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## ***CHANGES IN ECONOMIC POLICY REGIMES IN URUGUAY FROM A GENDER PERSPECTIVE (1930- 2000)***

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February 2005

We gratefully acknowledge the support and invaluable editorial help of Ann Zammit

Prepared for the UNRISD report  
Gender Equality: Striving for Justice in an Unequal World

**DRAFT WORKING DOCUMENT**  
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## Introduction

This study aims to provide an overview of the impact of economic policy regimes in Uruguay over the last fifty years on women's well-being and gender relations. To undertake this task, two analytical sections were defined. The first one corresponds to the Import Substitution Strategy which goes from 1930 to 1955. It is characterised by the core importance of the domestic market and the thrust of social legislation akin to welfare state practices. The second goes from 1973 to the present and it is featured by the economic openness, the predominance of foreign markets and a reduction in the regulatory role of the State.

This article is divided into five sections. The first contains a description of the categories applied in carrying out the gender analysis under different economic policy regimens. In the second section arguments justifying the definition of periods are put forward, and the hypotheses that guided our research are set out. The third and fourth sections contain details of the macroeconomic and social policies prevailing in each stage, and explore their impact on women's well-being and gender relations. The final section is a synthesis of the main findings.

### I. Relevant conceptual issues

The concept of gender refers to the social, historical and cultural construct of 'the feminine' and 'the masculine' as the attributes of individuals, based on their biological differences according to sex. Gender relations are determined by a set of formal rules (in law and in organisations) and informal ones (derived from repetition and custom) which condition social interaction among men and women and mould what they expect from each other.

All throughout history and across different societies, gender relations have expressed an asymmetry in power relations between men and women, both in domestic as well as in public realms. Such asymmetries are rooted in the sexual division of social work between the productive activities – in the market sphere – and the unpaid reproductive work –related to household maintenance tasks and community work. Women have predominated in social reproduction and this has played as a first form of exclusion from labour opportunities and public affairs. In households, gender inequity in the distribution of resources and decision-making processes has been the rule rather than the exception. Women constitute a group that is subordinated to men in the division of resources (economic, financial, political, educational), in responsibility (hierarchy positions), in power and in privilege (Guzmán 2003).

Conventional economic theory assumes that reproductive economics is not linked to market economics. Therefore, the cost of social reproduction (including the maintenance of the labour force) remains *invisible* and out of the market-based economic system. This invisibility not only leads to considerable inequality, but also reinforces it<sup>1</sup> (Cagatay, Elson and Grown 1993; Elson and Cagatay 2000).

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<sup>1</sup> Mainstream economics assumes that harmony reigns in the household and that there are equitable rules for consumption. The idea is that specialization based on gender in the home is an efficient agreed arrangement and is in line with the theory of comparative advantage.

Most macroeconomic analysis in the mainstream of the discipline assume that economic policies and their objectives are “gender-neutral”. However, gender relations interact with market processes and resource allocation both at the micro level (households) and at macro level, leading to considerable differences between men and women.

The present study emphasizes that economics is not an abstract notion: it is a social institution belonging to culture and reflecting its power relations (Barker and Kuiper 2003). In due course, it will argue that changes in economic policy regimes may affect the system of gender relations in different ways and to different extents<sup>2</sup>.

However, it is necessary to point out two observations. First, the chosen analytical approach does not imply claiming that economic regimes are the only ones explaining advances or losses in gender equity. In fact, we recognize that people’s capabilities to enjoy the freedom to do and to be what they choose (Sen 1995) relies also on other institutional orders (culture, politics, religion).

Secondly, the correlation between the system of gender relations and the economic regimes is far from being mechanical. Relatively similar policies may have different gender impacts when applied in different contexts. Besides, the interaction between the system of gender relations and other institutions is not obvious from the perspective of current economic thought.

Furthermore, when we consider the interaction between the system of gender relations and the economic policy regimes in isolation, there are not only theoretical but also empirical difficulties which stem basically from insufficient information indexed by gender, and a lack of appropriate indicators.

For the purpose of the present analysis, the gender impacts of the economic policy regimes will be assessed through two sets of indicators. One refers to opportunities and access to resources (female share of the labor force and employment, gender gap in unemployment and employment, gender wage gaps). The other relies on measures of basic human abilities as an approximation to capabilities (e.g., education, health measures, fertility, marital status and responsibilities in the reproductive sphere). Both types of indicators are used to assess changes in women’s well-being and consequently on the system of gender relations associated to changes in the economic policy regimes.

Progress detected from the standpoint of the mentioned indicators could favour the situation of women and gender equity if they contributed to giving them higher degrees of personal autonomy and independence, so long as they indicated greater participation in the transformation of basic rules, hierarchies and social practices. We attempted to evaluate these questions in the light of the information available about women’s participation in politics.

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<sup>2</sup> Gender relations taken at the micro level can affect macroeconomic results as well as, at the same time, macroeconomic policies can uphold and pass on a “gender bias”. (Darity 1995, Elson 1995, Cagatay 1998).

Whenever the availability of data made it possible, we analysed the characteristics of the economic policy regimes, their changes and the evolution of the above mentioned indicators trying to point out that policies without specific gender content have gendered effects.

The analysis gives emphasis to labour market indicators by gender. The reasons for this are firstly that there has been a wide theoretical development about the gender impact of economic policies on labour markets, and secondly, that there is a large amount of information available that is disaggregated by gender.

Regarding the socio-demographic information, as there was no Population Census between 1908 and 1963, the available data for the period are limited and fragmentary. However, from 1986 onwards there is available information taken mainly from the Continuous Household's Survey conducted by the National Statistics Institute.

## II. Background

### *The country, the economy, the State*

Uruguay is a small country that lies between Brazil and Argentina in the Southern Cone of Latin America. It is small not only in geographical extent – approximately 176,000 square kilometres, but also demographically – 3 million inhabitants – and in economic terms – the gross national product (GNP) in 1998 was slightly more than 23 billion dollars. Its territory is an undulating plain with vast prairies and abundant water resources, and this has favoured extensive livestock rearing.

The population is mostly urban (90%) with a heavy concentration (43%) in Montevideo, the capital. The people are mostly of European descent (Spanish and Italian), with a small proportion of Afro-Uruguayans. There are no Amerindians. The country's birth rate is the lowest in South America, and life expectancy is high, 72 years for men and 74 for women.

Uruguay has traditionally enjoyed the lowest infant mortality rates in South America and the highest rates of life expectancy at birth. The country began the process of demographic transition early, and it has the highest levels of satisfaction of basic needs and the lowest percentage of people with insufficient income.

Uruguayan society enjoys high social integration and low levels of inequality in the context of Latin-American countries. In a great extent, these characteristics are related to the lasting influence of the “Batllist period” (1900-1930). Its importance on the political and ideological fields (and of course as regards to economic results), and its long-term effect on the subsequent economic policy regimens, justify its brief description.

The two administrations of President José Batlle y Ordóñez (1903-1907 and 1911-1915) produced a ‘Batllism’<sup>3</sup> model that was oriented towards ‘...overcoming social injustice on the basis of solidarity, worker-management agreements and the development of labour legislation and social security; the improvement in the population's living-conditions, the nationalisation of industrial and commercial activities with the aim of limiting the impact of British capital, and the lowering of the costs and the increase in the coverage of certain services considered to be a priority for the country's progress...’. [It also sought] “...the transformation of the livestock raising sector so as to increase, improve and diversify production and redistribute wealth... and the industrialization of the country so as to substitute imports, limit economic dependence and create jobs’ (Jacob 1988:9)<sup>4</sup>.

As of 1903 a vast plan of economic and social reforms was implemented. Its explicit purpose was to modernise, diversify and nationalise the economy while

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<sup>3</sup> ‘...Krausism, solidarity, Georgism, propped up the pretensions and sleepless nights of those who, looking at themselves in a European mirror because territorial smallness would not allow the country to look at itself in a North American one, dreamed between 1903 and 1933 of transforming Uruguay first into a South American France and later into a South American Denmark’. (Jacob, 1988-9)

<sup>4</sup> Free translation into English of the original Spanish quote.

simultaneously expanding social welfare. State intervention in the economic sphere took the form of a strong policy of nationalization. This so-called ‘Batllista Uruguay’ had a major and lasting impact on all aspects of life, and it transformed the country into the first welfare state in the continent (Pendle 1952).<sup>5</sup>

The first thirty years of the 20th century are also of special interest when it comes to women’s well-being and gender relations. The first divorce law was passed in 1907; the 1917 Constitution included a stipulation about the possibility of granting voting rights to women, and in 1932 universal women’s suffrage was passed.<sup>6</sup> Prior to this, women had started receiving formal education on a massive scale in the late 19th century,<sup>7</sup> and, in order to overcome social resistance to further education for women, the so-called Women’s University<sup>8</sup> was set up in 1912 as a female institution for secondary studies.

Social legislation was passed to do away with what ‘Batllistas’ called ‘irritating injustice’ against women. The feminist and socialist Paulina Luisi, writing in 1920, summed up the gains that had been made, “... *the penal code does not allow exceptions to punishment or mitigating circumstances for a husband who attacks his adulterous wife; the divorce law; procuring is suppressed as a crime; education must be the same; women are admitted to higher professorial positions; equality in the treatment of civil servants; salary depends on the position and not on the person. Women spend their salaries freely. Women have access to all professions.*” (Rodríguez Villamil and Sapriza 1984:80).

The State played a crucial role in these gains, but they were originally based on growing restlessness among different women’s groups and movements about their living conditions, which started to emerge in the late 19<sup>th</sup> century.

### ***The keys of the analysis***

The present study considers two main periods in Uruguayan history during the 20th century. They are differentiated by the role played by the State, public policies, macroeconomic objectives and instruments and their results.

In the social and economic environment created by ‘Batllism’, the first period under analysis opens with the worldwide crisis of 1929. During this phase (1930-1955), the State intervened in the economic and social fields in a way that was akin to a Welfare State system. It was the time of the industrialization led growth or the Import Substitutive Industrialization strategy (ISI).

In those years the increase in real per capita GDP (Gross Domestic Product) was accompanied by increases in average real wages leading to a progressive

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<sup>5</sup> Quoted in Rodríguez Villamil & Sapriza (1984).

<sup>6</sup> Universal male suffrage dates from 1916. Because of the dictatorship that took power in 1933, women were not able to exercise their right to vote until 1938.

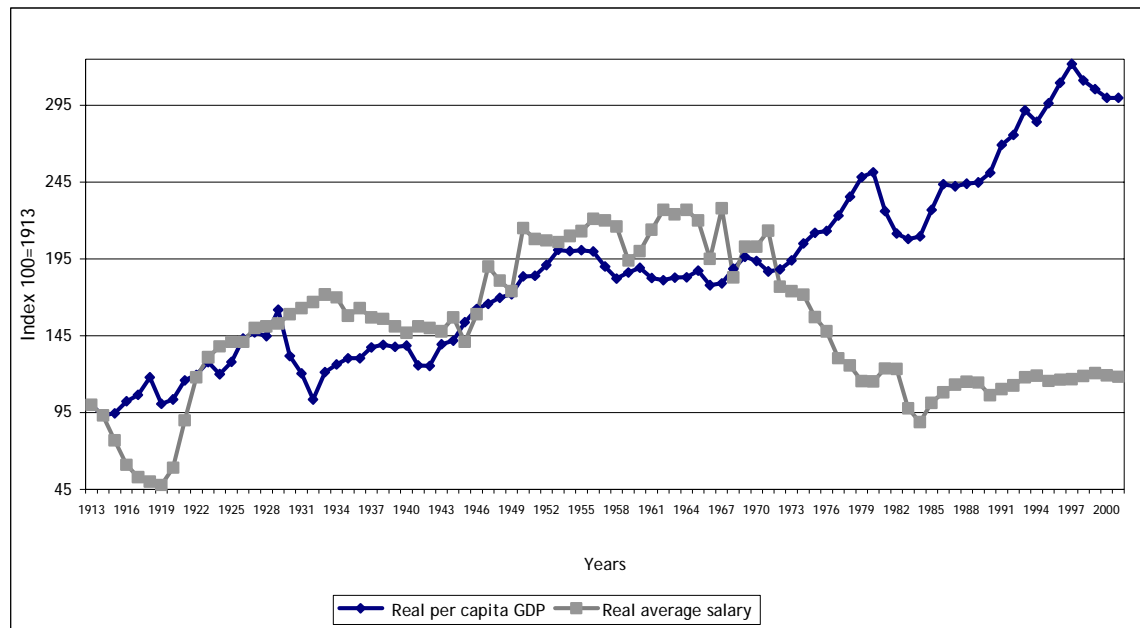
<sup>7</sup> The Education Reform of 1877 proposed lay, free and compulsory public education. With this, young Uruguayan girls gained access to primary education together with boys (known in Uruguay as ‘mixed’ education).

<sup>8</sup> Later it became the Institute of Secondary Education (Batlle y Ordóñez Institute).



redistribution of income. This dynamic was considered a basic condition for sustaining the current economic strategy based on the expansion of the domestic market (Figure 1).

Figure 1. Real Gross National Product per capita and real wage (1913 = 100)



Source: 'Essays on Economic History'. Bértola, L. 2002.

The first hypothesis of this research is that the prevailing sexual division of social work contributed to ensure and improve conditions for the reproduction of the labour force needed to sustain the ISI. We seek to show that together with the progressive social legislation and the achievements regarding women's rights, while the current economic policy regimen tended to improve women's welfare, it also perpetuated considerable gender differences in the public and domestic spheres. The traditional system of gender relations not only went unchallenged by public policies but was actually reinforced, even though this did stem from a commitment to social justice.

From the mid 1950s until the early 1970s the main characteristics of the economy were stagnation, pronounced financial imbalance, and conflict between the social classes over the distribution of wealth. Macroeconomic policy objectives changed frequently in attempts to relieve the ever-present socio-political tensions. In fact, both output per capita and real wages remained fairly stable.

The second period under analysis starts in 1973 and admits two sub-divisions. Its first phase was the military dictatorship (1973-1984), under which financial liberalisation and an export-driven opening of the economy were promoted. The second phase, after the return to democracy, was inspired in the recommendations of multilateral financial bodies, typical of the 1990s. As in the rest of Latin America, the Uruguayan economy underwent far-reaching changes as a consequence of the implementation of an economic policy regimen based on guidelines from the so-called 'Washington Consensus' (1989).

As will become clear in this analysis, liberal policies in the country took on a distinctive character that differed from the rest of Latin America, and this has its roots

partly in 'Batllism'. The characteristics of Uruguayan society and of ideas common to a wide spectrum of the population led to distinctive features in the economic process and in its impact, making Uruguay different to other countries in South America. In fact, although the 1990s were a radical departure from the ISI period, reforms were less comprehensive and less far-reaching than in other economies.

The second hypothesis of this research is that the economic policy regimen present from the middle seventies has not changed substantially gender imbalances in power relations. Progress in certain dimensions of women's well-being (in terms of capabilities and opportunities) has not been adequately accompanied by cultural and ideological changes, since female participation in deliberative bodies and entities that make rules and policies has continued facing deep constraints.

### **III. The Import Substitutive Industrialization (ISI): Protectionism and State Regulation (1930-1955)**

#### ***The economic growth strategy***

After the 1929 world crisis, the International Gold Standard system was abandoned and developed countries put exchange controls and protectionist measures into practice. The unfavourable evolution of the terms of trade, and the characteristics of Uruguayan exports (basically agriculture and livestock) in a world of closed frontiers and financial crisis, put an end to the strategy of export led growth held since the beginning of the century. This situation fostered the implementation of policies supporting industrial production and domestic market development.

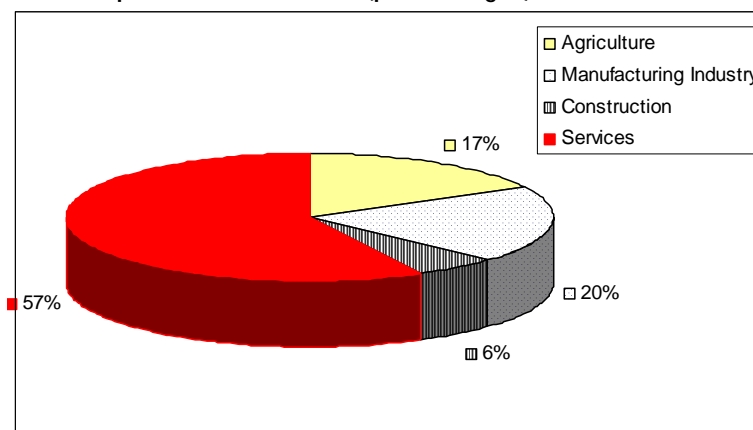
As of 1931 manufacturing industry was mainly promoted through exchange controls and a system of multiple exchange rates. The exchange rate system allowed foreign exchange to have a lower quotation for exports than for imports. After 1941 through the Comptroller of Exports and Imports protectionist trade policies severely regulated the quantity and type of imports, and granted privileges for the purchase of the inputs and raw materials required to maintain and modernise industry<sup>9</sup>. These measures contributed to save foreign exchange as well as to generate general economic re-activation.

Together with the exchange rate policy protectionism became a key part of the economic strategy. One of its results are displayed by Figure 2 showing an important share of manufacturing industry in GDP and a sustained participation of agriculture, which underwent a deep diversification process during the period.

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<sup>9</sup> Instruments to promote manufacturing industry such as tariff exemptions for imports of machinery, spare parts, raw materials and industrial input; tax exemption in setting up or reforming establishments; subsidies, whether direct for raw materials for production, or indirect, granting special exchange rates for given imports; tariff barriers and the prohibition on importing competing products; preferential credit lines. Instruments for the promotion of services such as those oriented to the diversification and expansion of public services, with state agencies providing these services directly.

Figure 2. Structure of product 1946-1956 (percentages)



Source: Notaro, 1984

By the time the Second World War broke out, Uruguay had developed its domestic market, it had a dynamic manufacturing industry of basic-consumption goods, and Government controlled international trade.

Both, the reconstruction of the international market after the end of the Second World War and the favourable prices for traditional exports accounted for the intense rhythm of manufacturing expansion and its diversification which took place between 1945 and 1956 (CINVE 1987). This constructive situation continued after the Korean War (1953) and contributed to explain the ISI's successful performance. However, this latter was subjected to the volatility of export commodity prices.

Another important piece of the economic strategy was the transfer of part of the gains made by the agro- exporting sector to the manufacturing industry by means of the domestic prices. This took place together with a transfer from urban firms to labour force in an alliance amongst State and urban social groups to develop the domestic market. In fact, the rise of real wages during the period effectively increased the purchasing power of the labour-force and consequently their level of consumption. The core of this income distributive policy was expressed in the setting up of *Salary Councils*: tripartite bodies in charge of fixing wages in the private sector (1943)<sup>10</sup>.

Government expenditure was also oriented to expand domestic demand so that the greater production could be absorbed. This explained the sustained increase in public employment, public investment and social spending. In effect, the share of Government in the services sector experienced a considerable growth between 1948 and 1952.

Public employment took on workers laid off in the agricultural and livestock activities because extensive cattle raising could (and can still) only employ a relatively small

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11. Law No. 10,449 created Salary Councils to set minimum wages for private sector workers. There was a council for each and every economic activity, which was made up of Government, firms and workers representatives. These Councils set minimum salaries applicable to every occupation and they could set up rules governing the training of minors under eighteen, taking the Code of Children into account. Additionally, they could participate and act as conciliatory bodies in firm-worker conflicts. In certain groups of Salary Councils there was a category called "female salary" allowing women to be paid up to 20% less than men..

share of the total labour-force<sup>11</sup> (Table 1). The nationalisation of British owned services such as Railways, Waterworks and sewage systems and the creation of the first public airline allowed public employment to grow. Moreover, between 1955 and 1961, when economic growth had ceased, the growth rate of the economically active population (EAP) was 1.3% per annum and that of public employees was 5.9% (Davrieux 1987).

**Table 1. Distribution of economically active population by branch of activity and gender in 1963 (%) (\*)**

Branch of activity	Men (%)	Women (%)
Agro- Livestock	23.7	2.8
Mines and Quarries	0.3	0.0
Manufacturing Industry	21.4	23.9
Construction	7.4	0.2
Electricity, gas and water	2.0	0.6
Banking and Retail Trade	13.8	10.6
Transport and Communications	7.4	1.4
Services	18.0	54.9
Others	6.0	5.6
Total	100	100

(\*) There are not available data to account for Economically Active Population by sector and gender until 1963.

Source: Gaudiano et al 1976

Social expenditure increased steadily over the period, particularly on retirement and pensions, education and health. On average, between 1945 and 1950, education amounted to 14% of the public budget, health care 10%, and retirement and pensions 8%.

By the end of the 1950s, social expenditure reached to 13% of GDP and it was distributed as follows: education and culture expenditure 2%, health 1%, and practically all other spending were on social security. The reader will note that in the subsequent decade, increases in social expenditure went to higher spending on education and social security system (Table 2).

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<sup>11</sup> Waged workers made up 12% of the total of agricultural workers in 1930, and 24% in 1949.

Table 2. Evolution of Government expenditure by function, 1957-1968 (percentage of GDP).

	% of GDP		
	1957	1961	1964
<b>Social expenditure</b>	<b>13.1</b>	<b>14.4</b>	<b>16.1</b>
Education	2	2.5	3
Health	1.1	1.3	1.5
Social Security	9.5	10.5	11
Others	0.5	0.1	0.6
<b>Expenditure on security</b>	<b>1.9</b>	<b>2</b>	<b>2.5</b>
<b>Expenditure on economic services</b>	<b>1</b>	<b>0.5</b>	<b>2.7</b>
<b>Expenditure on general services</b>	<b>1.3</b>	<b>1.6</b>	<b>2.8</b>
<b>Other expenditure</b>	<b>1.6</b>	<b>----</b>	<b>1</b>
<b>Total</b>	<b>18.9</b>	<b>18.5</b>	<b>25.1</b>

Source: Davrieux, 1987

A large portion of the increase in public spending stemmed from the development of the social security system. This, expanded its coverage to include not only retired people and other pensioners (who had doubled in number by the late 1950s), but also active workers who were offered a range of services in the areas of pregnancy, dismissal, and work accidents.

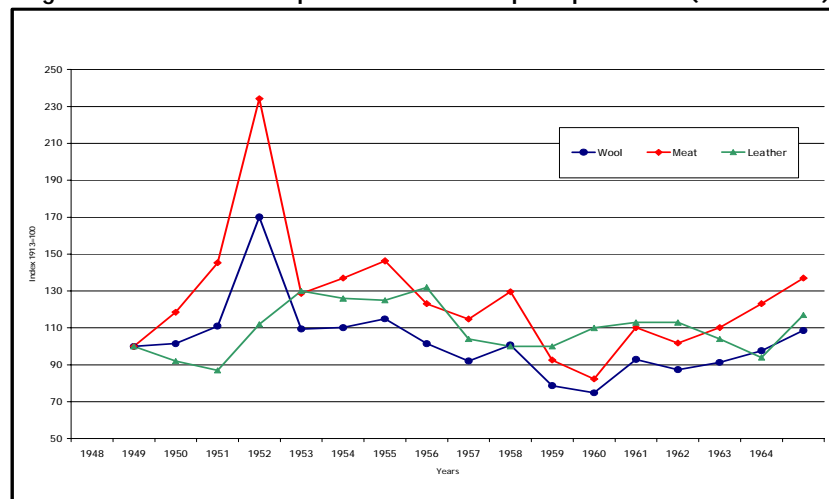
Spending on education also grew, although not at the same rate as GDP. Demand for educational services at the secondary and higher levels expanded because the effort in the first half of the century to increase primary schooling had matured. On the other hand, spending on health as a share of GDP remained relatively constant since a large portion of the population went to mutual insurance health schemes<sup>12</sup>, and this trend was to continue.

In short, during the ISI Uruguayan economy grew and there was a progressive distribution of wealth which reached populous urban sectors.

However, during the sixties the industrialization pattern of growth faced an unbeatable obstacle: the domestic industry required to import inputs and technology to keep on growing but was not able to compete abroad. So, it depended more and more on the resources obtained by the traditional export activity, which was subjected to the whims of prices on the international market and the stagnation of production (Figure 3). As it will be discussed later, this led to an economic crisis which reached its height around 1968.

<sup>12</sup> In 1963 the public sector absorbed 34% of total health expenditure. This increased 40% by 1967. The increase in the monthly fees charged by the mutual system, caused many people to switch over to the public sector. In 1971 the national budget covered 39% of health expenditure, direct users covered 36.4%, direct taxes 1.3%, and others 1.3%.

Figure 3. Evolution of prices of main export products (1948=100)



Source: IMF. International Financial Statistics, 1965-1966

### *The status of women and progress toward gender equity.*

#### **Labour market opportunities**

Women's labour participation had been relatively high since early in the 20th century. The country's early urbanisation, the characteristics of its industrialisation and the low level of illiteracy of its population had influenced this outcome. Furthermore, the fact that women were well educated was connected to marrying later in life and having fewer children. Around 1908 women already constituted 17% of the economically active population (EAP).<sup>13</sup> These women were mainly young (77% were under the age of 35), mostly single (70%), and they had an educational level that was higher than the female average.

The economic strategy applied for the ISI did not particularly encourage women's participation in labour market. Despite industrialisation and an increase in the EAP female labour participation rate in 1955 was only 22.8% (Table 3). In fact, both female and male labour participation rates remained relatively stable during the first half of the 20th century.

Table 3. Labour participation rates by gender (in percentages)

Year	Total	Women	Men
1908*	58.2	16.7	96.2
1950	48.5	22.0	74.3
1955	48.8	22.8	74.4
1960	48.7	23.5	74.0
1965	48.8	24.6	73.3
1970	49.2	26.5	72.4
1975	50	27.7	73.4
1985	50.8	35	70.6

\*Population of working age over 10.

Source: 1908, Prates 1984; from 1950 to 1970, CELADE; 1975-1985, National Institute of Statistics.

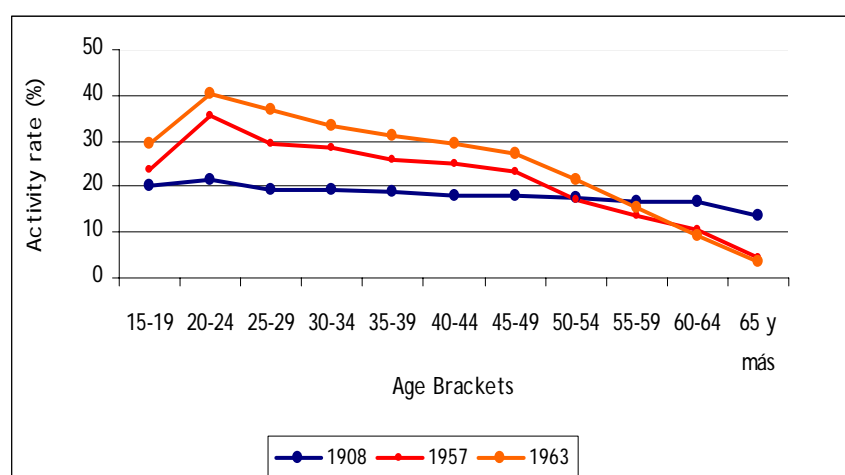
<sup>13</sup> In 1908, there was a considerable number of female immigrants in Montevideo (14% of the total) and in the labour force (those over fifteen made up 36%).

As the agricultural system was based largely on extensive livestock rearing, it was unable to absorb labour force leading to migration from the countryside to the cities and accelerating urbanisation.<sup>14</sup> The enlarged urban labour supply came across a dynamic job's creation in the manufacturing industry as well as in the public sector. However, employment tended to go to men rather than to women. So, neither public nor manufacturing employment provided an explicit stimulus for women to enter paid occupations. In fact, female migrants from the countryside tended to end up in the service sector, particularly in domestic service. This is partly explained by their lack of formal qualifications and also because female working in a factory was look down on. Domestic service, on the other hand, was a way of gaining access to shelter since very often the employee lived in her place of work (CIDE 1963).

Considering percentages instead of absolute numbers it can be seen that industrialisation did absorb a considerable proportion of female labour (24% of the active female population and 21.5% of the male). The reason for this was that domestic manufacturing industry was mainly focused on textile, garment-making and leatherworking areas. The kind of skills required in these industries favoured female employment but greater work opportunities did not lead them to enter the labour market in large numbers.

Actually, the division of labour by gender continued to be a determinant factor in the construction of labour market. Data on female labour participation by age suggest that during the first half of the 20<sup>th</sup> century women of childbearing age had a minor participation in remunerated work. Between 1908 and 1963 the highest participation rate corresponded to the 20 to 24 age group, and this declined from then on in the cycle (Figure 4).

Figure 4. Female labour participation rates by age bracket (percentage)



Source: Data for 1908 are estimates in Prates 1984; data for 1950 to 1970 are CELADE estimates based on census figures.

<sup>14</sup> In 1961, 61.3% of the population was living in cities with over 20,000 inhabitants. Urbanisation means an important growth in the service sector, and in Uruguay this was very considerable indeed (CIDE 1963).

Labour discrimination by gender led to female employment in certain jobs that supposedly did not require any specific qualifications, which justified lower wages. These jobs took advantage from qualifications learnt through the gender socialisation that were regarded as women's 'natural skills'. Hence not only were measures not taken to guarantee equal remuneration, but the 1943 Salary Council Law did not even contain a specific statement on equal pay. As a result, the pay agreements that were reached accepted differences of up to 20% between men's and women's pay.

In 1945, in response to claims from some Representatives, Government recommended to fight gender wage discrimination. Anyway, the recommendation faced a number of constraints which in practice limited the application of the principle "equal pay for equal work". The strongest opposition came from employers, but even some trade unions eventually agreed with them. From the employers' point of view, arguments against equal pay for women were connected to salary-matching, because if the gender classification of occupations were eliminated (for tasks recognised in agreements as 'specifically for women'), labour costs might well rise.

Labour progressive legislation<sup>15</sup>, typical of these years, was oriented to patronize women not to foster gender equity. Members of parliament saw female workers as victims who were forced to enter the labour market, so they tried to preserve women's activity into households to as great an extent as possible. Hence, legislation should seek to help women's to properly raise children and carry out related housework, by shortening their working-hours and protecting their health, especially as regards maternity<sup>16</sup> (Rodríguez Villamil and Sapriza 1984).

### **Education, Health and Social Security.**

The 'Batllists' were anti-clerical, and in the early 20<sup>th</sup> century this stimulated the sympathy for women's emancipation. Batllist considered that the Church was placing women in a situation of 'inferiority'. This viewpoint, along with the acknowledgment of other rights, made it easier for women to gain access to Secondary and higher education.

At the time of the ISI, the extension of public education favoured women rather than men. Between 1929 and 1959 women's share in Secondary education grew rapidly (Table 4).

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<sup>15</sup> The eight-hour day (1915), indemnity for work accidents (1920), old age pensions (1919), severance pay (1914), retirement pensions for public employees (1919) and a minimum salary for agricultural workers (1925).

<sup>16</sup> Maternity leave for primary schoolteachers (1911), accident prevention forbidding the use of women and children for cleaning or repairing running engines, machinery or other dangerous transmission parts (1914), the so-called 'Chair Law' by which establishments employing women had to have enough chairs for female employees and workers to be able to sit down whenever their duties allowed (1918), an obligatory weekly day of rest in all occupations (1920) also applicable to domestic service (1920), the reduction of working hours by one half for all female civil servants during the first six months after childbirth, for the purpose of breastfeeding (1925).



Table 4. Male and female participation in secondary schooling (in percentages)

Year	Total (thousands of people)	Men (%)	Women (%)
1929	9708	56.9	43.1
1934	14603	56.5	43.5
1939	18358	56.0	44.0
1944	27066	52.7	47.3
1949	34099	47.7	52.3
1954	50111	47.5	52.5
1959	69693	47.7	52.3

Source: Saprizo and Rodríguez Villamil (1984)

Education improved women's skills and this fostered their employment as primary and secondary schoolteachers and as nurses. However, is also true that in 1963, a year for which figures are available, 6.7% of the total active population were in domestic service (a typical female occupation).<sup>17</sup> This was higher than the percentage of EAP in building (5.1%) or transport and communications (6.5%).

During this period, women's main obstacle to access to higher education levels, e.g. University, depended principally on a widespread social perception: women's reproductive capacity specializes them to have children and to be housewives, so they should get marry and not study professional careers.

The analysis of the effect on men and women of public spending on health can not be completed because the lack of specific statistics or studies in the country. However, the maternal mortality indicator, which is considered important when determining the efficacy of a health system, leads us to conclude that policies were successful since this indicator went down 85% between 1920 and 1960 (Table A-1). Sanitary policies also had a beneficial effect on women's health as life expectancy increased by an average of 20 years, and the longevity gap in favour of women widened from 3 to 6 years (Table A-2).

Throughout the 1960s public spending on health and education continued to grow, which was made possible in part through a reduction in civil servants' real wages. This had a big differential impact on female labour remuneration since the number of women in health and education was, and still is, relatively high.

Public policy in general and social security policy in particular were instrumental in contributing to the maintenance of the family. The concrete result was that different bodies and services dealing with health care for mothers, children and working mothers were consolidated and extended. In 1943 a system of family allocations was set up which guaranteed mother and child care for male workers' wives and female workers in the private sector.

<sup>17</sup> Among factors contributing to the growth of this activity were temporary jobs or piece work, which allowed women to run their homes at the same time.

In the general area of benefits, social security granted women, and particularly mothers, special or preferential treatment.<sup>18</sup> In 1950, it became possible for mothers who had worked ten years to retire and draw a retirement pension.

### **Changes in family and household structure**

*Fertility.* Mean family size decreased markedly between 1908 and 1963. This was due to the drop in fertility in the first fifty years of the century: between 1915-19 and 1950-54, the fertility rate fell by almost 40%. These placed birth rates in the 1930s at around 20 per thousand (Table A-3).

*Marital status.* Between 1908 and 1963 the proportion of the population stating that they had partners (legal and consensual unions) increased. Marriage rates reached their highest point halfway through the century (Figure A-1). Women gradually started getting married later, while the average age for men to get married remained constant (Table a-5). On the other hand, the divorce law that had been in force since 1907 was further refined, and applied across the entire social spectrum.

The Civil Rights Law (1946) granted married women rights over the administration and disposal of their property, and in the case of the dissolution of a marriage the property was evenly divided. This law also ruled that custody of the children would be shared by the two spouses, and that divorced or widowed women would not forfeit this right.

### ***Concluding remarks***

The ISI did not encourage a great increase in female labour market participation. As long as there was a strong demand for low-qualified, predominantly male labour (the traditional production worker), female participation in the economy was kept within traditional limits. This left women with domestic work and a social position that was important symbolically. The female labour participation rate remained approximately constant from the beginning of the century until the 1950s despite educational and sanitary improvements, industrialisation, and the migration of the labour force to the cities. Not until the mid 1960s, when the stagnation of production was at its worst, did female labour participation rate undergo a visible increase, and this was based on continuing domestic migration. This can be explained by the need for women to contribute to family income, and by the State continuing to play the role of a big employer.

Although changes in legislation brought about a range of improvements in the situation of women, both in terms of social protection and in terms of civil rights, they also maintained the *status quo*. This is very clearly illustrated by the example of early retirement for women when they become mothers.

The option of carrying forward a social policy to favour the provision of childcare services, thus freeing some women from hours of unpaid domestic work, was not

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<sup>18</sup> Public sector employees: 60 years of age and 30 years service for men and 55 years of age and 20 years service for women. Private sector employees: 60 years of age and 30 years work for men and 50 years of age and 20 years work for women. For university-trained professionals, the regime is the same for men and women.

adopted, and what is more, women were encouraged to play the role of housewife. Monetary benefits (as well as non-monetary ones, such as health care) were channelled mainly through male workers in the form of family allocations. This kind of measure affected women's participation in the labour market, their economic autonomy and their independence, and also contributed to consolidating gender inequality in the distribution of domestic tasks.

Women's participation in political entities (Parliament, Government, political parties) was still unusual. The State had removed legal restrictions, but those imposed by society remained in force.

Although on the one hand women's well being improved in some ways, for example in relation to legal equality, on the other, the social situation concealed the fact that there were still different kinds of inequality. The domestic sphere and maternity continued to be regarded as women's main field of action and social role.

## **IV. The Uruguayan Way of Economic Liberalism**

After the failure of the ISI, from the mid 1950s to the early 1970s the country went through a period of stagnant production, inflation (which went from an average rate of 8.8% per annum between 1945 and 1956 to 46.8% between 1956 and 1968), and unemployment (which reached historic rates, averaging 8-10% as compared to the traditional 4%). Less importance was attached to income distribution, and the main goal of economic policy was centred on stabilisation. The principal tools of economic policy were the regulation of prices and wages, the control of the exchange rate (progressive sub-valuation) and the credit volumes. During the 1960s, per capita GDP showed practically no growth, great social and political tensions became evident, and socio-economic groups battled one another to keep or increase their share in a stagnant economy.

### ***The seventies: political authoritarianism and economic liberalism***

#### **Trade openness and financial liberalisation (1974-1978)**

In the early 1970s Uruguayan economy experienced an acceleration of inflation, important trade imbalances and the inability to meet external debt payments. The complexity of the situation was heightening by a domestic financial crisis with the bankruptcy of important banks, and lower rates of GDP growth.

Between 1971 and 1973 the most dramatic events in the country's modern history took place. In 1973 a *coup d'état* brought a civic-military dictatorship to power. Parliament was abolished and a socio-political and economic regimen was implemented that combined an authoritarian State (the "National Security Doctrine") with the new monetarist economic *theory*, proclaiming tight monetary and fiscal policies seeking to curb inflation and to increase the competitiveness of domestic firms, and the profitability of capital.

Liberalization of international trade and capital flows became the core of policy. Financial liberalisation implied the elimination of exchange rate controls; the free international mobility of capital, equivalent yields for time-deposits in foreign and local currency; the issue of public bonds in foreign currency, and authorisation for banks to accept time-deposits in foreign currency. As a result, credit grew dramatically and there was a massive inflow of foreign capital.

Although there was a shift in the way State intervened in the economy, such intervention did not decline. While State ceased its intervention in some productive areas<sup>19</sup>, it continued to undertake investment in infrastructure and some services, for example. Trade openness was promoted by giving incentives for non-traditional exports (the 1973 Industrial Promotion Law)<sup>20</sup> and a gradual lowering of the protectionist barriers that had been set up in earlier times. As well as global opening,

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<sup>19</sup> Among activities the State gave up were the manufacture of chemicals and the distribution of fuel and lubricants, Montevideo buses, the industrialisation of meats and preserves and some services to do with telephone installations.

<sup>20</sup> Exemption from domestic taxes and surcharges on foreign trade, rebates on exports, credit at preferential interest rates and even the manipulation of prices.

trade relations with Argentina and Brazil were intensified through agreements designed to bring down trade barriers.<sup>21</sup>

Fiscal policy took on an important role in improving international competitiveness<sup>22</sup>, and the exchange rate policy, consisting of managed increases in the price of foreign exchange, had the same effect.

With the objective of fighting inflation, the Government sought to reduce the fiscal deficit, control money supply and control the price of most agricultural and livestock products as well as those of basic consumption goods. Trade unions were illegal and collective bargaining agreements were discontinued. In this situation, wages continued to be set by Government decree and real average wages started to fall continually as of 1975<sup>23</sup>. This stimulated the accumulation of capital in the livestock and export industry sectors, while economy opened up to foreign capital<sup>24</sup>.

The above mentioned policies encouraged a resumption of economic growth based on increases in exports though they did not achieve price stabilization or higher levels of private investment. This period started a phase where economic expansion and income distribution would go their separate ways.

### **Stabilising liberalism (1979-1982)**

The failure to curb inflation led to change the economic strategy. To achieve price stabilisation a fixed exchange rate system was implemented using a programmed rate, re-adjusted periodically by small amounts, basically in function of domestic price levels. The floating of interest rates (1979) and the foreign exchange schedule were fused so as to keep up the level of reserves. The incentives that the private banks were offering to attract deposits from non-residents made it possible to finance negative balances in the Current Account of the balance of payments. These measures were complemented by the elimination of the 'Banking Tax', the abolition of the obligation for banks to have reserves, the increase in the margin of banks' indebtedness, and the authorisation for new banks to be established.

The aim of these economic orientations was to create favourable conditions for setting up an international financial centre in the country, able to attract the profuse capital flows moving throughout the international markets. Its immediate effect was to bring in foreign banks and to internationalise the financial system. Thus, the vision of an export-led growth was set aside, and so were the instruments designed to promote it<sup>25</sup>. Government understood that the manufacturing industry was unable to compete abroad as well as incapable of absorbing the growing contingents entering the labor force. Meanwhile, agriculture kept tied to the instability of prices for traditional

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<sup>21</sup> Argentine-Uruguayan Agreement on Economic Cooperation (CAUCE), 1975, and the Protocol on Trade Expansion (PEC) with Brazil in 1976.

<sup>22</sup> Rates of rebate on exports were increased and extended in time, exporters were exempt from Value Added Tax (VAT) and income tax for industry and commerce, and employers' contributions to social security were reduced.

<sup>23</sup> The 25% reduction in the cost of labour was the result of a fall in real salaries and a reduction in employers' contributions to social security.

<sup>24</sup> The Foreign Investment Law established guarantees for entry and repatriation of capital and profits.

<sup>25</sup> Promotional lines for non-traditional exports were revoked, rates of rebate on exports were reduced, and tax exemptions were eliminated.

exports. In the fiscal area, the onus of having to finance the public sector continued its slide towards the domestic market. This was partly because reductions scheduled in the tariff plan were delayed or revoked, and partly because of new increases in the rate of value added tax (VAT).

As a result, GDP growth and domestic demand accelerated led by increases in credit and public investment in infrastructure; a gradual stabilisation of prices was achieved and real wages and pensions started to recover. During this short period, again the trend was for growth and income distribution to move together.

However, these favourable prospects quickly vanished. The ready availability of capital in the international markets, a characteristic of the period, made it easy for Uruguay and the other Latin American countries to have ‘unlimited’ access to credit. This caused a sharp increase in foreign debt<sup>26</sup> which made the growth process vulnerable, particularly when conditions abroad changed. In 1982 Mexico declared a moratorium on her foreign debt, and this caused the flow of capital into the whole Latin American region to dry up. In Uruguay the news hastened a perception of excessive monetary appreciation, and this led to high capital flight.

The 1982 crisis took place in a context of a negative balance of trade (which was four times as great as in 1978), growth in foreign debt and the loss of foreign reserves. This made it difficult to meet external debt payments, and forced the collapse of the exchange rate schedule, so the value of the US dollar was to be determined by the market. Local currency suffered a 169% devaluation.

Serious economic difficulties hastened the end of the dictatorship. Elections were held in late 1984, and a few months later – in 1985 – a democratic government was in power. This government had to tackle high foreign debt, the recession, and inflation (which was 72% in 1984).

The social costs of the dictatorship and the ensuing economic crisis were extremely high. In the mid 1980s one home in three was below the poverty line, a situation unprecedented in recent Uruguayan history.

### ***The status of women and progress toward gender equity.***

#### **Labour market opportunities**

One of the more visible effects of seventy's economic policy regimen on the labour market was the increase in women's labour participation. In fact, for the period that goes up to 1985, women made up the overall majority of the total increase in the EAP (Table 5).

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<sup>26</sup> At the time, the Uruguayan foreign debt was mostly short term, contracted by the public financial sector from private transnational banks. It was used for financial speculation, luxury items, and to support the military.

Table 5. Women's and men's participation in the increase of active population by census (in percentages)

Period	Increase in EAP (people)	Women (%)	Men (%)
1963-1975	82,332	71.3	23.7
1975-1985	82,209	97.1	2.9
1963-1985	164,541	84.2	15.8

Source: National Institute of Statistics

Female labour participation rate grew during the years for which information is available. The increase between 1950 and 1975 was 41%. Between the mid 1960s and 1985 it grew 36%,<sup>27</sup> while the male rate shrank almost 4% over the same period. An approximation by age bracket shows that the participation of female workers between 25 and 54 years of age was 30% up on what it had been in the 1970s.

This pronounced increase was the result of macroeconomic policies that caused a sharp fall in the households' and individual's income (average real wages shrank 35% between 1968 and 1974), a regressive income distribution (because of the decrease in real wages and increases in consumer taxes) and male emigration abroad.<sup>28</sup> As household's income got reduced, all its members had to seek employment to support themselves and their families. Under these conditions, the effect of 'additional workers' did much to explain the massive entry of women into the labour market.

The current macroeconomic orientation, in an environment where unorganized workers were severely disadvantaged by they desperate need of income, fostered employers to take advantage of the increasing supplies of female labour. The fact that women were the lowest paid workers and that domestic manufacturing industry was centered in activities which required skills deemed as 'naturally female' explained the increase in female employment rate.

Government incentives for non-traditional exports had a distinct impact on labour force from a gender perspective. Growth in exports, spurred by the Industrial Promotion Law, tended to encourage industries of labour intensive production, which typically employed female workers such as textiles, garments and footwear. For example, in shoe manufacturing, female employment reached a high of 60.3% of the total, and was mainly concentrated in manual work defined as 'unskilled'.

Employers not only took advantage of some 'female' manual skills, but also made the best of their female employees' lack of political and trade union experience. This was particularly dramatic in the fish canning industry, a well-known case of authoritarian management.

<sup>27</sup> It must be taken into account that in Montevideo between 1974 and 1976, the activity rate went from 30.4 to 36.4%, an increase of almost 20%, and it kept growing practically without interruption until it reached 46.8% in 1987. Between 1967 and 1989 female activity increased 73%, while male activity increased 7.6%.

<sup>28</sup> Between 1963 and 1982 net international emigration from Uruguay is estimated at 330,000 people, i.e. 90.2% of total emigration from the country before 1982. Migration contributed to the imbalance between the sexes, which became sharper as of 1963 at least, and which is expressed in the continuing decrease in the proportion of men.

Women's employment was also promoted by the existence of small workshops and the alternative for home manufacturing. Indeed, the 'putting out' strategy was feasible because there was a reserve of labour force (the female one) enough qualified and skilled to ensure the increases in output and quality standards required by exporters.

According to Prates (1984), the viability of working at home was helped by the prevailing gender order which *"...legitimising roles and spheres of privilege for women ... ensured ... the existence of a reserve labour force concentrated in the pre-capitalist sphere of the home, which acted as an adjusting factor. It was incorporated during the cycle of expansion and rejected during that of recession, in both cases at low cost and without any burden for capital. The interrelation between the system of domination in the social and private spheres guarantees reproduction"*. (Prates 1984:125).

Thus, the drop in real wages which sought to promote manufacturing industries' exports had an additional outcome: it forcibly replenished the labour supply and its reserve, which had suffered an 'emptying' effect due to emigration abroad, which peaked between 1973 and 1975.<sup>29</sup>

The crisis of 1982 (currency devaluation, foreign indebtedness and the productive crisis) set the beginning of a period of serious unemployment and new drops in real wages (Figure 1). Women were the worst affected by the economic crisis since female unemployment rate did not only increase, but it rose to double that of men. Therefore, although the export-led economic strategy had based much of its expansion on women's employment, once it was affected by crisis they were the first to be left out of a job<sup>30</sup> (Table A-6). From this perspective, the success of women's labour inclusion was at best relative if we take into account that even when their labour participation rate was still well below men's, at the worst time of the crisis more than half of the unemployed in Montevideo were women.

During the period, for the whole economy women's wages were, on average, half those of for men. Office workers enjoyed the smallest gap (68%)<sup>31</sup>. For the other occupations (except for domestic service) the gender wage gap could be explained by the fewer hours worked by women and the marked presence of wage discrimination against women. As it was already pointed out, the fact that the existing gender wage gap was unfavourable to women acted as one of the keys to improve export industries international competitiveness.

### **Education, Health and Social Security.**

From the mid 1950s to 1970, the coverage of the educational system continued to expand. For both sexes, it became the norm to go on to secondary school after

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<sup>29</sup> Nearly 220,000 people left the country between 1970 and 1975, which is equivalent to 8.5% of the 1963 population. On average, this rate of migration was maintained during the 1976-81 period.

<sup>30</sup> Between 1981 and 1983, the number of unemployed women in the services sector increased 527% and in commerce it increased 291%. The number of women in industry remained relatively constant (unlike the rate for men) even when overall female unemployment rose approximately 250%.

<sup>31</sup> Wage gaps can depend on differences in hourly wages, on the number of hours worked and on the kind of occupation. Partial studies on this subject for this period indicate that a combination of all these factors was responsible for gender differences in monthly income.



primary education. According to the 1975 census, the population reaching secondary education was divided equally between men and women. However, women made up 56.1% of the total population entering higher (tertiary) education levels. While in the 1960s a majority of students were male (60%), as of the 1980s this proportion reversed. (Table 7).

**Table 6. Changes in Urban Population by Educational Level between 1963 and 1985 (variation rates in percentages)**

	<b>Women</b>	<b>Men</b>
No education	-38.4	-42
Primary Education	-4.6	-8.5
Secondary Education	81.9	57.1
Technical Education	298.8	261.3
Mid Higher Education (*)	300.7	256.9
Higher Education	336.3	60.6

(\*) including teaching courses

Source: Filgueira, 1990

The role of the State in the health care sphere continued to be secondary. In the 1960s and 1970s there were advances in terms of agreements between State agents and private mutual organizations to set up a system whereby civil servants could, for a small sum discounted from their salaries, join a mutual health care system. In the 1970s some laws and three-way conventions made similar agreements possible for private sector employees.

In 1984 the Social Security System extended the mechanism for health care to all formal workers from the private sector (including agrarian and domestic service workers), granting them the right to enjoy a health insurance.

This system was going to be financed by compulsory contributions from workers and employers and supplied by the mutual health system. The Board of Social Services for Sickness (DISSE)-belonging to the public sector would play the role of mediator between workers and the mutual health-care service chosen.

The creation of DISSE, increased health-care coverage, and introduced a strong bias towards progressive wealth distribution (to belong to the mutual system, a proportion of wage was paid). However, so as to control consumer use of these services, the mutual systems set up additional payment mechanisms (for seeing a doctor, medicines, emergencies), and it must therefore not be assumed that most of the population sectors that was able to attend the system was able to *use* it, or actually did so.

The effect of the public expenditure on education and the progress in health care coverage- channelled through employment- continued to contribute improving people's well being. For women, this was noticeable in the sustained fall in maternal and infant mortality. Up to some extent, this social expenditure could partially offset the regular results for labour force in terms of wages first and then in relation to unemployment. This also put a parenthesis in the "liberal" economic strategy

implemented by the Military dictatorship which can be identified with the remains of the past Welfare State practices.

However, the growing women's labour participation rates were not accompanied by a new "gender order". No public policies were designed to contribute with child and youngsters care as more family members had to enter the labour force. There is no evidence of a re-distribution of roles inside households, so women's use of time and choices remained invisible.

### **Changes in family and household structure**

*Fertility.* Global fertility rates continued to diminish, particularly between 1970-75 and 1980-85, when the reduction was 14%. This fall was more marked the higher the women's age bracket in question (Table A-4). Thus, the long lasting cultural process which had been favouring the move towards relatively small families continued. During the present period, this trend must have received the contribution of two important factors: women's higher education and female increasing labour market participation.

The general improvements in health and the downward trend in birth rates, added to emigration, were to shape one of the major social and economic challenges facing the country in the future: the inter-generational challenge of caring for the elderly. This problem is highly significant from a gender perspective, since responsibility for caring for the elderly is another weight that falls on women's shoulders.

*Marital status.* During the years covered by this study there was already a hint of a change in the trend to consensual unions, especially among the young. In 1975 the proportion of divorced people in the total population was more than double the figure for the 1960s. Between 1970 and 1979 there were 15.8 divorces for every one hundred marriages, while in the 1950s this figure had been 8 (Figure A-1).

Fertility and marriage rate trends are complemented by information about changes in labour market participation by age bracket. According to this, more and more adult women worked or tried to obtain work. That is to say, fewer and fewer interrupted their working lives for reasons of marriage or maternity.

However, the traditional "gender order" was still unchallenged as domestic work kept being 'invisible' and women's time went on being "elastic" (now distributed between the productive and reproductive spheres). Women made up for reduction in the household's real income by entering the labour force, and at the same time they continued to be responsible for housework. These two factors also explain the fact that when the crisis broke out, there was the widespread perception that women's return to housework tasks corresponded to a "natural state of affairs"; conversely, men's unemployment was socially seen as a much more dramatic event.

### ***Concluding remarks***

Unlike the ISI period, the economic policy regimen that started in the middle seventies stimulated women's active participation in labour market. The orientation

towards an export-led growth together with the reduction in household's real incomes led to an increased female labour supply, which continued to be the cheapest despite women, had higher levels of education.

In fact, neither during this phase women's educational progress did ensure narrower gender wage gaps or less labour segregation. Quite the contrary, besides being cheaper in terms of costs, employers would prefer female labour force since it was considered to be more "flexible". The reason was simple: as women were "new entrants" into labour market, they lacked of experience in trade union and political organisation.

Doubtless, the most significant impact of the current economic policy regimen from a gender perspective was related to the extension of women's working hours: women were still engaged in significant unpaid labour and at the same time took on full time jobs in the marketplace. Despite traditional gender roles went on uncontested; this new state of affairs would slowly leave more room for women's voices to be listened.

As of the late 1970s there was a second wave in the international feminist and women's movement, and these raised demands for respect for women's differences and for their right to equality. Despite the lack of freedom and opportunities for social and political organization that were characteristic of life under the dictatorship in the country, women's experience in paid work seemed to have been one of the factors behind the development of the domestic feminist and women's movement. This movement not only demanded democratic changes in society as a whole, it also insisted on changes within households. Thus the problem of discrimination against women became a subject of public debate, and went hand in hand with the struggle for a return to democracy.

As a result, after democracy recovery, in 1985, there were some women in Parliament, and feminist periodicals proliferated. A Women's Commission in the Federation of Trade Unions was created and women's issues began to filter down to studies in secondary education and universities. Simultaneously, women's committees in political parties became stronger.

On 8th May 1985, the first International Woman's Day that was held under a democratic government a slogan of the time expressed the women's movement's political platform: "Women do not only want to give life, we want to change it".

### ***The nineties: a Vulnerable Growth Pattern***

The post-dictatorship Government attempted to increase wages so as to stimulate the domestic market and meet some of the expectations brought by the return to democracy. A new social consensus opened the way to return to the Salary Councils in the private sector; flexibility in the use of fiscal resources gave room to wage increases in the public sector. This long-expected set of measures were possible because of the re-negotiation of foreign debt commitments with international creditors and the downward trend in international interest rates, which gave some relief to debt service payments.

Deregulation of capital movement was continued, and the financial system held up (the State met the total cost of the banking crisis). At the same time, there was a trend for the real exchange rate to stabilise. All this ensured the entry of capital.

Despite these promising perspectives, the eighties were a "lost decade" for Uruguay both in terms of the slow rates of economic growth and the unchanged trends in income regressive distribution. The country's international insertion became heavily dependent on exports to regional neighbours, and these exports had little added value. By the end of the decade economic growth had resumed, but so had inflation (69% in 1988, 129% in 1990).

In the beginnings of the 1990s the economic policy regime sought to reinforce the macroeconomic liberal orientation that was implemented during the Military dictatorship. Following the directions of the Washington Consensus (1989) this phase is characterized by the search for internal equilibrium (fiscal and monetary) compatible with the external equilibrium (balance of payments). However, the most remarkable difference between the present subperiod and the previous one (from middle seventies to middle eighties) relies primarily on the objectives of wreaking the State's power by redefining its profile and its economic and social responsibilities as well as of achieving a deeper trade openness. Government's aim will be to give pre-eminence to the private sector's initiatives and the leading role of free markets for an efficient resource allocation.

The first economic policy goals to be achieved were to curb inflation and to expand trade openness. To fight inflation a new stabilisation plan was implemented based on the evolution of exchange rates in accordance with a sliding fixed scale within a 'floatation band'. This went along with a fiscal adjustment because, according to the predominant opinion, the fiscal deficit was responsible for inflation.

A harsh fiscal adjustment took place in the early 1990s, increasing the tax burden. Value added tax (IVA) and employer contributions to social security were raised, and the tax on personal income (IRP) for workers and pensioners, which dated from the 1960s, was reinstated. The scale of tariffs on foreign trade was changed, and so was the elimination of reimbursement of indirect taxes on exports. Thus the traditional profile of the country's tax system, based on indirect and domestic taxes with a structure that became increasingly regressive over the decade, was reinforced. In the field of direct taxes, the only personal income that was taxed was that of workers and pensioners (Tables 7 and A-7).

Table 7. share of the main indirect taxes in total fiscal revenue (in percentages)

	1990	1995	1998	1999
<sup>(1)</sup> VAT	39.9	46.7	45.3	45.7
<sup>(2)</sup> IMESI <sup>+(1)</sup>	61.3	65.1	61.6	61.3
IRIC <sup>+(2)+(1)</sup>	73.2	75.7	73.2	73.7
TOTAL	94.0	94.7	94.2	95.2

Source: Prepared on the basis of Central Bank of Uruguay data.

IMESI = Manufacturing Tax

IRIC = Earning Tax for Industry & Retail Trade

In the area of social expenditure, fiscal policy moved towards the criteria of focusing, selectivity, decentralisation, flexibility, integration and coordination (in line with World Bank directives). However, implementation was slow, and in fact most spending continued in the old way without significant modifications (PNUD, 1999).

To ensure a competitive position in the global economy, Government believed in the advantages of a rapid and profound openness to international trade. Tariff and non-tariff barriers to international trade were unilaterally lowered, and a regional integration agreement called MERCOSUR was signed in 1991, together with Argentina, Brazil, Paraguay and Uruguay (Treaty of Asunción).<sup>32</sup> As of 1995 the bloc began to function as an incomplete customs union when a common external tariff was implemented, but there were exceptions to free trade in the region and in the Common External Tariff itself.

Both the price stabilisation plan and the trade openness orientation were complemented with a restrictive wage policy, since wage adjustments were to be implemented with respect to lower and lower future expected inflation. The objective of this policy was to keep wages stable in US dollars so as to improve the country's international competitiveness against foreign countries. This modality of "wage indexation" was compulsory for the public sector, and "recommended" for the private. A very important change related to this "recommendation" was that, as of 1992, Government stopped promoting collective bargaining and discontinued the call for Salary Councils.

The process of "liberal" reforms in Uruguay, besides being more gradual than in most Latin American countries, had other distinctive characteristics. There were very few privatisations; the State continued to play a central role as an employer and direct provider or supplier of the basic water, telecommunications and electricity services. The process of privatisation did not affect the central nucleus of State activity.<sup>33</sup> In fact, the privatisation process was extremely limited in Uruguay because a large part of the population and political elite still had a positive perception about the public sector which went well beyond its basic functions.<sup>34</sup> This was probably a legacy from the 'Batllista' period (Buxedas et. al. 1999).

State reform was initiated so as to give the public administration greater efficiency and flexibility. This reform modified the policy on employment and retirement of public employees<sup>35</sup>. Salary adjustments for central administration employees were greatly influenced by policies to restrict spending.

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<sup>32</sup> The integration process included reducing tariffs until the rate was zero for products from the region, and setting a common external tariff for products from the rest of the world.

<sup>33</sup> In the areas of electricity, telephone communications, petroleum refining and banking and insurance, national public enterprises continued to enjoy a legal monopoly or a strong position in the market.

<sup>34</sup> A plebiscite held in 1992, which was supported by the great majority of the population, partially revoked a law allowing public enterprises to be privatised. According to Latinbarómetro 1995 (CEPAL, 1997), 76% of individuals polled favoured leaving telephone services in the public sphere. For social security the figure was 82%, in the electric supply service 78%, and in basic education 86%.

<sup>35</sup> The reform prohibited the hiring of new public employees. In case they were needed, they should sign a short term contract. In addition, the elder employees were offered important sums to encourage their retirement.

There was an important modification in the chapter of the social security system related to retirement and pensions. In 1995, the country went from a distributive system based on contributions of workers and employers to a general funding which was a State monopoly (known as an “inter-generation” solidarity system) to a mixed system which brought in private agents and compulsory individual capitalisation defined by income level. The new system raised the requirements to gain access to benefits, and this saw their value reduced. A number of benefits including unemployment benefits, family allowances and non-contributory pensions remained in the sphere of the State administration and were financed as under the previous regime. An additional element is that, unlike in other countries in the region, employers continued to contribute to the State system.

Searching to improve competitiveness, the new modalities of employment became more flexible. According to Supervielle and Quiñones (1999), from the mid 1980s the aim had been to deregulate labour and make regulations for flexibility, for example by so-called outsourcing (sub-contracting work to enterprises or individuals).<sup>36</sup> Although labour rules did not change, during the nineties these practices legitimised new modalities such as freelance enterprises<sup>37</sup>, where the contract is of a commercial nature rather than related to labour.

The education system also went through a deep reform, following some of the World Bank's recommendations. The reform was launched in 1995 and its main goals were to achieve universal coverage for five-year-olds, and advance towards universal coverage for four-year-olds. The secondary school syllabus was changed drastically; the emphasis was shifted from arts and humanities onto increasingly ‘pragmatic’ content to prepare people for the labour market rather than for university. In fact, the public University's budget was to be diminished throughout the period<sup>38</sup>.

One sector where there was no reform was the health-care system. For a decade the gap between public health spending and subsidies for the mutual insurance systems widened. Nevertheless, this latter did not improve the quality of its services. Medical corporations and pharmaceutical laboratories were the most benefited from public and private sector spending, which explains in part why no reforms were initiated in this field. In fact, as the health system carried on incorporating new segments of population, financial problems only increased. The solution to these problems continued to be hefty subsidies from the State.

The effect of trade opening, reinforced by the exchange policy, caused imports to grow at a faster rate than GDP. The appreciation of local currency against the US dollar, changes in competitiveness stemming from this, and the removal of tariffs led to deterioration in the trade balance. Manufacturing industry became less competitive as imports from Brazil, Argentina and Southeast Asia became relatively inexpensive. This was partly offset in the Current Account by the gains from tourism, mainly from

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<sup>36</sup> The regime of prescription of labour-related lawsuits was changed by means of the Investment Law.

<sup>37</sup> “Free lance enterprise” alludes to the mechanism by which a firm may hire a worker not as a wagger or as an employee but as if he/she was a “personal enterprise”. In this case, the hired person receives a pay and must make his own contributions to the social security system.

<sup>38</sup> The University of the Republic is the most important and prestigious centre for university studies in the country.

Argentina,<sup>39</sup> and in the Capital account by the entry of foreign capital. However, the shift to imports was clearly reflected in a loss of dynamism in manufacturing industry.

The new profile of Uruguayan industry, in which the textile and garment sector in particular have lost ground, has led to a greater relative weight of agribusiness. These changes have hampered the job creation in manufacturing industry, this being the sector most affected by the drop in the number jobs, resulting from the closing of firms and technological change, stimulated by relatively cheaper prices of capital and equipment.

The relative success of agribusiness with minimal transformation processes has been the result of comparative advantages in the production of commodities (meat, citrus fruit, dairy products) and investments such as those made in earlier periods in the rice sector.

On the other hand, the most dynamic sectors were transport, storage and communications, financial services, construction, retail trade and restaurants and hotels. In all these sectors growth rates greatly exceeded the average (Table A-8).

Until 1998, Argentina and Brazil's demand had favoured sectors enjoying high consumption by non-residents (mainly tourism and financial activity). This, together with an increase in domestic demand due to the fall in inflation and the consequent recovery of real income, explained why the loss of employment in the manufacturing industry was partially compensated by the growth in services.

Between 1991 and 1998, Uruguayan economy performed unusually well compared to its performance in the previous period. As a result of the favourable regional conditions, and the increase in domestic demand -due to the rise real income-, up to 1998 GDP increased at a yearly average rate of around 4%, the fiscal situation improved, and inflation gradually decreased.

However, in 1998, there was a moratorium in Russia leading to a "credibility crisis" in the developing countries. This hit the MERCOSUR region and sparked a capital flight and a consequent loss of foreign reserves, particularly in Brazil and later in Argentina. Brazilian measures in response to a speculative attack caused a downturn in its economic dynamism affecting Uruguayan exports to that country. Because of its openness and financial and trade liberalisation, Uruguay was unable to weather the effects of her main trading partners' adverse situations. The economy became less dynamic around 1999, partly as a reflection of problems abroad, and this was evidence of the vulnerability of a growth-path based almost exclusively on trade with immediate neighbours of the region and in the attraction of short-term, speculative capital inflows (Institute of Economics, 1998, 2000).

Between 1999 and 2002 economic growth rates were negative by an average of about 4.6%. In June 2002 there was a 100% devaluation of the Uruguayan peso against the US dollar in a context of an accelerated loss of international reserves and runs on the banks. Inflation increased, as did fiscal deficit and the foreign debt-GDP ratio.

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<sup>39</sup> Income from tourism, mainly from Argentina, is related to that country's stabilisation plan, which stimulated demand and purchasing power in US dollars.

## *The status of women and progress toward gender equity.*

### **Labour market opportunities.**

The rise in the average labour participation rate, driven by the increased female participation became permanent as of the mid 1980s (Table 8).

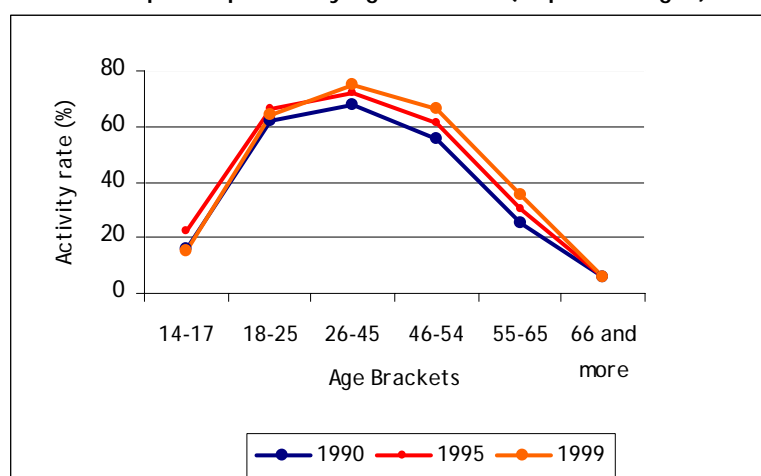
**Table 8. Labour market participation rates by gender (1986-1999) (in percentages)**

	Men	Women	Total
1986	73.1	40.4	55.5
1990	73.2	43.5	57.0
1995	73.8	46.6	59.0
1998	73.5	49.3	60.4
1999	72.0	48.5	59.3

Source: Amarante-Espino, 2001

Analysis by age bracket shows that the widest variation in labour market participation corresponded to women over 26. This was not only due to the growing labour participation of women of childbearing age but also, as the rates for older adult women show, to the fact they stay longer in the marketplace (Figure 5). On the other hand, men's labour participation rates by age-bracket remained relatively stable.

**Figure 5. Female labour participation by age-bracket (in percentages)**



Source: National Institute of Statistics.

By the end of the period, rates for married women and common-law wives were higher than those for single women (who had traditionally had the highest rates). Up to some extent, although the conception of men as the breadwinner of the family through paid work might not be dismissed, the evolution of the labour participation rates for married women might be a sign of changes in the traditional gender order. In the case of divorcees and separated women, their labour participation rates were relatively similar to those of men (Table A-9).

During this phase, educational skills confirmed their importance to explain the raising female labour participation. In fact, among university graduates participation rates for men and women were practically the same. In 1986, female EAP with primary



education made up 40.5% of the total and 7% were university graduates; in 1999, these percentages were 26.6% and 15.5% respectively.

Gender equity in education used to be considered as a pre-condition for greater equality in access to labour market opportunities, but it was during the nineties that the economic environment turned this pre-condition into a real advantage. The fact that exchange rate policy and regional integration had favoured the creation of jobs in the traditional and modern services sector oriented to regional markets (transport, communications, tourism and financial services) tended to benefit women rather than men. During this period of every three jobs created, two went to women (Tables 9 and A-10).

Table 9. Employment rates by gender (in percentages)

	Total	Men	Women
1991	52.5	68.3	39.1
1994	52.9	68.1	40.1
1998	54.3	67.8	42.8
1999	52.6	65.7	41.4
2000	51.5	64.1	40.8

Source: National Institute of Statistics

This rich new source of jobs in the services sector was linked to a wide range of job qualifications. Thus, for less educated women the new business-oriented profile of care services (especially for the elderly and the sick) offered numerous jobs, even for people with no experience in paid work. This was directly linked to the 'mercantilisation' of the care economy and to the unsatisfactory performance of the health system, which forced households to find a solution to the question of caring for the ill.

At the other end of the scale, modern services demanded a new mix of qualifications which generally increased job openings for better educated members of the labour force, particularly women, who enjoy higher educational levels. Due to this, and to gender labour segregation, women have been favoured by the increase in jobs in modern services (Table 10).

**Table 10. Distribution of employment by branch of activity and gender (in percentages)**

	Women		Men	
	1991	1999	1991	1999
1 – Agriculture, hunting and fishing	1.1	1.2	5.5	5.8
2 – Exploitation of mines and quarries	0.0	0.0	0.2	0.3
3 – Manufacturing industry	21.5	12.9	22.2	18.2
4 – Electricity, gas and water	0.6	0.6	2.0	1.2
5 – Construction	0.4	0.5	10.9	14.3
6 – Retail trade	17.4	20.4	18.2	19.3
7 – Transport and communications	1.9	2.7	8.1	8.7
8 – Financial services, estate agents, insurance and business services	4.8	6.8	5.2	6.3
9 – Personal and social community services	52.4	54.9	27.5	25.9
Total	100.0	100.0	100	100

Source: Own preparation based on data from the National Institute of Statistics

Along with the expansion of labour demand, the labour market structure experienced some changes. Although wage and salaries (both at the public and private sector) continued accounting for more than two thirds of the total employment, there was a growth in the share of self-employed, especially those without premises of their own. The share of public workers fell, due mainly to men leaving that sector (owing to incentives received under the State Reform Plan). Conversely, female public employment remained practically unchanged over the period (Table 11).

**Table 11. Distribution of employment by category of occupation by gender (percentages)**

Occupational category	Men			Women		
	1991	1998	2002	1991	1998	2002
Private sector employees	50.7	53.2	49.1	55.2	60.1	57.2
Public sector employees	21.5	16.0	17.5	19.8	16.8	18.8
Employers	6.9	6.5	3.3	2.2	2.4	2.1
Self-employed with or without own premises	19.7	23.4	29.1	19.1	17.7	19.5
Unpaid workers	0.7	0.7	0.9	3.3	2.6	2.4
Others (production co-operatives and others)	0.5	0.1	-	0.4	0.5	-

Source: Amarante-Arim, 2003

The orientation towards a deregulation in labour market relations explained at a great extent the above-mentioned changes. Therefore, different from the past, the conditions of employment tended to become more precarious (without social security coverage) and unstable. In fact, over the last ten years, labour market dynamics has been featured by the extension of informality and under-employment, as well as increasing wage gaps amongst different occupations.

This new configuration of labour market has had a gendered bias since while the share of precarious employment remained stable throughout the period, the share of female precariousness in the total female employment behaved the same way. So, the growing presence of female labour force has been accompanied by the lack of social security coverage, which is closely linked to the weighting of domestic employment

and also to their insertion as unpaid workers (Table 12). In fact, domestic service accounted for 16.4% of the total female employment in 2002. It is thought that part of the demand for these services has come from women from the middle socio-economic levels who go out to work.

**Table 12. Precarious workers by sex and totals in the private sector (in percentages)**

	1991			1995			2000		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Precarious*	47	59	52.3	48	60	53.5	50	58	53.7
Non precarious	53	41	47.7	52	40	46.5	50	42	46.3
TOTAL	100	100	100	100	100	100	100	100	100

(\*) = Nearly 90% of precarious workers are considered to be so because they are not covered by social security (they do not contribute to unemployment insurance, they are not covered by DISSE, and they do not contribute to a retirement fund). The remainder is defined as precarious because their jobs are considered unstable or they are employed as unpaid workers.

Source: Own preparation based on National Institute of Statistics data.

In addition, job creation led by the economic openness reinforced the labour market segregation by gender. In 1986, there were 20 occupations deemed as “female”<sup>40</sup> (out of a total of 75); in 1999 there were 21. These, make up almost 49% of total employment, and account for about 80% of employed women. ‘Female’ occupations include research and teaching, jobs linked to the health sector, administration and personal services, and jobs linked to the textile sector.<sup>41</sup>

However, it has been shown that labour segregation by gender has increased among the unqualified female workers and has diminished among the qualified, while at the same time the participation of women in this latter group has increased considerably. This would suggest that women’s higher qualifications has opened up more labour opportunities for them<sup>42</sup> (Amarante and Espino 2001).

Another substantial problem in labour market dynamics concerned the rise in unemployment rates, in spite of the economic growth. Unemployment rates went from 8.5% in 1990 to 10.3% in 1995, and then to 11.3% in 1999.

The most affected population has been the young and the members of the poorer households. As in past times, women have faced major difficulties, because they have shown the highest specific unemployment rates and they have represented a considerable share of the total unemployed population. (Table 13). It should be noted that during the 1990s there has been a marked increase in labour participation rates for women from poorer homes that got closer to the rates for women from higher socio-economic status (Table A-10).

<sup>40</sup> The percentage of women in the total workforce is considered a relative limit. Occupations classified as female are those in which the participation of women is above this value (Amarante and Espino 2001).

<sup>41</sup> The level of segregation measured with Duncan’s Index is about 0.56, which places Uruguay at values near the average for OECD countries.

<sup>42</sup> Between 1986 and 1999 the number of qualified workers increased from 10 to 17% of the total workforce. For women these percentages were 14 and 23% respectively.

**Table 13. Unemployment by labour force profile (in percentages)**

	1991	1994	1998
Total	8.9	9.2	10.1
Men	7.0	7.0	7.8
Women	11.4	12.1	13.0
Educational level			
Completed Primary Education	7.6	7.8	9.4
Secondary ed. Unfinished	12.2	12.6	13.4
Completed Secondary Education	6.3	6.4	7.3
Technical education	9.1	10.9	10.5
Teaching	3.3	2.6	3.0
Incomplete University	12.6	10.7	11.8
Completed University	2.7	1.6	2.0
Age brackets			
Under 25	24.1	24.7	24.6
From 25 to 34	7.1	8.8	9.8
From 35 to 44	4.9	6.2	7.3
From 45 to 54	3.7	4.7	6.1
55 and over	3.3	4.3	6.1

Source: Amarante-Arim, 2003

Throughout the period the female unemployment rates remained above men's. In fact, male unemployment rate was relatively stable until 1998 (it varied 0.7%), while the rate for women climbed 3.4% in the same period. This has reflected that the job opportunities created by the economic growth path (mainly around the service sector) were not enough to take up the increasing labour supply. At the same time, the negative effects of the economic openness on the manufacturing sector have seriously impacted women (as the most affected manufacturing activities were the female labour intensive ones, e.g. textile, leather, etc).

The impact of unemployment, measured in terms of socio-economic status, has also had a gender bias. The increase in poorer women's labour participation has not been offset by a suitable increase in labour demand, leading to extraordinarily high unemployment rates for this group. The men's unemployment rate for the first decile (the poorest) was 24.2% while for women it was 42.5%, but in the last decile (highest income) the rates were 3.8 and 8.6% respectively. These figures show that the gaps between male and female unemployment have persisted regardless the socio-economic status, and that in Uruguay unemployment has been closely linked to poverty. (Table A-11).

The trend throughout the 1990s was for gender wage gaps to get closer. This has been related more to a gradual drop in male wages than an improvement in the female ones. A breakdown of wages by occupational category shows that differences by gender are greater in the private sector. On the other hand, in the public sector, differences are minimal, and they even sometimes favour women (Table 14).

Table 14. Proportion of average female wages as compared to male for private and public employees (in percentages)

Years	Private employees <sup>1</sup>	Public employees
1991	73	102
1992	77	97
1993	76	99
1994	77	100
1995	82	98
1996	82	96
1997	86	97
1998	83	98
1999	85	99
<sup>1</sup> Includes domestic service		

Source: Amarante-Espino, 2001

Occupational segregation has been one of the main factors in determining wage gender differences in the private sector. Amarante and Espino worked out wage equations including variables for personal traits, characteristics of labour insertion and female participation in employment. They found that the latter has a significant negative effect on women's wage, that is to say, in activities where the share of women is higher than men, wages remain below the general average. The authors also found out that, while wage gender gaps grew smaller, the component of these gaps that can be attributed to discrimination (or which is "unexplained") has tended to increase.

The share of household income contributed by women<sup>43</sup> has increased because of the expansion of female headed and extended households<sup>44</sup> (Table 15). However, in nuclear families (couples), female income contribution has also increased, and this has been linked to the significant expansion of labour market participation and employment among married women (Espino 2003b). It must be pointed that women's income contribution has had a greater weigh in the higher deciles of income distribution, which is linked to at least one factor: their highest employment rates.

Table 15. Female income's contribution in households (in percentages)

	1987	2000	Variation ( % )
At Total households	27.3	32.7	19.9
Nuclear households	20.3	25.8	27.0
Female headed with children under 25	75.0	79.6	6.2
Female headed with other relatives	56.6	60.4	6.7

Source: Espino, 2003b

It is important to note that despite these figures, women usually consider themselves "the head of the household" only when they 'substitute' men,<sup>45</sup> that is to say when they have no partner. This reflects one of the difficulties involved in the breakdown of traditional gender roles at home.

*The case of the medium and small enterprises female entrepreneurs.* This sector is important in the aggregate of the country's economy both in terms of employment

<sup>43</sup> Women's salaries also include income of their own and from enterprises they own.

<sup>44</sup> The nuclear household: couples with or without offspring, single-parent homes with a head and offspring (under 25), extended homes with heads (offspring and other kin). The person being polled defines who the head of the household.

<sup>45</sup> The person being polled defines who the head of the home is.

(32%) and in terms of contribution to the GDP. Women are one third of entrepreneurs of medium and small enterprises. Taking an enterprise as a unit, women run or co-manage about 40% of the enterprises in this sector. Of these, 65% are run exclusively by women. The inequality between men's and women's income in the labour market also applies to proprietors in this sector. The size and the gross and net income of enterprises run by women are smaller than those for enterprises run by men.

The financial liberalisation that the country has gone through over the last 30 years does not seem to have significantly changed women's access to credit. As is the case in most productive enterprises in the country, public sector banks and funds from international cooperation constitute the main source of credit for female entrepreneurs with small or medium-sized enterprises. However, it has been said that only a small number of micro and small enterprises have access to institutional sources of finance. Investments are usually made with capital put up by the partners, or by re-investing profits.

Although it is an option that has to develop over time, female entrepreneurs report that they did not face major obstacles when they sought credit. Among those who have never asked for credit the main obstacle seems to stem from their fear of credit. As their enterprises are their source of income they see them as jobs, they are satisfied with what they get and they do not run risks.

Difficulty in gaining access to credit can be attributed mainly to social and cultural patterns whereby women are less able to do what they want with their own capital and their family capital than men, even when they are married. Other elements that tend to make it harder for women to obtain financing are lack of information, not being prepared to apply for credit, and a lack of institutional support in terms of advice and training. These two factors, lack of adequate channels and the entrepreneurs' aversion to running risks, limit any growth strategy that depends on financing (Espino and Dornell 1999).

### **Education, Health and Social Security**

During the last decade there was a gradual reduction in public social spending in areas such as health and education (Table A-13). The market-oriented economic policy regimen has encouraged a process of privatisation and 'mercantilisation' of educational and health care services with different socio-economic and gender impacts.

One of the results of the Education Reform (1995) has been that pre-school education enrolment (for five-year olds) went from 30% in the early 1990s to 80% at the end of that decade. However, for children under four, who are not old enough to receive coverage from public pre-school services, there are only private institutions available<sup>46</sup>. Then, when household resources are not enough to pay for private childcare, it is the family, and particularly the women, who take charge of the children. This has the effect of postponing poor women's entry to the formal labour market, sometimes indefinitely.

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<sup>46</sup> In extremely poor sectors some are underwritten by municipalities, but it is often hard to reach these sectors and offer them the holistic assistance they need.

Between 1985 and 1999 public secondary education expanded considerably, both for under-sixteen's and at the pre-university level. Total enrolment increased 45.8% in the period. Among pre-university level students, 56.9% were women. However, it was noticed that almost all young people from the lowest income quintile attended public secondary schools, and 40.3% of those from the higher socio-economic status went to private establishments.

Educational coverage and over-age students differ significantly between men and women. The pre-university level net attendance rate in 1999 was greater for women (52.5% against 37.4%) because fewer of them were behind in terms of age and because their percentage of classes attended was higher. But this is only a part of the picture. Despite the expansion of the system, in 1999 7.3% of the population between 12 and 14 did not attend school, and among young people aged 15 to 17 the figure was 26.1%.

Poverty and education are closely linked. The share of young people between 15 and 17 who dropped out of the educational system is almost 7 times greater in the quintile for the poorest households than in the quintile for the richest. The portion of young people from the richest quintile not attending school, working or seeking jobs is minimal (3.1%). However, among members of low-income families, this proportion is 20%.

In the 15 to 17 age bracket the share of women who do not work, attend school, or seek jobs is higher than of men. This difference is probably due to greater male participation in the EAP. There are more women among the inactive population not attending school in the older age-brackets: 9 out of 10 people aged 27-29 in this situation are women, a higher portion than in the 15-17 age-bracket.

Table 16. Population aged between 15 and 17 not attending school, working or seeking jobs in 1999 (in percentages in the total)

Age bracket	Men (%)	Women (%)
15-17 years old	44.3	55.7
18-20 years old	26.6	73.4
21-23 years old	18.8	81.2
24-26 years old	16.7	83.3
27-29 years old	11.9	88.1

Source: ANEP, 2001

From another perspective, the reduction in public spending on education implied a drop in real wages. This event added to the incentives posed by Government to reduce the public payroll, contributed to a growing female presence in the area, as men moved to private sector.

As to health care, during the decade the chaotic situation of the system led to a regressive structure both from the income and gender equity perspective. A three-bracket stratified system has emerged: those who can pay nothing or very little for health care end up in a stagnant or declining public system; those who only pay for

badly deteriorated mutual health cover, and those who are members of a mutual health system and can also afford the charges for extra emergency and medical assistance cover.

This state of affairs has impacted seriously on people of the poorer socio-economic status, and on women. In fact, female mortality rates are lower than male. However, women are more prone to disease; they suffer a higher incidence of acute disorders, more chronic non-fatal diseases, and higher levels of incapacity in the short and long terms. Women's general health is not as good as men's, even when we leave reproductive problems out of the analysis. In recent years teenage pregnancy and single motherhood have become serious problems<sup>47</sup>. Data show that the number of pregnancies dealt with in public maternity hospitals (which budgets have been reduced) has been five times greater than the number of teenage pregnancies handled by the private health system or private institutions (Table A-12).

In the social security system, an average of 76% of the outlay goes on programmes for retirement and pensions. The 1995 social security reform brought about important changes in criteria governing retired peoples' access to social benefits. When calculating common retirement pensions, rates are matched at 50% of the basic retirement salary at the minimum age for retirement. Under the previous system, women of 60 or over got 75% of the basic retirement salary after 35 years' work, and men got 65%. Thus, under the new system, women lose more than men.

The reform also established that for independent workers (self-employed, cooperating spouses, proprietors) to gain access to a retirement pension, only years of *actual* contribution are taken into account. In the case of dependent workers, years of *effective registration* are computed. In both cases, the time period is 35 years. This is intended to avoid granting retirement pensions to people who have evaded contribution or stated that their salaries were smaller than they actually were.

The differences between male and female labour insertion were not taken into account, nor was the fact that women face explicit forms of discrimination in terms of wages and employment. All this means that women make smaller continual contributions and have less savings capacity, less chance to contribute or register their years worked, and longer life expectancy. There are also doubts about what might happen in situations of labour instability and interrupted periods of work, as happens mainly in the case of female labour. Another difficulty that has to be taken into account is recognising years of work in some problematic occupational categories – mostly female occupations- such as domestic workers (who are often not registered with the social security system).

Social benefits have the lowest allocation (0.03%) in the social security system, and benefits specifically for women and families account for 3.3% of the total. During the last decade the system's total expenditure varied between 10 and 15% of GDP. A high

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<sup>47</sup> In a 1995 study by the Institute of the Family and Women, it was found that most adolescent mothers are the daughters of women who also had their first child in adolescence (Aguirre, Rosario, op. cit., cited on p. 31.)



proportion of this went on retirement and other pensions (from 8 to 11%), but funds earmarked for family and maternity were below 1%.<sup>48</sup>

All the system's efforts and resources have gone to retired people and other pensioners, at the expense of running coordinated social policies aimed at the new realities: non-attendance at school, labour instability, and need of child-care systems.

### **Changes in family and household structures**

*Fertility.* The decrease in fertility in Uruguay is different to the pattern in developed countries, which have been through the first demographic transition. In those countries, birth rates in different social levels tended to converge, while in Uruguay there have persisted considerable differences. Comparatively more children are still born in poorer homes.<sup>49</sup> In 1991, 41.5% of children under 5 were poor; in 2000 the figure was 48.5%.

*Marital status.* Between 1980 and 2000 the number of marriages fell about 40%. Ninety percent of this drop was in the latter decade. Divorce increased 50% over the period, and the rate of people in consensual unions almost doubled.

The share of people under consensual unions grew throughout the whole socio-economic strata. However, the portion of people in consensual unions or married who are in the first decile (with the lowest income) was greater than the average for the population as a whole<sup>50</sup>.

Analysis by age bracket has shown that there are two parallel trends among young women. First, the drop in marriage rates among the better-educated ones who have also the better labour opportunities, what would explain that they have been putting marriage off. This could be taken as a sign of change in the system of gender relations. Second, in the case of the poorly educated, the decrease in the marriage rates has been accompanied by an increase in the number of consensual unions. This might be reflecting that in the lowest income socio-economic levels, a traditional gender specialisation still prevails.

Espino (2003) has pointed out that the decline in the marriage rate and the dramatic increase in the number of consensual unions and divorces might be related to the expansion in labour market opportunities along with the continued improvement in the female labour force education. Although relations of causality among these variables – marriage-related decisions made by men and women, their educational levels and labour opportunities – are not obvious, it is clear that the higher educational

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<sup>48</sup> This situation is not only in programmes run by the Social Security Bank (BPS) but also in situations where the State allocates resources to family protection in other institutional areas. As mentioned above, nearly half (46.31%) of public social expenditure goes to social security, while the rest is distributed among the remaining social programmes (social assistance, health, education, housing, recreation and culture).

<sup>49</sup> There have also been advances in some aspects of reproductive health (support for contraception for women using public services), but subjects like abortion are only beginning to come out.

<sup>50</sup> In the year 2000, nearly 58% of people who were in consensual unions were in the lowest three deciles, and 38% of married people were there.

levels go and the better work opportunities are, the smaller the share of married women.

Besides, educated women seem to present fewer interruptions in their working lives than the average. Indeed, factors related to household care and family have been regarded as “less important” as female educational levels are higher. This might be explained because these women have more to lose in terms of income and work positions, and because they can delegate many unpaid household tasks to domestic servants.

According to data for the country’s capital city, Montevideo, the majority of women (55%) have interrupted their working lives for a period of more than six months, at least once. Such interruptions have proved to be less frequent among the better educated women. Nevertheless, in all cases the most important reasons were connected to family or household responsibilities: 35% of the polled women mentioned pregnancy or caring for children as a justification while 11% mentioned other situations related to household and family care. The presence of a partner or offspring undoubtedly affects women’s labour participation, as they paid work time is below the average (38 hours) (UDELAR-UNICEF 2001).

As it has been indicated, the increasing female labour market participation, particularly for married women, has not been accompanied by an expansion or an improvement in services supporting domestic tasks or running the house (laundries, child-care centres, dining halls, etc.). This might be reflecting that women, whether paid or not, are still responsible for domestic tasks, or for its re-organization (turning to new household arrangements with family members or friends).

### ***Concluding remarks***

The economic policy regimen prevailing during the nineties has created an environment which brought wider opportunities as well as new constraints to gender equity. While job creation mainly benefited women, their unemployment rates remained above men’s. Despite women have been great parts of the better-educated EAP, gender wage gaps are still far from being closed. In fact, if wage gaps were the result of differences in education, women should have higher average wage than men. While it is true that the improvement in women’s relative income must have enhanced their ability to bargain for a more fair distribution within the household, women are still responsible for the housework, regardless they are able to pay or count on the support of new family arrangements.

Little political action has been taken to avoid or eliminate labour discrimination. There is a law (No. 16.045, 1989) forbidding all discrimination that violates the principle of equal treatment and opportunity for the sexes in any sector. But the fact that legislation exists and norms are implemented is not enough to overcome difficulties in application. The main problem is that work inspections are rare and inefficient, and there is a particular lack of suitable training for inspectors with regard to gender issues.<sup>51</sup>

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<sup>51</sup> This is also highly problematic in cases of sexual harassment, for instance.

On the other hand, despite the growing female participation in labour market and the gradual changes in gender relations, women are still not fully recognized in the political sphere. During the 1995-1999 period only one out of thirteen ministries in the Executive Power was headed by a woman (Labour and Social Security), and at present there are none. In Parliament, out of 30 senators and 99 members of Congress, in the 1990-1995 period there were only 6 congresswomen and no female senators, in 1995-1999 only 7 congresswomen and 2 female senators, and finally in 2000, 12 congresswomen and 3 female senators. Female participation in the Judicial System has been growing but very stratified. There are no women in the Supreme Court of Justice, but in the Appeal Courts they make up 34%, and in Lower Courts 59%. In the directing bodies of the trade union movement – the secretariat and the representative council – there are few women. In 1993, 17.6% of the members of the executive secretariat were women, in 1998 they made up 7.8%, and in 2003 the figure was 15%. In 1993, 11.9% of the members of the national representative council were women, in 1998 they made up 8.6%, and in 2003 the figure was 10%.

In Government, women have found a place in social service bodies such as the Ministry of Public Health and the Ministry of Education and Culture. So, in the public sphere a majority of women have been engaged in work that is analogous to roles they have traditionally played in the home. This shows that women do not completely lack influence, but they do have to face constraints on their professional and political activities.

However, women's groups have proliferated at the neighbourhood level, national women's networks have been formed and these groups have joined Latin American networks. In addition, women have conquered space in the media, their problems have begun to filter down to secondary and university studies, and women's committees in political parties have become stronger.

## **V. Synthesis and Final Comments**

This study takes up the challenge of assessing the gender impacts of different economic policies regimes during two periods in the 20<sup>th</sup> century Uruguayan history. The whole analysis is based on the notion that gender is an “organizing principle” of social structures rather than simply a characteristic of individuals (Power, Mutari, Figart 2003). Economic policies cannot be treated as neutral to gender relations because the system of gender relations is continually reproduced and transformed through social practices which also include the economic sphere.

To identify how men and women are affected by and react to the economic environment we resorted to indicators of opportunity or access to resources (basically those linked to the labour market) and capabilities (education, health, fertility, family). We have also examined the progress towards gender equity carried forward in terms of public participation. It is possible to conclude that during Uruguayan history the different economic policy regimens have not been gender-neutral because they have made use of and contributed to gender inequity in different aspects and up to different extents.

During the ISI, gender relations were mainly determined by a sharp sexual division of labour between production for the market (men) and household and family care (women). For this reason, the recognition of women’s civil rights and progress in the area of labour legislation were oriented to patronize women and safeguard their role in the home. Advances in education, health and social legislation seemed to have contributed mostly to ensure the reproduction of the labour force through reducing maternal and infant mortality and increasing life expectancy. Therefore the effort to improve women’s education did not contradict their central position in care responsibilities. In fact, steps towards female economic autonomy and independence through female active participation in labour market were rather limited. The unpaid work performed by a highly-qualified housewife, who would also take on the role of family educator contributed to an increase in the family’s well being of a predominantly middle-class society.

Not until the mid 1960s, at the low point of productive stagnation, when the ISI strategy was at its end, did the female activity rate really go up. This can be attributed to the need to offset falling income in the home and to the fact that the State continued to be a big employer.

From 1973-1985, the most remarkable effect of the economic policy regime was the massive entry of women to the labour market. This was explained by the increased labour demand aroused by the non-traditional export-led growth (which accelerated the expansion of typically female sectors such as textiles, garments, footwear, fish canning industry) and by drop in real household’s income (derived from wage controls and tax raises).

The export-oriented economic policy took advantage of the growing female labour supply, which despite women’s education was not only cheaper (owing to gender segregation and gender wage gaps) but also more flexible (due to women’s lack of experience in trade union and political organisation). When inflation, and later on

crisis, brought this first phase to an end, unemployment became yet another problem for the labour force. Here again the effect on women was greater: their unemployment rate almost doubled between the early 1970s and the 1980s while the unemployment rate for men only increased by 50%.

In the phase beginning in the 1990s, the economic policy regimen sought to reinforce the liberal orientation introduced during the seventies. However, this time a major objective was pursued: to redefine the State's profile and economic and social role, yielding space to the market and private initiative and to economic efficiency.

The economic openness and regional integration strategy, typical of the nineties, favoured job creation for women, who enjoyed higher labour market participation rates, and a rise in employment rates. Also unlike what had happened in the past, this time education played an important role as a segmentation mechanism, since it assured employment for the better educated women in the higher income industries (e.g. modern services), while the share of young and teenage women not attending school or even working also increased.

In the context of a gradual recovery of real wages and wage gaps, the financial liberalisation and trade opening strategy nourished and took advantage of labour segregation by gender, which implied that although women are an important share of the better qualified labour force, they have still been cheaper to employ than men. On the other hand, female opportunities in the labour market in order to generate income have expanded, what should gradually influence their ability to take decisions at the household level. However, evidence about a new distribution of housework among family members has not been very encouraging.

The decade was featured by the economic growth co-existing along with increasing unemployment rates, affecting women at a wider extend than men, especially in the case of the poorer.

The health care area and the social security system are two central pieces of the economic regime which reflect unequal gender effects. The cuts in public spending on the health care area and the problems stemming from functional inefficiency in the public and mutual systems have led to a greater burden in the sphere of the care economy to be carried by women. The duplication of female working hours (in the marketplace and at home) added to the new troubles stemming from a gradual regressive income distribution (youngster pregnancy, for example) constitute a situation not even acknowledged by the domestic health system, which seriously challenge the population's welfare.

Moreover, in the case of the retirement and pensions reform, formal equality in men's and women's contributions, also in the name of economic efficiency, will probably end up aggravating the problems of elderly women (because of a longer working life, differences in contribution rates, and the lack of institutional mechanisms to care for them).

During the nineties, the achievement of internal and external equilibrium by means of macroeconomic instruments was considered the key to success. However, there were economic and social failures (unemployment, a regressive income distribution). In

particular, the economic market centred environment has shown to be insufficient to break down gender barriers in the public and domestic spheres, and the reason why is simply that market, as all the other social institutions, transmits and reproduces the prevailing gender bias

The analysis of the impact of economic openness and market-centred strategies over the last 30 years of the country's economic history has led to the conclusion that there has been changes in the system of gender relations, due to progress in women's well being in terms of opportunities and capabilities. However, gender labour segregation has persisted, women have tended to remain excluded from bodies and entities that make rules and policies, and sexual division of housework seems to show slight variations, so the way forward in terms of gender equity is still very long. Thus, women's problems or their contributions to the reproduction of society and to the strengthening of civil society and democratic struggles seem remained acknowledged by an important part of society.

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## Annex

**Table A-1. Maternal mortality and infant mortality**

	<b>Maternal mortality (per 100,000 live births)</b>	<b>Infant mortality (per 100,000 live births)</b>
1900	106.08	202.7
1920	117.3	338.1
1930	99.68	284.4
1940	86.49	172.5
1945	55.1	226.4
1950	50.56	68.6
1955	46.59	89.1
1960	47.71	49.9
1965	55.71	57.6
1970	51.16	43.7
1975	48.56	35.5
1980	37.58	35.3
1985	29.35	42.8
1990	20.57	15.9
1995	19.58	22.9
2000	14.06	11.1

Source: National Institute of Statistics

**Table A-2. Life expectancy at birth**

<b>Period</b>	<b>Women</b>	<b>Men</b>	<b>Difference between sexes</b>
1908-09	52	49	3.0
1963-64	72	66	6.0
1975-76	72	66	6.0
1985-86	75	68	7.0
1988	75.88	68.38	7.5
1996	77.59	69.6	8.0
2000	78.59	70.6	8.0

Source: Filgueira, 1990, and National Institute of Statistics

Table A-3. Gross fertility rate and birth rate

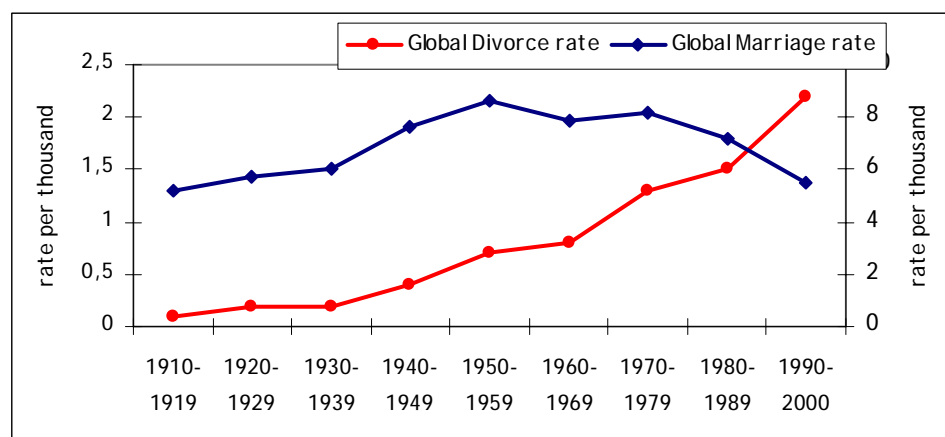
	Gross birth rate (i)	Gross fertility rate (ii)
1910-14	37.4	1449.62
1915-19	32.47	129.68
1920-24	30.52	120.72
1925-29	28.66	102.43
1930-34	25.82	98.68
1935-39	22.23	84.46
1940-44	21.51	81.19
1944-49	20.69	78.09
1950-54	21.13	80.87
1955-59	21.79	85.46
1968	19.24	
1973	20.08	
1982	18.16	
1987	17.52	
1990	18.04	
1995	17.62	
2000	15.87	

(i) Gross birth rate: number of births to total population ratio

(ii) Fertility rate: quotient between number of children born and total of women aged 15-49.

Source: Trajtenberg, R, 1966, and National Institute of Statistics

Figure A.1.: Evolution of global divorce rate and of global marriage rate (rate per thousand)



Source: National Institute of Statistics

Table A-4. Fertility and reproduction rates by 5-year periods (per thousand)

	<b>Global fertility rate</b>	<b>Net reproduction rate</b>
1950-1955	2.73	1.23
1955-1960	2.83	1.284
1960-1965	2.9	1.325
1965-1970	2.8	1.281
1970-1975	3	1.375
1975-1980	2.89	1.331
1980-1985	2.57	1.198
1985-1990	2.53	1.192
1990-1995	2.49	1.176
1995-2000	2.4	1.138

Source: National Institute of Statistics

Table A-5. Mean age of brides and grooms at marriage and mean age at first marriage by sex

<b>Years</b>	<b>At marriage</b>		<b>At first marriage</b>	
	<b>Men</b>	<b>Women</b>	<b>Men</b>	<b>Women</b>
<b>1907</b>	29.3	23.9	29	23.8
<b>1915</b>	30.6	25.4	30.1	25.1
<b>1920</b>	30.2	24.7	29.5	24.5
<b>1930</b>	30.1	24.6	29.5	24.3
<b>1940</b>	31.6	26.2	30.9	25.8
<b>1975</b>	29.5	26.1		
<b>1985</b>	29.1	26.2		
<b>1990</b>	30.8	27.5	27.5	24.9
<b>1995</b>	31.2	27.8	28.1	25.4
<b>2000</b>	32.7	29.3	28.9	26.5

Source: National Institute of Statistics

Table A-6. Unemployment rate by sex for Montevideo (percentages)

<b>Years</b>	<b>Total</b>	<b>Men</b>	<b>Women</b>
1973	8.9	7.8	11.4
1979	8.1	5.6	12.0
1981	6.6	5.1	9.0
1983	15.5	11.9	20.6
1984	14.0	10.5	18.9
1985	13.1	10.2	17.0
1986	10.7	8.1	14.2

Source: Melgar, 1988

Table A-7. Evolution of domestic tax structure (percentages)

Years	Foreign trade	Taxes on consumption		Taxes on activity of enterprises		Rest
		IVA	IMESI	IRIC	Agro	
1976	15	38	29	7	4	3
1980	18	38	23	11	3	3
1985	16	44	27	6	1	6
1990	15	46	25	6	2	6
1995	7	53	21	11	0	6
1999	6	54	19	13	0	4

Source: Prepared from data from the Central Bank of Uruguay

IVA = VAT

IMESI = Manufacturing Tax

IRIC = Income Tax Industry & Retail Trade

Agro = Tax on Agriculture & Livestock Rearing

Table A-8. Sectoral structure of GDP (in percentages)

<b>Sectoral structure of GDP</b>	<b>1986</b>	<b>1990</b>	<b>1994</b>	<b>1999</b>
1. Agric., hunting, forestry and fishing	12.7	8.7	7.7	5.5
2. Exploitation of mines and quarries	0.1	0.1	0.2	0.2
3. Manufacturing industries	29.7	26.5	18.3	16
4. Electricity, gas and water	3.6	2.6	3.1	3.8
5. Construction	2.7	3.6	5.7	5.8
6. Commerce, restaurants and hotels	12.6	14.6	16.5	13.5
7. Transport, storage and communications	6.4	6.5	6.9	8.4
8. Financial establishments and personal services	18.3	21.1	22.8	26.2
9. Community, social and personal services	14	16.2	18.8	20.6

Source: Central Bank of Uruguay

Table A-9. Activity rates by sex in the 1990s by marital status, age brackets and educational level (percentages)

Activity rates (%)				
	1986	1991	1999	2002
<b>Marital status</b>				
<i>Men</i>				
Single	66.1	67.2	66.3	63.7
Married or consensual union	79.0	78.2	77.3	77.0
Divorced or separated	76.5	78.3	73.5	74.4
<i>Women</i>				
Single	47.0	49.9	52.1	52.2
Married or consensual union	40.4	45.4	52.0	53.5
Divorced or separated	65.0	69.3	70.5	71.8
<b>By age bracket</b>				
<i>Men</i>				
14-17	35.8	37.1	28.4	23.0
18-25	86.1	85.0	83.8	81.9
26-45	97.7	97.6	96.9	96.7
46-54	93.4	95.3	93.3	94.0
55-65	66.7	70.0	68.4	75.9
66 and over	16.2	16.1	13.5	15.0
<i>Women</i>				
14-17	17.3	17.1	15.2	11.8
18-25	57.6	62.7	64.5	63.4
26-45	62.3	67.9	74.6	76.7
46-54	48.3	57.4	66.4	70.3
55-65	23.9	27.6	35.2	43.9
66 and over	4.7	5.1	5.5	6.2
<b>Educational levels</b>				
<i>Men</i>				
Completed Primary education	68.1	68.0	62.8	62.1
Incompl. Secondary Ed.	74.2	72.6	72.7	70.2
Completed Secondary Ed.	84.1	90.5	89.2	85.8
Technical Education	85.9	87.4	85.3	85.6
Teaching	80.2	78.7	75.9	74.2
Incompl. University	78.1	76.5	77.1	74.9
Compl. University	87.9	89.0	87.4	84.9
<i>Women</i>				
Completed Primary education	30.1	32.3	33.1	32.4
Incompl. Secondary Ed.	44.2	48.6	51.3	50.0
Completed Secondary Ed.	62.9	71.6	71.1	71.6
Technical Education	55.1	58.7	61.6	67.6
Teaching	62.5	63.7	61.7	62.7
Incompl. University	62.0	61.5	68.2	68.2
Compl. University	86.6	87.4	85.0	84.8

Source: Prepared from data from the National Institute of Statistics



Table A-10. Economically active population by sector of activity and by sex (percentages)

SECTOR OF ACTIVITY	1975		1985		1998	
	Women	Men	Women	Men	Women	Men
Agriculture, hunting, forestry and mines and quarries	2.5	21.4	3.7	20.0	1.4	5.9
Manufacturing industry	21.1	18.3	18.6	18.1	13.7	18.3
Electricity, gas and water	0.5	1.8	0.7	1.9	0.5	1.3
Construction	0.2	7.4	0.2	8.1	0.3	13.1
Retail Trade, restaurants and hotels	11.6	12.6	11.9	11.8	20.3	20
Transport, communications storage	6.4	1.7	2.0	6.5	2	8.6
Banking, finance and business serv.	2.2	2.9	3.7	3.6	6.3	6.1
Personal and soc. serv.	51.3	20.5	51.0	21.6	53	25.4
Activity not well defined	3	4.5	2.2	2.0	2.5	1.3
Unknown	5.9	4.2	4.1	5.1		
First time job seeker			1.9	1.3		
TOTAL	100	100	100	100	100	100

Source: data from 1975 and 1985 from CENSUS. 1998 from Survey of Homes.

Table A-11 Indicators of activity, unemployment and employment by decile of income  
(in percentages)

<b>1991</b>						
<b>Deciles</b>	<i>Activity rate</i>		<i>Employment rate</i>		<i>Unemployment rate</i>	
	<b>Men</b>	<b>Women</b>	<b>Men</b>	<b>Women</b>	<b>Men</b>	<b>Women</b>
1	75.8	37.5	63.8	26.8	15.8	28.7
2	73.5	38.8	66.5	31.4	9.4	19.1
3	74.0	40.9	68.5	34.7	7.4	15.0
4	71.3	42.7	65.9	36.7	7.7	14.0
5	72.3	45.0	67.3	39.8	7.0	11.4
6	72.4	44.8	68.5	40.7	5.4	9.0
7	72.9	45.6	69.2	41.9	5.1	8.1
8	72.2	46.5	68.9	43.5	4.6	6.5
9	73.5	46.0	69.9	43.3	4.8	5.8
10	75.4	49.4	73.5	47.6	2.5	3.6
<b>1998</b>						
<b>Deciles</b>	<i>Activity rate</i>		<i>Employment rate</i>		<i>Unemployment rate</i>	
	<b>Men</b>	<b>Women</b>	<b>Men</b>	<b>Women</b>	<b>Men</b>	<b>Women</b>
1	78.1	42.3	66.8	29.2	14.4	31.0
2	75.2	47.0	66.8	35.2	11.1	25.2
3	74.8	48.2	66.8	39.2	10.8	18.6
4	72.0	50.1	65.2	42.8	9.4	14.6
5	70.4	49.9	64.9	43.2	7.8	13.4
6	71.7	49.5	67.0	44.1	6.5	10.9
7	72.6	49.4	68.7	45.7	5.3	7.5
8	71.8	50.2	68.3	47.2	4.9	6.0
9	73.3	51.7	70.6	48.6	3.7	6.0
10	74.9	53.7	72.6	51.6	3.0	3.8
<b>2002</b>						
<b>Deciles</b>	<i>Activity rate</i>		<i>Employment rate</i>		<i>Unemployment rate</i>	
	<b>Men</b>	<b>Women</b>	<b>Men</b>	<b>Women</b>	<b>Men</b>	<b>Women</b>
1	80.1	48.5	60.7	27.9	24.2	42.5
2	77.0	48.4	61.3	32.4	20.3	33.0
3	73.4	49.4	61.9	34.9	15.5	29.5
4	69.1	50.3	60.0	38.9	13.1	22.7
5	69.8	50.0	60.8	40.0	12.9	19.9
6	66.7	50.6	57.8	42.3	13.4	16.3
7	67.6	48.2	62.2	41.8	8.0	13.3
8	65.4	47.8	60.2	42.4	8.0	11.3
9	65.4	50.1	61.2	45.7	6.5	8.7
10	69.1	52.1	66.5	47.6	3.8	8.6

Source: Espino, 2003b.

Table A-12. Global fertility rate by age bracket: evolution and projections (rates per thousand)

	1970- 1975	1990- 1995	2000 – 2005	2020 – 2025
TOTAL	3.0	2.5	2.3	2.1
15 – 19	0.0654	0.0705	0.0696	0.0680
20 – 24	0.1650	0.1234	0.1231	0.1209
25 – 29	0.1626	0.1337	0.1263	0.1165
30 – 34	0.1146	0.1014	0.0887	0.0752
35 – 39	0.0660	0.0519	0.0414	0.0318
40 – 44	0.0222	0.0155	0.0110	0.0074
45 – 49	0.0042	0.0009	0.0005	0.003

Source: BPS Workers Representation Team, 2003

Table A-13. Evolution of social expenditure over total public expenditure (in percentages)

	1986	1990	1991	1992	1993	1994	1995
Culture and teaching	17.81	16.34	14.68	13.55	14.07	12.27	12.41
Health	18.92	17.12	17.1	16.04	15.65	17.43	16.48
Work and soc. security	31.39	64.58	66.66	68.84	70	69.86	70.75
Housing	1.88	1.97	1.56	1.56	0.28	0.44	0.36

Source: PNUD, 1999