these protection systems: countries' efforts in social matters. This situation can also be understood from another perspective. In the countries in group 1, a family of four receives, on average, the equivalent of US$ 4,400 per year in transfers of cash or services. These transfers are not governed by the logic of the market, and recipients are not strictly required to belong to a family unit. The amount of these transfers for the third group of countries totals somewhat more than US$ 700.

Table III.3 gives a series of indicators for various social areas and the differences in social protection for each group of countries. The likelihood of being eligible for retirement, health care benefits and forms of protection linked to formal employment (unemployment insurance, accident insurance, severance pay, etc.) varies from 50% to 70% in group 1 countries to one third or slightly above for retirement benefits in group 2 countries to less than 20% in group 3 countries . In the event of external shocks, these basic forms of insurance allow beneficiaries to weather adverse market conditions, as well as to cope when personal misfortune strikes.

Table III.2
LATIN AMERICA (GROUPS OF COUNTRIES): INDICATORS OF SOCIAL SPENDING, AROUND 2007
(Simple averages for each group of countries)

	Per capita public social spending (US$)	Public social spending (Percentage of GDP)[a]	Public spending on social security and assistance (Percentage of GDP)[b]	Public spending on health (Percentage of GDP)[a]	Public spending on education (Percentage of GDP)[a]
Group 1: Argentina, Brazil, Chile, Costa Rica, Panama and Uruguay	1 102	17.7	7.9	3.9	4.5
Group 2: Bolivarian Republic of Venezuela, Colombia and Mexico	638	13.0	4.9	2.2	4.3
Group 3: Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Paraguay, Peru and the Plurinational State of Bolivia	178	10.2	2.6	2.3	4.1

Source: Economic Commission for Latin America and the Caribbean (ECLAC) on the basis of information from the Commission's social expenditure database. The group of countries with universal schemes includes Argentina, Brazil, Chile, Costa Rica, Panama and Uruguay. The following countries have dual schemes: the Bolivarian Republic of Venezuela, Colombia and Mexico. The following countries have family-oriented schemes: the Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Paraguay, Peru and the Plurinational State of Bolivia.

[a] In constant 2000 US$. Data from 2006–2007.

[b] In constant 2000 US. Data from 2006–2007. Does not include Nicaragua.

Table III.3
LATIN AMERICA (GROUPS OF COUNTRIES):COVERAGE INDICATORS OF THE SOCIAL SECURITY, HEALTH AND EDUCATION SYSTEMS, AROUND 2006
(Simple averages for each group of countries)

Coverage	Percentage of workers contributing to the social security system [a]	Percentage of the urban population covered by pension and retirement schemes [a]	Health insurance coverage (Percentages) [a]	Percentage of 15-17 year olds attending school [b]
Group 1: Argentina, Brazil, Chile, Costa Rica, Panama and Uruguay	53.1	64.4	69.7	79.0
Group 2: Bolivarian Republic of Venezuela, Colombia and Mexico	34.3	26.6	45.6	64.5
Group 3: Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Paraguay, Peru and the Plurinational State of Bolivia	20.0	14.1	17.2	63.8

Source: Carmelo Mesa-Lago, "Efectos de la crisis global sobre la seguridad social de salud y pensiones en América Latina y el Caribe y recomendaciones de política", *Políticas sociales series*, No.150 (LC/L.3104-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), October 2009. United Nations publication, Sales No. S.09.II.G.85; Sistema de Información de Tendencias Educativas en América Latina (SITEAL), for school attendance rates among the population aged from 15 to 17 [online] http://www.siteal.iipe-oei.org/modulos/ResumenesEstadisticosV1/upload/resumen_estl_nacional.pdf.

[a] Does not include Brazil. Data correspond to 2004, 2005 and 2006.

[b] Around 2006. Does not include the Bolivarian Republic of Venezuela or the Dominican Republic.

In addition, these groups of countries can be differentiated in terms of the relative weight of the contributions to welfare made by the State, the market —especially the labour market— and families. As shown in table III.4, the three categories are determined by the spending levels and coverage of countries' social protection systems as well as by the counterpart of this spending —that is, the level of spending by parties other than the State. The smaller the role of the State, the greater the role of out-of-pocket expenditures and the more important it is that families find ways to cope with crisis situations. Moreover, where the State has a lower profile, the domestic labour market also has little ability to deal with welfare and to provide access to it, as shown by the impact of remittances and the proportion of the population under the poverty line despite having employment. This makes it clear that, even if specific responses to the current crisis are disregarded, Latin American States and societies are separated by very different levels of preparedness to protect the most vulnerable segments of their population.

Table III.4
LATIN AMERICA (GROUPS OF COUNTRIES): SELECTED WELFARE INDICATORS, AROUND 2006
(Simple averages for each group of countries)

	Proportion of population that makes out-of-pocket health expenditures [a]	Remittances from abroad (Percentages of GDP) [b]	Working population living under the poverty line (Percentages of total working population) [c]	Extended and composite families (Percentage of total families)
Group 1: Argentina, Brazil, Chile, Costa Rica, Panama and Uruguay	23.3	0.9	16.7	19.0
Group 2: Bolivarian Republic of Venezuela, Colombia and Mexico	35.1	2.2	28.6	23.4
Group 3: Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Paraguay, Peru and Plurinational State of Bolivia	72.1	9.8	38.4	27.9

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries; World Bank, World Development Indicators [online database] for remittances; and Latinobarómetro for out-of-pocket health expenses.

All Latin American governments have responded much more proactively to the current crisis than they had to previous episodes. First and foremost, this has been apparent in the widespread use of monetary instruments to sustain economic activity by expanding liquidity and increasing access to credit. Second, the countries have used their fiscal manoeuvring room to develop investment packages with a view to maintaining the levels of economic activity and generating employment so as to offset the impact of the expected decline in consumption and private investment. Finally, governments have employed various tools available to them in their social protection systems to mitigate the social impact of the crisis. Indeed, the analysis that follows makes it clear that the existence of favourable preconditions —that is, of solid protection mechanisms— is a key factor for activating some of the most vigorous forms of protection.

Government action of this type falls into four broad categories: monetary transfers; traditional sectoral policies (health, education, housing and food); active employment and credit policies; and subsidies for basic non-food-related services (transport, electricity and water). Each category of government activity is reviewed below, and the policy tools and the manner in which they have been used in the region are described.

2. Monetary transfers

Monetary transfers —a multifaceted social protection instrument— are provided through public policy. They include policies that are part of the “foundation” of modern protection States, such as replacing earned income with pensions upon retirement, and policies that are central elements of welfare states, such as unemployment insurance. They also include some more novel polices that have spread in Latin America, such as contingent transfer plans.

As the amount of a given transfer grows, it increasingly becomes a basic, guaranteed income for individuals and households, thus constituting a stepping stone for everyone in society to attain a minimum, guaranteed level of welfare, irrespective of their performance in the market or family origin.

Pensions are undoubtedly a fundamental component of monetary transfers, as they absorb the lion’s share of public spending. The reason for this is that everyone, starting at a certain age, is in theory eligible for this benefit, which replaces wage income beginning at retirement. In relatively more developed countries, in which the demographic shift is more advanced, this spending represents an even greater burden.

The fact that pensions and retirement should be universal starting at a certain age does not mean that universal coverage is in fact provided or that the coverage of pension and retirement schemes is homogeneous. Latin America has a broad range of pension systems. Mesa Lago (2009) classifies the countries of Latin America intro three broad groups, according to the breadth of coverage and the non-contributory components (for example, welfare pensions) of their systems. First is the group of countries with the highest degree of social development —Argentina, Brazil, Chile, Costa Rica, Panama and Uruguay— and in which the overall coverage is the most extensive. Panama is the only one of these countries without welfare components. Second are the countries with an intermediate level of social development —the Bolivarian Republic of Venezuela, Colombia and Mexico— in which the level of coverage is more limited and which have fewer welfare components. The last group of countries are those with the least social development —the Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Paraguay, Peru and the Plurinational State of Bolivia— in which the level of coverage is very low, in part because of high informal employment, and which provide almost no welfare assistance to the poor.

Moreover, and related to the preceding point, the enormous size of the investment in pensions and retirement referred to in *Social Panorama of Latin America* does not necessarily mean that the impact of this investment on welfare is progressive or that this is the most appropriate tool to achieve progressive social spending. At any given level of coverage, a highly stratified system will be less progressive than will be a less stratified one. That is, a social security system tends, to a greater or lesser extent, to reproduce a society’s primary-income stratification.

The retirement and pension system is not the primary channel of monetary transfers to protect workers from shocks that roil the labour market, where the active population suffers the greatest setbacks. It is clear that a pension and retirement system may act as a monetary floor, allowing a significant segment of the population —including, in many cases, members of the households in this population segment— to escape poverty, and that such a system may do so by providing guaranties that leave this segment less vulnerable to the vagaries of the market. Yet, the ability of this system to do so also depends on the mechanisms that are in place to adjust the quality of pension-related benefits. For those who are in the labour market, the most important monetary transfers in the event of a loss or deterioration in the quality of employment are family allowances for households with children, benefits related to unemployment insurance and other forms of non-contributory-transfer programmes.

Table III.5 shows the designs and scope of social protection associated with income transfers in the countries of Latin America. The countries can be divided, according to the coverage they provide and the guaranties that they offer, into the same three groups.

Table III.5

LATIN AMERICA (18 COUNTRIES): INDICATORS OR COVERAGE AND QUALITY OF MONETARY TRANSFER POLICIES, 2007

(Percentages of coverage)

	Poor covered by non-contributory-transfer programmes	Unemployment insurance	Pensions, economically active population	Pensions, population aged 65 and over	Minimum pension	Periodic pension adjustments
Group 1						
Chile	51.7	Yes	62.7	61.7	Yes	UF [a]
Costa Rica	17.4		62.7	41.3	Yes	CPI [b]
Uruguay	54.7	Yes	60.9	85.6	Yes	Wage index
Brazil	83.3	Yes	48.1	85.3	Yes	CPI
Argentina	36.0	Yes	39.2	70.5	Yes	Discretionary
Panama	41.1		45.0	41.7	Yes	Discretionary
Group 2						
Colombia	41.6	Yes	31.8	25.3	Yes	CPI
Venezuela (Bolivarian Republic of)	--	Yes	35.3	31.3	Yes	Discretionary
Mexico	71.2	Yes	35.9	23.3	Yes	CPI
Group 3						
Ecuador	83.9	Yes	26.2	17.4		Discretionary
El Salvador	14.5		29.2	16.2		Discretionary
Guatemala	21.2		26.8	15.4		Discretionary
Dominican Republic	18.5		20.2	11.9		CPI
Peru	22.2		14.0	27.7		Discretionary
Bolivia (Plurinational State of)	35.3		12.5	18.0		UFV [c]
Nicaragua	4.0		18.5	0.3		Discretionary
Paraguay	2.4		12.7	14.9		CPI
Honduras	19.2		20.1	5.3		No

Source: Fabio Bertranou, “Seguros de desempleo en América Latina”, document presented at the seminar Consolidación y desafíos del seguro de cesantía en Chile, Santiago, Chile, 30 September 2004 and International Labour Organization (ILO), *Social Security Programs Throughout the World (SSPTW)*, 2005; Carmelo Mesa-Lago, “Efectos de la crisis global sobre la seguridad social de salud y pensiones en América Latina y el Caribe y recomendaciones de política”, *Políticas sociales series*, No.150 (LC/L.3104-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), October 2009. United Nations publication, Sales No. S.09.II.G.85.

[a] *Unidad de Fomento* (adjusted for inflation).

[b] Consumer Price Index.

[c] *Unidad de Fomento* (for housing).

The architecture of pension systems must take into account which components most effectively protect the population most vulnerable to external shocks or personal misfortune. For example, in economies with a larger proportion of informal employment and in which a very low percentage of the economically active population contributes to social security, emphasis must be placed on non-contributory transfers. By contrast, in pension systems that are more tightly integrated into the formal economy, the emphasis must be on reducing stratification and segmentation, in order to raise the amount of the lowest benefits.

In any event, in Latin America, these income transfer models tend to be better positioned to protect some points of the life cycle and less oriented to serving as stabilizers in response to external shocks. For this reason, it is important to examine how the governments have reacted to the economic crisis and which tools they have used to alleviate its social effects or protect the population from them.

As shown in table III.6, a large majority of the countries have resorted to various tools available through monetary transfers. The benefits provided under non-contributory-transfer programmes in the region have been greatly expanded and enhanced. Targeting the poorest sectors to receive these benefits means that the benefits will more likely reach these sectors quickly. To ensure that this in fact does occur, eligibility criteria should be made more flexible and administrative selection procedures should be simplified.

Another tool that is being used, albeit only in some of the relatively more advanced countries, is unemployment insurance. Eligibility has been expanded (by shortening the required contribution periods) as have the duration and amounts of the benefits under these unemployment insurance schemes. In addition, innovative measures have been introduced to combine unemployment insurance with private efforts of business people and workers to avoid layoffs. Hence, unemployment insurance schemes are set in motion to subsidize the protection of employment. Alternatively, various combinations of measures are taken, including the reduction of work hours and the introduction of unemployment insurance and training.

Lastly, in a small number of countries, a set of instruments has been used to raise the income of the most vulnerable sectors. In particular, mechanisms have been introduced to adjust or protect the value of the retirement and pensions received by the poorest beneficiaries.

Interestingly, in the countries with the greatest relative social development and the relatively most robust social security systems, adjustments have been made to the benefits or eligibility conditions and to transfers associated with non-contributory-transfer programmes. This is the most commonly used measure. By contrast, in the remaining countries, transfers associated with non-contributory-transfer programmes have been the most significant tool.

Table III.6

ARRAY OF MONETARY-TRANSFER INSTRUMENTS USED TO TACKLE THE IMPACT OF THE CRISIS, BY INDIVIDUAL COUNTRY AND GROUP OF COUNTRIES

(Measures that have been announced or implemented)

	Group 1						Group 2			Group 3								
	AR	BR	CL	CR	PA	UY	CO	MX	VE	BO	EC	SV	GT	HN	NI	PY	PE	DO
Expansion of pension and retirement coverage	■										■							
Improvement of pension and retirement benefits						■	■					■						■
Improvement of non-contributory coverage	■	■	■		■	■	■			■		■	■	■	■	■		■
Enhancement of benefits in non-contributory transfers			■	■		■				■		■			■			
Expansion of unemployment insurance coverage		■	■	■		■		■			■							
Enhancement of benefits, replacement rate or extension of duration of eligibility for unemployment insurance				■														

Source: Economic Commission for Latin America and the Caribbean (ECLAC), *The reactions of the Governments of the Americas to the international crisis: an overview of policy measures up to 30 September 2009* (LC/L.3025-Rev.5), Santiago, Chile, October 2009; Economic Commission for Latin America and the Caribbean, on the basis of reports produced as part of the joint project of the Economic Commission for Latin America and the Caribbean/Swedish International Development Cooperation Agency (SIDA) "Enhancing Economic and Social Conditions and Opportunities of Vulnerable Groups in Latin America" and the Program Globalization II, Item 10, "Labour markets and conditional cash transfer programmes" of the Economic Commission for Latin America and the Caribbean and the German Agency for Technical Cooperation (GTZ); and official information supplied by the governments of the countries of the region.

3. Sectoral social policy

This type of intervention is closely linked to households' accumulation of human capital (education, health and nutrition) and the housing conditions required for such accumulation. These policies are largely intended to provide households with a stock of capital not prone to loss over time. This is, in fact, one of the key types of capital for households to be able to weather external shocks successfully.

Education is a key element in human capital formation and protects households during critical situations. First, persons with more educational capital are better able to defend their jobs and to find new employment during recessions. However, beyond considerations related to crises, there is a structural tendency to reward workers later on in their career who have attained a higher level of knowledge and educational certification, especially in an interdependent global order in which competition is based on aggregate intellectual value and where the minimum threshold of acquired knowledge is constantly rising. Latin America has significant achievements to its credit, such as universal enrolment in primary education, but it must move decisively towards greater progress in, and a higher rate of completion of, secondary education, which is considered the gateway to occupations whose productivity allows job holders to rise out of poverty.

There is a second, highly significant reason for valuing the role of the education sector as a buffer against crises. Given the enrolment rates at the primary level and the growing access to the secondary level, schools are a privileged space for the State to provide coverage in the form of food and basic protection to children and adolescents. Given the reach of the educational system and its role in teaching individuals to interact with institutions, various types of assistance (food, health services and even income transfers) should be quickly channelled through it, with an emphasis on the targeted population.

Health policies have a substantial effect on households' human capital and welfare. The lack of access to health care has adverse systemic effects in terms of the work capacity of both wage earners and home workers which may cause households to lose assets or otherwise entail considerable monetary costs for them. In some countries, a catastrophic illnesses may cause families to lose a substantial part to their stock of capital, that is, of their savings or their homes. This is why insurance plays a fundamental role in households' welfare. There are essentially three insurance mechanisms for coping with catastrophic illness: timely health prevention and treatment, the covering of costs for protracted illnesses and arrangements to provide alternate income during illnesses.

Table III.7

LATIN AMERICA (18 COUNTRIES): INDICATORS OF COVERAGE AND OF ADEQUACY OF HEALTH BENEFITS, 2007

(Percentage coverage)

Groups and countries	Coverage	Basic package	Catastrophic coverage [a]
Group 1			
Uruguay	49.9	Yes	Yes
Brazil	--	Yes	Yes
Costa Rica	86.8	Yes	Yes
Chile	88.4	Yes [d]	Yes
Argentina	58.9	Yes	Yes
Panama	64.6	Yes	Partial
Group 2			
Colombia	53.3	Yes, two [b]	Yes
Mexico	38.3	Yes, partial	Partial [d]
Venezuela (Bolivarian Republic of)	45.3	No	No
Group 3			
Dominican Republic	27.5	Yes, two [c]	Yes
El Salvador	15.8	No	Yes
Paraguay	12.4	Yes, partial	No [d]
Guatemala	16.6	Yes, limited	No [d]
Bolivia (Plurinational State of)	25.8	Yes, limited	No [d]
Nicaragua	18.8	Yes, limited	No [d]
Peru	13.3	Yes, partial	No [d]
Ecuador	16.5	No	No [d]
Honduras	8.2	No	No [d]

Source: Carmelo Mesa-Lago, "Efectos de la crisis global sobre la seguridad social de salud y pensiones en América Latina y el Caribe y recomendaciones de política", *Políticas sociales series*, No.150 (LC/L.3104-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), October 2009. United Nations publication, Sales No. S.09.II.G.85.

[a] Coverage for high-cost, complex procedures.

[b] In Colombia, the contributory system provides better coverage than does the subsidized system, while the opposite is the case in the Dominican Republic.

[c] Covered the social security only with restrictions in some countries.

[d] Chile, to be defined

During crises, when countries lack adequate forms of insurance through any of these mechanisms, and especially through the first two, the uninsured will be at higher risk and, in many cases, will choose to "adjust" costs and forfeit receiving suitable care, to the detriment of their health. Since to prevent is to cure, requiring the population to adjust their timely use of prevention and treatment to their income capacity will mean that their future costs and risks will multiply.

ECLAC (2006a) distinguishes among three criteria that can also be used to group the countries of the region: coverage, basic access and coverage in the event of catastrophic health events. When these criteria are combined, countries fall into the same classification as that found on the basis of countries' health systems.

First, there are systems with medium to high comprehensive coverage that represents a heavy burden for public spending: Argentina, Brazil, Chile, Costa Rica, Panama and Uruguay. Second, there are systems with two types of coverage and intermediate levels of public spending: the Bolivarian Republic of Venezuela, Colombia and Mexico. Lastly, there are highly fragmented systems that offer a low level of basic coverage: the Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Paraguay, Peru and the Plurinational State of Bolivia.

In housing, it is clear that there are unmet needs in the region. Chile is one of the few countries with relatively robust housing policies. Despite the fragmentation and low level of development in the sector, some countries offer instruments that may be bolstered during crisis periods. A clear example is provided by the expansion of the construction of low-cost social housing, which in turn boosts employment in a sector that is often one of the hardest hit by crises.

Food policies are an essential complement to income transfer programmes. In the food sector, State-led initiatives focus on direct food distribution (at schools and cafeterias and through basic food baskets) in order to ensure that dietary needs are satisfied. These programmes are structurally important for Latin America, since the region has more than 70 million persons in extreme poverty, earning incomes below the cost of the food basket and therefore at risk of not obtaining an adequate diet. In addition, these policies are essential in crisis situations. Suffice it to note that, according to ECLAC estimates, this crisis will raise indigence by between 0.7 and 0.9 percentage points. The number of persons at nutritional risk will therefore inevitably grow.

In this area of protection, there is a somewhat higher disparity in the matrix of measures focusing on education and health policies. In the case of housing policies, actions have been announced or carried out in a larger number of countries. In these three sectors, the classification of countries into groups does not reveal a clear pattern. Where there are differences is in food policies. In group 3, the high intensity of explicit food policies is clear, underscoring a concern in these societies to ensure that dietary needs are met.

Table III.8
ARRAY OF INSTRUMENTS USED TO TACKLE THE IMPACT OF THE CRISIS, IN SECTORIAL POLICIES, BY COUNTRY AND GROUP OF COUNTRIES
(Measures that have been announced or implemented)

	Group 1						Group 2			Group 3								
	AR	BR	CL	CR	PA	UY	CO	MX	VE	BO	EC	SV	GT	HN	NI	PY	PE	DO
Education																		
Protection and incentives for educational assistance												■						
Nutritional services in education				■		■								■				
Training for the unemployed and young people				■		■	■	■							■			
Increase in sectoral spending on education				■							■				■		■	
Health																		
Elimination of co-payments, increase in coverage				■	■							■						■
Increase in spending for health sector				■										■		■	■	
Housing																		
Housing programmes or increased investment in existing programmes										■		■		■	■	■		
Subsidies for private credits for housing		■	■			■		■			■		■					■
Food																		
Crop protection, food reserves, producer subsidies					■							■			■			
Direct food subsidies														■	■			■
Establishment of cafeterias, food supplement programme													■		■		■	

Source: Economic Commission for Latin America and the Caribbean (ECLAC), *The reactions of the Governments of the Americas to the international crisis: an overview of policy measures up to 30 September 2009* (LC/L.3025-Rev.5), Santiago, Chile, October 2009; Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of reports produced as part of the joint project of the Economic Commission for Latin America and the Caribbean (ECLAC)/Swedish International Development Cooperation Agency (SIDA), "Enhancing Economic and Social Conditions and Opportunities of Vulnerable Groups in Latin America", and the Program Globalization II, Item 10, "Labour markets and conditional cash transfer programmes" of the Economic Commission for Latin America and the Caribbean (ECLAC) and the German Agency for Technical Cooperation (GTZ); and official information supplied by the governments of the countries of the region.

4. Policies on subsidies for services and basic non-food consumption

Basic services are provided through the market, but the State plays a fundamental role in terms of regulations, incentives and, in some cases, subsidies, in order to ensure that people can access them. This places those services at the borderline between public policy and market functions —or between private, public and merit goods.

Among basic services, drinking water has the greatest impact on household welfare, since it is vital to people's quality of life and health, with electricity and telecommunications also affecting family and household living conditions. Policies on subsidies (and their use in targeted ways), as well as public-private collaboration in providing them, also play a role in public well-being.

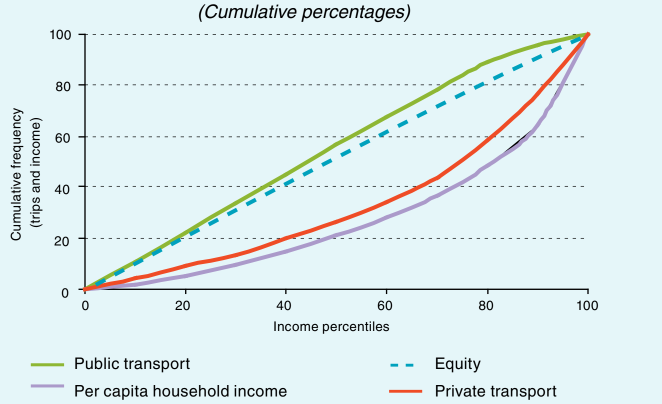
Another good, though less prominent in social policy, is that of public transport. It too constitutes an asset for households, affording them access to other goods. In urban areas, where distances require precious time and resources to move from one place to another, timely access to transport affects quality of daily life, chances of finding employment, travelling to work, public visibility, expanded communications and access to a range of services. Thus, segmentation of access to urban transport is a neglected but essential determinant of how quality of life is distributed within cities (see box III.1).

Box III.1

PUBLIC TRANSPORT AND WELL-BEING

SANTIAGO INCOME CONCENTRATION, TRIPS USING PUBLIC TRANSPORT AND TRIPS USING PRIVATE TRANSPORT BY INCOME PERCENTILE, 2001

(Cumulative percentages)



Source: Diego Hernández, "El transporte público como política social: dimensiones de análisis y tensiones, el ejemplo del Transantiago y sus efectos en una comuna", document presented at the International Seminar on Mobility and Equity, Santiago, Chile, 3-4 September 2009.

The figure shows the accumulated distribution for Santiago in 2001 by income percentile of three variables: distribution of per capita household income, trips using public transport and trips using private transport.

The figure shows a pattern of increasing investment in public transport. If each trip using a given mode of transport receives a subsidy proportional to the overall investment in that mode, then each income sector receives a portion. This portion could be roughly equal to the entire amount of the investment or more than the income-based proportion (for example, people representing 40% of the society's income might receive 45% of the subsidy). At the same time, if one examines the curve of the concentration of trips using private transport, the pattern of concentration of overall income is reproduced almost identically.

Other studies examine the impact of public transport on well-being. Katzman, 2009, using household survey data for the city of Montevideo, shows that the residents of neighbourhoods of lower socio-economic levels have to travel an average of 38.4 minutes to reach work, against 24 minutes for people in more affluent neighbourhoods. Moreover, 45.1% of those in the former group require motorized transport to travel to work, whereas in the latter group only 27.7% require it.

For the city of Buenos Aires, Gutierrez (2009), citing a qualitative study, notes the sequences of trips necessary to access health care services and points out that activities appearing to require a single trip may, in fact, require as many as five, entailing a greater expenditure of time and money. The author showed that, although Argentina has a free public health system, a lack of mobility limited people's access to this right.

Source: Economic Commission for Latin America and the Caribbean (ECLAC).

Table III.9

ARRAY OF INSTRUMENTS USED TO TACKLE THE IMPACT OF THE CRISIS, IN BASIC SERVICES AND TRANSPORTATION, BY INDIVIDUAL COUNTRY AND GROUP OF COUNTRIES

(Measures that have been announced or implemented)

	Group 1						Group 2			Group 3								
	AR	BR	CL	CR	PA	UY	CO	MX	VE	BO	EC	SV	GT	HN	NI	PY	PE	DO
Basic-service subsidies																		
Creating new or increasing existing subsidies					■	■		■				■						■
Transport subsidies																		
Creating new or increasing existing subsidies				■			■	■					■					

Source: Economic Commission for Latin America and the Caribbean (ECLAC), *The reactions of the Governments of the Americas to the international crisis: an overview of policy measures up to 30 September 2009* (LC/L.3025-Rev.5), Santiago, Chile, October 2009; Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of reports produced as part of the joint project of the Economic Commission for Latin America and the Caribbean (ECLAC)/Swedish International Development Cooperation Agency (SIDA), "Enhancing Economic and Social Conditions and Opportunities of Vulnerable Groups in Latin America", and the Program Globalization II, Item 10, "Labour markets and conditional cash transfer programmes" of the Economic Commission for Latin America and the Caribbean (ECLAC) and the German Agency for Technical Cooperation (GTZ) and official information supplied by the governments of the countries of the region.

In this area, it is clear that governments have failed to adopt measures to combat the effects of the crisis. It is also true, however, that less than a third of the countries in the region have increased existing subsidies for basic services (or implemented new ones), while another group of four countries has done so for public transport.

5. Policies on employment and on SMEs

Even the region's most developed welfare states have historically had enormous deficiencies in terms of active employment policies. In previous phases, the import substitution model set full-employment goals. Methods for reaching these goals included expanding public employment and protecting markets. The model was designed to protect jobs, rather than people's employability or labour-market mobility. For this very reason, the system focused on protecting jobs, not individuals.

Active employment policies are a fairly recent phenomenon in Latin America. Such policies are vital to protecting people during recessions. This is not to minimize the importance of passive employment policies such as unemployment insurance. However, combining these with more active policies is essential in efforts to achieve three related objectives: keeping people connected to the social dynamics of the working world (work schedule, social capital, etc.); providing individuals with horizontal skills that give them a wider range of options for finding work (through, among other things, training and certification of skills); and coordinating supply and demand in the labour market.

Active employment measures are currently being supplemented by a new generation of tools, which, though not employment policies in the conventional sense, play a significant role in reaching the three objectives cited above and in generating income. This includes promoting entrepreneurship and microcredit as ways of increasing the productivity of own-account workers. Because of the breadth of the informal sector (often the main refuge in times of crisis) on the continent, and the family-based nature of social protection, such measures take account of and support ways of generating income outside the labour market, while at the same time working to develop a country's economic potential.

Table III.10

ARRAY OF INSTRUMENTS USED TO TACKLE THE IMPACT OF THE CRISIS, IN TERMS OF EMPLOYMENT AND SMES, BY INDIVIDUAL COUNTRY AND GROUP OF COUNTRIES

(Measures that have been announced or implemented)

	Group 1						Group 2			Group 3								
	AR	BR	CL	CR	PA	UY	CO	MX	VE	BO	EC	SV	GT	HN	NI	PY	PE	DO
Employment																		
Labour-cost subsidies and formal-employment incentives	X	X	X														X	
Wage protection for middle-income sectors	X																	
Minimum-wage policies		X		X			X	X	X	X	X		X	X	X			X
Employment, investment and job-creation plans										X		X			X	X		
Job protection	X		X	X		X		X										
Credit and economic revitalization																		
Support for sectors hurt by recession		X				X												
Support for smes (guarantee fund, loan flexibility)										X		X	X	X		X	X	X

Source: Economic Commission for Latin America and the Caribbean (ECLAC), *The reactions of the Governments of the Americas to the international crisis: an overview of policy measures up to 30 September 2009* (LC/L.3025-Rev.5), Santiago, Chile, October 2009; Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of reports produced as part of the joint project of the Economic Commission for Latin America and the Caribbean (ECLAC)/Swedish International Development Cooperation Agency (SIDA), "Enhancing Economic and Social Conditions and Opportunities of Vulnerable Groups in Latin America", and the Program Globalization II, Item 10, "Labour markets and conditional cash transfer programmes" of the Economic Commission for Latin America and the Caribbean (ECLAC) and the German Agency for Technical Cooperation (GTZ); and official information supplied by the governments of the countries of the region.

Establishing, protecting and raising minimum wages, developing plans for job creation or directly providing jobs, and subsidies to sustain employment and prevent job losses all play a major role in the various measures adopted by governments in the region. Policies aimed at expanding microcredit and protecting SMEs, as a means of revitalizing the economy and sustaining employment levels, are also used extensively.

In assessing the potential of minimum-wage policies, three parameters must be considered. First, the direct effects of the minimum wage are limited to formal workers. Thus, when there are high levels of informality, unless the wage increase in the formal sector pulls the informal sector up with it, the measures will do little to affect the most vulnerable population. Second, in countries where the market price of wages is well above the official minimum wage, unless the increase exceeds the market price, this, too, will fail to have a significant effect. Finally, a minimum wage is often used by government as an "anchor" for adjusting social assistance benefits. In those cases, increasing the minimum wage will directly impact a wide array of transfers received by vulnerable sectors.

In short, evidence presented in this chapter confirms that there are States that are adopting concrete measures, although they are sometimes less than optimally equipped and coordinated in their responses to the crisis. These measures are broad-ranging, but there is no integrated model to guide policy and to provide a strategic vision. All in all, adjustments to the reform of the 1990s open up the possibility of establishing a connecting link to shape future changes in social protection. Many of these steps have already been discussed here. A precise understanding of the relationship between market, State and family is essential for gaining a deeper understanding of this issue.

Women and children (and, soon, senior citizens), as well as the less-skilled, are filling or will fill the ranks of Latin America's indigent, poor and vulnerable population. These are also the sectors most vulnerable to the current economic crisis. The reasons for this pattern of poverty and vulnerability involve the labour market and employment, the architecture of the social protection system, ongoing demographic processes and changes within the family.

The chapters that follow combine a deeper understanding of the root causes of social vulnerability with an evaluation of the capacity and potential of public policy to deal with these vulnerabilities in a sustainable and structural manner.

Chapter IV

Gender and paid and unpaid work: links in the chain of discrimination and inequality

A. The care crisis and double discrimination against women

Despite enormous changes in family dynamics and growing participation by women in the labour market, men's participation in domestic and care tasks remains minimal. Women, meanwhile, are overburdened with work and demands as they continue to perform their traditional role as caregivers —a role regarded as natural— while simultaneously taking on new responsibilities in public life and in the labour market. The worsening care crisis calls for a reform of social protection systems and labour practices, as well as a transformation of cultural norms that sanction an unequal distribution of paid and unpaid work between women and men.

The "care crisis" has emerged at a juncture when patterns of paid employment and unpaid domestic work are shifting, while at the same time the sexual division of labour in the household and gender-based segmentation in the labour market remain firmly entrenched. These divergent trends are affecting the continuity and balance of traditional care arrangements in the region's societies. They are limiting women's ability to enter the labour market unimpeded by traditional barriers and thus their ability to achieve greater economic autonomy and well-being.

A care crisis occurs when the number of people requiring care increases, while at the same time the proportion of people who are in a position to provide such care (traditionally women) decreases. In other words, there is a situation of rising demand (as a result of demographic transition) and falling supply (as a result of the entry of women into the labour force). The tension between these two phenomena acts as a brake on women's ability to increase their labour market participation and calls for a review of the design and application of related public policies. These developments are occurring without an increase in men's participation in care work and without adequate State and market mechanisms to shift some of the care burden to society.

Box IV.1

CONTRIBUTIONS OF THE CARE ECONOMY

Care work, both paid and unpaid, and human reproduction have been regarded as an externality in the economic system (Carrasco, 2003a; Picchio, 1999). For centuries, under successive waves of economic thought, the domestic sphere and its relationship to the rest of the economic system have been consistently ignored or analysed only partially or in the wrong way.

More recently, feminist literature has made important contributions to the study of unpaid work, bringing attention to its gender component, its invisibility and its centrality to social reproduction and the workings of the economy, which gave rise to the concept of the "care economy". This concept refers to an amorphous sphere of goods, services, activities, relationships and values that have to do with some of the most basic and important needs with regard to human existence and reproduction. As with any new concept, its scope and boundaries are as yet unclear. It could be argued that it encompasses all of human activity, the ultimate aim —of which is, in reality, reproduction of people and of the social system. While this may be true, the concept of the care economy, with all its ambiguities, refers to something more limited.

It refers to everything involved in caring for and nurturing people, in the sense of providing them with the physical and symbolic elements needed to survive in society (UNIFEM, 2000). Thus, care involves the goods and activities that enable people to be fed, educated, kept healthy and live in a suitable environment. It therefore encompasses material care (which entails work), economic care (which entails costs) and psychological care (which entails emotional ties) (Batthyány, 2004).

Associating "care" with the concept of "economy" focuses attention on those aspects of care that generate or contribute to the generation of economic value —i.e. the relationship between how societies organize care for their members and how the economic system works.

Care has been defined as "a specific activity that includes everything that we do to maintain, continue and repair our 'world' so that we can live in it as well as possible. That world includes our bodies, our selves and our environment, all of which we seek to interweave in a complex, life-sustaining web" (Fisher and Tronto, 1990, quoted by Tronto, 2007). This definition encompasses both self-care and care of others. It does not take account of the emotional dimension of care, but neither does it equate care with any market activity. At the same time, it incorporates the perspective of both those who provide care and those who receive it.

There are two types of care. Direct care is the actual provision of services and attention to physical and biological needs, which involves a transfer of time and face-to-face interaction between those providing and those receiving care. Indirect care is the transfer, through some component of a social system, of the mechanisms required for individuals to tend to their own care needs (Giménez, 2003). Direct care may take three forms: (i) care that is spontaneous —i.e. provided on an occasional and voluntary basis rather than as part of an ongoing relationship; (ii) care that is necessary —i.e. care that people cannot provide for themselves, such as the care given to children or to those who are ill; and (iii) personal services —i.e. care that the recipients could provide to themselves, but that they delegate to someone else. It is not the nature of the act or the degree of intimacy that distinguishes "care" from "personal services".

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of K. Batthyány, *Cuidado infantil y trabajo: ¿un desafío exclusivamente femenino?; una mirada desde el género y la ciudadanía social,* Montevideo, Inter-American Research and Documentation Centre on Vocational Training/ International Labour Organization (CINTERFOR/ILO), 2004; Cristina Carrasco, "Los tiempos de trabajo: entre la casa y el mercado. Nuevas aproximaciones de análisis de resultados", document presented at the Meeting of Experts on Time-use Surveys, Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), 11-12 December *2003*; Daniel Giménez, "Género, previsión social y ciudadanía social en América Latina", *Mujer y desarrollo series*, No. 46 (LC/L.1937-P/E), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), 2003). United Nations publication, Sales No. S.03.II.G.96; Antonella Picchio, "Visibilidad analítica y política del trabajo de reproducción social", *Mujeres y economía. Nuevas perspectivas para viejos y nuevos problemas*, Cristina Carrasco (ed.), Barcelona, Icaria/Antrazyt, 1999; and Joan Tronto, "Human rights, democracy and care", *The Good Society*, vol. 16, No. 2, 2007.

There is consensus that the care crisis is occurring in a context in which women's participation in the labour market has not been accompanied by the emergence of new private or social alternatives for redistributing care within the household, or by an increase in men's participation in providing such care, which suggests that "domesticity hasn't died; it has mutated" (Williams, 2000, p. 3). Underpinning these divergent trends in the respective domains of women and men —trends that are the result of gender-based discrimination mechanisms— are incentives created by the market and by the State, together with cultural and thought patterns that tend to reinforce the false distinction between the economic and the domestic, reducing the former to the sphere of the market and defining "value" as something conceived of socially in strictly monetary terms.[1]

This crisis is distinguished by three simultaneous phenomena: increasing participation of women in the labour

[1] Discrimination as a social phenomenon should be understood from the perspective of its effects on the ability of people to exercise their rights, independent of the intentions of those who practise or are subjected to it. Accordingly, article 1 of the Convention on the Elimination of All Forms of Discrimination Against Women defines discrimination as "...any distinction, exclusion or restriction made on the basis of sex which has the effect or purpose of impairing or nullifying the recognition, enjoyment or exercise by women, irrespective of their marital status, on a basis of equality of men and women, of human rights and fundamental freedoms in the political, economic, social, cultural, civil or any other field".

market and their growing autonomy and empowerment; population ageing; and changes in the family. At the same time, there are three spheres that maintain patriarchal constraints and prevent society as a whole from undergoing an adaptive, egalitarian and efficient process: (i) labour markets, specifically market incentives and organization; (ii) States, particularly their policies and the services they provide; and (iii) the family, and the sexual division of labour, resources and power within families.

The devaluing of care is a result of the "naturalization" of women's care-giving role and of the widespread assumption that care work is linked to affective relationships with family members, making it not an economic activity but rather, in the best-case scenario, an "act of love and devotion" or, in the worst cases, one of "obedience and subordination". In Latin America, the most direct manifestation of the lack of value placed on care work is a "double shift" of work for women, one typified by a heavy burden of domestic work combined with unstable employment outside the household —a situation that exacerbates the problems that women experience in achieving a suitable work-family balance and increases vulnerability to poverty and exclusion for both women and children.

Women thus face a situation of double discrimination, in which they suffer greater job instability outside the household and, at the same time, their care work inside the household remains undiminished and undervalued. All of this occurs as a result of a false cultural assumption: that "natural" work is not really work and that women's time is therefore elastic. Moreover, it is assumed that their paid work outside the household is of secondary importance and it is therefore acceptable if women's jobs are lower paid and less stable or even eliminated altogether.

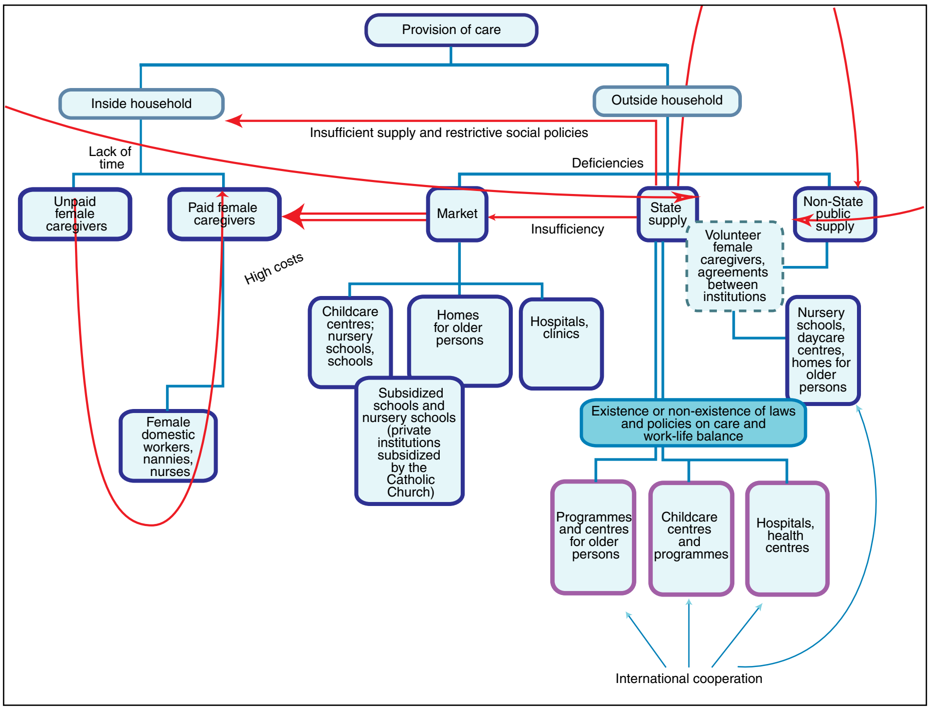
B. The role of market, family and State in the care crisis: the expanded reproduction of inequality

Women's participation in the labour market is stratified by socio-economic level and influenced by age, educational level and number of children and dependants in the household. In addition, the overburden of unpaid work limits the time women have available to carry out income-generating activities, making them less employable and decreasing their access to high-quality jobs. The consequences of this unequal division of labour are felt most severely in the lowest income quintiles, making the domestic and care work performed by poor women a link in the chain of poverty and inequality in Latin American societies. At the same time, the distribution of tasks between women and men has less to do with economic rationality than with prevailing patterns that shape the decisions of households and individuals throughout the life cycle and with the way in which the formal and informal labour markets work. Acknowledgement of this reality is central to the reform of social protection systems, the provision of universal care services and the establishment of government regulations and incentives that recognize and encourage the redistribution and sharing of paid and unpaid work between men and women.

Care work in society is not performed solely within the household and is not always provided on an unpaid basis. Four types of institutions have traditionally been involved, to differing degrees, in the distribution of care: the State, the market, civil society organizations and families (see diagram IV.1). Only care provided by families will be considered here. The analysis focuses particularly on the role of women in providing care within the household, on the constraints it imposes on their ability to hold paid employment and on the stratification that this situation produces and reproduces, with special emphasis on the patriarchal biases of the various institutions.

The above diagram offers a general framework for interpreting the set of issues discussed here, providing a visual depiction of paid and unpaid care work, the relationship between the two and the settings in which each occurs.

Diagram IV.1
PROVISION OF CARE IN THE SOCIETY



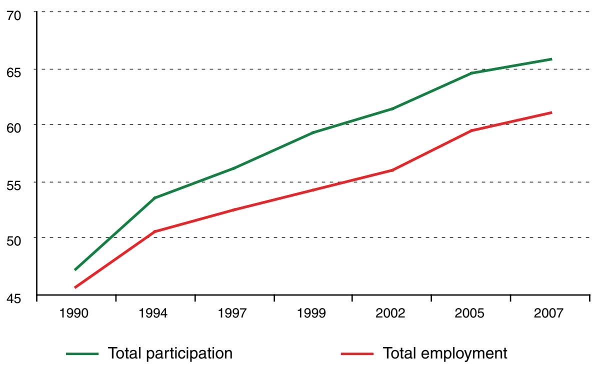
Source: Corina Rodríguez Enríquez, "La organización del cuidado de niños y niñas en Argentina y Uruguay", *Mujer y desarrollo series*, No. 90 (LC/L.1996-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), 2007. United Nations publication, Sales No. S.07.II.G.167; and Flavia Marco, "El cuidado de la niñez en Bolivia y Ecuador: derecho de algunos, obligación de todas", *Mujer y desarrollo series*, No. 89 (LC/L.2843-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), 2007. United Nations publication, Sales No. S.07.II.G.168.

1. Women's participation in the labour market: an essential and irreversible, but stratified, process

The proportion of women seeking or engaged in paid work has risen steadily in the region over the past 25 years. From 1990 to 2007, labour market participation rates among women in the economically active age range (typically, 25 to 54 years) rose by nearly 20 percentage points, while employment rates increased more than 15 percentage points. Meanwhile, the participation and employment rates for men have largely remained steady and, in some countries, have even trended downward.

This increase in women's participation rates is the result of a range of factors, including long-term processes of individuation and autonomy, combined with declining fertility and delayed childbearing. The rise in educational credentials among women has also played a role. In addition, a decline in wages, employability and job stability among men has created pressure for women to join the labour force, as a result of which women in many households have either become the main wage-earners or are earning as much as their male partners. Changing family structures, rising divorce rates and growing prevalence of single-parent households headed by women are also prompting more women to enter the labour market and, increasingly, turning them into the sole income- earners in their households.

Figure IV.1
LATIN AMERICA (15 COUNTRIES): LABOUR MARKET PARTICIPATION AND EMPLOYMENT OF WOMEN AGED 25 TO 54, WEIGHTED AVERAGES, 1990-2007 [a]
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the various countries.

[a] Does not include data for the Dominican Republic, Guatemala or Peru for any of the years. Figures for 1990 do not include El Salvador, Nicaragua or the Bolivarian Republic of Venezuela. Data for the Plurinational State of Bolivia and Mexico are from 1989, and for Colombia and Panama from 1991. The 1994 figures for Brazil and Nicaragua are from 1993, while those for El Salvador and the Bolivarian Republic of Venezuela are from 1995. The 1997 figures for Brazil, Chile and Mexico are from 1996, while those for Nicaragua are from 1998. The 1999 data for Chile, Mexico, Paraguay and the Bolivarian Republic of Venezuela are from 2000, while those for Nicaragua are from 2001. The 2002 figures for Paraguay are from 2000; those for Brazil, El Salvador and Nicaragua, from 2001; and those for Chile, from 2003. For Honduras, the 2005 figures are from 2003; those for the Plurinational State of Bolivia and El Salvador are from 2004; and those for Argentina and Chile are from 2006. Data for 2007 do not include El Salvador. The 2007 data for Colombia and Nicaragua are from 2005, and those for Argentina, Chile and Mexico are from 2006. Data for Argentina are from Greater Buenos Aires, for the Plurinational State of Bolivia, from eight major cities, plus El Alto; for Ecuador, from urban areas; for Paraguay, from Asuncion and the Central Department; and for Uruguay, from urban areas.

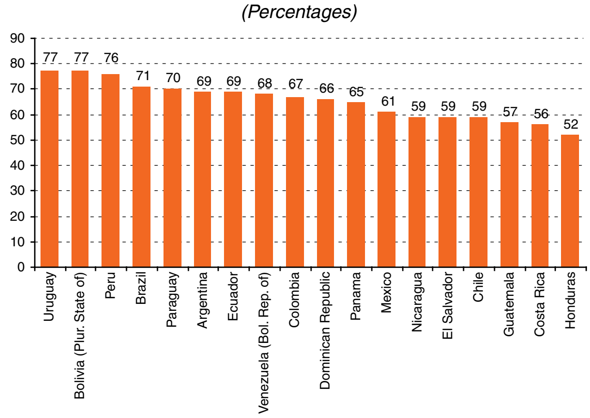
Other processes originating in the labour market have also contributed to this phenomenon. In spite of growth volatility and insufficient job creation, aggregate employment figures have improved in the region, particularly in recent years (ECLAC, 2009b). At the same time, the disappearance of manufacturing jobs and the expansion of jobs in the service sector have created demand —albeit in precarious jobs— for female workers (Rico and Marco, 2006).

Moreover, urbanization has increased the visibility of a type of productive work that has traditionally generated income or produced goods for sale, which in the past has been underestimated in household and employment surveys (for reasons relating to sampling or identification problems in the survey questionnaire): the work performed by women in subsistence farming or commercial agricultural production on family farms.

These factors, which have driven the increased participation of women in the labour market, cannot be interpreted in a linear fashion. Contextual factors, different patterns of change in these variables and interactions between them that are difficult to document mean that countries do not show simple associations between any of the variables. Neither linear regression models nor curve estimates adequately capture the dynamics of the situation. On the other hand, studies that use time series within individual countries do show an association between changes in these factors (at least those that are measurable) and women's participation in the labour market.

While women's participation and employment have increased significantly in nearly all countries of the region, there are marked differences in starting levels and more minor variations in the rate of growth. Moreover, the number of women participating in the labour force at the ages when people are typically economically active is not always consistent with the level that would have been expected in the light of other classic indicators. In Chile, Costa Rica, Mexico and Panama, for example, women's labour market participation rates are very low, considering the levels of urbanization, fertility and per capita GDP in those countries. By contrast, in the Plurinational State of Bolivia, Paraguay and Peru, participation rates are high in relation to levels of per capita GDP, urbanization and fertility. This is consistent with the hypothesis that women's participation is high in societies where subsistence agriculture predominates, low in societies undergoing the classical phase of industrialization and high again in post-industrial societies (U curve).

Figure IV.2
LATIN AMERICA (18 COUNTRIES): LABOUR MARKET PARTICIPATION OF WOMEN AGED 35 TO 49, 2007
(Percentages)



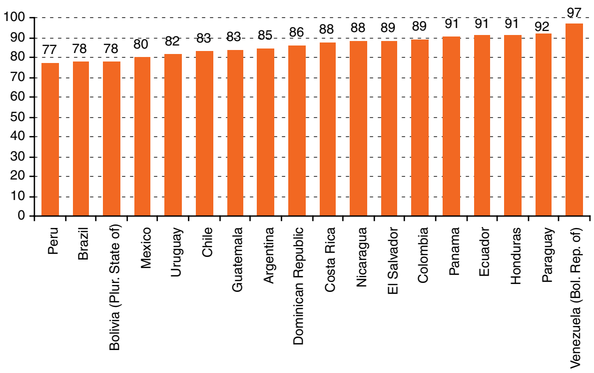
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the various countries.

Irrespective of the scenario in each country, higher rates of labour market participation by women have raised total household incomes significantly. Although women currently earn only 60% to 90% of what men earn on average —a situation that is indicative of gender-based discrimination in the labour market— their earnings contribute substantially to the reduction of poverty in many households.

Figure IV.3

LATIN AMERICA (18 COUNTRIES): MONTHLY INCOME OF WOMEN AS A PROPORTION OF MONTHLY INCOME OF MEN, AROUND 2007 [a]

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Statistical Yearbook for Latin America and the Caribbean, 2008* (LC/G.2399-P), Santiago, Chile, February. United Nations publication, Sales No. E/S.09.II.G.1.

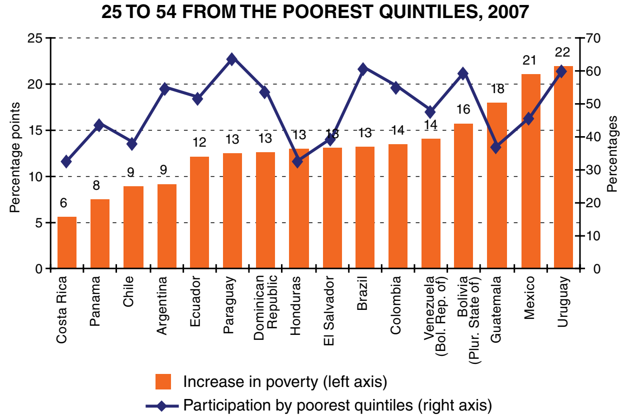
[a] Refers to the average wage of female urban wage-earners between 20 and 49 years of age who work at least 35 hours per week as a proportion of the wage of men with the same characteristics.

Simulations of the effect of eliminating women's earned income in two-parent households in which the woman is employed reveal the negative impact that this would have on poverty levels in these households. Figure IV.4 shows the difference in the percentages of poverty in such households when the woman's income is taken away.

Figure IV.4 shows the participation rate of women from the poorest quintiles in the various countries, revealing the importance of women's income in these households and the huge implications that increasing labour market participation among women in these lower-income strata could potentially have for poverty reduction efforts.[2] In Uruguay, for example, increasing women's labour market participation would produce important gains, although this would be difficult to achieve because their participation rates are already high and their income has significant impact. In Mexico, on the other hand, while the effect of women's income is also important, their labour market participation rates are low. If those rates were to increase and the effect were maintained, poverty in Mexico would decrease considerably. In Costa Rica and Chile, participation rates are low and effects on household income are small, which raises the question of whether in such atypical cases, given other variables that are predictive of participation rates, the simultaneous presence of low participation levels and small effects on poverty is due to greater wage discrimination in the labour market against women from the poorest segments of the population, higher relative wages for men in the same segments, or traditional cultural patterns that lead to a structure of incentives and values that increases the opportunity cost of entering the workforce for women.

Figure IV.4

LATIN AMERICA (18 COUNTRIES): TWO-PARENT HOUSEHOLDS IN WHICH BOTH PARTNERS ARE EMPLOYED THAT WOULD FALL INTO POVERTY WITH THE LOSS OF THE WOMAN'S INCOME, AND LABOUR MARKET PARTICIPATION OF WOMEN AGED 25 TO 54 FROM THE POOREST QUINTILES, 2007

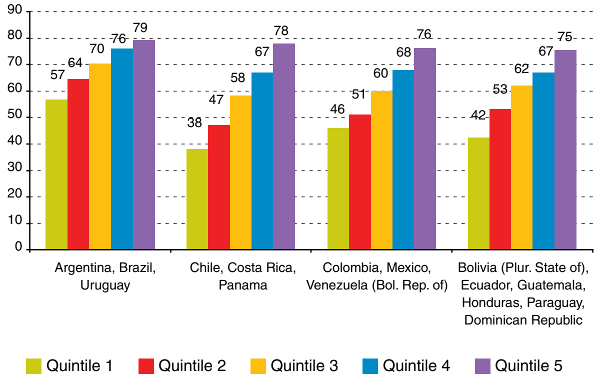


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys on labour market participation conducted in the various countries, and the Gender Indicators and Statistics database [online] http://www.cepal.org/mujer/, on the increase in poverty.

As can be seen in figures IV.5 and IV.6, the participation and employment rates of women vary considerably among different groups of countries. In countries with relatively high levels of wealth and social development, two very different situations can be distinguished, while in the intermediate and poorer countries participation rates are relatively low. All of the countries show marked stratification with respect to women's participation in the labour market. In Costa Rica, Chile and Panama, the lowest participation rates are in the poorest quintile, and these countries also show the greatest stratification in the region in terms of labour market participation.

[2] For countries with low poverty levels, participation rates for women aged 35 to 49 in the first quintile were used, and for countries with higher levels of poverty, averages for women of the same age in the first and second quintiles were used.

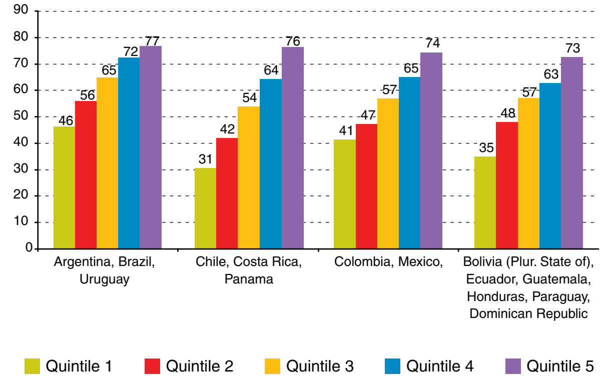
Figure IV.5
LATIN AMERICA (SELECTED COUNTRIES): LABOUR MARKET PARTICIPATION OF WOMEN AGED 25 TO 54 BY INCOME QUINTILE, WEIGHTED AVERAGES FOR GROUPS OF COUNTRIES, AROUND 2007 [a]
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the various countries.

[a] Data for Colombia and Nicaragua are from 2005, and data for Argentina, Chile and Mexico are from 2006. Data for Argentina are from Greater Buenos Aires; for Bolivia, from eight major cities, plus El Alto; for Ecuador, from urban areas; for Paraguay, from Asunción and the Central Department; and for Uruguay from urban areas.

Figure IV.6
EMPLOYMENT OF WOMEN AGED 25 TO 54 BY INCOME QUINTILE, WEIGHTED AVERAGES FOR GROUPS OF SELECTED LATIN AMERICAN COUNTRIES, AROUND 2007 [a]
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the various countries.

[a] Data for Colombia and Nicaragua are from 2005 and data for Argentina, Chile and Mexico are from 2006. Data for Argentina are from Greater Buenos Aires; for Bolivia, from eight major cities, plus El Alto; for Ecuador, from urban areas; for Paraguay, from Asunción and the Central Department; and for Uruguay from urban areas.

2. Labour market integration, inequality and the reproduction of inequality

The participation of women in the region's labour markets shows a clear pattern of stratification. The dilemmas created by the conditions under which women enter the workforce and the redistribution of paid and unpaid work within households are occurring in societies with high levels of inequality. As a result, it is women from low-income strata —and children from the same strata— who suffer the greatest overburden from care and protection demands and who encounter the greatest difficulties obtaining work under favourable, stable conditions in the labour market.

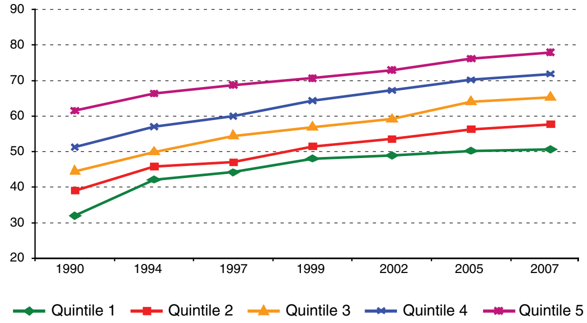
Women and children in other social strata face a similar situation, although they tend to deal with these pressures through different adaptive processes, such as, in some groups, the reduction of fertility and access to market-based solutions. If the State is not capable of providing regulations and incentives to change patterns in labour markets and families, or of providing goods and services to ensure care and replace unpaid work in order to reduce the socio-economic gap, there will be a multiplier effect on inequality, which will have the greatest impact on the welfare of the poorest women and children.

The data from figures IV.9 and IV.10 show that there has been a nearly 30-percentage-point differential in labour market participation since 1990, with very little narrowing of the gap up to 2007. This same pattern can be seen in employment, where the gap is slightly larger and showed no sign of narrowing between 1994 and 2007. Part of the explanation for these differentials is obvious: people with jobs can be expected to have higher incomes than people with no paid work. However, the gap between higher- and lower-income women is also partly due to the greater difficulties that the latter face in balancing their paid and unpaid work. This difficulty is even more acute among women of reproductive age, particularly when they have small children. As can be seen in figures IV.9 and IV.10, in 2007 participation and employment rates for women aged 15 to 49 in the first income quintile were barely 40% and 32%, respectively. The likelihood of being employed shows a strong pattern of stratification, one that is even more pronounced than is the case with participation rates.

Figure IV.7

LATIN AMERICA (15 COUNTRIES): LABOUR MARKET PARTICIPATION OF WOMEN AGED 25 TO 54, BY INCOME QUINTILE, WEIGHTED AVERAGES, 1990-2007 [a]

(Percentages)



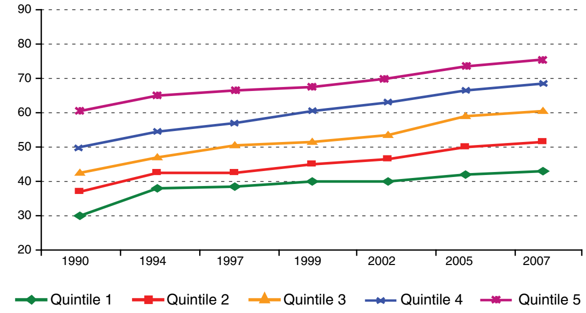
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the various countries.

[a] Does not include data for the Dominican Republic, Guatemala or Peru for any of the years. Figures for 1990 do not include El Salvador, Nicaragua or the Bolivarian Republic of Venezuela. Data for the Plurinational State of Bolivia and Mexico are from 1989, and data for Colombia and Panama, from 1991. The 1994 data for Brazil and Nicaragua are from 1993, while those for El Salvador and the Bolivarian Republic of Venezuela are from 1995. The 1997 figures for Brazil, Chile and Mexico are from 1996, while those for Nicaragua are from 1998. The 1999 data for Chile, Mexico, Paraguay and the Bolivarian Republic of Venezuela are from 2000, while those for Nicaragua are from 2001. The 2002 data for Paraguay are from 2000; the data for Brazil, El Salvador and Nicaragua, from 2001; and the data for Chile from 2003. For 2005, the data for Honduras are from 2003; for the Plurinational State of Bolivia and El Salvador, from 2004; and for Argentina and Chile, from 2006. Data for 2007 do not include El Salvador. The data for Colombia and Nicaragua are from 2005, and those for Argentina, Chile and Mexico are from 2006. Data for Argentina are from Greater Buenos Aires; for the Plurinational State of Bolivia, from eight major cities, plus El Alto; for Ecuador, from urban areas; for Paraguay, from Asunción and the Central Department; and for Uruguay, from urban areas.

Figure IV.8

LATIN AMERICA (15 COUNTRIES): EMPLOYMENT RATE OF WOMEN AGED 25 TO 54, BY INCOME QUINTILE, WEIGHTED AVERAGES, 1990-2007 [a]

(Percentages)



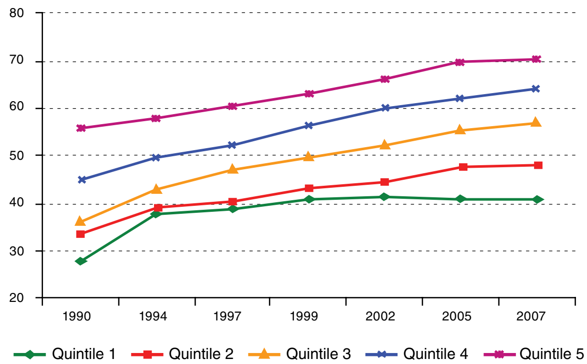
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the various countries.

[a] Does not include data for the Dominican Republic, Guatemala or Peru for any of the years. Figures for 1990 do not include El Salvador, Nicaragua or the Bolivarian Republic of Venezuela. Data for the Plurinational State of Bolivia and Mexico are from 1989, and for Colombia and Panama, from 1991. The 1994 data for Brazil and Nicaragua are from 1993, while those for El Salvador and the Bolivarian Republic of Venezuela are from 1995. The 1997 figures for Brazil, Chile and Mexico are from 1996, while those for Nicaragua are from 1998. The 1999 data for Chile, Mexico, Paraguay and the Bolivarian Republic of Venezuela are from 2000, while those for Nicaragua are from 2001. The 2002 data for Paraguay are from 2000; the data for Brazil, El Salvador and Nicaragua, from 2001; and the data for Chile from 2003. For 2005, the data for Honduras are from 2003; for the Plurinational State of Bolivia and El Salvador, from 2004; and for Argentina and Chile, from 2006. Data for 2007 do not include El Salvador. The data for Colombia and Nicaragua are from 2005, and those for Argentina, Chile and Mexico are from 2006. Data for Argentina are from Greater Buenos Aires; for the Plurinational State of Bolivia, from eight major cities, plus El Alto; for Ecuador, from urban areas; for Paraguay, from Asunción and the Central Department; and for Uruguay, from urban areas.

Figure IV.9

LATIN AMERICA (15 COUNTRIES): LABOUR MARKET PARTICIPATION OF WOMEN AGED 15 TO 49 WITH CHILDREN AGED 0 TO 5, BY INCOME QUINTILE, WEIGHTED AVERAGES, 1990-2007 [a]

(Percentages)



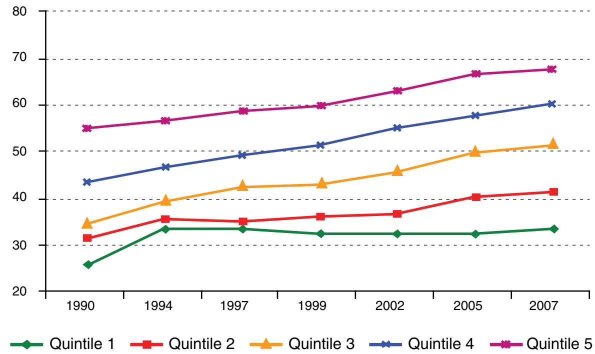
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the various countries.

[a] Does not include data for the Dominican Republic, Guatemala or Peru for any of the years. Figures for 1990 do not include El Salvador, Nicaragua or the Bolivarian Republic of Venezuela. Data for the Plurinational State of Bolivia and Mexico are from 1989, and for Colombia and Panama, from 1991. The 1994 data for Brazil and Nicaragua are from 1993, while those for El Salvador and the Bolivarian Republic of Venezuela are from 1995. The 1997 figures for Brazil, Chile and Mexico are from 1996, while those for Nicaragua are from 1998. The 1999 data for Chile, Mexico, Paraguay and the Bolivarian Republic of Venezuela are from 2000, while those for Nicaragua are from 2001. The 2002 data for Paraguay are from 2000; the data for Brazil, El Salvador and Nicaragua, from 2001; and the data for Chile from 2003. For 2005, the data for Honduras are from 2003; for the Plurinational State of Bolivia and El Salvador, from 2004; and for Argentina and Chile, from 2006. Data for 2007 do not include El Salvador. The data for Colombia and Nicaragua are from 2005, and those for Argentina, Chile and Mexico are from 2006. Data for Argentina are from Greater Buenos Aires; for the Plurinational State of Bolivia, from eight major cities, plus El Alto; for Ecuador, from urban areas; for Paraguay, from Asunción and the Central Department; and for Uruguay, from urban areas.

Figure IV.10

LATIN AMERICA (15 COUNTRIES): LABOUR MARKET PARTICIPATION OF WOMEN AGED 15 TO 49, BY INCOME QUINTILE, WEIGHTED AVERAGES, 1990-2007 [a]

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the various countries.

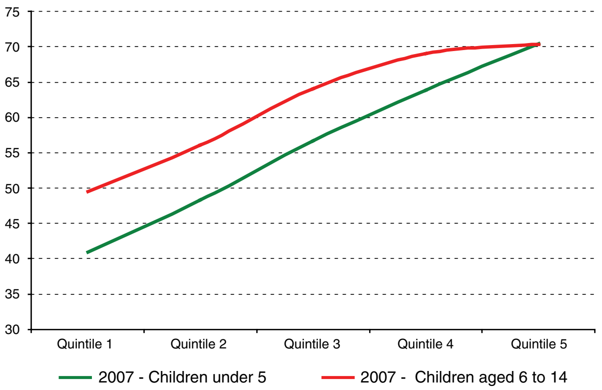
[a] Does not include data for the Dominican Republic, Guatemala or Peru for any of the years. Figures for 1990 do not include El Salvador, Nicaragua or the Bolivarian Republic of Venezuela. Data for the Plurinational State of Bolivia and Mexico are from 1989, and for Colombia and Panama, from 1991. The 1994 data for Brazil and Nicaragua are from 1993, while those for El Salvador and the Bolivarian Republic of Venezuela are from 1995. The 1997 figures for Brazil, Chile and Mexico are from 1996, while those for Nicaragua are from 1998. The 1999 data for Chile, Mexico, Paraguay and the Bolivarian Republic of Venezuela are from 2000, while those for Nicaragua are from 2001. The 2002 data for Paraguay are from 2000; the data for Brazil, El Salvador and Nicaragua, from 2001; and the data for Chile from 2003. For 2005, the data for Honduras are from 2003; for the Plurinational State of Bolivia and El Salvador, from 2004; and for Argentina and Chile, from 2006. Data for 2007 do not include El Salvador. The data for Colombia and Nicaragua are from 2005, and those for Argentina, Chile and Mexico are from 2006. Data for Argentina are from Greater Buenos Aires; for the Plurinational State of Bolivia, from eight major cities, plus El Alto; for Ecuador, from urban areas; for Paraguay, from Asunción and the Central Department; and for Uruguay, from urban areas.

Another perspective on this phenomenon, and on the importance of extending schooling to the youngest children, can be gained by examining the participation and employment rates of women who are responsible for caring for children aged 0 to 5 —a segment in which school coverage is low and care demands are at their highest— and comparing them with the participation and employment rates for women with children aged 6 to 14 who do not have children aged 0 to 5 in the household. The evidence presented in figures IV.11 and IV.12 is clear: the difference is almost 9 percentage points in the poorest quintiles, 7 points in the middle quintile and non-existent in quintile 5. This suggests that, up to the fourth quintile, all women pay an additional cost in terms of labour participation as a result of the lack of school services and the additional demands associated with having young children, but this effect intensifies as household poverty increases.

Figure IV.11

LATIN AMERICA (14 COUNTRIES): LABOUR MARKET PARTICIPATION OF WOMEN AGED 15 TO 49, BY INCOME QUINTILE AND AGE OF CHILDREN, WEIGHTED AVERAGES, AROUND 2007 [a]

(Percentages)



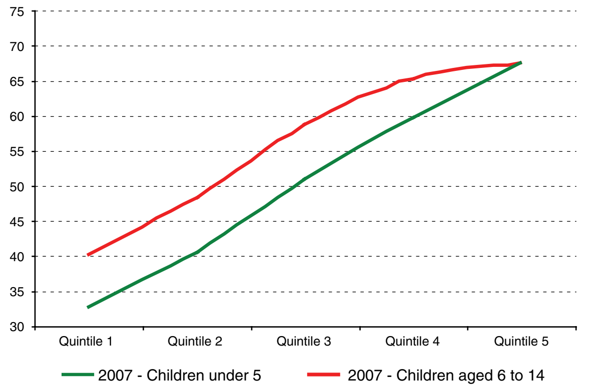
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the various countries.

[a] Does not include data for the Dominican Republic, El Salvador, Guatemala and Peru. Data for Colombia and Nicaragua are from 2005 and data for Argentina, Chile and Mexico are from 2006. Data for Argentina are from Greater Buenos Aires; for Bolivia, from eight major cities, plus el Alto; for Ecuador, from urban areas; for Paraguay, from Asunción and the Central Department; and for Uruguay from urban areas.

Figure IV.12

LATIN AMERICA (14 COUNTRIES): EMPLOYMENT OF WOMEN AGED 15 TO 49, BY INCOME QUINTILE AND AGE OF CHILDREN, WEIGHTED AVERAGES, AROUND 2007 [a]

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the various countries.

[a] Does not include data for the Dominican Republic, El Salvador, Guatemala or Peru. Data for Colombia and Nicaragua are from 2005 and data for Argentina, Chile and Mexico are from 2006. Data for Argentina are from Greater Buenos Aires; for Bolivia, from eight major cities, plus el Alto; for Ecuador, from urban areas; for Paraguay, from Asunción and the Central Department; and for Uruguay from urban areas.

The participation and employment of women at different socio-economic levels show wider gaps in the early years of women's work lives. These gaps tend to narrow with increased age. The differences in participation and employment rates among women aged 55 to 64 in different income quintiles are minimal in comparison to those among women aged 25 to 34, which are generally women's childbearing years (see figures IV.13 and IV.14).

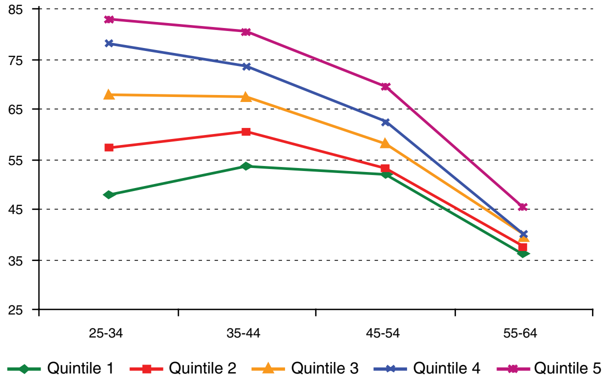
The information indicates, moreover, participation rates in the two poorest quintiles and employment rates in the three poorest quintiles are higher among women 35-44 years of age than among those aged 25-34. Unlike the general pattern in other age groups and quintiles, in which participation rates tend to fall with rising age, the older age group (35-44) has a higher participation rate than the younger one (25-34). The latter group shows the largest participation and employment rate differentials between income quintiles (more than 40 percentage points in the case of employment), a phenomenon consistent with the above observation.

The relationship is reciprocal: the differentials are due largely to the fact that employment or lack thereof affects income level, and, conversely, socio-economic level is reflective of unequal opportunities with respect to entering the workforce and finding employment. Moreover, as could be expected, this effect is greater among younger people —a segment in which male income is also lower among younger age groups. The nature of women's work is not conducive to improving family income and thereby helping to reduce poverty and inequality. This is because the additional burden borne by women is not recognized, especially women with fewer resources, who must cope with the dual challenge of motherhood and caring for young children while also holding a paid job.

Figure IV.13

LATIN AMERICA (14 COUNTRIES): PARTICIPATION OF WOMEN, BY AGE GROUP AND INCOME QUINTILE, WEIGHTED AVERAGES, AROUND 2007 [a]

(Percentages)



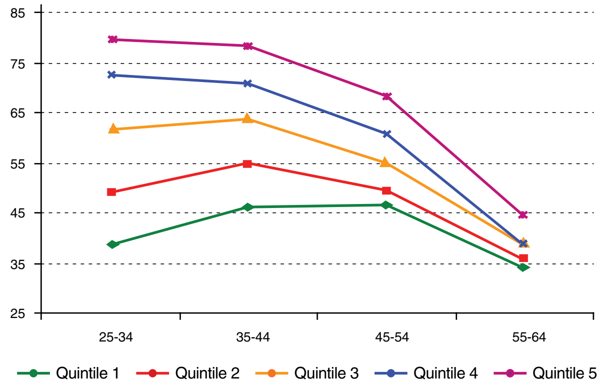
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the various countries.

[a] Does not include data for the Dominican Republic, El Salvador, Guatemala or Peru. Data for Colombia and Nicaragua are from 2005 and data for Argentina, Chile and Mexico are from 2006. Data for Argentina are from Greater Buenos Aires; for Bolivia, from eight major cities, plus El Alto; for Ecuador, from urban areas; for Paraguay, from Asunción and the Central Department; and for Uruguay from urban areas.

Figure IV.14

LATIN AMERICA (14 COUNTRIES): EMPLOYMENT OF WOMEN, BY AGE GROUP AND INCOME QUINTILE, WEIGHTED AVERAGES, AROUND 2007 [a]

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the various countries.

[a] Does not include data for the Dominican Republic, El Salvador, Guatemala or Peru. Data for Colombia and Nicaragua are from 2005 and data for Argentina, Chile and Mexico are from 2006. Data for Argentina are from Greater Buenos Aires; for Bolivia, from eight major cities, plus el Alto; for Ecuador, from urban areas; for Paraguay, from Asunción and the Central Department; and for Uruguay from urban areas.

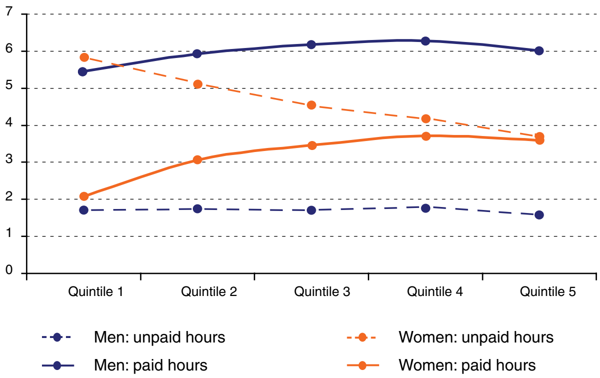
Added to this evidence is the fact that fertility patterns differ depending on geographical area and socio-economic and educational level, with care demands varying according to household size and composition. In population groups with higher fertility levels, which are generally associated with early motherhood and/or low socio-economic levels, demand for care is generally greater than in groups with high educational levels and more favourable economic circumstances. In Latin America there is a clear correlation between high fertility and low socio-economic level, as evidenced by the major difference between urban households in the poorest quintile and those in the wealthiest quintile. For example, in Argentina, the Plurinational State of Bolivia, Mexico, Paraguay and Uruguay, the poorest households number two more members than other households. Fertility is also higher in rural areas than in urban ones. Women with more years of schooling tend to delay childbirth and have fewer children than those with less education. Indigenous women consistently have higher fertility rates than non-indigenous women, in both urban and rural areas (ECLAC, 2008).

In terms of labour market participation, all of these factors lead to inequality, both between men and women and between women of different socio-economic strata. Women's ability to participate in the labour market in a way that is qualitatively satisfactory and also sustainable depends on whether they can find some way of reducing their burden of unpaid and care work. This may be achieved either through a redistribution of the burden of unpaid domestic work between men and women, or through access to public care and protection services or the purchase of such services in the market. The last of these options is heavily dependent on household income, as indicated by the convergence of the curves of paid and unpaid work as women move up the income scale (see figures IV.15 to IV.19). The lack of convergence in the curves for men indicates a high degree of role rigidity that hinders men, regardless of socio-economic level, from more freely combining paid and unpaid work (exceptions to this are Guatemala and, to a lesser extent, Costa Rica, where unpaid work declines and paid work increases among men as income rises).

All of the data suggest that social inequalities in Latin America are closely linked to, and are reproduced in part because of, unequal availability of or access to family and social care options, and to the effect of these inequalities on women's differential ability to enter the labour market. This situation gives rise to a vicious cycle. Indeed, the dynamics of women's participation in the labour market and the stratification thereof are strong drivers of the reproduction of socio-economic inequality.

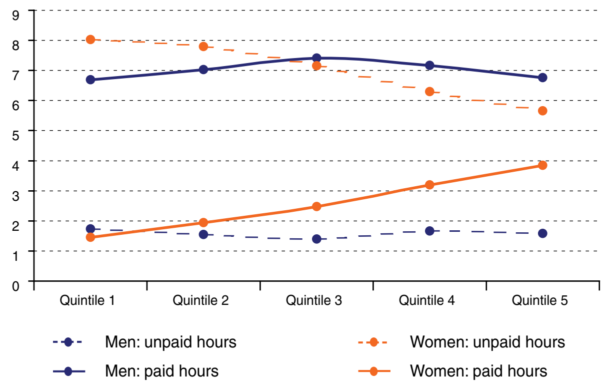
It could be argued from an economic rationality standpoint that the reason for the behaviour of the curves presented below is that women do not engage in paid work because doing so is of less utility than employing the time to perform unpaid work and would produce less income

Figure IV.15
URUGUAY: TIME SPENT PERFORMING PAID AND UNPAID WORK, BY SEX AND INCOME QUINTILE, 2007
(Hours)



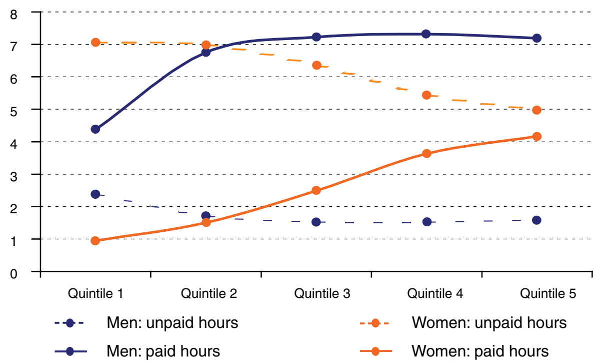
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from time-use surveys.

Figure IV.16
MEXICO: TIME SPENT PERFORMING PAID AND UNPAID WORK, BY SEX AND INCOME QUINTILE, 2002
(Hours)



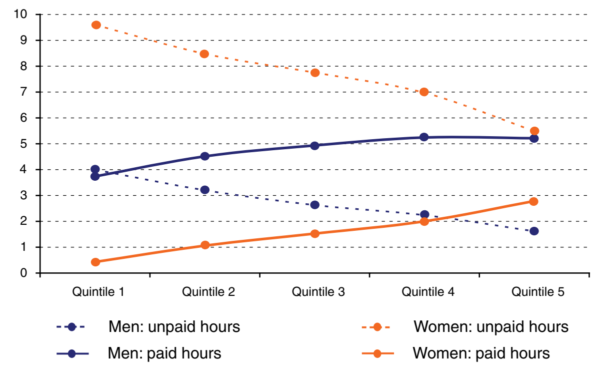
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from time-use surveys.

Figure IV.17
COSTA RICA: TIME SPENT PERFORMING PAID AND UNPAID WORK, BY SEX AND INCOME QUINTILE, 2004
(Hours)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from time-use surveys.

Figure IV.18
GUATEMALA: TIME SPENT PERFORMING PAID AND UNPAID WORK, BY SEX AND INCOME QUINTILE, 2006
(Hours)

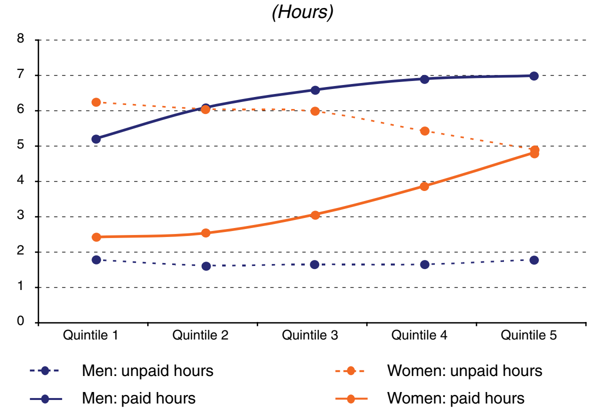


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from time-use surveys.

than the man's participation in the labour market. From this perspective, the decision is a "voluntary and rational" choice by families and by women. Such reasoning would also suggest that this equation should be worked out in the market, since families and their members have the ability to "read" the prices in the labour and services markets. According to this view, the collectivization of care services is unnecessary, since households themselves will redistribute paid and unpaid work in keeping with market opportunities and requirements.

At the same time, if women earn more in the market than men, or more than the savings that would be gained from their doing the unpaid domestic and care work of the household themselves, the "rational" view would be that they should choose paid work. Thus, only in such cases would households have two incomes. In other words, if women's productivity from paid work would be greater than their

Figure IV.19
ECUADOR: TIME SPENT PERFORMING PAID AND UNPAID WORK, BY SEX AND INCOME QUINTILE, 2007
(Hours)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from time-use surveys.

productivity from unpaid work, it would be "rational" for them to engage in paid work. Other —poorer— women would be relegated to performing unpaid work. Hence, a by-product of not providing public care services is a segmentation of women's work into paid and unpaid that correlates with the existing socio-economic segmentation. The poorest households are thus least likely to have a second income. Consequently, it is not just women but all low-income households that are affected by the lack of public care services.

This line of reasoning, however, quickly leads to a dismissal of several important considerations, since it fails to take account of: (i) factors that impede a "rational" redistribution of tasks between men and women; (ii) the negative impact, in terms of equality, of insufficient availability of public services; and (iii) the aggregate effect of "rational decisions" on a country's social and economic health in a context of rigid gender roles and lack of collective solutions.

According to this argument, if women in two-parent households were able to earn better incomes than men, and if services purchased in the marketplace cost more than what men could earn, women would work and men would remain at home. This may happen in some cases, but it is the exception rather than the rule. As will be seen below in the analysis of time use in households, there is a great deal of evidence to suggest that the economic rationality argument has no basis in fact. In real life, people do not make these kinds of choices; rather, they tend to maintain the status quo and adhere to cultural patterns that have nothing to do with models of economic efficiency or rationality.

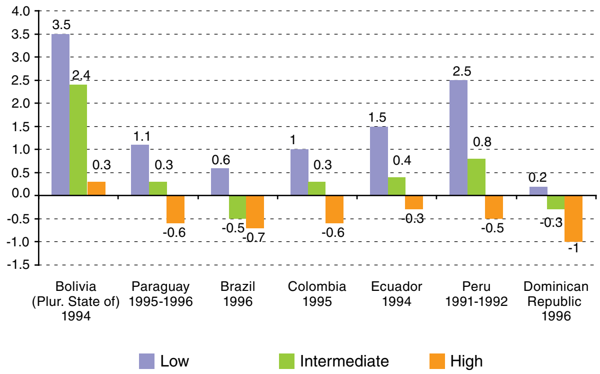
In other words, neither the labour supply (male and female) nor the demand for labour and wages (employers) operates in a way that allows the market to allocate factors and resources efficiently. Since neither men nor women change their behaviour rationally on the basis of market information, and since there is no supply of care services that allows female caregivers to participate adequately in the labour market, the aggregate effect of this situation is negative, both socially (gender and socioeconomic inequality) and economically (economies operating below their productive potential).

If women's ability to enter the labour market depends in part on their childbearing decisions, clearly only women with relatively few or no children will find it easy to do so and to obtain good jobs.[3] That being the case, the burden of countries' biological and social reproduction will naturally fall on those whose income-earning capacity is lowest. In a context of nearly total lack of sexual and reproductive rights, the situation will be even more complex.

Figure IV.20

LATIN AMERICA (SELECTED COUNTRIES): DIFFERENCE BETWEEN ACTUAL FERTILITY AND DESIRED FERTILITY, BY EDUCATIONAL LEVEL

(Percentage points)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Susana Schkolnik, "Demographic trends and social equity: challenges facing the health sector", document presented at the Conference on *Statistics for Economic and Social Development*, Aguascalientes, 1-4 September 1998.

In general, those involved in this debate —whether academics or policy-makers— have not considered basic normative factors such as women's rights and autonomy, their vulnerability because of lack of independent income and the additional costs for all social strata of the assumption that the role of principal caregiver belongs to women. Neither has it been taken into account that women rarely can (or wish to) take these decisions independently, since they are members of families and households in which the men —and often also the women themselves— adhere to cultural patterns of domination that shape their values, identity and self-esteem and that incorporate specific control mechanisms. The analysis undertaken here shows how the failure to acknowledge women's double workload, the dilemmas and the impossible choices they face, and the labour stratification to which they are subject are detrimental to countries' economic efficiency and social equality.

3 It is clear that in many societies reproductive differences between women do not depend only, or even primarily, on this social/labour configuration. For example, there is extensive literature showing the effects of educational levels and access to contraceptive methods. One indicator that illustrates this last point is unmet need for family planning, which identifies the percentage of women in conjugal relationships who do not wish to have more children or would like to delay their next pregnancy but who are not using any contraceptive method. These percentages range from approximately 6% in the case of Colombia to nearly 25% for the Plurinational State of Bolivia. For more information, see the United Nations Millennium Development Goal indicator database [online] http://mdgs.un.org/unsd/mdg/Default.aspx.

3. State, formality of employment, and vulnerability of women now and in the future

Basic labour and participation indicators show that, in addition to being stratified, the participation of Latin American women in the labour market is characterized by higher levels of unemployment, instability and informality than is the case for men. The jobs and paid activities performed by women are often in low-productivity sectors of the informal economy.

Both women and young people are more likely to have poor working conditions, limited health benefits, lower rates of social security affiliation and lower wages. Data on Latin American workers show that, around 2006, half of the employed population (nearly 67 million people) were employed in low-productivity sectors. Women are consistently over-represented in these sectors throughout their lifetime. In urban areas, for example, a substantially greater proportion of women than men work in low-productivity sectors (50.7% versus 40.5%) (ECLAC, 2008).

Women are more likely to hold jobs in the informal sector both because they have difficulty finding formal-sector jobs and because such jobs offer them greater flexibility for discharging their family responsibilities. In other words, the nature of formal employment is discriminatory against women in that it fails to recognize the burdens on their time at various stages in their lives: the burden of reproduction, the burden of unpaid work and the burden of caring for dependants. In contrast, the absence of set hours and workplaces that characterizes informal-sector jobs allows women to perform paid work while also fulfilling their family responsibilities and performing domestic work. However, the factors that prompt women to work in the informal economy lead to a dead end characterized by poor-quality jobs without social protection. Moreover, the quality of women's jobs in the informal sector tends to be lower than that of men's: they earn less and they work disproportionately in precarious segments of the market, such as domestic work and unpaid family work (ECLAC, 2007a).

Data on the effects that the dynamics of access have had, and can have in the future, on the exercise of social rights in a context such as the one examined in this chapter consistently reveal that women face a series of overlapping risks.

The way in which job incentives, opportunities and recognition are structured reflects the false assumption that those who provide care and those who perform paid work are two different sets of people. Structurally, this obviously favours men over women, since men generally hold paid jobs but are not responsible for unpaid work and care (see table IV.1). This assumption not only does not correspond to reality, it fails to recognize that many of the gender differences in this area reflect the fact that when women participate in the labour market they do so as secondary wage-earners, and their incomes are considered supplementary to the primary income provided by the man.

Table IV.1
LATIN AMERICA (6 COUNTRIES): SELECTED SOCIO-ECONOMIC INDICATORS, BY SEX AND URBAN AREA, AROUND 2002
(Percentages)

	Argentina [a]		Bolivia (Plur. State of)		Brazil [b]		Chile [c]		Colombia		El Salvador [b]	
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
Economically active population	48	75	57	77	53	79	42	73	57	79	51	75
Unemployment	19.5	18.5	7.9	5.2	13.4	8.7	11.0	9.9	20	14.8	5	8.8
Wages [d]	79	100	78	100	79	100	69	100	95	100	73.8	100
Coverage of population over 65 years of age [e]	66.8	73	22.1	33.6	80.9	88.4	58.8	73.5	21.5	34	15	29.3
Pensions [f]	71.2	100	74.9	100	72.9	100	67.6	100	86.3	100	76.8	100

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the various countries.
[a] Greater Buenos Aires.
[b] Data from 2001.
[c] Data from 2000.
[d] Ratio between average per-hour wages of women and men.
[e] Recipients of income from retirement and pensions.
[f] Ratio between average income from retirement and pensions of women and men over 65 years of age.

The predominance of atypical jobs among women means that there are discontinuities in their work lives, with periods of inactivity and jobs of a flexible and unstable nature. These conditions put them at a disadvantage with respect to regular employees in terms of lack of benefits such as vacation time, maternity leave, sick leave and pension (see box IV.2).

Box IV.2

WOMEN'S WORKING LIVES: FRAGMENTATION, DISCRIMINATION AND LACK OF SOCIAL PROTECTION

Women's working lives are, for various reasons, more fragmented than men's. One of the consequences of the fact that women's participation in the labour market is generally more precarious and often occurs in the informal sector is that the conditions under which they work are less stable. In addition, evidence indicates that women with children, particularly small children, are more likely to lose their jobs or be subject to other changes in their terms of employment, such as reduced hours, lower wages and loss of the social security benefits associated with formal employment.

A study in Chile (Perticará, 2005), in which survival analysis was performed on longitudinal data, showed longer duration of employment, longer periods of employment and shorter periods of economic inactivity (lack of paid work) among men than among women. It also found that age, education, giving birth or having small children (under one year old), along with past work history, significantly affected women's likelihood of becoming economically inactive.

LENGTH OF PERIODS OF EMPLOYMENT, UNEMPLOYMENT AND INACTIVITY AMONG MEN AND WOMEN

(Months)

Length of employment with same employer	Men	Women	Overall
Percentile 25	11	6	8
Median	35	27	33
Percentile 75	113	89	104
Length of continuous employment			
Percentile 25	20	7	11
Median	140	46	79
Percentile 75	275	202	275
Length of inactivity			
Percentile 25	11	13	11
Median	35	47	79
Percentile 75	71	126	275
Length of unemployment			
Percentile 25	2	3	2
Median	5	7	6
Percentile 75	12	21	14

Source: M. Perticará, "Patrones de inserción laboral femenina", *Documentos de investigación series*, No. I-166, Santiago, Chile, Universidad Alberto Hurtado, 2005. Based on the Social Protection Survey of Chile (2002), which only includes persons covered under the pension system.

A study in Uruguay that also used longitudinal data on women's histories of payroll contributions looked at men's and women's likelihood of receiving a pension at age 60 and 65. Here, too, the lower levels of contributions by women, because of the informality and instability of their employment, coupled with the periods of inactivity that they are often obliged to endure because they shoulder the burden of unpaid work, lead to a difference in their access to future retirement income, a difference that is greater in the private sector than in the public sector (Bucheli, Forteza and Rossi, 2006).

Percentage of individuals completing 35 years of work at 60 and 65 years of age; figures based on estimated pension contributions for the period 1996-2004		
Population group	Age 60	Age 65
Overall average	14.9	23.1
Men	16.5	24.8
Women	11.7	19.4
Men, private sector	6.5	13.1
First quintile	0.0	0.2
Second quintile	0.4	4.7
Third quintile	1.2	8.3
Fourth quintile	12.2	33.5
Fifth quintile	39.2	62.2
Women, private sector	4.9	10.3
First quintile	0.1	0.7
Second quintile	0.2	1.2
Third quintile	1.4	7.3
Fourth quintile	7.1	23.6
Fifth quintile	38.1	

Source: Flavia Marco, "Rasgos generales de los sistemas previsionales de capitalización individual y sus contextos laborales y demográficos", *Los sistemas de pensiones en América Latina. Un análisis de género,* F. Marco (coord.), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), 2004. Santiago, Chile.

In general, women's workdays are shorter than those of men. Although the gap has been narrowing, less than half of women workers in Latin America and the Caribbean (45%) are employed for a full work week (41 hours or more) versus 63% of men. This has an adverse effect on women's pay levels, social entitlements and pensions (ILO/UNDP, 2009).

The contrast between older men and older women in terms of independent income points to a looming problem: the emergence of a population group that will require intensive services and care, but will not have the means to pay for them. This population will create pressure not only on public services, but also on younger family members —who, if the present pattern of distribution of the burden of care and other unpaid work continues, will be mainly women. Given the socio-demographic changes taking place in the region, which are increasing demand for child and elder care, many families will find themselves having to support dependants who lack access to social protection systems or whose retirement or pension benefits are limited. Households will thus find it increasingly difficult to provide necessary care.

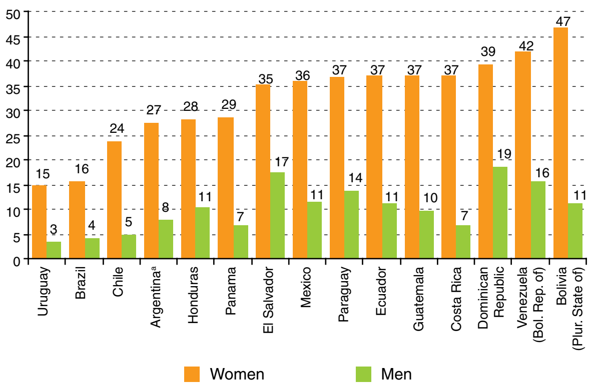
It is therefore essential to implement policies that will enable significantly more women to obtain formal employment than are currently able to do so. But that is not enough. Patterns of discrimination in the labour market and rigid attitudes with regard to the sexual division of labour within households are likely to persist for a long time. States will therefore need to adjust their eligibility criteria so as to take account of the differential costs for men and women of finding and retaining good jobs, owing to the differences in their unpaid work and care burdens. Such adjustments should be made without producing two undesired effects: discrimination against women by employers and symbolic and actual reinforcement of women's role as sole or principal provider of unpaid work and care. These perverse effects are not easy to avoid, however, since markets and families tend to process and adapt to changes by reproducing old patterns.

Women's difficulty in gaining access to the labour market should also be considered in the light of another characteristic feature of the region: lack of economic independence, which is far more common among women than among men in Latin America. The total male population without income in the region's urban areas is 22%, while the corresponding percentage of the female population is 43%. In rural areas, the largest segment of the population without income is in the 15-24 age bracket. In both contexts, women are more likely to lack economic independence than men (ECLAC, 2007a).

Figure IV.21

LATIN AMERICA (15 COUNTRIES): PERSONS AGED 60 AND OVER WITHOUT INDEPENDENT INCOME, BY SEX, AROUND 2007

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of data from the Gender Indicators and Statistics database [online] http://www.cepal.org/mujer/.

[a] Urban areas.

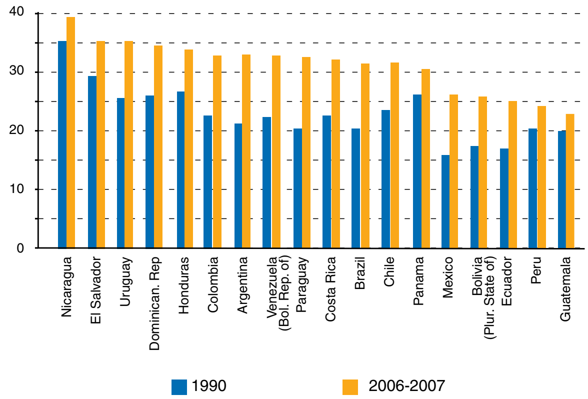
4. Imagined families and real families: debunking myths to enable effective action

In the regional context, encouraging cooperative arrangements among adults within households is the best way of bolstering the capacity of both households and society as a whole to provide care to those who need it. This is true whether the arrangement is a domestic partnership, a same-sex relationship, a second marriage or a multi-generational arrangement that does not include marriage. If these family arrangements are not legally recognized and accompanied by public policy that supports their roles in caregiving, risk protection and the maintenance of well-being, they will be less stable and less effective in fulfilling those roles. In other words, what needs to be done is the opposite of what has been done up to now: defining the ideal family and basing legal recognition and protection systems on that definition. Instead, it is the units that are actually providing care and protection in our societies that should be recognized as families.

Figure IV.22

LATIN AMERICA (18 COUNTRIES): URBAN HOUSEHOLDS HEADED BY WOMEN, 1990 AND 2006-2007

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), *Social Panorama of Latin America, 2007* (LC/G.2351-P/E), Santiago, Chile, 2008. United Nations publication, Sales No. E.07.II.G.124.

For some time now, there have been high proportions of single-parent households in countries with relatively low levels of development. The growth in the proportions of such households has been especially marked in countries where the "traditional" model was more prevalent. This has been due not to legislation sanctioning new family arrangements, but rather to the inability of markets, States and traditional family structures to create and sustain cooperative arrangements between men and women. Logic dictates that recognizing new family arrangements and fostering a more favourable environment and a better and more balanced division of labour between men and women within the family would bring about something that is unquestionably desirable: more durable cooperative arrangements between pairs or groups of adults within households who care for one another and for their dependants (children and older persons).

Table IV.2

LATIN AMERICA (SELECTED COUNTRIES): BIRTHS TO UNMARRIED MOTHERS, AROUND 1970 AND 2000

(Percentages)

	Year	Percentage	Year	Percentage
Argentina	1980	29.8	2000	57.6
Chile	1970	18.8	2001	50.5
Costa Rica	1970	29.4	2003	57.5
El Salvador	1970	67.8	1998	72.8
Mexico	1970	27.3	2001	39.6
Panama	1970	70.9	2002	79.9
Paraguay	1970	42.6	2002	51.0
Uruguay	1970	21.1	2001	55.2

Source: Teresa Castro Martín et al., "Matrimonio vs. unión consensual en Latinoamérica: contraste desde una perspectiva de género", document presented at the third Congress of the Latin American Population Association (ALAP), Córdoba, Argentina, 24-26 September 2008.

Table IV.3

LATIN AMERICA (16 COUNTRIES): SEPARATIONS AND DIVORCES, AROUND 1994 AND 2005

(Percentages)

Country	Around 1994	Around 2005
Argentina	7.1	10.7
Bolivia (Plurinational State of)	9.4	9.4
Chile	7.7	9.4
Colombia	13.8	17.8
Costa Rica	13.3	16.9
Ecuador	--	11.2
El Salvador	--	25.2
Guatemala	--	8.4
Honduras	20.6	6.7
Mexico	--	10.7
Nicaragua	23.0	--
Panama	--	20.7
Paraguay	3.7	6.5
Peru	--	13.1
Uruguay	10.2	14.7
Venezuela (Bolivarian Republic of)	6.8	13.3

Source: Marcela Cerruti and Georgina Binstock, "Familias latinoamericanas en transformación desafíos y demandas para la acción pública", *Políticas sociales series*, No. 147 (LC/L.3100-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), 2009. United Nations publication, Sales No. S.09.II.G.82.

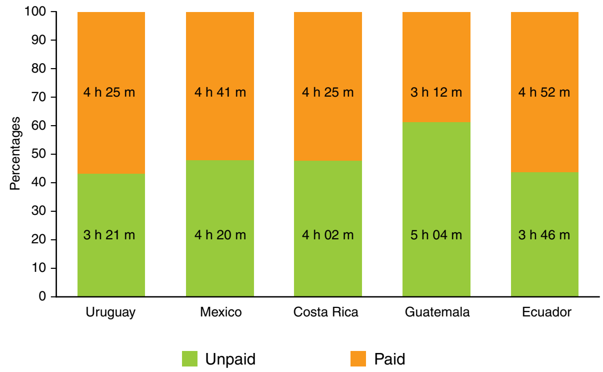
5. Time and gender: unequal and inefficient systems for the division of paid and unpaid labour in families

The popular saying "time is money" reflects the notion that time devoted to work creates value. However, not all value generated by productive work has a price attached to it. Indeed, a large proportion of what societies produce has no monetary value and no price. All domestic work done by women —such as cooking, cleaning and caring for others— is unpaid and is performed without any contract that sets a price for the services rendered or establishes the responsibilities and benefits associated with the work. Regardless of whether or not it has any monetary value, however, domestic work is productive work that does, in fact, create value, both for the individuals who benefit from it and for society at large. Even more important, time spent performing domestic and care work cannot be devoted to other activities such as self-care, leisure, political participation or paid work. Time is thus the ultimate scarce resource.

The family continues to be one of the most important settings for producing economic value and providing care. The current sexual division of labour and care means that women are contributing disproportionately to social welfare through the provision of unpaid services. This is especially true in poor households (see box IV.3).

In Mexico, for example, unpaid domestic work, which includes care provided to family members, represented 22.6% —the largest single component— of GDP in 1996, with manufacturing (21.5%) ranking second (ECLAC, 2007a). In Uruguay, estimates based on time-use surveys indicate that unpaid work accounted for the equivalent of 26.6% to 30.6% of GDP (Salvador, 2009).

Figure IV.23
LATIN AMERICA (SELECTED COUNTRIES): WORKLOAD, BY TYPE OF WORK, VARIOUS YEARS
(Hours, minutes and percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from time-use surveys conducted in the various countries.

Box IV.3
UNPAID CARE WORK AND THE MILLENNIUM DEVELOPMENT GOALS: THE URGENT NEED FOR AN EQUALITY PARADIGM SHIFT

There is a close relationship between unpaid care work and the Millennium Development Goals, since the forms that such work takes today affect in various ways the possibilities of achieving the Goals. The closest and clearest link between the two has to do with gender equality and the empowerment of women (Millennium Development Goal 3), because the heaviest share of the burden of this socially necessary but economically invisible care work falls disproportionately on women (ECLAC, 2007a).

The target associated with Goal 3 is to eliminate the gender disparity in access to primary and secondary education. The United Nations Millennium Declaration, the broader context from which the Millennium Development Goals emerged, identifies equality as one of several values essential to international relations in the twenty-first century and affirms that "the equal rights and opportunities of women and men must be assured" (United Nations, 2000, p. 2). But as long as unpaid work and caregiving in the household are not socially valued, the fundamental obstacles to equality between the sexes and autonomy for women will remain (ECLAC, 2007c; Bárcena, 2009).

The responsibility women bear for tending to household needs and caring for family members —especially children, older persons, the disabled and the ill— limits the time and opportunities available to them to find full-time paid work in the formal labour market. The problems they encounter in balancing their productive and reproductive work —the solution to which depends on their capacity to negotiate with their partners and employers— in turn hinder their ability to obtain the social protection benefits associated with employment. At the same time, these problems make them dependent on male providers, thereby placing them in a fragile social and economic position.

Policies aimed at reducing gender inequality in the labour market and enhancing women's economic autonomy have tended to address the problem only in part, as they have focused on paid work performed in the public sphere rather than on unpaid work done in the private sphere, although the latter "is the main factor determining both women's exclusion from the labour market and their economic subordination" (ECLAC, 2007c, p. 52).

If estimates of the contribution of unpaid work to a society's GDP are framed in terms of units of time worked (paid and unpaid) rather than in monetary terms, the evidence thus obtained chips away even further at several myths and assumptions. In the Latin American context, the reason for this is simple: the proportions of time devoted to paid and unpaid work by the population as a whole are nearly equal.

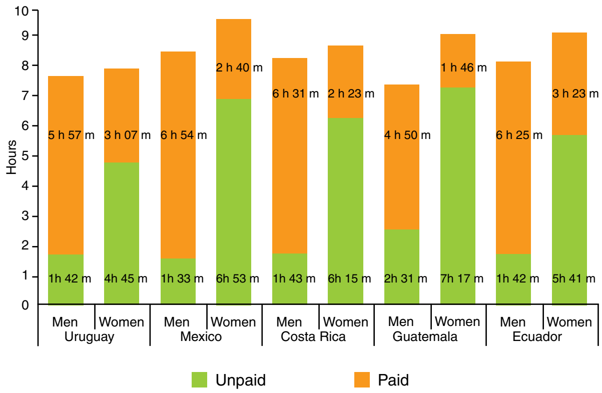
Source: A. Bárcena, "Discurso para la conmemoración del International Women's Day", Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC) [online] http://www.cepal.org/prensa/noticias/discursossecretaria/3/35433/palabrasdiamujer.pdf, 10 March 2009; Economic Commission for Latin America and the Caribbean (ECLAC), *Millennium Development Goals 2006: A Look at Gender Equality and Empowerment of Women in Latin America and the Caribbean* (LC/G.2352), Santiago, Chile, 2007; and United Nations, "United Nations Millennium Declaration" (A/RES/55/2), New York, 2000.

This evidence also clearly reveals the sharp sexual division of labour in the societies of the region. The average number of hours devoted daily to unpaid work by women ranges from almost five in the case of Uruguay to slightly over seven in the case of Guatemala, whereas the average number of hours that men spend on unpaid work never exceeds two hours, except in Guatemala.

Figure IV.24

LATIN AMERICA (SELECTED COUNTRIES): WORKLOAD, BY TYPE AND BY SEX, VARIOUS YEARS

(Hours and minutes)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from time-use surveys.

Thus, it is essential to apply a gender perspective in examining unpaid work and caregiving in the family and the division of paid labour. This means analysing who performs this work and how much time they actually devote to various tasks (Carbonero Gamundí, 2007). A broader comparative view shows that the time dedicated to child care by men and women differs markedly. This phenomenon crosses regional boundaries and is found in all societies, although in different ways depending on a country's level of development and the features of its social welfare systems.

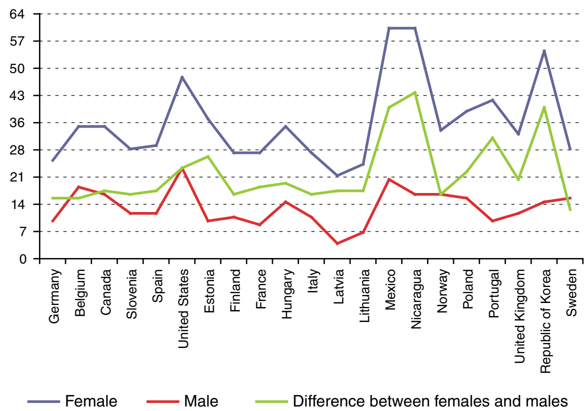
As figure IV.25 shows, in all countries of the world females devote more time to caregiving than do males. However, the gap is noticeably wider in the countries of Latin America and the Caribbean than in the developed countries: the amount is nearly four times the figure for Sweden and twice the figure for Spain and Italy. In Mexico, for example, in 2002 females devoted an average of 13 hours per week to childcare and support for other household members, while males devoted about half that amount (7 hours). The gap was equally large with regard to care for individuals with physical limitations: 10 hours per week for females versus 5 hours for males (ECLAC, 2007a)

Time-use surveys for five Latin American countries —although not strictly comparable (see box IV.4)— indicate that the gap between males and females is greater at younger ages. It remains relatively unchanged up to age 49 in some countries and then narrows at more advanced ages. As the figures below show, the age curves differ greatly by income quintile for females (but not for males). The number of hours that females devote to unpaid work and caregiving is greater in the poorer quintiles, but there is relatively little difference among males, regardless of income. The difference is less pronounced among females in higher socioeconomic brackets, although females in all socioeconomic quintiles spend more time than males on unpaid work.

Figure IV.25

TIME DEVOTED TO CHILDCARE, BY SEX, MOST RECENT YEARS FOR WHICH DATA ARE AVAILABLE [a]

(Minutes per day)



Source: Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC, on the basis of United Nations Development Programme (UNDP), *Human Development Report, 2007/2008,* Oxford University Press, 2008 and special tabulations of data from time-use surveys.

[a] In the cases of Canada, Ireland, Mexico, Portugal and the United States, the values include, in addition to childcare, helping older persons or other adults with support needs. In Costa Rica and Uruguay, individuals aged 12 and over were surveyed and in Nicaragua, individuals aged 6 and over.

Box IV.4

TIME-USE SURVEY DATA: METHODOLOGICAL DECISIONS AND CONSIDERATIONS

Time-use surveys reveal the way in which households distribute time between paid and unpaid work. The data presented in chapter IV of the ECLAC publication *Social Panorama of Latin America 2009* are the result of processing microdata from time-use studies in several countries that either conducted such surveys separately or included them as modules in regular household surveys, namely: Uruguay, 2007; Ecuador, 2007; Guatemala, 2006; Costa Rica, 2004; and Mexico, 2002.

Performing intercountry comparisons of the time devoted to various types of unpaid activities requires a standardized classification of the categories of activities included in available classifications. As no such standard classification currently exists, one option is to aggregate unpaid activities as much as possible, working on the assumption that people have an overall idea (with varying degrees of specificity) of the time they devote to domestic and care work. The results of this exercise are extremely encouraging, since the aggregate indicator reveals foreseeable and relatively insignificant differences between countries, but robust and consistent differences between social categories within countries (sex, income and economically active/inactive status, among other variables).

Two additional factors must be considered as well. First, as is true of data in other types of surveys, information on the amounts of time devoted to various activities is based on respondents' answers. This introduces biases that cannot be accounted for a priori. Another factor that may introduce bias —although there is room for theoretical speculation on this— is the fact that respondents may report overlapping times for activities carried out

Box IV.4 (concluded)

simultaneously (taking care of a child and cooking, for instance). This means that the amount of time devoted to activities in the household is likely to be overestimated, in contrast to time estimates for the typically paid activities that occur outside the home, which are rarely simultaneous (Milosavljevic and Tacla, 2007).

In processing microdata, another methodological decision is counting zeros as real values, which makes it possible to calculate average time spent on paid and unpaid work for a society as a whole, rather than only for those who report having spent time on a particular activity. Such a method would produce a real aggregate measure of the time devoted to work in different population groups.

There are also smaller discernible differences related to the extent to which the classification of activities is broken down into subcategories (especially in the case of unpaid activities). Whenever possible, only the following activities are considered: housecleaning, cooking, caregiving and unpaid household activities performed outside the household (e.g. hauling water or firewood and taking care of animals). In the aforementioned surveys, indicators of time use whose function or purpose is difficult to assign to a given type of activity (for example, transportation) were not considered. Such uses of time may be linked to a variety of different activities, including paid work, unpaid work (such as taking a child to school), recreation or personal care.

With regard to the reference period for time-use surveys, where a period of one week is used, such as in Costa Rica and Mexico, the data were converted to daily values by dividing by seven. This procedure risks underestimating the number of hours devoted daily to each activity, however. In the surveys in the other three countries, workdays were used as the reference period.

Lastly, sample size must be taken into account in each country. When very detailed data are processed, even if they reflect a consistent pattern which, in broad terms, lends itself to analysis, they are likely to have a wide margin of error, especially in the case of very small-scale surveys.

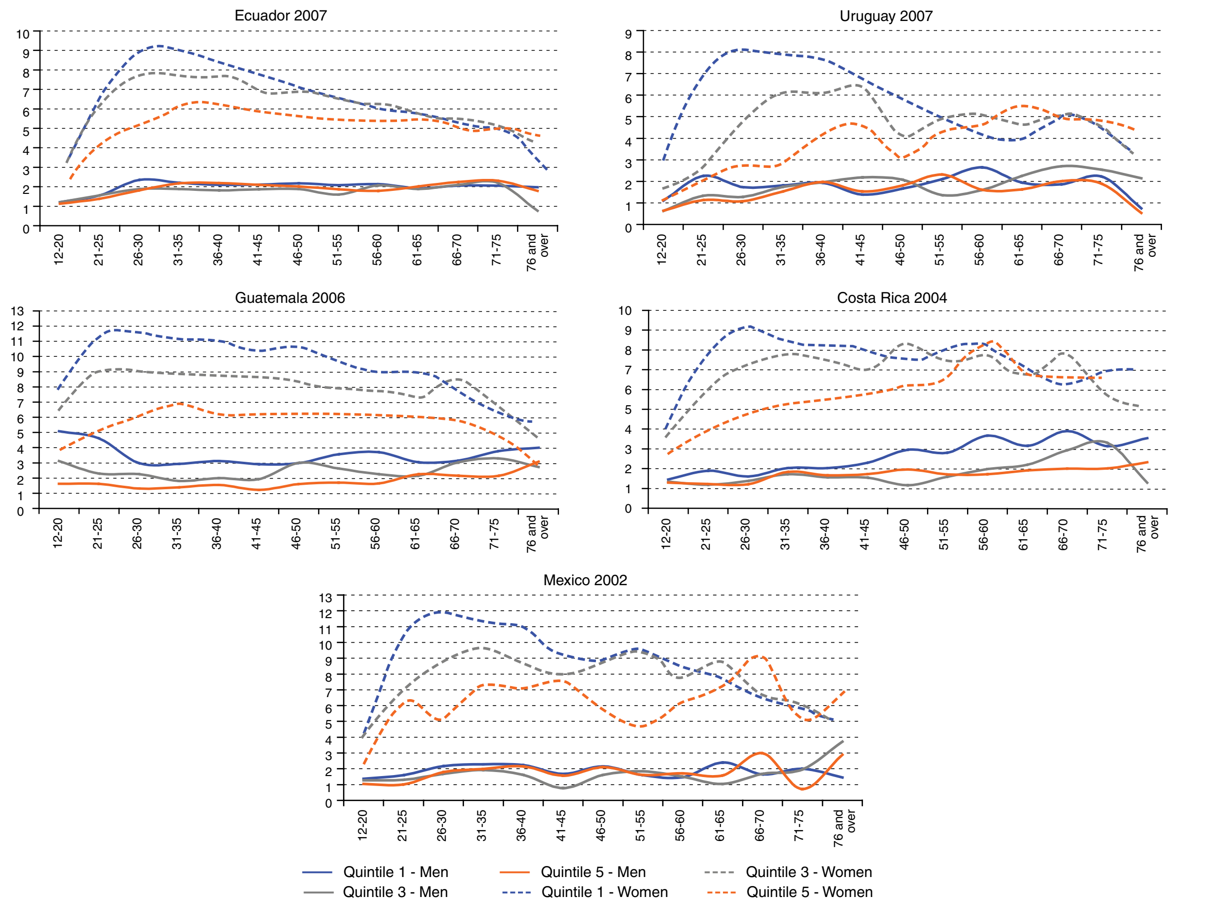
The above factors should be borne in mind when studying the information presented here. All of these studies, however, are based on a common analytical framework, and make careful use of aggregation and adjustment mechanisms. Thus, comparisons can be made with a fair degree of confidence.

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of Vivian Milosavljevic and Odette Tacla, "Incorporando un módulo de uso del tiempo a las encuestas de hogares: restricciones y potencialidades", *Mujer y desarrollo series*, No. 83 (LC/L.2709-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), 2007. United Nations publication, Sales No. S.07.II.G.57.

Figure IV.26

LATIN AMERICA (SELECTED COUNTRIES): AVERAGE UNPAID HOURS WORKED, BY SEX AND AGE GROUP, ACCORDING TO INCOME QUINTILE

(Hours)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from time-use modules included in household surveys conducted in the various countries.

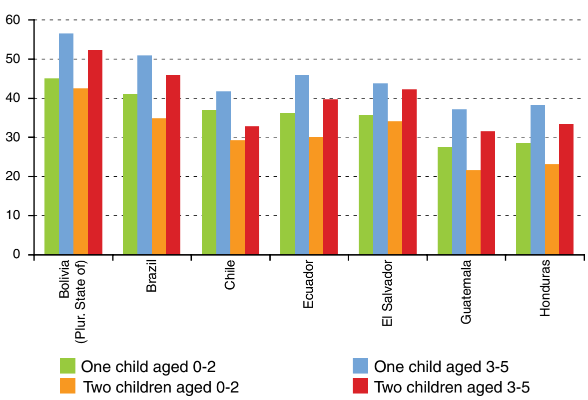
The number of hours devoted to unpaid work by men and by women, however, is almost never equal, and both girls (under 15 years of age) (ECLAC/UNICEF, 2009a) and older women (over 65) devote considerable time to such work. This finding belies the conventional view that the burden of unpaid work is concentrated among young women, since they are responsible for the care of small children. The available data show that women provide care at various times in their lives and that some women do so at more than one stage of the life cycle: first for their own children (or their younger siblings), then for their parents and, lastly, for a sick spouse. These three stages generally correspond to three demographic periods in women's lives: youth, adulthood and old age (Kahan et al., 1994, quoted in Robles, 2003).

Although the evidence shows that responsibility for care and other unpaid work does not disappear with advancing age, it also shows that one of the most critical periods with respect to balancing the burdens of productive and reproductive work is the period when young children are present in the household. As noted earlier, the variance in women's employment rates shows a direct relationship with the age of their children. Figure IV.27 makes clear that it is also related to the number of children they have. Employed women between the ages of 20 and 49 who have one or two children 2 years of age or younger participate less in the labour market than women with children 3 to 5 years old (Martínez and Camacho, 2007).

Figure IV.27

LATIN AMERICA AND THE CARIBBEAN (SELECTED COUNTRIES): EMPLOYED WOMEN AGED 20 TO 49, BY NUMBER OF CHILDREN, 2000

(Percentages)



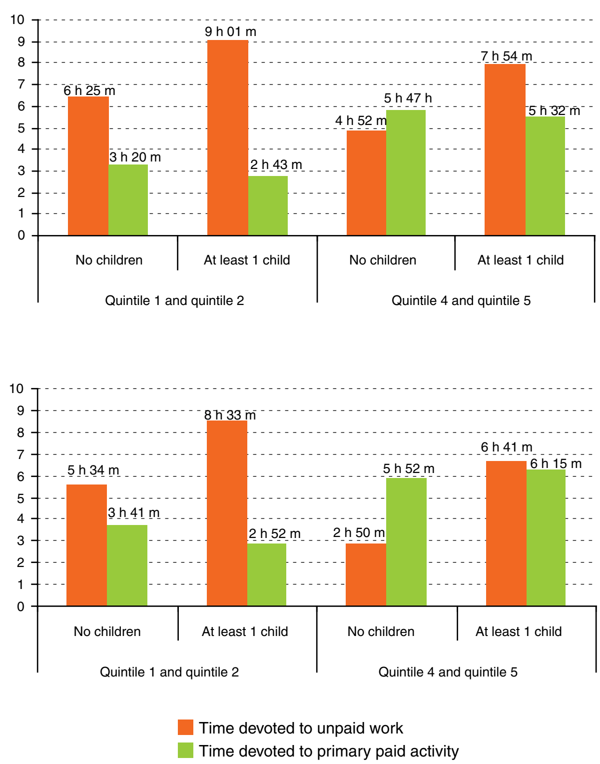
Source: Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC, on the basis of special tabulations of data from time-use surveys.

A similar pattern can be seen if the data are broken down by income quintile and by proportion of paid and unpaid work. As can be seen in the figure below, in Ecuador and Uruguay, the unpaid care burden increases significantly when there are children aged 0 to 4 in the household, regardless of income quintile (although in relative terms the increase is much more pronounced among higher-income women, but in absolute terms it is about the same.) The burden of paid work remains the same in the two upper-income quintiles, and diminishes in the poorest sectors. The decrease is significant – approximately 20% of the number of hours worked previously. This is consistent with the preceding data, since although the decline in labour market participation and employment rates for women with children in the poorest quintiles is around 10%, it is also necessary also to take account of women who, while they continue to work outside the household, are forced to reduce their hours. These findings indicate that women in the poorest brackets experience both reduced income and the burden of a double workday, while women in the higher-income quintiles succeed in maintaining their level of paid work, but they pay a heavy price in terms of a significantly longer second shift of unpaid work.

Figure IV.28

LATIN AMERICA (SELECTED COUNTRIES): PAID AND UNPAID WORKLOAD, BY PRESENCE OF CHILDREN AGED 0 TO 4 IN THE HOUSEHOLD, 2007

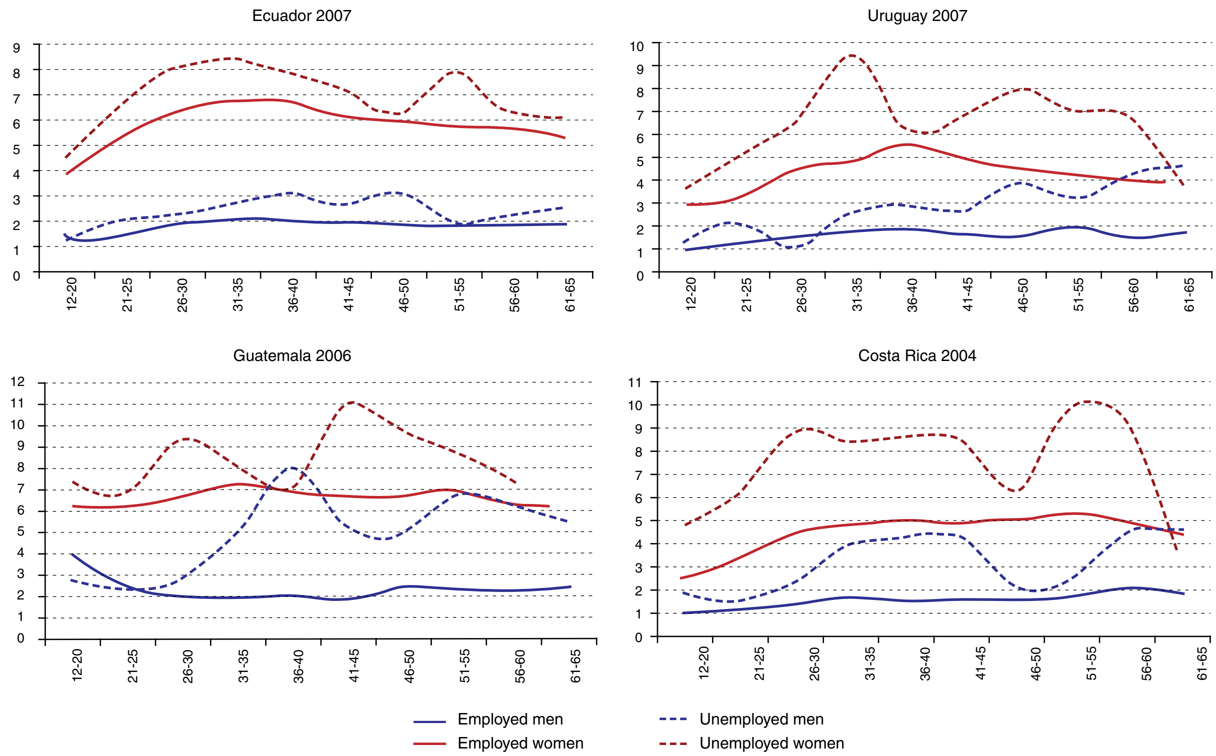
(Hours)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from time-use modules included in household surveys conducted in the various countries.

Another factor that must be considered in relation to time use is men's and women's flexibility in adjusting their decisions and making changes in the time they spend performing paid and unpaid work in response to changes in the labour market (particularly with regard to employment/unemployment). In a pure rational model, it would be expected that the time spent on unpaid work by the two sexes would tend to become equal (or at least that the gap would narrow significantly) in cases of forced unemployment. It could be argued, however, that as long as men remain the main potential providers, even when unemployed, they would devote more time than women to looking for work. Under this hypothesis —which is questionable, since the comparison being made would be between women and men who reported that they were seeking work— the effects of these differentials should not prevent there being a clear narrowing of the gap between the number of hours that unemployed men and unemployed women devote to unpaid work. But as the figures show, the differences persist and are significant in all of the countries and in almost all age brackets, but especially in the age groups in which the care burden is heaviest. Guatemala is the only case in which, in one age group, men and women devote about the same amount of time to unpaid work when both are unemployed.

Figure IV.29
LATIN AMERICA (SELECTED COUNTRIES): TIME SPENT PERFORMING UNPAID WORK, BY AGE GROUP AND EMPLOYMENT STATUS, 2007
(Hours)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from time-use modules included in household surveys conducted in the various countries.

Even more illustrative is the low absolute elasticity with regard to unpaid work among men in Ecuador, Uruguay and, to a lesser extent, Costa Rica, whereas the elasticity among women is clearly evident. In Costa Rica and Uruguay, for example, women aged 31 to 35 spend, on average, approximately three additional hours performing unpaid work when they are unemployed, whereas men in the same age group spend less than one additional hour. In Ecuador the elasticity differentials are smaller, but only because it is women who normally do the bulk of unpaid work. Only in Guatemala is there more elasticity on the male side, most likely because the unpaid work to which they devote increased time occurs in the context of subsistence activities and small-scale commercial production for rural agricultural communities.

What the evidence seems to show is that patriarchal patterns influence individuals, but especially men, and make them less flexible about adjusting the amount of time that they devote to unpaid work. This leads to less than optimal balances in the use of the capacities and time available for work within families.

Lastly, in the context of an ageing population, family solidarity is subject to heavy pressures that can have a negative impact on both recipients and providers of care, with a consequent exacerbation of inequality and vulnerability. It is therefore essential to help families provide care for their members. This raises a dual challenge: first, that of meeting the needs of individuals who require support in order to carry out essential daily activities, achieve greater personal autonomy and fully exercise their rights as citizens (Sempere and Cavas, 2007); and second, that of promoting solutions – including the sharing of family responsibilities by men and women – that will protect the rights of caregivers within the family setting (ECLAC, 2007a).

C. Conclusions

One of the most important changes that the region has undergone and will continue to undergo is women's entry into the labour force, and one of the most notable features of this process is the extremely limited extent to which men have taken on unpaid work. These two factors, along with a paucity of social services and benefits to help lighten the private burden of unpaid work and care, have produced a number of negative effects, which, if not addressed, will aggravate three clearly visible problems: (i) increased vulnerability of women and of people requiring care; (ii) increased socioeconomic inequality, both now and in the future; and (iii) failure to take full advantage of the factors of production.

These now entrenched problems are being compounded by population ageing, which is further intensifying the care crisis and amplifying its negative effects. There is a limited window of opportunity to solve the first of the three problems above, and unless action is taken the additional pressure of population ageing will lead to an even worse care crisis. As this is already occurring in some countries, the extra burden that falls on women will increase in absolute terms. Moreover, failing to deal with the care crisis examined in this chapter will lower productivity and increase inequality in populations. As their populations age, less productive and less egalitarian societies will have missed two opportunities: the opportunity to benefit from the contribution that a good balance between economically active and dependent individuals could have made to their aggregate well-being and the opportunity to invest in equality at a time when such investment would have yielded a higher payoff (when there are still many children to shape the social stratification of the future and few older adults defining the social stratification of the present). Thus, a productivity ceiling that is lower than it could be and rigid inequality will be the two most serious structural consequences of failing to address the care crisis today.

The current state of affairs, as has been explained here, has little to do with economic rationality. It is much more closely related to three phenomena: the patterns of patriarchy and domination that shape the decisions of households and of individuals throughout the life cycle; the way in which the formal and informal labour markets work; and availability of and eligibility for social protection provided by the State.

The worsening care crisis calls for a reform of social protection systems and of labour practices and a transformation of cultural norms that sanction an unequal distribution of paid and unpaid work between women and men. This in turn calls for efforts to institute universal care systems and put in place government regulations and incentives that will recognize and encourage the reorganization and sharing of paid and unpaid work between women and men.

Annex

Table IV.A-1

LATIN AMERICA (18 COUNTRIES): LABOUR MARKET PARTICIPATION RATE OF WOMEN AGED 15 TO 54

(Percentages)

Country	Year	Quintile 1	Quintile 2	Quintile 3	Quintile 4	Quintile 5	Overall
Argentina	1990	23.0	38.4	47.2	61.2	72.5	51.7
(Greater Buenos Aires)	1994	31.8	42.9	54.0	67.6	73.1	56.2
	1997	38.9	46.4	56.7	66.0	79.1	59.4
	1999	46.1	47.2	57.0	72.0	82.0	62.6
	2002	60.2	59.9	58.7	72.9	78.2	66.7
	2006	54.9	54.6	65.2	75.4	85.6	68.6
Bolivia	1989	40.3	51.6	58.5	65.0	70.4	58.3
(Plurinational State of)	1994	47.3	57.9	66.8	69.5	74.6	64.2
	1997	45.8	54.6	66.6	69.3	78.0	63.9
	1999	59.4	68.5	68.1	74.3	70.9	68.6
	2002	57.3	66.4	71.9	79.4	80.5	71.8
	2004	63.4	67.3	73.7	75.3	78.9	72.4
	2007	57.1	61.9	69.1	73.5	73.5	67.6
Brazil	1990	37.6	46.0	48.6	53.5	63.5	51.3
	1993	57.8	55.7	57.8	62.6	67.8	60.9
	1996	54.1	54.5	60.0	63.7	68.9	61.1
	1999	59.5	59.9	63.6	68.0	71.5	65.1
	2001	56.4	59.1	64.1	69.4	73.0	65.2
	2005	60.8	64.9	70.5	74.5	77.0	70.2
	2007	56.8	65.0	70.7	76.1	78.8	70.2
Chile	1990	20.8	27.1	40.6	51.0	62.8	42.0
	1994	22.0	31.5	41.9	54.9	68.5	45.2
	1996	22.9	35.2	45.2	57.5	71.4	47.9
	2000	31.9	41.2	52.0	61.1	74.2	53.1
	2003	32.5	45.4	54.5	65.0	76.0	55.8
	2006	38.3	47.8	59.2	67.2	77.5	58.8
Colombia	1991	42.3	41.7	48.2	55.4	68.9	52.6
	1994	35.4	41.9	51.1	58.4	71.4	53.4
	1997	40.4	44.4	52.6	61.5	74.7	56.5
	1999	50.5	50.6	59.8	67.5	76.1	62.2
	2002	55.9	57.0	64.0	70.1	79.1	66.3
	2005	53.9	56.9	62.0	70.3	80.0	65.8
Costa Rica	1990	20.6	24.1	32.3	42.3	61.9	38.1
	1994	21.9	29.1	34.6	47.3	62.9	41.1
	1997	26.1	32.6	39.0	51.4	69.2	45.3
	1999	28.6	32.9	42.7	53.6	68.7	47.0
	2002	30.6	37.0	50.3	57.9	74.7	52.0
	2005	36.7	39.5	53.3	63.6	76.9	55.5
	2007	33.1	45.3	55.7	63.2	76.4	56.2
Dominican Republic	1997	36.0	41.0	50.9	60.6	70.5	53.4
	2002	44.3	53.3	61.7	69.1	76.5	62.2
	2005	47.6	59.5	63.2	70.2	74.3	63.6
	2007	46.0	62.2	68.9	66.7	73.8	64.4
Ecuador	1990	34.7	43.7	53.7	60.1	70.3	53.7
	1994	39.8	42.5	54.9	65.3	74.7	57.0
	1997	42.6	48.2	61.1	66.0	78.7	60.6
	1999	51.7	54.8	65.4	70.4	76.5	64.7
	2002	53.1	53.3	67.0	73.2	76.4	65.7
	2005	53.6	55.3	67.4	73.6	82.4	67.8
	2007	48.9	55.3	66.9	76.0	83.7	67.2
El Salvador	1995	26.9	41.7	53.5	61.6	75.2	54.4
	1997	27.2	41.7	52.8	60.7	76.3	54.5
	1999	29.4	44.9	56.1	65.3	79.4	58.0
	2001	28.9	47.9	56.7	65.9	79.2	58.4
	2004	31.4	48.0	55.7	65.2	75.7	57.6

Table IV.A-1 (concluded)

Country	Year	Quintile 1	Quintile 2	Quintile 3	Quintile 4	Quintile 5	Overall
Guatemala	2004	28.8	38.6	48.2	58.1	69.5	51.3
	2006	31.6	43.4	55.0	61.1	72.7	55.3
Honduras	1990	23.4	26.7	34.3	42.3	62.7	39.7
	1994	24.1	31.2	37.1	48.3	62.9	42.5
	1997	29.1	37.6	49.3	56.6	68.8	50.1
	1999	31.0	43.7	49.4	61.0	73.7	53.9
	2002	25.0	32.9	43.2	52.5	68.2	47.0
	2003	24.6	36.0	51.4	56.4	70.6	50.1
	2007	24.9	41.2	47.8	57.0	70.7	50.7
Mexico	1989	19.7	25.9	33.1	41.5	49.9	35.6
	1994	28.8	35.5	36.2	44.4	58.6	42.5
	1996	37.3	37.0	44.3	49.2	60.0	47.1
	2000	32.7	40.4	44.3	55.4	61.4	48.4
	2002	37.0	43.2	46.7	60.1	65.8	52.2
	2005	32.7	43.3	54.1	62.0	69.4	54.2
	2006	43.4	48.5	57.6	65.5	73.1	59.0
Nicaragua	1993	19.4	31.9	49.9	58.3	69.9	48.5
	1998	28.1	38.1	57.8	65.2	74.9	55.0
	2001	34.7	45.0	62.0	65.8	70.8	57.3
	2005	30.4	45.6	58.2	62.7	70.7	55.3
Panama	1991	25.2	34.8	43.1	59.1	75.1	50.2
	1994	25.3	37.0	48.4	62.0	76.8	53.1
	1997	32.0	37.9	50.0	66.2	78.4	55.8
	1999	31.6	35.9	51.3	66.3	79.9	55.9
	2002	37.0	41.7	58.4	66.9	80.1	59.1
	2005	42.4	47.6	54.3	69.9	83.9	61.9
	2007	43.8	46.5	57.5	72.7	83.8	63.1
Paraguay	1990	36.1	48.0	61.9	68.2	71.2	58.6
(Asunción and Central Department)	1994	35.5	58.7	59.6	77.3	78.7	63.9
	1996	55.2	56.7	68.7	75.1	84.9	69.6
	2000	57.8	57.6	71.5	76.7	83.0	70.0
	2005	56.6	70.4	70.7	74.3	85.1	72.4
	2007	61.0	66.9	71.9	73.7	86.4	72.4
Peru	1997	70.8	71.1	70.2	77.4	80.1	74.4
	1999	64.9	64.2	64.4	72.7	69.2	67.4
	2001	67.4	68.8	67.7	68.9	73.9	69.6
	2003	73.5	70.5	66.5	68.7	73.2	70.5
Uruguay	1990	45.5	56.1	64.2	73.0	75.6	63.8
	1994	52.8	61.3	72.5	76.5	81.7	69.7
	1997	52.6	61.9	70.5	78.0	83.6	69.9
	1999	55.3	66.2	71.9	80.2	85.6	72.7
	2002	59.0	67.3	74.9	82.2	87.9	74.9
	2005	61.0	65.6	75.7	83.7	88.0	75.3
	2007	60.4	69.1	76.8	84.4	88.6	76.4
Venezuela	1994	30.8	37.7	45.1	54.2	65.2	48.1
(Bolivarian Republic of)	1997	38.2	49.0	59.0	66.6	74.2	58.9
	1999	44.0	50.3	59.2	67.0	77.4	61.1
	2002	50.1	59.9	67.9	75.3	82.7	68.7
	2005	50.3	55.8	65.8	74.1	82.0	66.9
	2007	43.1	52.8	66.5	73.7	83.7	65.7
Latin America [a]	1990	32.0	39.0	44.4	51.3	61.6	47.2
	1995	42.1	45.8	49.9	57.1	66.4	53.5
	1997	44.2	47.0	54.4	60.0	68.7	56.2
	2000	48.1	51.5	56.9	64.4	70.7	59.4
	2002	48.9	53.5	59.1	67.2	73.0	61.5
	2005	50.3	56.3	64.1	70.2	76.2	64.5
	2007	50.6	57.7	65.3	71.9	77.9	65.7

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the various countries.
[a] Does not include data for the Dominican Republic, Guatemala or Peru for any of the years.

Table IV.A-2

LATIN AMERICA (18 COUNTRIES): EMPLOYMENT RATE OF WOMEN AGED 15 TO 54

(Percentages)

Country	Year	Quintile 1	Quintile 2	Quintile 3	Quintile 4	Quintile 5	Overall
Argentina	1990	19.7	32.6	45.7	60.0	72.1	49.6
(Greater Buenos Aires)	1994	19.0	32.3	46.8	63.6	70.3	49.2
	1997	22.9	35.2	46.4	59.9	75.6	50.6
	1999	30.2	34.7	46.9	67.5	78.5	53.9
	2002	43.4	44.5	44.4	63.7	76.2	55.7
	2006	42.0	45.6	58.7	71.4	83.9	62.3
Bolivia	1989	30.7	46.3	53.9	63.4	69.1	54.1
(Plurinational State of)	1994	45.0	56.0	66.0	68.5	73.0	62.8
	1997	43.8	51.2	64.4	66.5	77.5	61.8
	1999	52.7	60.5	65.5	71.2	68.4	64.2
	2002	50.9	62.3	66.7	73.6	75.4	66.5
	2004	58.2	62.1	69.4	72.1	75.1	68.1
	2007	51.2	59.3	65.1	66.3	68.8	62.5
Brazil	1990	36.0	44.6	47.4	52.5	62.7	50.1
	1993	52.7	51.7	54.4	59.9	66.1	57.7
	1996	48.1	49.9	55.7	60.4	66.6	57.1
	1999	50.9	52.7	57.2	62.9	67.8	59.1
	2001	46.7	51.5	57.9	64.9	70.0	59.3
	2005	50.1	56.5	64.2	69.9	73.9	63.9
	2007	46.5	56.5	64.9	72.3	76.1	64.3
Chile	1990	15.7	23.7	37.0	48.6	61.3	38.9
	1994	16.8	28.1	39.3	52.8	67.5	42.5
	1996	17.9	31.5	42.5	55.8	70.7	45.2
	2000	21.4	34.2	47.4	57.8	71.8	47.7
	2003	22.4	38.6	49.1	61.0	73.8	50.3
	2006	29.5	42.3	54.7	64.4	75.5	54.2
Colombia	1991	37.6	36.9	43.9	51.0	66.2	48.6
	1994	29.3	36.0	45.5	54.1	68.9	48.7
	1997	30.5	37.0	46.8	56.0	71.2	50.4
	1999	34.5	36.6	47.8	59.3	70.2	51.5
	2002	39.6	44.5	53.0	61.4	73.1	55.9
	2005	42.1	46.4	54.1	63.5	74.7	57.7
Costa Rica	1990	17.4	22.4	31.2	41.0	61.0	36.6
	1994	19.2	27.8	33.8	45.2	61.8	39.5
	1997	22.3	29.9	36.8	50.1	68.2	43.2
	1999	23.7	30.6	39.9	51.3	67.5	44.4
	2002	26.5	33.3	46.8	55.7	73.8	49.3
	2005	30.0	35.1	49.1	61.8	75.4	52.0
	2007	28.9	41.8	52.5	61.3	75.5	53.6
Dominican Republic	1997	15.7	24.7	38.6	53.6	64.3	41.6
	2002	19.1	38.2	46.6	58.6	69.4	48.1
	2005	19.9	39.5	50.0	56.1	66.5	47.6
	2007	24.8	46.6	55.2	56.1	67.1	51.2
Ecuador	1990	29.5	38.5	48.4	57.0	68.7	49.8
	1994	33.0	39.0	50.8	61.8	72.7	53.2
	1997	35.0	40.1	56.4	60.9	75.5	55.0
	1999	35.5	42.3	55.1	60.9	72.1	54.5
	2002	39.2	45.5	59.2	67.4	73.1	58.4
	2005	42.4	48.4	61.8	67.7	79.1	61.5
	2007	42.4	50.7	62.6	72.0	81.1	62.9
El Salvador	1995	24.3	39.9	51.2	60.1	73.5	52.4
	1997	25.7	39.3	50.5	58.8	73.9	52.4
	1999	27.2	41.9	54.3	64.1	77.6	56.0
	2001	25.1	44.8	54.3	63.9	78.0	56.0
	2004	29.1	46.8	54.2	63.9	74.2	56.0
Guatemala	2004	27.5	37.8	47.2	56.1	68.2	50.0
	2006	31.2	43.3	54.1	60.3	71.2	54.5

Table IV.A-2 (concluded)

Country	Year	Quintile 1	Quintile 2	Quintile 3	Quintile 4	Quintile 5	Overall
Honduras	1990	22.3	25.7	31.9	41.0	61.2	38.3
	1994	22.7	30.5	36.4	47.8	62.3	41.7
	1997	27.4	36.6	47.8	56.0	68.2	49.1
	1999	30.4	42.0	47.6	60.0	72.4	52.7
	2002	24.0	31.4	41.7	50.7	65.8	45.3
	2003	22.7	34.1	49.5	52.9	67.8	47.6
	2007	24.2	40.2	46.2	55.8	69.8	49.7
Mexico	1989	19.5	25.6	32.9	40.8	49.5	35.3
	1994	28.4	35.1	35.6	43.7	57.6	41.8
	1996	36.7	36.3	43.2	48.3	59.4	46.3
	2000	32.6	40.2	44.0	55.0	60.7	48.0
	2002	36.6	42.4	46.0	59.2	65.0	51.5
	2005	32.2	42.7	53.4	61.0	68.4	53.4
	2006	42.8	47.3	56.4	64.4	72.3	58.0
Nicaragua	1993	13.9	28.2	44.7	53.1	68.2	44.4
	1998	19.4	34.0	54.0	59.6	70.6	49.8
	2001	28.4	38.7	57.2	59.7	67.1	52.0
	2005	29.0	44.1	55.6	60.7	68.3	53.3
Panama	1991	15.1	23.9	33.2	49.3	70.7	41.5
	1994	15.2	26.7	38.3	52.2	72.3	44.5
	1997	22.0	28.5	40.4	58.3	74.4	48.0
	1999	21.8	27.4	41.7	59.1	76.9	48.6
	2002	25.7	29.8	47.5	59.8	75.2	50.3
	2005	36.3	38.8	45.2	62.1	81.1	55.2
	2007	40.7	39.8	51.9	68.5	82.0	58.9
Paraguay	1990	32.7	46.8	59.3	67.7	70.7	57.1
(Asunción and Central Department)	1994	32.9	56.8	57.8	76.4	77.9	62.4
	1996	48.9	52.6	65.7	71.9	82.5	65.9
	2000	42.8	50.5	64.9	74.6	79.0	63.3
	2005	48.1	62.6	65.7	70.7	81.4	66.9
	2007	50.9	63.4	67.4	71.6	86.4	68.6
Peru	1997	64.7	63.7	61.3	71.2	75.5	67.9
	1999	64.3	62.3	60.8	68.4	67.3	64.8
	2001	66.5	65.5	63.6	64.5	70.6	66.3
	2003	71.7	68.0	62.6	64.8	69.8	67.3
Uruguay	1990	37.0	49.5	60.0	68.8	73.2	58.8
	1994	40.7	52.8	66.4	73.3	79.9	63.6
	1997	38.7	51.4	63.8	73.3	80.2	62.3
	1999	39.8	55.6	64.5	74.7	82.6	64.6
	2002	39.1	49.0	62.8	73.1	82.3	62.2
	2005	42.9	52.7	66.9	77.7	84.8	65.7
	2007	44.7	58.8	69.7	79.9	85.7	68.6
Venezuela	1994	26.1	33.6	41.8	51.4	63.9	45.0
(Bolivarian Republic of)	1997	26.8	41.3	52.9	62.2	71.4	52.8
	1999	28.9	41.3	52.2	61.1	73.9	53.5
	2002	30.4	46.9	58.0	67.4	77.7	58.2
	2005	36.1	46.3	59.4	68.9	78.7	59.6
	2007	34.8	47.5	62.8	69.9	81.7	61.3
Latin America [a]	1990	29.8	37.0	42.7	49.8	60.6	45.6
	1995	37.8	42.3	46.9	54.6	64.8	50.7
	1997	38.4	42.5	50.5	56.9	66.7	52.5
	2000	39.9	45.0	51.5	60.3	67.7	54.2
	2002	40.1	46.7	53.4	62.9	70.2	56.1
	2005	41.9	49.9	59.2	66.4	73.4	59.5
	2007	42.9	51.4	60.7	68.5	75.5	61.1

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the various countries.
[a] Does not include data for the Dominican Republic, Guatemala, Peru or for any of the years.

Table IV.A-3

LATIN AMERICA (18 COUNTRIES): LABOUR MARKET PARTICIPATION RATE OF WOMEN, BY INCOME QUINTILE AND AGE GROUP

(Percentages)

Country	Quintile	15-24	25-54	55-64	65 and over	Overall average
Argentina	1	36.9	54.9	33.3	11.4	43.2
(Greater Buenos Aires)	3	48.7	65.2	48.9	5.0	45.7
(2006)	5	55.7	85.6	67.8	27.6	70.2
Bolivia	1	27.2	57.1	48.7	34.3	46.1
(Plurinational State of)	3	39.5	69.1	45.2	7.0	53.8
(2007)	5	39.2	73.5	61.8	25.8	59.0
Brazil	1	40.6	56.8	39.5	14.3	49.9
(2007)	3	59.8	70.7	41.1	15.1	59.8
	5	60.6	78.8	42.3	14.7	60.9
Chile	1	19.4	38.3	21.2	5.6	29.0
(2006)	3	34.7	59.2	28.1	5.5	41.8
	5	31.2	77.5	53.9	19.1	58.9
Colombia	1	37.2	53.9	34.8	13.9	42.9
(2005)	3	42.6	62.0	36.2	15.6	50.1
	5	49.6	80.0	36.9	11.8	60.1
Costa Rica	1	24.0	33.1	20.2	5.6	26.0
(2007)	3	41.1	55.7	34.0	7.8	45.3
	5	47.2	76.4	34.0	6.3	59.4
Dominican Republic	1	32.0	46.0	19.6	4.0	33.3
(2007)	3	45.1	68.9	25.1	10.5	53.9
	5	49.1	73.8	36.9	14.2	59.4
Ecuador	1	26.2	48.9	37.3	18.6	39.1
(2007)	3	41.8	66.9	41.7	25.9	53.9
	5	49.0	83.7	59.1	20.8	65.7
El Salvador	1	16.7	31.4	19.1	10.4	23.8
(2004)	3	32.6	55.7	36.9	16.6	43.0
	5	43.5	75.7	45.9	19.7	59.0
Guatemala	1	22.9	31.6	24.1	16.8	27.2
(2006)	3	43.0	55.0	36.3	26.2	47.4
	5	50.1	72.7	54.8	25.9	60.8
Honduras	1	11.7	24.9	25.2	15.5	19.9
(2007)	3	27.9	47.8	36.0	23.0	37.6
	5	40.5	70.7	44.9	18.7	54.6
Mexico	1	34.2	43.4	40.3	29.4	39.2
(2006)	3	40.8	57.6	41.0	18.8	48.0
	5	38.1	73.1	48.3	18.0	56.9
Nicaragua	1	18.5	30.4	24.5	10.1	24.7
(2005)	3	32.1	58.2	34.6	23.6	43.9
	5	40.5	70.7	52.0	22.3	56.0
Panama	1	30.0	43.8	29.6	13.7	35.5
(2007)	3	32.4	57.5	28.8	11.8	43.0
	5	46.1	83.8	37.5	8.4	60.8
Paraguay	1	36.2	61.0	45.8	27.2	49.1
(Asunción and Central Department)	3	36.8	71.9	42.5	17.8	54.0
(2007)	5	62.1	86.4	44.9	15.4	66.2
Peru	1	57.3	73.5	71.4	54.9	66.8
(2003)	3	45.9	66.5	63.3	39.5	57.6
	5	54.6	73.2	42.6	16.6	58.3
Uruguay	1	40.1	60.4	44.2	10.0	50.7
(2007)	3	50.6	76.8	49.3	10.1	54.2
	5	42.1	88.6	59.2	9.6	55.2
Venezuela	1	20.1	43.1	25.3	12.2	32.3
(Bolivarian Republic of)	3	31.7	66.5	38.8	14.6	50.5
(2007)	5	46.7	83.7	49.1	18.5	65.6
Latin America [a]	1	35.1	50.6	36.2	18.7	43.0
	3	47.9	65.3	40.1	14.7	53.4
	5	49.9	77.9	45.4	15.9	60.2

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the various countries.

[a] Weighted average of data from Argentina (Greater Buenos Aires), 2006; the Plurinational State of Bolivia (eight major cities, plus el Alto), 2007; Brazil 2007, Chile, 2006; Colombia, 2005; Costa Rica, 2007; Ecuador (urban areas), 2007; Honduras, 2007; Mexico, 2006; Nicaragua, 2005; Panama, 2007; Paraguay (Asunción and Central Department), 2007; Uruguay, 2007; and the Bolivarian Republic of Venezuela, 2007.

Table IV.A-4

LATIN AMERICA (18 COUNTRIES): EMPLOYMENT RATE OF WOMEN, BY INCOME QUINTILE AND AGE GROUP

(Percentages)

Country	Quintile	15-24	25-54	55-64	65 and over	Overall average
Argentina	1	16.9	42.0	26.6	10.6	29.9
(Greater Buenos Aires)	3	29.5	58.7	42.2	4.6	38.0
(2006)	5	49.0	83.9	66.6	27.2	67.9
Bolivia	1	21.3	51.2	48.7	34.3	40.9
(Plurinational State of)	3	24.0	65.1	44.2	7.0	46.5
(2007)	5	35.5	68.8	61.8	25.8	55.3
Brazil	1	27.2	46.5	37.1	13.8	39.2
(2007)	3	46.4	64.9	39.7	14.9	53.1
	5	53.5	76.1	41.6	14.6	58.2
Chile	1	10.0	29.5	18.6	5.2	21.2
(2006)	3	28.8	54.7	26.7	5.4	38.0
	5	26.4	75.5	53.1	18.8	56.7
Colombia	1	19.6	42.1	31.8	13.5	31.6
(2005)	3	28.6	54.1	34.3	15.1	41.7
	5	40.8	74.7	35.4	11.6	55.2
Costa Rica	1	13.5	28.9	19.1	5.4	21.0
(2007)	3	34.9	52.5	33.3	7.8	41.7
	5	45.3	75.5	33.9	6.3	58.4
Dominican Republic	1	9.2	24.8	15.8	3.5	16.5
(2007)	3	24.5	55.2	22.0	9.8	40.1
	5	35.5	67.1	34.7	14.2	51.9
Ecuador	I	18.2	42.4	35.4	17.2	33.0
(2007)	3	37.2	62.6	38.6	25.1	49.9
	5	45.6	81.1	57.5	20.8	63.3
El Salvador	1	13.3	29.1	18.5	9.1	21.4
(2004)	3	30.2	54.2	36.7	16.5	41.4
	5	40.8	74.2	45.7	19.7	57.6
Guatemala	I	21.9	31.2	23.9	16.8	26.7
(2006)	3	40.0	54.1	36.0	26.2	45.8
	5	48.0	71.2	54.2	25.6	59.3
Honduras	1	10.7	24.2	24.9	15.5	19.2
(2007)	3	25.9	46.2	36.0	22.6	36.1
	5	38.5	69.8	44.7	18.7	53.4
Mexico	1	29.5	42.8	40.1	29.4	37.6
(2006)	3	37.2	56.4	41.0	18.8	46.3
	5	36.5	72.3	48.1	17.9	56.1
Nicaragua	1	16.5	29.0	22.5	10.1	23.2
(2005)	3	30.9	55.6	34.6	23.6	42.2
	5	36.5	68.3	52.0	22.3	53.7
Panama	I	24.8	40.7	27.5	13.1	32.0
(2007)	3	24.0	51.9	28.6	11.8	37.9
	5	41.7	82.0	37.5	8.4	59.1
Paraguay	1	21.0	50.9	45.8	27.2	39.0
(Asunción and Central Department)	3	24.5	67.4	42.5	17.8	48.1
(2007)	5	59.1	86.4	44.9	14.6	65.2
Peru	1	54.0	71.7	71.0	54.9	64.9
(2003)	3	40.4	62.6	62.2	38.8	53.8
	5	50.8	69.8	40.5	16.0	55.3
Uruguay	1	21.6	44.7	38.2	8.7	35.7
(2007)	3	36.5	69.7	45.7	9.4	47.7
	5	34.3	85.7	58.2	9.5	52.9
Venezuela	1	13.6	34.8	23.3	11.5	25.6
(Bolivarian Republic of)	3	26.4	62.8	37.4	14.2	46.8
(2007)	5	41.8	81.7	48.7	18.2	63.4
Latin America [a]	1	24.2	42.9	34.3	18.4	35.2
	3	38.2	60.7	38.7	14.5	48.2
	5	44.6	75.5	44.7	15.8	57.9

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the various countries.

[a] Weighted average of data from Argentina (Greater Buenos Aires), 2006; the Plurinational State of Bolivia (eight major cities, plus el Alto), 2007; Brazil 2007, Chile, 2006; Colombia, 2005; Costa Rica, 2007; Ecuador (urban areas), 2007; Honduras, 2007; Mexico, 2006; Nicaragua, 2005; Panama, 2007; Paraguay (Asunción and Central Department), 2007; Uruguay, 2007; and the Bolivarian Republic of Venezuela, 2007.

Table IV.A-5

LATIN AMERICA (18 COUNTRIES): LABOUR MARKET PARTICIPATION RATE OF WOMEN, BY INCOME QUINTILE AND AGE OF CHILDREN IN THE HOUSEHOLD

(Percentages)

Country	Year	Quintile 1			Quintile 2			Quintile 3			Quintile 4			Quintile 5		
		Households with children < 5	Households with children < 15	Households with no children < 15	Households with children < 5	Households with children < 15	Households with no children < 15	Households with children < 5	Households with children < 15	Households with no children < 15	Households with children < 5	Households with children < 15	Households with no children < 15	Households with children < 5	Households with children < 15	Households with no children < 15
Argentina (Greater Buenos Aires)	2006	43.1	47.3	55.5	39.4	56.7	55.7	54.4	64.4	60.3	72.5	69.3	71.1	78.9	75.7	80.7
Bolivia (Plurinational State of)	2007	46.1	52.4	39.8	48.0	50.4	45.5	60.3	59.0	52.8	64.2	63.3	57.8	71.8	63.9	57.1
Brazil	2007	47.3	55.6	50.0	58.3	64.4	54.5	67.4	73.0	65.1	73.0	76.7	75.1	75.8	75.4	77.3
Chile	2006	30.0	34.8	30.2	38.5	45.4	34.8	49.4	56.3	49.5	58.4	59.8	58.2	65.5	65.7	66.0
Colombia	2005	46.2	50.2	48.8	49.3	52.6	51.3	53.1	60.1	54.4	65.2	67.8	61.7	74.6	73.2	72.6
Costa Rica	2007	29.5	31.3	29.8	38.0	43.9	34.7	50.5	54.4	46.3	63.9	63.3	56.0	70.2	68.2	71.9
Dominican Republic	2007	42.7	44.8	34.4	53.6	57.1	51.2	62.5	65.4	54.8	61.4	62.7	59.1	69.0	68.8	65.8
Ecuador	2007	35.5	42.6	53.4	46.5	53.9	45.5	56.2	59.9	57.1	67.3	68.1	62.3	73.1	69.3	75.8
El Salvador	2004	24.6	29.1	25.7	39.6	43.5	32.7	47.1	51.6	39.1	56.7	59.4	53.4	66.1	66.8	67.3
Guatemala	2006	26.3	32.9	28.5	38.3	44.9	34.7	46.3	57.9	43.0	55.7	59.8	55.0	63.3	65.3	67.5
Honduras	2007	18.9	22.6	13.2	31.6	36.0	28.6	37.6	41.1	37.5	45.9	51.0	39.9	57.4	61.1	58.7
Mexico	2006	34.5	45.8	52.6	39.1	47.3	45.0	50.0	55.0	50.0	55.9	63.2	57.7	63.2	62.4	66.1
Nicaragua	2005	23.6	31.4	19.8	37.3	41.0	37.0	45.2	49.9	42.7	54.6	54.3	43.6	58.3	61.5	61.8
Panama	2007	40.3	36.6	30.7	38.0	43.8	32.5	51.3	50.7	46.3	65.3	66.1	56.3	76.5	77.4	72.3
Paraguay (Asunción and Central Department)	2007	51.8	51.6	50.9	56.1	55.1	53.5	54.4	62.8	57.9	62.5	63.9	69.3	76.0	78.8	78.0
Peru	2003	68.8	66.0	53.8	58.8	67.3	68.2	55.4	61.2	56.4	62.8	66.8	57.3	64.7	71.1	69.4
Uruguay	2007	49.0	59.5	53.4	60.8	65.3	58.8	71.9	72.3	65.9	80.6	75.8	74.5	83.4	77.0	78.0
Venezuela (Bolivarian Republic of)	2007	33.6	36.7	27.6	42.3	45.5	36.1	55.5	59.0	45.2	63.2	67.4	55.7	74.5	75.1	74.1
Latin America [a]	2007	40.9	49.5	47.5	48.3	56.1	50.1	56.7	64.1	59.2	63.9	69.0	67.6	70.5	70.4	73.2

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the various countries.

[a] Weighted average of data from Argentina (Greater Buenos Aires), 2006; the Plurinational State of Bolivia (eight major cities, plu s el Alto), 2007; Brazil 2007, Chile, 2006; Colombia, 2005; Costa Rica, 2007; Ecuador (urban areas), 2007; Honduras, 2007; Mexico, 2006; Nicaragua, 2005; Panama, 2007; Paraguay (Asunción and Central Department), 2007; Uruguay, 2007; and the Bolivarian Republic of Venezuela, 2007.

Table IV.A-6

LATIN AMERICA (18 COUNTRIES): EMPLOYMENT RATE OF WOMEN, BY INCOME QUINTILE AND AGE OF CHILDREN IN THE HOUSEHOLD

(Percentages)

Country	Year	Quintile 1			Quintile 2			Quintile 3			Quintile 4			Quintile 5		
		Households with children < 5	Households with children < 15	Households with no children < 15	Households with children < 5	Households with children < 15	Households with no children < 15	Households with children < 5	Households with children < 15	Households with no children < 15	Households with children < 5	Households with children < 15	Households with no children < 15	Households with children < 5	Households with children < 15	Households with no children < 15
Argentina (Greater Buenos Aires)	2006	29.6	32.6	31.0	29.3	45.8	36.8	47.3	52.9	46.3	70.3	64.5	64.2	75.5	73.1	77.4
Bolivia (Plurinational State of)	2007	40.0	46.1	32.6	43.8	47.0	37.6	53.8	52.0	38.6	56.5	59.2	45.0	70.8	58.8	51.9
Brazil	2007	36.4	43.9	35.6	47.0	54.4	41.7	59.5	66.2	54.2	67.4	72.3	68.4	72.1	72.0	72.9
Chile	2006	21.9	25.2	18.2	33.3	40.1	27.6	44.6	52.3	42.5	55.5	56.5	54.1	62.6	63.2	62.7
Colombia	2005	31.8	37.5	30.2	36.6	40.5	35.8	42.6	51.1	40.8	56.5	60.2	51.0	67.7	67.5	65.2
Costa Rica	2007	21.1	27.3	21.4	34.1	39.3	28.6	46.1	50.5	40.4	62.3	61.8	51.7	68.0	66.9	71.1
Dominican Republic	2007	19.0	22.5	12.7	35.7	40.4	30.6	44.9	50.6	36.7	47.8	50.3	44.0	59.0	58.9	57.5
Ecuador	2007	29.4	35.4	41.5	41.0	47.4	38.7	53.4	55.9	48.9	64.0	64.5	57.3	69.9	67.7	71.2
El Salvador	2004	21.3	26.9	22.6	37.1	42.0	29.1	45.5	50.5	33.8	55.5	57.5	49.9	64.0	65.3	65.0
Guatemala	2006	25.8	31.8	28.5	37.3	44.0	34.0	45.4	54.3	40.5	54.3	57.9	53.0	61.4	64.3	64.9
Honduras	2007	18.3	21.4	11.3	30.7	34.5	25.5	35.7	39.9	33.8	44.5	49.7	37.2	55.8	60.1	57.0
Mexico	2006	32.7	43.2	50.7	37.7	45.7	41.4	47.7	53.5	46.9	54.9	62.3	55.4	62.9	61.6	64.5
Nicaragua	2005	22.2	29.2	17.5	34.8	38.5	35.6	43.0	48.8	36.8	51.7	50.5	41.5	54.5	58.4	59.4
Panama	2007	37.2	31.3	24.4	30.4	35.0	23.4	44.5	45.0	37.2	59.7	61.9	49.7	72.7	74.9	70.0
Paraguay (Asunción and Central Department)	2007	35.5	42.9	48.2	48.4	50.2	50.2	47.4	54.7	50.1	59.1	60.7	65.5	76.0	76.5	77.1
Peru	2003	66.6	63.6	50.1	55.2	64.0	62.5	50.7	56.9	51.5	58.3	62.4	51.7	61.4	68.3	65.3
Uruguay	2007	32.5	41.4	38.2	48.6	53.3	44.1	62.0	64.7	55.4	76.1	70.9	67.2	79.9	73.6	73.1
Venezuela (Bolivarian Republic of)	2007	26.4	28.9	17.0	36.7	40.0	28.0	50.9	55.2	39.4	58.5	64.0	50.6	71.4	72.9	70.7
Latin America [a]	2007	32.8	40.3	35.0	40.8	48.6	39.4	51.0	58.8	50.0	59.8	65.5	61.7	67.6	67.7	69.4

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the various countries.

[a] Weighted average of data from Argentina (Greater Buenos Aires), 2006; the Plurinational State of Bolivia (eight major cities, plus el Alto), 2007; Brazil 2007, Chile, 2006; Colombia, 2005; Costa Rica, 2007; Ecuador (urban areas), 2007; Honduras, 2007; Mexico, 2006; Nicaragua, 2005; Panama, 2007; Paraguay (Asunción and Central Department), 2007; Uruguay, 2007; and the Bolivarian Republic of Venezuela, 2007.

Chapter V

Impact of population dynamics on the different generations and on care issues in the framework of social protection

A. Introduction

The preceding chapter dealt with the issue of the care crisis in Latin America, particularly as it relates to existing tensions between paid and unpaid work, with special emphasis on the distribution of work by gender. The entry of women into the workforce, according to their income levels and fertility, is considered to be of the utmost importance. This chapter complements that analysis in several ways. First, it takes a long-range view of demographic change, by showing how the segment of care-dependent older persons is growing and causing a radical change in the age distribution of those who need care. This ageing trend means that the care burden is shifting progressively from children towards older persons, whose care needs will be even greater because of their age. Second, the care burden is shifting from the generic (unpaid work as a whole) to the specific: the care of those who have or could potentially develop age- or health-related problems.

It is important to underscore this shift in focus, because the typical unpaid work performed by women in the home includes household tasks on behalf of, and care for, individuals who do not necessarily qualify for it, individuals who theoretically might even be part of the productive age groups, capable of being caregivers themselves. A classic example of this is the male spouse in a two-parent household.

From the standpoint of social protection, the specific concept of care, as it is understood in this chapter, is unique in that it denotes the actions society takes to ensure the social and physical survival of those who are, or have become, functionally dependent and who require help from others in order to meet their everyday needs. This definition of care provides for a complementary perspective that highlights not the domestic social reproduction aspect of care, but rather the actual or potential care needs in society and in the home, as well as the types of services needed, how each need is to be met and the distribution of the burden of care by gender. Thus, the scope of this analysis encompasses the effective demand for care and the capacity to meet that demand, from a socio-demographic perspective.

From this perspective, the supply of, and demand for, care can be estimated according to age group and health status. Of course, it is important to underscore that, although age is not necessarily synonymous with dependence on others, it can be a useful proxy. More significantly, the demographic dimension allows for medium- and long-term projections to be made. By reflecting the profound changes that are taking place in the age structure, these projections also dislodge the long-accepted assumption that children are at the top of the list of those in need of care, and show that in the not-too-distant future other groups —particularly older persons— will be competing strongly for social protection benefits.

The need for care is not a new issue. Every society has had members who need assistance to carry out their daily activities. However, the way society is dealing with this need has changed quite a bit since the end of the twentieth century (Casado and López, 2001), mainly because the problem has been growing. In other words, the particularities of today's world are making care one of the problems of modern times. Although there have always been persons who are unable to look after themselves, what is in crisis today are the traditional means of assisting those persons, and much of this has to do with the gender-distribution of work, the entry of women into the workforce and changes in family lifestyles. At the same time, the number of people who need care for different reasons has been growing. These reasons include ageing, the use of artificial means to prolong life and the improvement in accident survival rates, all of which result in higher numbers of dependent adults (Sempere and Cavas, 2007).

Furthermore, although fertility rates in the region have declined, there are still substantial numbers of children who need care and assistance. This usually happens just as families are in their initial or consolidation stages and often coincides with the woman's entry into the workforce. Therefore, if society is to continue to meet the demand for child care, it must address numerous challenges. Many studies have qualified this need for care as a new social risk, typical of already transition or mature societies, which requires a range of specialized public protection services.

The main difference between countries of the region and developed countries is that the latter began addressing the need for care as a social risk back in the 1970s (OECD, 1973). Nowadays, social protection systems not only offer benefits to offset lost wages due to unemployment, ill-health or retirement, but also provide citizens with medical and long-term care, which would otherwise be unaffordable to many beneficiaries and their families (Pérez Menayo, 2004). Also, every policy relating to child care provides support to parents from birth and throughout childhood in the form of public health coverage and cash grants, which broaden the care options available to parents (Crompton and Lyonette, 2007).

In this region, however, social protection systems have only begun to develop recently, partly because traditional care systems were still functioning with relative stability until the late 1980s and because older persons did not represent a large segment of the population. But the landscape is changing profoundly and the effects of these changes will become more pronounced over the coming decades, as the social and demographic maturity of the phenomenon of population ageing begins to require changes in the social and health services that are currently being provided to older persons, children, and persons with disabilities. Thus, care is increasingly becoming a public problem that calls for a collective solution, although there is no obvious single solution.

Changes are happening at a precipitous rate. In recent decades, the rapid decline in fertility rates and the rise in life expectancies have created a hybrid scenario in which household types have become more diversified. Family units that hold to structures from pre-industrial times coexist with new types of family units (Arriagada, 2007; Sunkel, 2006). Since the 1990s, families have been facing new pressures that have to do with ageing, adult children continuing to live at home and adolescent pregnancy, all of which have placed new responsibilities on society in terms of ensuring the safety and protection of its members (Sunkel, 2006).

All of this is happening at a time when the capacity of families to provide care is being affected by several factors. The first factor, as was discussed in the previous chapter, is the growing number of women entering the workforce, which reduces the availability of a resource which, for gender reasons, has usually carried more than its fair share of the burden of care duties. This shrinks the capacity of families to provide care and forces them to turn to external services provided by the State or the private market (Maldonado and Hernán, 1998). Another factor is increased life expectancy, which means that, as longevity increases, families need to care simultaneously for older persons as well as children. As a result, the responsibilities of care and other related tasks expand and intensify (Calasanti, 1996, in Sánchez, 1996). A third factor is the change in the make-up of the family unit, which traditionally was headed by a father-provider and served as the basis for designing social protection. That family model is fast changing, owing to demographic, economic, and cultural transformations (ECLAC, 2006a). However, the forms of protection the State provides to families are failing to keep up with these changes.

The first part of this chapter gives a demographic overview which provides some context to care systems. Specifically, it shows how demographic transition is advancing at different paces depending on the country and on the locality in each country. Emphasis is placed on the changes to the age structure of the population and on the direct impact they have on the demand for care and on the demographic potential to meet that demand. The second part of the chapter presents and deals with the scenarios of demand for care and the potential for meeting that demand. Several indicators are used that have been used worldwide to research this issue, though they have never been used so extensively and thoroughly to study the region. Lastly, the demand for care administered by the family unit itself is assessed, as is the current potential of families to provide their own care.

B. The context of care systems: the current and future trends in population ageing

Demographic changes in the region in recent decades due to declining mortality and, above all, falling fertility rates, have caused the population of Latin America to grow more slowly and have shaped an age structure that is totally different from what it was a few decades ago.

Children aged 15 and under now account for a smaller proportion of the population, persons aged 60 and older account for a steadily increasing proportion, while the mid-range age groups have tended to remain stable. However, this regional tendency masks differences between and even within countries.

The progressive ageing of the population will alter the demand for care of different age groups and, specifically, will force States and society in general to address the growing need for care that stems from demographic and family-unit changes.

1. Demographic transition

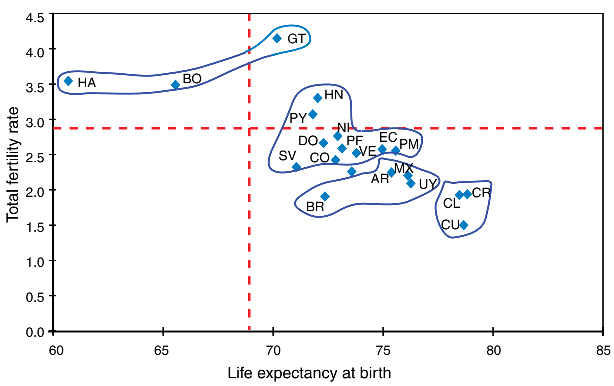
The demographic transition process is predicated on a declining mortality rate, followed by a sustained decline in fertility rates, with both rates ultimately reaching very low levels. In both the initial and advanced stages of demographic transition, population growth is minimal, but in the intermediate stage growth rates are high because there is a delay between the point when the mortality rate begins to decline and the subsequent drop-off in fertility rates (Chackiel, 2004; Schkolnik and Chackiel, 2004; Villa, 2004; ECLAC/CELADE, 2008).

In the past 50 years, all of the countries of Latin America have moved forward in demographic transition and today the process is observed to be reaching maturity. However, as can be seen in figure V.1, which plots the location of each country on a Cartesian plane according to the value of its total fertility rate and life expectancy at birth in 2005-2010, the countries fall into four groups, which represent the different stages of demographic transition, although there are still differences between and within groups.

Figure V.1

LATIN AMERICA AND THE CARIBBEAN: POSITION OF COUNTRIES ACCORDING TO STAGE OF DEMOGRAPHIC TRANSITION, 2005-2010

(Number of children per woman and years of life expectancy at birth)



Source: Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC, population estimates and projections, 2008.

The first group is made up of the countries whose transitions are lagging most. Although their fertility rates have dropped, they continue to be high (compared with the regional average) at 2.3 children per woman. Of these, Guatemala has the highest total fertility rate in the region, 4.2 children, followed by Haiti and the Plurinational State of Bolivia, which had lower life expectancy at birth rates: 60.6 years and 65.6 years in 2005 and 2010. These are, respectively, 12.9 years and 8 years less than the regional average (ECLAC/CELADE, 2008).

A second group of countries currently shows similar average fertility rates (between 3.3 and 2.3 children per woman), but with somewhat different histories. On the one hand, there are those countries that achieved considerable declines at the beginning of the 1980s —Bolivarian Republic of Venezuela, Colombia, Dominican Republic, Ecuador, El Salvador, Panama and Peru—, and, on the other hand, there are those countries that have recorded declines in recent years: Honduras, Nicaragua and Paraguay (ECLAC/CELADE, 2008). This group of countries has life expectancies at birth that are very similar, ranging from 71.1 years in El Salvador, to 75.6 years in Panama (ECLAC/CELADE, 2008).

The third group is made up of Argentina and Uruguay, which saw their vital rates decline early, back in the first half of the twentieth century. By 1950 their rates were close to 3 children per woman (ECLAC/CELADE, 2008). Brazil and Mexico, which recorded total fertility rates of 6 and 7 children per woman in 1960-1965, have advanced very quickly in their transitions. As a result, Mexico has a fertility rate of 2.2 children per woman, and Brazil's rates fall below the replacement level, at 1.9 children per woman. In Argentina, Mexico and Uruguay, life expectancy at birth is greater than 75 years, while Brazil's rate is below the regional average, at 72.4 years.

The fourth group is made up of the countries that have advanced the most in demographic transition, with fertility rates below replacement levels and life expectancy rates above 78.5 years. Costa Rica, which had recorded higher fertility rates than Chile in 1975, has recently seen a steep decline in these rates. In contrast, Cuba reached replacement level in the late 1970s and early 1980s, which was very early compared with other countries in the region. Its current fertility rate is 1.5 children per woman, a degree of advancement that is totally atypical for Latin America and the Caribbean. As for its mortality rate, for many years Cuba was a leader in terms of increasing life expectancy; indeed, between 1970 and 1975, it held the longest life expectancy in the region. Today, its rate is 78.3 years, behind Costa Rica, at 78.8 years, and Chile, at 78.5 years.

Of course, it is clear from the differences observed between these groups of countries that care needs vary widely and that policies must, therefore, be tailored to each country's situation. Care needs vary depending on whether a country's burden of care is centred more on children or older persons, but in all cases, they stress the capacity of families and add to women's workloads, making it difficult for them to shoulder full responsibility for the necessary care arrangements. Regardless of each country's stage in demographic transition, the changes to family structures and the increasing numbers of women entering the workforce are trends that cut across the whole of Latin America.

2. Mortality and fertility trends

Changes in the fertility and mortality rates of the countries of the region, regardless of the intensity or the time they have taken, have triggered profound demographic transformations that have led to slower population growth and progressive ageing of the population structure (ECLAC, 2004).

(a) Declining mortality rates and increasing longevity

Demographic transition in Latin America began with a decline in the mortality rate, primarily infant mortality. This caused life expectancy at birth to increase, with more survivors at the base in the age pyramid. Although the population grew in every age group, proportionally it was the younger age groups that grew the most because lower risks of infant and child mortality resulted, initially, in a rejuvenation of the population (ECLAC/CELADE, 2007). Additionally, with improved health services and with fewer women dying in childbirth, the number of births has increased. However, once the infant mortality rate has been brought down to low levels and life expectancy has been extended to its highest levels, the rate of decline in the mortality rate becomes less steep and slower (ECLAC/CELADE, 2008).

In 1975-1980, the mortality rate had already begun to drop in most countries of the region, with life expectancy at birth exceeding 63 years and the under-one mortality rate for both sexes standing at 69.8 per 1,000 live births. Over the next 35 years, the mortality rate came down significantly, resulting in increased longevity. In 2005-2010, Latin Americans live an average of 73.5 years and women live an average of 6.3 years longer than men. However, life expectancies differ significantly between countries, as do the gaps in the life expectancies of men and women. Between Chile's life expectancy, which is the longest, and Haiti's, which is the shortest, there is an 18.2-year difference. The life expectancy for Chilean women is 81.5 years, while the average for Chilean males is 75.5 years, a 6-year gap. The gap in the life expectancy for Haitian men and women is only 3.5 years. In recent times, the region has continued to extend the life expectancy of those who reach 60, although the difference between the sexes remains. The average life expectancy is an additional 19 years for men but over 22 additional years for women.[1] Again, there are differences between countries.

Considering that the mortality rate of the countries of the region is similar to that of developed countries 25 years ago, it may be inferred that significant advances are still possible and that there is a wealth of experience to draw on in figuring out how to achieve such advances (ECLAC, 2007b). According to this logic and to projections for the next 45 years, the mortality rate will continue to decline, albeit at varying intensities depending on the country. Those whose mortality rates are still relatively high compared with the regional average —Guatemala, Haiti and the Plurinational State of Bolivia— have seen their rates decline at a slightly faster pace than the countries that have lower rates. Thus, while Latin American countries will gain overall 6.1 years of life expectancy at birth, transitioning from 73.5 years in 2005-2010 to 79.6 years in 2045-2050, the most significant strides will be made by Haiti and the Plurinational State of Bolivia, where life expectancies will increase by more than 10 years. Meanwhile the populations of Chile, Costa Rica and Cuba, which already in 2005-2010 have life expectancies of over 78 years, will see their life spans augment by only three to four years. The projections also show a steady increase in life expectancy at 60, for both men and women, although the latter will continue to live longer. The greatest increases in the life expectancy of persons older than age 60 will be seen among Chilean women, who will live an average of 27.3 years beyond 60 in 2045-2050, and Cuban men, who will live 23.6 years beyond 60 during that same period. The men and women of Haiti will continue to have the shortest life expectancies beyond the age of 60.

Meanwhile, the infant mortality rate will continue to decline. The number of deaths per 1,000 live births will drop from 21.6 to 7.9 over the period 2005-2050, with the greatest decreases taking place in Guatemala, Haiti and the Plurinational State of Bolivia, , while Chile, Costa Rica and Cuba will have less noticeable decreases, given that these countries already have low rates and, therefore, their declines will be less (see figure V.2).

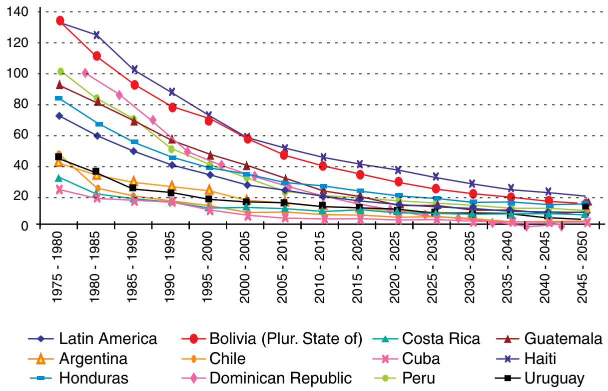
---

1 Life expectancy at age 60 is an estimate of the average number of years remaining in a person's life if mortality conditions at the time of calculation were to remain constant. This is considered a good indicator of the ageing process, because it allows for estimation of the average number of years remaining in the lives of older persons and also reflects their health status.

Figure V.2

LATIN AMERICA AND THE CARIBBEAN (SELECTED COUNTRIES): INFANT MORTALITY RATE, 1975-2050

(Number of deaths per 1,000 live births)



Source: Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC, population estimates and projections, 2008.

(b) Changes in reproductive behaviour and the decline in fertility

Although demographic transition began with declining mortality rates, one of the most significant changes in the region has been the sharp and steady drop in fertility rates (Rodríguez, 2003). This drop began in the second half of the 1960s, the result of an array of determining factors such as the changing economic and social structures in the region, which introduced cultural changes that paved the way for new standards of reproductive behaviour associated with the ideal of having a smaller family, an objective facilitated by the availability of contraceptive options (Villa and González, 2004).

Currently, all of the countries of the region have engaged with varying levels of intensity in this effort to reduce fertility, albeit with varying results from one country to another and within each country (see box V.1). This reduction speeds up changes in the age structure and has a decisive effect on population ageing (Huenchuan, 2009). Furthermore, this variable will continue to have an impact even beyond the point when the replacement level is reached precisely by changing the age structure, which is derived primarily from prior fertility rates (ECLAC/CELADE, 2008). As for future trends, there is no question that in all countries of the region the reproductive rate may continue to decline, and this trend may even be accentuated by factors that could drive the rate below replacement levels, although it is uncertain how long this process will take or how low the rate may fall.

Box V.1

FERTILITY AND SOCIO-ECONOMIC LEVELS: DISPARITIES AND CONVERGENCES

Often, national aggregate fertility indicators conceal the intensity and time of territorial and socio-economic disparities. The Latin American and Caribbean Demographic Centre (CELADE)-Population Division of ECLAC has conducted several national and regional studies that gauge the wideness of these gaps, using a number of procedures and indicators (see ECLAC, 2006c and Delgadillo, 2007 for more information about techniques and procedures used).

This research has taken into account the differences that exist between total fertility rates of higher and lower socio-economic levels. According to 2000 census figures, in Chile the difference is of only 0.3 children per woman, whereas in all other countries it is greater than 1.5 children per woman and stands at almost 3 in Panama. In the Bolivarian Republic of Venezuela and Paraguay the gap has widened, given that the fertility rate in the higher socio-economic level has dropped faster than it has in the lower level, while in Panama and Honduras the gap has narrowed in relative terms over the past few years, despite the fact that there is still a huge disparity between socio-economic levels.

This research by CELADE-Population Division of ECLAC reveals some trends that point to socio-economic inequality in reproduction. One of the most significant of these trends, because of its implications for regional forecasting, is the steady drop in the fertility rate of the urban middle- and higher-income groups in Brazil, to below replacement levels. The situation in rural areas varies widely. Brazil has shown a pronounced drop in the fertility rate among its lower income groups and the absolute difference between the lower- and higher-income groups dropped from 2.7 to 1.5 children per woman. In Honduras, women of the upper-income groups have made considerable strides in the transition process, with their fertility rate dropping below two children per woman, on average, during the years between censuses, but the inequality gap between income groups widened. The fertility rate for the lower-income group is still six children per woman, despite the overall decline.

Adolescent fertility estimates by income group provide new evidence that is not very encouraging because it reveals that in some cases this problem is getting worse, both in terms of intensity and social inequality. In all of the countries, the gap between adolescent fertility rates of the richest and poorest segments of society is not only wider than the gap the in the total fertility rate, but it is also on an uptrend. In the Bolivarian Republic of Venezuela, Brazil, Chile, Panama and Paraguay, the risk of pregnancy among adolescents between the ages of 15 and 19 from the lower income groups is four to five times greater than it is for the higher income groups.

It is well-known that the level and gaps in fertility rates are determined by a number of economic, social and cultural factors that act through intermediate variables or proximate determinants, such as marriages, the use of contraceptives and post-partum infertility, among others, although the use of contraceptives is the variable that has played the most significant role in reducing the fertility rate in the region. Countries where the use of contraceptives has increased greatly, such as Brazil, Colombia, Costa Rica, and Mexico, have been able to reduce rapidly the average number of children per woman. These are also the countries where modern contraceptive methods are most used. Meanwhile, in Haiti, Guatemala and the Plurinational State of Bolivia, the countries farthest behind in demographic transition, contraceptive use is much less frequent. Contraceptive methods are used

Box V.1 (concluded)

the least in the lowest income groups —poor, rural and indigenous populations with low levels of schooling— though in some cases where national family planning programmes have had wide coverage, these segments now have easier access to contraception.

A study of the gap between desired and observed fertility complements the analysis of proximate determinants. These disparities shed light on the extent to which women have the capacity to match their desires or expectations with reality. In this respect, there is a notable difference between women who have no formal education and those who have secondary or higher education. The first group displays a much higher rate of excess fertility. Women with higher levels of education can achieve their desired fertility and even reach a position where they might want more children.

Source: Economic Commission for Latin America and the Caribbean (ECLAC), Social Panorama of Latin America, 2005 (LC/G.2288-P), Santiago, Chile, 2006. United Nations publication, Sales No. E.05.II.G.161; Maritza Delgadillo, “Desigualdades sociodemográficas en Nicaragua: tendencias, relevancia y políticas pertinentes”, Población y desarrollo series, No. 77 (LC/L.2794-P), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC), 2007. United Nations publication, Sales No. S.07.II.G.129.

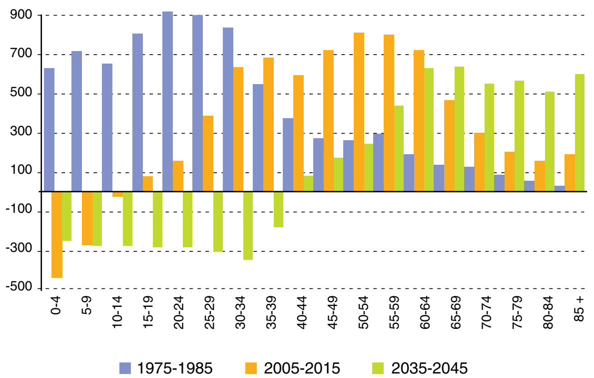
3. The repercussions of demographic change on the age structure of population

The growth and composition of the population, by age and gender, depend on the evolution of the components of demographic change, particularly fertility and mortality rates. As demographic transition moves forward with declining rates of mortality and, more importantly, fertility, the age structure of the population is altered. However, in the absence of any significant impacts stemming from international migration, once fertility has dropped to low levels, age structure is the most relevant factor in population growth (ECLAC/CELADE, 2008).

Currently, according to demographic estimates, Latin America has 575 million inhabitants, an 83% increase in the period since 1975, when the population stood at 314 million. Over the next 40 years, the total population will reach 723 million, a 26% increase. These data indicate that, even when fertility rates have come down to replacement level (2.1 children per woman) or below it in some countries of the region, the population will not stop growing. In other words, declining mortality rates, longer life expectancy and the resulting fast-growing population of older persons mean that total population will continue to increase despite a decline in fertility rates to replacement level. The demographic transition of Latin American countries is far from complete, because all of the countries are experiencing population growth and substantial changes to their age structures (Feeney and Mason, 2002; ECLAC/CELADE, 2008).

Every age group has experienced significant change and will continue to do so over the next 40 years, although the pace of population growth will vary markedly between the groups. In 1975-1985, children and young people were the fastest-growing segment of the population, in absolute terms, while the group of persons aged 60 and older grew in lesser proportions. In contrast, in 2005-2015, the under-15 age group will shrink in absolute terms and will continue to do so over the coming decades, while the middle age groups will grow and the group of persons aged 60 and older will also grow, but in lesser numbers. During the period 2035-2045, all five-year groups under age 40 will decrease in absolute terms, while the over-60 age group will grow the most (see figure V.3).

Figure V.3
LATIN AMERICA: ESTIMATED AND PROJECTED DEMOGRAPHIC GROWTH, BY 10-YEAR PERIOD AND AGE GROUPS, 1975-1985, 2005-2015 AND 2035-2045
(Thousands of persons)



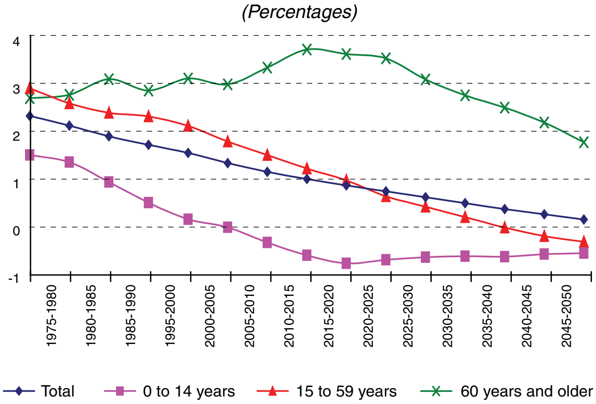
Source: Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC, population estimates and projections, 2008.

This regional trend will not be the same for all countries and, although projections point to a convergence of vital rates over the coming decades, the changes to the age structure will not occur at the same time. Currently, the countries that are in full demographic transition are experiencing faster absolute growth in the middle age groups, while those that are farthest ahead in the transition process already show increased numbers in the populations aged 60 and over.

In all countries the greatest absolute growth over the coming decades will take place in the middle and older age groups. However, those countries that are advanced in their demographic transition, such as Cuba, will show a drop in the numbers of people in all age groups, though the group of persons aged 60 and over will decrease less than others. Countries that are already in full transition will experience greater absolute growth in the over-60 population, while those at a less advanced stage will experience the greatest growth in the over-50 age group. Therefore, if the middle-aged groups are those experiencing the fastest growth in absolute terms in most countries, this trend will move progressively towards the over 60 population by about 2050.

The population of Latin America is growing at an annual rate of 1.2%. This rate is far below what was recorded in 1975-1980, when the average annual growth rate was 2.3%. The total population growth rate for the region will continue to decline. According to current projections, the growth rate for 2045-2050 will be a mere 0.2% per year. However, the trends for the region overall differ greatly from the individual growth trends that are estimated and projected for each age group. Thus, at the beginning of the period 1975-2050, the under-15 growth rate had already begun to decline, and in 1975-1980 stood at an annual average of 1.5% , while the group of persons aged 15 to 59 grew at an average annual rate of 2.9% in the same period, and the over-60 age group was beginning to outpace the growth rate of the under 15 age group, reaching 2.7% (see figure V.4).

Figure V.4
LATIN AMERICA: ESTIMATED AND PROJECTED DEMOGRAPHIC GROWTH RATE, BY FIVE-YEAR PERIOD AND MAJOR AGE GROUPS, 1975-2050
(Percentages)



Source: Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC, population estimates and projections, 2008.

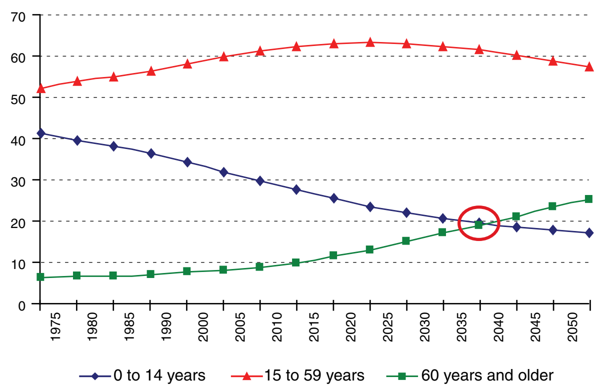
Over the subsequent decades, the 0-14 age group continued to shrink, contracting by 0.3% in 2005-2010

In contrast, the over-60 age group continued to grow and is today the fastest-growing group, at a 3.3% rate, far outpacing the 15-59 age group, which is growing at a rate of 1.5% (see figure V.4).

The under-15 age group will continue to decline at a fast pace until about 2020, when their growth rate will rise slightly, although no positive gains will be observed until the end of the first half of the twenty-first century. On the other hand, the growth rate of the over-60 age group is on the increase and this trend is expected to continue until 2010-2015, when it will drop off slightly, though not nearly approaching the growth rates of the other age groups, which it will easily surpass through to the end of the period (see figure V.4).

It is important to keep in mind that future technological and social changes could further extend the longevity of older persons, which would mean even higher growth rates for this group. However, no reversal in the current downtrend in fertility rates is likely (ECLAC/CELADE, 2008). This becomes even more evident if one looks at how the Latin American population has evolved, according to these large age groups. This perspective makes it clear that the age groups at the extremes will undergo the most significant changes, because while the group of persons aged 0 to 14, as a proportion of the total population, will continue to shrink, the group of older persons will grow gradually until 2035, when both groups will each account for about 20% of the total population. The least amount of change, in proportional terms over the period, will take place in the group of persons aged 15 to 59, which will hold its own at about 60% of the total population, though within the group there will be internal changes associated with ageing (see figure V.5) (ECLAC/CELADE, 2008).

Figure V.5
LATIN AMERICA: POPULATION BY MAJOR AGE GROUP, 1975-2050
(Percentages)



Source: Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC, population estimates and projections, 2008.

In summary, the most salient feature of demographic patterns in all of the countries in the next few decades will be the growing proportion of the population aged 60 and over and the decrease in the young population. This change, which is inherent to the progress the countries make towards more advanced stages of transition, will not occur at the same time in all of them. For example, in Cuba, by 2010, these two age groups will account for similar percentages of the population. By 2025, they will have moved closer to each other in all countries; in fact, in Chile and Uruguay they are already on par with each other. A quarter-century later, only in the countries that are farthest behind in their demographic transition —Guatemala, Haiti, Honduras, Paraguay and the Plurinational State of Bolivia— will the relative proportion of the over-60 age group be less than that of the youngest age group.

All of these changes will affect the social and economic dynamics of the countries, as the demands change for each of these age groups. One of the areas that will be most affected by these changes will be the demand for care and society's demographic capacity to provide that care, particularly in a context in which family structures and women's roles are changing.

As can be seen in the following section, a country's current stage of demographic transition will influence the demands for social protection in terms of care. The countries that are farthest behind are facing heavy demand for care, mostly for children; however, in the coming decades older persons will also become part of the burden of care they will have to address. For their part, the countries that are in the most advanced stages have begun to see a decrease in the demand for childcare, either gradual or quick, depending on fertility during prior periods, and, almost simultaneously, they are facing care demands for older persons, which will only intensify over coming years. Therefore, a characteristic trait for the entire region over the coming years due to the ageing population age structure, will be the corresponding ageing of the care burden in all countries.

C. Care demand scenarios in Latin America

The demand for care is on the increase in Latin America because of the large numbers of children, the greying of the population and the increase in numbers of people who are in some way dependent on health-related care. Although the region is facing major demand for care, mostly of children, in future, older persons and those who have health-related care dependencies will account for the bulk of the demographic care burden, although the situation varies greatly from one country to another. This growing and changing demand is occurring in a context in which demographic projections suggest a downturn in the number of caregivers relative to the numbers of persons who will need care between 2000 and 2050.

There are additional economic and social challenges that affect the pool of potential caregivers. In the absence of a State that plays an active and mobilizing role in providing social protection, the attention shifts to the family as the most likely element for social cohesion. Demand falls on the family unit, as the last resort, to meet otherwise unfulfilled care needs. However, the possibilities for families –and women in particular– to offer care are limited by demographic, economic and cultural factors, as well as by the progressive need for professionalization of care services.

The implications and consequences of this issue will hinge on the specific public and private institutional arrangements each country makes, which will determine not only how the State, family, market and community divide up the responsibilities for providing care, but also how gender and generation compacts influence care issues.

1. Estimating the demographic demand for care

The population needing care is growing rapidly and demographic projections show that the composition of that population will be changing over the coming decades. The care dependency ratio for 2000-2050 for Latin America as a whole appears below, as an indicator of demand (see Box V.2). These data are meant to reflect the ratio of persons needing care to potential caregivers.

Box V.2

DEMOGRAPHIC DEPENDENCY RATIO AND CARE DEPENDENCY RATIO

The total demographic dependency ratio —the sum of persons under age 15 and over age 60 divided by the population aged 15 to 59— provides a synthetic index of the age structure of the population. It is typically defined as the ratio of the population of age groups that are potentially inactive in the economy to the potentially active age groups. A high demographic dependency ratio suggests a burden for the population aged 15 to 60, whose members have to support others in addition to themselves. Because this indicator tends to show high values among the youth and older populations, it is recommended that the index be broken down into two parts: the child dependency ratio (also known as the youth ratio), which covers potentially inactive persons under age 15, and the aged dependency ratio (or older persons ratio), which considers as potentially inactive only those persons that are over age 60.

The care dependency ratio differs from the demographic dependency ratio in that it is an indicator of the relative care burden borne by potential caregivers within a given society. The care dependency ratio is useful in providing an approximate number of persons who need care the amount of care needed and the pool of demographic resources that could provide care. It also makes it possible to compare the care burdens of the different countries and how these burdens will evolve over time. Like the demographic dependency ratio, the care dependency ratio is defined by age group, though it focuses primarily on those who have specific care needs —the groups aged 0 to 6 and aged 85 and older— in other words, the two extremes of the life cycle, both of which are heavily dependent on third-party caregivers. Next, come the groups aged 7 to 12 and aged 75 to 84. These groups also need care, but the need is not as intense as it is for the previous two groups. In the middle —the population between 15 and 74 years of age— are the potential caregivers. In methodological terms, this indicator does not take into account persons aged 13 and 14, because they do not demand as much care as persons aged 0 to 12 and those aged 75 and older, and neither are they in a position to provide care.

To calculate the care burden, each person under age 12 and older than age 75 is assumed to require a given number of care units: children aged 0 to 6 need 1 unit; children aged 7 to 12 need 0.5 units; persons aged 75 to 84 need 0.5 units; and those over age 85 need 1 care unit. This estimate is a proxy value that should be handled with caution, because it probably deflates the number of persons needing care and inflates the number of potential caregivers, because it does not take into account that those who fall in the potential-caregiver age ranges may have limitations, particularly physical or health limitations that could affect their ability to perform care tasks.

Source: Debbie Budlender, "The statistical evidence on care and non-care work across six countries", Gender and Development Paper, No. 4, United Nations Research Institute for Social Development (UNRISD), 2008; Economic Comission for Latin America and the Caribbean/Latin American and Caribbean Demographic Centre - Population Division of ECLAC (ECLAC/CELADE), "Manual sobre indicadores de calidad de vida en la vejez", Projects documents, No. 113 (LC/W.113), Santiago, Chile.

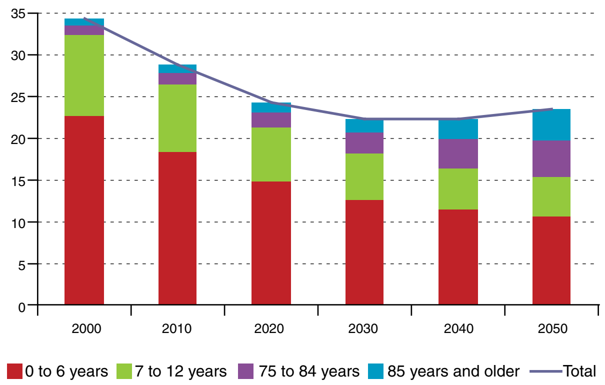
As can be seen in figure V.6, the care burden was high at the beginning of the decade, with an average of 35 persons needing care per 100 potential caregivers, with a preponderance of need in the group of persons aged 0 to 6, a number that will trend downward over the next four decades. Around 2040, however, the demand for care will reach a turning point and start to rise again, owing to the growing numbers in the group of persons aged 75 and over, which will triple between 2000 and 2050.

A comparison of the care dependency ratio with the demographic dependency ratio (see figure V.7) reveals converging trends during the period covered by this study. It is projected that the demographic dependency ratio will trend downward until 2020, while the care dependency ratio will do so for two more decades. The group of persons aged 15 and under will continue to be larger in number than the group of older persons until about 2040, but from then on, the latter will grow notably and will exceed the younger group. By 2050, the population distribution of persons who need care between the groups of persons aged 7 to 12 and the group aged 75 to 84 will become increasingly even, during which time the childcare burden will decline while that of older persons will increase.

The foregoing means that, although the demand for care in the region is still heavily concentrated in children (as explained in the preceding chapter), the composition of the population that needs care, by age groups, is changing, with the care burden shifting away from children and towards older persons, though the trends will unfold very differently among the countries.

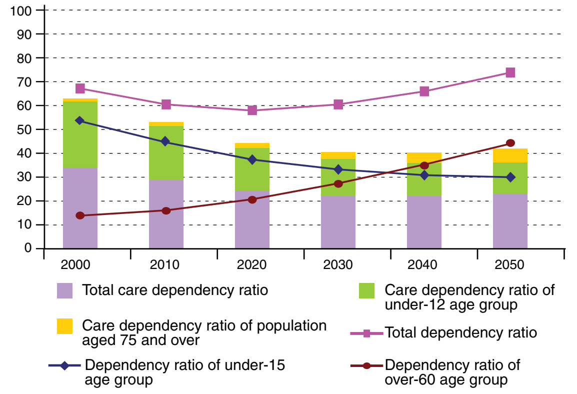
In other words, the classic heterogeneity of Latin American countries applies equally well to the demand for care. As can be seen in figure V.8, the demand trends and how they are distributed across age groups varies from country to country. Cuba began the period with a care burden that was lower than the regional average, mainly because Cuba's child population has been on the decline. But as of 2010, the care burden will begin to grow steadily, then steeply as from 2040, when the country's demand for care will come mainly from the population of older persons, which in 2050 will account for about 60% of the total burden.

Figure V.6
LATIN AMERICA: CARE DEPENDENCY RATIO, 2000-2050 [a]



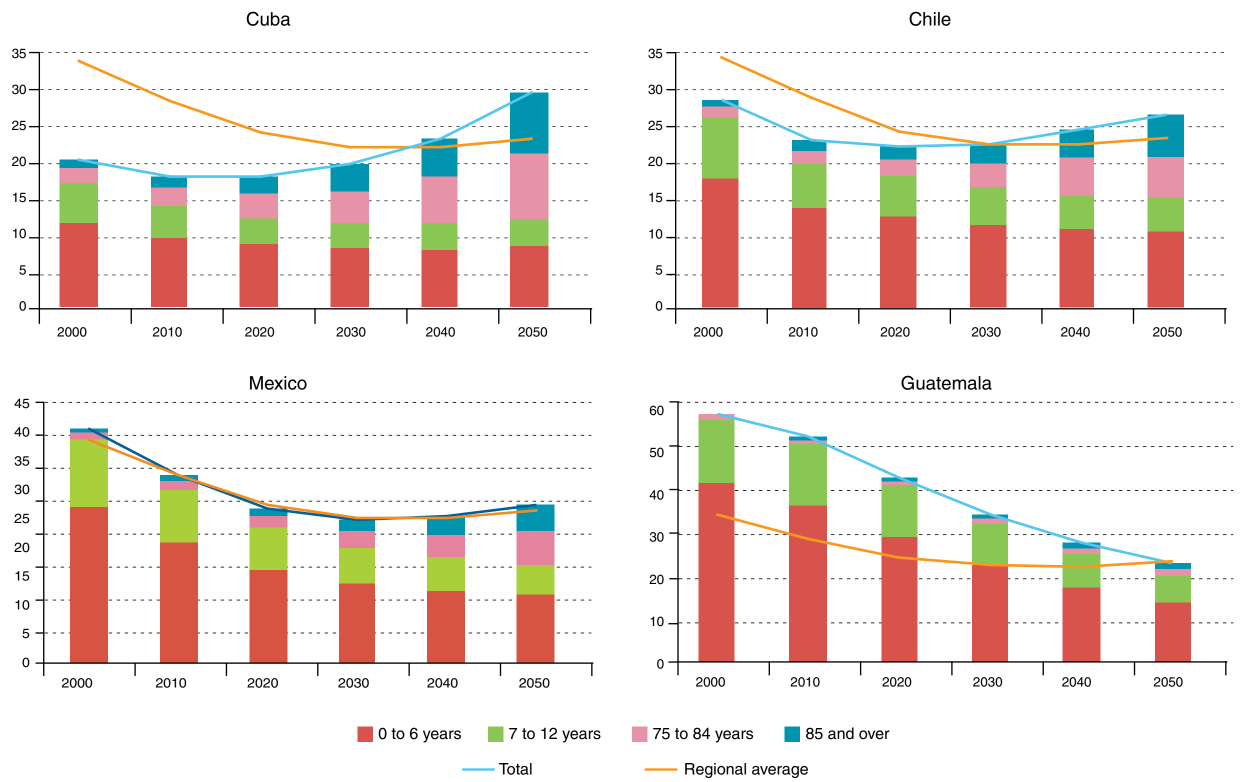
Source: Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC, population estimates and projections, 2008.
[a] Population needing care per 100 potential caregivers.

Figure V.7
LATIN AMERICA: DEMOGRAPHIC DEPENDENCY RATIO AND CARE RATIOS, BY AGE GROUP, 2000-2050 [a]



Source: Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC, population estimates and projections, 2008.
[a] Population needing care per 100 potential caregivers.

Figure V.8
LATIN AMERICA (4 SELECTED COUNTRIES): CARE DEPENDENCY RATIO, 2000-2050
(Percentages)



Source: Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC, population estimates and projections, 2008.
[a] Population needing care per 100 potential caregivers.

In Chile, the demand for care will not change much between 2010 and 2030, when once again it will begin to increase and will exceed the regional average, because of population ageing . In 2050, the care burden of those under age 12 will account for 57% of the total, while the group of persons aged 75 and over will account for 43%. Mexico's trend differs from that of Chile but closely mirrors the regional average. Its care dependency ratio will trend downwards until about 2030, that is, 20 years behind Chile, whose care dependency ratio decreased until 2010. At the end of the period, Mexico's under-12 care burden will still be higher than that of older persons. Regardless, the need for care in Mexico will be lower than in those countries that experienced ageing populations earlier in the period of the study. Lastly, Guatemala began the period with a care burden that was much higher than the regional average, 58 persons per 100 potential caregivers, a level it will maintain until 2050, mostly because of the demand for childcare. This need will continue through to the end of the period, when it will account for over 86% of the total burden, much of that focused on children under age 6, at which time the number of older persons will reach the same level Cuba had seen 40 years earlier.

This scenario provides a generational perspective that identifies various policy-related challenges and opportunities for the countries of the region, by looking at the burden and the composition of the demand for care that countries face today, and how these will unfold over coming decades.

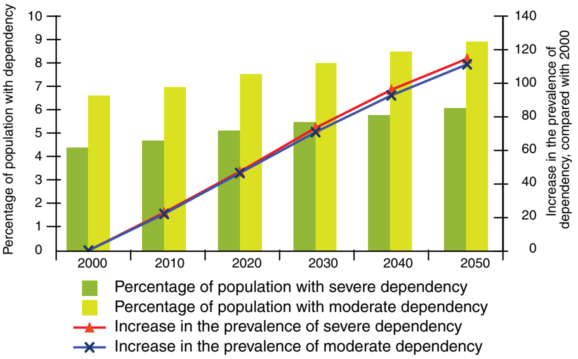
Demand for care does not come solely from the populations of children and older persons, however. It also comes from people who have a health-related dependency condition such that they require daily care on a temporary or permanent basis to meet their health needs and to assist them in performing daily domestic and personal tasks (Huenchuan, 2009). A study by the World Health Organization (WHO, 2002) has been used as a reference in order to frame this issue. It divides the population of those needing care into two levels of dependency. The first level is severe dependency, which includes persons whose condition places them in need of daily care. The second level is moderate dependency, which encompasses persons who might need periodic care.

Figure V.9 shows the percentage of the regional population that will need daily or periodic care in 2000-2050, as well as the trend lines for severe and moderate dependency. Both of these levels of dependency, are projected to grow significantly over the next four decades, compared with the start of the period (2000). The number of persons with moderate dependency is expected to double between 2000 and 2050, from 23 million to 50 million.[2] A close look at how the age distribution of persons with care dependency will unfold across the period reveals that the majority of persons with dependencies currently fall in the age range of 15 to 59, while in 2050 those aged 60 and over will account for half of the dependent population, in both moderate and severe levels (see figures V.10 and V.11).

Figure V.9

LATIN AMERICA AND THE CARIBBEAN: POPULATION NEEDING DAILY OR PERIODIC CARE AND GROWTH TRENDS BY DEPENDENCY TYPE, 2000-2050

(Percentages)

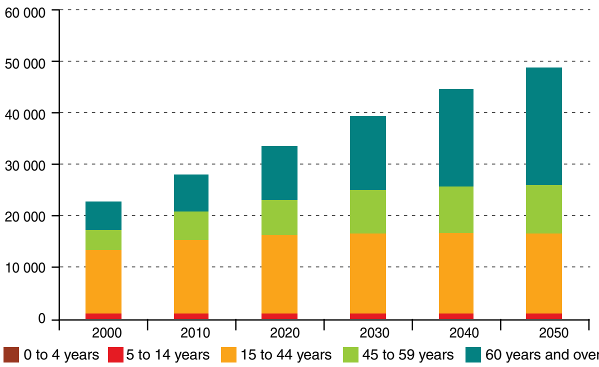


Source: Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC, on the basis of World Health Organization (WHO), Current and Future Long-Term Care Needs, Geneva, 2002.

Figure V.10

LATIN AMERICA AND THE CARIBBEAN: NUMBER OF SEVERELY DEPENDENT PERSONS NEEDING DAILY CARE, BY AGE GROUP, 2000-2050

(Thousands of persons)

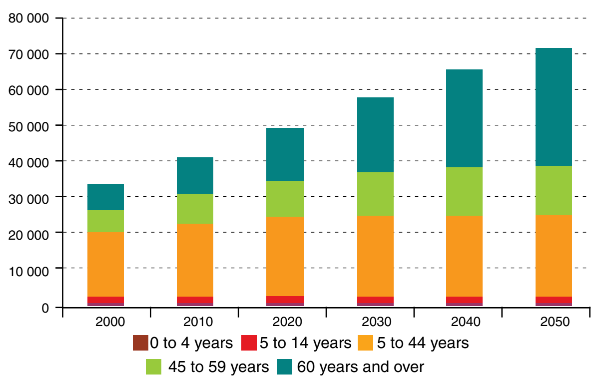


Source: Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC, on the basis of World Health Organization (WHO), Current and Future Long-Term Care Needs, Geneva, 2002.

Figure V.11

LATIN AMERICA AND THE CARIBBEAN: NUMBER OF MODERATELY DEPENDENT PERSONS NEEDING DAILY CARE, BY AGE GROUP, 2000-2050

(Thousands of persons)



Source: Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC, on the basis of World Health Organization (WHO), Current and Future Long-Term Care Needs, Geneva, 2002.

---

2 On a worldwide ranking, the region comes just after Subsaharan Africa, the Middle East and Asia (Harwood, Sayer and Hirschfeld, 2004).

Care dependency exists at every point of the population age structure and is not solely the result of ageing; however, the risk of onset of care dependency increases in old age. In Nicaragua, for example, the national disability average is 10.3% of the population, but in the 5-year age segments of the population below the age of 30, the rate does not exceed 5%. But this rate rises to 30% in persons aged 60 to 64, and up to 85% for persons aged 80 and older (Nicaragua, Ministry of Health, 2004). If, instead, an older person's limitations are measured in terms of the capacity to perform daily activities and lead a full life, the disability rate rises to 71%, in the case of persons aged 65 and over: 67% for men and 73% for women (Huenchuan, 2009). Other countries in the region show similar scenarios. In Argentina, the disability rate among the under-15 age group is 3%, while for persons aged 65 and over it is 28.3% (INDEC, 2003). In Chile, the gap is wider, because the younger age group has a 3.2% rate and the older group, 43.4% (FONADIS/INE, 2004). In Brazil the spread is wider still, with a 4.3% disability rate among those under 15 years of age and 54% among persons aged 65 and over.

In addition to its correlation with age, dependency is closely associated with poverty and inequality. One national study in Brazil showed that older persons from lower-income groups of society have higher disability rates and face more difficulty in obtaining medication, prostheses and orthopaedic braces (Lima-Costa and others, 2003). Inequalities in access to education during childhood also increase the risk of care dependency among older persons. One longitudinal study in Spain revealed that populations that lack primary schooling, regardless of gender, are twice as likely to need daily care in older age (Otero and others, 2004).

Although in today's world people live longer, they also suffer more diseases. According to recent WHO statistics (2009), the average length of healthy life in Latin America was 64 years in 2007; beyond that age, the outlook is that both men and women will suffer from ill health with a slight probability that women will live more years than men : 10 years , compared with eight for men. In this context, the meaning of disease is changing: it has changed from being a process of steep unravelling towards death into a chronic condition that people suffer over long periods of their lives, which can create the need for daily or frequent care, whether on a permanent or a sporadic basis (Puga, 2002).

In summary, there are three main causes behind the rising demand for care in Latin America:

(i) the number of young children who need adults to provide intensive support in meeting their basic needs and to fill the roles of socializers and child educators (Martínez and Camacho, 2007).
(ii) ageing of the population, which means that a greater number of people might need temporary or permanent care in order to maintain autonomy (Huenchuan, 2009) and
(iii) increased numbers of persons with some level of health-related care dependency that have a pressing need for assistance in carrying out their daily activities (Pérez Menayo, 2004).

In a context of demographic change such as is taking place in the region, this means that society must prepare itself to meet the care needs of the age groups at the extremes, the youngest and the oldest, as well as the needs of those who have dependencies at any point along the life cycle. The data presented here show that in many Latin American countries, children currently account for most of the demand for care. However, in the near future it will be older persons and those with health-related care dependency that will make up the bulk of the care burden.

2. The demographic expression of available caregiving resources

The capacity of a society to provide care to its members expresses itself demographically and is closely tied to the capacity of potential caregivers to provide care.

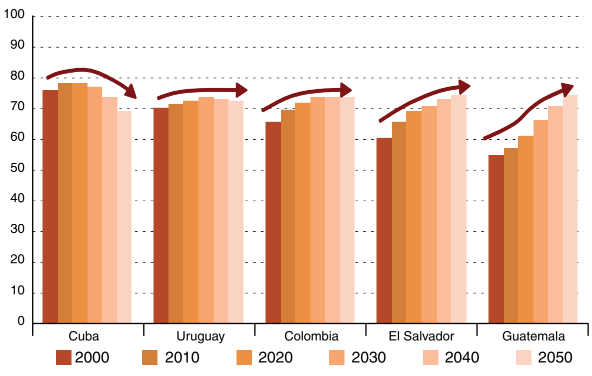
From a demographic perspective, the region as a whole will have low caregiver availability in 2000-2050. This ratio of potential caregivers to total population will remain nearly constant over the next five decades, beginning the period at about 67% of the population as potential caregivers, and ending in 2050 at 77%. Gender differences will be minimal, although, as will soon be seen, only in potential terms because, in real terms, men actually invest less time in caregiving. The percentage of male potential caregivers in 2000 was 33% and will not reach 40% until the end of the period, while for women it was 34% at the beginning of the period and is expected to still be below 40% in 2050 (see figure V.12).

Figure V.12
LATIN AMERICA: POTENTIAL CAREGIVERS, BY GENDER, 2000-2050 [a]
(Percentages)

Source: Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC, population estimates and projections, 2008.
[a] Potential caregivers are defined as persons aged between 15 and 74. They are calculated as a percentage of the total population, male and female.

It is important to keep in mind that the countries face very different situations (see figure V.13). For example, Cuba's pool of potential caregivers will begin to decrease in 2020. For the time being, Cuba is the only country to face this dynamic. Others, such as Argentina, Brazil, Costa Rica and Panama, will remain below the regional average, and in Chile and Uruguay the pool of potential caregivers will remain largely unchanged. Then, there are those countries such as the Guatemala, Honduras, Nicaragua and the Plurinational State of Bolivia, whose pool of potential caregivers is small now, but will increase at a constant pace through to the end of the period.

Figure V.13
LATIN AMERICA (SELECTED COUNTRIES): POTENTIAL CAREGIVERS, 2000-2050 [a]
(Percentages)



Source: Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC, population estimates and projections, 2008.
[a] Potential caregivers are defined as persons aged between 15 and 74. They are calculated as a percentage of the total population, male and female.

Two groups of countries can be clearly identified in this scenario:

i) One group is made up of the countries that are farthest behind in the demographic transition. These countries begin the period with a heavy childcare burden and limited numbers of potential caregivers to meet the demand. These countries —Guatemala, Honduras, Nicaragua and the Plurinational State of Bolivia—, will see their need for caregivers decline at the end of the period, having caught up with the regional average; only then will they begin to face the issues of an ageing care burden; and

ii) At the other extreme are the countries that are farthest ahead in the demographic transition. They begin the period with a care burden that is already ageing, but with a pool of potential caregivers that is larger than the regional average. In the near future, the numbers of caregivers in these countries will stabilize or even go into decline owing to the effects of ageing, and they will find themselves with a demand for care that is heaviest among the older population (Argentina, Chile, Cuba and Uruguay).

However, in none of the situations described above would there be a real possibility of completely meeting the care needs of children and older persons, or of caring for persons with a health-related dependency. In other words, if both male and female potential caregivers engage in caregiving, only the needs of the less-intensive groups would be met –persons aged 7 to 12 and persons aged 75 to 84 and those with moderate dependency– but the needs of the groups at the extremes of the age structure would not be cared for effectively, nor would the needs of those who have severe dependency that requires daily, concentrated, and long-term care.[3]

A second issue is the gender difference, because in practice, as indicated in the previous chapter, domestic reproduction and care responsibilities are assumed by women, and men are not as actively involved in performing care tasks, especially with older persons or persons with dependencies. Therefore, care may be perceived as a feminine activity, usually not remunerated and with no social recognition or valuation (Aguirre, 2007).

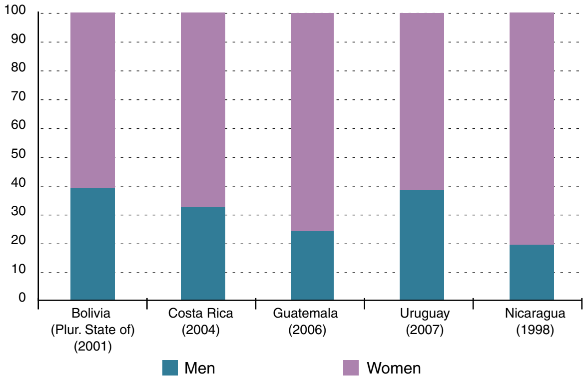
In five of the countries studied, Costa Rica, Guatemala, Nicaragua, Plurinational State of Bolivia, and Uruguay, the latest available time-use survey data (which are not comparable with each other, but do provide some idea of the national situations) show that men spend less time than women on care tasks. In the countries studied, women usually perform these duties, and this includes girls and older women. This has a direct impact on the potential of society to provide care, even in those countries that will have growing pools of caregivers (see the cases of Guatemala and Nicaragua in figure V.14), given that demographic availability must be analysed in the context of a society's cultural expectations about providing care and assistance to the most vulnerable populations.

3 This is due to the fact that these age groups, according to some studies, theoretically require at least 0.5 caregivers per person who needs care.

Figure V.14

LATIN AMERICA (SELECTED COUNTRIES): GENDER DISTRIBUTION OF CAREGIVERS, AROUND 2000

(Percentages)



Source: Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC, on the basis of special processing of time-use surveys conducted in the respective countries.

Note: In the Plurinational State of Bolivia the question is formulated to cover persons of 7 years of age or more and asks about the care of children and older persons. In Costa Rica, the survey covers persons of age 12 and older and asks about care of children, while in Guatemala the survey covers persons aged 7 and over, and persons aged 12 and over are direct respondents. The survey seeks to obtain information about caring for and raising children. In Uruguay the survey covers care of children up to 12 years of age, and in Nicaragua it covers persons aged 6 and over and asks about the care of children.

Add to this the possibility that the number of women caregivers is decreasing at the same time as demand is increasing. One reason for this is the growing number of women entering the workforce (ECLAC/CELADE, 2006b), which in turn means that fewer women are free to perform these duties and have fewer available hours to direct towards this kind of work. As women's access to the workplace has expanded, there has not been an equivalent redistribution of the time men dedicate to household duties (Sunkel, 2006). These changes in traditional roles are asymmetrical, in that women are moving into spheres once traditionally considered to be the preserve of men in higher numbers than the numbers of men moving in the opposite direction. (Carbonero Gamundí, 2007).

A third issue, intergenerational differences, can also be used to analyse the availability of caregivers and their effective capacity to provide care. The evidence suggests some patterns in the demographic behaviour of caregiving by different cohorts, given that within the older population, the fastest growing age group is the group of persons aged 75 years or over (see figure V.3).

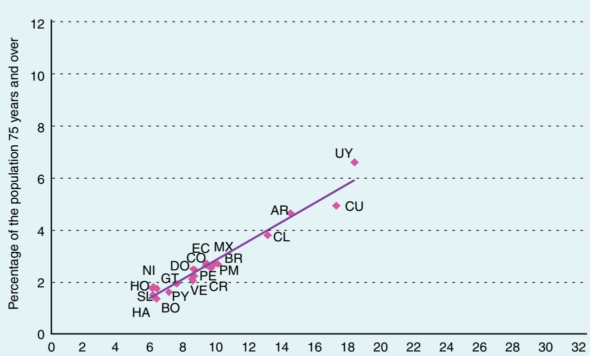
Box V.3

INTERNAL AGEING OF THE OLDER POPULATION

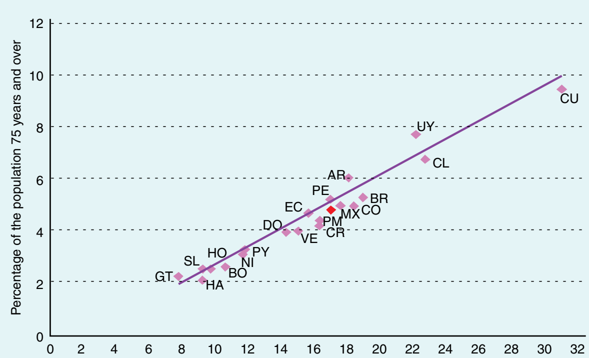
Increased life expectancy is a sign of social and economic development, though even more important than adding years to life is the quality of the years added. In fact, if advances in medicine and technology were limited solely to prolonging life, the most direct consequence of an increase in life expectancy would be more years spent living with morbidity and disabilities (United Nations, 2007). Ageing brings with it an increase in chronic, degenerative and crippling diseases, which imply extended periods of poor health and significantly impair the quality of life of older persons, as well as increasing the costs of caring for them. This can weigh heavily on the social and health-care systems of the countries in the region, in terms of the types of needs they will have to meet, the sectors of the population they will have to serve and the policy responses they will have to provide.

Apart from these estimates, it is clear that the number of persons that could need assistance in daily living is growing worldwide. Over the next 50 years, the increase in the number of older persons in the region will be marked by fast internal ageing, with the population of persons aged 75 and over making up the fastest-growing age group. This group is expected to grow faster than the group of persons aged 60 and over throughout the period 2000-2050and will have doubled by 2025 to stand at 4% of the population. By 2050, it will account for 9% (ECLAC/CELADE, 2007).

LATIN AMERICA AND THE CARIBBEAN: INTERNAL AGEING OF THE OLDER POPULATION, 2010



LATIN AMERICA AND THE CARIBBEAN: INTERNAL AGEING OF THE OLDER POPULATION, 2030



Source: Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC, population estimates and projections, 2008.

Table V.3 (concluded)

The situation varies from one country to another (see figure V.15): the population of persons aged 75 and over in those countries where the ageing process began early is higher than that of other countries. For example, Cuba and Uruguay are facing the consequences of ageing in different areas, such as social security, health and family. At the opposite extreme are those countries that are in moderate stages of ageing —Brazil, Costa Rica, Mexico, and Peru, for example— which are beginning to feel the effects of ageing in the demand for pensions. These countries, however, have not yet felt the full seriousness of the range of issues that arise from the growing need for care of older persons.

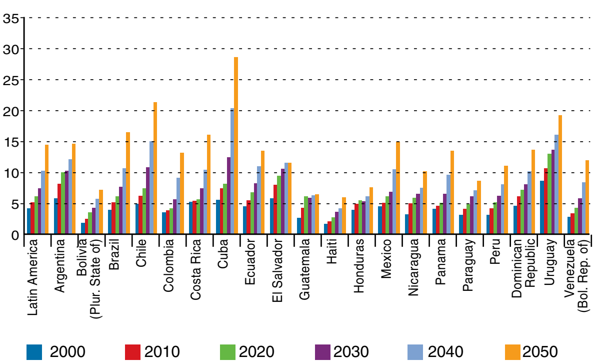
Meanwhile, other countries that are in more advanced stages of ageing, such as Argentina and Chile, are experiencing situations similar to those in Uruguay and Cuba, but the secondary ageing process of the latter is not as pronounced as that of the former, though the demand for social and health services is growing at a steep rate and the effects of ageing are clearly visible.[a] Lastly, Guatemala, Haiti, Honduras, Nicaragua and Plurinational State of Bolivia, still have young older populations, with low percentages of persons aged 75 and over. By 2030, Cuba is expected to continue to have the most aged older population in Latin America, followed by Uruguay, Chile and Argentina (see figure V.16).

Source: S. Huenchuan, M. Roqué and C. Arias, "Envejecimiento y sistemas de cuidados: ¿oportunidad o crisis?", Projects documents, No. 263 (LC/W.263), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC), 2009; United Nations, World Economic and Social Survey 2007. Development in an Ageing World (E/2007/50/Rev.1(ST/ESA/314)), New York, 2007. United Nations publication, Sales No. E.07.II.C.1; Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC, population estimates and projections, 2008.

[a] This is the relative weight of persons aged 75 and older as a numerator over the older adult population.

This demographic shift will have a negative effect on the parents support ratio (ECLAC/CELADE, 2006a), which is derived from the ratio of the number of persons aged 85 and the number of middle-aged adults. According to projections, in 2000 the region had four persons aged 85 and over for every 100 aged 50 to 64 years. By 2050, this figure will have tripled in seven countries, with the highest ratios in Cuba (29) and Chile (21). Therefore, increased life expectancy has direct repercussions on families, which will have to take care of their older member for a longer time, and on women —the primary caregivers— who themselves will be ageing at the same time as they are caring for their older family members and children (see figure V.15).

Figure V.15
LATIN AMERICA (SELECTED COUNTRIES): PARENT SUPPORT RATIO, 2000-2050
(Percentages)



Source: Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC, population estimates and projections, 2008.

However, the expectation that intermediate generations will provide social assistance for older persons is not always met This inverting trend, from care of children towards the care of older persons, is a new development that stems from an increased life expectancy and an absolute increase in the number of persons living beyond age 60. Surrounding these changes is a context that includes heavy pressure to help older persons keep their independence and the breakdown of traditional supports that once ensured the care of older persons, mostly through arrangements relating to inheritances and estates (Drake, 1994). These have been weakened in several ways through, for example, migration, poverty or the informal job market, all of which undermine asset-gathering and expose older persons to conditions that are different than they were several decades ago (see box V.4).

In the case of younger children, care from family members is based on the fact that the responsibility of parents for the social and economic support of their children is well entrenched in families that are structured for reciprocity. However, economic pressures and the way families are subjected to specialization in today's world make them more vulnerable when it comes to providing safety and protection and less flexible when it comes to meeting the care needs that arise as the make-up of the household changes at different points along the life cycle (Carbonero Gamundí, 2007).

In addition to gender and generational inequalities, care itself manifests inequities. In times of crisis, households that have sufficient financial resources to do so can pay for the care of their dependent members, even while paying inequitable wages to the female caregivers. In contrast, poor households can find themselves facing a double-bind. They can choose either to dedicate their available human resources to care of dependent members or mobilize their family assets, either through migration or by having their women enter the workforce (often under inadequate conditions) or by both(Sunkel, 2006). The evidence shows that, whichever strategy households employ, the accommodation usually involves economic and psychological costs for the women and girls concerned, or places the people who need care at risk of not receiving it, or both (Esplen, 2009).

Box V.4

THE TRANSNATIONALIZATION OF CARE

Demographic projections show that beginning in 2015, the European Union will record more deaths than births and that the economically active population will steadily shrink by between 1 million and 1.5 million persons per year (Aréchaga, 2008). Furthermore, age-related dependency will increase substantially, from its current rate of 25% to 54% in 2060 (Bazo, 2008). This growing demand by developed countries, for care and for an economically active population, is a factor that induces migration.

Although studies have focused mainly on migratory shifts from south to north, there have also been shifts among the countries in the south and, particularly, into those countries whose average incomes have turned them into major poles of attraction for migrant workers (Kofman and Raghuram, 2009). In both cases, many migrants take jobs in the service sectors of the destination countries, including domestic work and care for children and dependent older persons, which turns care into a transnational issue. In 2000, 53.9% of all Latin Americans living in Spain were working in this sector. Most often, these kinds of jobs are taken by women who travel to countries within the region, or even outside of the region, as part of a family strategy for improving their living conditions (ECLAC, 2006b).

Therefore, current international migrations affect supply and demand for care at all levels: individual, family and global. Often, the migrants are mothers who have to leave their children in the care of others in order to take these jobs abroad. To illustrate this point, 72% of all Nicaraguan women who were working in domestic jobs in Costa Rica in 2000 had children of their own. This number was even higher among Peruvian women working in Chile, 85% in 2002 (Cortés Castellanos, 2005). When migration separates potential caregivers from their older parents or still-dependent children, or both, the care those family members might otherwise receive is diminished. In the case of children, grandparents usually become the more permanent source of child-rearing once the mother has moved away.

Although family members who migrate can no longer provide daily care for their families, they usually remain in contact with them and send periodic remittances, which are critical economic contributions to the household. In Mexico, 20% of adult spouses living alone in 2003 received domestic or international remittances that accounted for 12.5% of their monthly income, while for older persons who live in their children's homes, remittances make up one-sixth of their income (López Ramírez, 2008). The countries of the region take in the largest amount of remittances in the world, over US$ 40 billion in 2004 (ECLAC/2006b).

The fact that migrant women usually reside in the homes where they work increases the amount of savings they can send as remittances. However, despite its benefits in this regard, the situation has the potential drawback that these jobs become full-time occupations, with an excessive workload (Rico, 2006).

The transnationalization of care can have a positive balance, both demographically and economically. It can benefit migrant caregivers themselves as well as their family members and those who receive care in the destination communities. However, there are also some attendant downsides. First, these migratory flows change the way caregiving is organized in the countries of origin, shifting the demand so that it places the burden of care onto those who are not well-prepared to provide proper care. Second, people who were already vulnerable can become more so as they migrate and fall victim to situations that are exploitative and that violate their rights. For these and other reasons, ECLAC has insisted on the need to develop protection measures for migrants on an international level (ECLAC, 2006b).

Source: I. Aréchaga, "Cómo afrontar el crecimiento de la población: el futuro demográfico en Europa", La Gaceta.es, 21 December 2008 [online] http://prensa.palabrasmayores.net/?p=516; M.T. Bazo, "España: envejecimiento poblacional, economía y bienestar", 2008 [online] http://prensa.palabrasmayores.net/?p=263; Economic Commission for Latin America and the Caribbean (ECLAC), *International Migration, Human Rights and Development in Latin America and the Caribbean* (LC/G.2303(SES. 31/11)), Santiago, Chile, March, 2006; P. Cortés Castellanos, "Mujeres migrantes de América Latina y el Caribe: derechos humanos, mitos y duras realidades", *Población y desarrollo series*, No. 61 (LC/L.2426-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), 2005; E. Kofman and P. Raghuram, "The implications of migration for gender and care regimes in the South", *Social Policy and Development Programme Paper*, No. 41, Geneva, United Nations Research Institute for Social Development (UNRISD), 2009; A. López Ramírez, "Migración, remesas y arreglos residenciales de los adultos mayores en México", *Estudios demográficos y urbanos*, vol. 23, No. 3 (69), Mexico City, El Colegio de México, 2008; M.N. Rico, "Las mujeres latinoamericanas en la migración internacional" [online] http://www.eclac.org/mujer/noticias/noticias/2/25802/NievesRico.pdf, 2006.

Therefore, the care options of some groups in society are closely tied to two factors: first, a position that is heavily dependent on external factors and, second, the availability of care infrastructure capable of serving those who need care while also facilitating the task of caregivers.

In light of this, a number of international organizations have warned that the social and economic implications of this issue will depend on each country's specific institutional arrangements; that is, on the capacity of public and private institutional systems to provide care services (OECD, 2000). This will affect not only how the welfare-providing responsibilities are shared by the State, the family, the market and the community, but also the gender and intergenerational compacts that currently determine the way care tasks are shared across genders and generations (Aguirre, 2007).

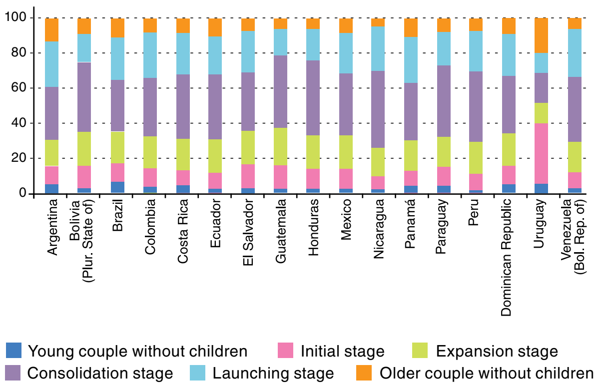
3. Maturation of the family life cycle and its impacts on the demand for care

The family life cycle has to do with the stages of development of a family. At each stage the composition of families changes, as do the tasks they must undertake. In response, families must diversify the way they organize themselves throughout the life cycle. (Huenchuan and Guzmán, 2007). Therefore, the family life cycle is a variable that allows individuals to be segmented according to the evolutionary stage of the family in which they live. Thus, for example, the profile of needs of family members and the options for responding to those needs are determined by the family life cycle. In this context, care is merely one of the tasks around which a family must organize itself.

The family is not a homogeneous structure with stable behaviour, but rather a highly complex relational organization in which two, three or more generations must adapt simultaneously to changes in the family life cycle. It is the very multigenerational nature of the system that ensures the continuity of the family, in fact more so even than its structure, which means that there is a diverse range of family levels and forms that shape the demand for care and, of course, the roles assigned to family members (Espin, 2009).

A regional perspective based on household surveys taken in 17 countries in about 2007 shows that over 50% of families were going through the consolidation and expansion stages of the family life cycle (see figure V.16). Those in the consolidation phase (18%) were made up of families whose oldest children were between 6 and 12, regardless of the age of the youngest child, and the second group of families (36%) had children between 13 and 18, or else, the difference between the oldest and youngest was between 12 and 15 years.

Figure V.16
LATIN AMERICA (SELECTED COUNTRIES): DISTRIBUTION OF FAMILIES ACCORDING TO STAGES IN THE FAMILY LIFE CYCLE, AROUND 2007
(Percentages)



Source: Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC, on the basis of special processing of household surveys conducted in the relevant countries.

Families have different care needs. Those families that are in the consolidation stage would face moderate demand for child care, given that they would have already passed the period when small children need the most care (under age 6); families in expansion would have already moved beyond the period of greatest demand for infant child care. It is also probable that most reconstituted families will find themselves in this stage of the family life cycle, given that the large age differences between the oldest and youngest children could be the result, in some cases, of new unions that have small children.

Along the cycle, there are also a large number of families (22%) that are at the launching stage of the cycle, in which the youngest children are aged 19 or older, some of whom are close to starting their own families. The parents of these launching-stage families face a new reality that involves not only age-related physiological changes, but also the adaptation to new roles as retirees, widow(er)s or grandparents, in addition to facing the support and assistance needs that will only become more intense as time goes by.

As can be observed, the greatest shift in the last decade is the gradual maturation of the family life cycle in which Latin American families find themselves. The launching stage and the older-couple-without-children stage were the only stages that increased between 1997 and 2007, and in every country, except for the Plurinational State of Bolivia and Uruguay, there was a decrease in the number of families in the initial stage. This is a direct effect of the ageing process, which is most evident at the household level where there is a considerable presence of older persons, regardless of a country's stage in demographic transition (Huenchuan, 2009).

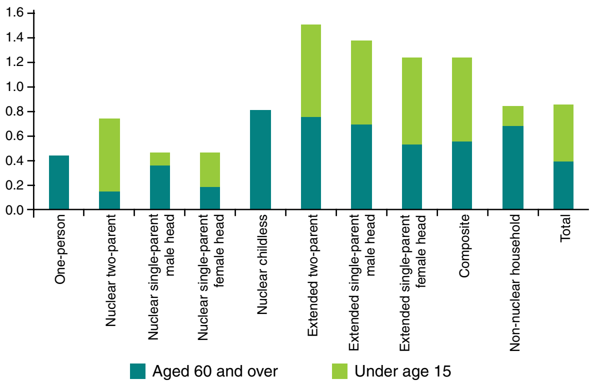
Thus, when care is analysed at the household level, the makeup of demand reflects the inherent shifts that occur along the family life cycle. Ageing will be the most pressing immediate issue, even more pressing than the issue of low fertility rates. It will also be the issue that most affects families and caregivers, both positively (through the intergenerational transfer of resources) and negatively (through the growing burden of care in the absence of institutional care options).

This trend may also be observed in households which have neither very old nor very young members. During 1997-2007, in 11 countries in the region, households without children remained unchanged and, as a type of family unit, did not increase their share. In contrast, households that had no older persons shrank by 6%, on average, which means that in the last decade the number of families with older members grew. In some countries, such as Bolivarian Republic of Venezuela, Brazil, Costa Rica, Dominican Republic, Ecuador and Mexico, this latter group grew by more than the regional average. The most extreme case is Brazil, which showed a 10% decrease in households without older persons and, therefore, in 2007 over half of the families had members aged 60 or over.

Likewise, studies that consider the average number of household members that are at the extremes of the age structure (under 15 years of age and aged 60 and over) reveal a significant presence of both age groups in all types of families. Older persons have the greatest preponderance among the childless nuclear group and the extended two-parent group (see figure V.17). The former category may reflect families of older persons whose children have formed their own households, while the extended families are those in which several generations live under the same roof, including grandchildren and grandparents. But even single-person households show some ageing in their composition, as can be seen in figure

V.17. Some of these may be older persons who have sufficient financial means to live alone, but others may be older persons who have no family and depend largely on external assistance.[4]

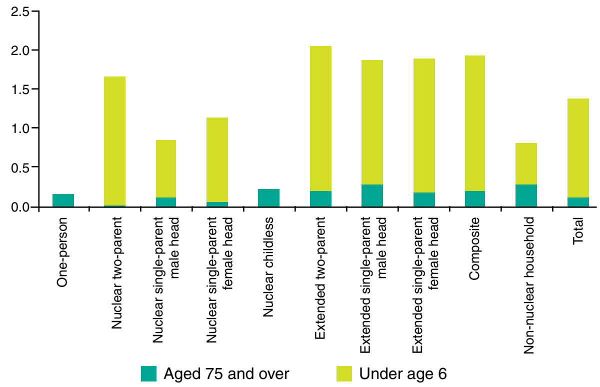
Figure V.17
LATIN AMERICA (17 COUNTRIES): AVERAGE NUMBER OF MEMBERS AGED 15 AND UNDER AND 60 AND OVER, BY FAMILY UNIT STRUCTURE, AROUND 2007 [a]



Source: Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC, on the basis of special processing of household surveys conducted in the relevant countries.
[a] Members with intensive care needs refer to those aged 75 and over and children aged under 6 years.

However, a more detailed look at the composition of households reveals that the family unit structures that currently face the heaviest demand for care are the extended families, in all their forms, and the composite families (see figure V.18). In all of these family unit forms, the average number of family members who would need intensive care is two per nuclear unit. This is a high figure considering the trend toward smaller families in Latin America, especially in those countries that are in the more advanced stages of demographic transition (Sunkel, 2006). Some of these family structures are the same ones that traditionally have been most affected by poverty. For example, in 2007, the majority of households in the first and second income quintiles were single-parent extended families with women as the head of the household, which could be the result of the reduced number of income producers and the lower average incomes earned by working women (Arriagada, 2007), who must meet the high burden of care in their own homes.

Figure V.18
LATIN AMERICA (17 COUNTRIES): AVERAGE NUMBER OF FAMILY MEMBERS WITH INTENSIVE CARE NEEDS, BY FAMILY UNIT STRUCTURE, AROUND 2007 [a]



Source: Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC, on the basis of special processing of household surveys conducted in the relevant countries.
[a] Members with intensive care needs refer to those aged 75 and over and children aged under 6 years.

In response to the limitations addressed in the previous chapter, families engage a varied set of economic, social and cultural resources to create new intergenerational, gender-based and kinship-based strategies to meet the challenges, burdens and opportunities of care (Castells, 1999). However, they do not always have the flexibility and autonomy they need to fully adapt to the demands placed on them by modern living standards and family obligations.

To compensate for this, the general and specific regulatory frameworks and social programmes that countries of the region have put in place for protecting children, older persons and persons with disabilities are increasingly shifting care risks towards the family. This means that care is being privatized, which increases the responsibility placed on families to provide for the wellbeing and care needs of their members. This increases the vulnerability of those who need care and those who provide it, given the unequal distribution of resources based on family or social backgrounds.

A new approach to social protection is needed in the area of care and its consequences, within a framework of comprehensive solidarity, in order to meet specific protection needs. In the case of children, this means reinforcement or replacement of the care given to those who cannot provide it for themselves; and in the case of older persons with age-related dependency, it means providing care as needed to promote individual autonomy. Thus, and as will be addressed in the next chapter, three principles are indispensable if advances are to be made in implementing reforms that make care a pillar of social protection: gender and socio-economic equality, the universality of policies and programmes and cross-generational solidarity.

---

4 In Argentina, the National Programme for Household Care, of the National Directorate for Older Adult Policy (DINAPAM), an agency of the National Secretariat for Childhood, Adolescence and the Family, of the Social Development Ministry, serves older persons that are highly vulnerable and in need of assistance. Half of the population served is over age 75 and are mostly widows living alone who have no social security or health coverage and suffer chronic illnesses or disabilities. Basic essential services provided include helping them lie down and get up, and dress and preparing and serving food (Roqué, 2009).

Chapter VI

Public policy and the care crisis in Latin America: alternatives and initiatives

A. Social protection, inequality and care needs: regulatory considerations [1]

Given the socio-demographic characteristics and social structure of the countries of the region, it is important to include care issues in the debate on social protection and its governing principles. Social protection must, first of all, provide greater equality of access to people in need of care, regardless of their resources. Second, services and benefits must be universal and needs-based. The third principle of social protection, as it relates to care, is intergenerational solidarity. All of these principles must be somehow enshrined in social protection systems, according to each country's particular risk profile, the role it assigns to family and policy, and the type of welfare regime in place.

Care involves many key dimensions of development, such as human rights, social protection, and gender and socio-economic equality. This multitude of factors and their extensive recognition in the literature and in international forums contrast with the scant attention given to the issue, until recently, by those who play a role in welfare provision. Public agendas in Latin America are only just beginning to explicitly consider care-related problems, though the situation varies from one country to another.

In addition to the relative newness of the issue —and partly as a result of it— it is often associated with more developed societies, where it has been a topic of discussion for some time. Previous sections of this report demonstrate

[1] In this section, the concept of care is the same as that adopted in the preceding chapter: attention given to people who are dependent by reason of age or as a result of specific disabilities that prevent them from being self-sufficient.

that certain demographic features and aspects of the social organization of care, and of unpaid work generally, are unique to the region and shape the problem of care as it relates to development economics.

Within the countries of the region, both the regulatory frameworks and the social programmes in place to protect children, older persons and dependants tend to place care risks disproportionately on the family. This exacerbates existing vulnerabilities and further skews the already unequal distribution of risks and responsibilities among different types of families, since some have more resources for dealing with internal dependency and care needs than others. This burden undermines not only the health of families, but also the sustainability of social protection systems and the efficiency of labour markets.

The challenge, within the context described in the preceding chapters, is how to ensure universal and equal access to care. Linked with this is the question of how to improve the quality of such assistance, guarantee its long-term sustainability —in terms of financing and human resources— and protect and support care providers (Sedmak and Parent, 2008). These issues are closely connected with solidarity and with social protection systems, inasmuch as care is an aspect of human life that also shows up social, economic and gender inequalities.

Where public institutions do not provide adequate protection, access to market-provided care is segmented by economic inequalities (ILO/UNDP, 2009). Social inequalities lead to disparities in accessing the support networks that maintain or improve material, physical and emotional well-being (Guzmán, Huenchuan and Montes de Oca, 2003). Lastly, gender inequalities are related to the excess care burden experienced by women and the sexual division of care work represents a barrier to the full empowerment of women and the development of society as a whole (Carbonero Gamundí, 2007).

A glance at the legal frameworks of the countries in the region reveals varying levels of progress.[2] Several countries have enacted constitutional provisions in this area, primarily through recent reforms (Ecuador and the Plurinational State of Bolivia), but the most conspicuous progress has been in specific laws to protect the rights of children and older persons (countries such as the Bolivarian Republic of Venezuela, Brazil and Costa Rica). These laws, which reflect a social-assistance perspective, are geared principally to people with few economic resources and provide limited services and coverage.

Under the social protection approach proposed by ECLAC (ECLAC, 2006a), regulations need to incorporate care as a right of the community, to be provided through services that maximize the autonomy and well-being of families and individuals, with the State taking direct responsibility. The public sector's response to this demand for care should be conceived as a logical extension of the State's role in providing public goods. This assumes that there are certain positive obligations between the people and groups that require assistance and those who will provide it. One of the biggest challenges is recognizing this role and incorporating it in public policy.

Such recognition must differentiate between the needs of older persons and those of children. The former must be guaranteed access to health-care services that help them maintain or regain an optimal level of physical, mental and emotional well-being, while at the same time preventing or slowing the onset of illnesses. They must also have access to social and legal services that ensure higher levels of autonomy, protection and care. Other requirements that Governments should cater for are access to appropriate forms of institutional care that offer protection, rehabilitation, and social and mental stimulus in a secure environment where human rights and fundamental freedoms are respected.

As regards care for children, the concern should be to provide protection that allows them to achieve a state of well-being and that promotes their integral development. Medical and rehabilitation services, with particular emphasis on primary and preventive health care, are essential for maintaining or restoring optimum health. Moreover, given children's particular needs, they should also have special protection and the assurance of care to substitute family care if necessary, without prejudice to their rights and with due attention to the need to promote their physical, mental and emotional well-being. [3]

As pointed out in chapter IV, in all societies, the responsibility of caring for family members still falls on women (a task for which they receive no pay), and special public-policy measures must be taken to protect them, so as to equalize the distribution of these tasks and remedy the imbalance, ensuring that the work burden is shouldered equally by men and women.

---

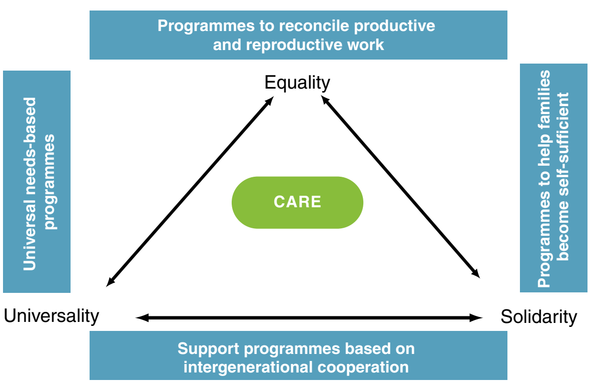
2 Section E of the present chapter examines legal advances in this area in greater detail.

3 See OHCHR/UNICEF (2004), Committee on the Rights of the Child (2007), IPU/UNICEF (2004).

It follows that the discussion of social protection must include care as a core concern, based on certain governing principles. Thus, public policy plans must take into account not only the individuals who need care —children, senior citizens and people with some form of dependency— but also those, particularly women, who attend to their needs and act as caregivers. Incorporating these dimensions would be a first step in building a social protection framework to properly meet the continuously expanding care needs of the future, when ongoing societal changes will make this task more difficult.

The care gaps in the social protection system become more problematic in light of the totality of factors discussed in the preceding chapters: changes in the age pyramid and their effects on the future risk profile; increasingly complex family structures; changes in employment and in the role of women; the rise in the number of people with disabilities that prevent them from living independent lives; and cultural changes. These factors highlight the importance of social protection regulations relating to care. In adopting care as a new pillar of social protection, there are at least three principles that should guide the reform (see diagram VI.1).

Diagram VI.1
GOVERNING PRINCIPLES FOR INCORPORATING CARE IN SOCIAL PROTECTION SYSTEMS



Source: Latin American and Caribbean Demographic Centre (CELADE) - Population Division of ECLAC.

Social protection must, first of all, provide greater equality of access to people of differing resource levels who need care, so as to remedy inequalities resulting from differences in social and family background. Gender inequality must also be addressed, with a more equitable distribution of care responsibilities among potential caregivers in the family. The gender-equality approach needs to be reflected at the policy level and promoted through special programmes, rather than reinforcing traditional caregiving roles. This means involving both men and women in support tasks and finding ways to enable them to reconcile family life with paid work (ECLAC, 2007a).

The second governing principle is that services should be universally available, and that there should be benefits for people in need of care and those who provide it. As proposed by ECLAC (2000), universality does not eliminate the need for selectivity, and it should not entail levels of protection that cannot be funded. The scope of programmes should be gradually broadened to serve, first and foremost, the needs of those who require assistance. In ensuring services to those most in need, the State must play a leading role as direct or indirect provider.

The third principle of social protection, as it relates to care, is intergenerational solidarity. Although, by design, the services are for those in urgent need in their daily lives, such solidarity indirectly provides security for everyone (Cotman, 2008). Care policies and programmes should consider all generations —their needs and expectations— to ensure that they participate fully in society, with integrated efforts that reach all age groups insofar as the society's capacity to support those in need depends on the prospects of its young people. The intermediate generation, which attends to the needs of both the youngest groups and older persons (Špidla, 2008), also merits attention. Thus, special policies should be implemented to provide better protection for all family members. One of the State's main tasks in this regard is to help people decide whether they wish to care for their dependent family members (children, older persons and dependent adults), and to offer them protection and support in doing so.

In addressing the care issue, the standards of equality, universality and solidarity must be brought to bear on social protection systems. These principles should be applied using appropriate measurements of the risk profile and taking into account the role of family and policy, and the type of welfare regime in place, as described in the following section.

B. Risk, the role of family and policy and welfare regimes: analytical considerations

A welfare regime consists of the link between State, market and family. When new risks emerge and the State does not respond appropriately, families, communities and markets can adapt and absorb the risks, or the burden of uncovered risks can fall disproportionately on certain social groups.

The traditional welfare regime in Latin America is premised on the model of the male breadwinner and the female homemaker caring for children and older persons. Both the empirical evidence and the normative principles seriously challenge this vision today. In other words, there is no way to resolve the care crisis without redistributing the burdens of paid work, unpaid work and care work. It is not enough to lobby for ways to reconcile the paid and unpaid work performed by women. What is needed is for the State and public policy to make simultaneous progress on various fronts.

The interplay between the State, markets and families constitutes a welfare regime (Esping Andersen, 1990, 1999). In this framework, the State and social policies are responsible for dealing collectively with social risk. Just as actions by the State influence the way risks and responsibilities associated with care are generated and distributed, so too changes in the family and in the market affect the mechanisms of social protection. When new risks emerge and the State does not respond appropriately, families, communities and markets can adapt and absorb the risks, or the burden of uncovered risks may fall disproportionately on certain social groups.

Certain conditions must be present in order for families, communities and markets to deal with this situation and absorb the risks. Families must have adult members with resources (including time), and there must be stability and intra-family cooperation. Communities must have basic forms of reciprocity and trust that allow them to establish dynamic forms of cooperation. Lastly, market agents must perceive some potential benefit from providing services to absorb the risk. Unless these conditions are present, the market, families or communities will not be in a position to find adaptation modalities to respond to the risks that the State has failed to address.

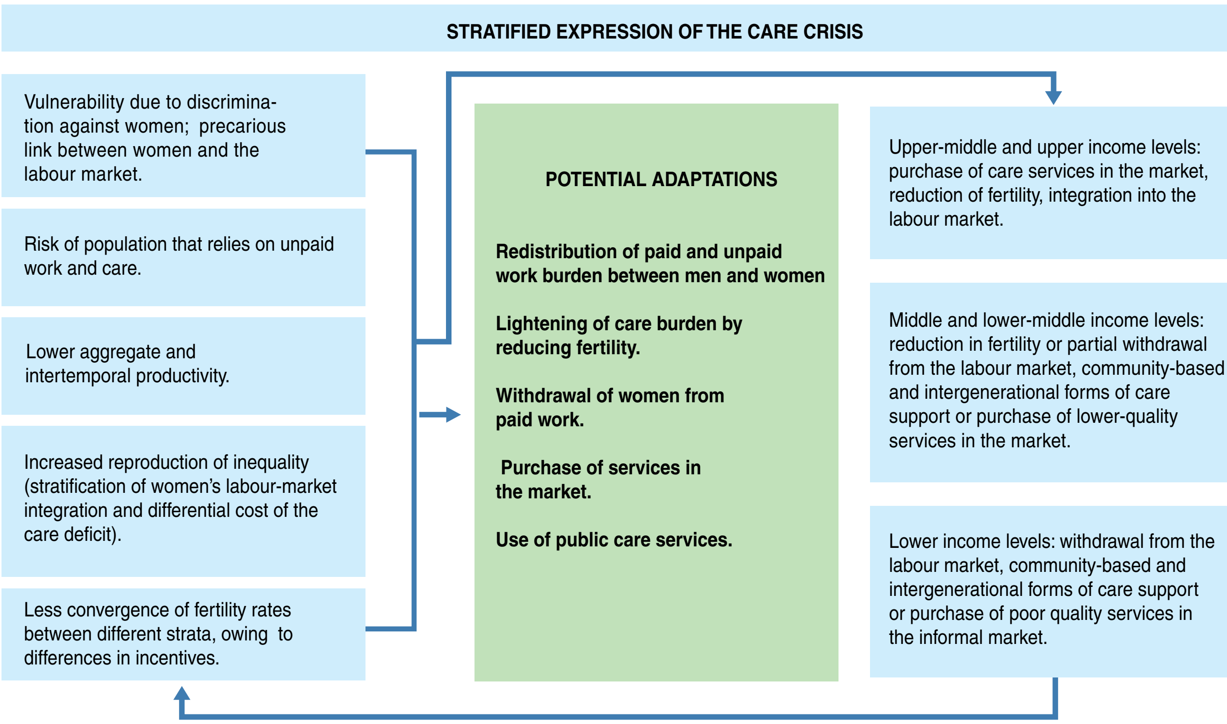
The traditional welfare regime in Latin America is premised on the model of the male breadwinner and the female homemaker caring for children and older persons. Both the empirical evidence and ethical considerations seriously challenge this vision today. Data presented in earlier chapters show that, in the last 30 years, this version of the family and of labour markets has largely receded. This is reflected in a greater number of households headed by women, a steady increase in divorces, higher unemployment and informality among the male population, and a marked rise in women's rates of participation and employment in the labour markets, which are increasingly informal and precarious.

All of this erodes the connection between social structure and social protection system. This is why caregiving, gender inequity and intergenerational solidarity, in combination, constitute such a key issue. As women enter the labour market, the population ages and family arrangements change, there is growing pressure on intergenerational and gender contracts. Given these dynamics, the State must answer key questions regarding the distribution of public functions and resources: Who bears the care burden? How do policies help to reconcile work and family? And, lastly, how should State services be modified to deal with these changes?

When welfare regimes encounter these problems, there are four types of possible responses: market-based care and protection solutions, State-operated care and protection arrangements, redistribution of the care and protection burden between men and women and between the different family generations, and collective non-State solutions (tertiary-sector and community-based measures). Within this complex layout of responses, however, those provided by the State (policies relating to the family and social protection) impact, in turn, on the solutions worked out by families, those sourced from the market and those crafted through community action. Government policies are not neutral in the way care and protection responsibilities are redistributed within the family or in the way they impact families' capacity to provide care and protection (see diagram VI.2).

Diagram VI.2

STRATIFICATION OF RISKS AND ADAPTIVE MEASURES TO DEAL WITH THE CARE CRISIS AND WITH THE DUAL BURDEN OF PAID AND UNPAID WORK THAT FALLS ON WOMEN



Source: Economic Commission for Latin America and the Caribbean (ECLAC).

In summary, the withdrawal of women in medium-low- and low-income sectors from the labour market, the drop in fertility (not by choice, but rather because having children is incompatible with formal work) in middle- and high-income sectors, and the availability of inexpensive but very low-quality services in low-income sectors, are not desirable options. Moreover, purchasing services in the market or using State services requires money: for out-of-pocket expenses in one case and for State investment in the other. Even more important, these options, and the frequency with which they are applied, are triggered by —and tend to reproduce— inequalities.

Latin America is slowly beginning to recognize these problems. The society and the State are increasingly grappling with questions such as: how to redistribute and reconcile the paid and unpaid work of men and women; how to help rather than hinder the integration of women in the formal labour market; how to redistribute the burden of unpaid work between men and women; what State actions can be taken to promote collective redistribution and to foster a change in the private sphere with regard to unpaid work; how to deal with the dual caregiving challenge posed by the presence of both children and older persons; and, lastly, how to construct an intergenerational contract that is gender-sensitive, sustainable and fair, and that will work to combat present and future exclusion and inequality.

It is not enough to lobby for ways to reconcile the paid and unpaid work performed by women. Policies must be devised for redistributing and combining paid and unpaid work burdens, on the basis of the role of the State, the market and families. If care provision is somehow to be combined with paid work, then the strategies adopted must factor in specific formulas to reconcile paid and unpaid work–not only work carried out by women but work performed by society in general. In other words, there is no way to resolve the care crisis without redistributing the burdens of paid work, unpaid work and care work. Some of this may be done within households, but it may also be done and promoted by the State, through regulation, taxation and the provision of social services.

International experience, above all in advanced countries with welfare States, shows that in order to move in this direction, the State and public policy have at their disposal an array of actions that can be used in a variety of combinations:

- Care services can be provided through preschool education, extended school days and care for older adults.
- The State can offer families money to offset the cost of social reproduction and to help them purchase services in the market. These measures will help offset the impoverishment and regressive social stratification associated with motherhood.
- Regulations can be implemented, material incentives can be offered, and cultural pressure can be exerted to encourage a new sexual division of labour within the household. This includes giving women control over reproduction and working intensively to combat domestic violence.
- The State can establish incentives and regulations to prevent gender discrimination in the labour market and to allow men and women to coordinate productive and reproductive demands in an appropriate manner.
- The State can implement incentives and regulations for employers, in order to reduce conflicts between paid and unpaid work (through flexible work hours, employer-run child care centres, and similar measures).
- The State can establish legal provisions recognizing different family types and arrangements, in order to strengthen the co-responsibility of men and women in unpaid, paid and care work.

C. Monetary transfers and the family: is there room for a new intergenerational contract that is gender-sensitive?

The countries of the region are faced with a critical dilemma: how to provide basic cash transfers to older adults, while at the same time increasing participation rates for women and investing in human capital for the new generations. Just now beginning to take hold in some countries is the idea that it can be fiscally prudent and socially desirable to establish a basic guarantee for older persons, while simultaneously limiting subsidies for more well-to-do retirees. The flip side of the intergenerational covenant is the willingness of the society to spend money to assist families, particularly women, in providing care, human capital and protection to children, the disabled and older persons.

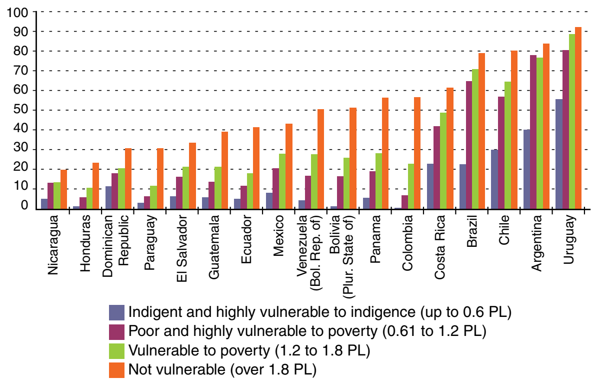
As the population ages, the generational focus of social spending will become an inescapable issue. Spending on social security, in the form of pensions and health care, may rise to the point of crowding out spending on services for the reproductive function of society, which involves women and children. This could happen without the associated spending being sufficient to cover older persons.

The countries of the region are facing a critical dilemma: how to provide basic cash transfers to older persons who can no longer work or find employment, while at the same time increasing female labour-market participation rates and investing in education, in order to ensure that future generations have access to enhanced well-being. Given the large proportion of women in older age groups who have not had working careers such as would have provided them with retirement benefits, pension systems should be designed that either recognize the fact that those performing unpaid work ultimately bear the cost of ensuring employment continuity and quality or decouple a large share of future pensions from their formal link with the labour market.

Figure VI.1

LATIN AMERICA (17 COUNTRIES): PERCENTAGE OF HOUSEHOLDS WITH ONE OR MORE MEMBERS 65 YEARS OF AGE OR OVER WHO RECEIVE A RETIREMENT BENEFIT OR PENSION, BY INCOME LEVEL

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

A strictly contributory system of benefits is unsustainable and exclusionary. It can lead to financing geared only to the small proportion of workers who in the past managed to hold stable jobs in the formal sector. It also means, in the long run, using public finances to underwrite the deficits produced by this type of contributory and stratified social security system. While privatizing social security, in the absence of State subsidies for these systems, solves the problem of the deficit and works to increase benefits for those who are actually covered, it deepens the exclusion of a large portion of future senior citizens (Mesa Lago, 2009).

The countries of Latin America have tried both contributory benefit systems and privately managed individual capitalization models, as well as combinations of these two options. The current debate over whether uniform non-contributory pension systems should be universal or targeted has become an established part of the agenda for the new century (Filgueira, Gutiérrez and Papadópulos, 2008; ECLAC, 2006a; Tanzi, 2009). This does not mean that such systems or instruments solve the problem of replacing the income of workers of economically active age. That is not their function. Their purpose is to guarantee a basic level of income in a way that is fiscally sustainable and that is fair to present and future generations.

In Argentina (at the provincial and national levels), Brazil, Chile, the Plurinational State of Bolivia and Uruguay, as well as in Mexico City, the Governments are coming around to the view that a basic guarantee for older persons can be fiscally prudent and socially desirable if, at the same time, subsidies for more well-to-do (generally male) retirees and pensioners are eliminated or curtailed.

The flip side of the intergenerational covenant is the willingness of the society to spend money to assist families, particularly women, in providing care, human capital and protection to children, the disabled and older persons. Latin American States traditionally assumed that men would receive that payment from the (formal) labour market, to be then redistributed in the family. At the same time, the State was there to step in if this family income was interrupted as the result of the death, illness or disability of the man. These assumptions meant that the woman had no independent income, making her —as it still does— dependent on the man, a situation made even worse by the fact that, in the event of a break-up in the relationship, the woman is almost always the one who assumes full responsibility for care of the children. As a result, control over the money ultimately goes to the person who does not carry the burden of responsibility for the dependents.

As discussed earlier, the economic costs, to a country, of biological and social reproduction fall disproportionately on the poorest sectors and on women generally. The evidence presented in the first three chapters of this report clearly points to the failure of policies to take into account vulnerability (of different types), which is particularly acute among women and is passed on from one generation to the next. Poverty is exacerbated by extremely unequal income distribution, which itself results from profound inequalities due to background, the low tax burden, the limited redistributive capacity of social States, and the labour markets, which perpetuate inequalities associated with differences in origin, class, gender and age.

Cash transfers and new systems of family allowances have brought to the public debate heightened concern about the State's role in establishing egalitarian conditions. They have also become an instrument of the social protection system. It is important, however, not to confuse the instrument with the system itself. Although these programmes have attracted a great deal of attention in technical, academic and public-opinion circles, they represent, in all cases, less than 1% of GDP and generally make up no more than 10% of social spending in Latin American countries (see chapter II).

Box VI.1

THE EQUITY PLAN IN URUGUAY AND ITS INTEGRAL APPROACH TO SOCIAL PROTECTION

In Uruguay, the National Social Emergency Plan (PANES) was designed and implemented in 2005 to address problems beyond those merely associated with unemployment. In addition to income for its citizens (monthly transfers to families meeting the eligibility requirements), PANES included other components, such as temporary employment (Work for Uruguay), education, nutrition and emergency services for people in critical need, and shelter for the homeless. The PANES programme adopted the language of law and inclusion, and served as a temporary programme until it was replaced, in 2007, by the Plan for Social Equity. This new plan was part of an effort to reform the system of family allowances, and secured and expanded coverage for former PANES beneficiaries (and will eventually cover 50% of the country's minors), with monetary transfers exceeding the previous family allowances. The plan was presented as a policy that more fully expressed universal social rights. It replaces PANES, but combines some of its social-assistance and short-term components with an effort to rebuild and modernize the social State.

The Plan for Social Equity includes measures that could significantly reduce inequality: a system of non-contributory family allowances, which covers 100% of families that live below the poverty line and have minor children; a substantial expansion of early education; extended benefits at the time of retirement; and a series of measures to improve the quality of education at all levels, including a major investment in primary education through the Plan Ceibal, which provides a laptop computer to all public-school children. The design of this plan is part of a strategy to expand and improve non-contributory social protection and make it universal, based on the notion that the care crisis, and the problems of ageing, must be solved proactively by investing in social integration and in the capacities of future generations.

Source: Economic Commission for Latin America and the Caribbean (ECLAC).

D. Services and families: collective strategies for redistributing the care burden

Historically, the State's role in care provision has not been universal in its focus, but rather has targeted population groups with specific characteristics. The rationale of the support provided through public schemes has tended to assume that caregivers, particularly women, are in the home and have time available. In recent years, there have been some advances, albeit isolated and limited in coverage, in expanding early education (children aged 0 to 5) and extending the school day. However, services for older persons are heavily biased towards welfare, and benefits depend more on the resources of these persons than on their needs.

Most public programmes for children and older persons are not universal and are intended for specific populations. For both these categories, care has two main focuses: first, physical health and the prevention of illness; and second, food and nutrition. For children, there is the added element of access to formal education and remaining in the school system, while for older people, strategies include preserving functional independence.

Short school days and the school system's exclusion of children under six years of age have always constituted a huge gap in State action and public policy. The underlying assumption was that there would be caregivers (primarily women) in the home, who were not engaged in the labour market and therefore had the time to take on the tasks of caring for the youngest children and for older children after school hours. This assumption failed to take account of real home situations: the asymmetrical gender roles and the need to reconcile women's paid and unpaid work.

Despite meaningful advances, childcare services are still isolated and limited in coverage. In most of the countries, the only facilities that offer extended school days and better-quality care are private ones, and these are accessible only to those families that can afford to pay, with all that this implies in terms of social segmentation. Moreover, rates of attendance at childcare and preschool-education programmes are higher in urban areas. This figures in the reproduction of inequality, in spite of the fact that, as shown by abundant empirical evidence at the international level, children from more disadvantaged social settings are the ones most in need of early education programmes (ILO/UNDP, 2009).

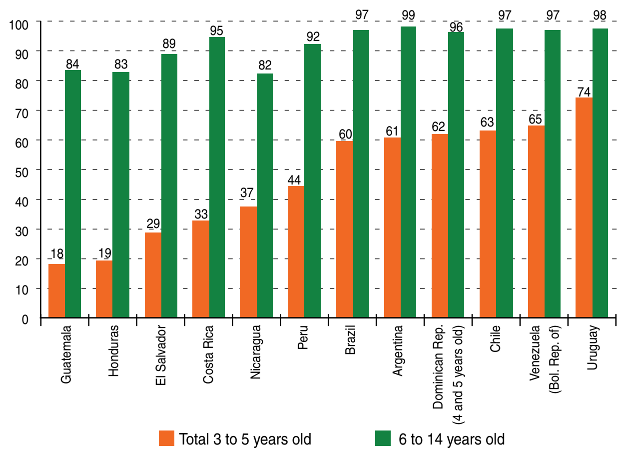
In recent years, policies to expand educational programmes have gained ground on the public agendas of several of the countries of the region. Costa Rica, Peru, Uruguay and the countries of the Caribbean have made major progress on preschool education (children 0 to 5 years of age). However, much remains to be done in establishing early childhood education as a basic element in redistributing burdens, responsibilities and well-being between women and men, and between different generations. As can be seen in figure VI.2, there is still insufficient preschool coverage: in countries with the broadest coverage, only two thirds of children in primary school have had preschool education (except for Uruguay, where the figure is 74%); in the remaining countries, the proportion varies between one fifth and less than half of the children in primary school.

Countries such as Chile, Colombia and Uruguay have made major efforts to extend the school day, at least in primary school (in the case of Chile, also in secondary school). For years, international research has demonstrated that a longer school day creates better conditions for learning. It also generates positive externalities for families by alleviating the concern for care (including meals) outside school, and makes it easier for mothers to participate in the labour market. Staying at school longer reduces the various types of external risks faced by children who otherwise spend hours in the street every day. A longer school day also enhances family life, providing better security and less reason for anxiety about the activities the children are engaged in (ECLAC, 2009b).

Figure VI.2

LATIN AMERICA (SELECTED COUNTRIES): COVERAGE OF CARE AND EDUCATION IN EARLY CHILDHOOD (AGES 3 TO 5), IN PRIMARY SCHOOL AND IN THE FIRST CYCLE OF SECONDARY EDUCATION (AGES 6 TO 14), AROUND 2007

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

Services for the youngest in society certainly deserve attention. However, as populations age, care services for older persons also become extremely important, given the realities and the projected shifts in the age pyramid described in the preceding chapter. Except for significant changes introduced by some countries as of the beginning of the 2000s, services for older persons are heavily biased towards welfare, and benefits depend more on the resources of older persons than on their needs. Programmes often rely on families and on the work of volunteers, leaving the provision of certain services, generally those for which resources are insufficient, to the informal market. Even in countries where there are Government institutions concerned with providing specific services —daycare centres, long-stay establishments and other types of care infrastructure— decentralization of services leads to major imbalances between different regions. Only a few countries have managed to expand supply and improve quality.

E. Regulations on gender equality, care work and reconciling professional and family life

Latin American labour regulations contain many examples of the dialectical relationship between egalitarian legislation and protective legislation; between affirmative action to improve the status of women and the incorporation of principles of equality in constitutional systems. In terms of legislation to help reconcile these conflicting responsibilities, regulations on care work (parental leave during the postnatal and breastfeeding periods, childcare centres and family allowances) primarily concern women who work in the formal sector, while they simultaneously perpetuate the assumption that adult men are not involved in caring for family members.

In Latin America, two different stages can be distinguished with regard to legislation on women's issues. The first coincides with the emergence of welfare States, with parallel developments in the social security systems in countries such as Argentina, Costa Rica and Uruguay. These countries enacted labour codes in the 1940s, and (with the exception of Costa Rica, whose labour code was passed in 1943) endorsed labour laws that recognized women as mothers. Chile's legislation is at an intermediate stage, although with respect to social security, it resembles the three countries mentioned above. The paradigmatic figure of the wage earner was that of the man, and the trickle-down effect tended to be the mechanism by which social security benefits eventually filtered through to the other family members. The typical work relationship, moreover, was that of the regular, full-time worker of economically active age, who rarely changed jobs. The second stage coincided with the emergence of labour regulations in Ecuador and El Salvador, enacted in the 1960s (Pautassi, 2007).

With the implementation of market policies in the 1990s (beginning with Chile's actions during the 1980s), several Latin American countries ended the era of protective regulation of work, and the State reduced its authority to intervene in the labour market. In tandem, however, with the application of neoliberal measures designed to boost flexibility in the labour market and while the vulnerability of workers was increasing, a series of affirmative actions were implemented to put women and men on an equal footing in the working world.

The initial policy proposals were pared down to legislation on equality of opportunity, education to combat sexist prejudices, expansion of support networks for women, and social programmes to provide benefits, in the form of transfers, to women in extreme poverty. While these policies helped increase total employment in the countries, it was at the cost of job quality, and there was no differentiation between various categories of the work force (for example, men, women, adolescents). Moreover, they failed to lead to a restructuring of mid-level institutions or macroeconomic policies to provide women full access to the labour market. Motherhood lost its status as a social function protected by the welfare State and became a disadvantage, since it made these women more "expensive" to employers (Pautassi, 2007).

Latin American labour regulations contain many examples of the dialectical relationship between egalitarian legislation and protective legislation; between affirmative actions for the benefit of women and the incorporation of principles of equality in constitutional systems. A clear consensus has yet to be reached on legislation aimed at reconciling paid and unpaid work since, although in principle such legislation promotes equality of opportunity between women and men, it ultimately tends to distribute rights and responsibilities in a gender-differentiated manner.

Women who work in the formal sector are the main targets of legislation relating to reconciling paid-work and care responsibilities and of entitlements in the area of care work (parental leave in the postnatal and breastfeeding periods, childcare centres and family allowances). At the same time, such regulations simultaneously perpetuate the assumption that adult men are not involved in caring for family members. In nearly all of the countries, there is insufficient recognition of men's role in caring for their children and scant encouragement for them to do so. This means that men's family and work responsibilities are not reconciled to put their caregiving responsibilities on a par with those of women.[4] Thus, not only is there limited recognition of the rights that would make it possible for men and women to adequately meet both their productive and reproductive responsibilities, but men are also given preference in hiring, since women "cost" the employer more. The labour legislation analysed here thus reinforces a model of responsibilities in which men are the providers of economic resources and women are the family caregivers (Pautassi, Faur and Gherardi, 2004).

Several Latin American countries have endorsed and incorporated in their constitutional laws the principle of equal treatment. As shown in table VI.1, some of these principles are specified in the labour codes; others have been expressed in initiatives aimed at mainstreaming gender issues in State institutions. Examples of this include: the Plan for equality for men and women in the working world, in Argentina; the Gender agenda (2006-2010) and Plan for equal opportunities for men and women (2000-2010), in Chile; the National policy for gender equality and equity (2007-2017), in Costa Rica; the constitutional priority accorded to women heads of household, in Colombia; the National plan for gender equity, in the Dominican Republic; and the National plan for equal opportunities and rights (2007-2011), in Uruguay (ECLAC, 2007a and Pautassi, 2007).

Notwithstanding the above provisions, it is vital to understand the relation between these labour-code principles and other special regulations, particularly given that nearly all of the countries have contradictory provisions: some that promote equality and others that perpetuate obstacles to gender equality.[5] In some cases this involves initiatives that may have no general legislative framework and that concern only a specific institutional level, or that limit the gender issue to a particular sector.

Maternity protection, with varying degrees of structure, has been a constant in the domestic legislation of the countries of the region. Traditionally, maternal protections have been in two areas: first, safeguarding the health of the pregnant worker and of the newborn; and second, guaranteeing the woman's job, during pregnancy and in the postnatal period, against any arbitrary actions on the part of the employer.

Protecting the period of pregnancy is accomplished through regulations on maternity leave, which is mandatory beginning at a specified point prior to the probable time of birth. Once the periods of gestation and birth have passed, the legal provisions are focused on making it easier for women to care for their newborns. Two interesting phenomena emerge in analysing the legislation. First, the measures deal mostly with the period of gestation, birth and breastfeeding, with few regulations regarding the care of the children in other stages of the life cycle. Second, the provisions are concerned almost exclusively with the rights of the women, in terms of their dual role as mothers and workers, and almost never address issues relating to men (Pautassi, Faur and Gherardi, 2004).

There are provisions for maternity leave in all of the Latin American countries, although there are differences from one country to another as to length, conditions under which it applies and sanctions for employers who violate relevant provisions.

One rule not present in all legislation analysed here is the one prohibiting the performance of work that could be harmful to the health of the woman or unborn baby. Safeguards for the health of the pregnant worker take into account not only physical working conditions, such as the handling of materials that are hazardous to health, but also structural factors such as the length of the work day, the pace of work, night work, physical positions that are uncomfortable or that could be harmful to the pregnancy, and other similar situations. Maternal protections require that the employer prevent harm to the woman, which can mean transferring the female worker to another job without reducing her pay, as specified in some of the legislation examined here (Marco, 2009). There are important exceptions to these protective rules in regulations regarding domestic service–one of the main categories of work for poor women in Latin America (Pautassi, Faur and Gherardi, 2004).

---

4 This is true even with regard to potentially comparable rights, such as parental leave and the availability of childcare in the workplace.

5 It would be interesting, at some point, to examine how national courts enforce egalitarian provisions, and how jurisprudence in this area has evolved. For an initial analysis, see Motta and Sáez (2008).

Table VI.1

LATIN AMERICA (5 COUNTRIES): NATIONAL EQUAL OPPORTUNITY PLANS

Country	Legislation		Regulations	National equal opportunity plans
Argentina	Plan for equal opportunity for men and women in the working world			
Chile	Labour Code	Art. 2	Non-discrimination as a general principle: “Acts of discrimination violate labour law principles”	Gender agenda (2006-2010)
		Art. 13	Empowers married women of all ages to have a job or profession	Plan for equality of opportunity (2000-2010)
	Law 19.591, of 1998	Reform of Labour Code	Bans labour discrimination on the basis of age or marital status and establishes sanctions on employers who have hiring requirements based on age or physical appearance	
	2006		Code of good labour practices (non-discrimination) for the State’s central Government	
Costa Rica	Labour Code	Art.1	Protective, anti-discrimination regulation for work performed by women and minors	National policy for gender equity and equality (2007-2017)
		Art. 87	Bans heavy work or work that is harmful to women’s health	
		Law 8.107 of 2001	All workers performing the same work are to enjoy the same rights, working hours and pay, with no discrimination whatsoever based on age, ethnicity, gender or religion	
	Law promoting social equality for women	Law 7.142 of 1990, Art. 39	Bans any distinction, exclusion or restriction, whether intentional or not, based on gender	
		Art. 41	No public sector job vacancy announcement may specify gender	
		Art. 46	Equal wages for men and women with the same qualifications	
	Plan of action for gender equity and equality	Decree 29.221, Ministry of Labour and Social Security	Promotes enactment of labour legislation to minimize work inequities between men and women	
	Presidential directive No. 10	2003	Authorizes the National Directorate and General Inspectorate of Labour to deal on a priority basis with any formality, advisory or investigation involving reports or cases of discrimination	
Dominican Republic	National gender equity plan			
Uruguay	Law 16.045 of 1989		Prohibits any discrimination that violates the principle of equal treatment and opportunity for men and women in any sector or type of work	National plan for equal opportunity and equal rights (2007-2011)
		Art. 3	Affirmative action aimed at promoting equal opportunity and treatment for men and women in specific situations where there is existing inequality. This does not constitute a violation of the prohibition referred to in article 1 of the law	
		Art. 6	The State, and particularly educational institutions, shall conduct educational and awareness-building campaigns on the problems affecting women workers	
	Regulatory decree of law 16.045	Art. 4	This article prohibits any restriction or condition on remaining in a post or job, as well as any discriminatory suspension or firing	

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of L. Pautassi, “El cuidado como cuestión social desde un enfoque de derechos”, *Mujer y desarrollo series*, No. 87 (LC/L.2800-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), 2007. United Nations publication, Sales No. S.07.II.G.133 and ECLAC, *El aporte de las mujeres a la igualdad en América Latina y el Caribe* (LC/L.2738(CRM.10/3)/Rev.1), Santiago, Chile, 2007.

Table VI.2
LATIN AMERICA (9 COUNTRIES): MATERNITY AND PATERNITY LEAVE IN NATIONAL LEGISLATION

Country	Maternity leave	Paternity leave	Specifications
Argentina	Seven and a half months prior to and after giving birth.		
Bolivia (Plurinational State of)	Maternity and paternity leave during pregnancy and up to one year after the birth.		Work-site treatment for the expectant mother, based on the stage of pregnancy, with no effect on wage level or work location.
Chile	During pregnancy and up to one year from the end of the postnatal period.	Paternity leave in the postnatal period if the mother has died.	Requesting proof of pregnancy is prohibited; provisions exist for changing jobs if the job is harmful to the health of the expectant mother.
Colombia	During pregnancy and for three months after the birth.		
Costa Rica	Until the end of the breastfeeding period.		Does not specify the length of the breastfeeding period.
Ecuador	Equivalent to one year.		
El Salvador	Until the end of the postnatal period.		
Uruguay	Until the end of the postnatal period, with no specification of the length of time.		
Venezuela (Bolivarian Republic of)	During pregnancy and up to one year after the birth, and during the year following adoption.	For the father, up to one year after the birth, whether he is the biological father or is the adoptive father of a child under three years of age.	Requesting proof of pregnancy is prohibited. (art. 381 of the law on equal opportunity); provisions exist for changing jobs if the job is harmful to the health of the expectant mother

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of F. Marco, "Legislación comparada en materia de familias. Los casos de cinco países de América Latina", *Políticas sociales series*, No. 149 (LC/L.3102-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), 2009. United Nations publication, Sales No. S.09.II.G.84; L. Pautassi, "El cuidado como cuestión social desde un enfoque de derechos", *Mujer y desarrollo series*, No. 87 (LC/L.2800-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), 2007. United Nations publication, Sales No. S.07.II.G.133; and national legislation.

F. New forms of the family: between denial and recognition

It is important, when considering care and gender co-responsibility, to consider the question of what constitutes a family and which existing family forms deserve recognition and legal and social protection. The disconnect between reality and "model" works against any solution to the care crisis, since it ignores or dismisses the various existing forms of family, in which human beings unite to pool their resources and meet their needs, insisting instead on a single (ideal) model.

None of the possible responses presented above addresses the question, "What is a family, and what types of family forms deserve social protection and legal recognition?" This issue is particularly important when studying the care economy and co-responsibility of men and women.

Households are the units in which dependents are cared for and in which adults perform unpaid work caring for others. The family or families that make up those households are varied, and are not limited to the traditional model of married father and mother, with the man being the breadwinner and the mother the housewife. Single-parent households, composite families, single-sex couples, multigenerational households, two-parent consensual-union households with two income earners, and other highly diverse forms, make up part of the actual landscape in which adults care for children, older persons, and adults unable to care for themselves. These caregivers work without pay for the sake of the well-being of all family members. In many countries, however, the legislation does not afford these various arrangements the same rights, protections and mutual responsibilities, thereby weakening a large proportion of families and placing them in precarious circumstances. These forms have expanded and will continue to expand. This is not because by doing so, families benefit from a protective law; on the contrary, many families have grown under conditions in which they have been culturally, legally and materially excluded. The disconnect between reality and model works against any solution to the care crisis, since it ignores or dismisses the various existing forms of family, in which human beings unite to pool their resources and meet their needs, insisting instead on a single (ideal) model.

Gaps in the law and in actual protection are not only a burden on families, but also a problem in cases of dissolution of the relationship. The separation or divorce of couples with children, so widespread in the region, is governed by outdated laws, and no proper oversight exists to ensure that the adults in question provide material support for their offspring. Adults should be held responsible for their children or dependents after the separation, irrespective of whether the children were the product of a consensual union, an adoption or a formal marriage. Another lacuna in the system concerns the situation of children born in a single-parent household. In short, there needs to be full recognition of the various existing forms of family.

Bibliography

Acosta, Olga Lucía and Juan Carlos Ramírez (2004), "Las redes de protección social: modelo incompleto", *Financiamiento del desarrollo series*, No. 141 (LC/L.2067-P), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No.S.04.II.G.10.

Adato, M. (2000), *El impacto de Progresa sobre las relaciones sociales en la comunidad*, Washington, D.C., International Food Policy Research Institute (IFPRI) [online] http://www.ifpri.org/sites/default/files/publications/adato_comunidad.pdf.

Afonso, José Roberto (2007), "Descentralização fiscal, políticas sociais, e transferência de renda no Brasil", *Gestión pública series*, No. 63 (LC/L.2669-P), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No.P.07.II.G.20.

Aguirre, Rosario (2005), *Uso del tiempo y trabajo no remunerado*, Montevideo, United Nations Development Fund for Women (UNIFEM)/Universidad de la República.

___ (2007), "Los cuidados familiares como problema público y objeto de políticas", *Familias y políticas públicas en América Latina: una historia de desencuentros*, Libros de la CEPAL, No. 96 (LC/G.2345-P), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No.S.07.II.G.97.

Albala, Cecilia and others (2007), *Situación de los cuidadores domiciliarios de los adultos mayores dependientes con pensión asistencial. Informe final*, Santiago, Chile, Institute of Nutrition and Food Technology (INTA)/Universidad de Chile.

Andrenacci, L. and F. Repetto (2006), "Universalismo, ciudadanía y Estado en la política social latinoamericana" [online] http://www.rau.edu.uy/fcs/dts/Politicassociales/Andrenacci_Repetto.pdf.

Aréchaga, I. (2008), "Cómo afrontar el crecimiento de la población: el futuro demográfico en Europa", *La Gaceta.es* [online] http://prensa.palabrasmayores.net/?p=516, 21 December.

Arim, R., G. Cruces and A. Vigorito (2009), "Programas sociales y transferencias de ingresos en Uruguay: los beneficios no contributivos y las alternativas para su extensión", *Políticas sociales series*, No. 146 (LC/L.3002-P/E), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.09.II.G.10.

Arriagada, Irma (comp.) (2007), "Familias y políticas públicas en América Latina: una historia de desencuentros", *Libros de la CEPAL*, No. 96 (LC/G.2345-P), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.07.II.G.97.

___ (ed.) (2005), "Aprender de la experiencia. El capital social en la superación de la pobreza", *Libros de la CEPAL*, No. 85 (LC/G.2275-P), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No.S.05.II.G.93.

Arriagada, Irma and Charlotte Mathivet (2007), "Los programas de alivio a la pobreza Puente y Oportunidades. Una mirada desde los actores", *Políticas sociales series*, No. 134 (LC/L.2740-P/E), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.07.II.G.86.

Bárcena, A. (2009), "Speech in remembrance of the International Women's Day", Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC) [online] http://www.cepal.org/prensa/noticias/discursossecretaria/3/35433/palabrasdiamujer.pdf, 10 March 2009.

Barker, David (1998), *Mothers, Babies and Health in Later Life*, London, Churchill Livingstone.

Bastagli, F. (2008), "Conditionality in public policy targeted to the poor: promoting resilience?", *Social Policy & Society*, vol. 8, No. 1.

Batthyány, Karina (2004), *Cuidado infantil y trabajo: ¿un desafío exclusivamente femenino?; una mirada desde el género y la ciudadanía social*, Montevideo, Inter-American Research and Documentation Centre on Vocational Training/International Labour Organization (CINTERFOR/ILO).

Bazo, M.T. (2008), "España: envejecimiento poblacional, economía y bienestar" [online] http://prensa.palabrasmayores.net/?p=263.

Bercovich, A. (2005), "Armonización de estadísticas de discapacidad", presentation at the third meeting "Estadísticas de discapacidad en el Cono Sur", Buenos Aires, 10-11 May.

Bertranou, Fabio (2004), "Seguros de desempleo en América Latina", document presented at the Seminar on the consolidation and challenges of the unemployment insurance in Chile, Santiago, Chile, 30 September.

Blau, Peter (1977), "A macrosociological theory of social structure", *The American Journal of Sociology,* vol. 83, No. 1.

Bobo, Lawrence (1991), "Social responsibility, individualism, and redistributive policies", *Sociological Forum*, vol. 6, No. 1.

Bowler, Shaun and Todd Donovan (1995), "Popular responsiveness to taxation", *Political Research Quarterly*, vol. 48, No. 1.

Bravo, D., D. Contreras and J. Ruiz-Tagle (2009), *Evaluación de impacto de Chile Solidario para la primera cohorte de participantes*, Santiago, Chile, United Nations Development Programme (UNDP).

Bucheli, Marisa, Alvaro Forteza and Ianina Rossi (2006), "Seguridad social y género en Uruguay: un análisis de las diferencias de acceso a la jubilación", *Documento de trabajo,* No. 04/06, Montevideo, Department of Economics, Universidad de la República.

Caldés, N., D. Coady and J.A. Maluccio (2006), "The cost of poverty alleviation transfer programs: a comparative analysis of three programs in Latin America", *World Development*, vol. 34, No. 5.

Carbonero Gamundí, María Antonia (2007), "Intersecciones de género, clase y poder: políticas y prácticas de cuidado en la Unión Europea", *Entre familia y trabajo. Relaciones, conflictos y políticas de género en Europa y América Latina*, María Antonia Carbonero Gamundí and Silvia León (comps.), Rosario, Homo Sapiens.

Carrasco, Cristina (2003a), "Los tiempos de trabajo: entre la casa y el mercado. Nuevas aproximaciones de análisis de resultados", document presented at the Meeting of Experts on Time–Use Surveys, Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), 11–12 December.

___ (2003b), La sostenibilidad de la vida humana: ¿un asunto de mujeres?, *Mujeres y trabajo: cambios impostergables*, Magdalena T. León (comp.), Porto Alegre, Net of Women Transforming Economics (REMTE)/World March of Women (WMW)/Latin American Social Sciences Council (CLACSO)/Latin American Information Agency (ALAI).

___ (ed.) (1999), *Mujeres y economía. Nuevas perspectivas para viejos y nuevos problemas*, Barcelona, Icaria/Antrazyt.

Casado, David and Guillén López (2001), "Vejez, dependencia y cuidados de larga duración. Situación actual y perspectivas de futuro", *Estudios sociales*, No. 6, Barcelona, Fundación La Caixa.

Castells, Manuel (1999), *La era de la información. Economía, sociedad y cultura. El poder de la identidad*, vol. 2, Mexico City, Siglo XXI.

Castiñeira, B.R., L.C. Nunes and P. Rungo (2009), "Impacto de los programas de transferencia condicionada de renta sobre el estado de salud: el programa Bolsa familia de Brasil", *Revista española de salud pública 2009*, No. 83.

Castro Martín, Teresa and others (2008), "Matrimonio vs. unión consensual en Latinoamérica: contraste desde una perspectiva de género", document presented at the third Congress of Latin American Population Association (ALAP), Córdoba, 24-26 September.

Cecchini, Simone and Andras Uthoff (2007), "Reducción de la pobreza, tendencias demográficas, familias y mercado de trabajo en América Latina", *Políticas sociales series*, No. 136 (LC/L.2775-P), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.OX.II.G.110.

Cecchini, Simone and others (2009), "Desafíos de los programas de transferencias con corresponsabilidad: los casos de Guatemala, Honduras y Nicaragua", *Project documents*, No. 248 (LC/W.248), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC).

Cerruti, Marcela and Georgina Binstock (2009), "Familias latinoamericanas en transformación desafíos y demandas para la acción pública", *Políticas sociales series*, No. 147 (LC/L.3100-P), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.09.II.G.82.

Cetrángolo, Oscar and Juan Gómez Sabaini (2007), "La tributación directa en América Latina y los desafíos a la imposición sobre la renta", *Macroeconomía del desarrollo series*, No. 60 (LC/L.2838-P), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No.S.07.II.G.159.

Chackiel, Juan (2004), "La dinámica demográfica en América Latina", *Población y desarrollo series*, No. 52 (LC/L.2127-P), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No.S.04.II.G.55.

Cohen, E. and P. Villatoro (2006), "Chile: Puente-Chile Solidario", *Transferencias con corresponsabilidad. Una mirada latinoamericana*, E. Cohen and R. Franco (comps.), Mexico City, Latin American Faculty of Social Sciences (FLACSO)/Secretariat of Social Development (SEDESOL).

Cohen, E. and R. Franco (comps.) (2006a), *Transferencias con corresponsabilidad. Una mirada latinoamericana*, Mexico City, Latin American Faculty of Social Sciences (FLACSO)/Secretariat of Social Development (SEDESOL).

___ (2006b), "Los programas de transferencias con corresponsabilidad en América Latina. Similitudes y diferencias", *Transferencias con corresponsabilidad. Una mirada latinoamericana*, E. Cohen and R. Franco (comps.), Mexico City, Latin American Faculty of Social Sciences (FLACSO)/Secretariat of Social Development (SEDESOL).

Cohen, E., R. Franco and P. Villatoro (2006), "México: El programa de desarrollo humano Oportunidades" *Transferencias con corresponsabilidad. Una mirada latinoamericana*, E. Cohen and R. Franco (comps.), Mexico City, Latin American Faculty of Social Sciences (FLACSO)/Secretariat of Social Development (SEDESOL).

Collom, E. (2001), "Social inequality and the politics of production: identifying potential supporters of economic democracy", *Sociological Forum*, vol. 16, No. 3.

Committee on the Rights of the Child (2007), *Políticas públicas y derechos humanos del niño. Observaciones generales*, Montevideo.

Cortés Castellanos, Patricia (2005), "Mujeres migrantes de América Latina y el Caribe: derechos humanos, mitos y duras realidades", *Población y desarrollo series*, No. 61 (LC/L.2426-P), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No.S.05.II.G.173.

Cotman, Marjeta (2008), "Message from Marjeta Cotman, Minister of Labour, Family and Social Affairs Slovenia", document presented at the Conference on Intergenerational Solidarity for Cohesive and Sustainable Societies, Brdo, Slovenia, 27-29 April.

Crompton, Rosemary and Clare Lyonette (2007), "Balance' empleo-vida en Europa", *Entre familia y trabajo. Relaciones, conflictos y políticas de género en Europa y América Latina*, María Antonia Carbonero Gamundí and Silvia León (comps.), Rosario, Homo Sapiens.

Cruces, G., N. Epele and L. Guardia (2008), "Los programas sociales y los objetivos de desarrollo del Milenio en Argentina", *Políticas sociales series*, No. 142 (LC/L.2889-P), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.08.II.G.26.

Cury, S., E.M. Coelho and E. Pedrozo (2007), *The Impacts of Income Transfer Programs on Income Distribution and Poverty in Brazil: An Integrated Microsimulation and Computable General Equilibrium Analysis* [online] https://www.gtap.agecon.purdue.edu/resources/res_display.asp?RecordID=3098.

Datt, Gaurav and Martin Ravallion (1992), "Growth and redistribution components of changes in poverty measures", *Journal of Development Economics*, vol. 38, No.2.

Delgadillo, Maritza (2007), "Desigualdades sociodemográficas en Nicaragua: tendencias, relevancia y políticas pertinentes", *Población y desarrollo series*, No. 77 (LC/L.2794-P), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.07.II.G.129.

Díaz-Cayeros, Alejandro and Beatriz Magaloni (2003), "The politics of public spending" [online] http://www-wds.worldbank.org/external/default/WDSContentServer/IW3P/IB/2004/02/27/000265513_20040227170144/additional/310436360_20050276024342.pdf.

Draibe, Sonia M. and Manuel Riesco (2009), *El estado de bienestar social en América Latina: una nueva estrategia de desarrollo*, Madrid, Research Centre on Latin-American Studies and International Cooperation (CeALCI), Carolina Foundation.

Drake, Michael (1994), *Time, Family and Community. Perspectives on Family and Community History*, Oxford, Blackwell Publishers.

ECLAC (Economic Commission for Latin America and the Caribbean) (2009a), The reactions of the Governments of the Americas to the international crisis: an overview of policy measures up to 30 September 2009 (LC/L.3025/Rev.5), Santiago, Chile, October.

___ (2009b), *Social Panorama of Latin America, 2008* (LC/G.2402-P), Santiago, Chile, March 2009. United Nations publication, Sales No. E.08.II.G.89.

___ (2009c), *Economic Survey of Latin America and the Caribbean, 2008-2009* (LC/G.2410-P), Santiago, Chile, July. United Nations publication, Sales No.E.09.II.G2.

___ (2009d), "Percepciones de equidad: juntando las tablas", Santiago, Chile, unpublished.

___ (2008), *Social Panorama of Latin America, 2007* (LC/G.2351-P), Santiago, Chile. United Nations publication, Sales No. E.07.II.G.124.

___ (2007a), *Women's Contribution to Equality in Latin America and the Caribbean* (LC/L.2738(CRM.10/3)), Santiago, Chile.

___ (2007b), *Social Panorama of Latin America, 2006* (LC/G.2326-P), Santiago, Chile. United Nations publication, Sales No. E.06.II.G.133.

___ (2007c), *Millennium Development Goals 2006: A Look at Gender Equality and Empowerment of Women in Latin America and the Caribbean* (LC/G.2352), Santiago, Chile.

___ (2007d), Quito Consensus (DSC/1), tenth session of the Regional Conference on Women in Latin America and the Caribbean, 9 August.

___ (2006a), *Shaping the Future of Social Protection: Access, Financing and Solidarity* (LC/G.2294(SES.31/3)), Santiago, Chile.

___ (2006b), *International Migration, Human Rights and Development in Latin America and the Caribbean* (LC/G.2303(SES. 31/11)), Santiago, Chile, March.

___ (2006c), *Social Panorama of Latin America, 2005* (LC/G.2288-P), Santiago, Chile. United Nations publication, Sales No. E.05.II.G.161.

___ (2004), *Social Panorama of Latin America, 2004* (LC/L.2220-P), Santiago, Chile. United Nations publication, Sales No. E.04.II.G.148.

___ (2000), *Equity, Development and Citizenship* (LC/G.2071/Rev.1-P), Santiago, Chile. United Nations publication, Sales No.S.00.II.G.81.

ECLAC/CELADE (Economic Comission for Latin America and the Caribbean/Latin American and Caribbean Demographic Centre - Population Division of ECLAC) (2008), *Demographic change and its influence on development in Latin America and the Caribbean* (LC/G.2378(SES.32/14)), Santiago, Chile, June.

___ (2007), "Population estimates and projections for Latin America and the Caribbean" [online] http://www.eclac.cl/celade/proyecciones/basedatos_BD.htm.

___ (2006a), "Manual sobre indicadores de calidad de vida en la vejez", *Project documents*, No. 113 (LC/W.113), Santiago, Chile.

___ (2006b), *Demographic Observatory*, No. 2 (LC/G.2337-P), Santiago, Chile. United Nations publication, Sales No. E/S.07.II.G.28.

___ (2004), "Latin America and Caribbean: population estimates and projections, 1950–2050", *Demographic Bulletin*, No. 73 (LC/G.2225-P), Santiago, Chile, January. United Nations publication, Sales No. E/S.03.II.G.209.

ECLAC/ILO (Economic Commission for Latin America and the Caribbean/International Labour Organization) (2009), "Crisis in the labour markets and countercyclical responses", *ECLAC/ILO Bulletin The employment situation in Latin America and the Caribbean*, No. 2, Santiago, Chile, September.

ECLAC/OEI (Economic Comission for Latin America and the Caribbean/Organization of Ibero-American States for Education, Science and Culture) (2009), *Metas educativas 2021: estudio de costo*, Santiago, Chile.

ECLAC/UNICEF (Economic Commission for Latin America and the Caribbean/United Nations Children's Fund) (2009a), "The invisible face of child labour in Latin America and the Caribbean", *Cahllenges*, No. 8, Santiago, Chile, January.

___ (2009b), "Pobreza infantil, desigualdad y ciudadanía. Informe final. Iniciativa ECLAC/UNICEF en América Latina y el Caribe", unpublished.

Espín, Ana Margarita (2009), "Familia y vejez", *Infomed*, No. 422 [online] http://www.mujeres.cubaweb.cu/articulo.asp?a=2009&num=422&art=24.

Esping-Andersen, Gøsta (1999), *Social Foundations of Postindustrial Economies*, New York, Oxford University Press.

___ (1990), *The Three Worlds of Welfare Capitalism*, Princeton, Princeton University Press.

Esping-Andersen, G. and others (2002), *Why We Need a New Welfare State*, New York, Oxford.

Esplen, Emily (2009), *Gender and Care. Overview Report*, Brighton, Institute of Development Studies, University of Sussex/Bridge Publications.

European Union (2008), *General Report on the Activities of the European Union, 2007*, Brussels.

Evans, Geoffrey (1997), "Political ideology and popular beliefs about class and opportunity: evidence from a survey experiment", *The British Journal of Sociology*, vol. 48, No. 3.

Feeney, Griffith and Andrew Mason (2002), "Population in East Asia", *Population Change and Economic Development in East Asia: Challenges Met, Opportunities Seized*, Andrew Mason (ed.), Stanford University Press.

Feres, Juan Carlos and Carlos Vergara (2007), "Hacia un sistema de indicadores de cohesión social en America Latina. Avance de proyecto", *Cohesión social en América Latina: una revisión perentoria de algunas de sus dimensiones*, Project documents, No. 120 (LC/W.120), Ana Sojo and Andras Uthoff (eds.), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC).

Filgueira, Carlos (1996), *Sobre revoluciones ocultas: la familia en el Uruguay*, Montevideo, Economic Comission for Latin America and the Caribbean (ECLAC), ECLAC office in Montevideo.

Filgueira, Fernando (2007), "Cohesión, riesgo y arquitectura de protección social en América Latina", *Políticas sociales series*, No. 135 (LC/L.2752-P), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No.S.07.II.G.89.

Filgueira, Fernando and Carlos Filgueira (2002), "Models of welfare and models of capitalism: the limits of transferability", *Welfare Regimes and State Reform in Developing Countries*, Evelyne Huber (ed.), Penn University Press.

Filgueira, F., M. Gutiérrez and J. Papadópulos (2008), *The Coming of Age of a Mature Welfare Regime and the Challenge of Care: Labor Market Transformations, Second Demographic Transition and the Future of Social Protection in Uruguay*, Geneva, United Nations Research Institute for Social Development (UNRISD).

Filgueira, F. and others (2006), "Universalismo básico: una alternativa posible y necesaria para mejorar las condiciones de vida en América Latina", *Documentos de trabajo del INDES*, No. I-57, Inter-American Development Bank (IDB), April.

___ (2005), "Estructura de riesgo y arquitectura de protección social en el Uruguay actual. Crónica de un divorcio anunciado", *Dilemas sociales y alternativas distributivas en el Uruguay. Revista PRISMA*, No. 21, Montevideo.

Fisher, Berenice and Joan Tronto (1990), "Toward a feminist theory of caring", *Circles of Care,* E. Abel and M. Nelson (eds.), Albany, New York, Sunny Press.

Fiszbein, A. and N. Schady (2009), *Conditional Cash Transfers: Reducing Present and Future Poverty*, Washington, D.C., World Bank.

Folbre, N. (2006), *Beyond the Market: Accounting for Care*, Sydney, International Association for Feminist Economics (IAFFE).

FONADIS/INE (National Fund for Disability/National Institute of Statistics) (2004), *Primer estudio nacional de la discapacidad en Chile*, Santiago, Chile.

Foster, James, Joel Greer and Erik Thorbecke (1984), "A class of decomposable poverty measures", *Econometrica*, vol. 52.

Galasso, E. and M. Ravallion (2004), "Social protection in a crisis: Argentina's Plan jefes y jefas", *Policy Research Working Paper*, No. WPS 3165, Washington, D.C., World Bank.

Giménez, Daniel (2003), "Género, previsión social y ciudadanía social en América Latina", *Mujer y desarrollo series*, No. 46 (LC/L.1937-P/E), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), 2003). United Nations publication, Sales No. S.03.II.G.96.

Godoy, L. (2004), "Programas de renta mínima vinculada a la educación: las becas escolares en Brasil", *Políticas sociales series*, No. 99 (LC/L.2217-P), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No.S.04.II.G.137.

González de la Rocha, M. (2008), "Programas de transferencias condicionadas. Sugerencias para mejorar su operación e impacto", *Futuro de las familias y desafíos para las políticas*, Seminarios y conferencias series, No. 52 (LC/L.2888-P), I. Arriagada (ed.), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No.S.08.II.G.25.

Gordon, David and others (2003), *Child Poverty in the Developing World*, The Policy Press.

Grosh, M. and others (2008), *For Protection and Promotion: The Design and Implementation of Effective Safety Nets*, Washington, D.C., World Bank.

Gruenberg, C. and V. Pereyra Iraola (2009), "El clientelismo en la gestión de programas sociales contra la pobreza", *Documento de análisis de políticas públicas*, No. 60, Buenos Aires, Center for the Implementation of Public Policies Promoting Equity and Growth (CIPPEC), January.

Guerreiro Osorio, R. (2008), "The recent impact of government transfers on poverty in Honduras and alternatives to enhance their effects", *Working Paper*, No. 47, Brasilia, International Poverty Centre (IPC), August.

Gutiérrez, Andrea (2009), *Movilidad y acceso: embarazo y salud pública en la periferia de Buenos Aires*, document presented at the fifteenth Latin American congress on urban public transport (CLATPU), Buenos Aires, 31 March - 3 April.

Guzmán, José Miguel, Sandra Huenchuan and Verónica Montes de Oca (2003), "Redes de apoyo social de las personas mayores. Marco conceptual", *Notas de población*, No. 77 (LC/G.2213-P), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No.S.03.II.G.171.

Guzmán, Virginia (2003), "Gobernabilidad democrática y género, una articulación posible", *Mujer y* *desarrollo series*, No. 48 (LC/L.1962-P), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC), October. United Nations publication, Sales No. S.03.II.G.119.Habermas, Jürgen (1976), *Legitimation Crisis*, London, Heinemann Educational Books.

Hailu, D. and F. Veras Soares (2008), "Cash transfers in Africa and Latin America: an overview", *Cash Transfers. Lessons from Africa and Latin America*, Poverty in Focus, No. 15, D. Hailu and Fábio Veras Soares (eds.), Brasilia, International Poverty Centre (IPC), August.

Hale, Charles R. (1997), "Cultural politics of identity in Latin America", *Annual Review of Anthropology*, vol. 26.

Hall, G. and H.A. Patrinos (eds.) (2006), *Indigenous Peoples, Poverty and Human Development in Latin America: 1994–2004*, New York, Palgrave Macmillan Basingstoke.

Harwood, Rowan, Avan Aihie Sayer and Miriam Hirschfeld (2004), "Current and future worldwide prevalence of dependency, its relationship to total population, and dependency ratios", *Bulletin of the World Health Organization,* vol. 82, No. 4, Geneva, World Health Organization (WHO).

Hernández, Diego (2009a), "El transporte público como política social: dimensiones de análisis y tensiones, el ejemplo del Transantiago y sus efectos en una comuna", document presented at the International seminar on mobility and equity, Santiago, Chile, 3-4 September.

___ (2009b), "La matriz de protección social y las respuestas ante la crisis en Uruguay", Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC), unpublished.

Hoffman, Kelly and Miguel Angel Centeno (2003), "The lopsided continent: inequality in Latin America", *Annual Review of Sociology*, vol. 29.

Howard, Judith (2000), "Social psychology of identities", *Annual Review of Sociology*, No. 26.

Huber, Evelyne and John Stephens (2004), "Combatting old and new social risks", document presented at the fourtheenth International Conference of Europeanists, Palmer House Hilton, 11-13 March.

___ (2002), *Development and Crisis of the Welfare State: Parties and Policies in Global Markets*, Chicago, University of Chicago Press.

Huber, Joan and William Form (1973), *Income and Ideology*, New York, The Free Press.

Huenchuan, Sandra (ed.) (2009), "Aging, human rights and public policy", *Libros de la CEPAL*, No. 100 (LC/G.2389-P), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. E.08.II.G.94.

Huenchuan, Sandra and José Miguel Guzmán (2007), "Seguridad económica y pobreza en la vejez: tensiones, expresiones and desafíos para el diseño de política", *Notas de población*, No. 83 (LC/G.2340-P), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No.S.07.II.G.82.

Huenchuan, Sandra, Mónica Roqué and Claudia Arias (2009), "Envejecimiento y sistemas de cuidados: ¿oportunidad o crisis?", *Project documents*, No. 263 (LC/W.263), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC).

IBGE (Brazilian Geographical and Statistical Institute) (2000), "Demographic Census, 2000", Rio de Janeiro.

Ichheiser, Gustav (1949), "Misunderstandings in human relations: a study in false social perception", *American Journal of Sociology*, vol. 55, No. 1.

ILO (International Labour Organization) (2009), *Social Security Database* [online] https://www.ilo.org/dyn/sesame/seshelp.socialsec_desc.

ILO/UNDP (International Labour Organization/United Nations Development Programme) (2009), *Work and Family: Towards New Forms of Reconciliation with Social Co-responsibility*, Santiago, Chile.

IMF (International Monetary Fund) (2009), "Regional economic outlook. Western Hemisphere: stronger fundamentals pay off", *World Economic and Financial Surveys,* Washington, D.C., May.

___ (2002), *Government Finance Statistics Manual 2001 (GFSM 2001)*, Washington, D.C.

INDEC (National Institute of Statistics and Censuses) (2003), "Primera encuesta nacional de personas con discapacidad, 2002-2003. Complementaria al Censo nacional de población, hogares y viviendas 2001" [online] http://www.indec.gov.ar.

IPC (International Poverty Centre) (2008), "Cash transfers: lessons from Africa and Latin America", *Poverty in Focus*, No. 15, Brasilia, August.

IPU/UNICEF (Inter-Parliamentary Union/United Nations Children's Fund) (2004), "Child protection. A handbook for parliamentarians", *Handbook for Parliamentarians*, No. 7, Geneva.

Jelin, Elizabeth (2004), "Ciudadanía, derechos e identidad", *Latin American Research Review*, vol. 31, No. 1.

Jiménez, Juan Pablo (2009), The role of tax policy in the context of the global crisis: consequences and prospects (LC/L.3037), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC), May.

Kacef, Osvaldo and Juan Pablo Jiménez (2009), "Macroeconomic policies in times of crisis: options and perspectives", *Project documents*, No. 275 (LC/W.275), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC).

Kakwani, Nanak (1997), "On measuring growth and inequality components of changes in poverty with application to Thailand", *Discussion Paper*, University of New South Wales.

Kane, Emily and Else K. Kyyro (2001), "For whom does education enlighten? Race, gender, education, and beliefs about social inequality", *Gender and Society*, vol. 15, No. 5.

Kaztman, R. (2009), "Territorio y empleo: circuitos de realimentación de las desigualdades en Montevideo", document presented at the twenty-eighth International Congress of the Latin American Studies Association (LASA), Rio de Janeiro, 11-14 June.

___ (coord.) (1999), *Activos y estructuras de oportunidades. Estudio sobre las raíces de la vulnerabilidad social en Uruguay* (LC/MVD/R.180), Montevideo, Economic Comission for Latin America and the Caribbean (ECLAC), ECLAC office in Montevideo.

Koffman, E. and P. Raghuram (2009), "The implications of migration for gender and care regimes in the South", *Social Policy and Development Programme Paper*, No. 41, Geneva, United Nations Research Institute for Social Development (UNRISD).

Largaespada, C. (2006), "Nicaragua: red de protección social y sistema de atención a crisis", *Transferencias con corresponsabilidad. Una mirada latinoamericana*, E. Cohen and R. Franco (comps.), Mexico City, Latin American Faculty of Social Sciences (FLACSO)/ Secretariat of Social Development (SEDESOL).

León, Arturo (2008), "Progresos en la reducción de la pobreza extrema en América Latina: dimensiones y políticas para el análisis de la primera meta del Milenio" (LC/R.2147), Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC).

Lima-Costa, María Fernanda and others (2003), "Socioeconomic position and health in a population of Brazilian elderly: the Bambui Health and Aging Study (BHAS)", *Pan American Journal of Public Health*, vol. 13, No. 6, June.

Lipset, Seymour Martin (1960), *Political Man*, London, Heinemann.

López Monti, R. (2009), "El papel de la política tributaria frente a la crisis global", Santiago, Chile, Economic Comission for Latin America and the Caribbean (ECLAC), unpublished.

López Ramírez, A. (2008), "Migración, remesas y arreglos residenciales de los adultos mayores en México", *Estudios demográficos y urbanos*, vol. 23, No. 3 (69), Mexico City, El Colegio de México.

Machinea, José Luis (2007), "Speech by José Luis Machinea, Executive Secretary of the Economic Commission for Latin America and the Caribbean (ECLAC), on the occasion of the inauguration of the Second Regional Intergovernmental Conference on Ageing in Latin America and the Caribbean: towards a society for all ages and rights-based social protection", Brasilia, Economic Commission for Latin America and the Caribbean (ECLAC)/Brazilian Government, 4-6 December.

Maldonado, Jesús and María José Hernán (1998), "Los retos de la solidaridad ante el cambio familiar", *Cuadernos técnicos de servicios sociales*, Madrid, Consejería de Sanidad y Asuntos Sociales.

Mann, Michael (1970), "The social cohesion of liberal democracy", *American Sociological Review*, vol. 35, No. 3.

Marco Navarro, Flavia (2009), "Legislación comparada en materia de familias. Los casos de cinco países de América Latina", *Políticas sociales series*, No. 149 (LC/L.3102-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.09.II.G.84.

___ (2007), "El cuidado de la niñez en Bolivia y Ecuador: derecho de algunos, obligación de todas", *Mujer y desarrollo series*, No. 89 (LC/L.2843-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.07.II.G.168.

___ (2004), "Rasgos generales de los sistemas previsionales de capitalización individual y sus contextos laborales y demográficos", *Los sistemas de pensiones en América Latina. Un análisis de género*, Cuadernos de la CEPAL, No. 90 (LC/G.2262-P), Flavia Marco (coord.), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), October. United Nations publication, Sales No. S.04.II.G.129.

Martínez, Juliana (2009), "El sistema de protección social en Honduras, Nicaragua, Guatemala y El Salvador", document prepared for the project Enhancing Economic and Social Conditions and Opportunities of Vulnerable Groups in Latin America, Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC)/ Swedish International Development Cooperation Agency (SIDA), unpublished.

___ (2008), *Domesticar la incertidumbre en América Latina. Mercado laboral, política social y familias*, San José, University of Costa Rica (UCR).

Martínez, J. and K. Voorend (2008), "Transferencias condicionadas, regímenes de bienestar e igualdad de género: ¿blancos, negros o grises?", *Working Paper series*, No. 15, Center for Latin American Studies, University of Miami.

Martínez, Juliana and Carmelo Mesa-Lago (2003), *Las reformas inconclusas: pensiones y salud en Costa Rica*, San José, Friedrich Ebert Foundation.

Martínez, Juliana and Rosalía Camacho (2007), "Equilibristas o malabaristas…, pero ¿con red? La actual infraestructura de cuidados en América Latina", *Entre familia y trabajo. Relaciones, conflictos y políticas de género en Europa y América Latina*, María Antonia Carbonero Gamundí and Silvia León (comps.), Rosario, Homo Sapiens.

Mesa-Lago, Carmelo (2009), "Efectos de la crisis global sobre la seguridad social de salud y pensiones en América Latina y el Caribe y recomendaciones de política", *Políticas sociales series*, No. 150 (LC/L.3104-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), October. United Nations publication, Sales No. S.09.II.G.85.

Migdal, Joel S. (2001), *State in Society: Studying How States and Societies Transform and Constitute One Another*, New York, Cambridge University Press.

Milosavljevic, Vivian and Odette Tacla (2007), "Incorporando un módulo de uso del tiempo a las encuestas de hogares: restricciones y potencialidades", *Mujer y desarrollo series*, No. 83 (LC/L.2709-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.07.II.G.57.

Mina Rosero, Lucía (2009), "Matriz de protección social y respuesta ante la crisis en Colombia", document prepared for the project Enhancing Economic and Social Conditions and Opportunities of Vulnerable Groups in Latin America, Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC)/Swedish International Development Cooperation Agency (SIDA), unpublished.

Mitchell, Timothy (1991), "The limits of the state: beyond statist approaches and their critics", *American Political Science Review,* vol. 85, No. 1.

Mkandawire, T. (2005), "Targeting and universalism in poverty reduction", *Social Policy and Development Programme Paper*, No. 23, Geneva, United Nations Research Institute for Social Development (UNRISD), December.

Monterrey, Javier (2009), "Las políticas de protección social y superación de la crisis en Bolivia", document prepared for the project Enhancing Economic and Social Conditions and Opportunities of Vulnerable Groups in Latin America, Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC)/Swedish International Development Cooperation Agency (SIDA), unpublished.

Moore, C. (2009), "Nicaragua's Red de Protección Social: an exemplary but short-lived conditional cash transfer programme", *Country Study*, No. 17, Brasilia, International Poverty Centre (IPC), January.

___ (2008), "Assessing Honduras' CCT programme PRAF, Programa de Asignación Familiar: expected and unexpected realities", *Country Study*, No. 15, Brasilia, International Poverty Centre (IPC).

Mostajo, Rossana (2000), "Gasto social y distribución del ingreso: caracterización e impacto redistributivo en países seleccionados de América Latina y el Caribe", *Reformas económicas series*, No. 69 (LC/L.1376-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC).

Motta, C. and M. Sáez (comps.) (2008), *La mirada de los jueces. Género en la jurisprudencia latinoamericana*, Bogota, Siglo del Hombre Editores/American University Washington College of Law/Center for Reproductive Rights.

Naranjo, Mariana (2009), "Matriz descriptiva de protección social y seguimiento a transformaciones e iniciativas novedosas para enfrentar los efectos sociales de la crisis económica internacional en Ecuador", document prepared for the project Globalization II, Item 10, "Labor markets and conditional cash transfer programmes", Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC)/German Agency for Technical Cooperation (GTZ).

___ (2008a), "Ecuador: análisis de la contribución de los programas sociales al logro de los objetivos del Milenio", *Project documents*, No. 201 (LC/W.201), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC).

___ (2008b), "Ecuador: reseña de los principales programas sociales y lecciones aprendidas, 2000-2006", *Project documents*, No. 193 (LC/W.193), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC).

Nicaragua, Ministry of Health (2004), *La discapacidad en Nicaragua: situación actual y perspectivas*, Managua.

Nisbett, Richard and Lee Ross (1980), *Human Inference: Strategies and Shortcomings in Social Judgement*, New York, Prentice Hall.

Nun, Eleonora and Daniela Trucco (2008), "Informe de sistematización de evaluaciones cualitativas del Programa Puente y Sistema de Protección Chile Solidario", *Revista latinoamericana de desarrollo humano* [online] http://www.revistadesarrollohumano.org/temas125.asp.

Ocampo, José Antonio (2004), "Luces y sombras de las reformas estructurales latinoamericanas", *Reconstruir el futuro: globalización, desarrollo y democracia en América Latina,* Bogota, Grupo Editorial Norma/ Economic Commission for Latin America and the Caribbean (ECLAC).

OECD (Organisation for Economic Co-operation and Development) (2009), "Statistics Portal" [online] http://www.oecd.org/statsportal/.
___ (2000), *Reforms for an Ageing Society*, Paris.
___ (1973), *Liste des préoccupations sociales communes à la plupart des pays de l'OCDE*, Paris.
Offe, Claus (1984), "Theses on the theory of the State", *Contradictions of the Welfare State*, John Keane (ed.), Cambridge, MIT Press.
OHCHR/UNICEF (Office of the United Nations High Commissioner for Human Rights/United Nations Children's Fund) (2004), *Compilación de observaciones finales del Comité de los Derechos del Niño sobre países de América Latina y el Caribe (1993-2006)*, Santiago, Chile, OHCHR Regional Office for Latin America and the Caribbean/UNICEF Regional Office for Latin America and the Caribbean.
Orloff, Ann Shola (1993), "Gender and the social rights of citizenship: the comparative analysis of gender relations and welfare states", *American Sociological Review*, vol. 58, No. 3.
Otero, Ángel and others (2004), "Volumen y tendencias de la dependencia asociada al envejecimiento en la población española", *Revista española de salud pública*, vol. 78, Madrid, Ministry of Health and Consumption.
PAHO (Pan American Health Organization) (2008), *La economía invisible y las desigualdades de género. La importancia de medir y valorar el trabajo no remunerado*, Washington, D.C.
Palloni, Alberto and others (2007), "The influence of early conditions on health status among elderly Puerto Ricans", *Social Biology*, vol. 52, No. 3-4, Washington, D.C., Society for the Study of Social Biology.
Palloni, Alberto, Susan De Vos and Martha Peláez (2002), "Aging in Latin America and the Caribbean", *Working Paper*, No. 99-02, Madison, Wisconsin, Center for Demography and Ecology, University of Wisconsin.
Parra Corrêa, K. and R. Perez Ribas (2008), "Needs assessments: why they are important for CCT programmes", *Cash Transfers. Lessons from Africa and Latin America,* Poverty in Focus, No. 15, D. Hailu and F. Veras Soares (eds.), Brasilia, International Poverty Centre (IPC), August.
Pascale, Gillian (2006), "Male breadwinner model", *International Encyclopedia of Social Policy*, New York, Routledge.
Pautassi, Laura (2007), "El cuidado como cuestión social desde un enfoque de derechos", *Mujer y desarrollo series*, No. 87 (LC/L.2800-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.07.II.G.133.
Pautassi, Laura and Carla Zibecchi (2009), "Límites y desafíos en la superación de la pobreza infantil en el marco de los programas de transferencias condicionadas en Argentina. Una aproximación desde los protagonistas", Economic Commission for Latin America and the Caribbean (ECLAC), unpublished.
Pautassi, Laura, Eleonor Faur and Natalia Gherardi (2004), "Legislación laboral en seis países latinoamericanos. Avances y omisiones para una mayor equidad", *Mujer y desarrollo series*, No. 56 (LC/L.2140-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.04.II.G.68.
___ (2005), "Legislación laboral y género en América Latina. Avances y omisiones", *Políticas hacia las familias, protección e inclusión sociales,* Seminarios y conferencias series, No. 46 (LC/L.2373-P), Irma Arriagada (comp.), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.05.II.G.118.
Paxton, Pamela (2002), "Social capital and democracy: an interdependent relationship", *American Sociological Review*, vol. 67, No. 2.
Pérez Menayo, Vicente (2004), "Políticas públicas en material de dependencia: situación comparada en la Unión Europea", *Relaciones laborales. Revista crítica de teoría y práctica*, No. 2, Madrid, La Ley-Actualidad.
Perticará, Marcela (2005), "Patrones de inserción laboral femenina", *Documentos de investigación series*, No. I-166, Santiago, Chile, Alberto Hurtado University.
Picchio, Antonella (1999), "Visibilidad analítica y política del trabajo de reproducción social", *Mujeres y economía. Nuevas perspectivas para viejos y nuevos problemas*, Cristina Carrasco (ed.), Barcelona, Icaria/Antrazyt.
Pierson, Paul (2001), *The New Politics of the Welfare State*, Oxford, Oxford University.
___ (1996), "The new politics of the welfare State", *World Politics*, vol. 48, No. 2.
Pineda, Ramón, Esteban Pérez-Caldentey and Daniel Titelman (2009), "The current financial crisis: old wine in new goatskins or is this time different for Latin America?", Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC) [online] http://www.eclac.org/noticias/paginas/3/35143/papercrisis_version170309conportada.pdf.
Polanyi, Karl (1944), *The Great Transformation: The Political and Economic Origins of Our Time*, Boston, Beacon Press.
Przeworski, Adam (2003), *States and Markets. A Primer in Political Economy*, Cambridge, Cambridge University Press.

Puga, María Dolores (2002), *Dependencia y necesidades asistenciales de los mayores en España: una previsión a 2010*, Madrid, Fundación Pfizer.

Pugliese, L. (2007), "Análisis comparado de una selección de programas de protección a los adultos mayores en Argentina, Brasil, Chile y Uruguay. Segunda parte: programas sociales", *Comentarios de seguridad social*, No. 16, Montevideo, Asesoría General en Seguridad Social, Banco de Previsión Social.

Razeto, Luis (1992), *Fundamentos de una teoría económica comprensiva*, Santiago, Chile, Programme for the Economy of Labour.

Reimers, F., C. DeShano da Silva and E. Trevino (2006), *Where is the "Education" in Conditional Cash Transfers in Education?*, Montreal, UNESCO Institute for Statistics (UIS).

Reskin, Barbara (2002), "Including mechanisms in our models of ascriptive inequality: 2002 presidential address", *American Sociological Review*, vol.1, No. 68.

Rico, María Nieves (2006), "Las mujeres latinoamericanas en la migración internacional" [online] http://www.eclac.org/mujer/noticias/noticias/2/25802/NievesRico.

___ (1993), "Desarrollo y equidad de género: una tarea pendiente", *Mujer y desarrollo series*, No. 13 (LC/L.767), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), December.

Rico, María Nieves and Flavia Marco (2006), "Las mujeres en el empleo sectorial en América Latina", *Mujer y empleo. La reforma de la salud y la salud de la reforma en Argentina*, M.N. Rico and F. Marco (coords.), Buenos Aires, Economic Commission for Latin America and the Caribbean (ECLAC)/German Agency for Technical Cooperation (GTZ)/Siglo XXI.

Roberts Ridsen, C. (2006), "Seguimiento del desempeño: Jamaica", document presented at the Third International Conference on Conditional Cash Transfers, Istanbul, 26-30 June.

Robinson, L., M. Siles and A. Schmid (2004), "Social capital and poverty reduction: towards a mature paradigm", *Social Capital and Poverty Reduction in Latin America and the Caribbean: Towards a New Paradigm*, Libros de la CEPAL, Nº 71 (LC/G.2194-P), R. Atria and M. Siles (comps.), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. E.03.II.G.03.

Robles, Claudia (2009), "América Latina y la protección social. Avances y desafíos para su consolidación", document prepared for the project The sustentability of conditional cash transfer programmes (GER/09/001), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC)/German Agency for Technical Cooperation (GTZ), unpublished.

Robles, Leticia (2003), "Una vida cuidando a los demás. Una carrera de vida en ancianas cuidadoras", document presented at the fifty-first International Congress of Americanists, Santiago, Chile, 14-18 July.

Rodríguez Enríquez, Corina (2007), "La organización del cuidado de niños y niñas en Argentina y Uruguay", *Mujer y desarrollo series*, No. 90 (LC/L.1996-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.07.II.G.167.

Rodríguez, Jorge (2003), "La fecundidad alta en América Latina y el Caribe: un riesgo en transición", *Población y desarrollo series*, No. 46 (LC/L.1996-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.03.II.G.158.

Rodríguez-Piñero, Luís (2009), *Los desafíos de la protección internacional de los derechos de las personas de edad en el marco de la Declaración de Brasilia*, Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), unpublished.

Roqué, Mónica (2009), "Programa nacional de cuidados domiciliarios", document presented at the lauching of the survey *Envejecimiento y sistemas de cuidados: ¿oportunidad o crisis?*, Buenos Aires, 15 September.

Ros, Jaime (2009), "Poverty reduction in Latin America: the role of demographic, social and economic factors" *CEPAL Review*, No. 98 (LC/G.2404-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), August.

Safa, Helen (2004), "From rural to urban, from men to women, from class struggle to struggles for entitlements", *Latin American Research Review*, vol. 31, No. 1.

Salvador, Soledad (2009), "La valoración económica del trabajo no remunerado", *Las bases invisibles del bienestar social. El trabajo no remunerado en Uruguay,* Rosario Aguirre (ed.), Montevideo, United Nations Development Fund for Women (UNIFEM)/National Institute of Statistics.

___ (2007), *Comercio, género y equidad en América Latina: generando conocimiento para la acción política. Estudio comparativo de la "economía del cuidado" en Argentina, Brasil, Chile, Colombia, México y Uruguay*, International Gender and Trade Network (IGTN).

Sánchez, Carmen Delia (1996), *Sistema de apoyo y familiares de pacientes de Alzheimer*, San Juan, Governor's Office of Elderly Affairs.

Schady, N. (2006), "Programas de transferencias en efectivo condicionadas: repaso de la información disponible", document presented at the Third International Conference on Conditional Cash Transfers, Istanbul, 26-30 June.

Schkolnik, Susana (1998), "Demographic trends and social equity: challenges facing the health sector", document presented at the Conference on Statistics for Economic and Social Development, Aguascalientes, 1-4 September.

Schkolnik, Susana and Juan Chackiel (2004), "Less advanced sectors in the Latin American fertility transition", *CEPAL Review,* No. 83 (LC/G.2231-P), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC), August.

Sedmak, Marjan and Anne Sophie Parent (2008), *Solidaridad intergeneracional por una sociedad cohesiva y sostenible*, ERSTE Foundation/King Baudouin Foundation/Caixa Catalunya Foundation.

Sempere, Antonio and Faustino Cavas (2007), *Ley de dependencia. Estudio de la Ley 39/2006, sobre promoción de la autonomía personal y atención a las personas en situación de dependencia*, Pamplona, Aranzadi.

Serrano, C. (2005), "Claves de la política social para la pobreza" [online] http://www.asesoriasparaeldesarrollo.cl/files/claves_politica_social_para_la_pobreza.pdf.

Skoufias, E. and B. McClafferty (2001), "Is Progresa working? Summary of the results of an evaluation by IFPRI", *FCND Discussion Paper*, No. 118, Washington, D.C., International Food Policy Research Institute (IFPRI).

Sojo, Ana (2007), "Evolution of the link between selective anti-poverty policies and social sectors policies", *CEPAL Review*, No. 91 (LC/G.2333-P/E), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC).

Špidla, Vladimir (2008), "Message from Vladimir Špidla, European Union Commissioner for Employment, Social Affairs and Equal Opportunities", document presented at the Conference on Intergenerational Solidarity for Cohesive and Sustainable Societies, Brdo, Slovenia, 27-29 April.

Spruyt, Hendrik (1994), *The Sovereign State and Its Competitors*, Princeton, Princeton University Press.

Steta, M.C. (2006), "Monitoreo de condicionalidades", document presented at the Third International Conference on Conditional Cash Transfers, Istanbul, 26-30 June.

Sunkel, Guillermo (2006), "El papel de la familia en la protección social en América Latina", *Políticas sociales series*, No. 120 (LC/L.2530-P/E), Santiago, Chile, Economic Commission for Latin America and the Caribbean (ECLAC). United Nations publication, Sales No. S.06.II.G.57.

Tajfel, Henri (1981), "Social stereotypes and social groups", *Intergroup Behaviour*, J.C. Turner and H. Giles (eds.), Oxford, Blackwell.

Tanzi, Vito (2008), "The role of the state and public finance in the next generation", *OECD Journal on Budgeting*, vol. 8, No. 2.

Tendler, J. (2004), "Why social policy is condemned to a residual category of safety nets and what to do about it", *Social Policy in a Development Context*, Thandika Mkandawire (coord.), Houndmills, Palgrave Macmillan.

Tesluic, C. (2006), "Control del cumplimiento de condicionalidades", document presented at the Third International Conference on Conditional Cash Transfers, Istanbul, 26-30 June.

Tilly, Charles (1998), *Durable Inequality*, Berkeley, University of California Press.

___ (1990), *Coercion, Capital, and European States: AD 990-1992*, Cambridge, Massachusetts, Blackwell.

Tironi, Eugenio (2007), "Comentario al texto de Ernesto Ottone: 'Bienestar y estar bien'" [online] http://www.cidob.org/en/content/download/6266/62939/file/Comentarios+Tironi.pdf.

Tronto, Joan (2007), "Human rights, democracy and care", *The Good Society*, vol. 16, No. 2.

UNDP (United Nations Development Programme) (2007), *Human Development Report 2007/2008*, New York.

UNIFEM (United Nations Development Fund for Women) (2000), *Progress of the World's Women, 2000*, Washington, D.C.

United Nations (2009), Promotion and Protection of all Human Rights, Civil, Political, Economic, Social and Cultural Rights, including the Right to Development. Report of the independent expert on the question of human rights and extreme poverty, Magdalena Sepúlveda Carmona (A/HRC/11/9), 27 March.

___ (2007), *World Economic and Social Survey 2007. Development in an Ageing World* (E/2007/50/Rev.1(ST/ESA/314)), New York. United Nations publication, Sales No. E.07.II.C.1.

___ (2000), "United Nations Millennium Declaration" (A/RES/55/2), New York.

___ (1993), *System of National Accounts, 1993* (ST/ESA/STAT/SER.F/2/Rev.4), New York. United Nations publication, Sales No. E.94.XVII.4.

Veras Soares, F. (2009a), "El impacto de los PTC y sus desafíos frente la crisis", document presented at the seminar Rethinking social issues in times of crisis, La Antigua, Guatemala, Economic Commission for Latin America and the Caribbean (ECLAC)/Central American Institute for Fiscal Studies (ICEFI)/Swedish International Development Cooperation Agency (SIDA)/Spanish International Cooperation Agency for Development (AECID), 28-29 May.

___ (2009b), "Do CCTs lessen the impact of the current economic crisis? Yes, but...", *One Pager*, No. 96, International Policy Centre for Inclusive Growth (IPC-IG), September.

Veras Soares, F. and others (2006), "Cash transfer programmes in Brazil: impacts on inequality and poverty", *Working Paper*, No. 21, International Poverty Centre (IPC), June.

Villa, Miguel (2004), "La transición demográfica y algunos retos sobre población y desarrollo en América Latina", *Población y desarrollo en México y el mundo: CIPD +10*, México, D.F., National Population Council (CONAPO).

Villa, Miguel and Daniela González (2004), "Dinámica demográfica de Chile y América Latina: una visión a vuelo de pájaro", *Revista de sociología*, No. 18, Santiago, Chile, Faculty of Social Sciences, University of Chile.

Villatoro, Pablo (2008), "CCTs in Latin America: human capital accumulation and poverty reduction", *Cash transfers. Lessons from Africa and Latin America,* Poverty in Focus, No. 15, D. Hailu and F. Veras Soares (eds.), Brasilia, International Poverty Centre (IPC), August.

___ (2007), "Las transferencias condicionadas en América Latina: luces y sombras", document presented at the International Seminar on Evolution and Challenges Facing Conditioned Transfer Programmes, Brasilia, Economic Commission for Latin America and the Caribbean (ECLAC)/Institute of Applied Economic Research (IPEA), 20-21 November.

WHO (World Health Organization) (2009), *World Health Statistics, 2009*, Geneva.

___ (2002), *Current and Future Long-Term Care Needs* (WHO/NMH/CCL/02.2), Geneva.

Williams, Joan (2000), *Unbending Gender. Why Family and Work Conflict and What to Do about It*, New York, Oxford University Press.

Yaschine, I. and L. Dávila (2008), "Why, when and how should beneficiaries leave a CCT programme", *Cash Transfers: Lessons from Africa and Latin America*, Poverty in Focus, Nº 15, D. Hailu and F. Veras Soares (eds.), Brasilia, International Poverty Centre (IPC), August.

Statistical appendix

Table A-1

TRENDS IN SELECTED ECONOMIC INDICATORS, 1990-2008

Country	Year	Per capita GDP (in 2000 dollars)	Per capita income (in 2000 dollars) [a]	Urban unemployment (percentage)	Annual variation in consumer price index [b]	Annual average variations in the period				
						Period	Per capita GDP	Per capita income [a]	Mean real remuneration [c]	Real urban minimum wage [c]
Argentina	1990	5 832.7	5 690.1	7.4	1 343.9					
	1999	7 852.3	7 598.8	14.3	-1.8	1990-1999	3.4	3.3	0.5	15.0
	2000	7 706.7	7 513.6	15.1	-0.7	2000	-1.9	-1.1	2.3	0.9
	2001	7 291.6	7 089.3	17.4	-1.5	2001	-5.4	-5.6	-0.8	1.1
	2002	6 433.7	6 147.0	19.7	41.0	2002	-11.8	-13.3	-13.9	-19.5
	2003	6 935.6	6 696.1	17.3	3.7	2003	7.8	8.9	-1.9	3.3
	2004	7 490.1	7 255.8	13.6	6.1	2004	8.0	8.4	10.0	54.5
	2005	8 098.3	7 892.6	11.6	12.3	2005	8.1	8.8	7.4	31.8
	2006	8 696.3	8 573.9	10.2	9.8	2006	7.4	8.6	8.9	12.9
	2007	9 353.5	9 278.0	8.5	8.5	2007	7.6	8.2	9.1	13.7
	2008	9 884.9	9 924.1	7.9	7.2	2008	5.7	7.0	8.7	15.3
Bahamas	1990	17 090.8	…	…	…					
	1999	17 667.8	…	7.8 [d]	…	1990-1999	0.4	…	…	…
	2000	18 125.2	…	…	…	2000	2.6	…	…	…
	2001	17 842.4	…	6.9 [d]	…	2001	-1.6	…	…	…
	2002	17 975.4	…	9.1 [d]	…	2002	0.7	…	…	…
	2003	17 324.5	…	10.8 [d]	…	2003	-3.6	…	…	…
	2004	17 741.0	…	10.2 [d]	…	2004	2.4	…	…	…
	2005	18 525.8	…	10.2 [d]	…	2005	4.4	…	…	…
	2006	19 023.0	…	7.7 [d]	…	2006	2.7	…	…	…
	2007	18 933.0	…	7.9 [d]	…	2007	-0.5	…	…	…
	2008	18 389.3		12.1 [d]		2008	-2.9			
Barbados	1990	5 849.8	…	14.7 [d]	3.4					
	1999	6 696.0	…	10.4 [d]	2.9	1990-1999	1.5	…	…	…
	2000	6 848.4	…	9.3 [d]	3.8	2000	2.3	…	…	…
	2001	6 558.6	…	9.9 [d]	-1.2	2001	-4.2	…	…	…
	2002	6 602.7	…	10.3 [d]	0.9	2002	0.7	…	…	…
	2003	6 705.6	…	11 [d]	0.3	2003	1.6	…	…	…
	2004	6 999.8	…	9.6 [d]	4.3	2004	4.4	…	…	…
	2005	7 270.8	…	9.1 [d]	7.4	2005	3.9	…	…	…
	2006	7 472.7	…	8.7 [d]	5.9	2006	2.8	…	…	…
	2007	7 697.9	…	7.4 [d]	2.8	2007	3.0	…	…	…
	2008	7 734.7		8.1 [d]	7.3	2008	0.5			
Belize	1990	2 775.3	…	…	…					
	1999	3 024.1	…	12.8 [d]	…	1990-1999	1.0	…	…	…
	2000	3 301.8	…	11.1 [d]	…	2000	9.2	…	…	…
	2001	3 384.9	…	9.1 [d]	…	2001	2.5	…	…	…
	2002	3 476.7	…	10 [d]	…	2002	2.7	…	…	…
	2003	3 716.3	…	12.9 [d]	…	2003	6.9	…	…	…
	2004	3 803.4	…	11.6 [d]	…	2004	2.3	…	…	…
	2005	3 835.3	…	11 [d]	…	2005	0.8	…	…	…
	2006	3 930.2	…	9.4 [d]	…	2006	2.5	…	…	…
	2007	3 883.6	…	8.5 [d]	…	2007	-1.2	…	…	…
	2008	3 932.9		8.2 [d]		2008	1.3			
Bolivia (Plurinational State of)	1990	869.9	901.0	7.3	18.0					
	1999	1 005.6	1 026.6	7.2	3.1	1990-1999	1.6	1.5	2.1	10.2
	2000	1 009.7	1 029.1	7.5	3.4	2000	0.4	0.2	1.4	2.9
	2001	1 006.0	1 021.0	8.5	0.9	2001	-0.4	-0.8	5.8	10.8
	2002	1 010.5	1 058.0	8.7	2.5	2002	0.4	3.6	3.3	4.7
	2003	1 017.3	1 099.1	…	3.9	2003	0.7	3.9	1.6	0.8
	2004	1 039.3	1 140.6	6.2	4.6	2004	2.2	3.8	2.7	-4.2
	2005	1 064.9	1 204.2	8.2	4.9	2005	2.5	5.6	-3.6	-5.1
	2006	1 095.6	1 350.3	8.0	4.9	2006	2.9	12.1	-8.0	4.5
	2007	1 125.0	1 384.6	…	11.7	2007	2.7	2.5	-2.8	-1.3
	2008	1 173.3	1 457.8	…	11.8	2008	4.3	5.3	…	-1.5
Brazil	1990	3 354.8	3 280.4	4.3	2 101.3					
	1999	3 598.8	3 489.9	7.6	8.9	1990-1999	0.8	0.7	0.2	3.1
	2000	3 700.3	3 606.4	7.1	6.0	2000	2.8	3.3	-1.1	2.6
	2001	3 696.5	3 583.7	6.2	7.7	2001	-0.1	-0.6	-4.9	9.8
	2002	3 742.4	3 634.0	11.7	12.5	2002	1.2	1.4	-2.1	4.2
	2003	3 734.5	3 629.1	12.3	9.3	2003	-0.2	-0.1	-8.8	2.7
	2004	3 897.4	3 801.0	11.5	7.6	2004	4.4	4.7	0.7	3.4
	2005	3 972.7	3 882.9	9.8	5.7	2005	1.9	2.2	-0.3	5.8
	2006	4 085.0	4 039.0	10.0	3.1	2006	2.8	4.0	3.5	13.1
	2007	4 272.0	4 252.7	9.3	4.5	2007	4.6	5.3	1.5	6.5
	2008	4 446.3	4 443.4	7.9	5.9	2008	4.1	4.5	1.7	3.9
Chile	1990	3 081.3	2 951.8	9.2 [d]	27.3					
	1999	4 747.1	4 576.1	10.1 [d]	2.3	1990-1999	4.9	5.0	4.0	5.5
	2000	4 898.5	4 749.4	9.7 [d]	4.5	2000	3.2	3.8	1.4	7.1
	2001	5 003.8	4 754.1	9.9 [d]	2.6	2001	2.2	0.1	1.7	3.8
	2002	5 055.1	4 834.7	9.8 [d]	2.8	2002	1.0	1.7	2.0	2.9
	2003	5 195.5	4 950.6	9.5 [d]	1.1	2003	2.8	2.4	0.9	1.4
	2004	5 450.5	5 404.4	10 [d]	2.4	2004	4.9	9.2	1.8	2.8
	2005	5 693.2	5 842.5	9.2 [d]	3.7	2005	4.5	8.1	1.9	1.9
	2006	5 892.3	6 491.9	7.8 [d]	2.6	2006	3.5	11.1	1.9	2.5
	2007	6 105.1	6 890.9	7.1 [d]	7.8	2007	3.6	6.1	2.8	1.8
	2008	6 235.2	6 827.3	7.8 [d]	7.1	2008	2.1	-0.9	-0.3	-0.1

Table A-1 (continued)

Country	Year	Per capita GDP (in 2000 dollars)	Per capita income (in 2000 dollars) [a]	Urban unemployment (percentage)	Annual variation in consumer price index [b]	Annual average variations in the period				
						Period	Per capita GDP	Per capita income [a]	Mean real remuneration [c]	Real urban minimum wage [c]
Colombia	1990	2 167.6	2 077.2	10.5	32.4					
	1999	2 337.2	2 297.7	19.4	9.2	1990-1999	0.8	1.1	2.6	-0.1
	2000	2 365.3	2 350.2	17.3	8.8	2000	1.2	2.3	3.9	0.5
	2001	2 377.5	2 347.0	18.2	7.6	2001	0.5	-0.1	-0.3	1.2
	2002	2 396.9	2 364.6	17.6	7.0	2002	0.8	0.8	3.1	0.7
	2003	2 468.1	2 442.9	16.6	6.5	2003	3.0	3.3	-0.6	0.1
	2004	2 543.3	2 535.1	15.3	5.5	2004	3.0	3.8	1.7	1.8
	2005	2 647.9	2 668.4	13.9	4.9	2005	4.1	5.3	1.5	1.2
	2006	2 789.3	2 837.7	12.9	4.5	2006	5.3	6.3	3.7	2.8
	2007	2 955.4	3 029.5	11.4	5.7	2007	6.0	6.8	-0.5	0.7
	2008	2 983.3	3 097.9	11.5	7.7	2008	0.9	2.3	-1.8	-1.6
Costa Rica	1990	3 123.1	3 034.9	5.4	27.3					
	1999	4 078.2	3 734.3	6.2	10.1	1990-1999	3.0	2.3	2.2	1.1
	2000	4 058.7	3 763.7	5.2	10.2	2000	-0.5	0.8	0.8	-0.6
	2001	4 016.5	3 878.7	5.8	11.0	2001	-1.0	3.1	1.0	0.2
	2002	4 049.3	3 961.9	6.8	9.7	2002	0.8	2.1	4.1	-0.6
	2003	4 225.1	4 035.0	6.7	9.9	2003	4.3	1.8	0.4	-0.4
	2004	4 325.3	4 143.9	6.7	13.1	2004	2.4	2.7	-2.6	-1.6
	2005	4 502.7	4 320.7	6.9	14.1	2005	4.1	4.3	-1.9	0.3
	2006	4 822.2	4 624.8	6.0	9.4	2006	7.1	7.0	1.6	1.7
	2007	5 124.7	4 754.4	4.8	10.8	2007	6.3	2.8	1.4	1.3
	2008	5 188.5	4 835.1	4.8	13.9	2008	1.2	1.7	-1.5	-1.3
Cuba	1990	3 340.9	…	...	…					
	1999	2 613.0	2 695.0	6.3 [d]	…	1990-1999	-2.7	….	-9.4	…
	2000	2 759.9	2 770.5	5.4 [d]	…	2000	5.6	2.8	8.7	…
	2001	2 840.3	2 852.7	4.1 [d]	…	2001	2.9	3.0	-3.8	-10.4
	2002	2 873.8	2 889.2	3.3 [d]	…	2002	1.2	1.3	9.3	5.3
	2003	2 976.6	3 060.1	2.3 [d]	…	2003	3.6	5.9	2.5	-2.0
	2004	3 142.8	3 220.3	1.9 [d]	…	2004	5.6	5.2	6.3	2.2
	2005	3 490.1	3 465.4	1.9 [d]	…	2005	11.1	7.6	13.0	118.8
	2006	3 908.1	3 988.0	1.9 [d]	…	2006	12.0	15.1	11.6	-4.8
	2007	4 190.4	4 226.7	1.8 [d]	…	2007	7.2	6.0	-0.9	-6.1
	2008	4 371.0	…	1.6 [d]		2008	4.3	…	-1.8	-2.2
Dominican Republic	1990	1 828.3	1 794.8	...	79.9					
	1999	2 657.1	2 801.7	13.8	5.1	1990-1999	4.2	5.1	…	2.6
	2000	2 763.5	2 864.1	13.9	9.0	2000	4.0	2.2	…	-0.4
	2001	2 769.5	2 890.5	15.6	4.4	2001	0.2	0.9	…	5.7
	2002	2 885.0	3 031.6	16.1	10.5	2002	4.2	4.9	…	-0.5
	2003	2 834.0	2 865.7	16.7	42.7	2003	-1.8	-5.5	…	-9.2
	2004	2 828.3	2 826.9	18.4	28.7	2004	-0.2	-1.4	…	-15.0
	2005	3 045.5	3 038.9	17.9	7.5	2005	7.7	7.5	…	18.7
	2006	3 322.3	3 313.2	16.2	5.0	2006	9.1	9.0	…	-7.1
	2007	3 553.0	3 547.5	15.6	8.9	2007	6.9	7.1	…	4.8
	2008	3 688.1	3 652.1	14.1	4.5	2008	3.8	2.9		-6.5
Ecuador	1990	1 297.1	1 141.4	6.1	49.5					
	1999	1 277.0	1 212.4	15.1	60.7	1990-1999	-0.2	0.7	3.7	2.1
	2000	1 294.9	1 290.5	9.0	91.0	2000	1.4	6.4	…	-3.6
	2001	1 346.4	1 305.9	10.9	22.4	2001	4.0	1.2	…	11.5
	2002	1 386.4	1 360.2	9.2	9.4	2002	3.0	4.2	…	0.9
	2003	1 419.4	1 388.6	11.5	6.1	2003	2.4	2.1	…	6.1
	2004	1 515.6	1 473.2	9.7	1.9	2004	6.8	6.1	…	2.4
	2005	1 588.6	1 656.2	8.5	3.1	2005	4.8	12.4	…	3.0
	2006	1 632.3	1 782.5	8.1	2.9	2006	2.8	7.6	…	3.3
	2007	1 655.3	1 827.6	7.3	3.3	2007	1.4	2.5	…	3.9
	2008	1 744.6	2 006.9	6.9	8.8	2008	5.4	9.8		8.5
El Salvador	1990	1 572.1	1 635.3	10.0	19.3					
	1999	2 176.3	2 391.9	6.9	-1.0	1990-1999	3.7	4.3	…	0.1
	2000	2 210.4	2 470.2	6.7	4.3	2000	1.6	3.3	…	-2.2
	2001	2 236.9	2 604.8	7.0	1.4	2001	1.2	5.4	…	-3.6
	2002	2 280.4	2 587.2	6.2	2.8	2002	1.9	-0.7	…	-1.8
	2003	2 325.5	2 605.2	6.2	2.5	2003	2.0	0.7	…	2.1
	2004	2 360.7	2 685.0	6.5	5.4	2004	1.5	3.1	…	-1.4
	2005	2 424.3	2 787.8	7.3	4.3	2005	2.7	3.8	…	-4.5
	2006	2 515.3	2 928.9	5.7	4.9	2006	3.8	5.1	…	-0.7
	2007	2 621.6	3 035.4	5.8	4.9	2007	4.2	3.6	…	2.5
	2008	2 676.9	3 050.4	5.5	5.5	2008	2.1	0.5		0.2
Guatemala	1990	1 289.6	1 268.0	...	59.6					
	1999	1 513.5	1 571.7	...	4.9	1990-1999	1.8	2.4	5.4	-7.4
	2000	1 531.4	1 590.0	2.9	5.1	2000	1.2	1.2	3.8	4.4
	2001	1 529.3	1 624.3	...	8.9	2001	-0.1	2.2	0.5	8.3
	2002	1 549.7	1 701.2	5.1	6.3	2002	1.3	4.7	-0.9	0.3
	2003	1 549.9	1 713.3	5.2	5.9	2003	0.0	0.7	0.4	8.0
	2004	1 559.3	1 737.0	4.4	9.2	2004	0.6	1.4	-2.2	0.3
	2005	1 570.6	1 756.1	...	8.6	2005	0.7	1.1	-4.0	-1.4
	2006	1 614.5	1 808.8	...	5.8	2006	2.8	3.0	-1.1	3.2
	2007	1 673.7	1 862.4	...	8.7	2007	3.7	3.0	-1.6	-1.6
	2008	1 698.7	1 849.8	...	9.4	2008	1.5	-0.7	-2.6	-10.2

Table A-1 (continued)

Country	Year	Per capita GDP (in 2000 dollars)	Per capita income (in 2000 dollars) [a]	Urban unemployment (percentage)	Annual variation in consumer price index [b]	Annual average variations in the period				
						Period	Per capita GDP	Per capita income [a]	Mean real remuneration [c]	Real urban minimum wage [c]
Haiti	1990	515.7	556.8	…	26.1					
	1999	430.9	517.1	…	9.7	1990-1999	-2.0	-0.8	…	-7.3
	2000	427.2	514.8	…	19.0	2000	-0.9	-0.4	…	-11.9
	2001	415.8	501.1	…	8.1	2001	-2.7	-2.7	…	-11.6
	2002	408.1	490.4	…	14.8	2002	-1.8	-2.1	…	-8.9
	2003	403.2	497.8	…	40.4	2003	-1.2	1.5	…	33.5
	2004	382.9	478.5	…	20.2	2004	-5.0	-3.9	…	-14.7
	2005	383.6	497.1	…	15.4	2005	0.2	3.9	…	-13.2
	2006	386.1	500.9	…	10.2	2006	0.7	0.8	…	-12.0
	2007	392.9	514.6	…	9.3	2007	1.7	2.7	…	-7.5
	2008	391.3	485.9		17.0	2008	-0.4	-5.6	…	-13.3
Honduras	1990	1 061.4	1 028.5	7.8	36.4					
	1999	1 113.5	1 227.3	5.3	10.9	1990-1999	0.5	2.0	…	-1.1
	2000	1 152.9	1 204.7	...	10.1	2000	3.5	-1.8	…	3.1
	2001	1 159.9	1 206.3	5.5	8.8	2001	0.6	0.1	…	2.5
	2002	1 179.2	1 216.4	5.9	8.1	2002	1.7	0.8	…	2.1
	2003	1 208.5	1 225.8	7.4	6.8	2003	2.5	0.8	…	8.6
	2004	1 258.3	1 272.3	8.0	9.2	2004	4.1	3.8	…	0.8
	2005	1 308.0	1 400.1	6.1	7.7	2005	3.9	10.0	…	5.8
	2006	1 367.2	1 471.6	4.6	5.3	2006	4.5	5.1	…	5.1
	2007	1 425.0	1 539.1	3.9	8.9	2007	4.2	4.6	…	2.8
	2008	1 452.0	1 536.3	4.2	10.8	2008	1.9	-0.2		0.2
Jamaica	1990	3 516.5	…	15.3 [d]	29.8					
	1999	3 489.4	…	15.7 [d]	6.8	1990-1999	-0.1	…	…	…
	2000	3 484.8	…	15.5 [d]	6.1	2000	-0.1	…	…	…
	2001	3 503.0	…	15 [d]	8.7	2001	0.5	…	…	…
	2002	3 508.6	…	14.3 [d]	7.3	2002	0.2	…	…	…
	2003	3 602.4	…	10.9 [d]	14.1	2003	2.7	…	…	…
	2004	3 626.4	…	11.4 [d]	13.7	2004	0.7	…	…	…
	2005	3 639.0	…	11.2 [d]	12.9	2005	0.3	…	…	…
	2006	3 716.8	…	10.3 [d]	5.8	2006	2.1	…	…	…
	2007	3 751.7	…	9.8 [d]	16.8	2007	0.9	…	…	…
	2008	3 713.5		10.7 [d]	16.9	2008	-1.0			
Mexico	1990	5 393.6	5 235.6	2.7	29.9					
	1999	6 121.8	6 043.8	3.7	12.3	1990-1999	1.4	1.6	0.7	-4.1
	2000	6 434.4	6 353.3	3.4	9.0	2000	5.1	5.1	6.0	0.7
	2001	6 349.0	6 261.3	3.6	4.4	2001	-1.3	-1.4	6.7	0.4
	2002	6 320.4	6 265.3	3.9	5.7	2002	-0.5	0.1	1.9	0.7
	2003	6 334.3	6 336.9	4.6	4.0	2003	0.2	1.1	1.4	-0.7
	2004	6 514.5	6 600.4	5.3	5.2	2004	2.8	4.2	0.3	-1.3
	2005	6 653.8	6 780.9	4.7	3.3	2005	2.1	2.7	-0.3	-0.1
	2006	6 911.9	7 050.8	4.6	4.1	2006	3.9	4.0	0.4	0.0
	2007	7 072.1	7 233.4	4.8	3.8	2007	2.3	2.6	1.0	-0.7
	2008	7 092.0	7 267.3	4.9	6.5	2008	0.3	0.5	0.7	-2.1
Nicaragua	1990	682.1	577.4	7.6	13 490.2					
	1999	753.7	799.8	10.7	7.2	1990-1999	1.1	3.7	3.1	0.8
	2000	772.2	813.0	7.8	9.9	2000	2.4	1.7	0.0	-0.5
	2001	783.2	807.2	11.3	4.7	2001	1.4	-0.7	1.0	2.1
	2002	778.4	812.8	12.2	4.0	2002	-0.6	0.7	3.5	3.7
	2003	787.8	826.3	10.2	6.6	2003	1.2	1.7	1.9	3.1
	2004	819.1	858.8	8.6	8.9	2004	4.0	3.9	-2.2	4.0
	2005	843.2	888.9	7.0	9.6	2005	2.9	3.5	0.2	4.0
	2006	864.5	909.8	7.0	10.2	2006	2.5	2.4	1.4	8.8
	2007	880.1	917.2	6.9	16.2	2007	1.8	0.8	-1.8	2.4
	2008	896.7	896.5	8.0	12.7	2008	1.9	-2.3	-6.0	7.6
Panama	1990	2 941.5	3 017.0	20.0	0.8					
	1999	3 910.6	3 814.7	13.6	1.5	1990-1999	3.2	2.6	0.7	1.7
	2000	3 939.2	3 809.3	15.3	0.7	2000	0.7	-0.1	-5.3	3.8
	2001	3 888.0	3 831.2	17.0	0.0	2001	-1.3	0.6	-1.2	7.0
	2002	3 902.0	3 939.5	16.5	1.9	2002	0.4	2.8	-3.0	-1.2
	2003	3 991.8	3 809.0	15.9	1.5	2003	2.3	-3.3	-0.6	0.7
	2004	4 216.3	3 941.3	14.1	1.5	2004	5.6	3.5	-0.8	0.9
	2005	4 441.2	4 077.9	12.1	3.4	2005	5.3	3.5	-1.2	-2.8
	2006	4 737.8	4 264.8	10.4	2.2	2006	6.7	4.6	2.0	3.4
	2007	5 196.2	4 703.4	7.8	6.4	2007	9.7	10.3	1.0	-1.7
	2008	5 579.8	4 911.2	6.5	6.8	2008	7.4	4.4	-0.8	2.7
Paraguay	1990	1 400.1	1 396.7	6.6	44.0					
	1999	1 401.2	1 453.4	9.4	5.4	1990-1999	0.0	0.4	1.3	-1.3
	2000	1 326.5	1 363.7	10.0	8.6	2000	-5.3	-6.2	1.3	4.3
	2001	1 326.3	1 358.2	10.8	8.4	2001	-0.0	-0.4	1.4	3.7
	2002	1 299.3	1 293.2	14.7	14.6	2002	-2.0	-4.8	-5.0	-0.7
	2003	1 322.8	1 330.6	11.2	9.3	2003	1.8	2.9	-0.8	2.8
	2004	1 351.1	1 357.0	10.0	2.8	2004	2.1	2.0	1.7	-3.3
	2005	1 363.6	1 349.6	7.6	9.9	2005	0.9	-0.5	1.1	2.0
	2006	1 396.5	1 393.6	8.9	12.5	2006	2.4	3.3	0.6	2.2
	2007	1 463.9	1 486.2	7.2	6.0	2007	4.8	6.6	2.4	-2.6
	2008	1 520.7	1 610.3	7.4	7.5	2008	3.9	8.4	-0.8	-2.5

Table A-1 (concluded)

Country	Year	Per capita GDP (in 2000 dollars)	Per capita income (in 2000 dollars) [a]	Urban unemployment (percentage)	Annual variation in consumer price index [b]	Annual average variations in the period				
						Period	Per capita GDP	Per capita income [a]	Mean real remuneration [c]	Real urban minimum wage [c]
Peru	1990	1 649.1	1 594.5	8.3	7 646.8					
	1999	2 023.8	2 020.3	9.2	3.7	1990-1999	2.3	2.7	0.6	2.3
	2000	2 051.6	2 035.8	7.8	3.7	2000	1.4	0.8	0.8	11.1
	2001	2 026.0	2 008.3	9.2	-0.1	2001	-1.2	-1.4	-0.9	1.2
	2002	2 098.0	2 076.7	9.4	1.5	2002	3.6	3.4	4.6	-0.2
	2003	2 153.1	2 124.9	9.4	2.5	2003	2.6	2.3	1.6	1.2
	2004	2 230.7	2 195.0	9.4	3.5	2004	3.6	3.3	1.1	4.6
	2005	2 352.9	2 339.1	9.6	1.5	2005	5.5	6.6	-1.9	-1.6
	2006	2 504.2	2 583.1	8.5	1.1	2006	6.4	10.4	1.2	6.6
	2007	2 694.1	2 808.8	8.5	3.9	2007	7.6	8.7	-1.8	-0.3
	2008	2 925.6	3 000.3	8.4	6.6	2008	8.6	6.8	2.6	2.5
Suriname	1990	1 848.9	…	…						
	1999	1 648.6	…	…	…	1990-1999	-1.3	…	…	…
	2000	1 658.7	…	…	…	2000	0.6	…	…	…
	2001	1 727.8	…	…	…	2001	4.2	…	…	…
	2002	1 748.8	…	…	…	2002	1.2	…	…	…
	2003	1 845.3	…	…	…	2003	5.5	…	…	…
	2004	1 950.9	…	…	…	2004	5.7	…	…	…
	2005	2 048.4	…	…	…	2005	5.0	…	…	…
	2006	2 118.6	…	…	…	2006	3.4	…	…	…
	2007	2 209.8	…	…	…	2007	4.3	…	…	…
	2008	2 301.8		…		2008	4.2			
Trinidad and Tobago	1990	4 337.9	…	20.1 [d]	9.5					
	1999	5 913.2	…	13.2 [d]	3.4	1990-1999	3.5	…	…	…
	2000	6 296.8	…	12.1 [d]	5.6	2000	6.5	…	…	…
	2001	6 534.0	…	10.9 [d]	3.2	2001	3.8	…	…	…
	2002	7 025.6	…	10.4 [d]	4.3	2002	7.5	…	…	…
	2003	8 015.1	…	10.5 [d]	3.0	2003	14.1	…	…	…
	2004	8 619.9	…	8.3 [d]	5.6	2004	7.5	…	…	…
	2005	9 056.0	…	8 [d]	7.2	2005	5.1	…	…	…
	2006	10 221.6	…	6.2 [d]	9.1	2006	12.9	…	…	…
	2007	10 742.9	…	5.5 [d]	7.6	2007	5.1	…	…	…
	2008	11 077.2		4.6 [d]	14.5	2008	3.1			
Uruguay	1990	4 980.3	5 030.0	8.5	128.9					
	1999	6 396.5	6 367.2	11.3	4.2	1990-1999	2.8	2.7	1.4	-5.3
	2000	6 277.7	6 267.8	13.6	5.1	2000	-1.9	-1.6	-1.3	-1.6
	2001	6 052.4	6 060.3	15.3	3.6	2001	-3.6	-3.3	-0.3	-1.3
	2002	5 384.7	5 430.9	17.0	25.9	2002	-11.0	-10.4	-10.7	-10.1
	2003	5 505.1	5 352.2	16.9	10.2	2003	2.2	-1.5	-12.5	-12.4
	2004	6 157.7	5 952.9	13.1	7.6	2004	11.9	11.2	0.0	-0.2
	2005	6 561.6	6 293.0	12.2	4.9	2005	6.6	5.7	4.6	70.2
	2006	7 006.2	6 721.4	11.4	6.4	2006	6.8	6.8	4.3	16.1
	2007	7 517.0	7 205.8	9.6	8.5	2007	7.3	7.2	4.7	4.1
	2008	8 161.5	7 853.1	7.9	9.2	2008	8.6	9.0	3.3	10.8
Venezuela (Bolivarian Republic of)	1990	4 828.1	4 522.0	10.4	36.5					
	1999	4 720.0	4 201.4	15.0	20.0	1990-1999	-0.3	-0.8	-3.9	-0.8
	2000	4 800.7	4 736.9	13.9	13.4	2000	1.7	12.7	4.0	3.8
	2001	4 871.1	4 547.4	13.3	12.3	2001	1.5	-4.0	6.9	-0.0
	2002	4 358.2	4 080.7	15.9	31.2	2002	-10.5	-10.3	-11.0	-5.4
	2003	3 947.9	3 823.1	18.0	27.1	2003	-9.4	-6.3	-17.6	-11.9
	2004	4 587.1	4 639.6	15.3	19.2	2004	16.2	21.4	0.2	11.3
	2005	4 972.6	5 527.1	12.3	14.4	2005	8.4	19.1	2.6	11.8
	2006	5 370.0	6 264.8	10.0	17.0	2006	8.0	13.3	5.1	9.9
	2007	5 747.8	6 841.8	8.4	22.5	2007	7.0	9.2	1.2	0.4
	2008	5 925.0	7 449.7	7.3	31.9	2008	3.1	8.9	-4.2	-6.4
Latin America [e]	1990	3 536.9	3 435.6	5.8	1 376.8					
	1999	4 005.2	3 930.3	11.0	9.7	1990-1999	1.4	1.5	1.0	2.3
	2000	4 105.5	4 062.9	10.5	9.0	2000	2.5	3.4	1.4	2.2
	2001	4 063.0	3 993.6	10.4	6.1	2001	-1.0	-1.7	-0.1	4.5
	2002	3 993.2	3 926.2	11.4	12.2	2002	-1.7	-1.7	-1.5	0.2
	2003	4 027.5	3 974.4	11.4	8.5	2003	0.9	1.2	-4.4	1.3
	2004	4 217.1	4 199.8	10.5	7.4	2004	4.7	5.7	1.4	5.4
	2005	4 371.2	4 400.9	9.2	6.1	2005	3.7	4.8	0.5	5.6
	2006	4 570.4	4 659.7	8.8	5.0	2006	4.6	5.9	3.0	6.8
	2007	4 779.4	4 904.2	8.1	6.4	2007	4.6	5.2	1.4	3.5
	2008	4 920.9	5 079.5	7.5	8.4	2008	3.0	3.6	1.3	1.5

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of official information from the countries.

[a] Real per capita gross national income.

[b] Simple average of December-to-December variations for each year.

[c] Preliminary figures for 2008.

[d] Nationwide total.

[e] Weighted average. Data adjusted for new series in Argentina, Brazil, Chile and Mexico, and for the exclusion of hidden unemployment in Colombia, Dominican Republic, Ecuador and Panama.

Table A-2

TOTAL POPULATION OF THE REGION BY COUNTRY OR TERRITORY, 1980-2020

(Thousands at mid-year)

Country	1980	1985	1990	1995	2000	2005	2010	2015	2020
Latin America									
Argentina	28 094	30 305	32 581	34 835	36 896	38 747	40 738	42 676	44 486
Bolivia (Plurinational State of)	5 355	5 964	6 669	7 482	8 317	9 182	10 031	10 854	11 638
Brazil	121 618	136 124	149 527	161 620	174 167	186 110	195 498	202 954	209 090
Chile	11 174	12 102	13 179	14 395	15 412	16 294	17 133	17 914	18 606
Colombia	26 881	29 984	33 186	36 436	39 763	43 046	46 299	49 385	52 278
Costa Rica	2 347	2 697	3 076	3 475	3 929	4 327	4 639	4 962	5 255
Cuba	9 823	10 064	10 564	10 885	11 075	11 189	11 203	11 213	11 193
Dominican Republic	5 808	6 487	7 179	7 888	8 560	9 237	9 899	10 515	11 077
Ecuador	7 961	9 099	10 272	11 397	12 305	13 060	13 773	14 550	15 349
El Salvador	4 660	4 996	5 326	5 724	5 942	6 057	6 192	6 381	6 616
Guatemala	7 014	7 935	8 908	10 004	11 229	12 709	14 376	16 195	18 076
Haiti	5 691	6 388	7 109	7 837	8 578	9 295	10 089	10 918	11 752
Honduras	3 634	4 236	4 901	5 589	6 234	6 898	7 621	8 392	9 141
Mexico	69 321	76 808	83 906	91 621	98 957	105 001	110 675	115 735	120 099
Nicaragua	3 250	3 709	4 137	4 658	5 100	5 455	5 822	6 189	6 529
Panama	1 949	2 176	2 411	2 670	2 950	3 231	3 508	3 773	4 027
Paraguay	3 198	3 702	4 248	4 799	5 349	5 904	6 460	7 007	7 533
Peru	17 324	19 519	21 765	23 927	25 997	27 833	29 495	31 197	32 881
Uruguay	2 914	3 009	3 106	3 218	3 318	3 324	3 372	3 430	3 493
Venezuela (Bolivarian Republic of)	15 091	17 317	19 731	22 078	24 402	26 724	29 043	31 291	33 412
Latin America	353 109	392 620	431 779	470 537	508 479	543 622	575 867	605 531	632 530
The Caribbean									
Anguilla	7	7	8	10	11	14	15	17	18
Antigua and Barbuda	72	68	62	68	77	84	89	93	97
Aruba	61	64	63	80	91	101	107	109	111
Bahamas	210	234	256	281	305	325	346	366	384
Barbados	249	254	260	258	252	253	257	260	262
Belize	144	165	190	220	252	282	313	344	375
British Virgin Islands	11	13	17	18	21	22	23	24	25
Cayman Islands	17	21	26	33	40	53	57	59	61
Dominica	73	72	69	69	68	67	67	67	67
Grenada	89	100	96	100	101	103	104	107	108
Guyana	776	771	749	759	756	764	761	754	745
Jamaica	2 133	2 296	2 364	2 466	2 568	2 668	2 730	2 786	2 834
Montserrat	12	11	11	10	5	6	6	6	6
Netherlands Antilles	174	182	191	191	181	186	201	207	210
Puerto Rico	3 197	3 378	3 528	3 701	3 819	3 913	3 998	4 074	4 135
Saint Kitts and Nevis	43	42	41	43	46	49	52	56	59
Saint Lucia	118	127	138	147	157	165	174	182	190
Saint Vincent and the Grenadines	100	104	107	108	108	109	109	110	110
Suriname	366	376	407	436	467	500	524	547	568
Trinidad and Tobago	1 082	1 176	1 219	1 265	1 295	1 318	1 344	1 368	1 384
Turks and Caicos Islands	8	9	12	15	19	31	33	35	36
United States Virgin Islands	98	105	103	107	109	110	109	108	106
The Caribbean [a]	29 860	32 063	34 384	36 640	38 650	40 566	42 312	43 958	45 470
Latin America and the Caribbean [b]	362 655	402 103	442 310	482 265	521 228	556 512	588 649	618 486	645 543

Source: Economic Commission for Latin America and the Caribbean (ECLAC), Database on Social Statistics and Indicators (BADEINSO) [online]. Information from the Latin American and Caribbean Demographic Centre - Population Division of ECLAC, 2008 revision. Population Database and United Nations, Department of Economic and Social Affairs, Population Division, World Population Prospects, 2008 revision; Population database, published on CD-ROM.

[a] Includes 24 economies: Anguilla, Antigua and Barbuda, Aruba, Bahamas, Barbados, British Virgin Islands, Cayman Islands, Cuba, Dominica, Dominican Republic, Grenada, Guadeloupe, Haiti, Jamaica, Martinique, Montserrat, Netherlands Antilles, Puerto Rico, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Trinidad and Tobago, Turks and Caicos Islands and United States Virgin Islands.

[b] Includes 46 economies: Anguilla, Antigua and Barbuda, Argentina, Aruba, Bahamas, Barbados, Belize, Bolivarian Republic of Venezuela, Brazil, British Virgin Islands, Cayman Islands, Chile, Colombia, Costa Rica, Cuba, Dominica, Dominican Republic, Ecuador, El Salvador, Falkland Islands (Malvinas), French Guiana, Grenada, Guadeloupe, Guatemala, Guyana, Haiti, Honduras, Jamaica, Martinique, Mexico, Montserrat, Netherlands Antilles, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia, Puerto Rico, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, Turks and Caicos Islands, United States Virgin Islands and Uruguay.

Table A-3

ESTIMATED GLOBAL FERTILITY RATES BY COUNTRY AND BY FIVE-YEAR PERIOD, 1980-2020

(Children per woman)

Countries	1980-1985	1985-1990	1990-1995	1995-2000	2000-2005	2005-2010	2010-2015	2015-2020
Latin America								
Argentina	3.15	3.05	2.90	2.63	2.35	2.25	2.16	2.08
Bolivia (Plurinational State of)	5.30	5.00	4.80	4.32	3.96	3.50	3.09	2.75
Brazil	3.80	3.10	2.60	2.45	2.25	1.90	1.70	1.60
Chile	2.67	2.65	2.55	2.21	2.00	1.94	1.89	1.85
Colombia	3.68	3.24	3.00	2.75	2.55	2.45	2.30	2.19
Costa Rica	3.53	3.37	2.95	2.58	2.28	1.96	1.97	1.85
Cuba	1.85	1.85	1.65	1.61	1.63	1.50	1.54	1.57
Dominican Republic	4.15	3.65	3.31	2.98	2.83	2.67	2.48	2.32
Ecuador	4.70	4.00	3.40	3.10	2.82	2.58	2.38	2.22
El Salvador	4.80	4.20	3.73	3.30	2.60	2.35	2.22	2.13
Guatemala	6.10	5.70	5.45	5.00	4.60	4.15	3.71	3.29
Haiti	6.21	5.70	5.15	4.62	4.00	3.54	3.19	2.91
Honduras	6.00	5.37	4.92	4.30	3.72	3.31	2.95	2.66
Mexico	4.25	3.63	3.19	2.67	2.40	2.21	2.04	1.89
Nicaragua	5.85	5.00	4.50	3.60	3.00	2.76	2.55	2.37
Panama	3.52	3.20	2.87	2.79	2.70	2.56	2.41	2.29
Paraguay	5.20	4.77	4.31	3.88	3.48	3.08	2.76	2.51
Peru	4.65	4.10	3.57	3.10	2.80	2.60	2.38	2.22
Uruguay	2.57	2.53	2.49	2.30	2.20	2.12	2.03	1.96
Venezuela (Bolivarian Republic of)	3.96	3.65	3.25	2.94	2.72	2.55	2.39	2.26
Latin America	3.95	3.44	3.04	2.74	2.50	2.27	2.09	1.98
The Caribbean								
Netherlands Antilles	2.36	2.30	2.28	2.12	2.09	1.98	1.91	1.86
Aruba	2.36	2.30	2.17	2.00	1.82	1.74	1.75	1.80
Bahamas	3.16	2.62	2.60	2.40	2.11	2.02	1.95	1.88
Barbados	1.92	1.75	1.60	1.50	1.50	1.53	1.58	1.63
Belize	5.40	4.70	4.35	3.85	3.35	2.94	2.65	2.41
Grenada	4.23	4.14	3.46	2.81	2.43	2.30	2.20	2.10
Guyana	3.26	2.70	2.55	2.50	2.43	2.33	2.22	2.13
Jamaica	3.55	3.10	2.84	2.67	2.53	2.40	2.28	2.17
Puerto Rico	2.46	2.26	2.18	2.02	1.84	1.83	1.85	1.85
Saint Vincent and the Grenadines	3.64	3.10	2.85	2.55	2.24	2.13	2.05	1.97
Saint Lucia	4.20	3.65	3.15	2.60	2.10	2.05	1.90	1.85
Suriname	3.70	3.00	2.60	2.80	2.60	2.42	2.29	2.19
Trinidad and Tobago	3.22	2.80	2.10	1.73	1.61	1.64	1.69	1.74
United States Virgin Islands	3.70	3.09	3.09	2.50	2.23	2.15	2.06	1.98
The Caribbean [a]	3.40	3.12	2.83	2.63	2.51	2.37	2.30	2.22
Latin America and the Caribbean [b]	3.93	3.42	3.02	2.73	2.50	2.26	2.09	1.98

Source: Economic Commission for Latin America and the Caribbean (ECLAC), Database on Social Statistics and Indicators (BADEINSO) [online]. Information from the Latin American and Caribbean Demographic Centre - Population Division of ECLAC, 2008 revision. Population Database and United Nations, Department of Economic and Social Affairs, Population Division, World Population Prospects, 2008 revision; Population database, published on CD-ROM.

[a] Includes 24 economies: Anguilla, Antigua and Barbuda, Aruba, Bahamas, Barbados, British Virgin Islands, Cayman Islands, Cuba, Dominica, Dominican Republic, Grenada, Guadeloupe, Haiti, Jamaica, Martinique, Montserrat, Netherlands Antilles, Puerto Rico, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Trinidad and Tobago, Turks and Caicos Islands and United States Virgin Islands.

[b] Includes 46 economies: Anguilla, Antigua and Barbuda, Argentina, Aruba, Bahamas, Barbados, Belize, Bolivarian Republic of Venezuela, Brazil, British Virgin Islands, Cayman Islands, Chile, Colombia, Costa Rica, Cuba, Dominica, Dominican Republic, Ecuador, El Salvador, Falkland Islands (Malvinas), French Guiana, Grenada, Guadeloupe, Guatemala, Guyana, Haiti, Honduras, Jamaica, Martinique, Mexico, Montserrat, Netherlands Antilles, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia, Puerto Rico, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, Turks and Caicos Islands, United States Virgin Islands and Uruguay.

Table A-4
POVERTY AND INDIGENCE LEVELS, 1990-2008
(Percentages)

Country	Year	Population below the poverty line [a]					Population below the indigence line				
		National total	Urban areas			Rural areas	National total	Urban areas			Rural areas
			Total	Metropolitan area	Other urban			Total	Metropolitan area	Other urban	
Argentina	1990	…	…	21.2	…	…	…	…	5.2	…	…
	1994	…	16.1	13.2	21.2	…	…	3.4	2.6	4.9	…
	1997	…	…	17.8	…	…	…	…	4.8	…	…
	1999	…	23.7	19.7	28.5	…	…	6.7	4.8	8.8	…
	2002	…	45.4	41.5	49.6	…	…	20.9	18.6	23.3	…
	2004	…	29.4	25.9	33.6	…	…	11.1	9.6	12.9	…
	2005	…	26.0	22.6	30.0	…	…	9.1	7.6	10.8	…
	2006	…	21.0	19.3	22.8	…	…	7.2	6.7	7.9	…
Bolivia (Plurinational State of)	1989	…	52.6	…	…	…	…	23.0	…	…	…
	1994	…	51.6	…	…	…	…	19.8	…	…	…
	1997	62.1	52.3	…	…	78.5	37.2	22.6	…	…	61.5
	1999	60.6	48.7	45.0	63.9	80.7	36.4	19.8	17.5	29.0	64.7
	2002	62.4	52.0	48.0	58.2	79.2	37.1	21.3	18.8	25.0	62.9
	2004	63.9	53.8	50.5	60.4	80.6	34.7	20.2	17.3	26.0	58.8
	2007	54.0	42.4	40.6	44.9	75.8	31.2	16.2	15.4	17.4	59.0
Brazil	1990	48.0	41.2	…	…	70.6	23.4	16.7	…	…	46.1
	1993	45.3	40.3	…	…	63.0	20.2	15.0	…	…	38.8
	1996	35.8	30.6	…	…	55.6	13.9	9.6	…	…	30.2
	1999	37.5	32.9	…	…	55.3	12.9	9.3	…	…	27.1
	2001	37.5	34.1	…	…	55.2	13.2	10.4	…	…	28.0
	2003	38.7	35.7	…	…	54.5	13.9	11.4	…	…	27.5
	2004	37.7	34.3	…	…	54.1	12.1	9.7	…	…	24.0
	2005	36.3	32.8	…	…	53.2	10.6	8.2	…	…	22.1
	2006	33.3	29.9	…	…	50.1	9.0	6.7	…	…	20.5
	2007	30.0	26.9	…	…	45.7	8.5	6.6	…	…	18.1
	2008	25.8	22.8	…	…	41.2	7.3	5.5			16.5
Chile	1990	38.6	38.5	32.1	43.5	38.8	13.0	12.5	9.3	14.9	15.6
	1994	27.6	27.0	18.4	33.4	31.1	7.6	7.1	4.2	9.3	9.9
	1996	23.2	22.0	13.4	27.8	30.4	5.7	5.1	2.4	6.9	9.4
	1998	21.7	20.7	14.6	25.0	27.5	5.6	5.1	3.3	6.4	8.6
	2000	20.2	19.7	14.4	23.4	23.7	5.6	5.1	3.9	6.0	8.4
	2003	18.7	18.5	12.4	22.7	20.0	4.7	4.4	2.8	5.6	6.2
	2006	13.7	13.9	10.4	16.0	12.3	3.2	3.2	2.3	3.7	3.5
Colombia	1991	56.1	52.7	…	…	60.7	26.1	20.0	…	…	34.3
	1994	52.5	45.4	37.6	48.2	62.4	28.5	18.6	13.6	20.4	42.5
	1997	50.9	45.0	33.5	48.9	60.1	23.5	17.2	11.3	19.1	33.4
	1999	54.9	50.6	43.1	53.1	61.8	26.8	21.9	19.6	22.7	34.6
	2002	51.5	51.4	39.8	54.5	52.0	24.8	24.3	17.1	26.3	26.4
	2004	51.1	49.8	37.5	53.2	54.8	24.2	22.5	15.7	24.3	28.9
	2005	46.8	45.4	33.8	48.6	50.5	20.2	18.2	12.0	19.9	25.6
Costa Rica	1990	26.3	24.9	22.8	27.7	27.3	9.9	6.4	4.9	8.4	12.5
	1994	23.1	20.7	19.1	22.7	25.0	8.0	5.7	4.6	7.1	9.7
	1997	22.5	19.3	18.8	20.1	24.8	7.8	5.5	5.7	5.3	9.6
	1999	20.3	18.1	17.5	18.7	22.3	7.8	5.4	4.3	6.5	9.8
	2002	20.3	17.5	16.8	18.0	24.3	8.2	5.5	5.5	5.6	12.0
	2004	20.5	18.7	17.0	25.3	23.1	8.0	5.8	5.1	8.6	11.0
	2005	21.1	20.0	18.7	24.9	22.7	7.0	5.6	5.1	7.3	9.0
	2006	19.0	18.0	16.5	23.8	20.4	7.2	5.4	4.8	7.9	9.8
	2007	18.6	17.8	16.2	23.9	19.6	5.3	4.2	3.8	5.7	6.8
	2008	16.4	15.6	13.9	22.3	17.5	5.5	4.3	3.7	6.4	7.3
Dominican Republic	2002	47.1	42.4	…	…	55.9	20.7	16.5	…	…	28.6
	2004	54.4	51.8	…	…	59.0	29.0	25.9	…	…	34.7
	2005	47.5	45.4	…	…	51.4	24.6	22.3	…	…	28.8
	2006	44.5	41.8	…	…	49.5	22.0	18.5	…	…	28.5
	2007	44.5	43.0	…	…	47.3	21.0	19.0	…	…	24.6
	2008	44.3	42.0	…	…	49.1	22.6	19.5	…	…	29.0

Table A-4 (continued)

Country	Year	Population below the poverty line [a]					Population below the indigence line				
		National total	Urban areas			Rural areas	National total	Urban areas			Rural areas
			Total	Metropolitan area	Other urban			Total	Metropolitan area	Other urban	
Ecuador	1990	…	62.1	…	…	…	…	26.2	…	…	…
	1994	…	57.9	…	…	…	…	25.5	…	…	…
	1997	…	56.2	…	…	…	…	22.2	…	…	…
	1999	…	63.5	…	…	…	…	31.3	…	…	…
	2002	…	49.0	…	…	…	…	19.4	…	…	…
	2004	51.2	47.5	…	…	58.5	22.3	18.2	…	…	30.5
	2005	48.3	45.2	…	…	54.5	21.2	17.1	…	…	29.2
	2006	43.0	39.9	…	…	49.0	16.1	12.8	…	…	22.5
	2007	42.6	38.8	…	…	50.0	16.0	12.4	…	…	23.0
	2008	42.7	39.0	…	…	50.2	18.0	14.2	…	…	25.6
El Salvador	1995	54.2	45.8	34.7	55.1	64.4	21.7	14.9	8.8	20.1	29.9
	1997	55.5	44.4	29.8	56.6	69.2	23.3	14.8	6.3	21.9	33.7
	1999	49.8	38.7	29.8	48.7	65.1	21.9	13.0	7.7	19.0	34.3
	2001	48.9	39.4	32.1	47.7	62.4	22.1	14.3	9.9	19.2	33.3
	2004	47.5	41.2	33.2	48.6	56.8	19.0	13.8	8.4	18.8	26.6
Guatemala	1989	69.4	53.6	…	…	77.7	42.0	26.4	…	…	50.2
	1998	61.1	49.1	…	…	69.0	31.6	16.0	…	…	41.8
	2002	60.2	45.3	…	…	68.0	30.9	18.1	…	…	37.6
	2006	54.8	42.0	…	…	66.5	29.1	14.8	…	…	42.2
Honduras	1990	80.8	70.4	59.9	79.5	88.1	60.9	43.6	31.0	54.5	72.9
	1994	77.9	74.5	68.7	80.4	80.5	53.9	46.0	38.3	53.7	59.8
	1997	79.1	72.6	68.0	77.2	84.2	54.4	41.5	35.5	48.6	64.0
	1999	79.7	71.7	64.4	78.8	86.3	56.8	42.9	33.7	51.9	68.0
	2002	77.3	66.7	56.9	74.4	86.1	54.4	36.5	25.1	45.3	69.5
	2003	74.8	62.7	50.3	72.5	84.8	53.9	35.1	23.3	44.5	69.4
	2006	71.5	59.4	48.7	67.8	81.5	49.3	30.0	19.9	37.9	65.3
	2007	68.9	56.9	47.8	64.0	78.8	45.6	26.2	18.0	32.5	61.7
Mexico	1989	47.7	42.1	…	…	56.7	18.7	13.1	…	…	27.9
	1994	45.1	36.8	…	…	56.5	16.8	9.0	…	…	27.5
	1996	52.9	46.1	…	…	62.8	22.0	14.3	…	…	33.0
	1998	46.9	38.9	…	…	58.5	18.5	9.7	…	…	31.1
	2000	41.1	32.3	…	…	54.7	15.2	6.6	…	…	28.5
	2002	39.4	32.2	…	…	51.2	12.6	6.9	…	…	21.9
	2004	37.0	32.6	…	…	44.1	11.7	7.0	…	…	19.3
	2005	35.5	28.5	…	…	47.5	11.7	5.8	…	…	21.7
	2006	31.7	26.8	…	…	40.1	8.7	4.4	…	…	16.1
	2008	34.8	29.2	…	…	44.6	11.2	6.4	6.4	19.8	19.8
Nicaragua	1993	73.6	66.3	58.3	73.0	82.7	48.4	36.8	29.5	43.0	62.8
	1998	69.9	64.0	57.0	68.9	77.0	44.6	33.9	25.8	39.5	57.5
	2001	69.3	63.8	50.8	72.1	77.0	42.4	33.4	24.5	39.1	55.1
	2005	61.9	54.4	48.7	58.1	71.5	31.9	20.8	16.4	23.7	46.1
Panama	1991	…	32.7	…	…	…	…	11.5	…	…	…
	1994	…	25.3	…	…	…	…	7.8	…	…	…
	1997	…	24.7	…	…	…	…	8.0	…	…	…
	1999	…	20.8	…	…	…	…	5.9	…	…	…
	2002	36.9	26.2	…	…	54.6	18.6	9.0	…	…	34.6
	2004	32.9	21.6	…	…	52.3	15.9	6.7	…	…	31.6
	2005	31.0	21.7	…	…	47.2	14.1	6.4	…	…	27.5
	2006	29.9	19.5	…	…	47.9	14.3	5.7	…	…	29.2
	2007	29.0	18.7	…	…	46.6	12.0	5.0	…	…	24.1
	2008	27.7	17.0	…	…	46.3	13.5	4.7	4.7	28.8	28.8
Paraguay	1990	…	…	43.2	…	…	…	…	13.1	…	…
	1994	…	49.9	42.2	59.3	…	…	18.8	12.8	26.1	…
	1996	…	46.3	39.2	55.9	…	…	16.3	9.8	25.2	…
	1999	60.6	49.0	39.5	61.3	73.9	33.9	17.4	9.2	28.0	52.8
	2001	61.0	50.1	42.7	59.1	73.6	33.2	18.4	10.4	28.1	50.3
	2004	65.9	59.1	55.6	63.8	74.6	36.9	26.8	22.9	31.8	50.2
	2005	60.5	55.0	48.5	64.3	68.1	32.1	23.2	15.5	34.5	44.2
	2007	60.5	55.2	53.1	58.3	68.0	31.6	23.8	22.2	26.3	42.5
	2008	58.2	52.5	48.8	58.2	66.1	30.8	22.1	18.9	27.2	43.1

Table A-4 (concluded)

Country	Year	Population below the poverty line [a]					Population below the indigence line				
		National total	Urban areas			Rural areas	National total	Urban areas			Rural areas
			Total	Metropolitan area	Other urban			Total	Metropolitan area	Other urban	
Peru	1997	47.6	33.7	…	…	72.7	25.1	9.9	…	…	52.7
	1999	48.6	36.1	…	…	72.5	22.4	9.3	…	…	47.3
	2001 [b]	54.8	42.0	…	…	78.4	24.4	9.9	…	…	51.3
	2003 [b]	54.7	43.1	…	…	76.0	21.6	8.6	…	…	45.7
	2004 [b]	48.6	37.1	…	…	69.8	17.1	6.5	…	…	36.8
	2005 [b]	48.7	36.8	…	…	70.9	17.4	6.3	…	…	37.9
	2006 [b]	44.5	31.2	…	…	69.3	16.1	4.9	…	…	37.1
	2007 [b]	39.3	25.7	…	…	64.6	13.7	3.5	…	…	32.9
	2008 [b]	36.2	23.5	…	…	59.8	12.6	3.4	…	…	29.7
Uruguay	1990	…	17.9	11.3	24.3	…	…	3.4	1.8	5.0	…
	1994	…	9.7	7.5	11.8	…	…	1.9	1.5	2.2	…
	1997	…	9.5	8.6	10.3	…	…	1.7	1.5	1.8	…
	1999	…	9.4	9.8	9.0	…	…	1.8	1.9	1.6	…
	2002	…	15.4	15.1	15.8	…	…	2.5	2.7	2.2	…
	2004	…	20.9	20.8	21.0	…	…	4.7	6.1	4.3	…
	2005	…	18.8	19.7	17.9	…	…	4.1	5.8	2.4	…
	2007	17.7	18.1	18.9	17.4	12.6	3.0	3.1	4.5	1.9	2.4
	2008	13.7	14.0	15.2	13.1	9.4	3.4	3.5	4.6	2.7	2.4
Venezuela (Bolivarian Republic of) [c]	1990	39.8	38.6	29.2	41.2	46.0	14.4	13.1	8.0	14.5	21.3
	1994	48.7	47.1	25.8	52.0	55.6	19.2	17.1	6.1	19.6	28.3
	1997	48.0	…	…	…	…	20.5	…	…	…	…
	1999	49.4	…	…	…	…	21.7	…	…	…	…
	2002	48.6	…	…	…	…	22.2	…	…	…	…
	2004	45.4	…	…	…	…	19.0	…	…	…	…
	2005	37.1	…	…	…	…	15.9	…	…	…	…
	2006	30.2	…	…	…	…	9.9	…	…	…	…
	2007	28.5	…	…	…	…	8.5	…	…	…	…
	2008	27.6	…	…	…	…	9.9	…	…	…	…
Latin America [d]	1980	40.5	29.5	…	…	59.8	18.6	10.6	…	…	32.7
	1986	43.3	35.5	…	…	59.9	20.7	13.5	…	…	36.0
	1990	48.3	41.4	…	…	65.4	22.5	15.3	…	…	40.4
	1994	45.7	38.7	…	…	65.1	20.8	13.6	…	…	40.8
	1997	43.5	36.5	…	…	63.0	19.0	12.3	…	…	37.6
	1999	43.9	37.2	…	…	63.7	18.7	12.1	…	…	38.2
	2002	44.0	38.4	…	…	61.8	19.4	13.5	…	…	37.8
	2005	39.8	34.1	…	…	58.8	15.4	10.3	…	…	32.5
	2006	36.3	31.0	…	…	54.0	13.3	8.5	…	…	29.2
	2007	34.1	28.9	…	…	52.1	12.6	8.1	…	…	28.1
	2008	33.0	27.6	…	…	52.2	12.9	8.3	…	…	29.5

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household survey data from the countries concerned.
[a] Includes persons below the indigence line or in situations of extreme poverty.
[b] Figures from the National Institute of Statistics and Informatics (INEI) of Peru. These values are not strictly comparable with those for earlier years.
[c] From 1997, the sample design for the survey does not permit urban-rural breakdown. Figures therefore correspond to the national total.
[d] Estimate for 18 countries in the region, plus Haiti.

Table A-5
INDIGENCE AND POVERTY LINES (IL AND PL)
(Per capita monthly values)

Countries	Year	Income reference period	Currency [a]	Urban IL	Urban PL	Rural IL	Rural PL	Variation [b]	Urban IL	Urban PL	Rural IL	Rural PL
				Currency in use					Dollars			
Argentina	1990 [c]	Sep.	A	255 928	511 856	…	…	5 791.0	44.2	88.4	…	…
	1994	Sep.	$	72	144	…	…	1.0	72.0	143.9	…	…
	1997 [c]	Sep.	$	76	151	…	…	1.0	75.5	151.0	…	…
	1999	Sep.	$	72	143	…	…	1.0	71.6	143.3	…	…
	2002	Oct.	$	99	198	…	…	3.6	27.5	55.0	…	…
	2004	Second semester	$	111	221	…	…	3.0	37.4	74.8	…	…
	2005	Second semester	$	125	250	…	…	2.9	42.9	85.8	…	…
	2006	Second semester	$	138	276	…	…	3.1	45.1	90.2	…	…
Bolivia (Plurinational State of)	1989	Oct.	Bs (Boliviano)	68	137	…	…	2.9	23.8	47.5	…	…
	1994	Jun.-Nov.	Bs (Boliviano)	120	240	…	…	4.7	25.7	51.4	…	…
	1997	May.	Bs (Boliviano)	155	309	125	219	5.3	29.4	58.8	23.9	41.8
	1999	Oct.-Nov.	Bs (Boliviano)	167	333	130	228	5.9	28.0	56.1	21.9	38.3
	2002	Oct.-Nov.	Bs (Boliviano)	167	334	133	234	7.4	22.6	45.2	18.1	31.6
	2004	Nov. 03-Nov. 04	Bs (Boliviano)	180	359	144	252	7.9	22.7	45.4	18.2	31.8
	2007	Year	Bs (Boliviano)	232	449	180	307	7.9	29.6	57.2	22.9	39.1
Brazil	1990	Sep.	Cr$	3 109	6 572	2 634	4 967	75.5	41.2	87.0	34.9	65.7
	1993	Sep.	Cr$	3 400	7 391	2 864	5 466	111.2	30.6	66.5	25.8	49.2
	1996	Sep.	R$	44	104	38	76	1.0	43.6	102.3	37.2	74.9
	1999	Sep.	R$	51	126	43	91	1.9	26.7	66.2	22.7	48.1
	2001	Sep.	R$	58	142	50	105	2.67	21.7	53.2	18.7	39.2
	2003	Sep.	R$	75	178	65	133	2.92	25.5	61.0	22.1	45.7
	2004	Sep.	R$	79	191	68	149	2.89	27.3	66.2	23.6	51.5
	2005	Sep.	R$	83	209	72	161	2.29	36.2	91.1	31.4	70.5
	2006	Sep.	R$	85	221	75	172	2.17	39.4	101.7	34.3	79.2
	2007	Sep.	R$	89	222	78	173	1.90	47.1	116.8	41.0	91.1
	2008	Sep.	R$	96	225	84	177	1.80	53.2	125.3	46.7	98.6
Chile	1990	Nov.	Ch$	9 297	18 594	7 164	12 538	327.4	28.4	56.8	21.9	38.3
	1994	Nov.	Ch$	15 050	30 100	11 597	20 295	413.1	36.4	72.9	28.1	49.1
	1996	Nov.	Ch$	17 136	34 272	13 204	23 108	420.0	40.8	81.6	31.4	55.0
	1998	Nov.	Ch$	18 944	37 889	14 598	25 546	463.3	40.9	81.8	31.5	55.1
	2000	Nov.	Ch$	20 281	40 562	15 628	27 349	525.1	38.6	77.2	29.8	52.1
	2003	Nov.	Ch$	21 856	43 712	16 842	29 473	625.5	34.9	69.9	26.9	47.1
	2006	Nov.	Ch$	23 549	47 099	18 146	31 756	527.4	44.6	89.3	34.4	60.2
Colombia	1991	Aug.	Col$	18 093	36 186	14 915	26 102	645.6	28.0	56.1	23.1	40.4
	1994	Aug.	Col$	31 624	63 249	26 074	45 629	814.8	38.8	77.6	32.0	56.0
	1997	Aug.	Col$	53 721	107 471	44 333	77 583	1 141.0	47.1	94.2	38.9	68.0
	1999	Aug.	Col$	69 838	139 716	57 629	100 851	1 873.7	37.3	74.6	30.8	53.8
	2002	Year	Col$	86 616	173 232	71 622	125 339	2 504.2	34.6	69.2	28.6	50.1
	2004	Year	Col$	98 179	196 357	81 264	142 214	2 628.6	37.4	74.7	30.9	54.1
	2005	Year	Col$	103 138	206 276	85 365	149 389	2 320.8	44.4	88.9	36.8	64.4
Costa Rica	1990	June	¢	2 639	5 278	2 081	3 642	89.7	29.4	58.9	23.2	40.6
	1994	June	¢	5 264	10 528	4 153	7 268	155.6	33.8	67.7	26.7	46.7
	1997	June	¢	8 604	17 208	6 778	11 862	232.6	37.0	74.0	29.1	51.0
	1999	June	¢	10 708	21 415	8 463	14 811	285.3	37.5	75.1	29.7	51.9
	2002	June	¢	14 045	28 089	11 132	19 481	358.1	39.2	78.4	31.1	54.4
	2004	June	¢	18 010	36 019	14 042	24 576	435.9	41.3	82.6	32.2	56.4
	2005	June	¢	20 905	41 810	16 298	28 522	476.3	43.9	87.8	34.2	59.9
	2006	June	¢	23 562	47 125	18 372	32 148	511.6	46.1	92.1	35.9	62.8
	2007	June	¢	25 865	51 286	20 164	35 032	518.7	49.9	98.9	38.9	67.5
	2008	June	¢	31 325	58 245	24 423	40 165	519.7	60.3	112.1	47.0	77.3
Dominican Republic	2002	Sep.	RD$	793	1 569	714	1 285	18.8	42.2	83.5	38.0	68.4
	2004	Sep.	RD$	1 715	3 430	1 543	2 778	37.5	45.8	91.5	41.2	74.1
	2005	Sep.	RD$	1 649	3 298	1 484	2 672	31.1	53.1	106.2	47.8	86.0
	2006	Sep.	RD$	1 724	3 449	1 552	2 793	33.3	51.8	103.5	46.6	83.9
	2007	Sep.	RD$	1 806	3 612	1 625	2 925	33.6	53.8	107.6	48.4	87.2
	2008	Sep.	RD$	2 091	4 010	1 882	3 263	35.0	59.7	114.5	53.7	93.2

Table A-5 (continued)

Countries	Year	Income reference period	Currency [a]	Urban		Rural		Variation [b]	Urban		Rural	
				IL	PL	IL	PL		IL	PL	IL	PL
				Currency in use					Dollars			
Ecuador	1990	Nov.	S/.	18 465	36 930	…	…	854.8	21.6	43.2	…	…
	1994	Nov.	S/.	69 364	138 729	…	…	2 301.2	30.1	60.3	…	…
	1997	Oct.	S/.	142 233	284 465	…	…	4 194.6	33.9	67.8	…	…
	1999	Oct.	S/.	301 716	603 432	…	…	15 656.8	19.3	38.5	…	…
	2002	Nov.	US$	34.6	69.1	…	…	1.0	34.6	69.1	…	…
	2004	Jul.	US$	37.3	74.6	26.3	46.0	1.0	37.3	74.6	26.3	46.0
	2005	Nov.	US$	38.6	77.1	27.2	47.6	1.0	38.6	77.1	27.2	47.6
	2006	Nov.	US$	39.8	79.6	28.1	49.1	1.0	39.8	79.6	28.1	49.1
	2007	Nov.	US$	41.5	81.9	29.2	50.6	1.0	41.5	81.9	29.2	50.6
	2008	Nov.	US$	48.7	90.6	34.3	56.5	1.0	48.7	90.6	34.3	56.5
El Salvador	1995	Jan.-Dec.	¢	254	508	158	315	8.8	29.0	58.1	18.0	35.9
	1997	Jan.-Dec.	¢	290	580	187	374	8.8	33.1	66.2	21.4	42.8
	1999	Jan.-Dec.	¢	293	586	189	378	8.8	33.5	66.9	21.6	43.2
	2001	Jan.-Dec.	¢	305	610	197	394	8.8	34.9	69.7	22.5	45.0
	2004	Year	¢	333	666	215	430	8.8	38.1	76.1	24.6	49.2
Guatemala	1989	Apr.	Q	64	127	50	88	2.7	23.6	47.1	18.7	32.7
	1998	Dec. 97-Dec. 98	Q	260	520	197	344	6.4	40.7	81.5	30.8	54.0
	2002	Oct.-Nov.	Q	334	669	255	446	7.7	43.6	87.2	33.3	58.2
	2006	Mar.-Sept.	Q	467	935	362	633	7.6	61.5	123.0	47.6	83.3
Honduras	1990	Aug.	L	115	229	81	141	4.3	26.5	52.9	18.6	32.6
	1994	Sep.	L	257	513	181	316	9.0	28.6	57.1	20.1	35.2
	1997	Aug.	L	481	963	339	593	13.1	36.8	73.6	25.9	45.3
	1999	Aug.	L	561	1 122	395	691	14.3	39.3	78.6	27.7	48.4
	2002	Aug.	L	689	1 378	485	849	16.6	41.6	83.3	29.3	51.3
	2003	Aug.	L	707	1 414	498	871	17.5	40.5	81.0	28.5	49.9
	2006	Aug.	L	869	1 738	612	1 070	18.9	46.0	91.9	32.4	56.6
	2007	Aug.	L	945	1 872	665	1 155	18.9	50.0	99.1	35.2	61.1
Mexico	1989	Third quarter	$	86 400	172 800	68 810	120 418	2 510.0	34.4	68.8	27.4	48.0
	1994	Third quarter	MN$	213	425	151	265	3.3	63.6	127.2	45.3	79.3
	1996	Third quarter	MN$	405	810	300	525	7.6	53.6	107.2	39.7	69.5
	1998	Third quarter	MN$	537	1 074	385	674	9.5	56.8	113.6	40.7	71.3
	2000	Third quarter	MN$	665	1 330	475	831	9.4	71.0	142.1	50.7	88.8
	2002	Third quarter	MN$	742	1 484	530	928	9.9	75.0	150.1	53.6	93.8
	2004	Third quarter	MN$	809	1 618	578	1 012	11.5	70.6	141.3	50.5	88.4
	2005	Aug.-Nov. 05	MN$	845	1 690	604	1 057	10.7	78.7	157.3	56.2	98.4
	2006	Aug.-Nov. 06	MN$	879	1 758	628	1 099	10.9	80.5	161.0	57.5	100.6
	2008	Aug.-Nov. 08	MN$	1 006	1 955	719	1 227	11.5	87.1	169.3	62.2	106.3
Nicaragua	1993	21 Feb.-12 Jun.	C$	167	334	129	225	4.6	36.6	73.3	28.2	49.4
	1997	Oct.	C$	247	493	…	…	9.8	25.3	50.5	…	…
	1998	15 Apr.-31 Aug.	C$	275	550	212	370	10.4	26.3	52.7	20.3	35.5
	2001	30 Apr.-31 Jul.	C$	369	739	284	498	13.4	27.6	55.2	21.3	37.2
	2005	Jul.-Oct.	C$	491	981	378	661	16.9	29.1	58.2	22.4	39.2
Panama	1991	Aug.	B	35.0	70.1	…	…	1.0	35.0	70.1	…	…
	1994	Aug.	B	40.1	80.2	…	…	1.0	40.1	80.2	…	…
	1997	Aug.	B	40.6	81.3	…	…	1.0	40.6	81.3	…	…
	1999	Jul.	B	40.7	81.4	…	…	1.0	40.7	81.4	…	…
	2002	Jul.	B	40.7	81.4	31.5	55.0	1.0	40.7	81.4	31.5	55.0
	2004	Jul.	B	42.1	84.2	32.6	57.1	1.0	42.1	84.2	32.6	57.1
	2005	Jul.	B	43.6	87.3	33.8	59.1	1.0	43.6	87.3	33.8	59.1
	2006	Jul.	B	43.9	87.8	34.0	59.5	1.0	43.9	87.8	34.0	59.5
	2007	Jul.	B	47.5	95.0	36.8	64.4	1.0	47.5	95.0	36.8	64.4
	2008	Jul.	B	49.3	97.6	38.2	66.2	1.0	49.3	97.6	38.2	66.2

Table A-5 (concluded)

Countries	Year	Income reference period	Currency [a]	Urban		Rural		Variation [b]	Urban		Rural	
				IL	PL	IL	PL		IL	PL	IL	PL
				Currency in use					Dollars			
Paraguay	1990 [d]	Jun., Jul., Aug.	G	43 242	86 484	…	…	1 207.8	35.8	71.6	…	…
	1994	Aug.-Sep.	G	87 894	175 789	…	…	1 916.3	45.9	91.7	…	…
	1996	Jul.-Nov.	G	108 572	217 143	…	…	2 081.2	52.2	104.3	…	…
	1999	Jul.-Dec.	G	138 915	277 831	106 608	186 565	3 311.4	42.0	83.9	32.2	56.3
	2001	Sep. 00-Aug. 01	G	155 461	310 922	119 404	208 956	3 718.3	41.8	83.6	32.1	56.2
	2004	Jul.-Oct. 04	G	212 145	424 290	162 786	284 876	5 915.6	35.9	71.7	27.5	48.2
	2005	Jun. 05	G	224 499	448 997	172 013	301 023	6 137.9	36.6	73.2	28.0	49.0
	2007	Oct.-Dec.	G	274 123	524 238	209 976	353 666	4 805.5	57.0	109.1	43.7	73.6
	2008	Oct.-Dec.	G	295 998	562 817	226 691	379 950	4 712.7	62.8	119.4	48.1	80.6
Peru	1997	Fourth quarter	N$	103	192	83	128	2.7	42.1	84.3	31.6	55.3
	1999	Fourth quarter	N$	109	213	89	141	3.5	31.2	61.2	25.5	40.5
	2001	Fourth quarter	N$	117	230	102	159	3.5	34.0	66.8	29.5	46.0
	2003	Fourth quarter	N$	120	239	107	167	3.5	34.5	68.9	30.8	48.2
Uruguay	1990	Second semester	NUr$	41 972	83 944	…	…	1 358.0	30.9	61.8	…	…
	1994	Second semester	$	281	563	…	…	5.4	52.1	104.1	…	…
	1997	Year	$	528	1 056	…	…	9.4	55.9	111.9	…	…
	1999	Year	$	640	1 280	…	…	11.3	56.4	112.9	…	…
	2002	Year	$	793	1 586	…	…	21.3	37.3	74.6	…	…
	2004	Year	$	1 027	2 054	…	…	28.7	35.8	71.6	…	…
	2005	Year	$	1 073	2 147	…	…	24.5	43.8	87.7	…	…
	2007	Year	$	1 371	2 650	1 075	1 828	23.5	58.4	112.9	45.8	77.9
	2008	Year	$	1 588	2 957	1 223	2 013	21.0	75.8	141.1	58.4	96.1
Venezuela (Bolivarian Republic of)	1990	Second semester	Bs (Bolívar)	1 924	3 848	1 503	2 630	49.4	38.9	77.9	30.4	53.2
	1994	Second semester	Bs (Bolívar)	8 025	16 050	6 356	11 124	171.3	46.9	93.7	37.1	65.0
	1997 [e]	Second semester	Bs (Bolívar)	31 711	62 316	…	…	488.6	64.9	127.5	…	…
	1999 [e]	Second semester	Bs (Bolívar)	48 737	95 876	…	…	626.3	77.8	153.1	…	…
	2002 [e]	Second semester	Bs (Bolívar)	80 276	154 813	…	…	1 161.0	69.1	133.4	…	…
	2004 [e]	Second semester	Bs (Bolívar)	122 936	236 597	…	…	1 918.0	64.1	123.4	…	…
	2005 [e]	Second semester	Bs (Bolívar)	141 699	272 689	…	…	2 147.0	66.0	127.0	…	…
	2006 [e]	Second semester	Bs (Bolívar)	163 503	314 700	…	…	2 147.0	76.2	146.6	…	…
	2007 [e]	Second semester	Bs (Bolívar)	200 374	376 280	…	…	2 147.0	93.3	175.3	…	…
	2008 [e]	Second semester	Bs (Bolívar)	301 540	525 958	…	…	2 147.0	140.4	245.0	…	…

Source: Economic Commission for Latin America and the Caribbean (ECLAC).

[a] National currencies:
Argentina: (A) Austral; ($) Peso
Bolivia (Plur. State of): (Bs) Boliviano
Brazil: (Cr$) Cruzeiro; (R$) Real
Chile: (Ch$) Peso
Colombia: (Col$) Peso
Costa Rica: (¢) Colón
Dominican Republic: (RD$) Peso
Ecuador: (S/.) Sucre, 1990-2001. Since 2002, United States dollar (US$).
El Salvador: (¢) Colón
Guatemala: (Q) Quetzal
Honduras: (L) Lempira
Mexico: ($) Peso; (MN$) New Peso
Nicaragua: (C$) Córdoba
Panama: (B/.) Balboa
Paraguay: (G/.) Guaraní
Peru: (N$) Peso
Uruguay: (Nur$) New Peso; ($) Peso
Venezuela (Bol. Rep. of): (Bs) Bolívar

[b] International Monetary Fund (IMF) “rf” series.

[c] Greater Buenos Aires.

[d] Asunción.

[e] National total.

Table A-6

LEVEL AND DISTRIBUTION OF HOUSEHOLD PER CAPITA INCOME, NATIONWIDE TOTAL, 1990-2008 [a]

(Percentages)

Countries	Years	Average income [b]	Share of total income of the: 40% poorest	Next 30%	20% below the richest 10%	10% richest	Average per capita income ratio [c]: $D^{10}/D^{(1\ to\ 4)}$	Q^5/Q^1
Argentina [d]	1999	11.3	15.9	22.1	25.3	36.7	16.2	16.6
	2002	7.3	14.3	20.4	24.6	40.7	19.0	20.6
	2004	8.8	16.3	22.5	25.2	36.0	15.2	16.5
	2005	9.6	16.5	22.7	25.4	35.4	14.9	16.2
	2006	10.8	16.9	22.9	25.2	35.0	14.4	15.5
Bolivia (Plurinational State of)	1997	5.8	9.4	22.0	27.9	40.7	25.9	34.4
	1999	5.6	9.2	24.0	29.6	37.2	26.7	48.0
	2002	6.1	9.5	21.3	28.3	40.9	30.3	44.2
	2004	5.3	12.2	22.7	27.2	37.9	20.6	24.7
	2007	6.1	11.2	25.1	28.2	35.5	22.2	31.5
Brazil	1990	9.4	9.5	18.6	28.0	43.9	31.2	35.0
	1993	9.4	10.8	18.5	26.2	44.5	27.7	32.0
	1996	12.3	9.9	17.7	26.5	45.9	32.2	38.0
	1999	11.3	10.1	17.3	25.5	47.1	31.9	35.6
	2001	11.0	10.2	17.4	25.6	46.8	32.2	36.9
	2004	9.9	11.7	18.7	25.6	44.0	26.6	29.3
	2005	10.1	11.9	18.5	25.0	44.6	26.4	29.0
	2006	10.5	12.1	18.8	25.1	44.0	24.8	27.2
	2007	10.8	12.6	19.6	25.7	42.1	22.8	26.0
	2008	12.1	12.7	19.3	24.7	43.3	23.8	26.2
Chile	1990	9.5	13.2	20.8	25.4	40.6	18.2	18.4
	1994	11.3	13.3	20.5	25.8	40.4	17.7	17.9
	1996	12.9	13.1	20.4	26.2	40.3	18.3	18.6
	1998	13.7	13.0	20.5	26.6	39.9	19.1	19.7
	2000	14.0	13.5	20.6	25.2	40.7	19.2	19.5
	2003	13.6	13.7	20.7	25.5	40.1	18.8	18.4
	2006	14.4	14.6	21.5	26.7	37.2	15.9	15.7
Colombia	1991	6.7	14.1	23.1	25.8	37.0	16.7	18.2
	1994	7.7	10.0	21.3	26.9	41.8	26.8	35.2
	1997	7.3	12.5	21.7	25.7	40.1	21.4	24.1
	1999	6.7	12.3	21.6	26.0	40.1	22.3	25.6
	2002	6.9	12.3	22.4	26.5	38.8	24.2	28.5
	2004	6.9	12.1	22.0	26.0	39.9	25.2	29.0
	2005	7.8	12.2	21.3	25.4	41.1	25.2	27.8
Costa Rica	1990	9.5	16.7	27.4	30.2	25.7	10.1	13.1
	1994	10.5	16.4	26.2	28.0	29.4	12.0	14.0
	1997	10.0	16.5	26.8	29.3	27.4	10.8	13.0
	1999	11.4	15.3	25.7	29.7	29.3	12.6	15.3
	2002	11.7	14.5	25.6	29.7	30.2	13.7	17.0
	2004	10.9	14.3	26.2	30.1	29.4	13.3	16.6
	2005	10.3	15.2	26.2	29.9	28.7	12.7	15.1
	2006	11.2	14.6	25.7	29.3	30.4	13.4	16.1
	2007	11.0	14.9	24.9	28.2	32.0	13.9	14.8
	2008	11.1	15.3	25.3	28.4	31.0	12.4	13.5
Dominican Republic	2002	6.9	12.7	22.7	26.9	37.7	17.8	20.7
	2004	6.5	10.2	20.1	28.2	41.5	26.1	28.0
	2005	7.3	10.4	21.4	29.9	38.3	22.7	28.1
	2006	8.1	9.9	20.2	29.0	40.9	24.5	28.9
	2007	7.5	11.0	21.9	29.2	37.9	21.3	26.3
	2008	7.3	11.5	23.2	30.4	34.9	21.2	25.4
Ecuador	2004	6.4	15.0	24.5	27.5	33.0	15.1	16.7
	2005	6.9	14.0	23.8	26.9	35.3	17.0	19.2
	2006	7.7	14.5	23.7	25.8	36.0	18.0	18.5
	2007	7.8	14.4	22.6	26.4	36.6	17.6	18.6
	2008	7.1	15.5	24.4	27.0	33.1	14.0	15.6
El Salvador	1995	6.2	15.4	24.8	26.9	32.9	14.1	16.9
	1997	6.1	15.3	24.5	27.2	33.0	14.3	15.9
	1999	6.6	13.8	25.0	29.1	32.1	15.2	19.6
	2001	6.7	13.4	24.6	28.7	33.3	16.2	20.2
	2004	6.2	15.9	26.0	28.8	29.3	13.3	16.3
Guatemala	1989	6.0	11.8	20.9	26.8	40.5	23.6	27.3
	1998	7.1	14.3	21.6	25.0	39.1	20.4	19.7
	2002	6.8	14.1	22.3	27.2	36.4	18.6	19.3
	2006	7.6	12.8	21.7	25.7	39.8	22.0	23.9

Table A-6 (concluded)

Countries	Years	Average income [b]	Share of total income of the: 40% poorest	Next 30%	20% below the richest 10%	10% richest	Average per capita income ratio [c] $D^{10}/D^{(1\ to\ 4)}$	Q^5/Q^1
Honduras	1990	4.3	10.1	19.7	27.0	43.2	27.3	30.9
	1994	4.4	11.7	22.8	27.1	38.4	20.4	24.9
	1997	4.1	12.6	22.5	27.3	37.6	21.1	23.7
	1999	3.9	11.8	22.9	28.9	36.4	22.3	26.5
	2002	4.3	11.3	21.7	27.6	39.4	23.6	26.3
	2003	4.3	10.6	22.1	28.6	38.7	24.4	28.2
	2006	4.5	8.9	22.5	29.3	39.3	27.8	40.9
	2007	4.7	10.0	23.5	29.5	37.0	23.6	32.5
Mexico	1989	8.6	15.8	22.5	25.1	36.6	17.2	16.9
	1994	8.5	15.3	22.9	26.1	35.7	17.3	17.4
	1996	6.9	16.5	23.2	25.9	34.4	15.5	15.7
	1998	7.7	15.1	22.7	25.6	36.6	18.4	18.5
	2002	8.2	15.7	23.8	27.3	33.2	15.1	15.5
	2004	8.3	15.8	23.3	26.3	34.6	15.9	16.0
	2005	8.7	15.4	23.2	26.0	35.4	16.7	17.0
	2006	8.7	16.9	24.1	26.1	32.9	14.7	14.8
	2008	8.6	16.0	23.9	25.6	34.5	16.1	16.0
Nicaragua	1993	5.2	10.4	22.8	28.4	38.4	26.5	37.2
	1998	5.6	10.4	22.1	27.1	40.4	25.4	34.6
	2001	5.8	12.0	21.6	25.6	40.8	23.8	27.3
	2005	6.5	14.4	24.0	26.2	35.4	17.2	18.6
Panama	2002	9.8	12.1	23.6	28.0	36.3	20.1	25.8
	2004	9.8	12.9	25.5	28.7	32.9	16.8	22.5
	2005	9.7	13.9	25.5	29.2	31.4	15.5	20.0
	2006	10.3	13.5	25.2	29.1	32.2	16.8	21.9
	2007	10.1	14.6	25.5	28.2	31.7	15.6	18.9
	2008	10.3	14.4	25.7	27.8	32.1	15.2	18.8
Paraguay	1999	6.2	13.0	23.0	27.8	36.2	19.3	22.5
	2001	6.2	12.9	23.5	26.4	37.2	20.9	25.7
	2004	5.2	14.6	22.9	26.5	36.0	18.6	20.1
	2005	5.5	15.0	23.9	26.5	34.6	16.0	18.2
	2007	5.7	14.3	23.9	25.3	36.5	17.0	19.1
	2008	5.7	14.7	24.6	26.3	34.4	16.6	18.4
Peru	1997	7.5	13.4	24.6	28.7	33.3	17.9	20.8
	1999	7.5	13.4	23.1	27.1	36.4	19.5	21.6
	2001	6.4	13.4	24.6	28.5	33.5	17.4	19.3
	2003	6.1	14.9	23.6	27.9	33.6	15.6	16.3
	2007	7.7	14.3	25.1	28.4	32.2	14.7	16.5
	2008	7.8	15.7	26.5	28.4	29.4	12.8	14.4
Uruguay	2007	8.4	21.0	25.2	26.2	27.6	9.7	10.3
	2008	9.2	21.1	25.5	26.3	27.1	9.0	9.6
Venezuela (Bolivarian Republic of)	1990	8.9	16.7	25.7	28.9	28.7	12.1	13.4
	1994	7.5	16.7	25.5	26.0	31.8	12.7	13.2
	1997	7.8	14.7	24.0	28.5	32.8	14.9	16.1
	1999	7.2	14.5	25.1	29.0	31.4	15.0	18.0
	2002	7.1	14.3	24.9	29.5	31.3	14.5	18.1
	2004	7.0	16.1	26.5	28.9	28.5	12.0	14.9
	2005	8.5	14.8	26.1	28.3	30.8	13.7	17.9
	2006	9.0	17.4	27.0	28.3	27.3	10.5	12.3
	2007	8.9	18.4	27.5	28.4	25.7	9.3	10.6
	2008	8.6	19.2	27.9	28.1	24.8	8.4	9.7

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household survey data from the countries concerned.

[a] Households of the whole country ordered by per capita income.

[b] Monthly average household income in multiples of the per capita poverty line.

[c] $D^{(1\ to\ 4)}$ represents the lowest-income 40% of households, and D^{10} is the highest-income 10% of households. The same notation is used in the case of quintiles (Q), which represent groups of 20% of households.

[d] Total, urban areas.

Table A-7

INDICATORS OF INCOME CONCENTRATION, NATIONWIDE TOTAL, 1990-2008 [a]

Countries	Years	Percentage of population with per capita income below: 50% of average	Concentration indices			
			Gini [b]	Logarithmic variance	Theil	Atkinson (ε=1.5)
Argentina [c]	1999	22.2	0.539	1.194	0.667	0.530
	2002	24.3	0.578	1.510	0.724	0.593
	2004	22.5	0.531	1.225	0.633	0.534
	2005	22.1	0.526	1.190	0.602	0.525
	2006	21.7	0.519	1.173	0.626	0.522
Bolivia (Plurinational State of)	1997	28.7	0.595	2.024	0.728	0.674
	1999	29.5	0.586	2.548	0.658	0.738
	2002	28.6	0.614	2.510	0.776	0.738
	2004	23.8	0.561	1.559	0.636	0.600
	2007	27.2	0.565	2.159	0.611	0.709
Brazil	1990	26.6	0.627	1.938	0.816	0.664
	1993	25.8	0.621	1.881	0.840	0.663
	1996	26.8	0.637	1.962	0.871	0.668
	1999	25.9	0.640	1.913	0.914	0.663
	2001	26.1	0.639	1.925	0.914	0.665
	2004	24.8	0.612	1.707	0.825	0.632
	2005	24.9	0.613	1.690	0.840	0.629
	2006	24.4	0.604	1.646	0.807	0.621
	2007	24.7	0.590	1.559	0.744	0.605
	2008	24.3	0.594	1.538	0.808	0.604
Chile	1990	20.4	0.554	1.261	0.644	0.546
	1994	20.3	0.552	1.210	0.713	0.537
	1996	20.3	0.553	1.261	0.631	0.545
	1998	21.0	0.560	1.302	0.654	0.553
	2000	20.3	0.564	1.308	0.676	0.556
	2003	19.5	0.552	1.203	0.674	0.535
	2006	18.5	0.522	1.065	0.568	0.497
Colombia	1991	20.4	0.531	1.157	0.638	0.524
	1994	26.0	0.601	2.042	0.794	0.684
	1997	21.6	0.569	1.399	0.857	0.584
	1999	21.8	0.572	1.456	0.734	0.603
	2002	22.4	0.569	1.396	0.705	0.580
	2004	22.0	0.577	1.410	0.727	0.580
	2005	21.2	0.584	1.460	0.752	0.591
Costa Rica	1990	19.4	0.438	0.833	0.328	0.412
	1994	19.5	0.461	0.868	0.391	0.428
	1997	19.9	0.450	0.860	0.356	0.422
	1999	20.7	0.473	0.974	0.395	0.457
	2002	21.2	0.488	1.080	0.440	0.491
	2004	21.5	0.478	1.030	0.411	0.473
	2005	20.4	0.470	0.959	0.399	0.453
	2006	20.7	0.482	1.031	0.427	0.475
	2007	18.9	0.484	0.918	0.466	0.449
	2008	18.5	0.473	0.893	0.427	0.439
Dominican Republic	2002	22.1	0.537	1.247	0.569	0.536
	2004	24.6	0.586	1.552	0.762	0.606
	2005	25.4	0.569	1.536	0.629	0.595
	2006	25.3	0.583	1.597	0.692	0.614
	2007	24.2	0.556	1.466	0.599	0.587
	2008	25.0	0.550	1.408	0.593	0.569
Ecuador	2004	21.3	0.513	1.089	0.519	0.495
	2005	22.0	0.531	1.190	0.565	0.522
	2006	20.3	0.527	1.083	0.711	0.504
	2007	19.5	0.540	1.176	0.612	0.523
	2008	20.6	0.504	1.049	0.507	0.486

Table A-7 (concluded)

Countries	Years	Percentage of population with per capita income below: 50% of average	Concentration indices			
			Gini [b]	Logarithmic variance	Theil	Atkinson (ε=1.5)
El Salvador	1995	22.0	0.507	1.192	0.502	0.525
	1997	22.9	0.510	1.083	0.512	0.492
	1999	24.2	0.518	1.548	0.496	0.601
	2001	24.4	0.525	1.559	0.528	0.602
	2004	21.3	0.493	1.325	0.449	0.552
Guatemala	1989	22.7	0.582	1.476	0.736	0.590
	1998	20.0	0.560	1.182	0.760	0.534
	2002	17.9	0.542	1.157	0.583	0.515
	2006	24.7	0.585	1.475	0.773	0.590
Honduras	1990	26.1	0.615	1.842	0.817	0.649
	1994	24.4	0.560	1.437	0.630	0.577
	1997	23.3	0.558	1.388	0.652	0.571
	1999	25.7	0.564	1.560	0.636	0.603
	2002	26.5	0.588	1.607	0.719	0.608
	2003	26.2	0.587	1.662	0.695	0.615
	2006	31.9	0.605	2.332	0.736	0.713
	2007	30.5	0.580	1.963	0.650	0.661
Mexico	1989	19.7	0.536	1.096	0.680	0.509
	1994	20.6	0.539	1.130	0.606	0.511
	1996	20.4	0.526	1.082	0.591	0.499
	1998	22.9	0.539	1.142	0.634	0.515
	2002	21.2	0.514	1.045	0.521	0.485
	2004	19.9	0.516	1.045	0.588	0.490
	2005	21.2	0.528	1.125	0.635	0.513
	2006	19.5	0.506	0.992	0.527	0.481
	2008	19.9	0.515	1.024	0.599	0.485
Nicaragua	1993	27.4	0.582	1.598	0.671	0.619
	1998	26.8	0.583	1.800	0.731	0.654
	2001	23.8	0.579	1.599	0.783	0.620
	2005	22.6	0.532	1.187	0.614	0.526
Panama	2002	26.6	0.567	1.691	0.616	0.618
	2004	27.2	0.541	1.580	0.534	0.594
	2005	25.6	0.529	1.441	0.511	0.568
	2006	26.6	0.540	1.580	0.548	0.597
	2007	25.9	0.524	1.334	0.520	0.547
	2008	25.4	0.524	1.381	0.522	0.557
Paraguay	1999	25.7	0.565	1.555	0.668	0.599
	2001	26.4	0.570	1.705	0.702	0.631
	2004	22.8	0.548	1.316	0.668	0.555
	2005	22.8	0.536	1.318	0.614	0.553
	2007	21.9	0.539	1.309	0.701	0.557
	2008	22.7	0.527	1.187	0.597	0.525
Peru	1997	25.6	0.533	1.351	0.567	0.554
	1999	23.6	0.545	1.357	0.599	0.560
	2001	23.9	0.525	1.219	0.556	0.527
	2003	22.8	0.506	1.052	0.503	0.484
	2007	24.2	0.500	1.081	0.486	0.489
	2008	22.3	0.476	0.969	0.428	0.457
Uruguay	2007	19.1	0.456	0.782	0.390	0.402
	2008	18.7	0.445	0.772	0.372	0.397
Venezuela (Bolivarian Republic of)	1990	20.1	0.471	0.930	0.416	0.446
	1994	20.2	0.486	1.004	0.467	0.528
	1997	21.6	0.507	1.223	0.508	0.637
	1999	21.6	0.498	1.134	0.464	0.507
	2002	22.4	0.500	1.122	0.456	0.507
	2004	20.9	0.470	0.935	0.389	0.453
	2005	22.4	0.490	1.148	0.472	0.510
	2006	19.3	0.447	0.811	0.359	0.409
	2007	18.1	0.427	0.734	0.321	0.381
	2008	17.8	0.412	0.689	0.295	0.363

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household survey data from the countries concerned.
[a] Calculated on the basis of per capita income distribution among the entire population of the country.
[b] Includes persons with incomes equal to zero.
[c] Total, urban areas.

Table A-8
MALE AND FEMALE ECONOMIC ACTIVITY RATES BY AGE GROUP, NATIONWIDE TOTAL, 1990-2008

Country	Year	Age group									
		Males					Females				
		Total	15 to 24 years	25 to 34 years	35 to 49 years	50 and over	Total	15 to 24 years	25 to 34 years	35 to 49 years	50 and over
Argentina [a]	1999	74	53	94	97	59	44	36	62	61	27
	2002	72	48	93	96	60	46	35	64	67	27
	2004	75	55	94	96	63	50	39	69	70	33
	2005	75	55	94	96	64	50	37	68	70	34
	2006	75	54	94	96	64	50	38	67	69	34
Bolivia (Plurinational State of)	1997	82	60	94	99	83	60	46	66	73	56
	1999	81	59	94	98	82	62	48	67	75	61
	2002	83	64	94	98	85	62	46	72	75	58
	2004	83	64	95	98	85	64	48	69	78	64
	2007	82	61	94	99	82	62	44	69	77	62
Brazil	1990	84	81	96	95	63	44	47	54	52	22
	1993	85	81	96	95	66	53	52	62	63	33
	1996	82	75	95	94	63	51	50	63	62	30
	1999	82	75	95	94	64	54	52	67	66	33
	2001	81	73	95	94	63	54	51	67	66	33
	2004	81	73	95	94	63	57	54	71	70	34
	2005	81	75	95	94	63	58	56	73	71	36
	2006	81	73	94	94	64	58	55	73	71	36
	2007	80	72	94	93	63	58	55	73	71	35
	2008	80	72	95	94	63	58	54	73	71	36
Chile	1990	74	51	94	95	58	33	27	44	42	18
	1994	76	52	94	96	62	36	30	46	46	21
	1996	75	47	94	96	62	37	28	50	48	22
	1998	75	46	93	96	64	39	30	54	50	23
	2000	73	41	92	96	64	40	27	55	53	24
	2003	73	42	92	96	64	42	30	58	56	27
	2006	73	43	92	95	65	43	30	61	59	29
Colombia	1991	85	71	97	98	76	44	40	57	52	25
	1994	83	67	97	97	72	44	40	58	53	23
	1997	81	62	96	97	72	45	38	61	56	24
	1999	81	64	97	97	71	50	44	66	63	26
	2002	81	67	96	97	70	54	48	69	67	31
	2004	81	64	96	97	70	53	46	69	67	33
	2005	80	63	96	97	69	52	44	68	67	32
Costa Rica	1990	83	74	96	96	64	33	35	41	39	12
	1994	81	70	96	96	60	34	35	42	43	14
	1997	81	69	96	96	62	36	34	47	46	18
	1999	82	68	96	96	64	39	37	48	49	18
	2002	79	63	97	96	63	41	35	54	53	22
	2004	79	62	96	96	63	40	33	53	54	20
	2005	80	61	97	97	66	44	36	57	57	24
	2006	79	62	96	96	66	44	37	57	57	24
	2007	80	64	96	96	66	45	39	60	56	26
	2008	78	60	96	97	66	45	38	62	57	25
Cuba [b]	2002	65	40	82	86	47	35	19	46	54	18
	2006	67	39	88	93	48	40	27	55	61	19
	2007	67	41	89	93	47	41	31	58	62	20
	2008	68	43	89	94	48	41	31	59	62	20
Dominican Republic	2002	79	62	95	97	70	48	42	68	63	23
	2004	81	65	96	97	69	52	46	68	68	27
	2005	79	62	95	96	66	49	42	67	67	23
	2006	79	62	95	96	68	50	43	68	67	26
	2007	79	64	95	95	68	50	42	68	66	25
	2008	79	63	94	95	68	49	41	64	66	27
Ecuador	2004	84	66	97	98	79	56	48	67	68	44
	2005	84	66	97	98	79	55	44	66	67	45
	2006	85	69	97	98	81	56	45	68	68	46
	2007	83	64	96	98	81	54	42	64	67	45
	2008	82	62	96	98	78	52	40	63	65	42

Table A-8 (concluded)

Country	Year	Age group									
		Males					Females				
		Total	15 to 24 years	25 to 34 years	35 to 49 years	50 and over	Total	15 to 24 years	25 to 34 years	35 to 49 years	50 and over
El Salvador	1995	82	70	95	96	75	42	32	55	57	29
	1997	79	65	95	96	73	41	29	55	56	28
	1999	78	65	93	94	70	44	34	58	59	31
	2001	79	67	93	95	70	44	33	59	61	32
	2004	77	63	93	95	66	44	32	59	59	30
Guatemala	1989	90	82	98	98	84	28	28	32	32	22
	1998	88	79	97	98	84	46	41	49	55	38
	2002	91	85	96	98	86	49	45	54	59	39
	2006	88	80	97	98	84	47	41	54	57	39
Honduras	1990	87	78	96	97	81	32	26	39	42	25
	1994	86	76	95	97	80	35	29	44	43	24
	1997	88	80	97	97	81	41	35	50	51	32
	1999	87	78	98	97	81	44	36	52	57	34
	2002	85	75	96	97	80	38	30	46	49	29
	2003	84	74	94	95	80	40	31	49	53	31
	2006	83	69	95	97	79	40	31	49	52	32
	2007	83	70	95	97	80	40	28	51	52	33
Mexico	1989	79	64	94	94	73	30	26	38	35	21
	1994	82	71	96	94	73	36	32	44	43	25
	1996	82	68	95	94	74	40	35	47	49	28
	1998	82	68	94	94	73	41	37	48	48	31
	2002	81	65	94	95	75	43	34	51	54	32
	2004	82	65	97	97	72	43	35	52	55	30
	2005	81	63	96	97	73	44	35	54	56	33
	2006	82	65	97	97	75	48	38	59	61	37
	2008	81	65	96	97	71	45	36	55	58	32
Nicaragua	1993	77	62	89	91	70	36	24	47	51	26
	1998	85	77	95	94	77	43	31	56	56	31
	2001	86	79	97	96	77	46	36	55	61	36
	2005	84	74	95	95	79	44	32	53	59	34
Panama	2002	80	63	97	97	67	45	34	61	61	24
	2004	81	64	97	97	68	47	35	61	64	27
	2005	80	63	97	97	67	47	36	61	64	29
	2006	80	62	97	97	67	46	33	61	63	29
	2007	79	62	96	97	66	47	34	62	65	30
	2008	82	67	98	98	69	47	34	62	65	31
Paraguay	1999	85	73	96	96	80	48	39	59	60	38
	2001	85	76	96	97	77	53	46	64	64	42
	2004	86	77	96	97	79	58	48	70	70	47
	2005	85	73	96	98	78	56	45	68	70	46
	2007	85	73	96	97	78	55	43	68	70	44
	2008	85	73	97	97	78	54	46	64	67	45
Peru	1997	85	70	97	98	83	64	56	74	76	53
	1999	78	61	91	94	76	58	50	68	69	48
	2001	79	61	92	95	75	59	47	69	72	48
	2003	79	63	91	95	74	60	49	70	76	47
	2007	84	67	95	97	79	65	53	74	80	56
	2008	84	68	94	97	80	65	55	74	78	57
Uruguay	2007	75	64	96	97	58	54	46	76	77	35
	2008	75	61	95	96	59	54	45	78	78	36
Venezuela (Bolivarian Republic of)	1990	79	59	93	96	74	35	23	48	49	20
	1994	80	61	95	97	71	36	25	49	50	20
	1997	83	66	96	97	73	46	34	59	61	28
	1999	83	66	97	97	74	47	35	60	63	30
	2002	84	67	97	97	74	55	42	69	71	37
	2004	82	63	96	97	76	54	39	69	71	37
	2005	81	60	96	97	74	52	35	66	69	37
	2006	81	59	96	97	73	51	33	65	69	37
	2007	79	57	95	97	72	50	31	64	68	37
	2008	79	56	95	97	72	50	31	65	69	37

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household survey data from the countries concerned.
[a] Total, urban areas.
[b] Based on special tabulations of data from the National Occupation Survey provided by the National Statistical Office of Cuba.

Table A-9

BREAKDOWN OF THE EMPLOYED ECONOMICALLY ACTIVE POPULATION BY OCCUPATIONAL CATEGORY, URBAN AREAS, 1990-2008

(Population aged 15 and over, in percentages)

Country	Year	Employers	Wage or salary earners							Own-account and unpaid family workers	
					Private sector						
							Non-professional, non-technical				
			Total	Public sector	Total [a]	Professional and technical	Establishments employing more than 5 persons [b]	Establishments employing up to 5 persons	Domestic employment	Total [c]	Non-professional, non-technical
Argentina [d]	1990	5.4	69.0	…	69.0	6.9	44.8	11.6	5.7	25.6	23.0
	1994	4.6	69.4	...	69.4	21.7	30.4	12.0	5.2	26.0	19.0
	1997	5.3	73.2	...	73.2	17.8	35.8	14.5	5.1	21.5	16.6
	1999	4.6	73.6	11.6	62.0	10.6	32.1	13.9	5.3	21.8	17.3
	2002	4.2	73.4	17.6	55.8	12.4	22.9	15.0	5.6	22.4	17.5
	2004	3.8	74.7	15.6	59.1	9.5	29.5	14.0	6.1	21.5	16.4
	2005	3.8	75.5	13.2	62.3	11.6	30.5	13.1	7.1	20.7	15.8
	2006	3.8	76.7	12.4	64.3	10.9	32.5	13.4	7.5	19.5	15.4
Bolivia (Plurinational State of)	1989 [e]	2.2	54.0	17.9	36.1	4.3	13.7	12.3	5.8	43.8	41.0
	1994 [e]	7.6	54.0	12.8	41.2	6.8	15.5	13.8	5.2	38.4	36.8
	1997	7.0	46.2	10.5	35.7	6.7	14.3	11.0	3.6	46.8	44.9
	1999	4.2	47.5	10.3	37.2	7.3	15.1	11.8	3.1	48.3	45.9
	2002	4.3	47.7	10.4	37.3	4.6	15.5	13.2	3.9	48.0	45.7
	2004	4.9	49.3	8.7	40.5	4.7	14.5	16.7	4.6	45.8	44.1
	2007	6.9	54.1	12.4	41.8	4.2	17.5	14.8	5.3	39.0	37.9
Brazil [f]	1990	5.2	72.0	…	72.0	14.3	34.2	17.3	6.2	22.8	21.5
	1993	4.1	68.1	14.4	53.7	4.6	32.4 [g]	8.5	8.2	27.7	26.4
	1996	4.2	68.5	13.7	54.7	4.8	31.6 [g]	9.9	8.4	27.3	25.7
	1999	4.7	66.7	13.0	53.7	11.0	25.7	8.4	8.5	28.6	26.5
	2001	4.6	68.8	12.7	56.1	11.6	26.8	8.9	8.8	26.6	24.4
	2004	4.6	69.9	12.5	57.4	6.7	32.6	9.6	8.5	25.5	22.5
	2005	4.7	69.6	12.4	57.3	6.9	32.4	9.4	8.5	25.7	22.6
	2006	5.0	70.3	12.5	57.7	7.1	33.0	9.3	8.4	24.8	21.6
	2007	4.2	71.2	12.8	58.4	7.4	33.4	9.3	8.2	24.6	21.4
	2008	4.9	71.8	12.6	59.1	5.1	36.6	9.7	7.8	23.3	21.6
Chile	1990	2.5	74.8	…	74.8	12.9	45.5	9.4	7.0	22.8	20.9
	1994	3.3	75.0	…	75.0	15.4	44.9	8.6	6.1	21.7	17.4
	1996	3.9	76.4	10.9	65.5	11.6	38.6	9.2	6.1	19.7	16.1
	1998	4.2	76.1	…	76.1	17.1	43.5	9.7	5.8	19.7	15.1
	2000	4.5	75.8	12.8	62.9	11.9	37.2	7.5	6.3	19.8	14.8
	2003	4.1	75.5	11.4	64.1	12.2	38.3	7.1	6.5	20.4	14.9
	2006	3.2	76.5	10.5	66.0	11.3	42.4	6.5	5.8	20.4	15.9
Colombia	1991	4.2	66.1	11.6	54.5	4.8	44.2	…	5.6	29.6	27.3
	1994	4.8	68.1	8.6	59.5	6.0	48.3	…	5.3	27.1	25.0
	1997	4.4	62.2	9.9	52.3	6.4	41.4	…	4.5	33.4	30.7
	1999	4.3	57.5	8.7	48.8	5.7	37.8	…	5.2	38.2	35.7
	2002	5.1	52.8	7.8	45.0	4.1	35.1	…	5.8	42.1	39.3
	2004	5.5	52.3	7.6	44.8	4.4	35.2	…	5.2	42.1	39.4
	2005	5.3	54.2	7.5	46.7	4.4	37.2	…	5.1	40.4	37.5
Costa Rica	1990	5.5	74.8	25.0	49.7	6.1	29.5	9.7	4.4	19.7	17.6
	1994	6.6	75.2	21.8	53.4	7.5	31.0	11.2	3.8	18.2	16.5
	1997	7.7	72.5	20.5	52.0	7.3	29.9	11.2	3.5	19.8	17.7
	1999	8.0	72.8	17.2	55.6	8.9	29.7	11.8	5.1	19.2	17.2
	2002	8.1	71.3	17.3	54.0	11.9	27.2	10.9	4.0	20.6	17.8
	2004	8.3	70.5	17.0	53.5	11.6	28.6	9.9	3.4	21.2	18.1
	2005	7.3	73.6	17.2	56.4	11.9	28.2	11.4	4.9	19.1	16.1
	2006	7.5	72.6	17.2	55.4	12.2	27.9	10.3	5.0	19.9	17.0
	2007	7.2	74.8	16.5	58.3	13.6	29.6	10.5	4.6	18.0	15.3
	2008	7.3	74.4	16.5	57.9	14.9	28.6	10.1	4.4	18.3	15.3
Dominican Republic	2002	3.9	61.3	13.8	47.5	8.0	22.8	12.3	4.3	34.8	32.7
	2004	5.5	61.6	11.9	49.7	8.0	29.2	7.1	5.3	32.9	30.6
	2005	4.9	58.9	13.1	45.8	7.7	26.9	6.4	4.8	36.3	34.1
	2006	4.5	58.9	13.2	45.6	7.5	26.0	7.2	4.9	36.6	34.2
	2007	4.6	59.6	12.7	46.9	8.5	27.1	5.9	5.4	35.8	33.8
	2008	4.8	57.4	12.8	44.6	9.1	24.8	5.1	5.6	37.8	35.4

Table A-9 (continued)

Country	Year	Employers	Wage or salary earners							Own-account and unpaid family workers	
					Private sector						
							Non-professional, non-technical				
			Total	Public sector	Total [a]	Professional and technical	Establishments employing more than 5 persons [b]	Establishments employing up to 5 persons	Domestic employment	Total [c]	Non-professional, non-technical
Ecuador	1990	5.0	58.9	17.5	41.4	4.5	21.1	11.3	4.5	36.1	34.5
	1994	7.9	58.0	13.7	44.3	5.6	21.8	12.2	4.7	34.1	32.1
	1997	7.8	59.2	13.8	45.4	6.3	23.0	11.0	5.0	33.0	31.1
	1999	8.8	59.1	10.7	48.4	7.0	22.5	13.4	5.4	32.1	31.5
	2002	6.9	58.4	11.5	46.9	6.4	22.6	13.3	4.5	34.7	32.9
	2004	6.5	57.7	10.6	47.1	7.4	21.5	14.0	4.2	35.8	34.2
	2005	6.4	60.1	10.0	50.1	7.6	22.2	15.1	5.2	33.6	31.6
	2006	6.5	59.5	9.7	49.8	7.0	23.0	15.7	4.1	34.0	32.2
	2007	5.7	59.0	10.0	49.0	7.8	22.8	14.2	4.2	35.3	33.6
	2008	5.9	59.7	10.6	49.1	7.9	22.2	14.8	4.2	34.4	32.5
El Salvador	1995	6.2	61.7	12.5	49.3	7.2	27.2	10.5	4.4	32.1	31.1
	1997	5.7	61.6	13.3	48.4	7.8	25.0	11.2	4.4	32.7	31.5
	1999	4.6	65.2	12.3	52.9	9.1	25.7	13.8	4.3	30.3	29.2
	2001	5.0	62.2	11.3	50.8	7.5	25.6	13.5	4.2	32.8	31.6
	2004	4.9	61.4	10.6	50.7	7.7	25.8	13.2	3.9	33.7	32.5
Guatemala	1989	2.8	64.2	14.4	49.8	6.2	22.8	13.8	7.0	33.0	30.9
	1998	4.7	59.0	8.2	50.8	7.3	19.5	20.1	3.9	36.4	34.5
	2002	6.8	57.1	6.9	50.2	8.4	24.7	13.1	4.0	36.1	34.5
	2006	4.7	58.9	7.4	51.5	7.4	25.8	14.2	4.0	24.6	23.0
Honduras	1990	1.5	65.5	14.4	51.1	4.9	26.3	13.2	6.7	33.0	31.7
	1994	4.2	65.0	11.3	53.6	6.8	30.5	11.0	5.4	30.9	29.5
	1997	6.3	60.3	10.1	50.2	6.5	27.7	11.0	5.1	33.4	32.3
	1999	6.2	60.2	9.7	50.5	7.5	27.0	11.2	4.8	33.6	33.1
	2002	4.3	58.8	9.7	49.1	7.2	24.9	12.9	4.0	36.9	34.9
	2003	5.1	56.9	9.6	47.3	5.9	23.9	13.4	4.1	38.0	36.8
	2006	3.9	59.1	10.6	48.5	10.9	24.1	9.9	3.7	37.0	25.2
	2007	3.5	59.0	11.0	48.0	11.2	23.5	9.4	3.9	37.6	26.6
Mexico	1989	3.3	76.4	…	76.4	9.0	64.7	…	2.7	20.3	18.9
	1994	3.7	74.6	16.1	58.4	6.6	48.1	…	3.8	21.7	20.4
	1996	4.5	73.4	15.1	58.3	7.1	33.1	14.6	3.6	22.1	20.5
	1998	4.8	72.9	14.2	58.7	6.6	33.1	14.9	4.1	22.4	20.5
	2002	4.3	73.0	13.2	59.9	6.3	32.0	17.0	4.6	22.7	20.9
	2004	3.2	75.7	…	75.7	13.6	39.7	17.5	4.9	21.1	19.0
	2005	3.6	75.4	…	75.4	13.7	41.7	15.5	4.5	21.1	18.8
	2006	3.9	73.5	…	73.5	13.9	38.8	16.9	3.9	22.6	20.2
	2008	4.2	79.2	13.1	66.0	8.9	33.8	18.7	4.6	16.6	15.1
Nicaragua	1993	0.7	60.8	20.3	40.4	6.6	16.0	11.7	6.2	38.5	29.3
	1998	3.8	59.8	…	59.8	13.5	25.4	14.5	6.4	36.4	35.1
	2001	4.7	58.4	11.9	46.5	4.1	22.3	15.8	4.4	36.9	35.3
	2005	5.4	58.4	10.8	47.6	5.7	23.8	14.1	4.1	36.1	35.0
Panama	1991	3.0	78.6	30.1	48.5	9.0	27.0	5.1	7.4	18.4	17.2
	1994	2.8	79.6	27.6	52.1	8.3	30.8	5.4	7.5	17.6	16.8
	1997	3.3	77.0	24.5	52.5	11.4	29.2	5.5	6.5	19.7	18.4
	1999	3.2	76.7	21.1	55.6	12.1	31.2	6.2	6.1	20.1	18.9
	2002	3.4	74.4	20.4	54.0	6.7	32.4	8.1	6.7	22.1	20.6
	2004	3.4	73.7	19.5	54.1	6.1	32.9	8.2	6.9	22.9	21.0
	2005	3.6	73.2	18.3	54.9	6.8	32.6	8.7	6.8	23.2	21.5
	2006	3.7	73.6	17.8	55.8	8.6	32.3	8.0	6.9	22.7	21.1
	2007	3.5	75.6	18.4	57.2	7.1	36.4	7.2	6.5	20.9	19.3
	2008	3.7	75.8	18.0	57.9	7.6	36.6	7.3	6.3	20.4	18.9
Paraguay	1990 [h]	8.9	68.4	11.9	56.5	4.3	26.0	15.7	10.5	22.7	21.2
	1994	9.2	61.9	10.5	51.4	4.5	21.5	15.0	10.5	28.9	27.6
	1996	6.8	57.9	10.0	47.9	3.8	20.4	14.4	9.3	35.3	33.7
	1999	6.6	62.2	11.8	50.4	5.1	21.1	14.9	9.2	31.2	29.1
	2001	7.6	59.9	11.1	48.8	5.5	19.6	13.3	10.4	32.5	30.1
	2004	5.3	57.9	11.0	47.0	4.8	16.6	15.0	10.5	36.7	34.6
	2005	6.0	61.9	12.7	49.2	4.9	18.0	15.2	11.1	32.0	29.4
	2007	6.1	63.0	11.6	51.4	4.8	21.4	15.2	10.0	30.9	28.6
	2008	6.4	64.1	12.3	51.8	6.4	22.2	13.8	9.3	29.6	27.1

Table A-9 (concluded)

Country	Year	Employers	Wage or salary earners							Own-account and unpaid family workers	
			Total	Public sector	Private sector					Total [c]	Non-professional, non-technical
					Total [a]	Professional and technical	Non-professional, non-technical				
							Establishments employing more than 5 persons [b]	Establishments employing up to 5 persons	Domestic employment		
Peru	1997	5.9	52.7	12.6	40.1	3.6	21.3	12.8	2.5	41.4	40.3
	1999	5.7	51.8	12.2	39.6	3.2	18.5	14.3	3.6	42.5	41.1
	2001	4.9	52.0	12.3	39.7	6.6	16.2	13.7	3.2	43.0	40.4
	2003	4.6	50.0	10.9	39.1	6.7	16.2	12.6	3.6	45.4	42.9
	2007	6.3	53.1	13.0	40.1	7.7	17.9	11.3	3.3	40.6	38.3
	2008	5.6	53.9	12.2	41.7	8.0	18.4	11.9	3.3	40.5	38.3
Uruguay	1990	5.8	74.2	21.8	52.4	9.7	29.1	6.7	6.9	20.1	19.3
	1994	4.8	72.3	18.7	53.6	5.4	31.8	9.4	7.0	22.9	20.1
	1997	4.3	71.9	17.7	54.2	5.8	30.3	11.1	7.1	23.8	21.0
	1999	4.0	72.4	16.2	56.1	6.5	31.8	10.4	7.5	23.6	20.6
	2002	3.7	70.5	17.3	53.2	5.9	26.4	11.0	9.9	25.8	21.8
	2004	3.5	70.6	17.0	53.6	6.2	26.6	11.4	9.4	25.9	21.8
	2005	3.9	71.7	16.3	55.4	6.2	28.3	13.7	7.2	24.4	20.3
	2007	4.5	71.8	15.0	56.8	6.4	29.6	11.7	9.0	23.6	19.6
	2008	4.5	72.4	15.1	57.3	6.3	30.7	11.3	9.0	23.0	19.0
Venezuela (Bolivarian Republic of) [i]	1990	7.5	70.0	21.4	48.6	5.8	30.1	6.4	6.3	22.4	21.4
	1994	6.1	64.5	18.1	46.4	4.8	28.4	9.3	4.0	29.4	27.7
	1997	5.0	63.6	17.5	46.1	5.8	25.7	10.1	4.5	31.4	29.4
	1999	5.1	57.9	14.9	43.0	4.9	24.0	12.1	2.0	36.9	35.3
	2002	5.4	54.7	13.8	40.9	3.9	23.2	11.1	2.6	39.9	38.2
	2004	4.7	55.4	15.4	40.0	4.7	22.5	10.3	2.5	39.9	38.0
	2005	4.8	57.5	15.8	41.7	6.1	23.4	10.2	1.9	37.6	35.3
	2006	4.5	58.3	16.6	41.7	5.3	24.2	10.1	2.1	37.3	35.3
	2007	4.1	59.1	17.0	42.1	5.3	25.0	9.8	1.9	36.8	34.7
	2008	4.0	58.1	17.9	40.2	5.2	24.4	8.8	1.7	37.9	35.8

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household survey data from the countries concerned.

[a] In the case of Argentina (except for 1999), Brazil (except for 1993, 1996 and 1999), Chile (except 1996 and 2000), Mexico (1989, 2004) and Nicaragua (1998), the figures include public-sector wage-earners.

[b] For Colombia and Mexico (1989 and 1994) no data were available for the size of establishments. Non-professional non-technical wage-earners in establishments employing up to five persons were included in the column corresponding to establishments with over five workers. Furthermore, in the case of the Bolivarian Republic of Venezuela, Chile (1996), Dominican Republic, El Salvador (up to 2001), Plurinational State of Bolivia (1999 and 2002) and Uruguay (1990), establishments of up to four employees were counted.

[c] Includes professional and technical workers.

[d] Greater Buenos Aires.

[e] Eight departmental capitals and El Alto.

[f] The National Household Survey (PNAD) of Brazil does not provide information on the size of establishments, except for 1993, 1996 and 1999. Therefore the figure given for Brazil in the column for establishments employing more than five persons includes wage-earners who have an employment contract ("carteira"), while the column for establishments employing up to five persons includes workers who do not have such contracts.

[g] Includes private–sector employees engaged in non–professional, non–technical occupations in business establishments of undeclared size.

[h] Asunción metropolitan area.

[i] From 1997, the sample design for the survey does not permit urban-rural breakdown. Figures therefore correspond to the national total.

Table A-10

URBAN POPULATION EMPLOYED IN LOW-PRODUCTIVITY SECTORS OF THE LABOUR MARKET, 1990-2008

(Percentages of the total urban employed population)

Country	Year	Total	Microenterprises [a]				Domestic employment	Unskilled self-employed workers [b]		
			Employers	Wage or salary earners				Total [c]	Manufacturing and construction	Commerce and services
				Total	Professional and technical	Non-professional, non-technical				
Argentina [d]	1990	44.4	3.8	12.0	0.4	11.6	5.7	23.0	6.9	16.0
	1994	43.0	3.4	14.7	1.4	13.4	4.8	20.0	6.0	13.9
	1997	41.3	3.7	15.9	1.4	14.5	5.1	16.6	4.6	12.1
	1999	42.4	3.2	14.8	1.1	13.7	5.8	18.6	5.4	13.0
	2002	42.4	2.9	15.2	1.2	14.0	6.0	18.4	6.4	11.8
	2004	41.6	2.8	15.1	1.2	14.0	6.5	17.2	5.9	11.1
	2005	41.2	2.8	14.6	1.3	13.2	7.2	16.7	5.6	10.9
	2006	41.0	2.9	14.5	1.0	13.4	7.4	16.2	5.2	10.9
Bolivia (Plurinational State of)	1989 [e]	62.8	2.2	13.8	1.6	12.3	5.8	41.0	9.8	30.0
	1994 [e]	64.3	7.6	14.7	1.0	13.8	5.2	36.8	9.1	27.1
	1997	65.6	5.0	12.1	1.0	11.0	3.6	44.9	11.9	27.7
	1999	64.2	2.5	12.7	1.0	11.8	3.1	45.9	12.1	31.1
	2002	66.7	3.2	14.0	0.7	13.2	3.9	45.7	12.3	29.4
	2004	70.9	4.1	18.1	1.4	16.7	4.6	44.1	10.8	28.9
	2007	62.5	5.2	15.3	1.4	13.9	5.3	36.7	8.6	24.8
Brazil [f]	1990	49.3	…	21.6	4.3	17.3	6.2	21.5	3.5	15.8
	1993	45.5	1.9	9.0	0.5	8.5	8.2	26.4	4.7	16.0
	1996	46.7	2.0	10.5	0.7	9.9	8.4	25.7	5.0	15.9
	1999	47.4	2.3	10.1	1.7	8.4	8.5	26.5	5.2	16.4
	2001	46.2	2.2	10.8	1.9	8.9	8.8	24.4	4.8	15.4
	2004	43.6	2.2	10.4	0.9	9.6	8.5	22.5	6.0	12.3
	2005	43.6	2.2	10.3	0.9	9.4	8.5	22.6	6.3	12.0
	2006	42.3	2.3	10.1	0.8	9.3	8.4	21.6	5.9	11.7
	2007	41.8	2.0	10.2	0.9	9.3	8.2	21.4	6.2	11.8
	2008	42.0	2.4	10.2	0.5	9.7	7.8	21.6	6.0	12.2
Chile	1990	38.9	0.8	10.3	0.9	9.4	7.0	20.9	5.7	14.0
	1994	34.6	1.8	9.4	0.8	8.6	6.1	17.4	5.4	11.1
	1996	34.4	2.0	10.2	1.0	9.2	6.1	16.1	4.2	10.6
	1998	34.3	2.6	10.7	1.0	9.7	5.8	15.1	4.1	10.0
	2000	31.8	2.4	8.3	0.8	7.5	6.3	14.8	4.3	9.7
	2003	31.7	2.4	7.9	0.8	7.1	6.5	14.9	4.8	9.3
	2006	30.7	1.7	7.2	0.7	6.5	5.8	15.9	4.8	10.0
Colombia	1991	…	…	…	…	…	5.6	27.3	6.4	20.0
	1994	…	…	…	…	…	5.3	25.0	6.2	18.4
	1997	…	…	…	…	…	4.5	30.7	7.1	22.9
	1999	…	…	…	…	…	5.2	35.7	7.5	26.7
	2002	…	…	…	…	…	5.8	39.3	8.0	28.2
	2004	…	…	…	…	…	5.2	39.4	7.9	28.1
	2005	…	…	…	…	…	5.1	37.5	7.6	27.2
Costa Rica	1990	36.9	4.4	10.5	0.8	9.7	4.4	17.6	6.4	10.1
	1994	37.8	5.0	12.5	1.4	11.2	3.8	16.5	4.6	11.1
	1997	39.5	6.1	12.2	1.0	11.2	3.5	17.7	4.8	12.4
	1999	41.6	6.0	13.3	1.4	11.8	5.1	17.2	4.5	11.9
	2002	40.3	6.2	12.3	1.4	10.9	4.0	17.8	4.7	12.2
	2004	38.9	6.2	11.3	1.3	9.9	3.4	18.1	4.3	12.9
	2005	39.9	5.9	13.0	1.6	11.4	4.9	16.1	3.8	11.5
	2006	39.8	6.2	11.6	1.3	10.3	5.0	17.0	4.2	11.8
	2007	37.7	5.7	12.1	1.6	10.5	4.6	15.3	3.7	10.8
	2008	37.1	5.7	11.7	1.6	10.1	4.4	15.3	3.4	11.2

Table A-10 (continued)

Country	Year	Total	Microenterprises [a]				Domestic employment	Unskilled self-employed workers [b]		
			Employers	Wage or salary earners				Total [c]	Manufacturing and construction	Commerce and services
				Total	Professional and technical	Non-professional, non-technical				
Dominican Republic	2002	54.3	3.2	14.1	1.7	12.3	4.3	32.7	7.4	22.0
	2004	48.1	4.3	7.9	0.8	7.1	5.3	30.6	6.8	20.2
	2005	49.3	3.5	6.9	0.5	6.4	4.8	34.1	7.9	22.3
	2006	50.0	3.1	7.8	0.6	7.2	4.9	34.2	8.1	22.0
	2007	48.9	3.0	6.7	0.8	5.9	5.4	33.8	7.7	21.9
	2008	50.1	3.4	5.8	0.6	5.1	5.6	35.4	8.3	23.0
Ecuador	1990	54.5	3.6	11.9	0.6	11.3	4.5	34.5	7.8	24.4
	1994	56.4	6.5	13.2	1.0	12.2	4.7	32.1	6.0	24.1
	1997	54.0	6.0	11.9	0.9	11.0	5.0	31.1	6.4	22.8
	1999	58.9	7.0	15.0	1.6	13.4	5.4	31.5	5.6	23.8
	2002	56.4	4.8	14.2	0.9	13.3	4.5	32.9	6.9	23.6
	2004	58.5	5.1	15.0	1.1	14.0	4.2	34.2	6.5	25.2
	2005	58.0	4.8	16.4	1.2	15.1	5.2	31.6	5.8	23.3
	2006	57.8	4.9	16.6	1.0	15.7	4.1	32.2	5.1	24.5
	2007	57.3	4.3	15.2	1.0	14.2	4.2	33.6	5.5	26.0
	2008	57.4	4.8	15.9	1.1	14.8	4.2	32.5	5.3	25.1
El Salvador	1995	51.0	4.9	10.7	0.2	10.5	4.4	31.1	8.1	20.2
	1997	52.5	4.8	11.8	0.6	11.2	4.4	31.5	7.1	21.5
	1999	52.3	4.1	14.6	0.8	13.8	4.3	29.2	6.7	20.0
	2001	54.4	4.4	14.2	0.7	13.5	4.2	31.6	6.7	22.8
	2004	54.7	4.4	13.9	0.7	13.2	3.9	32.5	6.5	23.9
Guatemala	1989	54.6	2.1	14.6	0.8	13.8	7.0	30.9	7.4	14.9
	1998	64.4	3.6	22.4	2.3	20.1	3.9	34.5	8.2	20.7
	2002	57.7	5.2	13.9	0.8	13.1	4.0	34.5	8.9	19.8
	2006	58.1	4.2	15.3	1.1	14.2	4.0	34.5	7.6	20.0
Honduras	1990	53.3	1.0	13.9	0.7	13.2	6.7	31.7	8.9	18.7
	1994	49.8	3.0	11.8	0.9	11.0	5.4	29.5	8.1	16.1
	1997	54.3	5.3	11.6	0.6	11.0	5.1	32.3	7.6	20.4
	1999	55.2	5.1	12.2	1.0	11.2	4.8	33.1	7.4	22.0
	2002	56.7	3.6	14.1	1.1	12.9	4.0	34.9	9.8	20.1
	2003	59.5	4.3	14.3	0.9	13.4	4.1	36.8	10.0	22.0
	2006	43.3	3.3	11.1	1.2	9.9	3.7	25.2	9.2	11.7
	2007	43.9	2.9	10.5	1.1	9.4	3.9	26.6	9.2	13.2
Mexico [g]	1989	…	…	…	…	…	2.7	18.9	3.0	12.5
	1994	…	…	…	…	…	3.8	20.4	4.2	14.9
	1996	43.6	3.8	15.7	1.2	14.6	3.6	20.5	3.8	15.7
	1998	44.0	3.6	15.8	1.0	14.9	4.1	20.5	3.2	16.4
	2002	47.1	3.3	18.3	1.3	17.0	4.6	20.9	4.2	16.1
	2004	45.7	2.3	19.5	2.0	17.5	4.9	19.0	3.5	14.7
	2005	42.8	2.4	17.1	1.6	15.5	4.5	18.8	3.2	15.1
	2006	45.7	2.8	18.8	1.9	16.9	3.9	20.2	3.8	15.9
	2008	43.7	3.4	20.5	1.8	18.7	4.6	15.1	2.7	12.1
Nicaragua	1993	49.3	0.5	13.3	1.6	11.7	6.2	29.3	7.7	17.5
	1998	60.7	3.0	16.2	1.7	14.5	6.4	35.1	4.3	26.4
	2001	59.8	3.6	16.5	0.7	15.8	4.4	35.3	5.5	25.7
	2005	58.4	4.6	14.7	0.6	14.1	4.1	35.0	8.1	22.9

Table A-10 (concluded)

Country	Year	Total	Microenterprises [a]				Domestic employment	Unskilled self-employed workers [b]		
			Employers	Wage or salary earners				Total [c]	Manufacturing and construction	Commerce and services
				Total	Professional and technical	Non-professional, non-technical				
Panama	1991	32.3	1.8	5.9	0.8	5.1	7.4	17.2	3.9	11.5
	1994	32.1	1.9	5.8	0.4	5.4	7.5	16.8	4.4	11.6
	1997	33.5	2.2	6.4	0.9	5.5	6.5	18.4	4.6	12.8
	1999	34.2	2.2	7.0	0.8	6.2	6.1	18.9	4.3	13.8
	2002	38.4	2.3	8.7	0.7	8.1	6.7	20.6	4.4	15.2
	2004	39.3	2.5	8.9	0.7	8.2	6.9	21.0	4.2	15.9
	2005	40.5	2.8	9.4	0.7	8.7	6.8	21.5	4.0	16.4
	2006	40.1	2.8	9.2	1.3	8.0	6.9	21.1	4.1	16.0
	2007	36.5	2.7	7.9	0.8	7.2	6.5	19.3	4.2	14.3
	2008	35.9	2.7	8.0	0.7	7.3	6.3	18.9	3.8	14.3
Paraguay	1990 [h]	55.3	6.8	16.7	1.1	15.7	10.5	21.2	5.2	15.5
	1994	61.2	7.2	16.0	1.0	15.0	10.5	27.6	5.4	20.2
	1996	62.9	4.9	15.0	0.6	14.4	9.3	33.7	5.6	24.3
	1999	59.2	5.0	15.8	0.9	14.9	9.2	29.1	5.2	21.3
	2001	61.7	6.4	14.7	1.4	13.3	10.4	30.1	5.3	21.9
	2004	65.4	4.2	16.1	1.1	15.0	10.5	34.6	6.2	23.8
	2005	61.2	4.6	16.1	0.9	15.2	11.1	29.4	5.7	19.3
	2007	60.1	5.3	16.3	1.0	15.2	10.0	28.6	5.6	19.1
	2008	56.5	5.1	15.0	1.2	13.8	9.3	27.1	4.8	19.5
Peru	1997	61.0	5.0	13.3	0.5	12.8	2.5	40.3	5.6	30.4
	1999	64.1	4.6	14.8	0.5	14.3	3.6	41.1	5.4	31.8
	2001	62.5	4.1	14.7	1.0	13.7	3.2	40.4	5.1	29.5
	2003	63.8	3.8	13.5	0.9	12.6	3.6	42.9	5.3	30.4
	2007	59.3	5.3	12.5	1.2	11.3	3.3	38.3	5.3	28.4
	2008	59.3	4.7	13.0	1.0	11.9	3.3	38.3	5.1	28.5
Uruguay	1990	36.8	2.7	7.8	1.1	6.7	6.9	19.3	5.6	13.5
	1994	40.2	3.3	9.8	0.5	9.4	7.0	20.1	6.4	12.7
	1997	42.4	2.8	11.5	0.5	11.1	7.1	21.0	6.9	12.8
	1999	41.5	2.4	11.0	0.6	10.4	7.5	20.6	7.0	12.7
	2002	45.7	2.4	11.6	0.6	11.0	9.9	21.8	8.1	12.5
	2004	45.3	2.1	12.0	0.6	11.4	9.4	21.8	7.4	13.0
	2005	44.3	2.5	14.3	0.6	13.7	7.2	20.3	6.9	12.3
	2007	43.8	2.9	12.3	0.6	11.7	9.0	19.6	6.3	11.7
	2008	42.8	2.9	11.9	0.6	11.3	9.0	19.0	6.1	11.4
Venezuela (Bolivarian Republic of) [i]	1990	39.1	4.9	6.6	0.2	6.4	6.3	21.4	4.1	15.3
	1994	45.7	4.2	9.7	0.4	9.3	4.0	27.7	6.0	19.2
	1997	48.1	3.6	10.7	0.5	10.1	4.5	29.4	6.4	20.5
	1999	53.8	3.9	12.5	0.5	12.1	2.0	35.3	6.7	23.7
	2002	56.5	4.2	11.5	0.4	11.1	2.6	38.2	6.5	26.4
	2004	54.9	3.6	10.8	0.5	10.3	2.5	38.0	6.5	25.8
	2005	52.1	3.7	11.2	1.0	10.2	1.9	35.3	6.0	24.4
	2006	51.4	3.4	10.6	0.5	10.1	2.1	35.3	6.5	24.0
	2007	50.1	3.2	10.3	0.5	9.8	1.9	34.7	6.5	23.6
	2008	49.8	3.1	9.3	0.5	8.8	1.7	35.8	7	24.1

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household survey data from the countries concerned.

[a] Refers to establishments employing up to five persons. In the case of the Bolivarian Republic of Venezuela, Chile (1996), Dominican Republic, El Salvador, Panama (up to 2002), Plurinational State of Bolivia (1999 and 2002) and Uruguay (1990), establishments with up to four employees were counted.

[b] Refers to own-account and unpaid family workers without professional or technical skills.

[c] Includes persons employed in agriculture, forestry, hunting and fishing.

[d] Greater Buenos Aires.

[e] Eight departmental capitals and El Alto.

[f] Up to 1990, wage-earners with no employment contract were included under microenterprises. However, in 1993 and from 1996 to 1999, this category refers to wage-earners in establishments employing up to five persons, so that the figures are not comparable with those of previous years.

[g] The 1994 survey does not contain information on the size of the establishments employing wage-earners.

[h] Asunción metropolitan area.

[i] From 1997, the sample design for the survey does not permit urban-rural breakdown. Figures therefore correspond to the national total.

Table A-11

OPEN UNEMPLOYMENT RATES BY SEX AND AGE IN URBAN AREAS, AROUND 1990, 1994, 1997, 1999, 2002, 2004, 2007 AND 2008 [a]

Country	Sex	Age groups																																							
		Total								15 to 24 years								25 to 34 years								35 to 44 years								45 and over							
		1990	1994	1997	1999	2002	2004	2007	2008	1990	1994	1997	1999	2002	2004	2007	2008	1990	1994	1997	1999	2002	2004	2007	2008	1990	1994	1997	1999	2002	2004	2007	2008	1990	1994	1997	1999	2002	2004	2007	2008
Argentina (Greater Buenos Aires)	Total	5.9	13.0	14.3	14.7	19.0	13.5	10.5	…	13.0	22.8	24.2	24.3	33.8	29.4	26.0	…	4.9	10.0	12.7	12.0	15.4	11.4	8.0	…	4.1	10.5	10.6	11.6	18.1	8.5	5.9	…	3.8	10.3	11.6	12.9	14.1	9.9	7.2	…
	Males	5.7	11.5	12.4	13.4	18.5	11.9	8.2	…	11.5	20.3	21.1	22.8	31.7	26.9	20.0	…	5.0	8.8	10.1	11.3	15.3	9.3	5.9	…	3.9	7.3	8.6	8.0	14.8	6.3	3.5	…	4.2	10.5	11.1	12.7	16.7	9.2	6.8	…
	Females	6.4	15.5	17.2	16.5	19.5	15.8	13.4	…	15.6	26.7	28.9	26.3	36.3	32.9	32.9	…	4.9	11.9	16.8	13.0	15.7	14.1	10.6	…	4.3	15.4	13.8	16.1	22.1	11.4	8.7	…	3.0	10.0	12.4	13.2	10.3	10.8	7.7	…
Bolivia (Plurinational State of)	Total	9.4	3.2	3.7	7.1	6.4	6.0	7.7	…	17.4	5.8	6.4	15.3	11.2	12.0	19.2	…	8.5	2.8	3.7	6.3	7.1	5.2	8.6	…	5.1	2.0	2.9	3.8	4.6	3.3	2.6	…	6.6	2.1	2.1	3.7	3.3	3.3	2.5	…
	Males	9.5	3.4	3.7	6.0	5.2	4.9	6.3	…	18.2	6.3	5.8	12.5	9.2	10.1	16.4	…	7.5	2.5	3.4	4.8	4.8	3.3	6.2	…	5.5	2.1	3.1	2.3	3.2	2.0	2.5	…	8.5	2.9	2.8	4.9	4.0	3.9	2.1	…
	Females	9.1	2.9	3.7	8.5	7.9	7.3	9.4	…	16.5	5.2	7.1	18.5	13.4	14.5	23.2	…	9.9	3.2	4.2	8.2	9.7	7.5	11.5	…	4.6	1.9	2.5	5.5	6.1	4.8	2.8	…	3.8	0.9	1.2	1.9	2.4	2.7	3.2	…
Brazil	Total	4.5	7.4	8.0	11.4	10.7	10.2	9.1	8.0	8.3	14.3	15.1	21.7	20.5	20.9	18.8	17.4	4.4	6.9	7.4	10.5	10.0	9.3	8.9	8.0	2.4	4.3	5.0	7.0	6.7	6.3	5.9	4.9	1.5	2.6	3.8	5.5	5.2	4.6	4.2	3.4
	Males	4.8	6.4	6.7	9.4	8.7	8.0	6.9	5.9	8.7	12.4	12.8	18.4	17.4	17.1	15.1	13.8	4.7	5.5	5.6	8.0	7.3	6.4	6.0	5.2	2.8	3.8	4.2	5.5	5.2	4.5	3.9	3.2	2.0	2.7	3.7	5.3	5.0	4.2	3.7	2.8
	Females	3.9	8.9	10.0	14.1	13.4	13.0	11.9	10.5	7.7	17.0	18.2	26.2	24.6	25.6	23.5	22.0	3.8	8.8	9.8	13.8	13.4	12.9	12.3	11.3	1.7	5.0	6.1	9.0	8.7	8.4	8.3	6.8	0.6	2.5	4.0	5.8	5.5	5.2	4.7	4.1
Chile	Total	8.7	6.8	5.9	10.1	10.8	10.1	7.6	…	17.9	16.2	13.1	21.9	23.3	22.1	18.2	…	8.3	6.5	5.9	9.9	10.9	10.2	8.1	…	5.1	3.7	4.1	7.3	8.1	7.4	5.4	…	5.3	3.7	3.4	6.3	7.6	6.6	4.3	…
	Males	8.1	5.9	5.1	9.3	10.2	8.5	6.3	…	17.0	14.1	10.6	20.5	22.8	19.0	15.8	…	7.4	5.5	5.0	9.2	9.7	9.0	6.3	…	4.6	3.0	3.5	6.3	7.4	5.6	4.2	…	5.6	3.9	3.7	6.6	7.8	6.0	3.8	…
	Females	9.7	8.4	7.3	11.2	11.8	12.4	9.5	…	19.3	19.2	17.0	23.8	23.9	26.3	21.6	…	9.7	8.3	7.4	10.9	12.7	12.0	10.7	…	5.8	4.8	5.1	8.9	9.2	10.0	7.2	…	4.7	3.4	2.8	5.6	7.2	7.6	5.0	…
Colombia	Total	9.3	8.0	11.8	19.2	17.2	15.1	13.3	…	19.7	16.2	24.3	36.6	32.2	29.7	27.5	…	8.3	7.6	11.8	17.8	16.9	15.4	13.7	…	4.2	4.7	6.5	13.2	11.5	10.0	8.7	…	3.8	3.3	5.8	10.3	10.0	8.3	7.1	…
	Males	6.7	5.4	9.7	16.2	14.7	12.6	11.0	…	15.3	11.9	20.7	32.0	28.8	25.6	23.7	…	5.5	4.4	8.6	14.0	13.3	11.3	10.4	…	2.8	3.4	5.4	10.5	9.2	7.7	6.3	…	3.7	2.9	6.1	10.6	10.2	8.6	7.2	…
	Females	13.0	11.6	14.7	23.0	20.1	18.1	16.0	…	24.8	21.0	28.3	41.6	35.7	34.3	31.6	…	11.8	11.6	15.6	22.1	21.0	19.8	17.2	…	6.2	6.3	7.9	16.4	14.0	12.5	11.2	…	3.9	4.2	5.1	9.7	9.7	8.0	6.9	…
Costa Rica	Total	5.3	4.2	5.8	6.1	6.8	6.7	4.8	4.8	10.5	9.7	13.0	14.8	16.4	15.0	11.8	11.3	4.9	3.8	4.4	5.3	5.1	5.2	3.9	5.1	2.5	2.3	3.9	3.0	3.7	4.6	2.2	2.5	2.9	1.6	3.0	2.3	3.3	3.6	2.3	1.9
	Males	4.9	3.7	5.3	5.3	6.2	5.7	3.3	4.3	9.8	8.6	11.4	14.8	14.7	13.2	9.5	10.8	4.1	3.7	3.6	3.8	4.4	4.0	2.0	3.8	2.3	1.5	3.9	2.1	3.0	3.1	1.6	2.1	3.1	1.6	3.1	1.9	3.4	3.8	1.3	1.9
	Females	6.2	5.1	6.7	7.4	7.7	8.1	6.8	5.6	11.6	11.6	16.2	14.9	19.0	18.0	15.3	12.0	6.2	4.0	5.6	7.4	6.0	7.1	6.3	6.6	2.8	3.5	4.0	4.2	4.6	6.5	3.0	3.0	2.3	1.5	2.8	2.9	3.3	3.1	3.9	2.0
Cuba [b]	Total	5.4	6.5	7.1	6.3	2.3	2.0	1.9	1.6	…	…	…	…	6.4	5.3	4.2	3.8	…	…	…	…	3.4	2.9	2.6	2.2	…	…	…	…	1.7	1.6	1.6	1.5	…	…	…	…	0.8	0.6	0.9	0.7
	Males	3.6	5.3	4.7	4.3	1.9	1.9	2.0	1.5	…	…	…	…	6.1	5.1	4.7	3.5	…	…	…	…	2.8	2.7	2.8	1.9	…	…	…	…	1.3	1.6	1.6	1.4	…	…	…	…	0.6	0.6	1.0	0.7
	Females	8.5	8.7	11.2	9.6	2.9	2.1	1.8	1.8	…	…	…	…	6.8	5.5	3.4	4.1	…	…	…	…	4.2	3.2	2.5	2.6	…	…	…	…	2.3	1.5	1.7	1.6	…	…	…	…	1.1	0.7	0.8	0.6
Dominican Republic	Total	…	…	…	…	7.5	7.5	5.1	5.1	…	…	…	…	14.1	15.0	13.6	10.5	…	…	…	…	9.3	7.0	5.2	5.9	…	…	…	…	4.7	5.6	2.3	3.8	…	…	…	…	2.6	3.4	1.5	1.2
	Males	…	…	…	…	5.4	5.3	3.6	3.8	…	…	…	…	10.4	10.2	9.3	7.1	…	…	…	…	6.3	4.5	3.6	5.4	…	…	…	…	3.1	4.0	1.5	2.1	…	…	…	…	2.6	3.3	1.4	1.2
	Females	…	…	…	…	10.5	10.7	7.4	7.2	…	…	…	…	20.2	23.1	20.7	16.0	…	…	…	…	13.1	10.4	7.4	6.7	…	…	…	…	6.9	7.7	3.4	6.5	…	…	…	…	2.7	3.7	1.7	1.3
Ecuador	Total	6.1	7.1	9.2	14.2	9.1	9.9	6.1	7.3	13.5	14.9	18.9	25.9	17.4	20.5	13.7	18.0	6.4	6.6	9.7	13.6	9.2	9.5	5.7	6.7	2.7	3.9	4.7	9.0	5.9	6.3	3.8	3.9	1.3	2.7	3.8	8.3	5.2	5.4	3.4	3.9
	Males	4.2	5.7	6.9	10.5	5.8	7.5	4.9	5.6	11.2	12.7	15.1	20.0	12.0	16.8	13.2	15.2	3.2	4.4	6.4	8.0	4.7	6.1	3.6	4.8	1.7	3.1	3.6	5.5	3.1	3.6	2.5	1.6	1.3	2.9	3.4	8.6	4.3	4.9	2.7	3.3
	Females	9.2	9.2	12.6	19.5	13.9	13.4	7.6	9.6	17.2	17.8	24.5	33.9	25.5	25.7	14.5	22.1	11.3	9.8	14.3	21.3	15.3	14.0	8.5	9.2	4.5	5.2	6.3	13.6	9.8	9.9	5.5	6.7	1.4	2.2	4.6	7.7	6.7	6.3	4.4	4.7
El Salvador	Total	…	6.8	7.3	6.9	7.0	6.5	…	…	…	14.0	14.6	13.9	13.2	12.7	…	…	-	6.8	7.7	6.1	6.6	6.4	…	…	…	2.6	4.4	4.4	4.7	4.5	…	…	-	3.4	3.5	3.8	4.6	3.8	…	…
	Males	…	8.3	8.8	8.9	8.8	8.8	…	…	…	15.4	16.1	16.2	15.2	14.9	…	…	-	7.5	8.1	7.0	8.3	8.4	…	…	…	3.7	6.1	6.0	5.6	6.6	…	…	-	5.4	5.4	6.1	6.2	6.2	…	…
	Females	…	4.9	5.5	4.6	5.0	3.8	…	…	…	11.9	12.4	10.6	10.2	9.6	…	…	-	6.0	7.2	5.1	4.7	4.1	…	…	…	1.5	2.5	2.6	3.8	2.3	…	…	-	0.6	0.8	1.0	2.7	0.8	…	…

Table A-11 (concluded)

Country	Sex	Age groups: Total 1990	1994	1997	1999	2002	2004	2007	2008	15 to 24 years 1990	1994	1997	1999	2002	2004	2007	2008	25 to 34 years 1990	1994	1997	1999	2002	2004	2007	2008	35 to 44 years 1990	1994	1997	1999	2002	2004	2007	2008	45 and over 1990	1994	1997	1999	2002	2004	2007	2008
Guatemala	Total	3.5	…	…	2.8	6.0	…	2.7	…	7.1	…	…	4.8	11.1	…	5.4	…	2.9	…	…	3.8	3.8	…	2.4	…	1.6	…	…	1.8	3.2	…	1.4	…	1.2	…	…	0.9	3.4	…	1.2	…
	Males	3.3	…	…	3.6	5.2	…	2.4	…	7.2	…	…	6.0	8.2	…	4.5	…	2.6	…	…	4.5	3.3	…	2.4	…	1.5	…	…	2.4	2.7	…	1.1	…	1.4	…	…	1.3	5.1	…	1.3	…
	Females	3.8	…	…	1.9	7.0	…	3.1	…	7.0	…	…	3.4	14.6	…	6.7	…	3.4	…	…	2.8	4.6	…	2.3	…	1.8	…	…	1.0	3.8	…	1.8	…	0.9	…	…	0.4	0.9	…	1.0	…
Honduras	Total	6.9	4.1	5.2	5.3	6.0	7.5	3.9	…	11.2	7.1	8.9	9.0	9.3	12.0	7.6	…	7.0	3.6	5.4	4.7	6.1	8.9	3.7	…	4.3	3.1	2.9	2.9	4.1	4.4	2.3	…	3.7	1.3	2.3	3.0	3.5	3.6	1.8	…
	Males	7.6	4.5	5.9	6.2	6.3	7.2	4.0	…	11.5	7.5	9.2	10.3	9.4	10.9	7.4	…	6.6	3.7	5.6	5.3	5.5	7.8	3.6	…	6.0	4.1	4.5	3.6	4.9	5.0	2.4	…	5.3	2.0	3.4	4.3	4.5	4.2	2.5	…
	Females	5.9	3.4	4.3	4.0	5.7	7.8	3.7	…	10.7	6.6	8.5	7.4	9.3	13.4	7.9	…	7.6	3.6	5.2	4.1	6.9	10.2	4.0	…	2.0	1.3	0.8	2.2	3.3	3.8	2.2	…	0.7	0.1	0.7	1.1	2.0	2.7	0.7	…
Mexico	Total	3.3	4.5	5.1	3.2	3.4	4.1	3.7	4.8	8.1	9.4	12.5	7.4	7.2	9.7	9.0	10.7	2.4	2.9	3.2	2.8	3.5	3.6	3.3	4.6	0.7	2.3	1.7	1.5	1.5	2.0	1.5	2.5	0.8	3.1	2.8	1.1	1.8	2.0	2.1	2.8
	Males	3.4	5.1	5.8	3.6	3.9	4.7	4.3	5.7	8.4	10.0	13.8	8.1	8.2	10.6	10.2	11.8	2.5	3.0	3.4	3.1	3.9	4.2	3.2	5.1	0.9	2.8	2.1	1.8	1.6	2.4	1.7	2.8	1.0	4.2	3.9	1.5	2.2	2.7	3.0	4.1
	Females	3.1	3.6	3.9	2.6	2.6	3.1	2.8	3.5	7.6	8.3	10.3	6.2	5.4	8.3	7.0	9.0	2.0	2.7	2.9	2.3	2.9	2.7	3.3	3.9	0.2	1.2	1.0	0.8	1.3	1.6	1.4	2.0	0.1	0.4	0.5	0.4	1.0	0.8	0.7	0.7
Nicaragua	Total	…	14.1	…	13.8	12.5	5.9	…	…	…	20.1	…	20.9	21.5	9.7	…	…	…	14.5	…	11.0	10.2	7.4	…	…	…	11.1	…	12.3	9.7	3.9	…	…	…	10.6	…	10.5	6.3	2.1	…	…
	Males	…	16.5	…	14.0	13.1	6.3	…	…	…	20.3	…	17.9	21.8	9.3	…	…	…	17.3	…	10.3	10.7	6.9	…	…	…	13.5	…	14.3	9.6	5.5	…	…	…	13.9	…	12.9	6.6	2.9	…	…
	Females	…	10.8	…	13.6	11.7	5.4	…	…	…	19.7	…	25.8	20.9	10.4	…	…	…	10.6	…	11.7	9.6	8.0	…	…	…	7.9	…	9.9	9.8	2.2	…	…	…	6.3	…	7.0	5.8	1.1	…	…
Panama	Total	20.0	15.8	15.4	13.6	16.5	14.1	7.8	6.5	38.8	31.1	31.5	28.3	34.2	30.0	18.9	16.6	21.7	15.8	14.9	13.5	16.8	13.8	8.1	6.7	10.4	9.6	9.7	8.4	10.4	9.4	4.8	3.6	8.1	6.2	6.9	5.9	7.4	7.0	3.1	2.3
	Males	17.9	13.0	13.3	11.4	14.0	11.5	6.5	5.4	37.0	28.9	29.2	24.3	31.0	26.8	15.9	14.1	17.8	10.5	10.9	9.7	12.9	9.6	6.1	4.9	8.4	7.1	7.5	6.5	7.1	6.4	3.1	2.4	9.1	6.1	7.4	6.8	7.7	6.5	3.4	2.3
	Females	22.8	19.7	18.2	16.7	19.8	17.6	9.6	7.9	41.0	34.4	34.6	33.6	39.1	34.8	23.7	20.9	26.5	22.5	20.1	19.0	21.6	19.2	10.7	9.1	12.7	12.9	12.2	10.5	14.7	13.0	6.7	5.0	6.4	6.3	6.0	4.5	6.8	7.7	2.6	2.4
Paraguay [c]	Total	6.3	4.4	8.4	10.1	11.5	10.5	6.7	7.2	15.5	8.3	17.8	19.5	21.4	20.0	16.5	16.0	4.8	3.2	5.2	6.7	11.8	7.8	5.8	5.6	2.3	2.9	3.4	5.9	4.5	5.5	3.2	2.7	1.4	2.6	5.8	8.4	6.4	8.3	2.6	4.7
	Males	6.2	5.1	8.2	10.2	11.0	8.8	5.5	6.3	14.7	9.9	17.4	21.6	21.0	16.1	13.8	15.4	5.0	3.4	4.2	5.2	9.5	7.5	4.1	2.0	3.2	3.1	1.9	6.2	3.0	3.0	2.2	2.3	2.0	3.9	7.6	8.8	8.5	8.7	3.0	5.9
	Females	6.5	3.5	8.7	10.1	12.1	12.5	8.2	8.5	16.5	6.5	18.2	17.1	21.8	24.2	19.9	16.7	4.7	3.0	6.5	8.8	14.3	8.3	7.7	10.1	1.1	2.6	5.1	5.5	6.2	8.8	4.4	3.3	0.0	0.7	3.4	7.7	3.9	7.9	2.0	3.2
Peru	Total	…	…	10.9	7.5	7.3	7.0	6.2	5.9	…	…	19.2	16.0	13.2	16.2	14.6	13.4	…	…	7.5	5.6	6.4	4.0	5.9	5.6	…	…	6.0	4.2	4.8	2.8	2.8	3.0	…	…	10.6	4.5	5.6	5.5	3.4	3.2
	Males	…	…	8.1	7.1	6.8	7.4	5.4	5.1	…	…	15.5	15.5	12.7	18.2	13.9	12.4	…	…	4.9	4.8	5.2	3.8	5.1	4.1	…	…	2.6	3.8	3.9	2.7	1.5	2.2	…	…	9.0	5.0	6.0	5.1	3.0	3.0
	Females	…	…	14.3	8.0	7.9	6.4	7.2	6.9	…	…	23.5	16.6	13.8	13.2	15.6	14.7	…	…	10.6	6.5	7.8	4.3	7.0	7.4	…	…	9.9	4.6	5.8	2.9	4.3	3.9	…	…	13.0	3.7	5.0	6.1	3.9	3.5
Uruguay	Total	8.9	9.7	11.4	11.2	16.9	13.0	9.5	7.8	24.4	24.7	26.3	25.8	37.9	33.0	25.0	21.5	8.2	8.4	10.5	10.0	16.4	12.8	9.0	7.5	4.3	5.5	7.1	7.2	12.1	8.0	6.1	4.8	3.5	3.8	5.3	6.1	9.6	6.8	4.9	3.9
	Males	7.3	7.3	8.9	8.6	13.4	10.2	6.9	5.7	22.2	19.8	21.8	21.4	32.0	27.9	21.0	17.6	6.0	4.9	7.5	7.2	12.7	9.0	5.2	4.3	2.5	3.4	4.4	3.7	7.8	4.6	3.0	2.5	3.0	3.4	4.4	4.9	7.7	5.4	3.6	2.8
	Females	11.1	13.0	14.7	14.5	21.1	16.6	12.6	10.4	27.5	31.5	32.7	32.0	46.1	40.2	30.6	26.9	11.0	12.8	14.3	13.5	20.8	17.6	13.2	11.2	6.4	7.8	10.2	11.2	16.8	12.0	9.7	7.4	4.4	4.5	6.7	7.7	12.1	8.6	6.5	5.2
Venezuela (Bolivarian Republic of) [d]	Total	10.2	8.9	10.8	14.5	16.2	13.9	7.5	6.9	19.3	17.1	20.4	25.7	28.2	23.0	14.3	13.6	11.3	9.1	10.7	14.7	16.3	14.3	7.7	7.4	5.9	5.3	6.8	10.2	11.1	9.9	5.2	4.6	4.5	4.2	5.7	7.8	9.9	9.9	4.6	3.9
	Males	11.2	9.1	9.4	13.6	14.4	12.3	7.1	6.5	19.9	17.2	17.2	22.2	24.4	19.6	12.7	12.3	12.3	8.8	8.6	12.8	13.5	11.5	6.2	6.5	6.9	5.9	5.9	10.1	9.9	8.4	5.3	4.3	5.5	4.9	6.0	9.4	10.4	10.6	5.3	4.3
	Females	8.4	8.3	13.3	16.1	18.8	16.4	8.1	7.4	18.0	17.0	26.3	32.6	34.5	28.6	17.4	15.9	9.6	9.6	14.0	17.7	20.4	18.4	10.0	8.7	4.0	4.2	8.2	10.4	12.9	12.0	5.1	5.0	1.7	2.5	5.3	4.7	9.0	8.7	3.4	3.2

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household survey data from the countries concerned.

[a] For the exact years of the surveys in each country, see table 5.

[b] Based on special tabulations of data from the National Occupation Survey supplied by the National Statistical Office of Cuba. The figures for 1990-1999 relate to total unemployment (urban and rural); those for 2003-2008 relate to urban unemployment.

[c] Total for urban areas, except that the figure for 1990 relates to the Asunción metropolitan area.

[d] The sample design in the surveys conducted since 1997 does not distinguish between urban and rural areas and the figures therefore refer to the nationwide total.

Table A-12

AVERAGE INCOME OF THE EMPLOYED ECONOMICALLY ACTIVE POPULATION BY OCCUPATIONAL CATEGORY, URBAN AREAS, 1990-2008

(In multiples of the relevant per capita poverty line)

Country	Year	Total	Employers	Wage or salary earners							Own-account and unpaid family workers	
						Private sector						
								Non-professional, non-technical				
				Total	Public sector	Total [a]	Professional and technical	Establishments employing more than 5 persons	Establishments employing up to 5 persons	Domestic employment	Total [b]	Non-professional, non-technical
Argentina [c]	1990	6.4	20.6	4.7	…	4.7	9.4	4.5	3.6	2.5	8.0	7.2
	1994	8.6	28.3	6.5	…	6.5	10.2	5.7	4.7	3.3	10.8	9.1
	1997	7.2	24.2	5.6	…	5.6	9.4	4.8	3.7	2.6	8.6	6.5
	1999	6.9	23.8	5.6	6.9	5.3	9.3	5.2	3.6	2.4	8.0	6.6
	2002	4.7	20.9	3.5	3.3	3.5	6.7	3.1	2.1	1.7	5.6	4.1
	2004	5.0	17.1	3.9	4.0	3.9	6.8	4.0	2.9	1.7	6.6	5.1
	2005	5.7	24.5	4.4	5.1	4.2	6.9	4.2	3.1	1.9	7.0	5.8
	2006	5.9	21.0	4.8	5.7	4.6	7.4	4.9	3.4	1.7	7.4	6.2
Bolivia (Plurinational State of)	1989 [d]	4.2	16.2	3.7	4.1	3.5	7.7	3.6	2.7	1.6	4.1	3.8
	1994 [d]	3.5	10.3	3.2	3.9	3.0	7.3	2.7	2.0	1.0	2.5	2.2
	1997	3.6	10.1	3.9	4.6	3.7	8.8	3.2	2.2	1.1	2.4	2.3
	1999	3.4	8.2	4.1	4.7	3.9	7.4	3.8	2.4	1.8	2.3	2.2
	2002	3.2	7.3	4.0	5.2	3.7	7.7	4.0	2.4	2.0	2.0	1.9
	2004	2.9	7.6	3.4	5.0	3.1	7.4	3.6	1.9	1.4	1.8	1.6
	2007	3.5	7.6	4.0	5.4	3.6	8.7	3.9	2.4	1.9	2.0	1.9
Brazil [e]	1990	4.7	16.1	4.1	...	4.1	8.2	3.8	2.6	1.0	3.8	3.4
	1993	4.3	15.6	4.1	6.4	3.5	10.9	3.5 [f]	2.0	1.1	3.1	2.7
	1996	5.0	19.1	4.5	7.0	3.9	10.7	3.9 [f]	2.5	1.5	4.2	3.7
	1999	4.4	14.8	4.1	6.6	3.5	6.9	3.2 [f]	2.1	1.4	3.3	2.8
	2001	4.3	14.8	4.0	6.7	3.5	6.9	3.1 [f]	2.1	1.4	3.3	2.8
	2004	4.0	13.3	3.8	6.3	3.2	6.7	3.3 [f]	2.0	1.3	2.9	2.3
	2005	4.0	13.2	3.8	6.3	3.3	6.7	3.4 [f]	2.1	1.4	2.8	2.2
	2006	4.2	13.9	3.9	6.8	3.3	6.7	3.4 [f]	2.2	1.4	2.9	2.2
	2007	4.5	14.5	4.3	7.1	3.6	7.1	3.7 [f]	2.4	1.6	3.4	2.7
	2008	4.8	15.0	4.6	7.6	3.9	11.0	3.8 [f]	2.5	1.7	3.4	3.0
Chile	1990	4.7	24.8	3.8	…	3.8	7.4	3.5	2.4	1.4	5.4	5.0
	1994	6.1	34.6	4.8	…	4.8	9.6	4.0	2.9	2.0	6.4	4.9
	1996	6.8	33.8	5.1	6.5	4.8	11.2	3.8	2.9	2.0	8.3	6.4
	1998	7.4	34.0	5.6	…	5.6	11.7	4.3	3.0	2.2	8.7	6.5
	2000	7.4	33.5	6.0	7.5	6.0	13.7	4.1	3.0	2.4	7.2	5.2
	2003	7.4	36.7	5.7	7.6	5.3	12.4	4.0	2.9	2.4	7.8	5.9
	2006	6.6	26.9	5.5	7.7	5.1	11.5	4.1	3.1	2.3	7.5	5.6
Colombia	1991	2.9	7.4	2.7	3.9	2.5	5.3	2.4	...	1.2	2.4	2.2
	1994	3.8	13.1	3.4	5.5	3.1	7.9	2.6	...	1.7	3.4	3.0
	1997	4.0	10.9	3.8	6.8	3.3	6.9	2.9	...	1.6	3.3	2.9
	1999	3.3	9.5	3.7	6.3	3.2	6.8	2.8	...	2.1	2.2	1.9
	2002	3.0	7.2	3.5	6.3	3.1	6.2	2.9	...	1.7	1.7	1.5
	2004	3.1	7.6	3.7	6.1	3.3	7.0	3.0	...	1.8	1.7	1.6
	2005	3.3	8.6	3.9	6.6	3.4	6.8	3.2	...	1.9	1.9	1.7
Costa Rica	1990	5.2	6.8	5.4	7.3	4.4	9.0	4.3	3.2	1.5	3.7	3.4
	1994	5.7	10.8	5.5	7.8	4.6	8.4	4.4	3.6	1.6	4.4	4.0
	1997	5.6	8.4	5.8	8.2	4.8	9.0	4.8	3.2	1.8	3.9	3.6
	1999	6.0	10.4	5.9	8.8	5.1	9.7	4.8	3.6	1.7	4.3	4.0
	2002	6.5	10.2	6.8	9.5	6.0	9.7	5.9	3.7	2.0	3.7	3.1
	2004	6.3	8.2	7.1	9.8	6.2	10.0	5.9	3.9	2.2	3.1	2.6
	2005	5.5	7.3	6.0	8.8	5.1	8.1	5.1	3.3	1.6	3.2	2.6
	2006	6.1	9.1	6.7	10.3	5.6	8.8	5.6	3.6	2.0	3.0	2.5
	2007	5.8	11.3	5.8	8.7	5.0	7.7	4.9	3.2	1.7	3.6	2.9
	2008	5.9	12.2	5.9	8.9	5.0	8.0	4.6	3.3	1.7	3.7	2.9
Dominican Republic	2002	4.2	15.6	3.9	4.7	3.7	7.0	3.6	2.5	1.3	3.5	3.2
	2004	3.9	16.3	2.3	2.7	2.3	4.3	2.1	1.4	0.9	4.7	4.4
	2005	3.1	7.8	3.0	3.5	2.9	5.6	2.7	1.6	1.3	2.6	2.4
	2006	3.3	8.7	3.2	3.9	3.0	4.9	3.1	1.6	1.4	2.8	2.6
	2007	4.7	18.6	2.9	3.3	2.8	4.7	2.8	1.8	1.0	5.9	5.4
	2008	4.7	17.9	3.0	3.8	2.8	4.4	2.8	1.6	1.1	5.6	5.0

Table A-12 (continued)

Country	Year	Total	Employers	Wage or salary earners							Own-account and unpaid family workers	
						Private sector						
								Non-professional, non-technical				
				Total	Public sector	Total [a]	Professional and technical	Establishments employing more than 5 persons	Establishments employing up to 5 persons	Domestic employment	Total [b]	Non-professional, non-technical
Ecuador	1990	2.8	4.8	3.2	4.1	2.8	6.0	2.9	2.3	0.8	1.9	1.9
	1994	2.9	6.6	2.8	3.5	2.6	5.2	2.6	1.9	0.9	2.2	2.0
	1997	3.0	6.0	3.1	3.9	2.8	5.7	2.9	1.8	0.9	2.2	2.1
	1999	2.9	7.6	2.8	3.8	2.6	4.5	2.9	1.7	0.9	1.8	1.8
	2002	3.5	8.7	3.4	4.7	3.1	5.0	3.4	2.1	1.5	2.5	2.4
	2004	3.3	7.2	3.7	5.5	3.2	5.6	3.5	2.2	1.7	2.1	1.9
	2005	3.6	8.6	3.6	5.8	3.2	5.5	3.5	2.2	1.7	2.4	2.2
	2006	3.6	8.8	3.8	5.8	3.4	5.6	3.7	2.3	2.0	2.4	2.2
	2007	4.1	14.3	4.1	6.8	3.6	6.2	3.7	2.4	1.9	2.4	2.3
	2008	3.8	11.3	3.8	6.4	3.3	5.3	3.4	2.3	1.9	2.4	2.3
El Salvador	1995	3.5	9.2	3.5	5.3	3.1	6.9	2.8	2.0	1.0	2.2	2.1
	1997	3.8	9.9	4.1	5.9	3.6	7.8	3.2	2.3	1.9	2.3	2.1
	1999	4.2	9.9	4.6	6.9	4.0	8.2	3.7	2.4	2.1	2.5	2.3
	2001	3.9	9.2	4.2	6.6	3.7	7.4	3.6	2.3	2.0	2.4	2.2
	2004	3.4	7.1	3.7	6.1	3.2	5.3	3.2	2.3	2.1	2.3	2.2
Guatemala	1989	3.5	17.7	3.0	4.8	2.5	5.2	2.6	1.7	1.4	3.2	2.9
	1998	3.4	15.7	3.1	4.5	2.9	5.2	3.4	2.0	0.6	2.2	2.1
	2002	2.9	7.4	3.4	5.6	3.0	5.4	3.2	1.6	1.6	1.4	1.2
	2006	3.4	17.2	2.7	4.6	2.5	4.3	2.7	1.4	1.2	3.8	3.5
Honduras	1990	2.8	16.4	3.1	4.9	2.5	6.5	2.7	1.6	0.8	1.7	1.5
	1994	2.3	7.3	2.2	3.4	1.9	4.5	1.9	1.3	0.5	1.7	1.6
	1997	2.0	6.5	2.0	2.9	1.8	4.2	1.8	1.1	0.5	1.3	1.2
	1999	2.0	5.1	2.0	2.9	1.9	3.0	2.1	1.1	0.5	1.2	1.2
	2002	2.3	5.1	2.7	4.3	2.4	5.3	2.3	1.4	0.8	1.3	1.2
	2003	2.3	4.7	3.0	4.9	2.6	6.6	2.5	1.5	1.2	1.0	1.0
	2006	2.4	4.6	3.0	4.9	2.6	4.6	2.3	1.4	1.2	1.3	0.9
	2007	2.6	5.8	3.2	5.2	2.7	5.0	2.3	1.5	1.3	1.5	1.1
Mexico	1989	4.4	21.6	3.5	...	3.5	6.9	3.1	...	1.4	4.8	4.3
	1994	4.4	18.3	3.9	5.0	3.6	9.5	3.0	...	1.2	3.7	3.3
	1996	3.7	15.2	3.3	4.9	2.9	6.4	2.8	1.7	1.2	2.5	2.3
	1998	4.1	18.2	3.5	5.3	3.1	6.9	3.1	1.9	1.3	3.0	2.6
	2002	4.1	16.1	3.6	5.4	3.2	7.1	3.3	2.1	1.4	3.5	3.2
	2004	4.1	16.5	3.6	...	3.6	6.7	3.5	2.2	1.4	3.9	3.3
	2005	4.4	21.3	3.7	...	3.7	6.9	3.4	2.1	1.6	4.0	3.4
	2006	4.1	15.2	3.7	...	3.7	6.9	3.5	2.1	1.4	3.4	2.9
	2008	4.0	17.2	3.5	5.4	3.1	6.1	3.1	2.1	1.4	3.3	2.9
Nicaragua	1993	3.5	8.5	3.3	3.4	3.2	6.1	3.1	2.3	2.1	3.6	2.9
	1998	3.1	11.0	3.2	…	3.2	6.3	2.6	1.9	1.7	2.1	2.0
	2001	3.1	14.2	3.0	4.5	2.7	5.4	3.0	1.8	1.4	1.9	1.8
	2005	2.9	9.8	2.9	4.3	2.6	4.6	2.9	1.7	1.6	1.7	1.6
Panama	1991	5.6	14.9	5.8	7.8	4.6	9.8	4.2	2.7	1.3	3.1	2.8
	1994	5.5	17.8	5.4	7.5	4.3	9.6	3.9	2.4	1.3	4.2	4.0
	1997	6.0	16.0	6.0	8.3	5.0	10.3	4.2	2.6	1.4	4.4	3.9
	1999	6.2	11.9	6.7	9.0	5.8	11.3	4.9	2.8	2.1	3.6	3.3
	2002	6.2	17.8	6.3	8.9	5.3	9.1	5.8	3.1	1.6	4.4	4.1
	2004	6.2	16.0	6.2	8.9	5.2	9.5	5.6	3.3	1.8	4.8	4.2
	2005	6.0	17.2	5.9	8.6	5.0	8.8	5.3	3.2	1.9	4.7	4.2
	2006	6.4	17.4	6.2	8.6	5.4	8.1	5.9	3.4	1.8	5.3	4.7
	2007	5.9	18.7	5.4	7.6	4.6	7.1	5.0	3.1	1.7	5.9	5.3
	2008	5.9	19.2	5.4	7.5	4.8	7.3	5.0	3.1	1.9	5.3	4.9
Paraguay	1990 [g]	3.4	10.3	2.4	3.4	2.2	4.1	2.8	1.8	0.8	3.8	3.6
	1994	3.4	9.7	2.8	4.4	2.5	6.7	2.7	2.0	1.2	2.5	2.3
	1996	3.3	9.7	3.1	5.1	2.6	6.3	3.0	2.1	1.1	2.5	2.3
	1999	3.3	8.9	3.3	4.8	2.9	6.7	3.1	2.1	1.6	2.2	1.9
	2001	3.1	8.6	3.1	5.2	2.7	4.5	3.3	1.9	1.4	1.8	1.5
	2004	2.5	7.7	2.5	3.5	2.2	4.1	2.7	1.7	1.4	1.7	1.5
	2005	2.7	8.8	2.7	4.1	2.3	4.2	2.9	1.7	1.4	1.5	1.3
	2007	2.6	8.2	2.6	3.5	2.3	4.2	2.8	1.8	1.3	1.7	1.5
	2008	2.6	6.4	2.7	3.9	2.4	4.1	2.7	1.8	1.3	1.6	1.5

Table A-12 (concluded)

Country	Year	Total	Employers	Wage or salary earners							Own-account and unpaid family workers	
				Total	Public sector	Private sector					Total [b]	Non-professional, non-technical
						Total [a]	Professional and technical	Non-professional, non-technical				
								Establishments employing more than 5 persons	Establishments employing up to 5 persons	Domestic employment		
Peru	1997	3.3	7.9	3.8	4.0	3.9	7.2	4.2	2.3	2.0	1.9	1.8
	1999	3.2	7.1	4.0	4.5	3.9	9.5	4.4	2.0	2.9	1.8	1.7
	2001	2.9	6.9	3.5	3.9	3.5	6.4	3.5	1.9	1.7	1.8	1.7
	2003	2.7	7.8	3.2	3.9	3.1	5.7	3.2	1.7	1.7	1.5	1.5
	2007	3.4	7.6	4.1	4.9	4.0	6.4	4.2	2.0	1.8	1.8	1.6
	2008	3.3	7.8	3.9	4.7	3.9	6.2	4.1	2.1	1.8	1.9	1.8
Uruguay	1990	4.3	17.9	3.7	4.0	3.5	5.0	3.7	2.4	1.5	3.0	3.0
	1994	4.9	12.4	4.6	5.3	4.4	9.6	4.5	2.9	1.7	4.0	3.5
	1997	4.9	11.5	4.8	5.9	4.5	9.8	4.6	3.0	1.8	4.0	3.5
	1999	5.4	14.1	5.3	6.7	4.9	11.2	4.9	3.2	2.1	4.1	3.6
	2002	4.3	10.6	4.4	5.8	3.9	7.9	4.3	2.6	2.0	3.1	2.4
	2004	3.7	10.2	3.7	5.2	3.3	6.3	3.6	2.0	1.7	2.7	2.1
	2005	3.7	9.7	3.8	5.4	3.3	6.6	3.6	2.0	1.7	2.7	2.0
	2007	3.9	10.4	3.9	5.9	3.4	6.6	3.8	2.0	1.6	2.7	2.0
	2008	4.2	11.8	4.1	5.8	3.7	7.0	4.1	2.2	1.8	2.9	2.2
Venezuela (Bolivarian Republic of) [h]	1990	4.5	11.9	3.7	4.0	3.6	6.6	3.6	2.5	2.1	4.5	4.3
	1994	3.8	8.9	3.2	2.7	3.4	6.3	3.6	2.1	1.9	4.1	3.9
	1997	3.7	11.5	2.7	2.9	2.6	5.8	2.5	1.7	1.5	4.5	4.2
	1999	3.5	9.2	3.1	3.7	3.0	6.4	2.9	2.0	1.4	3.4	3.2
	2002	3.4	9.9	3.0	4.5	2.4	4.8	2.5	1.7	1.2	3.2	3.1
	2004	3.3	9.3	2.9	4.1	2.4	4.1	2.6	1.7	1.2	3.2	3.1
	2005	4.1	11.8	3.4	4.8	2.9	4.5	3.0	2.0	1.4	4.1	3.9
	2006	4.2	9.7	4.0	5.6	3.3	5.4	3.4	2.4	1.7	3.9	3.7
	2007	4.1	7.8	4.2	5.7	3.6	5.6	3.7	2.7	1.9	3.4	3.3
	2008	3.9	7.5	4.0	5.2	3.5	5.1	3.6	2.6	1.8	3.4	3.2

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household survey data from the countries concerned.

[a] Figures for Argentina (except 1999), Brazil (1990), Chile (1990, 1994 and 1998), Mexico (1989, 2004-2006) and Nicaragua (1998) include public-sector wage-earners. In addition, in the case of non-professional, non-technical workers, the figures for the following countries include establishments with up to four employees: Bolivarian Republic of Venezuela; Chile (1996); Dominican Republic; El Salvador; Panama (up to 2002); Plurinational State of Bolivia (1999 and 2002); and Uruguay (1990)

[b] Includes professional, technical and own-account workers.

[c] Greater Buenos Aires.

[d] Eight departmental capitals and El Alto.

[e] The National Household Survey (PNAD) of Brazil does not provide information on the size of establishments, except for 1993, 1996 and 1999. Therefore the figure given for Brazil in the column for establishments employing more than five persons includes wage-earners who have an employment contract (“carteira”), while the column for establishments employing up to five persons includes workers who do not have such contracts.

[f] Includes private–sector employees engaged in non–professional, non–technical occupations in business establishments of undeclared size.

[g] Asunción metropolitan area.

[h] From 1997, the sample design for the survey does not permit urban-rural breakdown. Figures therefore correspond to the national total.

Table A-13

RATIO OF AVERAGE FEMALE INCOME TO AVERAGE MALE INCOME, BY AGE GROUP, URBAN AREAS, 1990-2008

(Percentages)

Country	Year	Disparity in labour income by age group [a]						Wage disparity by age group [b]					
		Total	15 to 24 years	25 to 34 years	35 to 44 years	45 to 54 years	55 years and over	Total	15 to 24 years	25 to 34 years	35 to 44 years	45 to 54 years	55 years and over
Argentina [c]	1990	65	87	77	61	59	52	76	94	82	72	72	54
	1994	71	86	87	64	70	49	76	94	81	69	73	59
	1997	70	95	83	66	67	49	79	98	92	77	63	66
	1999	65	94	76	64	58	54	79	95	84	69	78	73
	2002	59	89	73	60	54	43	71	82	79	71	60	56
	2004	61	86	69	62	57	48	68	86	72	66	67	50
	2005	67	86	75	80	58	47	68	87	80	62	62	51
	2006	65	78	76	62	62	52	70	78	80	63	59	64
Bolivia (Plurinational State of)	1989 [d]	59	71	65	54	54	62	60	74	68	60	54	43
	1994 [d]	54	62	60	58	45	41	61	60	71	68	56	41
	1997	60	60	67	73	47	40	68	65	74	85	63	39
	1999	63	72	70	55	68	54	72	81	85	63	72	63
	2002	61	80	69	57	53	44	77	83	90	69	66	43
	2004	63	70	70	53	62	56	90	83	97	69	102	101
	2007	63	75	71	54	67	52	73	79	81	65	79	63
Brazil	1990	56	73	64	54	47	35	76	92	79	71	64	63
	1993	56	74	66	53	43	48	61	77	68	56	46	53
	1996	62	77	68	62	51	54	68	80	72	65	56	59
	1999	65	81	72	63	57	55	70	83	75	66	58	59
	2001	66	84	74	64	59	53	86	100	91	81	79	79
	2004	66	83	74	65	58	56	86	97	89	83	76	83
	2005	68	85	75	66	61	56	87	99	88	84	80	76
	2006	68	82	76	67	62	53	86	96	90	85	81	75
	2007	68	86	77	67	61	53	73	87	80	68	63	59
	2008	68	83	75	67	63	57	73	84	78	69	64	64
Chile	1990	62	84	69	61	57	52	67	89	74	64	55	62
	1994	68	80	84	71	56	55	70	83	78	67	64	57
	1996	67	86	82	59	64	57	73	94	82	67	63	68
	1998	66	90	77	68	59	54	74	93	83	69	68	69
	2000	60	87	78	59	50	55	71	91	81	69	63	65
	2003	64	90	79	65	55	55	84	100	92	83	75	92
	2006	70	88	81	67	64	63	86	93	92	79	84	100
Colombia	1991	69	88	77	64	56	55	77	87	79	73	75	74
	1994	68	98	80	69	52	49	83	104	90	82	67	58
	1997	79	90	95	83	60	58	77	92	85	73	64	60
	1999	75	101	87	69	68	56	83	101	94	76	75	66
	2002	78	100	84	74	74	59	99	108	102	90	98	105
	2004	76	97	89	72	70	53	95	106	101	88	92	85
	2005	76	93	88	73	70	53	95	104	100	91	91	90
Costa Rica	1990	72	86	75	66	60	61	74	87	78	66	62	81
	1994	69	83	76	64	60	56	76	85	79	70	65	78
	1997	78	99	79	73	74	51	87	102	87	79	87	55
	1999	70	87	75	67	64	58	78	89	79	75	72	70
	2002	75	86	78	70	68	70	85	98	85	79	80	86
	2004	76	96	75	72	76	54	88	102	85	81	95	65
	2005	73	86	83	68	71	48	89	99	98	82	84	69
	2006	75	91	84	65	75	61	92	98	99	82	91	98
	2007	70	88	78	66	64	50	78	89	88	75	64	61
	2008	70	94	82	59	66	51	80	94	91	75	71	50

Table A-13 (continued)

Country	Year	Disparity in labour income by age group [a]						Wage disparity by age group [b]					
		Total	15 to 24 years	25 to 34 years	35 to 44 years	45 to 54 years	55 years and over	Total	15 to 24 years	25 to 34 years	35 to 44 years	45 to 54 years	55 years and over
Dominican Republic	2002	72	92	74	70	63	62	80	94	78	82	63	82
	2004	59	62	59	63	45	77	85	96	79	78	81	122
	2005	77	91	88	75	64	59	93	98	106	82	85	82
	2006	72	82	72	75	67	61	84	91	75	92	87	72
	2007	59	77	63	60	46	65	78	86	87	74	62	74
	2008	61	72	72	53	57	55	74	83	84	61	74	60
Ecuador	1990	66	80	70	61	60	64	67	78	73	63	63	60
	1994	67	77	73	65	57	58	76	81	82	76	65	72
	1997	75	90	84	70	64	67	83	94	90	77	75	62
	1999	67	99	82	61	51	55	83	99	92	78	69	52
	2002	67	83	77	66	55	50	87	95	96	89	69	70
	2004	68	101	74	63	59	63	88	107	91	85	80	94
	2005	74	93	83	70	62	67	94	102	99	99	79	90
	2006	73	105	78	65	70	61	95	111	97	85	93	93
	2007	68	90	78	66	61	57	85	95	90	81	80	83
	2008	69	90	80	62	65	64	87	95	91	81	81	96
El Salvador	1995	62	76	70	57	50	46	79	80	81	72	85	61
	1997	72	97	74	69	64	53	88	100	85	85	91	73
	1999	75	84	79	71	67	60	88	87	93	84	86	70
	2001	73	87	79	73	62	51	99	95	96	95	106	97
	2004	77	80	78	78	76	52	97	85	96	100	108	80
Guatemala	1998	55	88	76	51	34	39	72	86	73	71	77	49
	2002	58	80	63	55	42	45	80	88	81	79	65	73
	2006	58	91	64	55	55	42	76	98	75	69	68	58
Honduras	1990	59	77	68	51	56	43	78	81	80	70	89	122
	1994	63	80	73	69	48	42	73	82	81	82	68	32
	1997	60	81	72	58	47	37	77	86	78	74	70	72
	1999	65	78	65	68	51	52	78	80	76	82	69	86
	2002	76	86	78	70	71	63	95	102	90	86	97	103
	2003	83	98	81	77	89	64	107	110	99	101	111	117
	2006	81	94	85	77	76	69	101	107	98	96	103	120
	2007	81	96	84	75	76	64	94	99	93	91	95	88
Mexico	1989	56	73	64	54	47	48	74	88	80	73	58	80
	1994	57	83	65	57	45	46	68	91	74	78	49	49
	1996	62	83	67	64	48	52	73	91	74	68	73	80
	1998	58	84	74	53	56	40	72	89	79	68	63	72
	2002	63	83	67	63	59	43	76	86	77	74	72	64
	2004	63	89	72	61	59	42	78	92	83	71	84	56
	2005	58	83	70	55	50	47	76	88	80	69	78	68
	2006	63	83	69	59	58	54	76	90	82	68	70	77
	2008	62	81	69	67	49	51	77	85	80	75	70	65
Nicaragua	1993	77	107	87	62	64	67	77	90	88	54	64	95
	1998	65	93	73	60	47	42	77	104	78	73	57	47
	2001	69	87	84	72	33	84	81	94	91	74	66	66
	2005	71	87	73	80	48	53	88	95	76	86	78	100

Table A-13 (concluded)

Country	Year	Disparity in labour income by age group [a]						Wage disparity by age group [b]					
		Total	15 to 24 years	25 to 34 years	35 to 44 years	45 to 54 years	55 years and over	Total	15 to 24 years	25 to 34 years	35 to 44 years	45 to 54 years	55 years and over
Panama	1991	78	73	89	81	68	78	89	95	95	90	75	77
	1994	69	80	76	71	56	58	84	107	95	77	68	62
	1997	70	81	78	68	68	46	85	104	92	80	79	64
	1999	78	98	87	74	73	57	89	120	92	81	83	75
	2002	76	88	86	77	67	56	93	103	100	89	82	93
	2004	73	82	86	67	73	50	93	105	105	85	88	73
	2005	73	92	79	67	73	63	93	107	101	86	88	74
	2006	74	82	80	75	72	59	96	99	95	93	94	92
	2007	73	87	75	68	76	56	96	105	99	86	101	80
	2008	74	83	81	76	67	54	97	101	95	94	97	81
Paraguay	1990 [e]	55	63	68	52	50	60	63	66	72	58	63	77
	1994	62	75	66	63	67	40	66	78	70	60	75	57
	1996	64	72	66	64	59	56	74	76	77	72	77	95
	1999	72	96	84	67	69	45	79	102	92	70	62	69
	2001	68	93	76	62	54	64	102	112	107	101	90	51
	2004	64	90	66	65	52	55	100	99	89	106	110	88
	2005	61	90	78	67	38	43	94	103	99	90	85	71
	2007	71	97	74	61	68	67	75	95	72	73	63	85
	2008	71	85	81	67	66	54	75	85	81	74	77	47
Peru	1997	59	78	69	58	48	36	73	83	79	79	68	45
	1999	64	99	85	65	45	27	79	95	96	89	60	37
	2001	67	87	75	59	59	55	80	94	91	74	63	74
	2003	60	91	77	65	39	31	79	92	93	88	45	53
	2007	66	85	74	64	61	45	75	89	80	78	68	55
	2008	61	74	74	55	55	48	66	78	72	61	62	62
Uruguay	1990	44	63	60	46	37	30	64	79	73	61	59	49
	1994	62	79	66	58	58	53	63	76	66	58	60	52
	1997	66	82	74	64	60	57	67	79	71	64	60	55
	1999	68	81	78	64	65	55	68	79	75	61	66	53
	2002	73	91	80	69	70	63	70	84	78	66	63	62
	2004	70	92	82	64	67	59	70	83	77	63	66	57
	2005	72	88	81	71	69	59	73	82	80	68	68	66
	2007	69	83	76	67	67	58	71	79	75	68	67	60
	2008	68	84	76	67	65	58	70	81	73	67	65	61
Venezuela (Bolivarian Republic of)	1990	66	81	72	65	57	48	79	86	82	74	68	66
	1994	69	95	75	64	56	57	82	106	82	75	66	69

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household survey data from the countries concerned.

[a] Refers to the income differential in the total employed population. This differential is calculated as the quotient of average female income and average male income, multiplied by 100.

[b] Refers to the income differential in total income among wage-earners. This differential is calculated as the quotient of average female income and average male income multiplied by 100.

[c] Greater Buenos Aires.

[d] Eight departmental capitals and El Alto.

[e] Asunción metropolitan area.

Table A-14

INDICATORS OF PUBLIC SOCIAL SPENDING, 1990-1991 TO 2006-2007 [a]

Country	Coverage [c]	Public social spending [b]											
		Per capita (in dollars at 2000 prices)				Percentage of GDP				Percentage of total public spending [d]			
		1990-1991	1996-1997	2000-2001	2006-2007	1990-1991	1996-1997	2000-2001	2006-2007	1990-1991	1996-1997	2000-2001	2006-2007
Argentina [e]	CG	695	845	822	978	11.39	10.91	10.97	10.81	60.3	67.6	61.4	61.4
	GG	1 102	1 441	1 512	1 844	18.08	18.60	20.17	20.40	62.7	66.5	63.3	64.3
	NFPS	1 179	1 547	1 635	2 002	19.32	19.96	21.82	22.14	62.2	65.5	62.8	63.9
Bolivia	CG	47	88	122	…	5.25	8.91	12.03	…	34.4	30.2	35.4	…
(Plurinational State of) [f]	NFPS	…	143	165	178	…	14.58	16.31	16.24	…	44.1	42.8	49.1
Brazil [g]	FG	309	414	451	578	9.24	11.30	12.19	13.82	52.3	62.3	60.4	80.6
	Consolidado	554	712	785	1 019	16.56	19.44	21.21	24.37	48.9	51.0	62.1	73.4
Chile	CG	381	595	745	733	12.00	12.81	15.04	12.22	61.2	65.5	67.7	66.4
Colombia [h]	CG	129	338	264	355	5.92	13.57	11.12	12.35	…	…	68.6	71.5
Costa Rica	PS	486	606	727	855	15.56	16.81	18.00	17.18	38.9	42.0	40.5	36.0
Cuba	CG	864	563	661	1395	27.62	23.14	23.70	34.48	35.6	45.7	47.0	52.4
Dominican Republic	CG	69	127	188	276	3.79	5.43	6.77	8.03	43.1	45.6	49.9	48.6
Ecuador [i]	CG	98	76	65	104	7.42	5.57	4.92	6.39	42.8	27.6	20.9	27.9
El Salvador	GG	…	128	222	291	…	6.33	9.98	11.31	…	28.1	38.6	45.7
Guatemala	CG	49	70	105	124	3.75	4.82	6.82	7.51	29.9	42.7	47.3	51.8
Honduras	CG	80	75	116	156	7.55	6.60	9.98	11.38	40.7	40.5	45.4	52.9
Jamaica [j]	CG	294	324	331	309	8.37	8.97	9.52	8.60	26.8	19.2	17.1	16.3
Mexico	BCG	358	482	621	782	6.54	8.51	9.72	11.21	41.3	52.3	61.3	59.3
Nicaragua	BCG	45	45	63	100	6.64	6.53	8.15	11.41	34.0	37.0	38.4	50.2
Panama	CG	229	315	371	460	7.50	8.81	9.47	9.25	38.1	39.6	42.5	42.1
	NFPS	496	644	680	…	16.24	18.05	17.37	…	40.0	43.8	44.3	…
Paraguay	BCG	45	128	107	162	3.23	8.66	8.03	11.25	39.9	47.1	38.3	57.1
Peru	BCG	64	140	158	…	3.88	6.85	7.73	…	33.0	39.6	45.0	…
	GG	…	…	179	214	…	…	8.76	8.23	…	…	52.2	53.1
Trinidad and Tobago [k]	CG	303	304	588	904	6.89	6.36	9.10	8.65	40.6	40.7	43.5	29.4
Uruguay [l]	CG Consolidated	850	1332	1 328	1542	16.82	21.33	21.56	21.21	62.3	70.8	68.1	67.5
	GG	…	…	1 286	…	…	…	20.86	…	…	…	62.8	…
	NFPS	…	…	1 379	…	…	…	22.37	…	…	…	64.4	…
Venezuela (Bolivarian Republic of) [m]	BCG-Approved	441	438	560	722	8.78	8.56	11.58	13.44	32.8	35.4	37.8	44.0
	BCG-executed	…	…	492	646	…	…	10.17	11.64	…	…	43.5	42.0

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of information from the Commission's social expenditure database.

[a] Includes public spending on education, health and nutrition, social security, employment and social welfare, housing, water and sewerage systems.

[b] The figures are simple averages for the relevant bienniums.

[c] CG: central government; GG: general government; NFPS: non-financial public sector; FG: federal government; PS: public sector/total public sector; BCG: budgetary central government.

[d] In most countries, the figure for total public spending is the official statistic provided by the country; no consideration is given to whether debt servicing is included or excluded.

[e] Includes the spending of the national government, provincial governments and the central government of Buenos Aires, as well as municipal governments.

[f] In the Plurinational State of Bolivia, in the case of the NFPS, the figure listed for 2006-2007 is the 2006 figure from the new 2002-2006 series published by the country. As such, it is not comparable to those of previous years.

[g] Estimate of consolidated social spending, which includes federal, state and municipal spending.

[h] The figures for the 2006-2007 biennium correspond to the new series published since 2002 and are not comparable to those of previous years.

[i] The figures of the series are retained. Social security spending is under review. The figure listed for 2006-2007 is the 2006 figure.

[j] The figure listed for 1996-1997 is the 1996 figure and the 2006-2007 figure corresponds to 2004.

[k] In Trinidad and Tobago, the Classification of the Functions of Government (COFOG) series begins in 2000 and is not comparable with earlier series; the 2006-2007 figures are preliminary and the 1996-1997 figures are for 1996.

[l] In Uruguay, the figures from 2000-2001 correspond to the series published by the Ministry of Social Development (MIDES) and are not comparable with those of previous years.

[m] Relates to the budgetary law. In the case of the Bolivarian Republic of Venezuela, it includes the amendments introduced yearly on 31 December. The figure for 2006-2007 of the approved central government budget corresponds to 2006.

Publicaciones de la CEPAL / *ECLAC publications*

Comisión Económica para América Latina y el Caribe / *Economic Commission for Latin America and the Caribbean*
Casilla 179-D, Santiago de Chile. E-mail: publications@cepal.org
Véalas en: www.cepal.org/publicaciones
Publications may be accessed at: www.eclac.org

Revista CEPAL / *CEPAL Review*

La Revista se inició en 1976 como parte del Programa de Publicaciones de la Comisión Económica para América Latina y el Caribe, con el propósito de contribuir al examen de los problemas del desarrollo socioeconómico de la región. Las opiniones expresadas en los artículos firmados, incluidas las colaboraciones de los funcionarios de la Secretaría, son las de los autores y, por lo tanto, no reflejan necesariamente los puntos de vista de la Organización.

La *Revista CEPAL* se publica en español e inglés tres veces por año.

Los precios de suscripción anual vigentes para 2010 son de US$ 30 para ambas versiones. El precio por ejemplar suelto es de US$ 15 para ambas versiones. Los precios de suscripción por dos años son de US$ 50 para ambas versiones.

CEPAL Review first appeared in 1976 as part of the Publications Programme of the Economic Commission for Latin America and the Caribbean, its aim being to make a contribution to the study of the economic and social development problems of the region. The views expressed in signed articles, including those by Secretariat staff members, are those of the authors and therefore do not necessarily reflect the point of view of the Organization.

CEPAL Review is published in Spanish and English versions three times a year.

Annual subscription costs for 2010 are US$ 30 for both versions. The price of single issues is US$ 15 in both cases. The cost of a two-year subscription is US$ 50 for both versions.

Informes periódicos institucionales / *Annual reports*

Todos disponibles para años anteriores / *Issues for previous years also available*

- *Balance preliminar de las economías de América Latina y el Caribe, 2009, 184 p.*
  Preliminary Overview of the Economies of Latin America and the Caribbean, 2009*, 166 p.*
- *Estudio económico de América Latina y el Caribe 2008-2009, 154 p.*
  Economic Survey of Latin America and the Caribbean 2008-2009*, 144 p.*
- *Panorama de la inserción internacional de América Latina y el Caribe, 2008-2009. Crisis y espacios de cooperación regional, 112 p.*
  Latin America and the Caribbean in the World Economy, 2008-2009. Crisis and opportunities for regional cooperation, *108 p.*
- *Panorama social de América Latina, 2009*, 218 p.
  Social Panorama of Latin America*, *2009, *208 p.*
- *La inversión extranjera directa en América Latina y el Caribe*, 2009, 162 p.
  Foreign Direct Investment of Latin America and the Caribbean, 2009*, 158 p.*
- *Anuario estadístico de América Latina y el Caribe /* ***Statistical Yearbook for Latin America and the Caribbean*** (bilingüe/*bilingual*), 2009, 316 p.

Libros de la CEPAL

108 *Alianzas público-privadas. Para una nueva visión estratégica del desarrollo*, Robert Devlin y Graciela Moguillansky, 2010, 196 p.
105 *Regulation, Worker Protection and Active Labour-Market Policies in Latin America*, Jürgen Weller (ed.), 2009, 236 p.
104 *La República Dominicana en 2030: hacia una sociedad cohesionada*, Víctor Godínez y Jorge Máttar (coords.), 2009, 582 p.
103 *L'Amérique latine et les Caraïbes au seuil du troisième millénaire*, 2009, 138 p.
102 *Migración interna y desarrollo en América Latina entre 1980 y 2005*, Jorge Rodríguez y Gustavo Busso, 2009, 272 p.
101 *Claves de la innovación social en América Latina y el Caribe*, Adolfo Rodríguez Herrera y Hernán Alvarado Ugarte, 2009, 236 p.
100 *Envejecimiento, derechos humanos y políticas públicas*, Sandra Huenchuan (ed.), 2009, 232 p.
99 *Economía y territorio en América Latina y el Caribe. Desigualdades y políticas*, 2009, 212 p.

98 *La sociedad de la información en América Latina y el Caribe: desarrollo de las tecnologías y tecnologías para el desarrollo*, Wilson Peres y Martin Hilbert (eds.), 2009, 388 p.
97 *América Latina y el Caribe: migración internacional, derechos humanos y desarrollo*, Jorge Martínez Pizarro (ed.), 2008, 375 p.
96 *Familias y políticas públicas en América Latina: una historia de desencuentros*, Irma Arriagada (coord.), 2007, 424 p.
95 *Centroamérica y México: políticas de competencia a principios del siglo XXI*, Eugenio Rivera y Claudia Schatan (coords.), 2008, 304 p.
94 *América Latina y el Caribe: La propiedad intelectual después de los tratados de libre comercio*, Álvaro Díaz, 2008, 248 p.
93 *Tributación en América Latina. En busca de una nueva agenda de reformas*, Oscar Cetrángolo y Juan Carlos Gómez-Sabaini (comps.), 2007, 166 p.
92 *Fernando Fajnzylber. Una visión renovadora del desarrollo en América Latina*, Miguel Torres Olivos (comp.), 2006, 422 p.
91 *Cooperación financiera regional*, José Antonio Ocampo (comp.), 2006, 274 p.
90 *Financiamiento para el desarrollo. América Latina desde una perspectiva comparada*, Barbara Stallings con la colaboración de Rogério Studart, 2006, 396 p.
89 *Políticas municipales de microcrédito. Un instrumento para la dinamización de los sistemas productivos locales. Estudios de caso en América Latina*, Paola Foschiatto y Giovanni Stumpo (comps.), 2006, 244 p.
88 *Aglomeraciones en torno a los recursos naturales en América Latina y el Caribe: Políticas de articulación y articulación de políticas*, 2006, 266 p.
87 *Pobreza, desertificación y degradación de los recursos naturales*, César Morales y Soledad Parada (eds.), 2006, 274 p.

Copublicaciones recientes / *Recent co-publications*

Sesenta años de la CEPAL. Textos seleccionados del decenio 1998-2008, Ricardo Bielschowsky (comp.), CEPAL/Siglo Veintiuno, Argentina, 2010.
El nuevo escenario laboral latinoamericano. Regulación, protección y políticas activas en los mercados de trabajo, Jürgen Weller (ed.), CEPAL/Siglo Veintiuno, Argentina, 2010.
Internacionalización y expansión de las empresas eléctricas españolas en América Latina, Patricio Rozas, CEPAL/Lom, Chile, 2009.
Gobernanza corporativa y desarrollo de mercados de capitales en América Latina, Georgina Núñez, Andrés Oneto y Germano M. de Paula (coords.), CEPAL/Mayol, Colombia, 2009.
EnREDos. Regulación y estrategias corporativas frente a la convergencia tecnológica, Marcio Wohlers y Martha García-Murillo (eds.), CEPAL/Mayol, Colombia, 2009.
Desafíos y oportunidades de la industria del software en América Latina, Paulo Tigre y Felipe Silveira Marques (eds.), CEPAL/Mayol, Colombia, 2009.
¿Quo vadis*, tecnología de la información y de las comunicaciones?,* Martin Hilbert y Osvaldo Cairó (eds.), CEPAL/Mayol, Colombia, 2009.
***O Estruturalismo latino-americano,* Octavio Rodríguez, CEPAL/Civilização Brasileira, 2009.**
***L'avenir de la protection sociale en Amérique latine. Accessibilité, financement et solidarité, CEPALC/*Eska, France, 2009.**
Fortalecer los sistemas de pensiones latinoamericanos. Cuentas individuales por reparto, Robert Holzmann, Edward Palmer y Andras Uthoff (eds.), CEPAL/Mayol, Colombia, 2008.
Competition Policies in Emerging Economies. Lessons and Challenges from Central America and Mexico*,* Claudia Schatan and Eugenio Rivera Urrutia (eds.), ECLAC/Springer, USA, 2008.
Estratificación y movilidad social en América Latina. Transformaciones estructurales en un cuarto de siglo, Rolando Franco, Arturo León y Raúl Atria (coords.), CEPAL/Lom, Chile, 2007.
Economic growth with equity. Challenges for Latin America, Ricardo Ffrench-Davis and José Luis Machinea (eds.), ECLAC/Palgrave Macmillan, United Kingdom, 2007.
Mujer y empleo. La reforma de la salud y la salud de la reforma en Argentina, María Nieves Rico y Flavia Marco (coords.), CEPAL/Siglo XXI, Argentina, 2006.
El estructuralismo latinoamericano, Octavio Rodríguez, CEPAL/Siglo XXI, México, 2006.
Gobernabilidad corporativa, responsabilidad social y estrategias empresariales en América Latina, Germano M. de Paula, João Carlos Ferraz y Georgina Núñez (comps.), CEPAL/Mayol, Colombia, 2006.
Desempeño económico y política social en América Latina y el Caribe. Los retos de la equidad, el desarrollo y la ciudadanía, Ana Sojo y Andras Uthoff (comps.), CEPAL/Flacso-México/ Fontamara, México, 2006.

Coediciones recientes / *Recent co-editions*

***The United Nations Regional Commissions and the Climate Change Challenges*, ECLAC/ECA/ECE/ESCAP/ESCWA, 2009.**
Hacia un desarrollo inclusivo. El caso de Chile, Osvaldo Sunkel y Ricardo Infante (eds.), CEPAL/OIT/Fundación Chile 21, Chile, 2008.
Reformas para la cohesión social en América Latina. Panorama antes de la crisis, Alicia Bárcena y Narcís Serra (eds.), CEPAL/SEGIB/CIDOB, Chile, 2008.
El envejecimiento y las personas de edad. Indicadores sociodemográficos para América Latina y el Caribe, CEPAL/UNFPA, 2009.
Espacios iberoamericanos: la economía del conocimiento, CEPAL/SEGIB, Chile, 2008.
Hacia la revisión de los paradigmas del desarrollo en América Latina, Oscar Altimir, Enrique V. Iglesias, José Luis Machinea (eds.), CEPAL/SEGIB, Chile, 2008.
Por uma revisão dos paradigmas do desenvolvimento na América Latina, Oscar Altimir, Enrique V. Iglesias, José Luis Machinea (eds.), CEPAL/SEGIB, Chile, 2008.

Hacia un nuevo pacto social. Políticas económicas para un desarrollo integral en América Latina, José Luis Machinea y Narcís Serra (eds.) CEPAL/CIDOB, España, 2008.

Espacios iberoamericanos: comercio e inversión, CEPAL/SEGIB, Chile, 2007.

Espaços Ibero-Americanos: comércio e investimento, CEPAL/SEGIB, Chile, 2007.

Visiones del desarrollo en América Latina, José Luis Machinea y Narcís Serra (eds.), CEPAL/CIDOB, España, 2007.

Cohesión social: inclusión y sentido de pertenencia en América Latina y el Caribe, CEPAL/SEGIB, Chile, 2007.

Social Cohesion. Inclusion and a sense of belonging in Latin America and the Caribbean, ECLAC/SEGIB, Chile, 2007.

Cuadernos de la CEPAL

94 *El cuidado en acción. Entre el derecho y el trabajo*, Sonia Montaño Virreira y Coral Calderón Magaña (coords.), 2010, 236 p.

93 *Privilegiadas y discriminadas. Las trabajadoras del sector financiero*, Flavia Marco Navarro y María Nieves Rico Ibáñez (eds.), 2009, 300 p.

92 *Estadísticas para la equidad de género: magnitudes y tendencias en América Latina*, Vivian Milosavljevic, 2007, 186 pp.

91 *Elementos conceptuales para la prevención y reducción de daños originados por amenazas naturales*, Eduardo Chaparro y Matías Renard (eds.), 2005, 144 p.

Cuadernos estadísticos de la CEPAL

36 *Clasificaciones estadísticas internacionales incorporadas en el Banco de Datos de Comercio Exterior de América Latina y el Caribe de la CEPAL (Revisión 3).* Solo disponible en CD, 2008.

35 *Resultados del Programa de Comparación Internacional para América del Sur.* Solo disponible en CD, 2007.

34 *Indicadores económicos del turismo*. Solo disponible en CD, 2006.

33 *América Latina y el Caribe. Balanza de pagos 1980-2005.* Solo disponible en CD, 2006.

32 *América Latina y el Caribe. Series regionales y oficiales de cuentas nacionales, 1950-2002*. Solo disponible en CD, 2005.

31 *Comercio exterior. Exportaciones e importaciones según destino y origen por principales zonas económicas. 1980, 1985, 1990, 1995-2002.* Solo disponible en CD, 2005.

Observatorio demográfico *ex Boletín demográfico* / *Demographic Observatory formerly Demographic Bulletin* (bilingüe/*bilingual*)

Edición bilingüe (español e inglés) que proporciona información estadística actualizada, referente a estimaciones y proyecciones de población de los países de América Latina y el Caribe. Incluye también indicadores demográficos de interés, tales como tasas de natalidad, mortalidad, esperanza de vida al nacer, distribución de la población, etc.

El Observatorio aparece dos veces al año, en los meses de enero y julio. Suscripción anual: US$ 20.00. Valor por cada ejemplar: US$ 15.00.

Bilingual publication (Spanish and English) proving up-to-date estimates and projections of the populations of the Latin American and Caribbean countries. Also includes various demographic indicators of interest such as fertility and mortality rates, life expectancy, measures of population distribution, etc.

The Observatory appears twice a year in January and July. Annual subscription: US$ 20.00. Per issue: US$ 15.00.

Notas de población

Revista especializada que publica artículos e informes acerca de las investigaciones más recientes sobre la dinámica demográfica en la región, en español, con resúmenes en español e inglés. También incluye información sobre actividades científicas y profesionales en el campo de población.

La revista se publica desde 1973 y aparece dos veces al año, en junio y diciembre.

Suscripción anual: US$ 20.00. Valor por cada ejemplar: US$ 12.00.

Specialized journal which publishes articles and reports on recent studies of demographic dynamics in the region, in Spanish with abstracts in Spanish and English. Also includes information on scientific and professional activities in the field of population.

Published since 1973, the journal appears twice a year in June and December.

Annual subscription: US$ 20.00. Per issue: US$ 12.00.

Series de la CEPAL

Comercio internacional / *Desarrollo productivo* / *Desarrollo territorial* / *Estudios estadísticos y prospectivos* / *Estudios y perspectivas* (Bogotá, Brasilia, Buenos Aires, México, Montevideo) / ***Studies and Perspectives*** (The Caribbean, Washington) / *Financiamiento del desarrollo* / *Gestión pública* / *Informes y estudios especiales* / *Macroeconomía del desarrollo* / *Manuales* / *Medio ambiente y desarrollo* / *Mujer y desarrollo* / *Población y desarrollo* / *Políticas sociales* / *Recursos naturales e infraestructura* / *Seminarios y conferencias*.

Véase el listado completo en: www.cepal.org/publicaciones / *A complete listing is available at*: www.cepal.org/publicaciones

كيفيـة الحصـول على منشـورات الأمـم المتحـدة

يمكـن الحصول على منشـورات الأمم المتحـدة من المكتبات ودور التوزيع في جميع أنحـاء العالـم . استعلـم عنها من المكتبة التي تتعامـل معها أو اكتـب إلى : الأمـم المتحـدة ، قسـم البيـع في نيويـورك أو في جنيـف .

如何购取联合国出版物

联合国出版物在全世界各地的书店和经售处均有发售。请向书店询问或写信到纽约或日内瓦的联合国销售组。

HOW TO OBTAIN UNITED NATIONS PUBLICATIONS

United Nations publications may be obtained from bookstores and distributors throughout the world. Consult your bookstore or write to: United Nations, Sales Section, New York or Geneva.

COMMENT SE PROCURER LES PUBLICATIONS DES NATIONS UNIES

Les publications des Nations Unies sont en vente dans les librairies et les agences dépositaires du monde entier. Informez-vous auprès de votre libraire ou adressez-vous à : Nations Unies, Section des ventes, New York ou Genève.

КАК ПОЛУЧИТЬ ИЗДАНИЯ ОРГАНИЗАЦИИ ОБЪЕДИНЕННЫХ НАЦИЙ

Издания Организации Объединенных Наций можно купить в книжных магазинах и агентствах во всех районах мира. Наводите справки об изданиях в вашем книжном магазине или пишите по адресу: Организация Объединенных Наций, Секция по продаже изданий, Нью-Йорк или Женева.

COMO CONSEGUIR PUBLICACIONES DE LAS NACIONES UNIDAS

Las publicaciones de las Naciones Unidas están en venta en librerías y casas distribuidoras en todas partes del mundo. Consulte a su librero o diríjase a: Naciones Unidas, Sección de Ventas, Nueva York o Ginebra.

Las publicaciones de la Comisión Económica para América Latina y el Caribe (CEPAL) y las del Instituto Latinoamericano y del Caribe de Planificación Económica y Social (ILPES) se pueden adquirir a los distribuidores locales o directamente a través de:

Publicaciones de las Naciones Unidas
2 United Nations Plaza, Room DC2-853
Nueva York, NY, 10017
Estados Unidos
Tel. (1 800)253-9646   Fax (1 212)963-3489
E-mail: publications@un.org

Publicaciones de las Naciones Unidas
Sección de Ventas
Palais des Nations
1211 Ginebra 10
Suiza
Tel. (41 22)917-2613   Fax (41 22)917-0027

Unidad de Distribución
Comisión Económica para América Latina y el Caribe (CEPAL)
Av. Dag Hammarskjöld 3477, Vitacura
7630412 Santiago
Chile
Tel. (56 2)210-2056   Fax (56 2)210-2069
E-mail: publications@cepal.org

Publications of the Economic Commission for Latin America and the Caribbean (ECLAC) and those of the Latin American and the Caribbean Institute for Economic and Social Planning (ILPES) can be ordered from your local distributor or directly through:

United Nations Publications
2 United Nations Plaza, Room DC2-853
New York, NY, 10017
USA
Tel. (1 800)253-9646   Fax (1 212)963-3489
E-mail: publications@un.org

United Nations Publications
Sales Sections
Palais des Nations
1211 Geneva 10
Switzerland
Tel. (41 22)917-2613   Fax (41 22)917-0027

Distribution Unit
Economic Commission for Latin America and the Caribbean (ECLAC)
Av. Dag Hammarskjöld 3477, Vitacura
7630412 Santiago
Chile
Tel. (56 2)210-2056   *Fax (56 2)210-2069*
E-mail: publications@eclac.org