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Different Lives: Inequality in Latin America and the Caribbean
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Chapter 2

Different Lives:
Inequality in Latin America and the Caribbean [#]

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Abstract

This chapter summarizes information on inequality in living standards in Latin American and Caribbean countries. To that aim we work with a sample of more than 50 household surveys from 20 LAC countries from 1989 to 2001, and we survey results from other authors. Although the core of the statistics are on household income inequality, the study also presents information by country/year on inequality in the distribution of earnings, hourly wages, hours worked, employment, unemployment, child labor, non-labor income, education, literacy, school enrollment, household size, housing, land ownership, social services, health status and services, political representation and crime victimization.[**] Additionally, we report results on aggregate welfare and other dimensions of social justice, beyond inequality: polarization, mobility, and poverty. From the results reported in this chapter LAC emerges today as a very unequal region, (i) in comparison to other regions, (ii) in comparison to LAC in previous decades, and (iii) in terms of the potential gains in aggregate welfare that can be achieved with a more equal distribution.

JEL Classification: D3, D63, I2, I31, J11, J21, J31, J82, N36

Keywords: inequality, distribution, income, wages, education, Latin America, Caribbean.

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1. Introduction

One of the most prominent characteristics of the Latin America and the Caribbean (LAC) region is its high degree of inequality. Few economic and social variables are so associated to LAC as inequality is. Living standards markedly vary among LAC citizens, not only between countries, but also especially within countries. Moreover, many of these gaps do not seem to be narrowing over time.

This chapter is aimed at summarizing information for the LAC countries on many of the multiple dimensions of inequality. This is a topic that deserves a (big) book in its own. The chapter just tries to highlight some of the main features of inequality in LAC to help readers build an idea about the level, structure, and trends of this phenomenon, setting the stage for the following chapters of the Report, where determinants of inequality and redistributive public policies are analyzed.

The empirical counterpart of the concept of inequality is far from being trivial. The most important issue is to identify the variable(s) for which the measurement of inequality is informative on social unfairness. This search is undermined by both theoretical and empirical problems. Section 2 includes a brief discussion of these topics.

Most of the statistics of this chapter are drawn from a sample of household surveys for 20 LAC countries at three points in the period 1989-2001. In section 3 we introduce the sample of household surveys, present a large set of inequality measures for the distribution of household income adjusted for demographics, and report results for other dimensions of the income distribution: aggregate welfare, poverty, and polarization. The last part of section 3 is devoted to identify the problems generated by the measurement errors typically encountered in household surveys, and to assess their impact on our capability of measuring and hence understanding inequality.

In section 4 we place the results of section 3 in spatial perspective, by comparing inequality in LAC to other regions in the world. To that aim we draw on recent studies, which have put together large datasets with inequality information from several countries.

Household per capita income is the result of three main components: remuneration of assets (including labor force and human capital), transfers and household demographics. In section 5 we present inequality statistics on these factors both computed from our sample of household surveys and drawn from recent studies by other authors.

Section 6 goes beyond the distribution of income and presents information on the distribution of goods and services for which people are especially concerned. Evidence on inequality in school attendance and educational mobility occupies most of the section, although statistics on inequality in health, political representation, crime victimization and some basic social services (*e.g.* water) are also presented and discussed. Finally, section 7 closes up the chapter with some concluding remarks.

2. Some conceptual issues

It is probably safe to state that most people have preferences for social fairness, and associate the concept of unfairness to some sort of inequality. Discrepancies arise at the stage of defining the variable(s) they consider important to equalize among individuals to reach a more fair society. A first alternative is between outcomes and opportunities. Should we try to reduce disparities in outcomes (*e.g.* in income or consumption), or to guarantee equality of opportunities in achieving those outcomes? Many authors have argued in favor of the second alternative.[1] According to this view, inequality should not be of social concern if it arises in a population of people subject to the same constraints, and as the consequence of different individual choices of effort, or of other variables for which people should be made accountable for. Unfortunately, the concept of opportunity is difficult to define and measure, and hence in practice it is usually abandoned in favor of the analysis of inequality in outcome variables.

Probably the most relevant outcome variable to compare among individuals is intertemporal living standard, *i.e.* the "average" well-being of a person over her entire lifetime. Conceptual and especially data limitations restrict the comparisons to time periods much shorter than a lifetime: surveys are usually able to capture dimensions of well-being for periods no longer than one year.

Consumption is, within the group of variables usually measured in a household survey, the best one to approximate living standards.[2] It has three main advantages over its main competitor, household income. First, if people can borrow and lend (and most people can do that at least in a short scale, for short periods of time and in informal markets) consumption is more associated to individual well-being than income.[3] Secondly, under-reporting is usually a less severe problem for consumption than for income. Finally, most surveys report gross income and not after-tax income, which is more relevant for welfare analysis, and usually closer to consumption.

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[1] See Le Grand (1991) and Roemer (1996, 1998) for surveys of this debate.
[2] See Deaton (1997) and Deaton and Zaidi (2002) for arguments for the use of consumption as the best welfare indicator.
[3] In fact with full access to capital markets, according to the life-cycle theory current consumption should be closely associated to intertemporal living standards.

Consumption can be estimated from household surveys in many countries of the world. In particular the Living Standards Measurement Surveys (LSMS) project of the World Bank encourages questionnaires designed to measure consumption, or at least expenditures. Unfortunately, in Latin America consumption surveys are the exceptions. The great majority of countries in the region conduct surveys with no consumption or expenditure questions. From our sample of twenty LAC countries, only five have had at least two expenditure surveys in the last decade.

For that reason the measurement of social unfairness in Latin America has been mainly associated to the measurement of inequality in the distribution of household income. Although this study includes information on other variables, it mostly follows that tradition. The implicit assumption is that household current income as measured in household surveys is highly correlated to individual opportunities and intertemporal living standards. Although these correlations are surely positive and probably high, we really do not know how distorted the picture we draw with income data from household surveys is from the reality we would like to know. We should be aware that in focusing on household income inequality we might be implicitly considering as unfair situations that are not (*e.g.* two individuals with different incomes due to different efforts from an equal opportunity situation, or due to different income profiles with the same mean), and assessing as fair situations that might be not (*e.g.* equal current incomes of an unskilled prime-age worker who will remain relatively poor the rest of her life, and a college student who will be rich in the future).

In addition to the analysis of household income or consumption inequality, there has also been a growing concern in the literature about measuring inequality in certain particular variables like schooling, health status/services, and political representation. Two arguments are behind this concern. The first one states that an individual well-being depends on other factors beyond her consumption of goods and services. The health status, the security from crime and violence, the degree of freedom and respect for human rights are among the factors that surely affect an individual's well-being. One possibility for the analysis is trying to value these factors in monetary terms, adding them to income or consumption, and measuring inequality only in that aggregate. A less ambitious route is measuring inequality in the different variables without any attempt of aggregating the results. A second argument states that societies are paternalistic and hence have a particular concern on the distribution of certain variables, like consumption of basic education and health services. Even when these items were included in the computation of total consumption, there would be normative arguments to assess inequality separately for these variables. In section 6 we consider again these arguments to show statistics on the distribution of school enrollment,

health status and services, political representation, safety and coverage of some basic social services.

We are interested in measuring inequality among individuals. However, individuals usually live in households and share a common budget. This fact implies that an individual's well-being depends on the resources available in the household and on the size, structure and sharing rule within the household. Probably, the most common indicator of individual well-being is household per capita income: household total income divided just by the number of persons in the household. Although widely used, this variable ignores three relevant factors: (i) consumption economies of scale within the household, that for instance allow a couple to live with less than double the budget of a person living alone, (ii) differences in needs among individuals, basically as a function of age and gender (these differences are behind the adjustments for *adult equivalents*), and (iii) unequal allocations of resources within the household.[4] Following the tradition in LAC, in this chapter we show inequality measures for the distribution among individuals of household per capita income, although we also compute statistics that take points (i) and (ii) above into consideration.

Summing up, our ideal objective would be measuring the degree of social unfairness in the LAC countries. Due to conceptual and data limitations we end up measuring inequality in the distribution of household income adjusted for demographics, and complementing these statistics with indicators of inequality in the distribution of other dimensions of well-being. Although we are aware of the limitations, we still believe that the statistics shown in this chapter are useful inputs to characterize and understand social unfairness in the region.

3. Income inequality and beyond

Despite their many caveats, household surveys remain the most reliable and appropriate source for distributional analysis. For this Report we put together a dataset of household surveys for most LAC countries since 1989. We first introduce the sample, then present some basic inequality statistics, and discuss the limitations of the data.

3.1. The data

We were able to assemble a dataset containing 52 household surveys covering the period 1989-2001. The sample comprises around 3.6 millions individuals surveyed in 20 LAC countries: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Trinidad and Tobago, Uruguay and Venezuela. The sample is fully

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[4] See Buhmann, Rainwater, Schmaus and Smeeding (1988) and Deaton (1997) for discussions on these points.

representative of Latin America, and only partially of the Caribbean, where many countries do not regularly conduct or publish household surveys (*e.g.* Cuba).[5]

For most countries our sample has three observations corresponding to the early 90s, mid 90s and either late 90s or years 2000/01. In each period the sample represents more than 92% of LAC total population. All household surveys included in the sample are nationally representative. The exceptions are Argentina and Uruguay, where surveys cover only urban population, which nonetheless represents more than 85% of the total population in both countries.[6] All surveys record a basic set of demographic, education, labor and income variables at the household and individual level. Although there are differences across countries, surveys are roughly comparable in terms of questionnaires and sampling techniques.

Table 3.1 presents the main characteristics of each household survey. The table shows the names of the surveys, their coverage (urban or national) and the sample size (in individuals). For reference, the population estimates of each country are presented in column (v). Household income is reported in all surveys. Those that also cover expenditures are indicated in column (vi). All surveys have specific questions for labor income, and nearly all also cover non-labor income (capital income, property income, profits and transfers), although surveys differ in the detail of the questions and the possibility of separating out different sources of non-labor income. Surveys that include questions for non-monetary income and for the implicit rent of own-housing are also marked in the table.

Most surveys were obtained through the MECOVI program, a joint effort of the World Bank, the Inter-American Development Bank (IADB) and the United Nations Economic Commission for Latin America and the Caribbean (ECLAC). This program promotes improvements in the collection, organization and analysis of household surveys in LAC. Some other surveys used in this chapter are part of the Living Standards Measurement Surveys program (LSMS) of the World Bank. These surveys are usually richer, since they include questions on social services and expenditures.

This study is not the first one in analyzing inequality in LAC based on a set of household surveys. Altimir (1994) and Morley (2001) at ECLAC, Wodon (2000) at the World Bank, and especially Székely and his co-authors at the IADB have gathered information from

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[5] Only Dominican Republic, Jamaica, and Trinidad and Tobago are included in the sample. The quality and frequency of household surveys in the Caribbean are significantly lower than in the mainland Latin American countries. For instance, although we have access to household surveys in Guyana and Saint Lucia, we were not able to compute consistent household income statistics for these Caribbean countries.

[6] For reference, we have worked with some surveys that cover only urban areas also in Bolivia, Colombia and Paraguay for the early 90s.

household surveys to analyze income distribution in the region.[7] Compared to these studies our sample has more countries, more information on some countries (mainly Argentina), and includes surveys for 2000 and 2001. We also present a larger set of statistics across countries and over time, not only on inequality in household income, but also on other dimensions of that distribution, and on inequality in the distribution of other relevant demographic and socio-economic variables. Finally, we periodically update our results with new information in the web site of this study (www.depeco.econo.unlp.edu.ar/cedlas/wb).

We have made all possible efforts to make statistics comparable across countries and over time by using similar definitions of variables in each country/year, and by applying consistent methods of processing the data. However, perfect comparability is not assured, as the coverage and questionnaires of household surveys differ among countries, and frequently also within countries over time.[8] Three ways of alleviating comparability problems are followed in the chapter. First, when major changes in methodology or coverage occur, we provide ways of assessing the impact on the inequality statistics. For instance, in Bolivia the household survey was urban in 1992 and nationally representative in 1996. We present two sets of statistics for Bolivia 1996: one for the whole sample and one for those urban areas also surveyed in 1992. Secondly, in addition to presenting statistics for more general variables (*e.g.* household income from all sources), we also study more specific variables with less problems of comparability (*e.g.* wages from primary job for male prime-age workers). Finally, we document in the tables the particularities of each survey that may blur the comparisons with other countries/years. Most of this information is available in the web site of the study. Readers interested in technical details are advised to visit that site. Although we have made all efforts to clean the data and present consistent statistics, the reader interested in a specific country is advised to consult the country-specific literature.

3.2. Income inequality in the 90s

In this section we use our dataset to study income inequality across countries and over time. We first take a look at the by far most analyzed distribution in LAC: the distribution among all individuals in the population of household per capita disposable income. Population weights are used in the calculations, and missing and zero income observations are discarded. Following the practice of national statistical offices we take a broad definition of household, but excluding servants, renters and their families. Both monetary and non-monetary incomes are considered when that information is available. Although most income sources are included (labor, capital, profits, property rents and transfers), we ignore

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[7] See IADB (1998), Londoño and Székely (2000), Székely and Hilgert (1999 and 2001) and Székely (2001).

[8] When a trade-off arises, we generally decided to preserve comparability within a country over time than across countries.

some potentially relevant items, as the implicit rent from own housing, in-kind gifts, and government in-kind transfers. Estimates (of dubious quality) of some of these variables are available in only few surveys.

The relevant concept for welfare analysis is net income rather than gross income. In LAC household surveys some income sources are generally reported after labor and income taxes (*e.g.* earnings for salaried workers), while some others are typically not (*e.g.* earnings for non-salaried professionals or capital income). Also, cash transfers are reported in surveys, but the value of government in-kind transfers (education, health services, etc.) is ignored. This differential treatment calls for a detailed analysis of the distributional incidence of taxes and public spending. Unfortunately, this analysis is hardly done on a regular basis since it implies numerous theoretical challenges and demands information not typically included in household surveys. In this chapter we follow the usual practice of computing statistics over the distribution of income reported in the surveys. Chapter 4 of this Report includes an incidence analysis of taxes and government spending.

Table 3.2 shows what are probably the most tangible measures of inequality: the income shares of different income strata.[9] People are sorted according to their household per capita income and divided in ten groups of equal size (called *deciles*). In all the LAC countries the share of the poorest 10% of the population in total income has been always less than 2%, while the share of the richer 10% has been always higher than 30%. The first panel in Figure 3.1 shows the income shares by decile in the three largest economies of the region: Argentina, Brazil and Mexico. In these three countries income shares slowly increase at a rate of less than two percentage points between consecutive deciles along most of the distribution. Differences between deciles are greater in the upper quarter of the distribution, especially between deciles 9 and 10. This income gap is more than 20 percentage points in Argentina, and more than 30 in Brazil.

Inequality is lower in Argentina as the income share for each of deciles 1 to 9 is greater than in the other two economies -and consequently the top decile share is smaller (see Figure 3.1). The comparison between Brazil and Mexico is also clear: the income share of each of the eight poorest deciles is higher in Mexico, implying lower inequality. The second panel of Figure 3.1 replicates the analysis for three Central American countries.

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[9] For some countries income definitions have varied over time. Although we have computed statistics for alternative definitions, for brevity we present in the tables a single line for each country/year. For instance, although the survey in El Salvador 2000 includes non-monetary income, in the tables we show statistics without those incomes to preserve comparability with previous surveys in that country. Alternative results for El Salvador, and also for Honduras, Peru, Paraguay and Uruguay are available upon request. In none of these cases the main results reported in the paper vary as we consider alternative income definitions. See the web site for more details on this. During 2001 Argentina was in a deep recession. For reference, in Tables 3.2 and 3.3 we also include statistics for year 1998, when the economy was still growing.

Nicaragua is the most unequal economy of the three, while Costa Rica appears as substantially more equal than the rest.[10]

Column (xi) in Table 3.2 reports the income ratio between the average individual of the top decile and a typical person of the bottom decile. This ratio ranges from 16 in Uruguay 1989 to values above 60 in several countries. In column (xii) we compare individuals at the limits of these deciles: the poorest of the top decile with the richest of the bottom decile. The income ratios are much smaller than in the previous column, a fact driven by the presence of few individuals with extremely large household incomes compared even with the incomes of most people in the top decile.[11] It has been argued that Latin American distributions are characterized by large differences between the rich and middle-class people. To look at these differences column (xiii) shows the income ratio between a person located at the 95th percentile and one located at the 80th percentile.

To illustrate the long "upper tail" of the distributions Figure 3.2 shows an histogram of the household per capita income distribution in Mexico 2000, ignoring the richest 1% of the population. Most people are concentrated in the first quarter of the income line. Including the richest 1% would make the graph illegible, as most of the population would be concentrated in a small segment very close to the origin.

In the academic literature more sophisticated measures of inequality are preferred to simple statistics on income shares and ratios. Table 3.3 presents a set of indices commonly used in that literature: the Gini coefficient, the Theil index, the coefficient of variation, the Atkinson index and the generalized entropy index with different parameters.[12] All indices are designed to increase as the distribution becomes more unequal. By far, the most used one is the Gini coefficient, which in the sample ranges from 42.2 in Uruguay 1989 to 61.2 in Brazil 1990.[13]

Although widely used, household per capita income is probably not the best available measure of individual well-being based on household income, as it ignores household economies of scale and differential needs by age. We define an individual's equivalized household income as total household income divided by $\left(A+\alpha_1.K_1+\alpha_2.K_2\right)^{\theta}$, where A is

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[10] Data for Nicaragua includes non-monetary income while data for Costa Rica and El Salvador do not. However, ignoring non-monetary payments from the Nicaraguan survey does not significantly alter the results of the inequality comparison among these three countries (see also Table 3.7).

[11] The richest individual in the household survey of Mexico 2000 has an income 18 times greater than the median individual in the top decile. That distance (18 times) separates the median individual in the top decile from a person in the poorest second decile of the overall income distribution. This is an example of the long "upper tail" of the distributions.

[12] See Lambert (1992) and Cowell (1995, 2000) for details on these inequality indices.

[13] The Gini coefficient ranges from 0 (complete equality) to 100 (all income concentrated in one individual). It is also usual to present that coefficient in the [0,1] interval, instead of in the [0,100] interval.

the number of adults, K_1 the number of children under 5 years old, and K_2 the number of children between 6 and 14. Parameters α allow for different weights for adults and kids, while θ regulates the degree of household economies of scale. Following Deaton and Zaidi (2002) we take intermediate values of the αs (α_1=0.5 and α_2=0.75), and a rather high value of θ (0.9) as the benchmark case. Statistics for the distribution of equivalized household income constructed in this way are presented in Tables 3.4 and 3.5. Table 3.6, which reproduces the Gini coefficient of that distribution for all the countries in the sample, is the basic input for Figures 3.3 to 3.5.

Inequality has risen in most South American economies during the last decade (see Figure 3.3). Argentina experimented by far the biggest jump (7.7 Gini points between 1992 and 2001).[14] Venezuela follows with an increase of nearly 4 Gini points. The income distribution has also become more unequal in Bolivia, Chile, Ecuador, Peru, Uruguay and possibly Paraguay.[15] Colombia has not experimented significant inequality changes. Brazil is the only South American economy where there has been a clear reduction in inequality in the 90s, although small enough not to change its position as the most unequal country in the region. Most of these results are in accordance with those found in other studies for the period 1990-1999 (Morley, 2001; Székely, 2001; Wodon, 2000). These studies, however, mostly overlooked the two most relevant distributional changes in the region: the large increase in inequality in Argentina, and the distributional improvement in Brazil.

In Central America and the Caribbean changes have been milder (see second panel of Figure 3.3). The income distribution has remained remarkably stable in Panama, Nicaragua, and Jamaica, has become more equal in Honduras, and somewhat more unequal in Costa Rica and El Salvador.[16] Inequality indices went down in Mexico, although not enough to be sure that the fall is really significant in statistical terms (see below for a discussion on this point).

The assessment of inequality patterns is quite robust to most changes in inequality measures. It is interesting to notice, however, that the share of the poorest deciles has significantly increased only in Brazil and Panama, while it has shrunk in most LAC economies. Consequently, the Atkinson index with inequality-aversion parameter 2 (see column (vi) in Tables 3.3 and 3.5), which compared to the Gini coefficient gives more weight to the poorest individuals, generates a somewhat more pessimistic picture for the distributional changes in the region.

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[14] Even ignoring the last crisis, the inequality increase is very large (around 5 Gini points between 1992 and 1998).

[15] See below for a discussion on Paraguay.

[16] The survey frame significantly changed in Dominican Republic between 1995 and 1997, making the results of the comparisons difficult to interpret.

Notice that less unequal countries have performed worse on average than more unequal countries: while the distribution has become more unequal in Argentina, Uruguay and Venezuela -three low-inequality economies-, it either has not changed or has become more equal in Brazil, Colombia, Mexico, and Panama -four mid to high-inequality economies. The standard deviation for the distribution of Gini coefficients in the region fell substantially in the last decade: from 6.1 to 4.6. Latin America, a region already very homogeneous compared to other regions in the world, became more homogeneous in distributional terms in the last 10 years. Figure 3.4 is illustrative of this fact: in the early 90s there was a group of countries with low inequality (for LAC standards) comprised by Uruguay, Venezuela, Argentina, Costa Rica and maybe Peru, another set of countries with high inequality, and Brazil, which stood up as significantly more unequal than the rest. Ten years later the differences among groups are not so clear. A sort of convergence of inequality levels seems to have been taken place in LAC. Figure 3.5 shows this distributional convergence for the three largest economies of the region. Although still significantly different, the income distributions of Argentina, Mexico and Brazil have become more alike at a high pace during the last decade.

One decade of differential changes have had some impact over the inequality ranking of countries in the region. While Argentina scaled up some positions in the inequality ladder and became closer to the mid/high-inequality group, Costa Rica, Honduras, and Colombia have move backward in the ranking. In spite of having the best performance in distributional terms in the last decade, Brazil remains at the top of the list.[17]

As a result of the reported changes the average Gini across countries increased almost 1 point in the period (from 50.5 to 51.4). The population-weighted average however shows a negligible decrease (from 52.0 to 51.5), because of the positive performance of Brazil and Mexico, and the stability of Colombia, the three most populated countries in the region.

Table 3.7 reports the Gini coefficient for the distribution of household income divided by alternative equivalent scales. In columns (vii) and (viii) we separate the distributions in urban and rural, wherever possible. In some countries inequality is larger in cities, while in others inequality is higher in rural areas. However, in most countries inequality differences between urban and rural areas seem minor. Household surveys are usually unable to properly capture non-labor income and non-monetary income. In columns (ix) to (xii) we report the Gini coefficient for the distribution of household per capita income, including alternatively as income sources only labor income, monetary income, labor monetary income and labor monetary income in urban regions. These are the most homogeneous household income variables to compare across countries.

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[17] Guatemala has inequality levels similar to those of Brazil (see Table 3.5).

According to some views inequality should be measured only on the distribution of variables that are beyond individual control. This idea may imply, for instance, a concern on the distribution of household total income, and not household income adjusted for demographics, since fertility decisions are mostly under individual control. Without judging the validity of this argument we show in column (xiii) the Gini for the distribution of total household income. Table 3.7 finally reports the Gini over the distribution of equivalized household income for people in certain age ranges to control for life-cycle factors.

Most of the qualitative results over the inequality trends and cross-country comparisons do not significantly vary when considering any of the distributions in Table 3.7 instead of the household per capita or equivalized income distributions of Tables 3.3 and 3.5. Certainly, there are some ranking reversions and changes in trends as we consider different income variables, but the main results remain quite robust to these methodological changes.

3.3. A story of income inequality in LAC since the 50s

This section combines information from our dataset with evidence from other sources for previous decades to draw a general picture of trends in income inequality in the region. Unfortunately, our vision becomes increasingly blurred as we go back in time. As recently as in the 1970s many countries did not have national surveys or even any household survey at all. Actually, it was only after World War II that countries around the world started to conduct household surveys and to compute inequality statistics in a systematic way. Mexico and some Caribbean countries (Barbados, Guyana, Jamaica and Trinidad and Tobago) were the first in the LAC region to join that trend in the 50s. Only Mexico has continued with a systematic program of surveying household incomes and expenditures. The available statistics for that country show a mild increase in income inequality in the 1950s and the first half of the 1960s (Felix, 1982; Fields, 1989; Altimir, 1996). There is some evidence that inequality also increased in the 60s in some of the few LAC countries where distributional statistics started to become available (Brazil, Costa Rica, Chile and Uruguay).[18]

Most countries either consolidated or introduced household surveys in the 70s. The picture of income inequality from that decade on is hence clearer. Some international organizations (ECLAC, IADB and The World Bank) shed additional light on the issue by starting to generate periodical reports depicting the level, structure and trends of income inequality in the region. Table 3.8 shows the signs of the inequality changes in most LAC countries in the last three decades. There seems to exist a consensus in that inequality decreased in the

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[18] See Fields (1989) for Brazil, Gonzales-Vega and Cespedes (1993) for Costa Rica and Altimir (1994 and 1996) for the rest.

70s and increased in the 80s. During the 70s inequality only significantly increased in the Southern Cone (Argentina, Chile and Uruguay). In contrast several countries (Mexico, Bahamas, Panama, Colombia, Peru and Venezuela) experienced equalizing changes while the rest shows stable distributions. The 80s were a "lost decade" also in distributional terms. Most countries suffered a significant increase in the level of income inequality. In around half of the countries inequality continued to increase in the 90s, although in most of them at lower rates.

As a result of the patterns described above most LAC countries have now more unequal income distributions than around 1970, and very likely also more unequal than at the end of the World War II. There are some exceptions, but for the majority of LAC countries the economic changes of the last half-century have been mainly unequalizing.

The previous evidence refers to LAC countries considered separately. Londoño and Székely (2000) compute inequality indicators for the region as a whole by calculating a Lorenz curve from the percentiles of each country. They conclude that inequality fell in the 70s, increased in the 80s and increased a bit in the first half of the 90s. The average income ratio of top to bottom quintiles went from 22.9 in 1970 to 18.0 in 1982, back to 22.9 in 1991, and to 24.4 in 1995. They also conclude that both the level and the change of overall inequality are mainly due to differences within countries rather than across countries. In fact, in the last 20 years there was a slow convergence in per capita income across LAC countries: the increase in regional inequality is exclusively due to unequalizing changes in the income distributions within countries.

Having described the main changes in the region as a whole, the rest of this section is then devoted to present a broad picture of the income inequality patterns by country.

Inequality has dramatically increased in Argentina during the last three decades.[19] The Gini coefficient for the household per capita income distribution in the Greater Buenos Aires area has increased from 34.5 in 1974 to 53.8 in 2002 (CEDLAS, 2003). Even if the observations for the recent crisis years are ignored, the increasing trend is noticeable. None of the other LAC countries has experienced such deep distributional changes as Argentina has.[20] Inequality also increased in the neighbor Uruguay during the 90s, although the increase was smaller. Moreover, there were no significant distributional changes in Uruguay in the 70s and 80s. As a consequence of these divergent patterns, the distributions of Argentina and Uruguay, once almost identical, now are significantly different. The other

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[19] See Altimir (1986) and Gasparini, Marchionni and Sosa Escudero (2001), among others who document similar inequality trends in Argentina.

[20] This pattern is hardly attributed to informational problems, for instance due to the urban coverage of the household survey: more than 85% of Argentineans live in cities and there have not been significant migratory movements in the last three decades.

country in the Southern Cone, Chile, has always had higher inequality indicators. The Chilean income distribution became more unequal during the 70s and 80s. That "storm" finished in the 90s (Ferreira and Litchfield, 1999), although there are no signs of distributional recovery: inequality measures slightly increased during the last decade (see Contreras *et al.*, 2001).

Brazil has traditionally been the most unequal economy in the LAC region. The Brazilian economy experienced a significant increase in income inequality during the 80s (Ferreira and Litchfield, 1996), but since then inequality stabilized and even started to decline (Neri and Camargo, 1999). As above mentioned, we have found a small but significant drop in income inequality in Brazil during the last decade.

Due to few and changing household surveys, the distributional information for Bolivia and Paraguay before mid-90s is scarce. According to this study inequality has slightly increased in Bolivia during the 90s. This result is shared by other studies (Morley, 2001 and Székely, 2001). Paraguay did not have national reliable household surveys until mid-90s. In order to gain some insight on the evolution of inequality we computed the Gini for two years, 1990 and 1995, using only data from the metropolitan area of Asunción, finding a sizeable inequality increase.[21] Inequality seems to have decreased during the second half of the nineties in Paraguay, although possibly not enough to compensate the increase of the first half.[22]

Income distribution in Colombia and Venezuela became more equal in the 70s and more unequal in the 80s. In the 90s there was no recovery from the distributional losses of the 80s: inequality continued to increase in Venezuela and the pattern for Colombia seems stable (see also Ocampo *et al.*, 1998 and Székely, 2001).[23] In Peru while there is no clear evidence that the income distribution became more unequal in the 70s and 80s, income data for the 90s suggests a significant movement towards more concentration. Studies that use expenditure data find similar results. The distribution seems to have become somewhat more unequal also in neighbor Ecuador, at least in the second half of the 90s.

The Mexican income distribution has changed in different directions in the last three decades. After an improvement in the 70s, the distribution became substantially more

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[21] This result is in line with those reported by CEPAL (1996), Morley and Vos (1997) and Robles (1999).

[22] We find a decrease of nearly 3 points in the Gini between 1995 and 1999, even after dropping out an extreme outlier in the 1995 survey. Székely and Hilgert (1999) do not find significant changes between 1995 and 1998, and report an increase between 1998 and 1999. Instead, Gonzalez (2001) finds a drop of 1 Gini point between 1998 and 1999.

[23] The survey for Venezuela 1989 is not strictly comparable with 1995 and 1998, since in 1989 there were no questions for non-labor income. However, ignoring non-labor income in 1995 and 1998 does not significantly modify the results. For instance the Gini for the distribution of household per capita income in 1995 goes from 46.9 with all income sources to 46.7 with only labor income.

unequal in the 80s. Despite the important economic changes and shocks in the last decade, the income distribution has remained remarkably stable. The tables in this section illustrate this fact, also highlighted by other authors (Morley, 2001, Székely, 2001).[24] The inequality pattern for Panama is similar. In Costa Rica the distribution remained stable for decades at low levels of inequality (Londoño and Székely, 2000). Despite a small increase in inequality during the 90s, Costa Rica remains one of the most equal countries in the region (see also Trejos, 1999). Inequality is much higher in the other Central American countries. The evidence suggests no significant inequality changes in Nicaragua, a drop in Honduras and a small increase in El Salvador during the 90s. Only one household survey is available for Guatemala, from which it emerges as one of the most unequal countries of the region.

Once more widespread among Caribbean countries, household surveys are now scarce in the region. During the 70s and 80s inequality increased in Bahamas and decreased in Trinidad and Tobago according to Fields (1989) and WIDER (2000). Some studies report mild inequality increases in Dominican Republic (Hausman and Rigobon, 1993). The income distribution has remained quite stable in Jamaica in the last decade as shown in this and other studies (Chen *et al.*, 1995 and World Bank Indicators, 1999). Data for Puerto Rico suggests a quite stable distribution during the 70s and 80s (WIDER, 2000). Inequality in the Caribbean seems to have always been significantly lower than in Latin America.

There is always the temptation of giving account of inequality patterns by means of a simple explanation, for instance referring to a few macro variables. Inequality decreased in the 70s during times of relative economic prosperity, and increased in the lost decade of the 80s. According to this simple view, the recovery of the 90s should have brought significant distributional improvements. However, there is no evidence that this has happened. Of course many changes that occurred in the 90s can be blamed for the distributional failure, but that leads us to more complex explanations. A sign of this complexity is the multiplicity of distributional stories across relative homogeneous countries that results from the evidence shown in this chapter. We defer the discussion of the inequality determinants in LAC to the next chapters of this Report.

Are the levels of inequality in the LAC distributions high? The answer seems to be *yes* without requiring much clarification of the question. Current inequality levels in LAC are high (i) compared to previous decades, (ii) compared to countries in other regions of the world, and apparently also (iii) according to the perceptions of Latin American inhabitants. This section has shown evidence for point (i), and the next one is devoted to argue on point (ii). Regarding point (iii) evidence is of course more elusive. According to a recent survey in various Latin American countries on perceptions about various economic and social

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[24] The Gini actually fell around 1 point, which is just in the limit to be a non-significant change from a statistical point of view (at 95% confidence).

issues (Latinbarometer)[25], nearly 90% of the population considers the current income distribution in their countries as "unfair" or "very unfair" (see Table 3.9). The correlation between the level of income inequality as measured by the Gini coefficient for the equivalized household income distribution and the proportion of "very unfair" answers (or the sum of "unfair" plus "very unfair") is positive but only marginally significant. The relationship between the change in the Gini during the 90s and the perception of justice in the income distribution seems to be non-significant.

3.4. Consumption inequality

As it was discussed in section 2, household consumption is a better measure of well-being than income. Unfortunately, only few countries in the region conduct expenditure surveys on a regular basis, being most of them part of the LSMS project of the World Bank. Only in Ecuador, Jamaica, Nicaragua, Mexico and Peru more than one expenditures survey has been conducted in the last decade.[26] The inequality patterns that can be traced with that information do not significantly differ from the one depicted in this paper with income data (WIDER, 2000). As expected, inequality levels are much lower when computed over the distribution of expenditures, as people tend to smooth their consumption from more volatile income profiles. However, the changes over time are similar: inequality increased in Peru, probably also in Ecuador, and stayed roughly unchanged in Jamaica, Mexico and Nicaragua.[27]

3.5. Other dimensions of the distribution

Inequality, the main topic of this Report, is just one dimension of the income distribution. In this section we briefly study three other relevant dimensions: polarization, aggregate welfare and poverty.

Polarization

The notion of polarization refers to homogeneous clusters that antagonize with each other. A case of maximum polarization would be one where half the population is penniless, and the other half shares total income equally. The conjecture that motivates research on polarization is that contrasts among homogeneous groups can cause social tension. The

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[25] Latinbarometer is an annual survey of public opinion that started in 1995. Data is gathered in 17 LAC countries.

[26] One LSMS survey is available for Brazil 96/7, Guatemala 2000, Guyana 92/3 and Panama 97.

[27] See Chen et al. (1995), World Bank Development Indicators, 1998/2000, and various WB Poverty Reports on these countries.

literature has recently developed some indices to measure income polarization.[28] These measures depend on three factors: (i) the number of groups and their relative sizes, (ii) the degree of equality within each group (identification) and (iii) the degree of income differences among groups (alienation). Intuitively, a higher identification and a higher alienation would raise polarization. It is worth noting that polarization can increase when inequality decreases (and vice versa). For instance, some transfers from the middle class to the poor and the rich can lead to lower inequality and higher polarization (see Esteban and Ray, 1994). Thus, the analysis of income polarization is complementary to that of income inequality.

From the sample of household surveys we compute two bipolarization indices for each country/year: the Wolfson Index, which cuts the distribution at the median income, and the EGR Index, which finds the optimal income cut-off.[29] Table 3.10 shows the results for these bipolarization measures, along with the Gini coefficient, for both the distribution of household per capita income and the distribution of equivalized household income.

As with inequality measures, polarization increased in several South American countries and remained stable in Central America and the Caribbean. Argentina, Bolivia, Uruguay and Venezuela experimented the largest increases in polarization. Among the economies with falling bipolarization measures there are cases where inequality increased: Chile is one example. Notice from Tables 3.2 and/or Table 3.4 that in Chile the share of the top decile significantly increased in the last decade, driving inequality measures up. Among the main losers of the distributional changes of the 90s were people in the deciles 7 to 9, *i.e.* people that are considered by bipolarization measures as belonging to the same "class" of the winners of the top decile. This fact weakens the identification within the high-income group, driving bipolarization measures down. Paraguay shows an opposite pattern between 1995 and 1999: the share of the top decile went down, while the share of deciles 7 to 9 significantly increased, implying a fall in inequality but an increase in bipolarization driven by a tighter identification within the high-income group.[30]

Aggregate welfare

To assess the aggregate welfare of an economy both the mean and the inequality level of the income distribution should be taken into account. It could be the case that inequality increases but everybody's incomes go up. In that case most people would agree that aggregate welfare in this economy has increased despite the inequality growth. As we

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[28] Readers interested in technical details can consult Esteban and Ray (1994), Wolfson (1994), Esteban, Gradín and Ray (1999) and a note by Matías Busso in the web site of this study.

[29] EGR refers to Esteban, Gradín and Ray (1999).

[30] The next step in the research agenda would be considering measures of polarization with more than two groups in order to enrich the analysis.

should not assess the performance of an economy by considering only inequality statistics, the opposite mistake of just looking at average statistics, very common in Economics, should be avoided, as well. Average income may rise, but inequality may also increase in such a way that some people suffer reductions in their real incomes, which may be translated into a negative assessment of the overall performance of the economy, according to some value judgments.

Table 3.11 presents welfare measures for all the countries in the sample with more than one observation. Each column shows the value of a given aggregate welfare function for a given country/year. Values are rescaled so as to make the first observation for each country equal to 100. Four abbreviated social welfare functions are considered. The first one is represented by the average income of the population: according to this value judgment inequality is irrelevant. In columns (ii) to (iv) and (vi) to (viii) three widely used functions that take inequality into account are considered.[31] In the first panel we take real per capita GDP from National Accounts as the average income measure, and combine it with the inequality indices shown in Table 3.3.[32] Given that most assessments of the performance of an economy are made by looking at per capita GDP, we use this variable and complement it with inequality indices from our study to obtain rough estimates of the value of aggregate welfare according to different value judgments.[33] For various reasons per capita income from household surveys differs from National Accounts estimates. In the second panel we replicate the exercise using information only from household surveys.

Most LAC economies managed to grow during the 90s. However, at the same time, in many of these economies the income distribution became more unequal. This combination led to ambiguous results in terms of aggregate welfare. In all ten economies of Figure 3.6 real per capita GDP increased during the 90s. However, in Peru and Venezuela according to value judgments that attach more weight to the poorest individuals -Atk(2) in the Figure- the assessment of the performance of the economy was negative, while in others like El Salvador and Uruguay the welfare increase was significantly smaller than the GDP growth. In Argentina the contrast is more dramatic: despite an 11% increase in per capita GDP measured by National Accounts between 1992 and 2001, aggregate welfare decreased for all the value judgments implicit in the calculations that do not neglect distributional issues. The increase in inequality was large enough to offset the growth in mean income. In contrast, aggregate welfare unambiguously increased in Costa Rica and Chile despite the

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[31] The one proposed by Sen (equal to the mean times 1 minus the Gini coefficient) and two proposed by Atkinson (CES functions with two alternative parameters of inequality aversion). See Lambert (1993) for technical details.

[32] The source for GDP figures is World Bank (2001), World Development Indicators, WDI -CD-ROM.

[33] See Gasparini and Sosa Escudero (2001) for a more complete justification of this kind of study.

unequalizing distributional changes. In Brazil and Panama aggregate welfare grew fueled by both growing per capita income and a more equal distribution.[34]

Clearly, the scope of these welfare exercises is rather limited, as it is assumed that aggregate welfare is a function only of household income. Other factors like freedom, security, political power, access to basic services, health status and many more should be also considered as arguments of an individual well-being. A comprehensive welfare study including these factors is beyond the scope of this chapter. However, we show statistics on the distribution of some of the variables that, arguably, are arguments of individual utility in section 6 of this chapter.

Poverty

Although certainly different concepts, inequality and poverty are closely related. Changes in income poverty can be thought of as the result of changes in average income and inequality. For instance, a growing economy with stable inequality would end up reducing the number of people below the poverty line. In fact, the significant fall in poverty in the region during the 70s was fed by growing economies with either stable or more equal distributions. The story in the 80s was exactly the opposite: falling incomes and more unequal distributions combined to generate a sensible increase in poverty statistics. The 90s showed again a different combination: despite some unequalizing changes in the income distribution, the strong recovery of several LAC economies generated a reduction in the poverty indicators for the region as a whole and in most countries (see Wodon (2000, 2001), Székely (2001), Sala-i-Martin (2002)). Overall, in the last three decades the region has experimented a substantial fall in poverty.[35]

Table 3.12 summarizes part of the large literature on poverty indicators in the region.[36] It should be stressed that poverty measures are very sensitive to the implicit assumptions made by the researcher (Székely *et al.*, 2000). Thus, one must be cautious when comparing results obtained by different methodologies. The general trend during the 90s was towards a reduction in income poverty. Different authors have found that in mid 90s there was between 1.5% and 2% less poor people than at the beginning of the decade (Wodon (2001), Székely and Londoño (2000)). This reduction is mainly explained by Brazil's performance, whose headcount ratio fell around 7 percentage points. Chile was the other country that had an extraordinary performance in terms of poverty reduction (around 16 percentage points).

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[34] Notice that in Panama the share of the bottom deciles increased, leading to a fall in inequality indices with greater weights in that part of the distribution (*e.g.* Atkinson with parameter equal to 2).

[35] The estimates range from 37% (Székely and Londoño, 2000) to 53% (Sala-i-Martin, 2002).

[36] We do not attempt to compute poverty statistics with our sample of household surveys because the World Bank has recently issued a report on poverty in LAC (Wodon, 2001) and frequently produces Poverty Reports in several LAC countries.

Colombia, Costa Rica and Panama also managed to reduce poverty thanks to stable income distributions and growth. On the other hand, in Mexico the percentage of poor people increased about 5 points during the first half of the 90s. The existing literature fails to report the increase in poverty in Argentina: the official headcount ratio in Greater Buenos Aires went from 17.8 in 1992 to 25.9 in 1998, and 35.4 in 2001. That poverty increase, also noticeable in the rest of the country, took place in a period of growing per capita income. Venezuela is the other case where despite a growing economy the increase in inequality dragged poverty significantly up.

During the last 30 years the poverty ranking has changed: while some countries became poorer in relative terms (*e.g.* Argentina, Bolivia, Honduras, Nicaragua), others such as Dominican Republic, Mexico and Panama were able to go down many positions in the poverty-ranking (Sala-i-Martin, 2002). Figure 3.7 based on data from Székely (2001) shows the poverty headcount ratio of most LAC countries for a poverty line of US$ 2 a day for the late 90s. High-income countries with relative low inequality like Uruguay, Venezuela and Argentina have had low poverty levels. Chile has recently joined this group due to its growth performance, and despite not having a good inequality record. On the other hand, low-income countries with high inequality like Bolivia, El Salvador, Guatemala, Honduras, Nicaragua, and Paraguay have very high poverty levels.

Box 1: Social classes

The concept of *social class* is an analytical tool widely used in Sociology and other social sciences, but mostly ignored in modern Economics. It refers to "discrete and durable categories of the population characterized by differential access to power-conferring resources and related life chances" (Portes and Hoffman, 2003). In practice classes are usually defined in terms of income sources. Portes and Hoffman (2003) have recently shown evidence on the LAC class structure and trends, based on information from household surveys gathered by ECLAC (2000). They basically consider five groups: capitalists, professional/executives, petty entrepreneurs, formal and informal workers. The two first groups comprise the "dominant" class. Empirical estimates are very rough. Capitalists are operationally defined as owners of firms with more than five workers, executives and professionals in the public sector and in firms employing five or more workers complete the dominant class. The petty bourgeoisie includes owners of small firms, own account professionals and technicians. Formal workers are defined as those in the public sector or in firms with five or more workers. Based on information from ECLAC (2000) the first panel of Table B1.1 shows the relative occupational income of each social class for each country/year. Except for a few countries there are no clear signs that the "dominant" class, defined in this very narrow way, has become richer, in relative terms,

during the 90s in LAC. Also, in most countries the share of low-paid informal workers in the population has not significantly increased over the 90s, according to the second panel of the Table.

Using the definitions in Portes and Hoffman (2003) we have computed the class structure in Argentina and Brazil, the two paradigmatic cases of distributional changes in the region, from our dataset. The main results are shown in Table B1.2. Compared to Argentina, Brazil has a significantly higher share of informal workers, and a lower share of petty entrepreneurs and formal workers. The second panel of the Table shows average individual income for each class relative to the petty entrepreneurs. In Argentina, capitalists, professionals and executives significantly gained in relative terms compared to petty entrepreneurs, and especially relative to informal workers. Also, the income gap between formal and informal workers widened over the 90s in Argentina. Instead, relative incomes seem pretty stable in Brazil. The same conclusions apply when considering equivalized household income instead of individual income (third panel). The fourth panel of Table B1.2 shows that the "dominant" classes just get around 20% of total income. These estimates however are very likely affected by the difficulties for household surveys in including capitalists and landlords, and by the problem of income under-report. Finally, the fifth panel of the Table shows the within-class Gini coefficients. Inequalities are lower in Argentina than in Brazil, although the gaps are narrowing down.

There is a sizeable degree of income overlapping among social classes. Figure B1 shows for each country the relative income of each percentile of the within-class distributions. Both graphs show substantial income overlapping across classes, especially among capitalists, professionals and petty entrepreneurs on the one hand, and between formal and informal workers on the other hand. Table B1.3 shows cross tabulations of the deciles from the distribution of individual income and the class structure. Around 75% of the capitalists declare incomes that place them in the top two deciles of the individual income distribution. However, notice that those deciles include also around 80% of all professional and executives, more than 60% of petty entrepreneurs, more than 15% of formal workers and even around 10% of all informal workers. Of course, informal workers are more concentrated on the bottom deciles of the income distribution. It is interesting to notice that informal workers are increasingly moving toward the bottom deciles in Argentina, in contrast to a more stable situation in Brazil.

3.6. Data limitations

Even when household surveys are the most appropriate source of information for distributional analysis, they have many limitations. It is important to make them explicit in

order to interpret the statistics with caution and to identify areas for future improvements. While most of the limitations are present everywhere, some are particularly important in LAC.[37] Probably the main difference with other less-developed regions in the world is the lack of expenditure-based questionnaires in most LAC countries. As it was mentioned in section 2, expenditures are a better measure of living standards than income, especially in less-developed areas. The generalization of consumption-based questionnaires in the region is certainly one of the main directions to where efforts of national and international agencies should point.

The measurement of inequality in well-being through income inequality has two main drawbacks. The first one has to do with the difficulties in estimating permanent or "average" lifetime income. LAC countries do not have long panel surveys and the period of recall in the cross-sections is usually just one month. When incomes are very volatile from month to month, measured inequality overestimates the underlying inequality.

The second problem, usually more important in an income-based survey than in an expenditure-based survey, is under-reporting.[38] This can be the consequence of the deliberate decision of the respondent to misreport, or to the absence of questions to capture some income sources (*e.g.* implicit rent from own-housing), or to the difficulties in recalling or estimating income from certain sources (earnings from informal activities, in-kind payments, home production, capital income). This problem likely implies a downward bias on the measured living standards of poor people, who rely on a combination of informal activities and/or production for own consumption, and of rich people who derive a larger proportion of income from non-labor sources and are probably more prone to under-report. All LAC household surveys include questions on monetary income from salaried work, but many of them do not include estimates of non-monetary payments. Among those countries which do it, efforts to correctly estimate them significantly vary. All countries make some effort to capture income from self-employment and capital income. However the intensity of these efforts vary across countries, and sometimes over time within countries. Differential misreporting behavior among respondents and differential efforts in the survey design can distort inequality comparisons across countries. If these behaviors and efforts change over time they can also distort our view of inequality trends.

Researchers apply three kinds of strategies to alleviate these problems. The first one is restricting the analysis to more homogeneous variables subject to less problems of misreporting. Typically people look at the distribution of labor income, or even more restricted, at the distribution of monetary wages from salaried work in urban areas (see

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[37] For reviews on the usual limitations of household surveys for distributional analysis see Deaton (1997), Gottschalk and Smeeding (2000) and Atkinson, Brandolini and Smeeding (2002).
[38] A less common and easier-to-alleviate problem is non-response.

section 5). Of course, the cost of doing that is ignoring a sometimes sizeable part of the overall income distribution. The second strategy is applying some grossing-up procedure. Income from a given source in the household survey is adjusted to match the corresponding value in the National Accounts. This adjustment usually leads to inflating capital income relatively more than the other income sources, and hence generates higher inequality estimates. We do not perform any grossing-up in this chapter to keep comparability with most previous studies. Finally, a third strategy is estimating some incomes from other pieces of information in the survey. For instance, the implicit rent from own-housing can be estimated using hedonic regressions if the survey records some housing characteristics and the amount paid by renters.[39] Also, multivariate regressions can be run to estimate wages for workers who do not report or clearly misreport wages, but report individual characteristics (*e.g.* education, age, etc.).

Since surveys differ in the severity of these problems, adjustments should be done case by case. This is a task that goes beyond the possibilities of this chapter. Researchers who have done different types of adjustments have generally found that most results for inequality trends are robust.[40] Cross-country results are somewhat less robust to methodological changes. Székely and Hilgert (1999) find that some inequality rankings among LAC countries vary as they perform a wide range of adjustments. However, even when there might be some changes, the general picture remains robust: low-inequality and high-inequality countries remain in their groups regardless of the methodology used for the analysis.

A common observation among users of household surveys is that they do not typically include "very rich" individuals: millionaires, rich landlords, powerful entrepreneurs and capitalists do not usually show up in the surveys. The highest individual incomes in LAC surveys mostly correspond to urban professionals. This fact can be the natural consequence of random sampling (they are so few millionaires that it is unlikely that they are chosen by a random sample selection procedure to answer the survey), non-response, or large under-reporting. The fact is that rich people in the surveys are "highly educated professionals obtaining labor incomes, rather than capitalist owners living on profits" (Székely and Hilgert, 1999). The omission of this group surely implies an underestimation of inequality of a size difficult to predict.

Real rather than nominal incomes should be used in any distributional analysis. However, if prices faced by all households were the same, the distinction would be irrelevant. But prices usually differ by location: if two households located in different regions have the same

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[39] See Fay *et al.* (2002) and Gasparini and Sosa Escudero (2002).
[40] Gasparini and Sosa Escudero (2001) for instance found that the measured increasing trend in income inequality in Argentina is robust to the three types of adjustments mentioned above.

nominal income but face different prices they will have different living standards. Despite many authors have highlighted the importance of considering spatial variations of prices in a distributional study (*e.g.* Deaton (1997), Ravallion and Chen (1997)), price adjustments are rarely performed in countries that do not routinely collect information on local prices as part of the household survey. Unfortunately, most LAC countries fall into this category. Some countries have regional price information, which is useful but does not solve the problem, since price dispersion may be high within a region (especially between urban and rural areas). Our inequality results are quite robust to adjustments for regional prices. For instance, in Argentina the Gini coefficient for the distribution of household per capita income for 2001 slightly decreases from 52.2 to 51.9 as we take regional prices into consideration. For Chile 2000, instead, the Gini increases from 57.1 to 57.3.

Is "real" inequality lower or higher than our estimates from household surveys? Unfortunately, the answer is not clear. Some factors lead to an underestimation of inequality (*e.g.* misreport of capital incomes, absence of very rich people in the surveys) but some imply an overestimation (*e.g.* using monthly income instead of permanent income or consumption). More work is definitely needed on this topic. However, notice that our main interest is not knowing the exact level of inequality of a country in a given year, but instead making time and cross-country comparisons. We implicitly assume in our analysis that factors that bias inequality measurement remain stable across countries and over time.

Two other limitations of most LAC household surveys are worth mentioning: the absence of long panels and the scarcity of data on other dimensions of well-being. Panel surveys follow people over their lifetime and hence are very useful to study several important distributional questions (*e.g.* mobility). Many LAC countries have short panels that follow people for just a couple of years but none has a survey with a long panel. Also, most countries fail to include questions in their household surveys on other dimensions of well-being like health status, safety from crime and violence, participation in community activities, and so on. There has recently been some progress, especially some countries joining the LSMS program, but there is still much to do in that area.

We think we should avoid any of the two extreme positions toward household surveys: to discard them or to use them without qualifications. With all their limitations household surveys still provide valuable information for a distributional analysis, being the best available source to generate representative distributional statistics of the population. However it is important to be aware of their drawbacks. Despite LAC governments and international organizations have taken important steps in the last decade (*e.g.* the MECOVI program), they still have a long way to go in order to have a more reliable, richer and more homogeneous set of national household surveys. Latin America is lagging behind some other less-developed regions in that area.

Sample variability

Measures of the different dimensions of a distribution are subject to sample variability problems, since they come from surveys, not census data. If our sample size were only two individuals, indicators would surely widely vary over time, even when the population remained completely unchanged, as we randomly selected two different individuals each year. This problem is alleviated with larger samples but it is not completely eliminated. We illustrate this point by assessing the robustness of some inequality comparisons with the help of confidence intervals estimated by bootstrapping techniques, which provide interval estimations and dispersion measures for the inequality indices in a simple and efficient way.[41]

Table 3.13 shows the estimated Gini coefficient for the distribution of household per capita income for each country/year, its bootstrapped standard error, the coefficient of variation, and the corresponding confidence interval for a 95% of significance.[42] Given the large size of the samples in most household surveys, the Gini coefficients are estimated with high precision. This is reflected in the low values of the standard errors. Column (iii) shows that the standard error is almost always smaller than 1% of the estimated coefficient. However, in many cases this is enough to cast doubts over the statistical significance of the inequality changes. For instance, although the recorded Gini increased in Mexico between 1996 and 2000, the two confidence intervals overlap, turning the change in the Gini non-significant, *i.e.* likely just a consequence of taking different samples from a population with a stable income distribution.

4. Inequality in LAC in perspective

This short section is devoted to place the evidence from the previous section in geographical perspective. How unequal LAC economies are compared to the rest of the world?

In the last 10 years several studies have surveyed and/or computed inequality measures across countries and over time. Deininger and Squire (1996) put together a large dataset of quintile shares and Gini coefficients for most countries since World War II. This panel data set, which greatly stimulated the empirical study of the links between inequality and other economic and political variables, was updated and extended in the UNU/WIDER-UNDP

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[41] The implementation of the bootstrap method follows Sosa Escudero and Gasparini (2000). For more theoretical references on the subject see Biewen (2002), Davidson and Duclos (2000) and Mills and Zandvakili (1997).

[42] Results for other variables and indices are available from the author upon request.

World Income Inequality Database (WIDER, 2000).[43] Using these and other secondary sources Milanovic (2002), Bourguignon and Morrison (2002) and Sala-i-Martin (2002) have recently computed income distributions for the world and its regions.[44] Other authors have used microdata to compare distributions from different regions of the world. Bourguignon, Ferreira and Leite (2002) and Székely and Hilgert (2001) have compared LAC countries with some developed countries at the microdata level.

This empirical literature unambiguously suggests that Latin America and the Caribbean is the region with the highest levels of inequality in the world, and that this has been true for as long as the statistics have been kept. [45] Each bar in Figure 4.1 indicates the value of the Gini coefficient for the distribution of household per capita income in countries located in four "regions" of the world.[46] Inequality in LAC countries is higher than in Asia, Eastern Europe and the Developed countries.[47] Income inequality in the least unequal LAC country (Uruguay in this sample) is higher than in the most unequal country in Eastern Europe and the industrialized countries, and not too far from the most unequal country in Asia. The nine most unequal countries in the sample belong to the LAC region. The fourteen LAC economies included in the graph are all among the twenty most unequal countries in the sample.

Figure 4.1 refers to income inequality. When inequality is measured on the distribution of household expenditures the conclusions do not seem to vary. Using information from the same source (WIDER, 2000) the average Gini in the 7 LAC countries with expenditure data in the 90s (44.0) is far above the average Gini in Asia (36.6) and Eastern Europe (30.4) and slightly higher than in Africa (43.3).[48]

Has Latin America been always more unequal than the rest of the world? The most widely cited source to answer this question has been Table 5 of Deininger and Squire (1996), which is reproduced here in Table 4.1. The table, which shows non-weighted averages of Gini coefficients by region, indicates that at least since the 60s inequality in LAC countries

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[43] Tabatabai (1996) at ILO also made an independent effort to put together distributional statistics for many countries in the world.

[44] Secondary datasets have some problems recently reviewed by Atkinson and Brandolini (2001) and Atkinson, Brandolini and Smeeding (2002).

[45] Deininger and Squire (1996), for instance, highlight the "familiar fact that inequality in Latin America is considerably higher than in the rest of the world".

[46] The Gini coefficients are taken from the UNU/WIDER-UNDP World Income Inequality Database. All countries with at least one observation in the period 1991-1999 with quality rating "reliable data" are included. When several observations are available for a given country we take the most recent data point.

[47] Africa is not included in this graph, since in that region there are not enough observations on income inequality.

[48] The dataset includes observations for Bolivia, Ecuador, Peru, Guyana, Jamaica, Mexico and Nicaragua. This set of countries does not have an average Gini coefficient for the household per capita income distribution significantly different from the LAC overall mean (just 0.4 Gini points higher).

has been higher than in any other region. With the exception of Sub-Saharan countries the differences in Gini points between LAC and the rest are very significant. This gap narrowed down in the 70s and became wider again in the 80s. There is not a clear pattern in the 90s: LAC has performed better than some regions in distributional terms (*e.g.* Eastern Europe) and worse than others (*e.g.* South Asia).

Although widely cited, the table should be interpreted very cautiously. Among its problems, (i) the sample of countries used to compute the regional statistics is unbalanced, (ii) income inequality statistics are mixed with expenditure inequality measures, (iii) some of the figures that are averaged out come from studies that use different methodologies, and (iv) data from the 90s is really very scarce.[49] In Table 4.2 some of these problems are alleviated. Gini coefficients are computed from a common sample of countries, they come from a small set of studies and hence are methodologically more consistent, and they all use income as the living standard variable. The general picture is not very different from Table 4.1. Inequality in LAC has been significantly higher than in Asia, OECD countries and Eastern Europe in the last three decades. There are no signs that this gap is narrowing down.[50]

It can be argued that inequality is related to the state of development of a country, and hence comparisons should be made controlling for this factor. Londoño and Székely (2000) compute for many countries in the world the difference between actual inequality and expected inequality given the level of development of the country, using regression analysis. The difference for LAC countries is positive, *i.e.* Latin America suffers from "excess inequality", which they find has fluctuated around 13 Gini points.

In a recent study Bourguignon and Morrison (2002) compute world income inequality statistics since 1820. From their survey it is possible to construct regional statistics. Table 4.3 shows three inequality measures computed for 5 regions since 1950. The figures are (non-weighted and population weighted) averages across countries or group of countries.[51] Although for some regions the statistics go back to 1820, LAC inequality measures start in 1950.[52] Once again Latin America emerges as a very unequal region compared to the rest of the world. The last panel of the table shows the difference in inequality between LAC and the rest of the regions in terms of Gini points. There is no evidence that the gap between LAC and the rest has narrowed down in the last 50 years. The story at the level of

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[49] For instance, in the sample Brazil has 15 observations from 1960 to 1989. Being Brazil a country with very high inequality, ignoring it in the 90s reduces the regional value for that decade, and biases the results for the decadal changes.

[50] The exception is the gap with Eastern Europe, a region that suffered strong distributional transformations in the 90s.

[51] For instance, for the case of LAC, Bourguignon and Morrison consider 5 "countries" (Brazil, Mexico, Argentina/Chile, Colombia/Venezuela/Peru and a group of smaller 37 countries).

[52] Most statistics are obtained from Deininger and Squire (1996), Maddison (1992), and Altimir (1996).

individual countries is similar: the 5 LAC countries/subregions considered in the study have been among the 8 most unequal countries/regions of the world since 1950.

As it was mentioned before, there are no consistent statistics for inequality before the 1950s. To calculate the world distribution between 1820 and 1950 Bourguignon and Morrison (2002) assume no changes in LAC distribution, arguing "the absence of strong evidence suggesting the distribution was much less unequal during the 19th century". They also refer to Malthus' suggestion that in 1820 inequality was much larger in Mexico than in England. Robinson and Sokoloff (2003) argue that "extreme inequality emerged soon after the Europeans began to colonize the Americas".

In another recent study Milanovic (2002) compute regional distributions where all individuals are treated equally as inhabitants of a given region.[53] LAC again appears as a region of high inequality. However, now it is Asia the region with the highest Gini coefficient. This is mainly due to the great disparities in national incomes across countries in that continent (*e.g.* includes Japan, Hong Kong, and Korea along with India or Bangladesh). In the decompositions performed by Milanovic and Yitzhaki (2002) with the same dataset, only 7% of overall inequality in LAC is due to between-country group inequality. The contribution of between-country Gini is 39% in Africa, 72% in Asia, 39% in Eastern Europe and Former Soviet Union and 18% in Western Europe, North America and Oceania. Compared to the rest of the world LAC emerges as a region comprised by relatively similar countries with high within inequality.

Summing up, although there are many methodological drawbacks in all the available evidence, differences in magnitude are sufficiently large to believe that inequality in LAC has been greater than in the rest of the world since at least the WWII, with the possible exception of Sub-Saharan Africa. Moreover, there are no signs that this gap has been narrowing down over time. Changes in inequality have been more or less similar on average to those of the rest of the world in the last half century. The widespread fall in inequality in the 70s was probably more pronounced in LAC, but this relative gain was lost in the 80s when inequality in LAC increased more rapidly than in the rest of the world. During the 90s inequality went up in LAC at about the world average rates.

It is interesting to notice that the position of most LAC countries in the world inequality ranking has been nearly unchanged during the last decades, despite changes in the economic, social and political environment. The last five decades have witnessed economic booms and crude recessions, inward growing models and exports-led growing strategies, widespread public sector interventions and extensive pro-market reforms, dictatorships and

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[53] Notice that this is not inter-national inequality within a region obtained by averaging (with or without weights) national levels of inequality.

democracies, but anyway in basically none of the LAC countries any of these scenarios changed the income distribution to make it significantly more similar to the distributions in other parts of the world. This observation suggests an important point: Latin America seems to be more unequal than the rest of the world for reasons beyond the economic cycle, or beyond particular economic policies. Doubtless, these factors have a very important role in shaping the distribution, and this role should be studied and better understood, but there seems to exist some underlying factors that are stronger determinants of the inequality levels in the region. Several chapters of this Report will elaborate more on this point.

In which sense LAC income distributions are different from the rest of the world that make them more unequal? Inequality, for instance, may be higher in LAC because of greater income concentration in the middle class and lower concentration in the bottom strata, compared to other regions. Tables 4.5 and 4.6 suggest that this is not the case. LAC distributions are mainly characterized by a very high income share of the rich, relative to countries in other regions.[54] Who are the losers from this "excess share"? The tables suggest the eight bottom deciles have lower income shares in LAC than in the rest of the world. If any, the "losses" seem more burdensome for the middle-class. If a typical LAC distribution had to mimic a typical income distribution of the rest of the world, the income share of the top ventile (*i.e.* the richest 5% of the population) would have to be reduced to devote the proceeds to increase more or less evenly the shares of the poorest 80% of the population.

Despite its high inequality, LAC has a better performance in terms of poverty than some other less-developed regions of the world, due to its higher per capita income. Poverty is lower in LAC than in Africa and Asia, with the possible exception of the Middle East and North Africa (see Table 4.7). World poverty has been significantly reduced in the last decade. Latin American record is better than that of Africa, Eastern Europe and some regions in Asia.

5. Looking inside household income

In section 3 we study the distribution among individuals of household equivalized real income. This variable can be written as $(Y^L + Y^{NL})/(AE^\theta . P)$, where Y^L stands for household total labor income, Y^{NL} represents household total non-labor income, AE are the number of equivalent adults in the household, θ a parameter for consumption economies of scale, and P the price index for the bundle consumed by the household. Differences in well-being among individuals, which are approximated by differences in equivalized household income, depend on differences in each of the factors in the previous equation. Differential prices are not studied in this paper due to lack of information, and θ is assumed to be fixed,

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[54] This fact is also highlighted in IADB (1998).

so we end up with three sources of differences: labor income, non-labor income and family size and structure. We now turn to these three components.

5.1. Labor income

For most individuals labor is the main income source. That role is magnified in household surveys, since most non-labor sources are usually not well-captured. Column (i) in Table 5.1 shows that the share of labor sources in total income is more than 80% in most LAC countries. The Table also shows the Gini coefficient for the distribution of individual labor income (columns (vii) to (ix)). Most of the conclusions in section 3 on the inequality rankings and trends remain valid when restricting the analysis to individual labor income.[55] Wodon (2001) performs source decompositions of the Gini coefficient, and concludes that about ¾ of the Gini for the distribution of per capita income is due to the contribution of inequality in the labor income distribution, since that source represents a very large share of total income in household surveys.

Individuals earn labor income from the use of their endowment of productive "labor assets" as body work, human capital, ability, contacts and so on. This section deals mostly with one of these assets: formal education.

Education

Formal education is certainly very important as an income determinant, but its central position in the literature also comes from its observability in surveys and census, which contrasts with the difficulty to obtain statistics for other relevant income determinants as natural ability, personal contacts, on-the-job training, and work ethics.

Table 5.2 shows the average number of years of formal education for adults aged 25 to 65 by income quintile and by age/gender group in each country/year.[56] There are significant differences across countries in the average years of education. While in Argentina, Chile, and Panama that average is around 10 years, for Guatemala, Honduras and Nicaragua the corresponding figure is lower than 6. These cross-country differences hold for all income quintiles, although the gap between the Southern Cone and the rest is wider for the poorest quintile.

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[55] Two exceptions are Colombia and Nicaragua, where the Gini coefficient for the distribution of individual labor income significantly increased in the 90s, while the Gini for household income stayed unchanged.

[56] Educational systems differ across countries and sometimes also over time within countries. See the web page of this study for details on the construction of educational variables. The variable years of education is recorded in most surveys. For those in which it is not, we estimate it from the maximum educational degree attained by a person and her age. Years of education are truncated in a maximum of 17 for people with graduate studies.

One remarkable phenomenon from Table 5.2 is the substantial increase in the average years of education in all LAC countries during the 90s, continuing a process initiated decades ago.[57] In most countries education increased along the income distribution, except for Argentina and Peru, where years of education of adults from the poorest households decreased. Figure 5.1 shows that the gap in years of education between the bottom quintile and the top quintile increased not only in these two countries, but also in more than half of the countries in the sample.[58] The educational gap has widened in Brazil and Mexico from already large values by LAC standards, and despite a sizeable increase in years of education in the bottom quintile of the income distribution.

Another remarkable fact highlighted in Table 5.2 is the reversion of the gap in years of education between men and women. In all LAC countries while men older than 50 have more years of education than women of the same age, the difference is in favor of women in the 10-30 age bracket.[59] For the working-age population (25 to 65) years of education are slightly greater for women in some countries (Argentina, Brazil, Jamaica, Panama, Trinidad and Tobago, Uruguay and Venezuela) and somewhat higher for men for the rest of the LAC countries.

In Table 5.3 people are divided according to age and household income quintiles. For most countries the gap in years of education between top to bottom quintiles is wider for young adults than for older people, suggesting increasing educational inequality over the last decades. For instance, in Bolivia 1999 while that gap is 7.8 years for people aged 51 to 60, and 8.6 years for people in the 41-50 bracket, it is 9.1 for individuals in their thirties. This is a sign of an unbalanced increase in education in Bolivia, that is also present in most LAC countries in the sample. Figure 5.2 shows that only in Chile and Mexico the educational gap between the poor and the rich is substantially lower in the cohort aged 31-40 than in the cohort aged 51-60. Table 5.3 also shows that during the last decade, the gap in years of education between top and bottom quintiles for youths aged 21-30 has not shrunk in almost any of the LAC countries. That is also the case for children between 10 and 20 in most countries, with the exceptions of Brazil, Chile, Ecuador, Mexico and Panama.

Recently, there have been efforts to gather educational information from most countries in the world. Table 5.4 summarizes data from an updated version of Barro and Lee (2000). All figures in the Table correspond to adults over 25. Results for the 90s are in general consistent with our estimates. LAC years of education are almost at the level of the world

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[57] The only country in Table 5.2 with a significant drop in years of education is Dominican Republic. However, recall that the survey frame in that country changed between 1995 and 1997, which makes the figures non-strictly comparable.

[58] This fact would have been even more noticeable if we had not truncated years of education in 17.

[59] Bolivia and Guatemala are the two clearest exceptions to this pattern.

average. The average schooling years of the LAC population has significantly increased in the last four decades at rates similar to the world average, as well. Thomas, Wang and Fan (2002) calculate Ginis over the distribution of years of education for 140 countries in the period 1960-2000. Data for LAC countries and regional averages are reproduced in Table 5.5. From that study LAC educational Ginis are around the world mean, higher than in the developed countries and Eastern Europe, slightly lower than in Asia and significantly lower than in Africa. This ranking has not substantially varied in the last four decades. Table 5.6 shows the results of computing educational Ginis from our sample of household surveys. The Southern Cone countries (Argentina, Chile and Uruguay), Jamaica, Panama and Trinidad & Tobago have the lowest inequality levels.

Educational Ginis have fallen for most of the LAC countries during the 90s. This result is not inconsistent with the widening gaps of Figure 5.1. Take the case of Brazil: from Table 5.2 between 1990 and 2001 years of education increased from 1.9 to 3.0 in the bottom quintile, and from 8.9 to 10.4 in the top quintile. The absolute difference in years of education between the rich and the poor has increased (as it is shown in Figure 5.1), but the ratio has decreased. This latter effect is captured by the Gini, a measure of relative rather than absolute differences among individuals.[60]

Table 5.7 shows a rough measure of education: the self-reported literacy rate by income quintile. Most countries have made substantial progress in terms of literacy and some have achieved nearly 100% literacy. However, the percentage of illiterate people is still very significant among the poor, reaching more than 30% in several countries.

In the analysis of the labor market that follows we classify the adult population into three educational groups according to years of education: low education (less than 8 years of schooling), medium (between 9 and 13) and high (more than 14). This roughly corresponds to unskilled, semi-skilled and skilled workers.[61] Table 5.8 shows the shares of each educational group in the adult population. The share of adults with high education has significantly increased in all the LAC countries in the sample, especially within the female population

Hourly wages: the returns to labor assets

Investing in education usually pays in the labor market, especially in terms of higher hourly wages. Looking at the distribution of hourly wages is important for two reasons. On the one hand, most of the differences in average earnings among educational groups are due to

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[60] The Gini coefficient, as most of the inequality indices, is scale-invariant (see Lambert, 1993).
[61] Also, this roughly corresponds to (i) primary complete or less, (ii) secondary incomplete or complete and (iii) at least some superior education.

differences in hourly wages, and much less to differences in hours of work or unemployment rates. The second reason why the distribution of hourly wages is relevant has its roots in normative issues. If people were completely free to choose hours of work and family size, the distribution of hourly wages (and some inherited assets) would become the primary concern in an equality-of-opportunity view of social fairness.

Table 5.9 shows the Gini coefficient for the distribution of hourly wages for different groups of workers. Most of the conclusions drawn from previous tables hold. The distribution of hourly wages has become more unequal in Argentina, Peru, Uruguay, and Venezuela, but also in countries like Colombia and Nicaragua, where household income inequality did not significantly change. In contrast, hourly earnings inequality decreased in Brazil. For the rest of the countries changes have been small and the signs usually depend on the group for which inequality is computed.

The literature has stressed the relevance of studying the wage gaps among educational groups as main determinants of inequality in hourly earnings. The "wage premium" earned by skilled workers has always been a major topic of interest for labor economists and other social scientists. In Table 5.10 we compute the wage gaps among three educational groups. For instance, in Brazil 2001 a skilled worker earned per hour in his primary job on average 6.5 times more than an unskilled worker. All figures in the table are higher than 1, meaning that more educated workers on average have higher hourly earnings. The wage premium for skilled workers increased in most countries during the nineties, even in some economies where household income inequality did not significantly change or even decreased, as Brazil (see also Figure 5.3). Instead, the wage gap between semi-skilled and unskilled workers (column (iii)) did not significantly increase in most countries, and decreased in some (see Figure 5.4). High educated people are increasingly differentiating from the rest, while the rest is becoming increasingly homogeneous.

Figures in Table 5.10 are unconditional means. In order to further investigate the relationship between education and hourly wages we run regressions of the logarithm of hourly wage in the primary job on educational dummies and other control variables (age, age squared, regional dummies, and an urban/rural dummy) for men and women separately.[62] Table 5.11 shows the results of these *Mincer* equations. For instance, in Argentina 2001 a male worker between 25 and 55 years old with a primary education degree earned on average nearly 22% more than a similar worker without that degree. Having secondary school complete implied a wage increase of 40% over the earnings of a worker with only primary school: the *marginal* return of completing secondary school -versus completing primary school and not even starting secondary school- is 40%. The

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[62] See Wodon (2000) and Duryea and Pages (2002) for estimates of returns to years of education in several LAC countries.

wage premium for a college education is an additional 76%. In Argentina the returns to primary and secondary school did not significantly changed over the last decade. In contrast, there was a large jump in the returns to college education (from 54% to 76%). That jump is also noticeable for working women, and for urban salaried workers (both men and women). Although not with the magnitude of the Argentinean changes, the marginal returns to college education increased in several other LAC countries during the nineties, particularly for urban salaried workers, confirming the results from the unconditional means (see Figure 5.5).[63]

The Mincer equation is also informative on two interesting factors: the role of unobservable variables and the gender wage gap. The error term in the Mincer regression is usually interpreted as capturing the effect on hourly wages of factors that are unobservable in household surveys, like natural ability, contacts, work ethics, and so on. An increase in the dispersion of this error term may reflect an increase in the returns to these unobservable factors in terms of hourly wages (Juhn *et al.* (1993)). Table 5.12 shows the standard deviation of the error term of each Mincer equation. The returns to unobservable factors have clearly increased in Argentina and Venezuela, while there were either no clear changes or reductions in the rest of the LAC countries.

Another way of investigating the role of factors different from education on inequality is computing the distribution of hourly wages *within* each educational group. Table 5.13 does that for prime-age males. Again, Argentina and Venezuela stand aside from the rest due to the significant increases in within inequality for all educational groups. In most countries inequality increased within the group of skilled workers, and did not increase or even decreased for the rest. Chile is one of the clearest examples, since the distribution of hourly wages became significantly more equal for low and medium educated workers, and more unequal within the skilled group.

The coefficients in the Mincer regressions are different for men and women, indicating that they are paid differently even when having the same observable characteristics (education, age, location). To further investigate this point we simulate the counterfactual wage that men would earn if they were paid like women. The last column in Table 5.12 reports the ratio between the average of this simulated wage and the actual average wage for men. In all cases this ratio is less than one, reflecting the fact that women earn less than men even when controlling for observable characteristics.[64] This result has two main alternative interpretations: it can be either the consequence of gender discrimination against women, or the result of men having more valuable unobservable factors than women (*e.g.* be more attached to work). The next chapter in this Report has more on this. Whatever the

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[63] Nicaragua and Peru experienced changes in the returns to skilled labor similar to those in Argentina.
[64] The only exception is Mexico 1996, where nonetheless the coefficient is not significantly different from 1.

interpretation is, it seems that the gender wage gap has shrunk in all countries during the last decade (see also Figure 5.6). Brazil has the widest gap between men and women, while in Argentina, Colombia, Mexico and Peru the gap is narrower than in the rest of the region.

Box 2: *Some simple decompositions*

A rough but illustrative way of inspecting what is behind the distributions is performing simple decompositions. Population is divided into groups according to a given variable and total inequality is expressed as a combination of inequality between groups and inequality within groups. Table B.1 shows the results of decompositions performed for the Theil inequality index on the distribution of wages for working adults aged 25 to 55.[65] The table suggests that in all LAC countries while formal education is an important factor in accounting for differences in wages, the roles of gender and age are marginal. This does not imply that for instance differences in wages between men and women are negligible, but instead that these differences are very small compared to differences in wages within each of the two gender groups.

The role of location (urban or rural) varies across countries. For instance, the wage gap between urban and rural areas accounts for 11% of overall wage inequality in Bolivia and just 2% in Venezuela. In many LAC countries the relevance of the urban/rural differences has decreased over the last decade.

The use of labor assets: hours worked, participation and unemployment

Are the differences in hourly wages reinforced by differences in hours of work? Table 5.14 suggests the opposite. Correlations between hours worked and hourly wages are negative and significant in all countries. Also, in most countries low-educated workers tend to work more hours than workers with more years of formal education. However, this gap is narrowing down in most LAC countries as hours worked have fallen for the unskilled, and increased for the skilled during the last decade (see Figure 5.7).

So far, we have focused on the group of workers. However, some working-able people may decide not to work or may not find a job even after actively looking for one. Table 5.15 shows basic statistics on employment, unemployment and duration of unemployment by education and gender. People with a college education participate in the labor market more than the rest. Also, the employment rates for men are much greater than for women. There

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[65] See also Wodon (2000) for similar decompositions although on a smaller sample.

does not seem to exist a clear pattern of changes in the employment gap between the skilled and the unskilled. Differences in employment rates between these educational groups have increased in some countries and decreased in others.

The unemployment rate for the unskilled is higher than for the skilled in more than half of the countries in the sample. Also, in most countries the difference in unemployment between the unskilled and the skilled has become larger over the last decade (see Figure 5.8), implying an unequalizing effect on the income distribution. In most LAC economies unemployment rates are greater for men than for women. The labor stories differ among countries. While unemployment soared in Southern South America, it remained stable and low in most of the rest of LAC. Finally, the last panel of Table 5.15 reports shorter spells of unemployment for the unskilled.

5.2. Non-labor income

Income from non-labor sources, once a primary object of interest for economists, does not occupy the core of the inequality studies today. This fact is due in part to the increasing relevance of labor as the main income source, and also because of the difficulties of getting reliable information on non-labor income sources.

Column (ii) in Table 5.1 shows the share of non-labor income in the LAC household surveys, while column (x) presents the Gini coefficient for the distribution of that variable. Non-labor income comprises capital income, profits and rents, and all sort of transfers, private and public, including pensions. The coverage of non-labor income greatly vary across surveys. While, for instance, some countries include detailed questions on income from capital and rents, some have a general vague question, and some decide not to include any question at all.

Capital income, land rents and profits are highly concentrated in the richest stratum of the income distribution (see Table 5.16). An increase in the share of these income sources (*e.g.* an increase in the rate of return for capital) may imply an unequalizing change in the income distribution. Inequality trends and differences across countries can then be accounted by differences in the share of these non-labor sources. Unfortunately, capital income, land rents and profits are seriously underestimated in household surveys. In nearly all countries the share of all of these income sources is between 2% and 4% (see Table 5.1).[66] Given this minor role, neither the reported level nor the changes in household income inequality discussed in this chapter are driven by capital income. As it was

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[66] Only Chile has a share higher than 10%, which may be just the consequence of a better survey design. This higher share does not seem to account for the high inequality level of Chile. Inequality in this country is still one of the highest in LAC, when restricting the analysis to the distribution of labor income (see Table 3.7).

mentioned in section 3, the inequality that can be measured from household surveys comes basically from differences in labor income and demographic factors.

The previous discussion suggests that if we could get good estimates of individual capital income and profits, the measured level of inequality would be a good deal higher. What about the trends in inequality? From the United Nations National Account Statistics, the LAC average share of non-labor sources in the GDP did not significantly changed during the nineties.[67] Harrison (2002) shows that over the 1960-1997 period the average labor share in LAC countries was almost constant (or slightly decreasing for some countries). In a recent paper Gollin (2002) finds that the labor share, when appropriately measured to include those workers who are self-employed or employed outside the corporate sector, does not vary much across countries or time periods.[68] The evidence of no significant changes in the share of labor and non-labor sources increases the confidence in the reported inequality changes obtained from household surveys that mostly ignore capital income. However, it is clear that more efforts and resources should be devoted to improve the measurement of capital income, rents and profits in LAC household surveys.[69]

Transfers are an important component of non-labor income. People receive private and public transfers, the latter in the form of cash subsidies and in-kind programs, like free education and health. As it was explained above in-kind transfers are not reported in household surveys and its analysis is deferred to Chapter 4 of this Report. Table 5.16 shows the distribution of cash transfers, excluding pensions. Perhaps surprisingly, the distribution is pro-rich, meaning that higher shares of total transfers go to high-income strata, probably as a consequence of the greater relevance of private transfers relative to public income support programs.[70] This pattern however seems to be changing, as the share of the bottom quintiles in total cash transfers has been increasing over the last decade.

In some countries the main item in non-labor income is pensions. In Argentina, Brazil, Costa Rica, Panama, Peru and Uruguay pensions account for more than half the value of

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[67] The average share changed from 0.60 to 0.59 using data for Argentina (1993; 1997), Bolivia (1991; 1996), Brazil (1990; 1999), Chile (1991), Colombia (1991; 1997), Costa Rica (1991; 1998), Dominican Republic (1991; 1996), Ecuador (1991; 1996), El Salvador (1991), Honduras (1991; 1998), Mexico (1991; 1999), Panama (1991; 1999), Paraguay (1991; 1999), Peru (1991; 1998), Uruguay (1991) and Venezuela (1991; 1999).

[68] Bernanke and Gurkaynak (2002) replicate and update Gollin's calculations for a larger sample of countries. They find that the labor shares in LAC are higher than those computed directly by UN National Account Statistics. Moreover, the heterogeneity between LAC countries seems to be lower.

[69] The need for more reliable information on capital income has been re-stressed as recent studies have given the distribution of non-labor assets a central role as a key determinant of the income distribution, income mobility and growth. See Birdsall and Londoño (1997), Deininger and Squire (1998) and Deininger and Olinto (2002).

[70] The only exception to this pattern is Chile.

non-labor income (see column (iv) in Table 5.1). Pensions are also concentrated in the upper income strata, although somewhat less than capital income (see Table 5.16).

Land is one of the most important assets in agrarian economies, like several in LAC. Table 5.17 reproduces data on the distribution of operational holdings of agricultural land, assembled by Deininger and Olinto (2002) (who in turn mainly used the decennial FAO World Census of Agriculture), and UNDP (1993). The data does not include adjustments for soil quality, land improvements or communal tenure arrangements and it refers to operational rather than the ownership distribution. Deininger and Olinto (2002) highlight the fact that the distribution of land is more concentrated than the distribution of income, and also that the cross-country variation is higher than that of income. Again, LAC emerges as a very unequal region compared to the other regions in the world.[71] Table 5.18 reproduces the Gini coefficients for the LAC countries.

Housing is probably the main asset that most people own. Several household surveys in LAC report whether the house is owned by the family who lives in, although very few report the value or the rental value of the dwelling. Table 5.19, built from our sample of household surveys, shows for each income quintile the share of families owning a house (the building and the lot). Housing ownership is widespread along the income distribution. Actually, in several countries the share of poor people who own a dwelling is higher than the corresponding share for the rich. However, Figure 5.9 shows than in most countries housing ownership in rich households has grown relative to poorer households in the last decade. Poor families live in houses smaller -in number of rooms- than richer households. Since poor families are also larger in size, the number of persons per room is significantly greater. Differences across income quintiles have not significantly varied over time in most LAC countries.

Fay, Yepes and Foster (2002) find that the distribution of housing values is less equally distributed than income in Chile and Peru. They find that in the last decade housing markets are increasingly excluding the poor, a conclusion that with different intensities we also find in Argentina, Bolivia, Brazil, Colombia, Honduras, Jamaica, Mexico, Nicaragua and Uruguay.

5.3. Demographics

Resources available to each person depend on the number of people among whom she has to share household total resources with. The size and composition of the household are key determinants of an individual's economic well-being. Table 5.20 shows the number of

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[71] Cardoso and Helwege (1992) report that the largest 7% of land holdings in LAC accounted for 77% of the land. See also Thiesenhusen (1995) for more evidence.

children under 12 by parental income quintiles and by education of the household head. The table reveals significant differences in means, being Southern South American nations, Jamaica and Panama the areas where families are of smaller size. All nations have experienced substantial reductions in the number of children per household during the last decade. In most of them reductions have been generalized across the income strata. Argentina is the exception, as the number of children under 12 in the bottom quintile increased between 1992 and 2001. In most of the LAC countries the ratio in the number of children between the bottom and the top quintile has increased in the last decade, hence contributing to higher income inequality (see Figure 5.10).[72]

Table 5.21 shows the number of members by equivalized income quintiles and by education of the household head. The results are similar to the previous table. Countries differ in the average family size, and in the gap between poor and rich families. Most of them show a similar pattern of falling number of persons per household along the income distribution, with the exceptions of Argentina and Uruguay where poorer families have become larger.

Inequality is reinforced if marriages take place between persons of similar income potential. Table 5.22 presents some simple linear correlations that suggest the existence of assortative mating in all LAC countries.[73] Men with more years of formal education tend to marry women with a similar educational background (column(i)). This is one of the factors that contribute to a positive correlation of hourly wages within couples shown in column (ii). There are no signs of changes in the degree of assortative mating in the last decade, according to these simple statistics. Finally, columns (iii) and (iv) show positive, though small, correlations in hours of work, both considering and excluding people who do not work.

Box 3: *Child labor*

The concern for child labor has recently been increasing. Table B3 shows the proportion of working children between 10 and 14 years old. Unfortunately, many surveys do not report labor statistics for younger children. While child labor is negligible in some countries, it is a sizeable phenomenon in others. There are significant differences in child labor across income strata.

Box 4: *Race*

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[72] The absolute difference in the number of children has also increased in many countries (see Table 5.20).
[73] See also Fernández, Guner and Knowles (2001).

In some countries the household survey reports the race or ethnicity of the individual. Based on that information Table B4 presents the ratio between non-white and white in wages and household per capita income. In all countries for which information is available non-whites earn less and are poorer than white people. Differences do not seem to have been significantly reduced in the last decade in Brazil.

Box 5: *Social capital and trust* [74]

Social capital has been broadly defined as the set of informal rules embedded in social relations and society's institutional arrangements that enable members to achieve their individual and community objectives (Coleman, 1990). Social interactions, in particular repeated interactions, produce obligations and expectations among individuals that generate trust between people easing and promoting cooperation and participation. This idea gave birth to a growing body of research that tries to assess the influence of social capital on a wide range of economic and political outcomes. [75]

Measuring social capital is not an easy task. The majority of the literature has relied on the World Values Surveys that has microdata for 30 (mostly) developed countries with questions about interpersonal trust and civic engagement. Using Latinbarometer we constructed two measures of social capital: a measure of *interpersonal-trust* and a measure of *institutional-trust*. [76] Using the mean value over the period 1996-2001 for each country we find that interpersonal and institutional trust increase with age and subjective income, and decreases with education and income inequality perception (see Table B5). [77]

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6. Inequality beyond income

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[74] This box was mainly written by Matías Busso.

[75] The literature has found that higher levels of social capital promote economic growth (Knack and Keefer, 1997), increase judicial efficiency, reduce government corruption (La Porta et al., 1997) and improve local government efficiency (Putman, 1993).

[76] The question used to construct the measure of *Interpersonal Trust* is: "Can you trust most people?" If the person answers affirmatively, then trust takes value of 1; otherwise it takes a value of zero. The variable *Institutional Trust* was constructed as a simple average of 8 questions. Latinbarometer asks people "How much can you trust the following organizations? Government, Congress, Judiciary, Church, Military, Police, Political Parties and TV." To construct the index of Institutional Trust we arbitrary assign a value of 1 if the person responds "A lot", 0.66 if she responds "Something", 0.33 if the answer is "A Little" and 0 if it is "Not at All".

[77] The results of multivariate regression analysis controlling for country-fixed effects confirm the unconditional results of Table B5.

Most of the empirical studies aimed at measuring the fairness of social arrangements are focused on the distribution of individual welfare. However, in the real world people seem to care also -and probably especially- about the distribution of particular goods and services. Probably more people would support programs aimed at guaranteeing equality in basic education and health care than programs whose main goal is reducing income or total consumption inequality. This specific egalitarism is supported by normative arguments based on the idea of equality of opportunity.[78] This section shows statistics on inequality in some of these variables for whose distribution people show particular concern: school enrollment, basic health status and services, political representation, safety from crime, and some basic social services (*e.g*. water). A basic level of these variables is often seen as a *right,* and hence inequality is viewed as particularly disturbing.

6.1. *School enrollment*

Guaranteeing equality of access to formal education is one of the goals of most societies. We use our sample of household surveys to calculate school enrollment statistics by income strata, to compute inequality measures of school attendance, and to investigate the issue of educational mobility linking children and youngsters' education to their parents'.

Table 6.1 shows school enrollment rates by equivalized income quintiles. The table tells, for instance, that in 1990 in Brazil 70% of children aged 6 to 12 who belonged to the bottom quintile attended school. That share was 93% in 2001, and 96% and 99% for the top quintile in 1990 and 2001, respectively. These numbers reflect some important phenomena: (i) attendance rates are increasing in household income, (ii) enrollment rates have increased over time for all quintiles, and (iii) the gap in attendance rates between poor and rich children has significantly narrowed down over the last decade.

Do these three results generalize to other age brackets and countries? The first result is quite general: in all countries schooling rates are increasing in income. Naturally, the differences between poor and rich are smaller for children in primary school age, and larger for youths at college age. Differences are also very large for children under 5.[79] The second result is also quite general: enrollment rates have increased over time along the income distribution in nearly all countries. On average increases have been greater in pre-primary school, followed by high school, college, and finally primary school, where several countries are close to achieve nearly universal schooling.

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[78] See Tobin (1970) and Roemer (1996), among others.
[79] In some countries statistics refer to schooling only for children 5 years old, since no information is recorded for younger children. See the web page for details.

The third result – the shrinking gap in enrollment rates between the poor and the rich– is quite general for children under 12 (see Figure 6.1).[80] Instead, the gap has widened in some countries for youths aged 13 to 17, and has become larger in most countries for youths aged 18 to 23. Differences in college attendance between the poor and the rich have increased in the region over the last decade.

The level of inequality in the distribution of conditional probabilities of attending school can be viewed as a measure of the inequities in the access to education. We estimate these conditional probabilities from logit models of the attendance decision, using parental equivalized income, age, gender, location and parental education as independent variables.[81] The Gini coefficients for the distribution of these conditional probabilities for different age groups are reported in Table 6.2 for each country/year. The higher the Gini the higher the differences in the probability of attending school among children of the same age. These differences can be due to parental income, but also to parental education, location or gender, all implicitly considered here unacceptable sources of differences in the access to schooling. Inequality in the probability of being enrolled in school is low for kids between 9 and 12 (column (i)). Countries that have achieved full enrollment naturally have a Gini close to 0. Chile, and especially Brazil, have attained large drops in this measure. Column (ii) shows the Gini for the distribution of conditional probabilities of attending secondary school for youths aged 15 to 17 who finished primary school. Ginis have been falling over the last decade in many countries. One notable exception is Brazil: the good results in primary school do not replicate at the high-school level. The table also shows substantial differences in the Gini coefficients across countries: from a negligible 4.5 in Argentina to 26.2 in Brazil. Column (iii) shows similar statistics but for youths aged 19 to 21. Inequities are in general higher in college than in high school, even when restricting the analysis to those youths who completed the previous educational level. In 2/3 of the countries the dispersion in the distribution of probabilities of attending college for those who finished high school increased over the period. The last column in Table 6.2 (also shown in Figure 6.2) summarizes inequalities along all the educational levels. The Gini over the distribution of conditional probabilities of attending college for all youths between 19 and 21 significantly fell in half of the LAC countries in the survey, and increased or did not significantly change for the rest.

Educational mobility

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[80] Of course, it could be the case that the gap in attendance rates narrows down, but the gap in the quality of education becomes larger. In this sense this section clearly falls short of a rigorous analysis that includes all dimensions of education.
[81] The analysis follows Gasparini (2002).

The analysis of schooling decisions leads us to the topic of educational mobility. The concept is simple: if family background explains child's opportunities, then social mobility is low. As we have seen in previous sections, during the 90s many LAC countries experienced an increase in income inequality. High inequality combined with high social mobility is seen as less worrisome than in a context of low social mobility.

Ideally, we would like to compute mobility for opportunities or for living standards. However, LAC countries do not have long panels that would allow doing that. In this section we follow the methodology developed in Andersen (2001) to provide estimates of *educational* mobility, *i.e*. the degree to which family education and income determine a child's education. The dependent variable is the schooling gap, defined as the difference between (i) years of education that a child would have completed had he entered school at normal age and advanced one grade each year, and (ii) the actual years of education. In other words, the schooling gap measures years of missing education. The Educational Mobility Index (EMI) is defined as 1 minus the proportion of the variance of the school gap that is explained by family background. In an economy with very low mobility, family background would be important and thus the index would be near zero.[82]

Table 6.3 shows the EMI for teenagers (13 to 19) and young adults (20 to 25) for all LAC countries in the sample. Educational mobility is relatively high in the Southern Cone and the Caribbean. There has not been substantial improvements in mobility in the region (see Figure 6.3). In many countries the EMI has not significantly changed over the last decade, while in some has decreased for both age groups. Only in Brazil and Panama there are unambiguous signs of higher mobility.

6.2. *Health*

There is a growing concern on health inequities both in public policy and in the academic literature. That concern has translated into a better understanding and measurement of disparities in health status and services indicators. The Demographic and Health Surveys (DHS) program is the main initiative in gathering information on a large number of health variables, as well as data on respondents' demographic, social and economic characteristics.[83] Table 6.4, built with information from that program, shows for each LAC country in the sample and for the average of other regions in the developing world statistics for different health status measures and health services indicators by quintile of socio-economic status. Socio-economic status is defined in terms of the ownership of assets in the household, rather than as income or consumption. Along with the statistics for each quintile each panel shows the concentration index (CI), a measure of the extent to which a particular

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[82] For technical details see Andersen (2001) and the technical notes in the web site of this study.
[83] See www.worldbank.org\poverty\health\data.

variable is distributed unequally across the income strata (see Lambert, 1993). "Bads", like children mortality, are usually more frequent among poor households. In that case by construction the CI is negative. The higher the CI in absolute value the more concentrated the "bad" in the poor households. In contrast, "goods" like immunization are more frequent in the top percentiles. In that case the CI is positive. The higher the CI the more concentrated the "good" in the most affluent households. In summary, if a region has values of CI closer to zero, health inequalities are assessed to be relatively low.

Panel A shows statistics on two measures of health status: under-5 mortality and children underweight. As expected, socioeconomic inequalities in health are to the disadvantage of the poor. Latin America and the Caribbean stands as a region of relatively good average health status measures but also as a region of high inequality.[84] The concentration index for LAC is, in absolute value, larger than the world mean for both under-5 mortality and children underweight. Some countries as Peru, Brazil, Dominican Republic and Bolivia have very high levels of inequality. Under-5 mortality among Peruvians in the top quintile is lower than in the countries in East Asia included in the DHS program (Indonesia, Philippines and Vietnam). In contrast under-5 mortality in the bottom quintile is higher in Peru than in these East Asian nations. Health inequality measures for prevalence of diarrhea (see panel B) are also relatively high in the LAC region. Again, Peru and Brazil stand as especially unequal countries. In contrast to the inequality statistics on health status, inequality in services like immunization, basic antenatal care and attended delivery in LAC do not seem higher than in other developing regions of the world. Anyway, the disparities are worrying. In Peru while nearly all deliveries in the top quintile are attended by a medically trained person, that proportion is only 14% in the bottom quintile.

Wagstaff and Watanabe (2000) compute measures of inequality for stunting, underweight and wasting, working with a sample of 20 countries and ranking individuals by equivalent consumption.[85] LAC countries in the sample systematically appear at the top of the inequality rankings. Peru has the most negative concentration index for stunting and underweight, and Nicaragua for wasting. Using consumption as a welfare indicator, Wagstaff (2000) reports that inequality in under-five mortality is particularly high in Brazil compared to other countries in the world.

6.3. *Political representation*

Disparities in income and wealth interact with disparities in representation and political influence. More influential groups tend to get more rents, and also more wealthy

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[84] See also Wagstaff (2001).
[85] "Stunting" is used to describe a condition in which children fail to gain sufficient height, given their age. The term "wasting" refers to a situation where a child has failed to achieve sufficient weight for height.

individuals tend to have more political influence. Statistics on inequality in political influence are naturally very hard to obtain. In recent papers Samuels and Snyder stress the legislative malapportionment as a measure of inequality in representation.[86] Malapportionment means a discrepancy between the shares of legislative seats and the shares of population held by electoral districts, and implies a failure in the rule "one person-one vote". Table 6.5 shows measures of malapportionment in both chambers in several LAC countries. A score of *x*% means that *x*% of seats are allocated to districts that would not receive those seats in case of perfect apportionment. The Table suggests that malapportionment is significantly higher in LAC than in the rest of the world. Samuels and Snyder (2001) show that this result holds when controlling for institutional variables.

Although malapportionment is linked to inequality in political representation, it does not necessarily imply a bias against the poor. We are clearly in need of more empirical work in this field.

6.4. *Safety from crime*

Safety from crime is one of the top concerns of the LAC population. The available evidence suggests that the region has the highest rates of homicide and crime victimization in the world.[87] The probabilities of being victim of a crime are not uniform along the income distribution. Although rich people are a more valuable target to criminals, they also have more means to protect themselves against crime.

Some recent studies have tried to assess whether crime has higher impact on poor people than on rich people. Since national victimization surveys are rarely available, researchers have used different other sources. Gaviria and Pagés (1999) use Latinbarometer from 1996 to 1998 to compute crime victimization across quintiles of a socio-economic index constructed from the ownership of durable goods and household characteristics. Table 6.6 reproduces their results.[88] Victimization moderately increases with wealth in all countries. Di Tella, Galiani and Schargrodsky (2002) use a survey especially designed for victimization analysis and conclude that in Buenos Aires "although high-income households used to suffer a significantly higher home victimization rate than low-income households, the difference has now turned non-significant. For street robberies both groups show similar augments in victimization". Fiszbein, Giovagnoli and Adúriz (2002) use a national household survey in Argentina and find that the rate of households reported being

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[86] See for instance Samuels and Snyder (2001).
[87] See for instance Shrader (2001).
[88] The question in Latinbarometer used for the study is: "Have you or any member of your family been assaulted, robbed or victimized in any way during the past twelve months?".

a victim of crime or violence in the previous six months is not significantly different along the income distribution.

6.5. *Basic services*

Tables 6.7 and 6.8 report statistics by income strata on the access to some basic services: water, hygienic restrooms and electricity.[89] The size of the gaps in the access to these services between the poor and the rich widely differ across LAC countries. Figure 6.4 is informative on these gaps, which tend to be larger for hygienic restrooms than for electricity and water, where coverage is more widespread. Anyway, in several countries the difference in the fraction of households with direct access to water or with electricity in the house between the top income quintile and the bottom quintile is more than 30 percentage points. Figure 6.4 shows that the gaps in the access to water, hygienic restrooms, and especially electricity have significantly narrowed down in most countries in the last decade. We also include information on the access to a telephone, although arguably it is not a basic social service.[90] The access to a telephone has dramatically increased in the region, especially for the wealthiest households.

7. Concluding remarks

This chapter presents and analyzes statistics on different dimensions of inequality for the LAC region, setting the stage for the following chapters of this Report. We have assembled a dataset of household surveys from 20 LAC countries, and used it to compute a set of statistics on the distribution of a wide set of variables. Results drawn from various authors complete the picture of LAC inequality presented in this chapter.

The paper stresses the need for improvements in data collection. The measurement of living standards in the region has some shortcomings that blur our picture of inequality and hurt our possibilities to do comparative analysis. Governments and international organizations should move toward the standardization of questionnaires across countries (without losing the idiosyncratic components), the improvement in capturing non-labor and non-monetary income, the generalization of consumption surveys, and the introduction of long panel surveys.

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[89] Water refers to the availability of a source of water in the house or lot. The variable restroom is equal to 1 when the household has a restroom with a toilet connected to the sewerage system or to a septic tank. The variable electricity includes all sources of electricity. Some definitions and classifications differ across surveys, so comparisons should be made carefully. See the web page for more details on the definitions for specific countries.
[90] The variable telephone includes fixed and cellular phones.

The existing data, however, is useful to provide (at least preliminary) answers to relevant questions on inequality levels, trends and structure. The tables of the paper provide useful information on the distribution of household income as well as labor, educational and demographic variables by country/year.

Income inequality has increased in the region since World War II. During the 90s the trends have not been uniform across countries: on average inequality has increased in South America, and remained stable in Central America and the Caribbean. Two paradigmatic cases are neighbors Argentina and Brazil. Argentina, once a very low-inequality country by LAC standards, has experienced dramatic unequalizing changes. In contrast, in Brazil, the most unequal country in the region, inequality has significantly fallen during the 90s. The evidence shown in the paper suggests a movement toward convergence in the country inequality levels for the whole region. LAC economies, already quite homogeneous in terms of inequality, are becoming even more uniform.

The available evidence suggests that Latin America is and has been the most unequal region in the world. Differences in inequality with respect to the rest of the world have not significantly changed in the last 50 years. The assessment of LAC as a high-inequality region is not restricted to income. The same conclusion arises when considering the distribution of consumption, land holdings, health status, and some measures of political representation.

The paper also analyzes other dimensions of the distribution, beyond inequality. Fueled by GDP growth, poverty measures have fallen and aggregate welfare has increased in most LAC countries in the 90s. However, increases in inequality have reduced the positive effects of growth: in some countries poverty increased and aggregate welfare fell (according to some value judgments) despite an increase in per capita GDP. Finally, educational mobility indicators have not increased in most LAC countries during the last decade.

Although there are many contributing factors, household income inequality computed from LAC household surveys is especially the result of an unequal distribution of education, combined with high wage premia for the skilled workers, and fertility rates decreasing in income and education. The intensity of these three factors seems to have increased in most LAC countries during the 90s.

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Table 3.1
Household surveys in LAC
Coverage and characteristics

						Does the survey cover			
Country	Year	Name of Survey	Coverage	Sample size Individuals	Population (in millions)	Expenditures?	Non-labor income?	Non-monetary income?	Implicit rent own housing?
(i)		(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)
Argentina	1992	EPH	Urban	67,776	33.4	No	Yes	No	No
	1996	EPH	Urban	63,387	35.2	No	Yes	No	No
	2001	EPH	Urban	48,048	37.5	No	Yes	No	No
Bolivia	1992	EIH	Urban	28,502	6.9	Yes	Yes	No	No
	1996	ENE	National	35,648	7.6	No	Yes	No	No
	1999	ECH	National	13,031	8.1	Yes	Yes	Yes	Yes
Brazil	1990	PNAD	National	306,493	144.7	No	Yes	No	No
	1995	PNAD	National	334,106	155.8	No	Yes	No	No
	2001	PNAD	National	378,837	172.6	No	Yes	No	No
Chile	1990	CASEN	National	105,189	13.1	No	Yes	Yes	Yes
	1996	CASEN	National	134,262	14.4	No	Yes	Yes	Yes
	2000	CASEN	National	252,748	15.2	No	Yes	Yes	Yes
Colombia	1992	ENH-FT	Urban	13,936	36.4	No	Yes	Yes	No
	1996	ENH-FT	National	137,423	39.3	No	Yes	Yes	No
	1999	ENH-FT	National	152,298	41.6	No	Yes	Yes	No
Costa Rica	1990	EHPM	National	36,272	3.0	No	Yes	No	No
	1995	EHPM	National	40,613	3.3	No	Yes	No	No
	2000	EHPM	National	40,509	3.6	No	Yes	No	No
Dominican Republic	1995	ENFT	National	23,730	7.7	No	No	No	No
	1997	ENFT	National	15,842	8.0	No	Yes	Yes	No
Ecuador	1994	ECV	National	20,873	11.2	Yes	Yes	Yes	Yes
	1998	ECV	National	26,129	12.2	Yes	Yes	Yes	Yes
El Salvador	1991	EHPM	National	90,624	5.4	No	Yes	No	Yes
	1995	EHPM	National	40,004	5.7	No	Yes	No	Yes
	2000	EHPM	National	71,665	6.3	No	Yes	Yes	No
Guatemala	2000	ENCOVI	National	37,771	11.4	Yes	Yes	Yes	Yes
Honduras	1990	EPHPM	National	47,056	4.8	No	No	No	No
	1995	EPHPM	National	29,804	5.6	No	No	No	No
	1999	EPHPM	National	33,772	6.4	No	Yes	Yes	No
Jamaica	1990	JSLC/LFS	National	8,269	2.4	Yes	Yes	No	No
	1996	JSLC/LFS	National	8,280	2.5	Yes	Yes	No	No
	1999	JSLC/LFS	National	8,921	2.6	Yes	Yes	No	No
Mexico	1992	ENIGH	National	50,862	86.4	Yes	Yes	Yes	Yes
	1996	ENIGH	National	64,916	92.7	Yes	Yes	Yes	Yes
	2000	ENIGH	National	42,535	98.0	Yes	Yes	Yes	Yes
Nicaragua	1993	EMNV	National	25,162	4.3	Yes	Yes	Yes	No
	1998	EMNV	National	22,423	4.8	Yes	Yes	Yes	No
Panamá	1991	EH-MO	National	38,000	2.4	No	Yes	No	No
	1995	EH-MO	National	40,320	2.6	No	Yes	No	No
	2000	EH-MO	National	39,562	2.9	No	Yes	No	No
Paraguay	1990	EH-MO	Urban	4,795	4.2	No	Yes	Yes	No
	1995	EH-MO	National	21,910	4.8	No	Yes	Yes	No
	1999	EPH	National	24,193	5.4	No	Yes	Yes	No
Perú	1991	ENNIV	National	11,845	22.0	Yes	Yes	Yes	Yes
	1994	ENNIV	National	18,662	23.1	Yes	Yes	Yes	Yes
	2000	ENNIV	National	19,961	25.7	Yes	Yes	Yes	Yes
Trinidad & Tobago	1992	ECV	National	6,220	1.2	Yes	No	No	No
Uruguay	1989	ECH	Urban	31,766	3.1	No	Yes	Yes	Yes
	1995	ECH	Urban	64,930	3.2	No	Yes	Yes	Yes
	2000	ECH	Urban	57,984	3.3	No	Yes	Yes	Yes
Venezuela	1989	EHM	National	224,172	18.9	No	No	No	No
	1995	EHM	National	92,450	21.8	No	Yes	Yes	Yes
	1998	EHM	National	80,311	23.4	No	Yes	Yes	Yes

Note: EPH: Encuesta Permanente de Hogares - onda octubre, EIH: Encuesta Integrada de Hogares, ENE: Encuesta Nacional de Empleo, ECH: Encuesta Continua de Hogares, PNAD: Pesquisa Nacional por Amostra de Domicilios, CASEN: Encuesta de Caracterización Socioeconómica Nacional, ENH-FT: Encuesta Nacional de Hogares-Fuerza de Trabajo, EHPM: Encuesta de Hogares de Propositos Multiples, ENCOVI: Encuesta Nacional sobre Condiciones de Vida, ENFT: Encuesta Nacional de Fuerza de Trabajo, ECV: Encuesta de Condiciones de Vida, EPHPM: Encuesta Permanente de Hogares de Propositos Multiples, JSLC: Jamaica Survey of Living Conditions, LFS: Labor Force Survey, ENIGH: Encuesta Nacional de Ingresos y Gastos de los Hogares, EMNV and ENNIV: Encuesta Nacional de Hogares Sobre Medicion de Niveles de Vida, EH-MO: Encuesta de Hogares-Mano de Obra, EHM: Encuesta de Hogares por Muestreo.

Table 3.2
Distribution of household per capita income
Share of deciles and income ratios

Country	Share of deciles										Income ratios		
	1 (i)	2 (ii)	3 (iii)	4 (iv)	5 (v)	6 (vi)	7 (vii)	8 (viii)	9 (ix)	10 (x)	10/1 (xi)	90/10 (xii)	95/80 (xiii)
Argentina													
1992	1.8	3.1	4.1	5.2	6.3	7.7	9.4	12.1	16.6	33.8	18.5	7.8	2.0
1996	1.4	2.7	3.7	4.7	5.9	7.3	9.2	11.9	16.8	36.4	25.4	9.6	2.2
1998	1.3	2.6	3.6	4.6	5.7	7.0	9.0	11.8	16.6	37.8	29.0	10.3	2.4
2001	1.0	2.1	3.1	4.1	5.4	6.9	9.0	12.0	17.5	38.9	39.1	13.8	2.4
Bolivia													
Urban													
1992	1.7	2.8	3.7	4.6	5.6	6.8	8.5	11.1	15.6	39.5	23.1	8.4	2.3
1996	1.7	2.7	3.5	4.4	5.4	6.6	8.2	10.9	15.9	40.8	24.5	9.3	2.4
National													
1996	0.5	1.5	2.6	3.7	5.0	6.4	8.4	11.1	16.4	44.4	81.2	20.8	2.5
1999	0.3	1.0	2.3	3.6	5.1	6.8	8.9	11.9	17.8	42.3	143.5	38.6	2.4
Brazil													
1990	0.8	1.5	2.2	3.0	4.1	5.4	7.3	10.4	16.5	48.7	63.2	19.2	3.0
1995	0.8	1.6	2.4	3.3	4.3	5.5	7.4	10.3	16.3	48.1	58.0	17.6	3.0
2001	0.9	1.7	2.5	3.4	4.5	5.8	7.5	10.4	16.1	47.2	54.4	16.1	2.9
Chile													
1990	1.3	2.3	3.0	3.8	4.8	6.0	7.6	10.1	15.4	45.8	36.2	11.1	2.9
1996	1.2	2.2	3.0	3.8	4.7	5.9	7.6	10.3	15.7	45.5	36.4	11.5	2.7
2000	1.2	2.2	2.9	3.7	4.7	5.8	7.4	10.0	15.2	47.0	40.6	11.4	2.9
Colombia													
Bogotá													
1992	1.0	2.2	3.0	3.9	4.9	6.3	8.1	11.0	16.8	42.7	42.0	12.9	2.8
1996	1.7	2.6	3.4	4.2	5.2	6.4	7.8	10.2	16.1	42.5	25.6	10.1	2.7
National													
1996	0.9	2.1	3.0	3.9	5.0	6.2	7.9	10.4	15.1	45.4	50.3	12.3	2.7
1999	0.8	1.9	2.8	3.7	4.8	6.1	7.7	10.3	15.4	46.5	57.8	14.5	2.8
Costa Rica													
1990	1.3	2.9	4.1	5.1	6.3	7.8	9.7	12.3	16.4	34.0	25.5	9.1	2.1
1995	1.4	2.9	4.0	5.1	6.3	7.7	9.6	12.2	16.5	34.2	24.1	9.0	2.0
2000	1.4	2.8	3.9	5.0	6.1	7.6	9.5	12.2	16.7	34.8	25.1	9.5	2.2
Dominican R.													
1995	1.5	2.6	3.5	4.4	5.4	6.7	8.3	10.9	15.6	41.2	26.8	9.4	2.5
1997	1.4	2.6	3.6	4.6	5.8	7.1	8.9	11.5	15.8	38.6	28.4	9.5	2.3
Ecuador													
1994	0.9	2.2	3.1	4.1	5.2	6.6	8.2	10.6	15.5	43.7	51.2	12.9	2.6
1998	0.7	1.9	2.9	3.9	5.0	6.4	8.3	10.8	15.9	44.2	63.6	15.2	2.6
El Salvador													
1991	1.1	2.3	3.3	4.3	5.4	6.7	8.5	11.1	15.7	41.5	37.4	10.8	2.4
1995	1.0	2.4	3.4	4.5	5.7	7.1	8.9	11.4	16.1	39.6	38.3	11.1	2.3
2000	0.9	2.0	3.1	4.2	5.5	6.9	8.8	11.4	16.5	40.6	47.4	14.1	2.3
Guatemala													
2000	0.7	1.6	2.5	3.4	4.5	5.8	7.5	10.1	15.5	48.4	68.7	17.3	3.0
Honduras													
1990	0.9	1.8	2.7	3.6	4.7	6.0	7.9	10.5	15.7	46.1	52.6	14.7	2.6
1995	1.0	2.0	2.8	3.8	4.9	6.3	8.0	10.8	16.2	44.2	44.9	13.4	2.5
1999	0.9	1.9	2.8	3.9	5.1	6.7	8.5	11.4	16.7	42.2	49.1	15.1	2.5
Jamaica													
1990	1.2	2.3	3.3	4.2	5.4	7.1	9.1	11.5	15.7	40.1	32.7	10.8	2.3
1996	0.9	2.1	3.1	4.0	5.3	6.7	8.2	10.9	16.2	42.7	46.9	13.2	2.6
1999	1.1	2.3	3.3	4.3	5.5	7.0	8.9	11.5	16.1	40.1	35.5	11.2	2.3
Mexico													
1992	1.0	2.1	3.0	4.0	5.0	6.3	7.9	10.4	15.6	44.8	47.1	13.2	2.5
1996	1.0	2.2	3.2	4.1	5.2	6.5	8.2	10.8	15.6	43.3	41.9	11.7	2.6
2000	1.0	2.1	3.1	4.1	5.2	6.5	8.2	10.7	16.0	43.1	45.0	12.9	2.5
Nicaragua													
1993	0.8	1.8	2.8	3.8	4.9	6.5	8.6	11.4	16.5	43.0	55.3	15.5	2.4
1998	0.8	1.9	2.9	4.0	5.2	6.6	8.3	11.0	15.6	43.7	55.6	14.6	2.3
Panama													
1991	0.5	1.5	2.7	3.8	5.0	6.4	8.6	11.9	17.7	42.0	80.5	22.7	2.4
1995	0.6	1.7	2.7	3.8	5.0	6.5	8.5	11.6	17.0	42.5	69.4	17.7	2.5
2000	0.7	1.7	2.7	3.8	4.9	6.3	8.3	11.3	17.0	43.3	62.3	18.2	2.6
Paraguay													
1995	0.7	1.5	2.4	3.4	4.5	6.0	7.8	10.5	15.6	47.5	67.9	18.0	2.8
1999	0.6	1.6	2.7	3.8	5.0	6.5	8.4	11.2	16.5	43.8	70.4	19.0	2.4
Peru													
1991	1.0	2.4	3.7	5.1	6.5	8.1	10.0	12.6	16.8	33.8	33.1	12.1	2.0
1994	1.2	2.5	3.6	4.7	5.9	7.4	9.3	12.0	16.5	36.9	31.4	10.7	2.1
2000	0.7	2.2	3.5	4.8	6.2	7.8	9.6	12.0	16.0	37.2	49.9	13.3	2.2
Trinidad & Tobago													
1992	0.9	2.3	3.6	4.9	6.0	7.4	9.2	11.9	17.2	36.6	40.6	12.7	2.1
Uruguay													
1989	2.0	3.4	4.5	5.6	6.8	8.0	9.7	11.9	15.7	32.4	16.0	6.5	1.9
1995	1.8	3.2	4.4	5.5	6.7	8.0	9.7	12.2	16.4	32.1	17.6	7.6	2.0
2000	1.8	3.0	4.1	5.2	6.4	7.8	9.5	12.1	16.6	33.5	18.9	8.1	2.1
Venezuela													
1989	1.7	3.1	4.2	5.3	6.5	7.9	9.7	12.2	16.3	33.2	19.5	7.9	2.0
1995	1.5	2.8	3.8	4.9	6.2	7.6	9.4	11.9	16.3	35.6	23.6	8.7	2.1
1998	1.3	2.7	3.7	4.9	6.1	7.6	9.4	12.0	16.7	35.6	28.2	9.5	2.2

Source: author's calculations based on microdata from household surveys.

Note: Column (xi)=income ratio between deciles 10 and 1; column (xii)=income ratio between percentiles 90 and 10, and column (xiii)=income ratio between percentiles 95 and 80.

Table 3.3
Distribution of household per capita income
Inequality indices

Country	Gini (i)	Theil (ii)	CV (iii)	A(.5) (iv)	A(1) (v)	A(2) (vi)	E(0) (vii)	E(2) (viii)
Argentina								
1992	44.7	0.362	1.074	0.162	0.295	0.503	0.349	0.576
1996	48.2	0.435	1.249	0.191	0.343	0.588	0.419	0.780
1998	49.5	0.451	1.208	0.200	0.359	0.599	0.444	0.730
2001	52.2	0.497	1.276	0.223	0.405	0.677	0.517	0.814
Bolivia								
Urban								
1992	49.5	0.490	1.408	0.203	0.346	0.541	0.425	0.991
1996	51.1	0.532	1.539	0.216	0.363	0.551	0.450	1.185
National								
1996	57.6	0.675	1.846	0.282	0.493	0.790	0.679	1.704
1999	57.8	0.633	1.643	0.287	0.532	0.851	0.760	1.349
Brazil								
1990	61.2	0.767	2.062	0.310	0.511	0.739	0.716	2.125
1995	60.0	0.735	1.875	0.299	0.494	0.722	0.681	1.759
2001	59.0	0.713	1.866	0.289	0.481	0.714	0.655	1.740
Chile								
1990	55.9	0.668	1.944	0.262	0.430	0.655	0.562	1.889
1996	56.1	0.652	1.803	0.261	0.431	0.651	0.564	1.626
2000	57.1	0.703	2.022	0.274	0.447	0.674	0.592	2.043
Colombia								
Bogotá								
1992	54.6	0.569	1.440	0.246	0.434	0.778	0.569	1.037
1996	52.4	0.540	1.422	0.224	0.374	0.551	0.469	1.010
National								
1996	56.1	0.707	2.811	0.270	0.447	0.701	0.593	3.951
1999	57.6	0.721	2.191	0.282	0.469	0.728	0.633	2.399
Costa Rica								
1990	45.6	0.381	1.111	0.173	0.321	0.581	0.387	0.617
1995	45.7	0.383	1.111	0.173	0.319	0.573	0.384	0.617
2000	46.5	0.389	1.083	0.177	0.326	0.581	0.396	0.586
Dominican R.								
1995	51.5	0.542	1.578	0.221	0.371	0.563	0.462	1.244
1997	49.7	0.498	1.520	0.207	0.359	0.580	0.444	1.155
Ecuador								
1994	54.8	0.627	1.758	0.255	0.436	0.706	0.573	1.546
1998	56.2	0.658	1.866	0.269	0.463	0.755	0.623	1.741
El Salvador								
1991	52.7	0.585	1.867	0.236	0.402	0.655	0.514	1.742
1995	51.3	0.526	1.511	0.223	0.393	0.669	0.499	1.141
2000	53.2	0.582	1.914	0.241	0.422	0.699	0.548	1.831
Guatemala								
2000	59.8	0.746	1.928	0.300	0.500	0.751	0.692	1.858
Honduras								
1990	57.8	0.733	2.295	0.283	0.466	0.696	0.627	2.633
1995	56.1	0.653	1.793	0.264	0.444	0.678	0.586	1.608
1999	55.0	0.586	1.525	0.251	0.440	0.705	0.580	1.163
Jamaica								
1990	51.7	0.520	1.406	0.222	0.388	0.637	0.491	0.988
1996	54.4	0.583	1.535	0.247	0.427	0.685	0.558	1.178
1999	52.0	0.585	1.954	0.232	0.394	0.627	0.501	1.909
Mexico								
1992	55.9	0.667	1.935	0.264	0.441	0.685	0.582	1.872
1996	54.4	0.616	1.864	0.249	0.424	0.683	0.551	1.738
2000	54.6	0.609	1.692	0.251	0.429	0.693	0.561	1.431
Nicaragua								
1993	55.9	0.629	1.711	0.263	0.454	0.719	0.605	1.463
1998	55.7	0.684	2.162	0.268	0.453	0.718	0.602	2.337
Panama								
1991	56.4	0.603	1.518	0.267	0.483	0.784	0.659	1.153
1995	55.9	0.593	1.465	0.261	0.469	0.771	0.632	1.073
2000	56.4	0.613	1.531	0.265	0.466	0.748	0.626	1.172
Paraguay								
1995	59.5	0.728	1.830	0.297	0.497	0.742	0.688	1.675
1999	56.8	0.690	2.370	0.277	0.477	0.760	0.649	2.808
Peru								
1991	47.1	0.400	1.137	0.185	0.352	0.648	0.433	0.646
1994	49.1	0.474	1.446	0.203	0.361	0.612	0.448	1.046
2000	49.8	0.485	1.374	0.215	0.400	0.728	0.510	0.944
Trinidad & Tobago								
1992	49.5	0.472	1.480	0.208	0.383	0.687	0.482	1.095
Uruguay								
1989	42.2	0.364	1.383	0.151	0.268	0.457	0.311	0.956
1995	42.7	0.326	0.982	0.149	0.275	0.487	0.321	0.482
2000	44.6	0.357	1.040	0.161	0.293	0.497	0.347	0.541
Venezuela								
1989	44.2	0.360	1.087	0.161	0.294	0.521	0.348	0.591
1995	46.9	0.418	1.230	0.183	0.327	0.571	0.398	0.757
1998	47.6	0.420	1.216	0.188	0.345	0.626	0.424	0.740

Source: author's calculations based on microdata from household surveys.

CV=coefficient of variation. A(ε) refers to the Atkinson index with a CES function with parameter ε. E(ε) refers to the generalized entropy index with parameter ε. E(1)=Theil.

Table 3.4
Distribution of equivalized household income
Share of deciles and income ratios

Country	Share of deciles										Income ratios		
	1	2	3	4	5	6	7	8	9	10	10/1	90/10	95/80
	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	(xi)	(xii)	(xiii)
Argentina													
1992	2.0	3.4	4.4	5.4	6.5	7.9	9.5	12.0	16.5	32.4	15.9	7.0	2.0
1996	1.7	3.0	4.0	5.0	6.2	7.6	9.3	11.9	16.6	34.7	20.9	8.4	2.1
2001	1.1	2.4	3.4	4.4	5.6	7.1	9.0	11.9	17.2	37.8	32.9	11.8	2.4
Bolivia													
Urban													
1992	1.9	3.0	3.9	4.8	5.9	7.0	8.6	11.1	15.4	38.2	20.5	7.5	2.3
1996	1.8	2.9	3.8	4.6	5.6	6.8	8.4	10.9	15.7	39.6	21.6	8.1	2.3
National													
1996	0.6	1.6	2.8	4.0	5.3	6.7	8.7	11.3	16.3	42.8	72.9	18.6	2.5
1999	0.3	1.1	2.5	3.9	5.5	7.2	9.1	12.1	17.6	40.7	126.5	33.8	2.4
Brazil													
1990	0.9	1.7	2.4	3.2	4.3	5.7	7.5	10.5	16.6	47.3	53.4	17.1	2.9
1995	1.0	1.8	2.6	3.5	4.5	5.7	7.6	10.4	16.3	46.6	48.1	15.3	2.9
2001	1.0	1.9	2.8	3.7	4.7	5.9	7.7	10.5	16.1	45.7	45.4	14.0	2.8
Chile													
1990	1.4	2.5	3.2	4.0	4.9	6.0	7.6	10.1	15.3	45.0	32.5	10.1	2.9
1996	1.4	2.4	3.1	4.0	4.9	6.0	7.7	10.3	15.5	44.7	32.7	10.5	2.7
2000	1.3	2.3	3.1	3.9	4.8	5.9	7.4	10.0	15.0	46.3	37.0	10.4	2.8
Colombia													
Bogotá													
1992	1.1	2.4	3.3	4.1	5.2	6.7	8.4	11.2	17.0	40.5	36.1	11.7	2.7
1996	1.8	2.8	3.6	4.5	5.4	6.5	7.9	10.2	15.9	41.4	23.1	9.1	2.7
National													
1996	1.0	2.3	3.3	4.2	5.3	6.5	8.1	10.5	14.9	43.9	44.1	11.1	2.7
1999	0.9	2.1	3.1	4.0	5.0	6.3	7.9	10.4	15.3	45.0	51.3	13.0	2.8
Costa Rica													
1990	1.4	3.1	4.4	5.5	6.6	8.0	9.8	12.2	16.2	32.9	22.9	8.3	2.1
1995	1.5	3.1	4.3	5.4	6.6	7.9	9.7	12.1	16.2	33.1	21.5	8.0	2.0
2000	1.5	3.0	4.2	5.3	6.4	7.8	9.7	12.2	16.4	33.5	22.4	8.7	2.2
Dominican R.													
1995	1.6	2.7	3.6	4.6	5.5	6.8	8.5	10.8	15.6	40.2	24.5	8.9	2.4
1997	1.5	2.8	3.8	4.9	6.0	7.3	9.1	11.6	15.8	37.3	25.3	8.9	2.2
Ecuador													
1994	0.9	2.3	3.4	4.3	5.5	6.8	8.4	10.7	15.2	42.3	45.4	11.2	2.6
1998	0.7	2.1	3.2	4.2	5.3	6.7	8.5	10.9	15.8	42.6	57.5	13.7	2.5
El Salvador													
1991	1.2	2.6	3.6	4.7	5.7	7.0	8.7	11.2	15.5	39.7	32.6	9.4	2.3
1995	1.1	2.6	3.7	4.8	6.0	7.3	9.0	11.4	15.9	38.1	33.7	9.9	2.3
2000	0.9	2.2	3.3	4.4	5.7	7.2	9.0	11.5	16.2	39.6	43.0	12.8	2.2
Guatemala													
2000	0.8	1.8	2.7	3.8	4.9	6.2	7.8	10.3	15.5	46.2	58.6	15.1	2.9
Honduras													
1990	1.0	2.0	3.0	3.9	5.0	6.4	8.2	10.9	15.9	43.9	45.7	13.2	2.5
1995	1.1	2.1	3.1	4.1	5.2	6.6	8.4	11.0	16.0	42.5	39.3	11.9	2.4
1999	1.0	2.0	3.0	4.2	5.4	7.0	8.8	11.6	16.7	40.3	42.4	13.5	2.4
Jamaica													
1990	1.4	2.6	3.5	4.5	5.7	7.4	9.3	11.6	15.5	38.4	28.3	8.9	2.2
1996	1.1	2.3	3.3	4.4	5.7	7.2	8.9	11.0	16.0	40.1	37.5	11.7	2.5
1999	1.3	2.5	3.6	4.7	5.9	7.4	9.4	11.9	16.1	37.1	28.4	10.1	2.0
Mexico													
1992	1.1	2.3	3.3	4.2	5.3	6.5	8.1	10.5	15.5	43.2	40.7	11.7	2.5
1996	1.2	2.4	3.4	4.3	5.4	6.7	8.3	10.8	15.6	41.8	36.1	10.6	2.6
2000	1.1	2.3	3.3	4.3	5.4	6.7	8.5	10.9	15.9	41.5	39.0	11.8	2.6
Nicaragua													
1993	0.9	2.0	3.0	4.0	5.2	6.8	8.8	11.6	16.4	41.4	48.1	14.9	2.4
1998	0.8	2.0	3.1	4.2	5.5	6.9	8.6	11.1	15.6	42.1	49.5	13.5	2.2
Panama													
1991	0.6	1.6	2.9	4.0	5.3	6.8	8.8	11.9	17.5	40.5	71.6	21.1	2.4
1995	0.7	1.9	3.0	4.1	5.3	6.8	8.7	11.7	16.8	41.0	60.2	16.3	2.5
2000	0.8	1.9	3.0	4.1	5.2	6.6	8.5	11.4	16.9	41.5	53.5	15.7	2.5
Paraguay													
1995	0.8	1.7	2.6	3.6	4.8	6.3	8.1	10.6	15.4	46.1	58.6	15.7	2.7
1999	0.7	1.7	2.9	4.2	5.3	6.8	8.6	11.3	16.4	42.1	60.3	17.0	2.4
Peru													
1991	1.1	2.5	3.9	5.2	6.7	8.2	10.2	12.7	16.7	32.8	30.6	11.4	1.9
1994	1.3	2.8	4.0	5.0	6.3	7.7	9.5	12.1	16.3	35.0	26.6	9.5	2.0
2000	0.8	2.3	3.7	5.0	6.5	8.0	9.8	12.0	15.9	35.8	44.4	11.9	2.1
Trinidad & Tobago													
1992	1.0	2.6	3.9	5.2	6.3	7.7	9.4	12.1	17.0	34.8	35.5	11.6	2.1
Uruguay													
1989	2.3	3.7	4.7	5.7	6.8	8.1	9.7	11.8	15.5	31.7	14.0	5.8	1.9
1995	2.1	3.5	4.7	5.7	6.8	8.1	9.8	12.2	16.2	31.0	15.0	6.7	2.0
2000	2.0	3.4	4.4	5.5	6.6	7.9	9.6	11.9	16.4	32.3	15.8	7.1	2.0
Venezuela													
1989	1.9	3.4	4.5	5.6	6.8	8.2	9.9	12.3	16.0	31.4	16.6	6.9	1.9
1995	1.7	3.1	4.2	5.3	6.5	7.9	9.6	12.0	16.0	33.8	20.2	7.6	2.0
1998	1.4	2.9	4.0	5.2	6.4	7.9	9.6	12.1	16.5	34.0	24.6	8.4	2.1

Source: author's calculations based on microdata from household surveys.
Note: Column (xi)=income ratio between deciles 10 and 1; column (xii)=income ratio between percentiles 90 and 10, and column (xiii)=income ratio between percentiles 95 and 80.

Table 3.5
Distribution of equivalized household income
Inequality indices

Country	Gini (i)	Theil (ii)	CV (iii)	A(.5) (iv)	A(1) (v)	A(2) (vi)	E(0) (vii)	E(2) (viii)
Argentina								
1992	42.6	0.327	0.996	0.147	0.269	0.463	0.313	0.496
1996	45.8	0.391	1.155	0.173	0.311	0.541	0.373	0.667
2001	50.4	0.461	1.210	0.207	0.376	0.639	0.471	0.732
Bolivia								
Urban								
1992	47.7	0.457	1.349	0.190	0.324	0.515	0.392	0.910
1996	49.3	0.496	1.473	0.202	0.340	0.522	0.416	1.085
National								
1996	55.8	0.630	1.727	0.267	0.473	0.777	0.640	1.492
1999	55.9	0.587	1.487	0.271	0.511	0.836	0.715	1.105
Brazil								
1990	59.5	0.717	1.916	0.293	0.486	0.710	0.666	1.836
1995	58.3	0.684	1.752	0.280	0.466	0.690	0.628	1.535
2001	57.2	0.665	1.780	0.271	0.453	0.681	0.603	1.584
Chile								
1990	54.7	0.635	1.837	0.251	0.412	0.632	0.531	1.687
1996	54.9	0.624	1.722	0.251	0.414	0.631	0.535	1.483
2000	56.1	0.681	1.955	0.265	0.432	0.655	0.565	1.911
Colombia								
Bogotá								
1992	52.4	0.510	1.295	0.226	0.407	0.761	0.522	0.838
1996	50.8	0.508	1.374	0.211	0.354	0.525	0.437	0.944
National								
1996	54.3	0.662	2.735	0.253	0.423	0.677	0.551	3.740
1999	55.8	0.676	2.102	0.266	0.446	0.706	0.591	2.209
Costa Rica								
1990	43.9	0.350	1.039	0.160	0.300	0.559	0.357	0.540
1995	44.0	0.352	1.043	0.160	0.298	0.545	0.353	0.544
2000	44.6	0.354	1.008	0.163	0.304	0.553	0.363	0.508
Dominican R.								
1995	50.2	0.516	1.524	0.210	0.354	0.543	0.437	1.161
1997	48.1	0.462	1.438	0.194	0.339	0.557	0.413	1.033
Ecuador								
1994	53.0	0.585	1.670	0.240	0.415	0.688	0.535	1.395
1998	54.3	0.606	1.709	0.252	0.441	0.740	0.581	1.460
El Salvador								
1991	50.5	0.536	1.726	0.218	0.375	0.626	0.470	1.490
1995	49.4	0.490	1.462	0.207	0.368	0.641	0.459	1.068
2000	51.8	0.558	1.839	0.230	0.404	0.681	0.518	1.690
Guatemala								
2000	57.4	0.675	1.752	0.277	0.467	0.724	0.630	1.535
Honduras								
1990	55.6	0.664	2.083	0.262	0.438	0.672	0.577	2.169
1995	54.1	0.598	1.657	0.245	0.417	0.653	0.540	1.373
1999	53.0	0.537	1.414	0.234	0.415	0.680	0.535	1.000
Jamaica								
1990	49.6	0.484	1.362	0.206	0.362	0.611	0.449	0.927
1996	51.5	0.518	1.406	0.222	0.391	0.648	0.496	0.989
1999	49.0	0.513	1.756	0.206	0.357	0.584	0.441	1.541
Mexico								
1992	53.9	0.612	1.773	0.246	0.415	0.659	0.536	1.571
1996	52.5	0.571	1.770	0.233	0.398	0.655	0.508	1.566
2000	52.7	0.558	1.568	0.233	0.404	0.665	0.518	1.229
Nicaragua								
1993	54.2	0.583	1.602	0.246	0.431	0.697	0.564	1.283
1998	53.9	0.632	1.981	0.252	0.430	0.698	0.562	1.961
Panama								
1991	54.7	0.561	1.423	0.252	0.460	0.766	0.616	1.012
1995	54.0	0.549	1.378	0.244	0.443	0.749	0.585	0.949
2000	54.4	0.565	1.440	0.246	0.437	0.721	0.575	1.037
Paraguay								
1995	57.8	0.693	1.808	0.282	0.473	0.717	0.640	1.635
1999	54.9	0.640	2.314	0.259	0.451	0.735	0.599	2.677
Peru								
1991	45.6	0.375	1.067	0.176	0.337	0.633	0.410	0.569
1994	46.7	0.420	1.294	0.183	0.332	0.577	0.403	0.837
2000	48.2	0.449	1.283	0.202	0.379	0.707	0.477	0.823
Trinidad & Tobago								
1992	47.2	0.415	1.277	0.188	0.355	0.661	0.438	0.815
Uruguay								
1989	40.8	0.344	1.359	0.142	0.250	0.425	0.287	0.923
1995	40.9	0.297	0.923	0.136	0.252	0.448	0.290	0.426
2000	42.5	0.324	0.980	0.146	0.266	0.454	0.309	0.480
Venezuela								
1989	41.7	0.317	0.989	0.144	0.266	0.484	0.309	0.489
1995	44.5	0.374	1.138	0.165	0.300	0.539	0.356	0.647
1998	45.5	0.382	1.133	0.173	0.321	0.598	0.387	0.642

Source: author's calculations based on microdata from household surveys.
CV=coefficient of variation. A(ε) refers to the Atkinson index with a CES
function with parameter ε. E(ε) refers to the generalized entropy index with parameter ε.
E(1)=Theil.

Table 3.6
Gini coefficient
Distribution of equivalized household income

Countries	Early 90s (i)	Mid 90s (ii)	Early 00s (iii)	Change (iv)
Argentina	42.6	45.8	50.4	7.7
Bolivia	54.3	55.8	55.9	1.6
Brazil	59.5	58.3	57.2	-2.3
Chile	54.7	54.9	56.1	1.4
Colombia	55.9	54.3	55.8	-0.1
Costa Rica	43.9	44.0	44.6	0.8
El Salvador	50.5	49.4	51.8	1.3
Honduras	55.6	54.1	53.0	-2.6
Jamaica	49.6	51.5	49.0	-0.6
Mexico	53.9	52.5	52.7	-1.2
Nicaragua	54.2		53.9	-0.2
Panama	54.7	54.0	54.4	-0.3
Peru	45.6	46.7	48.2	2.5
Uruguay	40.8	40.9	42.5	1.7
Venezuela	41.7	44.5	45.5	3.8
Average (non-weighted)	50.5	50.7	51.4	0.9
Average (weighted)	52.0	51.2	51.5	-0.5
Dominican Rep.		50.2	48.1	
Ecuador		53.0	54.3	
Guatemala			57.4	
Paraguay		57.8	54.9	
Trinidad and Tobago	47.2			

Source: author's calculations based on microdata from household surveys.
Notes: The Gini coefficients for Bolivia and Colombia for the early 90s were estimated
by extrapolating the change in the Gini for urban areas (see Table 3.5).
To compute the LAC average for mid 90s we assume a Gini of 54 for Nicaragua.

Table 3.7
Gini coefficients
Distribution of household income divided by alternative equivalent scales, household per capita income for urban and rural areas, household labor and monetary income per capita, total household income, and equivalized income for different age groups

Country	Per capita income	Equivalized income A	Equivalized income B	Equivalized income C	Equivalized income D	Equivalized income E	Per capita income Only urban	Per capita income Only rural	Per capita income Only labor	Per capita income Only monet	Per capita income Only labor monetary	Per capita income Urban labor monetary	Total household income	Equivalized income A Age 0-10	Equivalized income A Age 20-30	Equivalized income A Age 40-50	Equivalized income A Age 60-70
	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	(xi)	(xii)	(xiii)	(xiv)	(xv)	(xvi)	(xvii)
Argentina																	
1992	44.7	42.6	41.9	41.9	41.3	43.0	44.7		44.5	44.7	44.5	44.5	44.2	42.9	40.0	44.1	41.8
1996	48.2	45.8	44.8	45.0	44.1	46.3	48.2		47.9	48.2	47.9	47.9	45.3	45.0	43.8	48.0	42.7
2001	52.2	50.4	49.4	49.6	48.8	50.8	52.2		53.3	52.2	53.3	53.3	47.9	51.9	46.5	50.7	47.2
Bolivia																	
Urban																	
1992	49.5	47.7	47.2	47.1	46.6	47.9	49.5		49.3	49.5	49.3	49.3	48.7	47.1	46.6	49.7	48.9
1996	51.1	49.3	48.7	48.5	48.1	49.3	51.0		51.3	51.0	51.3	51.3	51.0	49.2	47.8	48.7	49.5
National																	
1996	57.6	55.8	55.4	55.1	54.8	55.8	50.7	59.1	57.4	57.5	57.4	51.1	58.0	54.9	52.4	57.5	61.7
1999	57.8	55.9	55.3	55.2	54.8	56.1	48.2	63.0	58.3	57.7	58.4	48.9	56.8	57.0	50.3	55.6	60.9
Brazil																	
1990	61.2	59.5	58.7	58.9	58.2	59.9	58.6	53.9	61.0	61.2	61.0	58.5	58.3	59.6	56.0	59.9	62.0
1995	60.0	58.3	57.5	57.6	56.9	58.6	58.0	54.2	60.6	60.0	60.5	58.2	56.9	57.8	55.7	58.8	57.4
2001	59.0	57.2	56.4	56.5	55.8	57.5	57.7	53.1	59.9	59.0	60.0	58.3	55.8	56.7	54.2	56.9	56.4
Chile																	
1990	55.9	54.7	54.1	54.3	53.8	54.9	54.9	58.2	56.8		57.1	55.5	55.4	55.7	52.7	54.4	55.1
1996	56.1	54.9	54.4	54.6	54.1	55.2	55.2	49.9	58.0		57.6	56.4	55.3	56.1	52.9	54.9	53.7
2000	57.1	56.1	55.5	55.9	55.3	56.4	56.5	52.4	58.5		57.8	56.9	55.5	57.9	52.6	59.4	52.7
Colombia																	
Bogota																	
1992	54.6	52.4	51.6	52.2	51.3	52.9	54.6		55.4	56.0	55.5	55.5	51.7	52.5	50.7	52.2	55.0
1996	52.4	50.8	50.3	50.1	49.8	51.0	52.4		52.6	53.1	52.9	52.9	51.8	49.7	48.0	53.0	49.5
National																	
1996	56.1	54.3	53.5	53.4	52.9	54.5	53.6	50.2	55.0	56.9	55.3	52.9	54.4	53.1	51.2	55.4	57.7
1999	57.6	55.8	55.0	55.2	54.4	56.3	55.1	55.0	57.2	58.6	57.7	55.9	55.1	55.1	52.0	58.9	58.2
Costa Rica																	
1990	45.6	43.9	43.3	43.2	42.7	44.0	42.9	43.2	45.5	45.6	45.5	43.2	45.0	43.8	41.2	42.9	46.8
1995	45.7	44.0	43.3	43.3	42.8	44.1	42.9	43.7	45.5	45.7	45.5	43.1	44.9	44.8	40.1	45.1	45.1
2000	46.5	44.6	44.1	43.8	43.4	44.8	44.2	44.0	46.4	46.5	46.4	44.7	46.4	44.0	42.7	43.4	48.6
Dominican R.																	
1995	51.5	50.2	49.6	49.7	49.2	50.5	53.5	44.4	51.4	51.4	51.4	53.4	50.3	49.0	48.0	53.2	52.4
1997	49.7	48.1	47.5	47.3	46.9	48.3	48.0	47.5	48.8	50.0	49.0	47.5	49.7	46.5	45.1	47.3	52.2
Ecuador																	
1994	54.8	53.0	52.2	52.3	51.6	53.3	51.8	51.5	54.0	55.3	55.3	52.2	52.8	53.8	50.4	55.3	53.7
1998	56.2	54.3	53.5	53.6	52.9	54.8	52.2	54.1	55.1	57.3	56.6	52.1	54.4	52.6	50.8	55.1	60.8
El Salvador																	
1991	52.7	50.5	49.7	49.5	48.9	50.7	49.5	47.8	54.9	52.7	54.9	50.0	50.8	49.4	48.6	51.1	54.3
1995	51.3	49.4	48.6	48.5	47.9	49.6	47.4	44.1	51.5	51.3	51.5	47.4	49.7	49.6	46.6	50.2	50.8
2000	53.2	51.8	51.0	51.0	50.4	52.2	50.3	46.8	52.8	53.2	52.8	50.8	51.3	48.2	49.0	50.6	59.2
Guatemala																	
2000	59.8	57.4	56.6	56.2	55.7	57.7	55.8	51.8	58.4	60.5	58.4	54.4	56.8	55.2	55.9	57.5	62.1
Honduras																	
1990	57.8	55.6	54.8	54.8	54.1	55.9	55.3	49.4	57.8	57.8	57.8	55.3	55.2	52.6	54.9	57.6	64.1
1995	56.1	54.1	53.3	53.2	52.6	54.4	52.2	55.5	56.1	56.1	56.1	52.2	53.6	51.9	50.4	57.3	54.3
1999	55.0	53.0	52.3	52.2	51.6	53.3	50.2	53.2	55.0	55.0	55.0	50.2	52.9	52.9	50.3	53.5	54.8
Jamaica																	
1990	51.7	49.6	48.7	48.8	48.1	49.9	49.8	52.4	52.6	51.7	52.6	50.3	48.8	49.5	48.9	49.1	45.9
1996	54.4	51.5	50.3	50.4	49.4	51.7	59.1	48.0	58.0	54.4	58.0	61.5	50.4	45.3	50.4	52.6	52.4
1999	52.0	49.0	47.4	47.9	46.5	49.7	54.9	46.8	55.4	52.0	55.4	57.3	48.2	46.5	46.8	54.8	49.1
Mexico																	
1992	55.9	53.9	53.0	53.1	52.3	54.2	52.7	52.4	56.3	55.2	55.5	52.4	52.8	52.6	52.5	56.8	59.5
1996	54.4	52.5	51.5	51.8	50.9	52.9	51.7	50.8	55.7	53.8	55.0	51.8	50.3	51.8	50.9	53.4	52.4
2000	54.6	52.7	51.8	52.0	51.3	53.0	50.9	52.1	55.0	54.6	54.9	50.8	51.3	51.2	49.9	53.6	57.6
Nicaragua																	
1993	55.9	54.2	53.3	53.6	52.9	54.6	52.5	53.9	57.2	57.7	58.6	54.9	53.4	54.1	52.2	53.4	53.1
1998	55.7	53.9	53.3	53.2	52.8	54.1	53.0	53.7	55.7	58.2	58.0	55.0	55.3	52.4	49.3	62.0	53.7
Panama																	
1991	56.4	54.7	53.8	54.0	53.3	55.1			54.4	56.4	54.4		54.0	54.9	51.0	55.5	57.0
1995	55.9	54.0	53.2	53.3	52.6	54.4	51.5	52.7	55.1	55.9	55.1	52.5	53.5	54.8	49.9	53.3	55.5
2000	56.4	54.4	53.6	53.6	52.9	54.7	52.2	54.2	56.9	56.4	56.9	53.2	54.4	53.6	50.6	52.5	59.0
Paraguay																	
1995	59.5	57.8	57.3	57.0	56.6	57.8	53.3	56.7	59.9		50.7	48.7	56.7	57.2	53.5	58.4	58.2
1999	56.8	54.9	54.3	53.9	53.5	54.8	50.3	59.9	57.2		65.7	65.2	54.3	53.2	51.4	56.8	52.9
Peru																	
1991	47.1	45.6	45.3	45.2	44.9	45.8	42.6	49.9	46.9	47.5	47.5	43.4	48.2	47.1	43.1	46.2	51.7
1994	49.0	46.7	45.9	45.6	45.0	46.9	45.5	45.4	50.2	50.3	50.2	46.0	47.9	45.1	44.2	46.7	47.4
2000	49.8	48.2	47.8	47.3	47.1	48.2	44.3	46.3	49.3	49.8	49.4	44.2	50.3	48.1	46.1	46.6	51.0
Trinidad & Tobago																	
1992	49.5	47.2	45.7	46.5	45.2	47.8	51.4	47.8	49.5	49.5	49.5	51.4	43.7	46.4	44.6	44.2	61.8
Uruguay																	
1989	42.2	40.8	40.2	40.3	39.9	41.0	42.2		45.0	43.3	46.1	46.1	43.2	41.5	37.6	40.2	41.8
1995	42.7	40.9	40.2	40.3	39.8	41.3	42.7		46.2	44.0	47.8	47.8	42.3	42.0	38.7	40.7	39.7
2000	44.6	42.5	41.5	41.8	41.0	43.1	44.6		47.9	45.8	49.5	49.5	42.0	43.0	40.9	41.6	40.6
Venezuela																	
1989	44.2	41.7	40.6	40.7	39.7	42.1	42.3	42.6	44.2	44.2	44.2	42.3	40.7	40.7	39.0	43.5	44.2
1995	46.9	44.5	43.7	43.4	42.8	44.7	45.4	45.3	46.7	46.9	46.7	45.1	45.1	42.7	42.4	43.8	46.2
1998	47.6	45.5	44.7	44.7	44.0	45.9	46.4	45.4	47.9	47.6	47.9	46.9	46.0	45.1	43.5	44.9	47.4

Source: author's calculations based on microdata from household surveys.

Note: Equivalized income A: $\theta=0.9$, $\alpha_1=0.5$ and $\alpha_2=0.75$; *B*: $\theta=0.75$, $\alpha_1=0.5$ and $\alpha_2=0.75$; *C*: $\theta=0.9$, $\alpha_1=0.3$ and $\alpha_2=0.5$; *D*: $\theta=0.75$, $\alpha_1=0.3$ and $\alpha_2=0.5$; *E*: Amsterdam scale. Adult equivalent equal to 0.98 for men between 14 and 17, 0.9 for women over 14, 0.52 for children under 14, and 1 for the rest.

Table 3.8
Trends in income inequality in LAC countries since 1970
Signs of the changes in the Gini coefficient.
Distribution of household per capita income

Country	70s		80s		90s	
	Londoño & Székely (i)	Morley/ Altimir (ii)	Londoño & Székely (iii)	Morley/ Altimir (iv)	Székely (v)	This study (vi)
Argentina		+		+		+
Bahamas	-	=	+	=		
Bolivia					+	+
Brazil	=	- or =	+	+	=	-
Chile	+	+ or =	+	+	=	+
Colombia	-	- or =	=	+ or -	=	=
Costa Rica		- or =	=	=	=	= or +
Dominican Rep.	=		+	+		
Ecuador					=	+
El Salvador					+	= or +
Guatemala	=		+			
Honduras	=		=		+	-
Jamaica	=	=	-	-	-	=
Mexico	-	-	+	+	=	= or -
Nicaragua					+	=
Panama	-		+	+	=	=
Paraguay					+	
Peru	-	+ or =	=		+	+
Uruguay		+ or =		-	=	+
Venezuela	-	-	=	+	+	+

Sources: Altimir (1994 and 1996), Morley (2001), Londoño and Székely (2000) and Székely (2001).
Note: signs refer to changes in the Gini coefficient of the distribution of household per capita income.

Table 3.9
Perceptions about unfairness of the income distribution
Latinbarometer, 2001

	Do yo think the income distrution is ..?					Gini coefficient	
	Very Fair	Fair	Unfair	Very unfair	Total	level	change
	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
Argentina	1.0	2.3	42.4	54.3	100.0	50.4	7.7
Bolivia	1.6	6.3	57.3	34.8	100.0	55.9	1.6
Brazil	0.8	12.8	50.7	35.7	100.0	57.2	-2.3
Chile	1.7	9.4	52.3	36.5	100.0	56.1	1.4
Colombia	0.6	3.5	41.4	54.5	100.0	55.8	-0.1
Costa Rica	1.3	14.2	51.9	32.7	100.0	44.6	0.8
Ecuador	3.2	6.6	57.9	32.3	100.0	54.3	
El Salvador	1.8	13.5	49.1	35.7	100.0	51.8	1.3
Guatemala	0.7	13.1	57.9	28.2	100.0	57.4	
Honduras	1.5	6.6	61.8	30.1	100.0	53.0	-2.6
México	1.3	14.4	51.2	33.1	100.0	52.7	-1.2
Nicaragua	2.1	13.3	54.7	29.9	100.0	53.9	-0.2
Panamá	0.4	4.7	40.8	54.0	100.0	54.4	-0.3
Paraguay	0.8	4.1	40.0	55.1	100.0	54.9	
Perú	1.3	4.0	57.7	36.9	100.0	48.2	2.5
Uruguay	1.1	6.8	60.5	31.6	100.0	42.5	1.7
Venezuela	6.3	21.1	48.1	24.5	100.0	45.5	3.8
Average	1.7	9.4	51.7	37.3	100.0	52.3	1.0

Source: Latinbarometer, 2001.

Table 3.10
Indices of bipolarization (EGR and Wolfson) and inequality (Gini)
Household per capita income and equivalized household income

Country	Household per capita income			Equivalized income		
	EGR	Wolfson	Gini	EGR	Wolfson	Gini
	(i)	(ii)	(iii)	(iv)	(v)	(vi)
Argentina						
1992	0.149	0.427	44.7	0.140	0.397	42.6
1996	0.158	0.454	48.2	0.147	0.419	45.8
2001	0.175	0.519	52.2	0.164	0.472	50.4
Bolivia						
Urban						
1992	0.171	0.442	49.5	0.162	0.413	47.7
1996	0.179	0.462	51.1	0.171	0.429	49.3
National						
1996	0.192	0.543	57.6	0.178	0.502	55.8
1999	0.200	0.630	57.8	0.188	0.587	55.9
Brazil						
1990	0.245	0.634	61.2	0.236	0.611	59.5
1995	0.239	0.629	60.0	0.230	0.593	58.3
2001	0.229	0.460	59.0	0.221	0.429	57.2
Chile						
1990	0.208	0.478	55.9	0.202	0.452	54.7
1996	0.195	0.482	56.1	0.189	0.454	54.9
2000	0.190	0.458	57.1	0.183	0.431	56.1
Colombia						
Bogotá						
1992	0.200	0.504	54.6	0.189	0.467	52.4
1996	0.190	0.425	52.4	0.183	0.393	50.8
National						
1996	0.183	0.422	56.1	0.172	0.391	54.3
1999	0.195	0.462	57.6	0.185	0.434	55.8
Costa Rica						
1990	0.146	0.430	45.6	0.137	0.396	43.9
1995	0.147	0.414	45.7	0.137	0.384	44.0
2000	0.155	0.442	46.5	0.145	0.412	44.6
Dominican R.						
1995	0.187	0.475	51.5	0.181	0.459	50.2
1997	0.163	0.446	49.7	0.156	0.428	48.1
Ecuador						
1994	0.196	0.496	54.8	0.185	0.466	53.0
1998	0.197	0.547	56.2	0.185	0.509	54.3
El Salvador						
1991	0.175	0.455	52.7	0.162	0.422	50.5
1995	0.163	0.446	51.3	0.151	0.414	49.4
2000	0.166	0.485	53.2	0.156	0.460	51.8
Guatemala						
2000	0.222	0.557	59.8	0.206	0.511	57.4
Honduras						
1990	0.209	0.519	57.8	0.196	0.483	55.6
1995	0.190	0.483	56.1	0.178	0.446	54.1
1999	0.189	0.496	55.0	0.177	0.461	53.0
Jamaica						
1990	0.168	0.492	51.7	0.155	0.447	49.6
1996	0.185	0.448	54.4	0.163	0.432	51.5
1999	0.171	0.473	52.0	0.155	0.440	49.0
Mexico						
1992	0.190	0.489	55.9	0.178	0.464	53.9
1996	0.185	0.490	54.4	0.176	0.460	52.5
2000	0.178	0.480	54.6	0.170	0.457	52.7
Nicaragua						
1993	0.204	0.569	55.9	0.194	0.537	54.2
1998	0.193	0.531	55.7	0.181	0.496	53.9
Panama						
1991	0.207	0.587	56.4	0.195	0.545	54.7
1995	0.199	0.537	55.9	0.186	0.499	54.0
2000	0.202	0.566	56.4	0.189	0.528	54.4
Paraguay						
1995	0.213	0.590	59.5	0.201	0.544	57.8
1999	0.225	0.609	56.8	0.214	0.564	54.9
Peru						
1991	0.145	0.418	47.1	0.138	0.400	45.6
1994	0.162	0.426	49.1	0.150	0.386	46.7
2000	0.145	0.431	49.8	0.136	0.402	48.2
Trinidad & Tobago						
1992	0.161	0.445	49.5	0.151	0.414	47.2
Uruguay						
1989	0.130	0.352	42.2	0.126	0.343	40.8
1995	0.136	0.385	42.7	0.130	0.365	40.9
2000	0.151	0.426	44.6	0.144	0.398	42.5
Venezuela						
1989	0.135	0.392	44.2	0.125	0.364	41.7
1995	0.144	0.418	46.9	0.132	0.381	44.5
1998	0.149	0.440	47.6	0.139	0.404	45.5

Source: author's calculations based on microdata from household surveys.
Note: EGR=Esteban, Gradin and Ray.

Table 3.11
Aggregate welfare

Country	Mean income from National Accounts				Mean income from household surveys			
	Mean income (i)	Sen (ii)	Atk(1) (iii)	Atk(2) (iv)	Mean income (v)	Sen (vi)	Atk(1) (vii)	Atk(2) (viii)
Argentina								
1992	100	100	100	100	100	100	100	100
1996	109	102	102	90	91	86	85	76
1998	119	109	108	96	101	92	92	82
2001	111	96	94	72	89	77	75	58
Bolivia								
1996	100	100	100	100	100	100	100	100
1999	104	104	96	74	122	122	112	87
Brazil								
1990	100	100	100	100	100	100	100	100
1995	108	111	112	115	137	141	142	145
2001	113	120	120	124	133	140	141	145
Chile								
1990	100	100	100	100	100	100	100	100
1996	148	147	148	150	142	142	142	144
2000	161	157	157	153	153	149	148	144
Colombia								
1996	100	100	100	100				
1998	100	97	96	91				
Costa Rica								
1990	100	100	100	100	100	100	100	100
1995	116	116	116	118	119	118	119	121
2000	123	121	122	123	125	123	124	125
Dominicana								
1995	100	100	100	100	100	100	100	100
1997	112	116	114	108	119	123	121	114
Ecuador								
1994	100	100	100	100	100	100	100	100
1998	100	97	95	83	96	93	91	80
El Salvador								
1991	100	100	100	100				
1995	120	123	122	115				
2000	126	125	122	110				
Honduras								
1990	100	100	100	100				
1995	103	107	107	109				
1999	101	108	106	98				
Mexico								
1992	100	100	100	100	100	100	100	100
1996	98	101	101	99	78	80	80	78
2000	116	120	119	114	104	107	107	102
Nicaragua								
1993	100	100	100	100	100	100	100	100
1998	108	108	108	108	111	112	112	112
Panama								
1991	100	100	100	100	100	100	100	100
1995	111	112	114	118	128	129	131	135
2000	123	123	127	143	130	130	134	151
Paraguay								
1995	100	100	100	100	100	100	100	100
1999	92	99	96	86	90	96	94	84
Peru								
1991	100	100	100	100	100	100	100	100
1994	112	107	110	123				
2000	124	118	115	96	114	108	106	88
Uruguay								
1989	100	100	100	100	100	100	100	100
1995	116	115	115	110	100	99	99	94
2000	123	118	118	114	112	107	108	104
Venezuela								
1989	100	100	100	100	100	100	100	100
1995	109	104	104	98	90	86	86	81
1998	109	102	101	85	94	88	87	73

Source: author's calculations based on microdata from household surveys and per capita GDP from World Bank (2001), World Development Indicators, WDI -CD-ROM.
Note: see Lambert (1993) and the web page of this study for details on the aggregate welfare functions. Atk(ε) refers to the function proposed by Atkinson (1970): a CES function with parameter equal to ε. Early 90s observation for each country=100

Table 3.12
Poverty in LAC countries
Headcount ratio (share of population below the poverty line)

Country	Szekely (1997) (i)	Szekely (2001) (ii)	Wodon (2001) (iii)	Sala-i-Martin (2002) (iv)
Argentina				
Early 90s			14.6	
Mid 90s		18.4	15.2	
Late 90s		17.9		
Bolivia				
Early 90s		63.4	73.4	26.5
Mid 90s		62.1	64.5	
Late 90s		61.4		40.1
Brazil				
Early 90s	46.3	48.3	46.7	16.5
Mid 90s	43.5	44.7	36.7	
Late 90s		41.3		12.9
Chile				
Early 90s	31.0	32.4	46.1	10.1
Mid 90s		18.3	28.0	
Late 90s		16.1		2.2
Colombia				
Early 90s	23.8	42.4	53.6	17.2
Mid 90s		38.8	52.2	
Late 90s		37.8		17.0
Costa Rica				
Early 90s	24.7	34.2		11.2
Mid 90s	22.1	28.7		
Late 90s		30.5		9.2
Dominican Republic				
Early 90s			49.5	22.6
Mid 90s		38.1	47.4	
Late 90s		34.5		8.4
Ecuador				
Early 90s			49.2	13.9
Mid 90s		49.5	55.2	
Late 90s		48.0		13.6
El Salvador				
Early 90s				21.6
Mid 90s		58.6		
Late 90s		64.0		16.8
Guatemala				
Early 90s				28.5
Late 90s				25.1
Guyana				
Early 90s				27.2
Late 90s				12.8
Honduras				
Early 90s	67.8	77.2	60.1	36.7
Mid 90s	65.6	76.3	63.0	
Late 90s		75.3		47.2
Jamaica				
Early 90s	27.4			8.1
Mid 90s	25.1			
Late 90s				6.1
Mexico				
Early 90s	19.3	16.2	26.9	4.5
Mid 90s	19.7	21.2	32.1	
Late 90s		21.2		1.8
Nicaragua				
Early 90s		70.7		28.8
Late 90s		72.7		47.3
Panama				
Early 90s	48.4	47.8		17.9
Mid 90s		47.8		
Late 90s		36.6		10.0
Paraguay				
Early 90s			39.7	22.8
Mid 90s		52.1	39.5	
Late 90s		61.1		22.3
Peru				
Early 90s		41.9		15.3
Mid 90s	35.0	44.0		
Late 90s		42.4		12.5
Trinidad and Tobago				
Early 90s				0.4
Late 90s				0.1
Uruguay				
Early 90s		23.2	18.0	0.9
Mid 90s		16.6	19.4	
Late 90s		13.6		0.1
Venezuela				
Early 90s	14.3	12.6	30.2	4.2
Mid 90s	13.4	15.2	41.2	
Late 90s		20.6		4.8

Poverty lines: Székely (1997, 2001) and Sala-i-Martin (2002): 2U$S a day.
Wodon (2001): twice the food poverty lines which are based on the cost of
country-specific food baskets providing 2,200 kcal per day per person.

Table 3.13
Distribution of household per capita income
Gini coefficient: value, standard error, coefficient of variation and
*95% confidence interval ***

Country	Value (i)	Std. Err (ii)	Coef. Var. (iii)	95% interval (iv)
Argentina				
1992	44.7	0.326	0.7	(44.1, 45.4)
1996	48.2	0.431	0.9	(47.8, 48.8)
1998	49.5	0.354	0.7	(49.0, 50.2)
2001	52.2	0.304	0.6	(51.7, 52.9)
Bolivia				
Urban				
1992	49.5	0.406	0.8	(48.8, 50.4)
1996	51.1	0.529	1.0	(50.3, 52.1)
National				
1996	57.6	0.360	0.6	(56.9, 58.4)
1999	57.8	0.573	1.0	(56.8, 59.1)
Brazil				
1990	61.2	0.134	0.2	(60.9, 61.5)
1995	60.0	0.119	0.2	(59.8, 60.3)
2001	59.0	0.113	0.2	(58.8, 59.2)
Chile				
1990	55.9	0.281	0.5	(55.3, 56.4)
1996	56.1	0.360	0.6	(55.4, 56.7)
2000	57.1	0.435	0.8	(56.4, 58.1)
Colombia				
Bogotá				
1992	54.6	0.451	0.8	(53.7, 55.4)
1996	52.4	0.496	0.9	(51.4, 53.3)
National				
1996	56.1	0.377	0.7	(55.3, 56.8)
1999	57.6	0.375	0.7	(56.9, 58.3)
Costa Rica				
1990	45.6	0.297	0.7	(45.0, 46.2)
1995	45.7	0.250	0.5	(45.3, 46.2)
2000	46.5	0.234	0.5	(46.1, 47.0)
Dominican R.				
1995	51.5	0.407	0.8	(50.6, 52.2)
1997	49.7	0.497	1.0	(48.7, 50.6)
Ecuador				
1994	54.8	0.545	1.0	(53.8, 55.9)
1998	56.2	0.494	0.9	(55.2, 57.2)
El Salvador				
1991	52.7	0.272	0.5	(52.1, 53.1)
1995	51.3	0.331	0.6	(50.7, 51.9)
2000	53.2	0.664	1.2	(52.1, 54.7)
Guatemala				
2000	59.8	0.437	0.7	(58.9, 60.6)
Honduras				
1990	57.8	0.487	0.8	(56.8, 58.8)
1995	56.1	0.548	1.0	(55.1, 57.2)
1999	55.0	0.448	0.8	(54.1, 55.9)
Jamaica				
1990	51.7	0.691	1.3	(50.3, 52.9)
1996	54.4	1.216	2.2	(52.0, 56.8)
1999	52.0	1.245	2.4	(49.6, 54.5)
Mexico				
1992	55.9	0.493	0.9	(55.0, 57.1)
1996	54.4	0.383	0.7	(53.6, 55.0)
2000	54.6	0.508	0.9	(53.7, 55.6)
Nicaragua				
1993	55.9	0.442	0.8	(55.0, 56.7)
1998	55.7	0.877	1.6	(53.9, 57.3)
Panama				
1991	56.4	0.294	0.5	(55.7, 56.9)
1995	55.9	0.293	0.5	(55.3, 56.5)
2000	56.4	0.283	0.5	(55.9, 56.9)
Paraguay				
1995	59.5	0.401	0.7	(58.8, 60.3)
1999	56.8	0.516	0.9	(55.9, 58.0)
Peru				
1991	47.1	0.416	0.9	(46.3, 47.8)
1994	49.0	0.475	1.0	(48.1, 49.6)
2000	49.8	0.387	0.8	(48.9, 50.5)
Trinidad & Tobago				
1992	49.5	0.950	1.9	(47.6, 51.4)
Uruguay				
1989	42.2	0.391	0.9	(41.5, 43.0)
1995	42.7	0.137	0.3	(42.5, 43.0)
2000	44.6	0.147	0.3	(44.3, 44.9)
Venezuela				
1989	44.2	0.137	0.3	(43.8, 44.4)
1995	46.9	0.237	0.5	(46.4, 47.4)
1998	47.6	0.213	0.4	(47.2, 48.0)

Source: author's calculations based on microdata from household surveys.

* Estimation by bootstrap with 200 replications

Table 4.1
Gini coefficients of the distribution of household income or expenditures
Decadal averages by region
From Deininger and Squire (1996)

Region	1960s	1970s	1980s	1990s	Overall average
Gini coefficients					
Latin America and the Caribbean	***53.2***	***49.1***	***49.8***	***49.3***	***49.8***
Sub-Saharan Africa	49.9	48.2	43.5	47.0	46.1
Middle East and North Africa	41.4	41.9	40.5	38.0	40.5
East Asia and the Pacific	37.4	39.9	38.7	38.1	38.8
South Asia	36.2	34.0	35.0	31.9	35.1
Industrial countries and high-income developing countries	35.0	34.8	33.2	33.8	34.3
Eastern Europe	25.1	24.6	25.0	28.9	26.6
Difference in Gini points: LAC vs.					
Sub-Saharan Africa	3.3	0.9	6.3	2.4	3.7
Middle East and North Africa	11.9	7.1	9.3	11.3	9.3
East Asia and the Pacific	15.8	9.2	11.1	11.2	11.0
South Asia	17.0	15.1	14.7	17.4	14.7
Industrial countries and high-income developing countries	18.2	14.3	16.5	15.6	15.5
Eastern Europe	28.2	24.4	24.7	20.4	23.2

Source: Deininger and Squire (1996).

Table 4.2
Gini coefficients of the distribution of household per capita income
Common-sample countries
Decadal averages by region
From various sources

Region	1970s	1980s	1990s	Overall average
Levels				
Latin America and the Caribbean	**48.4**	**50.8**	**52.2**	**50.5**
Asia	40.2	40.4	41.2	40.6
OECD	32.3	32.5	34.2	33.0
Eastern Europe	28.3	29.3	32.8	30.1
Changes		*70s-80s*	*80s-90s*	*70s-90s*
Latin America and the Caribbean		**2.4**	**1.3**	**3.7**
Asia		0.2	0.8	1.1
OECD		0.2	1.7	1.9
Eastern Europe		1.0	3.5	4.5
Difference in Gini points: LAC vs.				
Asia	8.3	10.4	10.9	9.9
OECD	16.1	18.3	18.0	17.5
Eastern Europe	20.2	21.6	19.4	20.4

Source: author's calculations based on WIDER (2000), Smeeding and Grodner (2000), Székely (2001) and own estimates for LAC.

Table 4.3
Gini coefficients of the distribution of household per capita income
Selected years by region
From Bourguignon and Morrison (2002)

	Non-weighted statistics					Population-weighted statistics				
	1950	1960	1970	1980	1992	1950	1960	1970	1980	1992
Share bottom quintile										
Africa	5.4	5.4	5.3	5.3	5.1	6.8	6.8	6.6	6.6	6.5
Asia	6.0	6.1	6.1	6.0	6.1	6.3	6.5	6.4	6.3	6.2
Latin America	**4.3**	**4.2**	**4.2**	**4.0**	**4.0**	**4.2**	**4.1**	**4.1**	**4.0**	**4.0**
Eastern Europe	6.8	6.8	6.8	6.8	6.8	7.0	6.9	6.9	6.8	6.7
Developed countries	5.0	5.0	5.2	5.3	5.4	4.7	4.7	4.8	4.9	4.8
Share top quintile										
Africa	54.2	54.2	55.0	55.3	55.5	49.1	49.2	50.1	50.5	50.7
Asia	50.0	48.8	49.0	49.7	49.8	48.7	48.0	48.1	50.5	51.0
Latin America	**59.2**	**59.6**	**61.2**	**62.0**	**62.0**	**59.7**	**60.1**	**62.1**	**62.6**	**62.6**
Eastern Europe	45.7	45.7	45.7	45.7	45.7	44.4	44.6	44.7	44.9	45.2
Developed countries	45.9	45.7	44.6	44.3	44.5	45.8	45.8	44.8	44.5	45.4
Gini coefficient										
Africa	46.5	46.5	47.3	47.6	48.0	40.8	41.0	41.8	42.2	42.5
Asia	41.7	40.7	40.9	41.5	41.6	40.3	39.5	39.7	41.7	42.3
Latin America	**51.9**	**52.3**	**53.4**	**54.2**	**54.2**	**52.4**	**52.8**	**54.2**	**54.7**	**54.8**
Eastern Europe	37.2	37.2	37.2	37.2	37.2	35.8	36.1	36.3	36.5	36.9
Developed countries	39.5	39.3	38.2	37.8	37.8	39.8	39.8	38.9	38.6	39.2
Difference in Gini points: LAC vs.										
Africa	5.4	5.8	6.1	6.6	6.3	11.6	11.8	12.4	12.5	12.3
Asia	10.1	11.7	12.5	12.8	12.7	12.1	13.3	14.4	13.0	12.4
Eastern Europe	14.7	15.1	16.2	17.1	17.1	16.6	16.8	17.9	18.2	17.9
Developed countries	12.4	13.0	15.1	16.5	16.5	12.6	13.0	15.2	16.1	15.5

Source: author's calculations based on Bourguignon and Morrison (2002).

Table 4.4
Regional Gini coefficients in 1988 and 1993
Common-sample countries
Distribution of persons by $PPP Income/Expenditures per capita
From Milanovic (2002)

Regions	1988	1993
Gini coefficients		
Africa	42.7	48.7
Asia	55.9	61.8
Latin America and the Caribbean	**57.1**	**55.6**
Eastern Europe, FSU	25.6	46.4
Western Europe, North America, Oceania	37.1	36.6
Difference in Gini points: LAC vs.		
Africa	14.4	6.9
Asia	1.2	-6.2
Eastern Europe, FSU	31.5	9.2
Western Europe, North America, Oceania	20.0	19.0

Source: Milanovic (2002).

Table 4.5
Deciles and vintiles shares
Distribution of household per capita income, 1992

Regions	LA	Africa	Asia	EE	Developed countries	World without LA	Difference (i)-(vi)
	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
Deciles							
1	1.6	2.1	2.6	2.2	2.5	2.4	-0.8
2	2.4	3.0	3.5	3.8	3.4	3.4	-1.0
3	3.0	3.7	4.8	5.1	5.3	4.8	-1.8
4	3.4	4.6	5.8	5.7	6.3	5.7	-2.2
5	5.0	5.5	6.5	7.5	7.3	6.7	-1.8
6	6.0	6.5	7.5	8.2	8.6	7.8	-1.7
7	7.6	8.6	9.0	9.4	10.5	9.5	-1.9
8	9.0	10.5	10.5	10.8	12.2	11.1	-2.2
9	14.0	13.3	12.4	12.8	14.8	13.5	0.5
10	48.0	42.2	37.4	34.7	29.1	35.1	12.9
Total	100.0	100.0	100.0	100.0	100.0	100.0	
Vintiles							
19	10.8	11.3	9.7	8.9	10.7	10.3	0.5
20	37.2	30.8	27.7	25.8	18.5	24.8	12.4

Source: author's estimates based on Bourguignon and Morrison (2002).

Table 4.6
Quintiles
Distribution of household per capita income, 1990s

	LAC	Sub-Saharar Africa	East Asia & Pacific	South Asia	Eastern Europe	Middle East & N.Africa	Developed countries
	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
1 and 2	13.2	14.1	18.1	21.7	22.2	17.8	18.4
3 and 4	33.8	33.5	37.5	38.4	40.0	36.8	41.8
5	52.9	52.4	44.3	39.9	37.8	45.4	39.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: author's estimates based on Deininger and Squire (1996).

Table 4.7
Poverty in different regions of the world
Headcount ratio

Chen & Ravalion (2001)

	1987	1998	Var.
East Asia	67.0	48.7	-27%
Eastern Europe and Central Asia	3.6	20.7	477%
Latin America and Caribbean	**35.5**	**31.7**	**-11%**
Middle East & North Africa	30.0	20.9	-31%
South Asia	86.3	83.9	-3%
Sub-Saharan Africa	76.5	78.0	2%
Total	61.0	57.9	-5%

Sala-i-Martin (2002)

	1970	1980	1990	1998	98-70
World	41.0	34.6	25.8	18.6	-55%
Asia	60.3	48.3	29.7	15.6	-74%
LAC	**22.2**	**10.5**	**14.0**	**10.5**	-53%
Africa	53.0	55.2	57.9	63.6	20%

Source: Chen and Ravallion (2001) and Sala-i-Martin (2002).

Table 5.1
Share of income sources and
Gini coefficients of individual income

Country	Share in total individual income					Gini coefficient				
	Labor	Non-labor	Capital & profits	Transfers	Pensions	Individual income	Labor income	Labor income monetary	Labor income mon. & urban	Non-labor income
	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Argentina										
1992	82.2	17.8	2.3	15.5	13.4	43.1	39.2	39.2	39.2	42.4
1996	78.0	22.0	2.7	19.4	16.5	44.1	41.6	41.6	41.6	44.3
2001	77.8	22.2	3.0	19.3	14.9	46.6	45.7	45.7	45.7	44.1
Bolivia										
Urban										
1992	89.3	10.7		10.7	4.9	50.8	50.2	50.2	50.2	56.7
1996	89.6	10.4		6.6	2.6	53.5	52.8	52.8	52.8	60.7
National										
1996	89.6	10.4	4.0	6.4	2.3	55.7	55.7	55.7	52.5	65.7
1999	87.9	12.1	2.0	10.1	4.1	56.4	56.3	56.7	51.0	66.0
Brazil										
1990	85.4	14.6	3.9	10.7	10.7	62.0	60.2	60.2	59.1	85.7
1995	82.8	17.2	3.1	14.1	13.6	59.2	58.6	58.5	57.5	60.5
2001	78.7	21.3	2.8	18.5	17.8	57.1	56.4	56.4	55.6	58.2
Chile										
1990	78.4	21.6	11.2	10.3	9.5	57.7	53.0	53.0	51.9	61.5
1996	82.6	17.4	9.5	7.9	7.0	60.9	54.5	53.7	53.2	68.8
2000	80.0	20.0	11.5	8.5	7.5	61.8	55.0	53.8	53.4	70.3
Colombia										
Bogotá										
1992	86.9	13.1				51.9	49.7	50.2	50.2	55.0
1996	83.7	16.3				51.7	50.1	50.3	50.3	59.3
National										
1996	82.8	17.2	0.9	16.3		52.5	50.0	50.3	48.4	64.2
1999	82.9	17.1	5.4	11.7	6.7	53.9	52.1	52.7	50.4	58.7
Costa Rica										
1990	91.1	8.9		8.9		44.4	41.4	41.4	41.2	56.9
1995	89.8	10.2		10.2	5.7	46.1	43.0	43.0	42.6	55.9
2000	89.6	10.4		10.4	5.6	45.8	41.8	41.8	41.6	56.5
Dominican R.										
1995	100.0					48.9	48.9		52.2	
1997	85.5	14.5	1.8	12.7	2.9	48.8	43.9	44.0	44.5	62.5
Ecuador										
1994	96.0	4.0	1.4	2.6		55.6	53.8	55.9	53.4	71.9
1998	92.8	7.2	3.3	3.9		58.7	54.5	56.8	53.7	78.0
El Salvador										
1991	79.3	20.7	9.8	10.9	2.0	51.3	48.6	48.6	46.6	63.2
1995	84.8	15.2				49.5	47.4	47.4	46.4	56.3
2000	85.0	15.0	3.3	11.7	5.4	52.2	49.1	49.1	49.0	58.7
Guatemala										
2000	79.1	20.9	3.3	17.5	2.8	60.2	56.6	56.6	55.0	74.7
Honduras										
1990	100.0					55.0	55.0	55.0	54.1	
1995	100.0					53.3	53.3	53.3	50.7	
1999	100.0					53.9	53.9	53.9	49.9	
Jamaica										
1990	100.0					42.0	42.1	42.1	40.6	39.8
1996	97.0	3.0				44.9	45.2	45.2	49.5	61.4
1999	98.3	1.7				41.9	42.4	42.4	44.6	42.4
Mexico										
1992	93.9	6.1	1.6	4.5	2.8	54.3	54.3	53.3	51.3	52.6
1996	91.4	8.6	1.6	7.0	2.9	53.4	53.7	52.5	50.1	53.9
2000	89.9	10.1	1.6	8.5	5.2	54.5	52.7	52.2	49.5	65.5
Nicaragua										
1993	95.9	4.1	0.6	3.5	1.3	52.2	51.6	52.9	49.8	59.0
1998	89.1	10.9	2.6	8.3	0.9	55.1	53.8	56.4	55.4	67.2
Panama										
1991	78.9	21.1	1.9	19.2	13.2	54.1	47.9	47.9		63.3
1995	78.7	21.3	1.6	19.7	9.4	55.2	49.5	49.5	48.3	65.8
2000	78.7	21.3	1.6	19.6	13.7	53.7	47.9	47.9	46.5	62.3
Paraguay										
1995	89.2	10.8	2.7	8.1	4.0	56.6	55.5	43.9	43.1	64.3
1999	87.0	13.0	2.4	10.6	5.4	51.6	50.5	43.8	40.8	55.5
Peru										
1991	100.0					48.0	48.0	49.0	46.6	
1994	88.8	11.2	1.8	9.4	6.3	49.7	49.6	49.6	47.1	64.0
2000	90.7	9.3	1.2	8.1	4.7	49.9	49.2	49.2	46.4	60.2
Trinidad & Tobago										
1992	100.0					42.6	42.6	42.6	43.3	
Uruguay										
1989	75.8	24.2	4.2	20.0	19.6	48.1	44.5	45.9	45.9	50.7
1995	71.5	28.5	3.3	25.1	21.7	47.0	46.1	47.8	47.8	46.9
2000	68.4	31.6	3.4	28.2	23.7	46.3	45.9	47.6	47.6	47.6
Venezuela										
1989	100.0					36.9	36.9	36.9	36.0	
1995	92.9	7.1	2.1	5.0		45.3	41.9	41.9	39.8	61.4
1998	92.8	7.2	1.8	5.4		46.3	44.4	44.4	44.6	54.7

Source: author's calculations based on microdata from household surveys.
Note: Non labor income=capital and profits + transfers. Transfers=pensions+other public and private transfers.

Table 5.2
Years of education of adults aged 25 to 65
By equivalized income quintile and by age and gender

| Country | | | | | | | By age and gender | | | | | | | | | | | | | |
| Year | By equivalized income quintiles | | | | | | (25-65) | | (10-20) | | (21-30) | | (31-40) | | (41-50) | | (51-60) | | (61+) | |
	1	2	3	4	5	Average	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Argentina																				
1992	7.5	8.0	8.7	9.8	12.2	9.5	9.4	9.6	7.9	7.6	11.0	10.9	10.2	10.0	9.3	9.4	8.2	8.9	7.2	7.9
1996	7.3	8.1	9.0	10.0	12.8	9.8	9.8	9.9	7.7	7.4	11.3	10.8	10.5	10.3	9.7	9.8	8.7	8.9	7.3	8.2
2001	7.3	8.3	9.2	10.6	13.4	10.1	10.3	10.2	7.9	7.5	11.7	11.0	11.0	10.6	10.2	9.9	9.1	9.6	7.3	8.2
Bolivia																				
Urban																				
1992	6.3	7.3	8.2	9.3	11.5	8.7	7.8	9.7	7.6	7.7	9.7	10.9	8.3	9.9	6.8	9.3	6.1	8.2	4.3	7.1
1996	6.5	7.6	8.1	9.7	12.4	9.1	8.1	10.3	7.6	7.7	9.7	11.2	8.7	10.5	7.6	10.3	5.8	9.1	4.6	7.3
National																				
1996	2.8	4.7	6.3	7.6	10.7	6.7	5.6	7.6	6.3	6.6	7.8	9.2	6.3	8.2	5.0	7.2	3.1	5.8	2.4	4.1
1999	2.8	4.9	6.6	8.9	11.4	7.3	6.2	8.3	6.8	7.1	8.9	10.4	7.2	8.9	5.4	7.7	4.0	6.6	2.4	4.1
Brazil																				
1990	1.9	2.9	4.1	5.5	8.9	5.1	5.1	5.2	4.4	3.8	6.8	6.3	5.8	5.8	4.2	4.5	3.1	3.7	2.2	2.5
1995	2.3	3.4	4.5	6.1	9.7	5.6	5.6	5.6	4.9	4.2	7.0	6.4	6.5	6.3	5.3	5.3	3.7	4.1	2.5	3.0
2001	3.0	4.2	5.3	6.9	10.4	6.4	6.5	6.3	6.0	5.4	8.0	7.3	7.2	6.7	6.3	6.3	4.8	5.0	3.0	3.4
Chile																				
1990	6.6	7.2	7.9	9.2	11.8	8.8	8.6	9.0	8.3	8.0	10.4	10.2	9.4	9.8	7.9	8.5	6.7	7.3	5.4	6.0
1996	6.7	7.7	8.8	10.0	12.3	9.3	9.2	9.5	8.3	8.0	11.1	11.1	10.1	10.1	8.6	9.3	7.0	7.5	5.7	6.2
2000	7.4	8.3	9.2	10.6	13.2	10.0	9.8	10.1	8.4	8.2	11.6	11.5	10.6	10.7	9.8	10.2	7.7	8.3	6.0	6.5
Colombia																				
Bogotá																				
1992	6.8	7.1	7.9	9.4	12.4	9.0	8.7	9.4	7.0	6.5	10.0	10.3	9.4	9.9	7.5	8.7	6.4	7.7	5.4	6.6
1996	6.3	7.2	7.8	9.1	12.2	8.8	8.6	9.1	7.6	7.1	10.1	9.8	9.2	9.7	8.1	8.9	6.7	7.6	4.9	6.1
National																				
1996	3.7	4.8	5.8	6.9	10.1	6.6	6.6	6.7	6.2	5.6	8.2	7.8	7.4	7.4	5.9	6.4	4.6	4.9	3.5	3.9
1999	4.4	5.2	6.1	7.3	10.5	7.0	7.1	7.1	6.6	6.1	8.7	8.3	7.8	7.7	6.7	7.0	5.0	5.7	3.8	4.3
Costa Rica																				
1990	5.0	6.2	6.8	7.8	11.1	7.6	7.6	7.8	6.8	6.6	9.2	8.9	8.4	8.6	6.6	7.1	5.0	5.8	4.1	4.1
1995	5.6	6.5	7.3	8.4	11.6	8.2	8.2	8.3	7.1	6.8	9.3	9.2	9.1	9.1	7.8	8.0	6.2	6.5	4.5	4.7
2000	5.4	6.6	7.4	8.4	11.6	8.2	8.2	8.3	7.1	6.7	9.2	8.8	9.0	9.0	8.4	8.5	6.2	7.0	4.5	4.5
Dominican R.																				
1995	5.2	6.1	7.0	8.0	10.3	7.5	7.3	7.5	7.1	6.5	9.2	8.4	8.1	8.3	6.5	7.1	4.6	5.6	3.3	4.1
Ecuador																				
1994	4.2	5.2	6.7	7.5	10.6	7.1	6.8	7.3	6.7	6.3	8.9	8.9	7.6	7.9	5.9	6.8	4.3	4.8	3.2	4.2
1998	4.8	6.1	7.1	8.2	11.4	7.8	7.5	7.9	6.9	6.7	9.3	9.3	8.6	8.7	6.8	7.7	4.8	5.9	3.4	3.9
El Salvador																				
1991	2.4	3.0	4.1	5.4	8.5	5.0	4.6	5.5	5.7	5.6	6.7	7.2	5.2	6.4	3.8	4.9	2.8	3.4	1.8	2.5
1995	2.1	2.8	4.1	5.8	9.4	5.3	4.9	5.8	5.3	4.9	7.0	7.3	5.7	6.6	3.9	5.3	3.2	3.9	1.9	2.3
2000	3.8	4.4	5.3	6.5	9.0	6.1	5.8	6.7	5.7	5.6	8.0	8.2	6.6	7.4	5.1	6.5	3.8	4.9	2.3	2.9
Guatemala																				
2000	1.4	2.2	2.8	4.2	8.4	4.2	3.4	4.7	3.9	4.3	4.8	6.0	3.8	5.3	3.2	4.5	2.0	3.0	1.7	2.2
Honduras																				
1990	1.8	2.1	2.8	4.0	7.5	4.0	3.9	4.1	4.5	4.1	5.5	5.4	4.5	4.7	3.1	3.5	2.0	2.6	1.8	2.1
1995	2.5	3.1	4.1	5.4	8.0	4.9	4.7	5.0	5.1	4.7	6.4	6.2	5.4	5.7	4.0	4.7	2.6	3.1	1.9	2.3
1999	2.8	3.4	4.5	5.9	9.1	5.5	5.1	5.2	5.1	4.7	6.6	6.1	5.9	5.7	4.7	5.1	3.3	3.6	1.8	2.2
Jamaica																				
1990	7.2	7.3	7.7	8.1	9.4	8.1	8.2	8.2	8.3	8.1	10.2	9.9	9.0	8.6	7.2	7.3	6.4	6.6	5.6	5.8
1996	8.5	9.0	9.0	8.9	10.5	9.3	9.5	9.2	8.4	8.2	10.8	10.6	10.1	9.8	9.4	8.9	8.0	7.3	6.5	6.6
1999	8.5	8.5	8.7	9.0	9.7	9.0	9.2	9.1	8.1	7.9	10.3	9.9	9.9	9.6	9.1	9.0	7.3	8.2	6.7	6.6
Mexico																				
1992	2.7	4.1	5.1	6.6	10.0	6.1	5.6	6.5	6.5	6.3	7.6	8.3	6.1	7.2	4.5	5.7	3.9	4.6	2.5	3.1
1996	3.4	4.6	5.8	7.2	10.7	6.7	6.3	7.2	6.6	6.6	8.4	8.8	6.9	8.0	5.2	6.4	3.8	4.7	2.7	3.2
2000	3.5	5.3	6.8	8.1	11.6	7.4	6.9	8.0	7.0	6.9	9.0	9.5	7.5	8.6	6.5	7.8	4.7	6.2	3.0	3.5
Nicaragua																				
1993	2.7	3.9	5.0	6.1	8.0	5.5	4.9	5.4	5.1	4.9	6.5	6.3	5.4	6.1	3.8	4.5	2.7	3.0	2.1	2.4
1998	3.2	4.2	5.4	6.3	9.1	5.9	5.5	5.9	5.9	5.3	7.3	6.6	6.1	6.7	5.0	5.6	3.2	4.0	2.4	2.4
Panama																				
1991	4.7	6.5	7.8	9.2	12.0	8.5	8.4	8.2	7.2	6.8	10.2	9.5	9.3	9.0	7.7	7.7	6.3	6.4	4.9	4.8
1995	5.3	7.1	8.3	9.8	12.6	9.1	9.0	8.7	7.2	6.7	10.2	9.6	9.9	9.6	8.4	8.4	7.1	6.8	5.0	5.2
2000	6.6	7.9	9.0	10.0	13.1	9.7	9.9	9.5	7.5	7.1	10.9	10.1	10.7	9.9	9.7	9.7	8.3	8.5	7.2	7.2
Paraguay																				
1995	3.7	4.6	5.5	6.8	9.8	6.4	6.2	6.6	5.5	5.2	7.6	7.6	6.8	7.2	5.8	6.3	4.3	5.1	3.2	4.0
1999	4.0	5.1	6.2	7.7	10.1	7.0	6.6	7.0	6.1	5.8	8.1	8.3	7.2	7.6	6.0	6.6	5.0	5.4	3.5	4.2
Peru																				
1991	6.3	7.9	8.3	9.1	10.1	8.5	8.0	8.9	6.6	6.8	9.6	10.0	8.6	9.6	7.1	8.6	6.3	7.1	5.8	6.3
2000	5.9	7.6	9.1	10.3	12.3	9.4	8.7	10.0	7.5	7.4	10.8	11.2	9.6	10.5	7.9	9.7	6.5	8.8	4.9	6.7
Trinidad & Tobago																				
1992	6.6	6.8	7.6	8.3	10.3	8.2	8.1	7.9	7.7	7.3	9.8	9.2	8.8	8.3	7.2	7.6	6.1	6.3	5.1	6.3
Uruguay																				
1989	5.9	6.7	7.6	8.6	10.4	8.1	7.9	8.3	7.3	7.2	9.8	10.0	9.1	9.3	7.9	8.3	6.5	6.9	5.1	5.4
1995	6.5	7.1	8.0	9.2	11.6	8.7	8.7	8.7	7.7	7.4	10.5	10.1	9.8	9.5	8.8	8.8	7.4	7.6	5.5	5.7
2000	7.0	7.8	8.6	9.8	12.1	9.3	9.3	9.2	9.2	8.7	10.8	10.2	10.1	9.9	9.5	9.3	8.3	8.2	6.3	6.5
Venezuela																				
1989	4.6	5.6	6.4	7.4	10.0	7.2	6.9	7.4	6.5	5.9	8.6	8.2	7.7	7.8	6.2	7.1	4.4	5.9	2.7	4.0
1995	5.2	5.9	6.7	7.7	9.9	7.4	7.3	7.4	7.1	6.3	9.0	8.4	8.2	7.9	6.9	7.2	5.2	6.2	3.2	4.1
1998	6.0	6.5	7.1	8.4	11.1	8.1	8.1	8.0	7.3	6.5	9.7	8.7	8.9	8.4	7.8	7.9	5.7	6.9	3.5	4.6

Source: author's calculations based on microdata from household surveys.

Table 5.3
Years of education of adults aged 25 to 65
By equivalized income quintile and age

Age	(10-20)						(21-30)						(31-40)						(41-50)						(51-60)					
Country	1	2	3	4	5	Mean	1	2	3	4	5	Mean	1	2	3	4	5	Mean	1	2	3	4	5	Mean	1	2	3	4	5	Mean
Argentina																														
1992	6.9	7.4	7.7	8.3	8.5	7.7	8.5	9.3	10.4	11.4	13.1	10.9	7.8	8.5	9.5	10.8	12.9	10.2	7.4	7.7	8.2	9.4	12.0	9.3	6.5	7.1	7.8	8.4	10.9	8.5
1996	6.6	7.2	7.9	8.1	8.5	7.5	8.6	9.6	10.7	11.6	13.2	11.0	7.7	8.6	9.6	11.2	13.5	10.3	7.2	7.8	8.7	9.8	13.2	9.7	6.5	7.0	7.6	8.7	11.5	8.6
2001	6.8	7.4	7.8	8.4	8.6	7.6	8.6	9.6	10.7	12.1	13.7	11.3	7.7	9.0	9.9	11.4	14.3	10.8	7.2	8.1	8.9	10.7	13.6	10.0	6.1	7.1	8.2	9.1	12.3	9.1
Bolivia																														
Urban																														
1992	7.2	7.5	7.8	8.2	8.3	7.7	9.1	9.1	10.1	10.7	12.0	10.4	6.7	7.6	8.5	9.8	12.0	9.0	5.4	6.9	7.0	8.9	11.0	8.0	4.1	5.2	6.2	7.3	10.4	7.1
1996	7.1	7.4	7.6	7.9	8.5	7.7	9.2	9.4	10.1	10.3	12.8	10.5	6.9	7.7	9.0	10.4	13.1	9.6	6.0	7.7	6.9	9.5	11.8	8.8	4.3	4.7	5.7	8.4	11.5	7.4
National																														
1996	5.0	6.2	6.7	7.2	8.0	6.5	4.6	7.2	8.2	9.2	11.3	8.6	3.4	5.2	6.8	8.6	11.7	7.4	2.4	3.9	6.3	6.9	10.3	6.3	1.5	2.6	3.8	5.3	9.5	4.5
1999	5.0	6.5	7.4	7.9	8.4	7.0	5.2	7.7	9.0	10.8	12.6	9.7	3.2	5.6	7.3	9.7	12.3	8.0	2.3	4.9	6.1	8.5	10.8	6.7	1.8	3.1	4.2	5.9	9.6	5.3
Brazil																														
1990	2.3	3.4	4.3	5.3	6.0	4.1	3.0	4.4	5.7	7.3	10.1	6.6	2.2	3.4	4.6	6.2	10.1	5.8	1.4	2.1	3.3	4.5	8.2	4.4	1.0	1.5	2.4	3.5	6.6	3.4
1995	2.7	3.8	4.8	5.7	6.6	4.5	3.4	4.8	6.1	7.6	10.3	6.7	2.7	4.1	5.5	7.0	10.7	6.4	1.8	2.8	3.9	5.6	9.6	5.3	1.2	1.8	2.6	3.9	7.8	3.9
2001	4.0	5.1	6.1	6.9	7.6	5.7	4.3	5.7	7.2	8.8	11.2	7.6	3.4	4.8	6.2	7.8	11.3	7.0	2.6	3.9	4.9	6.6	10.5	6.3	1.6	2.3	3.2	4.7	8.9	4.8
Chile																														
1990	7.3	7.8	8.2	8.8	9.0	8.1	8.1	9.0	10.0	11.0	12.9	10.3	7.2	8.0	8.9	10.3	12.7	9.6	5.7	6.4	7.1	8.5	11.5	8.2	4.7	5.0	5.7	7.3	10.2	7.0
1996	7.3	7.8	8.4	8.8	8.9	8.2	8.4	9.7	10.8	11.9	13.7	11.1	7.4	8.7	9.7	11.1	13.2	10.1	6.0	7.0	8.5	9.6	12.0	9.0	4.4	5.2	6.3	7.6	10.5	7.3
2000	7.6	8.0	8.5	8.8	8.9	8.3	9.2	10.2	11.3	12.4	14.2	11.6	8.0	9.1	10.2	11.6	13.9	10.6	7.2	8.2	8.9	10.7	13.4	10.0	5.0	5.9	6.7	8.2	11.6	8.0
Colombia																														
Bogotá																														
1992	6.0	6.6	6.7	7.5	7.3	6.8	8.3	8.9	9.4	10.4	12.4	10.1	7.1	7.5	8.6	9.9	13.2	9.7	5.4	6.0	7.0	8.8	12.0	8.1	5.4	5.3	5.7	7.6	10.1	7.0
1996	6.5	6.8	7.8	7.9	8.2	7.4	7.9	8.5	9.2	10.5	12.5	10.0	6.7	7.8	8.4	10.1	13.2	9.4	5.7	6.6	7.4	8.6	12.1	8.5	4.4	5.2	5.7	6.4	10.6	7.0
National																														
1996	4.6	5.3	6.0	6.8	7.3	5.9	5.2	6.3	7.4	8.6	10.8	8.1	4.2	5.4	6.6	7.7	11.0	7.4	3.1	4.2	5.1	6.4	9.7	6.1	2.5	3.2	3.8	4.6	8.0	4.7
1999	5.2	5.8	6.4	7.1	7.7	6.4	6.1	6.9	7.8	8.9	11.1	8.5	4.9	5.9	6.9	8.2	11.3	7.7	4.0	4.7	5.4	6.9	10.5	6.7	3.1	3.5	4.1	5.1	8.9	5.2
Costa Rica																														
1990	5.7	6.1	6.5	7.3	7.9	6.6	6.8	7.5	8.3	9.3	11.7	9.0	5.7	6.6	7.4	8.9	12.2	8.4	4.4	5.5	5.8	6.5	10.4	6.8	2.9	4.2	4.1	5.1	8.9	5.3
1995	5.9	6.3	6.8	7.4	8.1	6.8	6.6	7.3	8.1	9.7	11.9	9.1	6.3	7.3	8.2	9.3	12.6	9.0	5.2	6.1	6.9	7.8	11.4	7.8	4.2	4.4	5.1	6.0	9.8	6.2
2000	5.8	6.5	6.9	7.3	8.1	6.9	6.0	7.2	8.0	9.3	12.0	8.8	6.3	7.3	8.2	9.4	12.4	8.9	5.8	6.9	7.4	8.4	11.5	8.4	3.7	4.4	5.3	6.5	10.1	6.4
Dominican R.																														
1995	6.0	6.3	6.7	7.3	8.1	6.8	7.1	7.6	8.6	9.1	10.9	8.8	6.0	7.0	7.6	9.1	11.0	8.3	4.5	5.3	6.2	6.9	10.1	6.8	3.4	3.9	4.2	5.5	8.3	5.2
Ecuador																														
1994	5.5	6.1	6.6	6.9	7.8	6.5	6.2	7.2	8.8	9.5	11.2	8.9	4.4	5.9	7.5	8.4	11.7	7.8	3.8	4.5	5.1	6.5	10.1	6.4	3.1	3.0	4.3	4.3	7.7	4.6
1998	5.6	6.5	6.8	7.3	8.2	6.8	6.9	7.9	8.7	9.8	12.1	9.4	5.6	6.8	7.9	9.4	12.1	8.7	4.2	5.4	6.2	7.2	11.4	7.3	3.1	3.8	4.3	5.5	9.2	5.4
El Salvador																														
1991	4.5	4.9	5.5	6.4	7.3	5.7	3.9	4.4	6.0	7.8	10.4	7.0	2.8	3.6	4.7	6.3	9.6	5.7	1.9	2.6	3.5	4.4	7.7	4.3	1.3	1.5	2.2	3.2	6.0	3.1
1995	3.7	4.1	5.1	6.2	7.0	5.1	3.5	4.4	5.8	8.0	11.0	7.2	2.4	3.3	4.9	6.6	10.6	6.1	1.7	2.4	3.6	4.9	8.3	4.5	1.2	1.5	2.2	4.1	7.0	3.5
2000	4.7	5.1	5.6	6.4	7.3	5.7	5.8	6.4	7.2	8.5	10.8	8.1	4.4	5.2	6.2	7.2	9.6	6.7	3.6	3.8	4.8	5.7	8.2	5.5	2.3	3.0	3.4	4.1	7.6	4.4
Guatemala																														
2000	2.6	3.1	3.9	4.9	6.4	4.2	2.3	3.1	4.2	6.3	9.2	5.5	1.6	2.3	3.5	5.3	9.3	4.7	1.1	2.4	2.3	3.2	8.1	4.0	0.6	0.9	1.0	2.0	6.6	2.6
Honduras																														
1990	3.2	3.6	3.9	4.7	5.8	4.2	3.0	3.6	3.9	5.5	8.4	5.4	2.1	2.4	3.2	4.5	8.1	4.5	1.5	1.6	2.2	3.0	7.1	3.2	0.9	1.2	1.5	2.0	5.2	2.2
1995	4.0	4.2	4.6	5.3	6.2	4.9	3.8	4.5	5.7	6.8	8.7	6.3	3.0	3.6	4.6	6.1	8.9	5.6	2.3	2.4	3.3	4.8	7.6	4.4	1.3	1.6	2.0	3.0	5.8	2.9
1999	4.0	4.4	5.0	5.6	6.5	5.1	3.6	4.7	5.8	6.8	9.6	6.7	3.3	4.1	5.1	6.8	9.9	6.1	2.6	2.9	4.0	5.3	8.8	5.2	1.3	2.1	2.7	4.1	7.5	3.8
Jamaica																														
1990	8.0	8.0	8.1	8.6	8.8	8.2	9.7	9.0	10.0	9.7	10.8	10.0	7.5	7.3	8.1	8.8	9.7	8.5	5.8	7.0	6.6	7.1	8.3	7.1	6.3	5.7	6.7	6.8	7.4	6.7
1996	8.2	8.0	8.3	8.7	8.4	8.3	10.3	10.0	9.9	10.3	11.5	10.0	9.0	9.6	9.8	9.7	10.7	9.9	8.0	8.4	8.0	8.6	10.2	8.9	6.9	7.6	8.2	7.4	9.3	8.0
1999	7.7	7.8	8.3	8.5	8.5	8.1	9.3	9.5	10.0	10.2	10.5	10.0	9.0	9.3	9.3	9.9	10.6	9.7	8.2	8.2	8.6	8.4	9.5	8.7	7.9	7.1	7.2	7.2	7.4	7.3
Mexico																														
1992	4.9	6.0	6.7	7.2	7.7	6.4	4.5	6.2	7.2	8.7	11.1	8.0	3.0	4.5	5.6	7.5	10.8	6.6	2.2	3.3	4.0	5.3	9.3	5.1	1.4	2.6	3.3	4.2	8.2	4.3
1996	5.1	6.2	7.0	7.4	7.6	6.6	5.4	6.7	8.0	9.3	11.4	8.6	3.9	5.2	6.4	8.0	11.7	7.4	2.7	3.8	5.0	6.2	10.1	5.8	1.8	2.3	3.4	4.4	7.9	4.2
2000	5.6	6.6	7.2	7.7	8.3	7.0	5.6	7.6	8.7	9.7	12.5	9.2	4.2	6.1	7.6	9.2	12.0	8.0	3.3	4.3	6.2	7.5	11.6	7.2	1.7	3.0	4.5	5.3	10.5	5.5
Nicaragua																														
1993	3.9	5.0	5.3	5.8	6.1	5.2	3.8	5.3	6.8	7.3	9.0	6.7	2.9	4.4	5.2	7.1	9.0	6.1	2.2	3.4	4.1	5.0	6.5	4.4	1.8	1.9	2.8	3.1	5.2	3.1
1998	4.1	5.0	6.1	6.2	7.2	5.7	4.0	5.7	6.8	8.2	10.0	7.2	3.7	4.7	6.1	7.2	9.8	6.6	2.6	3.8	5.0	5.8	9.0	5.6	2.1	2.3	3.1	3.2	6.9	3.7
Panama																														
1991	5.8	6.7	7.4	7.7	8.2	7.0	6.9	8.7	9.7	10.9	12.4	10.0	5.6	7.1	8.4	10.3	12.8	9.3	4.1	5.6	7.1	8.1	11.7	7.9	3.2	4.4	5.7	7.0	10.4	6.5
1995	5.7	6.7	7.2	8.0	8.2	7.1	7.0	8.4	9.7	11.1	12.5	10.1	6.2	8.0	9.2	10.9	13.4	10.1	4.6	6.2	7.2	9.2	12.4	8.7	3.3	4.8	6.1	7.6	11.6	7.3
2000	6.2	6.9	7.6	8.1	8.3	7.3	7.6	8.8	10.2	11.2	13.5	10.6	7.3	8.7	9.7	11.0	14.0	10.3	6.1	7.5	8.5	9.8	13.1	9.7	5.0	6.3	6.9	7.8	12.0	8.4
Paraguay																														
1995	4.3	4.7	5.4	5.9	6.9	5.4	4.8	5.7	6.5	8.2	10.2	7.6	3.9	5.0	6.4	7.6	10.6	7.0	3.4	4.1	5.2	6.4	9.6	6.1	2.6	3.4	3.7	4.5	8.4	4.7
1999	4.8	5.4	6.1	6.7	7.7	6.1	5.4	6.3	7.5	9.2	11.3	8.5	4.5	5.8	7.1	8.4	10.9	7.7	3.5	4.6	5.6	6.9	10.3	6.5	2.9	3.4	4.9	5.6	8.2	5.4
Peru																														
1991	5.9	6.5	7.0	7.1	7.1	6.7	7.9	9.1	9.9	10.5	10.8	9.8	6.6	8.3	9.1	9.6	11.3	9.2	5.4	7.6	7.8	8.9	9.0	7.9	5.7	6.2	6.1	6.7	8.0	6.6
2000	6.5	7.0	7.8	8.1	8.4	7.5	8.3	9.6	10.6	11.8	13.2	11.0	6.3	8.3	10.0	11.4	13.6	10.1	5.2	6.7	8.8	9.8	12.0	8.8	4.7	5.6	7.0	8.4	10.2	7.6
Trinidad & Tobago																														
1992	7.1	7.3	7.5	7.8	8.0	7.5	8.1	8.7	9.1	10.2	11.3	9.5	6.6	7.0	8.4	8.8	11.4	8.8	5.8	6.0	6.7	7.6	9.7	7.5	6.2	5.3	5.1	5.7	7.8	6.2
Uruguay																														
1989	6.3	7.1	7.6	7.8	8.2	7.3	7.6	8.5	9.7	10.7	11.7	9.9	6.7	7.9	9.0	10.0	11.7	9.2	5.7	7.0	7.6	8.7	10.3	8.1	4.4	5.3	6.1	6.9	8.9	6.7
1995	6.8	7.3	7.8	8.1	8.4	7.6	8.0	9.1	10.1	11.0	12.5	10.3	7.4	8.2	9.2	10.5	12.7	9.7	6.4	7.2	8.2	9.6	12.0	8.8	5.1	5.8	6.7	7.8	10.3	7.5
2000	7.9	8.8	9.1	9.8	10.1	8.9	8.1	9.3	10.4	11.2	13.1	10.5	7.5	8.3	9.5	10.8	13.1	10.0	7.1	8.0	8.7	10.1	12.3	9.4	5.7	6.8	7.2	8.5	11.1	8.3
Venezuela																														
1989	5.2	5.8	6.2	6.8	7.5	6.2	6.5	7.2	7.7	8.6	10.5	8.4	5.0	6.1	7.1	8.2	10.7	7.8	3.9	5.0	5.6	6.9	9.7	6.6	2.7	3.6	4.2	5.1	8.1	5.1
1995	5.9	6.2	6.6	7.3	8.0	6.7	6.9	7.3	8.1	9.2	10.8	8.7	5.8	6.5	7.5	8.5	10.7	8.1	4.8	5.4	6.4	7.5	9.5	7.1	3.3	4.0	4.6	5.6	8.5	5.7
1998	6.0	6.4	6.9	7.3	8.2	6.9	7.2	7.9	8.6	9.7	11.8	9.2	6.6	7.3	7.7	9.2	11.7	8.7	5.7	6.1	6.6	8.0	11.0	7.9	4.2	4.1	5.3	6.3	9.4	6.3

Source: author's calculations based on microdata from household surveys.

Table 5.4
Schooling in LAC countries
Share of population over 25 with different educational levels and average schooling years

	% of no schoooling					% of primary school complete					% of high school complete					Average schooling years				
	1960	1970	1980	1990	2000	1960	1970	1980	1990	2000	1960	1970	1980	1990	2000	1960	1970	1980	1990	2000
Argentina	12.0	8.3	7.1	5.7	5.8	19.9	30.6	33.0	34.6	30.1	1.8	2.4	3.7	7.2	11.9	5.0	5.9	6.6	7.8	8.5
Barbados	0.0	1.1	0.8	1.9	2.6	22.5	9.3	17.6	13.4	10.7	0.7	0.8	2.2	5.4	8.1	5.2	9.1	6.8	8.2	9.1
Bolivia	50.2	51.2	44.8	36.8	30.9	5.1	6.8	8.9	10.0	11.0	2.5	2.6	4.2	6.7	9.8	4.2	3.7	4.0	4.7	5.5
Brazil	43.2	42.6	32.9	22.4	21.2	11.8	19.4	4.9	12.4	11.5	1.4	1.4	3.4	4.9	5.7	2.8	2.9	3.0	3.8	4.6
Chile	20.2	12.4	9.4	5.8	5.3	22.1	14.2	12.8	10.7	9.6	1.4	2.6	4.9	8.4	10.7	5.0	5.5	6.0	7.1	7.9
Colombia	35.1	39.2	24.5	24.5	19.8	10.9	10.8	12.0	11.0	10.8	1.3	1.4	2.9	4.7	6.7	3.0	2.7	3.9	4.4	5.0
Costa Rica	17.7	20.6	14.5	10.8	9.4	21.0	12.1	16.0	14.0	13.6	1.8	2.1	5.7	9.4	12.7	3.9	3.6	4.7	5.6	6.0
Dominican Rep.	43.4	40.1	35.7	28.8	25.7	13.8	4.3	10.2	11.2	10.3	0.5	1.3	2.9	6.1	9.8	2.4	2.9	3.4	4.3	5.2
Ecuador	37.8	37.6	25.4	20.0	17.7	13.6	18.0	34.1	14.3	13.1	1.0	1.3	5.2	11.9	12.7	3.0	3.2	5.4	5.9	6.5
El Salvador	61.8	54.2	36.0	37.1	35.0	5.1	8.0	11.5	10.2	10.1	0.3	1.3	2.2	4.3	7.2	1.7	2.3	3.3	3.6	4.5
Guatemala	69.2	68.4	54.7	52.9	47.1	7.2	6.2	8.0	8.0	8.3	0.3	0.7	1.5	3.0	4.0	1.4	1.5	2.3	2.6	3.1
Guyana	13.7	12.2	8.1	9.6	7.3	23.0	21.5	20.2	16.0	14.6	0.4	0.7	1.2	1.4	2.7	3.5	4.0	4.7	5.4	6.0
Haiti	90.2	83.5	77.0	57.0	54.4	1.4	1.8	3.2	7.2	7.1	0.2	0.2	0.5	0.6	0.8	0.7	0.9	1.5	2.4	2.7
Honduras	60.9	61.9	49.0	31.9	25.9	6.9	7.9	8.6	11.5	12.4	0.4	0.6	1.2	3.1	4.4	1.7	1.7	2.3	3.7	4.1
Jamaica	18.8	5.1	3.2	3.5	3.3	20.8	24.0	22.1	17.7	15.1	0.3	0.7	1.4	1.8	2.8	2.5	3.0	3.6	4.6	5.2
Mexico	46.0	35.0	34.2	18.8	12.4	10.4	15.3	17.2	19.9	19.4	0.8	1.5	3.2	5.4	6.6	2.4	3.3	4.0	5.9	6.7
Nicaragua	59.0	53.9	48.9	41.3	31.7	9.1	7.9	8.7	9.0	9.5	1.7	3.1	3.8	5.4	6.0	2.1	2.6	2.9	3.6	4.4
Panama	28.0	24.9	18.3	12.9	11.4	24.4	16.4	23.2	21.6	21.0	1.8	2.9	5.7	11.4	13.5	4.3	4.6	5.9	7.3	7.9
Paraguay	26.4	19.6	14.2	8.7	9.8	16.8	10.3	15.4	20.7	20.7	1.0	1.7	2.7	6.0	6.6	3.4	3.7	4.6	5.8	5.7
Peru	42.8	35.0	24.0	20.5	13.8	11.7	16.1	17.2	10.3	8.8	1.8	3.1	6.9	9.6	15.3	3.0	3.9	5.4	5.9	7.3
Trinidad & Tob.	14.7	11.6	1.3	4.5	5.1	18.6	21.9	42.6	16.3	12.8	0.7	0.8	2.0	2.3	3.1	4.2	4.5	6.6	6.7	7.6
Uruguay	14.1	13.9	7.3	5.5	3.2	18.4	22.8	20.5	13.2	12.3	3.5	3.9	5.1	7.9	8.5	5.0	5.2	5.8	6.7	7.2
Venezuela	49.1	47.1	23.5	21.2	15.7	15.7	9.5	10.6	12.2	12.6	1.0	1.8	4.8	8.0	12.2	2.5	2.9	4.9	4.9	5.6
Total	**37.1**	**33.9**	**25.9**	**21.0**	**18.0**	**14.4**	**13.7**	**16.5**	**14.1**	**13.3**	**1.2**	**1.7**	**3.4**	**5.9**	**7.9**	**3.2**	**3.6**	**4.4**	**5.2**	**5.9**

	% of no schoooling					% of primary school complete					% of high school complete					Average schooling years				
	1960	1970	1980	1990	2000	1960	1970	1980	1990	2000	1960	1970	1980	1990	2000	1960	1970	1980	1990	2000
Middle East and North Africa	65.9	60.8	52.6	39.2	28.7	10.2	9.2	9.5	11.0	11.2	1.3	1.7	3.7	6.2	7.9	2.3	2.7	3.8	5.2	6.3
Sub-Saharan Africa	76.3	73.4	63.0	53.5	46.0	5.5	5.1	6.9	7.8	8.4	0.2	0.4	0.5	1.2	1.7	1.2	1.4	2.0	2.7	3.4
Latin America and the Caribbean	37.1	33.9	25.9	21.0	18.0	14.4	13.7	16.5	14.1	13.3	1.2	1.7	3.4	5.9	7.9	3.2	3.6	4.4	5.2	5.9
East Asia and the Pacific	51.5	41.7	31.4	26.0	18.1	15.7	16.2	18.9	19.4	19.0	1.7	2.2	3.4	5.2	8.5	3.1	3.7	4.8	6.1	7.3
South Asia	78.1	76.6	69.8	62.7	54.5	3.0	6.7	5.3	6.5	8.3	0.5	1.0	1.2	1.7	2.2	1.2	1.5	2.0	2.5	3.0
Advanced countries	5.8	5.1	4.5	3.1	3.3	34.8	32.3	23.4	19.9	17.1	3.1	4.2	6.9	9.4	12.5	6.6	7.2	8.2	8.8	9.5
Average	**46.3**	**43.0**	**36.0**	**29.8**	**24.8**	**15.7**	**15.1**	**14.3**	**13.5**	**12.9**	**1.4**	**2.0**	**3.4**	**5.2**	**7.1**	**3.2**	**3.6**	**4.5**	**5.3**	**6.1**

Source: updated version of Barro and Lee (2000).

Table 5.5
Gini coefficients
Distribution of years of education
From Thomas, Wang and Fan (2002)

	1960	1965	1970	1975	1980	1985	1990
LAC	50.1	50.2	47.0	46.0	43.1	42.6	41.8
Africa	78.5	77.7	74.7	70.2	66.3	63.8	61.8
Asia	67.0	64.5	61.4	58.4	54.3	51.5	47.9
Eastern Europe	29.6	29.8	27.6	28.0	25.3	26.1	22.8
Developed countries	29.3	29.2	28.2	29.2	27.1	27.2	27.5
Average	54.2	53.4	50.8	49.1	45.9	44.6	42.8
LAC countries							
Argentina	34.4	34.9	31.1	32.5	29.4	31.8	27.3
Barbados	25.3	27.9	18.0	19.1	29.6	29.9	30.0
Bolivia	51.9	54.6	55.7	56.4	55.9	54.7	53.7
Brazil	60.0	56.4	50.8	42.9	44.5	44.4	39.3
Chile	36.5	36.6	33.0	33.2	31.5	31.2	31.3
Colombia	53.4	49.3	50.9	46.0	47.2	47.5	48.6
Costa Rica	39.9	40.5	41.0	39.2	40.6	41.6	42.6
Cuba	44.6	46.0	31.7	34.0	32.2	33.1	33.5
Ecuador	51.3	51.5	51.1	47.0	39.3	44.0	44.9
Guatemala	75.8	75.2	74.3	73.2	63.8	63.6	62.6
Guyana	32.3	34.9	32.7	35.0	32.5	33.5	34.0
Haiti	92.7	91.7	85.1	84.6	78.0	63.9	65.0
Honduras	67.2	65.3	62.3	59.0	56.9	48.4	46.8
Jamaica	35.2	38.6	28.9	31.3	31.7	32.6	33.0
Mexico	56.0	56.9	51.0	49.8	49.7	46.9	38.4
Nicaragua	70.0	67.9	66.1	64.1	63.0	60.8	58.7
Panama	43.7	46.2	47.4	46.4	38.0	39.6	33.9
Paraguay	41.6	41.5	39.6	38.9	38.0	39.1	39.8
Peru	56.8	58.0	50.4	50.3	42.5	43.7	43.1
Trinidad & Tobago	35.7	36.0	33.7	33.9	23.9	29.7	31.2
Uruguay	38.8	38.1	39.2	34.9	35.8	33.5	34.2
Venezuela	58.3	55.9	61.2	59.4	44.0	44.6	47.2

Source: Own calculations based on Thomas, Wang and Fan (2002)

Table 5.6
Gini coefficients
Distribution of years of education

Country	Age brackets						
	(25-65)	(10-20)	(21-30)	(31-40)	(41-50)	(51-60)	(61+)
Argentina							
1992	22.7	21.1	18.8	20.9	23.3	23.6	24.5
1996	22.5	21.4	17.6	20.3	23.1	24.5	26.3
2001	22.2	22.2	17.2	20.1	22.5	25.1	28.3
Bolivia							
Urban							
1992	31.7	22.8	19.7	29.3	36.6	42.9	51.4
1996	33.6	22.6	23.8	30.9	35.8	44.6	51.2
National							
1996	46.4	27.4	32.6	42.1	49.7	60.1	69.2
1999	43.4	26.2	28.1	38.2	45.7	55.9	69.6
Brazil							
1990	47.6	39.3	36.3	43.3	51.6	56.1	66.6
1995	45.2	36.4	34.7	40.0	48.1	55.6	65.2
2001	41.1	30.2	30.4	36.5	42.1	51.5	62.3
Chile							
1990	29.5	21.6	20.7	25.4	32.3	37.0	45.4
1996	27.1	21.0	18.4	22.2	28.9	35.6	43.2
2000	24.2	20.2	16.1	20.1	24.0	32.2	40.3
Colombia							
Bogotá							
1992	29.3	24.4	21.8	26.7	32.9	36.2	42.9
1996	28.1	22.4	20.5	25.2	30.8	34.9	39.3
National							
1996	38.3	29.2	28.9	34.5	41.4	45.9	50.3
1999	37.3	27.8	27.7	32.8	39.5	46.1	52.6
Costa Rica							
1990	32.3	23.3	23.3	27.9	35.2	41.7	46.1
1995	30.0	22.4	23.8	25.4	31.2	38.5	44.0
2000	29.7	22.8	25.7	25.7	28.6	37.5	46.0
Dominican R.							
1995	36.7	26.6	27.4	32.5	39.3	46.6	55.5
Ecuador							
1994	38.4	25.3	26.2	35.0	42.1	46.4	54.8
1998	35.3	23.5	24.2	30.5	38.4	45.5	53.3
El Salvador							
1991	52.3	32.5	40.9	46.8	54.7	63.3	71.2
1995	52.4	37.9	39.2	47.0	55.5	63.2	73.5
2000	47.3	33.9	34.1	42.7	49.5	57.6	69.4
Guatemala							
2000	61.3	42.5	48.3	57.2	64.7	74.1	78.4
Honduras							
1990	55.8	36.1	42.5	50.2	61.0	70.8	72.9
1995	48.5	31.0	35.3	43.3	51.9	65.3	69.0
1999	47.7	30.6	36.7	42.6	50.0	61.4	71.7
Jamaica							
1990	20.3	17.5	11.7	17.6	19.2	20.2	25.8
1996	16.8	17.6	11.0	12.0	17.7	21.3	23.4
1999	16.2	17.0	10.6	12.7	16.5	20.0	18.4
Mexico							
1992	42.8	25.5	30.3	39.1	46.1	52.0	61.5
1996	40.0	25.0	26.6	35.6	44.3	52.6	62.8
2000	36.6	23.1	24.7	31.4	38.7	49.8	60.2
Nicaragua							
1993	50.9	36.1	40.3	48.4	55.5	61.7	67.1
1998	47.6	33.7	36.8	42.6	52.5	61.5	67.0
Panama							
1991	32.2	24.3	22.7	27.8	34.4	40.3	47.7
1995	29.6	23.7	22.1	25.2	31.9	38.4	45.9
2000	24.7	22.7	20.3	21.8	25.5	29.0	31.5
Paraguay							
1995	35.8	28.8	28.0	33.1	37.2	42.2	49.6
1999	34.5	26.9	27.8	30.8	35.6	40.5	47.7
Peru							
1991	27.0	23.1	17.6	23.9	30.6	32.3	33.0
2000	30.0	22.2	19.8	25.9	31.8	39.2	44.8
Trinidad & Tobago							
1992	26.9	22.0	19.7	25.1	28.0	29.4	33.4
Uruguay							
1989	29.0	23.4	21.4	25.0	28.1	31.1	37.9
1995	26.3	20.7	18.3	21.5	25.5	29.6	36.0
2000	24.2	27.5	19.2	21.4	23.0	26.7	33.9
Venezuela							
1989	33.4	26.1	24.6	29.2	35.9	44.7	59.9
1995	31.4	24.3	23.0	27.1	32.1	42.4	57.6
1998	30.9	24.1	24.0	27.0	31.7	39.9	55.4

Source: author's calculations based on microdata from household surveys.

Table 5.7
Adults self-reported literacy rate by quintile

Country	1	2	3	4	5	Average
Argentina						
1992	0.96	0.98	0.98	0.99	1.00	0.98
1996	0.96	0.98	0.99	1.00	1.00	0.99
2001	0.98	0.98	0.99	1.00	1.00	0.99
Bolivia						
Urban						
1992	0.85	0.90	0.92	0.94	0.97	0.92
1996	0.88	0.89	0.92	0.95	0.98	0.93
National						
1996	0.60	0.76	0.85	0.90	0.96	0.82
1999	0.58	0.77	0.88	0.91	0.97	0.83
Brazil						
1990	0.51	0.68	0.82	0.91	0.97	0.81
1995	0.59	0.73	0.85	0.93	0.98	0.84
2001	0.67	0.79	0.87	0.95	0.99	0.87
Chile						
1990	0.91	0.92	0.94	0.97	0.99	0.95
1996	0.90	0.93	0.96	0.98	0.99	0.96
2000	0.92	0.94	0.96	0.98	1.00	0.96
Colombia						
Bogotá						
1992	0.96	0.98	0.98	0.99	0.99	0.98
1996	0.96	0.98	0.99	0.99	0.99	0.98
National						
1996	0.90	0.94	0.95	0.97	0.99	0.96
1999	0.91	0.93	0.96	0.96	0.99	0.96
Costa Rica						
1990	0.70	0.83	0.83	0.88	0.96	0.85
1995	0.76	0.84	0.88	0.91	0.97	0.88
2000	0.76	0.86	0.88	0.92	0.97	0.89
Dominican R.						
1995	0.83	0.88	0.90	0.93	0.97	0.91
Ecuador						
1994	0.74	0.85	0.86	0.91	0.96	0.87
1998	0.78	0.86	0.90	0.93	0.98	0.90
El Salvador						
1991	0.49	0.57	0.68	0.76	0.88	0.69
1995	0.52	0.60	0.72	0.84	0.93	0.75
2000	0.64	0.71	0.79	0.86	0.93	0.80
Guatemala						
2000	0.40	0.53	0.59	0.73	0.90	0.66
Honduras						
1990	0.51	0.55	0.66	0.76	0.90	0.70
1995	0.61	0.65	0.77	0.84	0.92	0.77
1999	0.65	0.72	0.81	0.89	0.95	0.82
Jamaica						
1990	0.91	0.94	0.95	0.98	0.99	0.96
1996	0.98	0.98	0.96	0.97	0.99	0.98
1999	0.96	0.97	0.97	0.96	0.97	0.97
Mexico						
1992	0.66	0.83	0.88	0.93	0.98	0.87
1996	0.70	0.82	0.91	0.94	0.98	0.89
2000	0.70	0.87	0.93	0.95	0.99	0.90
Nicaragua						
1993	0.38	0.52	0.64	0.76	0.80	0.64
1998 (a)	0.46	0.57	0.69	0.76	0.87	0.69
1998 (b)	0.60	0.66	0.78	0.83	0.91	0.77
Panama						
1991	0.74	0.85	0.91	0.94	0.97	0.90
1995	0.78	0.89	0.93	0.96	0.98	0.92
2000	0.94	0.96	0.98	0.98	1.00	0.98
Paraguay						
1995	0.68	0.79	0.83	0.89	0.95	0.84
1999	0.79	0.86	0.92	0.96	0.98	0.91
Peru						
1991	0.79	0.89	0.94	0.97	0.97	0.92
2000	0.81	0.88	0.94	0.97	0.98	0.93
Trinidad & Tobago						
1992	0.71	0.74	0.81	0.83	0.88	0.81
Uruguay						
1989	0.88	0.91	0.95	0.96	0.96	0.94
1995	0.91	0.93	0.96	0.97	0.99	0.95
2000	0.93	0.96	0.97	0.98	0.99	0.97
Venezuela						
1989	0.78	0.86	0.90	0.94	0.98	0.90
1995	0.82	0.88	0.92	0.94	0.98	0.92
1998	0.86	0.90	0.93	0.95	0.99	0.93

Source: author's calculations based on microdata from household surveys.
Note: Nicaragua 1993 and 1998 (a): share of adults with less than 3 years
of formal education. Nicaragua 1998 (b): self-reported literacy rate.

Table 5.8
Educational structure. Adult population

Country	(18-65)			(25-55)			(25-55) Males			(25-55) Females			(25-55) Working males		
	Low (i)	Medium (ii)	High (iii)	Low (iv)	Medium (v)	High (vi)	Low (vii)	Medium (viii)	High (ix)	Low (x)	Medium (xi)	High (xii)	Low (xiii)	Medium (xiv)	High (xv)
Argentina															
1992	42.2	38.8	18.9	42.5	37.3	20.2	42.1	37.5	20.4	42.9	37.2	19.9	41.7	38.5	19.8
1996	42.0	39.4	18.6	41.2	37.8	21.0	41.2	38.4	20.4	41.2	37.3	21.6	42.3	38.1	19.6
2001	37.8	39.8	22.4	38.0	36.7	25.3	39.3	38.2	22.6	36.9	35.4	27.7	37.7	39.4	22.9
Bolivia															
Urban															
1992	40.1	45.1	14.8	43.3	37.6	19.1	35.1	44.8	20.2	50.8	31.1	18.2	35.9	43.5	20.6
1996	41.4	37.2	21.5	42.7	30.6	26.7	34.2	33.6	32.2	50.0	28.1	21.9	35.3	34.3	30.4
National															
1996	62.2	25.3	12.6	65.1	20.8	14.2	59.1	23.8	17.1	70.5	18.0	11.5	58.0	24.7	17.3
1999	54.1	30.0	15.8	59.0	22.6	18.4	52.7	25.9	21.5	64.8	19.6	15.6	52.1	26.9	21.0
Brazil															
1990	76.4	17.6	6.0	75.8	16.5	7.8	76.1	16.1	7.7	75.4	16.8	7.8	76.1	16.1	7.7
1995	73.8	19.9	6.4	73.1	18.8	8.1	74.3	17.8	7.9	72.0	19.7	8.3	74.2	17.9	7.9
2001	64.6	27.9	7.5	66.1	24.7	9.1	67.9	23.6	8.5	64.5	25.8	9.8	67.8	23.8	8.4
Chile															
1990	43.7	42.7	13.6	50.0	37.6	12.4	43.7	40.2	16.1	46.2	40.0	13.8	43.6	40.2	16.2
1996	37.7	45.9	16.4	38.5	44.7	16.9	37.6	44.0	18.3	39.3	45.2	15.5	37.5	44.2	18.4
2000	33.1	48.3	18.6	33.0	47.0	20.0	32.5	46.2	21.3	33.5	47.7	18.9	32.3	46.2	21.5
Colombia															
Bogotá															
1992	42.6	39.0	18.3	43.2	34.7	22.1	40.5	33.8	25.8	45.6	35.4	19.0	40.3	34.3	25.4
1996	43.5	41.1	15.5	45.0	36.9	18.1	44.1	36.6	19.3	45.8	37.2	17.0	43.5	37.6	19.0
National															
1996	62.8	28.9	8.2	63.8	26.1	10.0	63.8	25.3	10.9	63.8	26.9	9.3	64.1	25.4	10.6
1999	57.8	31.9	10.4	59.6	28.1	12.4	60.0	26.7	13.3	59.1	29.3	11.6	61.5	26.1	12.3
Costa Rica															
1990	59.4	29.4	11.2	59.7	27.5	12.8	59.3	27.5	13.1	59.9	27.5	12.6	59.3	27.4	13.3
1995	55.4	30.6	14.0	54.9	29.5	15.6	55.2	28.7	16.1	54.6	30.3	15.1	56.2	28.0	15.8
2000	55.2	30.7	14.1	58.6	27.6	13.9	58.5	27.8	13.7	58.6	27.4	14.1	59.6	27.5	12.9
Dominican R.															
1995	57.9	30.6	11.5	59.7	26.8	13.5	60.3	25.7	14.0	59.1	27.8	13.0	60.2	25.7	14.1
Ecuador															
1994	61.4	27.1	11.5	64.1	21.9	14.0	63.3	21.8	14.9	64.9	22.1	13.1	63.1	21.9	15.0
1998	56.5	30.3	13.2	56.9	27.1	16.1	56.3	26.6	17.1	57.4	27.6	15.0	55.7	26.8	17.5
El Salvador															
1991	67.9	24.8	7.3	70.9	21.4	7.7	67.0	23.8	9.2	74.1	19.5	6.4	66.0	24.6	9.4
1995	67.0	26.0	7.1	69.1	22.4	8.5	65.0	24.9	10.1	72.4	20.5	7.2	60.5	28.2	11.4
2000	59.5	30.6	9.9	61.6	26.7	11.7	57.7	29.4	12.9	64.7	24.5	10.8	62.6	29.2	8.2
Guatemala															
2000	79.8	14.9	5.4	81.1	12.6	6.4	77.9	13.4	8.7	83.8	11.9	4.3	74.3	15.8	9.8
Honduras															
1990	84.0	12.8	3.2	80.2	14.9	5.0	80.0	13.5	6.5	80.4	16.1	3.6	80.0	13.3	6.6
1995	79.4	17.1	3.5	73.6	21.1	5.3	73.2	19.9	6.9	74.0	22.1	3.9	73.0	20.1	6.9
1999	77.8	17.7	4.6	73.1	20.5	6.5	73.5	18.5	8.1	72.7	22.1	5.2	72.7	22.1	5.2
Jamaica															
1990	38.7	56.1	5.2	41.1	52.8	6.1	42.6	52.3	5.1	39.7	53.3	7.0	40.3	55.4	4.4
1996	22.5	69.5	8.0	21.3	70.6	8.2	21.9	71.3	6.8	20.7	69.9	9.4	19.3	72.6	8.2
1999	31.1	63.1	5.8	27.8	65.7	6.6	26.7	67.5	5.9	28.8	64.0	7.2	22.6	71.9	5.5
Mexico															
1992	62.5	28.1	9.4	67.6	22.1	10.4	64.3	22.0	13.8	70.6	22.2	7.2	64.4	22.0	13.6
1996	56.6	32.8	10.7	59.0	28.8	12.2	55.8	29.0	15.2	62.0	28.6	9.4	55.5	29.1	15.3
2000	50.3	35.8	14.0	51.6	33.9	14.5	48.1	33.5	18.4	54.8	34.1	11.1	47.1	34.0	19.0
Nicaragua															
1993	68.8	26.2	5.0	69.7	23.9	6.4	68.3	24.1	7.6	71.0	23.7	5.3	64.7	26.6	8.7
1998	63.0	31.3	5.7	64.5	29.1	6.5	62.8	29.4	7.8	66.0	28.8	5.3	59.3	31.9	8.8
Panama															
1991	49.0	37.5	13.5	49.3	34.2	16.4	51.4	32.9	15.7	47.4	35.4	17.1	51.5	32.9	15.6
1995	45.2	39.9	14.9	44.7	37.6	17.7	46.5	36.9	16.6	42.9	38.3	18.9	46.5	36.9	16.6
2000	39.0	43.0	18.0	38.5	40.7	20.7	40.7	40.8	18.5	36.5	40.6	22.9	37.2	43.0	19.8
Paraguay															
1995	71.0	22.0	7.0	71.7	20.1	8.2	70.1	21.7	8.2	73.3	18.5	8.2	69.1	22.5	8.5
1999	65.1	27.0	7.9	67.4	23.5	9.2	65.5	25.8	8.7	69.2	21.2	9.6	60.7	29.4	9.9
Peru															
1991	40.1	47.7	12.2	42.2	41.6	16.3	37.6	43.5	19.0	46.5	39.8	13.7	36.0	44.3	19.7
2000	37.5	42.7	19.8	37.9	39.4	22.8	32.1	43.8	24.1	43.2	35.3	21.6	31.5	44.5	23.9
Trinidad & Tobago															
1992	49.8	42.2	8.0	52.9	38.4	8.8	54.3	35.9	9.9	51.6	40.8	7.7	55.3	34.2	10.5
Uruguay															
1989	53.5	35.3	11.3	51.3	35.9	12.8	49.7	36.6	13.7	52.8	35.3	12.0	49.6	36.6	13.8
1995	45.4	41.4	13.2	43.4	40.8	15.8	43.7	41.6	14.7	43.1	40.2	16.7	43.8	41.6	14.6
2000	41.6	41.9	16.5	39.5	43.0	17.6	40.0	44.6	15.4	39.1	41.5	19.5	39.7	44.7	15.5
Venezuela															
1989	61.0	30.4	8.6	61.9	27.5	10.6	61.2	27.3	11.6	62.6	27.7	9.7	61.6	27.7	10.7
1998	52.6	33.6	13.8	52.7	32.3	15.0	54.1	32.1	13.9	51.5	32.4	16.1	53.3	32.5	14.2

Source: author's calculations based on microdata from household surveys.
Note: Low education: less than 8 years of schooling. Medium: between 9 and 13. High: more than 14.

Table 5.9
Gini coefficient
Distribution of hourly wages

Country	All workers	Urban workers	All workers Primary job	Urban workers Primary job	Men 16-65 Primary job	Men 25-55 Primary job	Men 25-55 Urban salaried Primary job	Salaried workers	Urban salaried workers
	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)
Argentina									
1992	38.2	38.2	38.0	38.0	38.9	39.8	38.3	36.1	36.1
1996	40.4	40.4	40.1	40.1	40.5	40.4	38.9	37.9	37.9
2001	43.3	43.3	43.2	43.2	44.6	43.8	42.6	41.1	41.1
Bolivia									
Urban									
1992	56.9	56.9	57.0	57.0	54.2	50.9	48.2	56.1	56.1
1996	54.3	54.3	54.3	54.3	52.5	52.4	48.6	52.1	52.1
National									
1996	57.0	53.8	56.9	53.8	56.8	57.2	47.9	50.7	51.4
1999	60.9	55.9	61.7	56.7	57.2	57.5	50.8	52.3	52.4
Brazil									
1990	60.2	58.8	60.3	59.0	59.2	58.2	54.0	58.3	57.0
1995	58.8	57.7	59.1	58.0	59.1	58.2	53.9	55.9	55.1
2001	57.4	56.6	57.6	56.8	58.0	57.6	53.7	53.8	53.4
Chile									
1990			56.8	56.0	57.7	57.1	50.4		
1996			55.3	54.8	55.8	54.7	46.6		
2000			55.8	55.4	57.5	57.5	49.5		
Colombia									
Bogotá									
1992	51.5	51.5	51.5	51.5	51.5	50.3	48.5	48.0	48.0
1996	52.3	52.3	51.9	51.9	53.5	52.4	49.6	50.0	50.0
National									
1996	52.2	50.3	51.7	49.5	51.8	51.7	45.9	46.2	46.8
1999	54.1	51.3	54.1	51.3	55.0	55.0	48.2	48.9	46.9
Costa Rica									
1990	42.1	42.2	42.2	42.4	41.7	42.1	40.9	39.8	40.6
1995	42.6	41.7	42.8	41.8	41.6	42.3	39.4	40.1	39.9
2000	43.2	44.0	43.2	44.0	42.2	41.9	41.2	39.8	41.1
Dominican R.									
1995	49.1	52.2	49.1	52.2	48.1	47.2	42.8	43.3	45.9
1997	45.6	46.3	45.6	46.4	44.7	46.0	41.7	43.6	44.0
Ecuador									
1994	54.1	50.9	54.6	51.6	52.7	54.0	47.3	47.1	48.9
1998	54.3	53.0	53.3	52.2	50.9	51.7	44.1	47.5	47.6
El Salvador									
1991	54.0	49.6	50.6	48.4	49.5	49.8	41.8	49.5	43.5
1995	49.2	48.6	47.6	47.4	45.3	45.2	39.1	45.3	44.0
2000	48.4	48.9	48.0	48.9	45.1	45.4	38.6	38.5	39.3
Guatemala									
2000	57.5	56.1	56.6	56.0	54.7	56.3	53.0	55.0	54.1
Honduras									
1990	56.2	55.7	56.1	54.7	54.7	55.1	47.9	52.6	51.8
1995	54.7	52.6	55.5	52.7	56.1	55.9	41.3	44.3	44.0
1999	56.3	53.0	57.7	54.3	57.5	57.8	47.1	49.6	48.0
Jamaica									
1990	42.5	41.2	42.5	41.2	39.8	41.9	36.0	40.6	41.1
1996	44.5	49.0	44.5	49.0	42.8	44.6	48.8	42.8	48.1
1999	43.0	45.5	43.0	45.5	39.6	41.9	45.5	42.9	45.8
Mexico									
1992	55.6	53.2	56.3	54.1	56.7	55.3	48.5	49.5	48.1
1996	54.9	52.4	55.5	53.3	55.4	55.1	49.4	51.3	49.4
2000	54.1	51.2	53.9	51.6	54.0	53.2	49.0	49.6	47.8
Nicaragua									
1993	53.6	50.4	53.5	50.3	55.6	56.1	47.1	46.9	45.1
1998	56.7	56.4	56.8	57.1	58.8	58.3	53.9	52.5	54.2
Panama									
1991	48.1		48.4		47.7	46.4		45.7	
1995	49.3	48.3	49.0	48.1	49.1	48.7	46.0	47.2	46.3
2000	50.0	48.8	50.8	49.6	51.7	51.0	46.2	45.6	44.7
Paraguay									
1995	59.0	56.7	57.2	54.8	57.3	57.8	45.1	48.1	48.4
1999	52.7	50.6	53.1	51.2	52.5	52.2	44.1	45.7	45.5
Peru									
1991	51.3	48.4	51.2	48.5	48.7	46.8	40.4	44.8	44.4
1994	49.7	47.0	50.4	47.3	50.0	49.2	42.3	45.1	43.6
2000	52.9	50.2	53.3	50.6	51.2	51.0	43.1	47.0	45.8
Trinidad & Tobago									
1992	43.3	46.1	43.3	46.1	40.4	37.7	38.3	41.1	44.7
Uruguay									
1989	43.4	43.4	42.0	42.0	40.7	38.3	35.9	37.8	37.8
1995	44.4	44.4	45.2	45.2	44.6	42.9	40.8	41.3	41.3
2000	44.7	44.7	45.3	45.3	44.7	42.7	39.7	40.9	40.9
Venezuela									
1989	37.1	36.5	37.1	36.5	36.5	35.9	33.7	33.4	32.2
1995	43.8	43.2	43.8	43.2	43.0	42.2	35.6	38.9	36.7
1998	46.6	44.9	46.6	44.9	46.2	46.3	43.2	42.5	41.3

Source: author's calculations based on microdata from household surveys.

Table 5.10
Wage gap between educational groups
Men, 25-55 years old

Country	High/Medium (i)	High/Low (ii)	Medium/Low (iii)
Argentina			
1992	1.9	2.5	1.4
1996	2.0	2.6	1.3
2001	2.1	2.8	1.4
Bolivia			
Urban			
1992	1.9	2.5	1.3
1996	2.2	2.9	1.3
National			
1996	2.1	3.8	1.7
1999	2.1	3.7	1.7
Brazil			
1990	2.2	5.8	2.6
1995	2.6	6.2	2.4
2001	2.8	6.5	2.3
Chile			
1990	2.8	3.8	1.4
1996	2.8	4.6	1.7
2000	3.1	5.2	1.7
Colombia			
Bogotá			
1992	2.5	4.0	1.6
1996	3.2	4.6	1.4
National			
1996	2.6	4.8	1.8
1999	2.5	4.7	1.9
Costa Rica			
1990	2.1	3.2	1.5
1995	2.1	3.0	1.4
2000	2.0	2.9	1.5
Dominican R.			
1995	2.0	2.7	1.3
1997	1.9	2.5	1.3
Ecuador			
1994	2.0	2.6	1.3
1998	1.8	3.0	1.7
El Salvador			
1991	2.0	3.4	1.6
1995	2.1	3.4	1.6
2000	2.0	3.1	1.6
Guatemala			
2000	2.4	5.0	2.1
Honduras			
1990	2.1	4.9	2.3
1995	3.0	5.5	1.8
1999	1.9	3.9	2.1
Jamaica			
1990	1.7	2.0	1.1
1999	1.9	2.6	1.4
Mexico			
1992	2.2	3.9	1.8
1996	2.2	4.2	1.9
2000	2.7	4.2	1.5
Nicaragua			
1993	2.0	3.3	1.6
1998	2.6	4.3	1.7
Panama			
1991	2.2	3.3	1.5
1995	2.3	3.8	1.7
2000	2.3	3.6	1.6
Paraguay			
1995	2.0	3.6	1.8
1999	2.1	2.9	1.4
Peru			
1991	1.3	2.1	1.6
1994	1.8	2.8	1.6
2000	2.0	3.0	1.5
Trinidad & Tobago			
1992	2.0	2.6	1.3
Uruguay			
1989	1.6	2.2	1.4
1995	1.9	2.9	1.5
2000	1.9	2.7	1.4
Venezuela			
1989	1.7	2.5	1.4
1995	1.5	2.4	1.6
1998	2.0	2.7	1.4

Source: author's calculations based on microdata from household surveys.

Table 5.11
Mincer equations
Marginal returns to finishing a given educational level

	All workers						Urban salaried workers					
	Men			Women			Men			Women		
Country	Primary (i)	Secondary (ii)	College (iii)	Primary (iv)	Secondary (v)	College (vi)	Primary (vii)	Secondary (viii)	College (ix)	Primary (x)	Secondary (xi)	College (xii)
Argentina												
1992	0.179	0.395	0.540	-0.037	0.385	0.403	0.155	0.437	0.526	0.017	0.387	0.223
1996	0.122	0.346	0.721	0.006	0.290	0.601	0.108	0.328	0.722	0.095	0.226	0.523
2001	0.217	0.402	0.758	0.138	0.404	0.630	0.262	0.353	0.745	0.130	0.390	0.580
Bolivia												
Urban												
1992	0.384	0.002	0.631	0.190	0.195	0.594	0.302	0.058	0.680	0.014	0.660	0.670
1996	0.077	0.138	0.908	0.050	0.247	0.991	-0.010	0.149	1.073	0.043	0.518	0.889
National												
1996	0.283	0.177	0.882	0.201	0.244	0.843	0.010	0.166	1.025	0.097	0.442	0.905
1999	0.129	0.413	0.766	0.184	0.664	0.782	0.264	0.073	0.800	0.114	0.621	0.753
Brazil												
1990	0.505	0.415	0.847	0.509	0.500	0.933	0.493	0.478	0.870	0.525	0.545	0.929
1995	0.459	0.412	0.885	0.459	0.594	1.030	0.458	0.426	0.941	0.399	0.485	0.818
2001	0.399	0.392	0.942	0.329	0.376	0.903	0.382	0.395	0.996	0.297	0.437	0.961
Chile												
1990	0.107	0.383	0.808	-0.007	0.716	0.952	0.109	0.380	0.835	-0.024	0.591	0.661
1996	0.058	0.484	0.885	0.052	0.511	0.594	0.056	0.485	0.852	0.005	0.552	0.651
2000	0.084	0.388	0.942	0.115	0.473	0.971	0.088	0.398	0.932	0.015	0.405	0.813
Colombia												
Bogotá												
1992	0.141	0.661	0.891	0.262	0.640	0.804	0.094	0.743	0.874	0.469	0.579	0.824
1996	0.088	0.453	0.990	0.169	0.576	0.966	0.096	0.473	1.020	0.098	0.446	0.911
National												
1996	0.204	0.478	0.840	0.255	0.598	0.777	0.134	0.400	0.943	0.128	0.471	0.793
1999	0.202	0.429	0.905	0.227	0.521	0.859	0.094	0.407	0.875	0.054	0.360	0.833
Costa Rica												
1990	0.142	0.440	0.694	0.211	0.505	0.668	0.130	0.523	0.670	0.014	0.536	0.583
1995	0.157	0.368	0.688	0.196	0.428	0.716	0.178	0.352	0.694	0.361	0.441	0.643
2000	0.077	0.380	0.665	0.023	0.461	0.694	0.055	0.440	0.748	0.155	0.327	0.694
Dominican R.												
1995	0.216	0.114	0.862	0.392	0.485	1.198	0.266	0.033	0.904	0.393	0.345	0.815
1997	0.246	0.107	0.711	0.280	0.553	0.955	0.169	0.181	0.746	0.129	0.570	0.611
Ecuador												
1994	0.212	0.399	0.558	0.008	0.641	0.721	0.144	0.529	0.515	0.196	0.571	0.496
1998	0.306	0.378	0.645	0.124	0.649	0.567	-0.050	0.470	0.691	-0.253	0.721	0.411
El Salvador												
1991	0.235	0.351	0.539	0.185	0.537	0.538	0.176	0.436	0.556	0.268	0.563	0.458
1995	0.156	0.433	0.668	0.159	0.737	0.729	0.196	0.382	0.622	0.333	0.762	0.667
2000	0.141	0.351	0.531	0.234	0.221	0.589	0.203	0.265	0.408	0.298	0.262	0.459
Guatemala												
2000	0.256	0.780	0.587	0.188	0.910	0.617	0.255	0.782	0.634	0.451	0.820	0.769
Honduras												
1990	0.368	0.622	0.714	0.349	1.177	0.655	0.376	0.580	0.738	0.342	1.248	0.630
1995	0.243	0.616	0.851	0.384	0.892	0.478	0.207	0.527	0.745	0.321	0.919	0.447
1999	0.330	0.655	0.659	0.409	0.797	0.587	0.331	0.626	0.765	0.391	0.789	0.732
Jamaica												
1990	0.762	0.116	1.000	-0.032	0.386	0.534	0.231	0.280	0.946	0.378	0.431	0.430
1999	0.000	0.296	0.943	0.005	0.478	1.385	0.431	0.090	0.983	0.071	0.490	1.226
Mexico												
1992	0.326	0.504	0.755	0.217	1.051	0.173	0.239	0.573	0.683	0.221	0.957	0.206
1996	0.303	0.686	0.575	0.283	0.858	0.389	0.306	0.641	0.649	0.285	0.898	0.383
2000	0.347	0.449	0.840	0.195	0.663	0.416	0.259	0.459	0.846	0.210	0.856	0.533
Nicaragua												
1993	0.191	0.295	0.436	0.073	0.185	0.313	0.237	0.219	0.575	0.085	0.283	0.501
1998	0.346	0.290	0.771	0.133	0.238	0.827	0.268	0.418	0.695	0.211	0.354	0.803
Panama												
1991	0.081	0.377	0.805	0.273	0.815	0.743	0.193	0.509	0.750	0.255	0.814	0.698
1995	0.232	0.424	0.851	0.223	0.799	0.797	0.271	0.472	0.841	0.193	0.752	0.804
2000	0.182	0.365	0.956	0.256	0.534	0.712	0.126	0.310	0.936	0.159	0.430	0.768
Paraguay												
1995	0.193	0.543	0.822	0.163	0.703	0.647	0.269	0.473	0.723	0.325	0.673	0.633
1999	0.250	0.425	0.837	0.335	0.439	0.983	0.333	0.349	0.821	0.401	0.502	0.706
Peru												
1991	0.266	0.196	0.395	0.072	0.291	0.475	0.142	0.351	0.347	-0.159	0.216	0.429
1994	0.052	0.346	0.568	0.297	0.271	0.476	0.162	0.348	0.585	0.086	0.455	0.632
2000	0.169	0.365	0.661	-0.007	0.367	0.727	0.203	0.184	0.726	0.020	0.526	0.632
Trinidad & Tobago												
1992	0.208	0.252	0.601	-0.027	0.682	0.965	0.152	0.379	0.563	0.309	0.583	0.881
Uruguay												
1989	0.088	0.338	0.600	-0.010	0.433	0.544	0.088	0.336	0.599	-0.012	0.437	0.529
1995	0.140	0.426	0.626	0.088	0.608	0.627	0.129	0.462	0.593	0.054	0.604	0.520
2000	0.150	0.403	0.689	0.097	0.511	0.688	0.215	0.407	0.681	0.082	0.478	0.580
Venezuela												
1989	0.257	0.338	0.504	0.327	0.521	0.480	0.095	0.322	0.522	0.151	0.422	0.498
1995	0.215	0.355	0.444	0.172	0.278	0.371	0.098	0.261	0.483	0.240	0.389	0.543
1998	0.192	0.347	0.510	0.092	0.246	0.408	-0.020	0.418	0.638	-0.018	0.638	0.524

Source: author's calculations based on microdata from household surveys.
Note: Regressions estimated by Heckman maximum likelihood. Dependent variable: logarithm of hourly wage from primary job of individuals aged 25 to 55 years. Explanatory variables: educational dummies, age, age squared, regional dummies, and urban/rural dummy. Selection equation: same variables plus number of children and school attendance.

Table 5.12
Dispersion in unobservables and gender wage gap

	Dispersion in unobservables				Gender wage gap
	All workers		Urban salaried		Urban salaried
	Men	Women	Men	Women	workers
Country	(i)	(ii)	(iii)	(iv)	(v)
Argentina					
1992	0.571	0.596	0.532	0.507	0.867
1996	0.600	0.621	0.553	0.518	0.909
2001	0.659	0.652	0.601	0.543	0.874
Bolivia					
Urban					
1992	0.764	0.915	0.676	0.695	0.765
1996	0.736	1.013	0.663	0.686	0.801
National					
1996	0.953	0.944	0.658	0.702	0.792
1999	1.009	1.131	0.689	0.764	0.778
Brazil					
1990	0.806	0.784	0.735	0.702	0.636
1995	0.770	0.927	0.689	0.665	0.625
2001	0.748	0.727	0.660	0.636	0.693
Chile					
1990	0.780	0.914	0.662	0.618	0.699
1996	0.725	0.741	0.613	0.608	0.657
2000	0.727	0.802	0.577	0.574	0.777
Colombia					
Bogotá					
1992	0.856	0.836	0.750	0.774	0.825
1996	0.718	0.670	0.597	0.536	0.802
National					
1996	0.795	0.742	0.553	0.519	0.822
1999	0.875	0.809	0.608	0.574	0.887
Costa Rica					
1990	0.634	0.671	0.562	0.514	0.770
1995	0.634	0.678	0.525	0.535	0.789
2000	0.629	0.689	0.553	0.554	0.845
Dominican R.					
1995	0.716	0.953	0.628	0.603	0.825
1997	0.664	0.929	0.595	0.606	0.829
Ecuador					
1994	0.853	0.940	0.683	0.752	0.754
1998	0.838	0.947	0.661	0.700	0.798
El Salvador					
1991	0.849	0.806	0.601	0.597	0.806
1995	0.606	0.716	0.539	0.627	0.782
2000	0.691	0.830	0.628	0.596	0.815
Guatemala					
2000	0.806	0.947	0.647	0.783	0.828
Honduras					
1990	0.851	0.884	0.620	0.654	0.777
1995	0.862	0.813	0.549	0.590	0.817
1999	0.967	0.902	0.628	0.625	0.834
Jamaica					
1990	0.638	0.560	0.524	0.572	0.599
1999	0.615	0.803	0.608	0.689	0.817
Mexico					
1992	0.783	0.821	0.644	0.625	0.824
1996	0.790	0.834	0.662	0.635	1.074
2000	0.738	0.930	0.609	0.633	0.960
Nicaragua					
1993	0.931	0.839	0.686	0.618	0.848
1998	0.960	0.830	0.769	0.703	0.780
Panama					
1991	0.756	0.659	0.587	0.602	0.798
1995	0.665	0.673	0.583	0.593	0.743
2000	0.698	0.658	0.587	0.556	0.824
Paraguay					
1995	0.898	0.929	0.603	0.657	0.812
1999	0.815	0.831	0.585	0.585	0.853
Peru					
1991	0.812	1.041	0.692	0.664	0.828
1994	0.840	0.861	0.641	0.610	0.842
2000	0.905	0.928	0.644	0.773	0.882
Trinidad & Tobago					
1992	0.637	0.700	0.573	0.566	0.858
Uruguay					
1989	0.604	0.667	0.535	0.601	0.752
1995	0.667	0.688	0.585	0.600	0.768
2000	0.662	0.657	0.574	0.588	0.789
Venezuela					
1989	0.552	0.547	0.476	0.426	0.832
1995	0.722	0.863	0.593	0.599	0.858
1998	0.814	0.928	0.667	0.629	0.855

Source: author's calculations based on microdata from household surveys.
Note: Dispersion in unobservables=standard deviation of error term in Mincer equations of Table 5.11. Gender wage gap=ratio of the mean of the counterfactual wage that men would earn if they were paid like women over the actual average wage for men. Higher values in column (v) mean a narrower gender gap in hourly wages.

Table 5.13
Gini coefficient
Distribution of hourly wages by educational group
Males aged 25-55

| Country | Educational groups | | | Total |
	Low (i)	Medium (ii)	High (iii)	(iv)
Argentina				
1992	31.1	34.0	41.5	39.8
1996	32.2	33.8	40.6	40.4
2001	35.3	36.6	42.5	43.8
Bolivia				
Urban				
1992	46.9	48.0	47.1	50.9
1996	40.0	49.2	49.1	52.4
National				
1996	53.3	48.9	48.8	57.2
1999	58.7	44.1	48.6	57.5
Brazil				
1990	49.7	47.0	41.9	58.2
1995	48.7	46.7	44.9	58.2
2001	45.6	47.6	48.0	57.6
Chile				
1990	50.3	48.2	53.7	57.1
1996	42.5	45.7	51.2	54.7
2000	39.8	45.8	55.6	57.5
Colombia				
Bogotá				
1992	39.0	42.5	39.7	50.3
1996	39.0	40.1	44.7	52.4
National				
1996	42.2	42.5	42.7	51.7
1999	44.9	47.6	45.4	55.0
Costa Rica				
1990	34.5	34.7	36.7	42.1
1995	34.8	34.7	37.0	42.3
2000	33.2	38.1	36.7	41.9
Dominican R.				
1995	41.2	44.5	45.5	47.2
1997	42.6	41.7	43.3	46.0
Ecuador				
1994	51.7	46.2	48.2	54.0
1998	44.3	50.1	45.5	51.7
El Salvador				
1991	46.6	41.6	41.7	49.8
1995	38.7	37.2	37.0	45.2
2000	40.4	41.6	42.8	45.4
Guatemala				
2000	47.2	43.2	46.6	56.3
Honduras				
1990	51.0	40.9	39.8	55.1
1995	51.1	41.1	54.6	56.0
1999	55.3	47.6	42.5	57.8
Jamaica				
1990	44.2	40.7	19.9	41.9
1996	37.7	33.4	46.5	44.6
1999	29.7	42.9	33.9	41.9
Mexico				
1992	48.4	48.6	45.9	55.3
1996	45.6	49.8	47.0	55.1
2000	45.0	42.2	45.2	53.2
Nicaragua				
1993	54.6	48.7	51.3	56.1
1998	54.0	49.4	58.6	58.3
Panama				
1991	38.2	39.0	42.3	46.4
1995	37.4	41.2	44.2	48.7
2000	39.7	44.9	46.4	51.0
Paraguay				
1995	55.3	51.4	45.9	57.8
1999	53.4	40.4	43.8	52.2
Peru				
1991	43.7	46.8	41.0	46.8
1994	45.2	45.1	44.7	49.2
2000	50.7	43.8	46.6	51.0
Trinidad & Tobago				
1992	32.2	31.9	38.3	37.7
Uruguay				
1989	31.8	36.1	41.3	38.3
1995	34.0	38.7	43.4	42.9
2000	34.9	38.3	43.3	42.7
Venezuela				
1989	30.8	32.1	33.2	35.9
1995	39.1	39.5	36.5	42.2
1998	40.7	40.8	44.2	46.3

Source: author's calculations based on microdata from household surveys.

Table 5.14
Correlation hours worked-hourly wages,
and hours worked by education

Country	Correlations Hours worked-hourly wages		Hours worked			
	All workers	Urban salaried workers	Education			
			Low	Medium	High	Total
	(i)	(ii)	(iii)	(iv)	(v)	(vi)
Argentina						
1992	-0.1700*	-0.1617*	44.6	44.7	40.0	43.7
1996	-0.2131*	-0.1835*	42.2	45.6	41.5	43.3
2001	-0.1916*	-0.1758*	40.2	44.0	40.2	41.6
Bolivia						
Urban						
1992	-0.1355*	-0.1359*	50.8	48.7	41.1	48.3
1996	-0.1872*	-0.2472*	48.9	48.1	41.9	47.2
National						
1996	-0.1776*	-0.2479*	48.6	47.9	41.4	47.5
1999	-0.2094*	-0.2484*	49.6	50.0	42.2	48.4
Brazil						
1990	-0.0718*	-0.1368*	44.5	41.7	41.1	43.8
1995	-0.0915*	-0.1356*	44.7	42.5	42.1	44.0
2001	-0.1081*	-0.1276*	44.5	43.1	42.2	43.9
Colombia						
Bogotá						
1992	-0.1986*	-0.2142*	49.1	46.8	44.8	47.4
1996	-0.1809*	-0.2157*	49.3	48.2	45.6	48.3
National						
1996	-0.1777*	-0.2390*	48.2	47.1	44.2	47.5
1999	-0.1280*	-0.2709*	47.5	46.9	44.1	46.9
Costa Rica						
1990	-0.1655*	-0.1853*	47.3	47.7	44.6	47.1
1995	-0.1653*	-0.1662*	45.8	47.7	45.3	46.3
2000	-0.1795*	-0.2255*	46.7	48.1	45.6	46.9
Dominican R.						
1995	-0.1144*	-0.1526*	44.1	43.2	42.8	43.7
1997	-0.1841*	-0.2221*	43.4	43.2	41.2	43.1
Ecuador						
1994	-0.1153*	-0.1359*	44.0	46.4	43.6	44.5
1998	-0.1057*	-0.1866*	44.7	49.3	45.9	46.1
El Salvador						
1991	-0.0582*	-0.2361*	48.1	48.2	43.2	47.7
1995	-0.1575*	-0.3035*	48.0	47.3	42.7	47.4
2000	-0.1551*	-0.1718*	44.3	46.6	42.7	44.8
Guatemala						
2000	-0.1596*	-0.2502*	50.6	50.2	46.6	50.3
Honduras						
1990	-0.1451*	-0.2773*	46.7	45.0	43.2	46.4
1995	-0.1330*	-0.2341*	48.0	46.8	46.4	47.8
1999	-0.1336*	-0.2261*	47.0	47.1	48.7	47.1
Jamaica						
1990	-0.0872*	-0.1035*	38.7	40.1	38.7	39.6
1996	-0.0208	-0.0423	41.7	42.2	40.8	41.9
1999	-0.0666*	-0.0525	41.0	42.9	41.5	42.4
Mexico						
1992	-0.1267*	-0.1787*	48.1	46.6	44.4	47.3
1996	-0.1290*	-0.1437*	47.0	47.0	44.7	46.8
2000	-0.1361*	-0.2006*	48.3	48.2	44.0	47.6
Nicaragua						
1993	-0.1538*	-0.1658*	49.2	47.1	46.5	48.4
1998	-0.1475*	-0.1810*	50.3	48.3	46.7	49.4
Panama						
1991	-0.1164*	-0.1713*	42.3	42.5	41.7	42.3
1995	-0.1078*	-0.1462*	43.1	43.7	43.3	43.4
2000	-0.1237*	-0.1705*	42.2	43.7	43.1	43.1
Paraguay						
1995	-0.1642*	-0.2746*	41.8	45.0	40.9	42.4
1999	-0.1591*	-0.1960*	45.9	47.6	43.5	46.2
Peru						
1991	-0.2114*	-0.2184*	47.1	45.6	43.2	45.8
1994	-0.1824*	-0.1779*	47.0	48.0	43.9	46.8
2000	-0.2151*	-0.2094*	46.0	49.7	46.4	47.6
Trinidad & Tobago						
1992	-0.1493*	-0.1904*	38.7	40.8	41.1	39.9
Uruguay						
1989	-0.0583*	-0.1221*	46.3	47.0	44.3	46.3
1995	-0.1139*	-0.1101*	45.5	45.9	43.1	45.3
2000	-0.0927*	-0.1095*	43.2	45.2	41.7	43.8
Venezuela						
1989	-0.1180*	-0.1835*	42.9	41.8	40.5	42.4
1995	-0.1344*	-0.2186*	42.6	42.2	40.8	42.3
1998	-0.1359*	-0.1832*	41.8	42.2	40.8	41.8

Source: author's calculations based on microdata from household surveys.

* significant at 5%.

Table 5.15
Employment, unemployment and duration of unemployment

Country	% adults employed						% adults unemployed						Duration of unemployment (months)			
	Education			Gender			Education			Gender			Education			
	Low (i)	Medium (ii)	High (iii)	Female (iv)	Male (v)	Total (vi)	Low (vii)	Medium (viii)	High (ix)	Female (x)	Male (xi)	Total (xii)	Low (xiii)	Medium (xiv)	High (xv)	Total (xvi)
Argentina																
1992	57.1	63.0	74.3	45.0	81.5	62.7	4.1	4.6	3.5	3.2	5.3	4.2	3.1	4.4	4.7	3.9
1996	52.6	57.7	70.9	41.6	74.4	57.3	12.1	12.1	8.6	10.5	12.7	11.6	6.7	8.7	10.0	8.0
2001	52.2	54.7	72.5	45.0	70.0	57.7	13.9	14.0	8.0	9.6	16.2	12.6	6.2	7.2	8.8	7.0
Bolivia																
Urban																
1992	65.0	54.7	79.8	48.7	78.0	62.8	2.9	4.3	2.6	2.9	4.0	3.4	5.7	6.7	7.4	6.4
1996	74.3	62.2	68.8	58.6	80.2	68.6	1.9	3.9	3.8	2.9	3.3	3.1	3.7	3.3	5.1	3.9
National																
1996	82.4	65.9	72.0	67.5	87.6	76.9	1.0	3.4	3.4	1.7	2.1	1.9	3.1	3.1	5.1	3.6
1999	79.1	62.3	71.1	62.5	84.1	72.8	1.5	5.3	3.0	2.9	2.8	2.9	4.1	3.3	10.1	4.7
Brazil																
1990	63.9	71.4	85.0	46.6	87.6	66.5	2.2	3.4	1.4	1.5	3.3	2.4	3.6	4.5	5.0	3.9
1995	68.4	72.1	85.1	55.2	86.2	70.2	3.8	5.5	2.3	3.9	4.3	4.1	0.6	0.7	1.0	0.6
2001	64.9	69.1	82.8	53.8	82.1	67.4	5.9	8.8	3.7	6.9	6.2	6.6	0.7	0.7	0.7	0.7
Chile																
1990	50.5	55.0	69.5	34.1	78.0	55.0	4.4	5.6	3.7	3.6	6.2	4.8				
1996	54.9	60.6	69.0	39.7	81.2	59.8	3.0	4.3	2.6	3.1	4.0	3.5	1.9	2.7	2.6	2.4
2000	52.2	57.7	68.4	41.0	76.0	57.9	6.2	7.6	4.5	5.4	7.8	6.6	3.6	3.7	4.6	3.8
Colombia																
Bogotá																
1992	64.1	64.2	81.9	53.4	84.2	67.4	4.8	6.4	4.2	5.9	4.6	5.3	6.5	8.5	8.3	7.7
1996	62.2	65.4	76.2	52.1	81.4	65.7	7.1	7.5	5.6	7.2	6.8	7.0	5.6	6.6	8.7	6.4
National																
1996	60.2	61.7	80.3	43.2	83.6	62.3	4.7	8.5	5.2	6.0	5.6	5.8	5.9	7.5	8.2	6.7
1999	59.1	56.5	75.6	43.3	78.5	60.0	8.1	15.2	10.2	11.1	10.1	10.6	7.5	9.2	10.1	8.6
Costa Rica																
1990	57.0	62.6	72.2	34.3	87.5	60.3	2.0	3.2	2.0	1.7	2.9	2.3	3.3	4.8	5.6	4.1
1995	57.8	62.6	73.6	37.2	86.9	61.5	2.3	3.7	2.4	2.2	3.3	2.7	3.0	4.0	5.9	3.8
2000	57.6	64.2	76.1	39.5	86.1	62.2	3.3	3.1	1.8	2.6	3.5	3.0	3.9	5.1	6.8	4.6
Dominican R.																
1995	55.9	55.0	72.5	34.6	81.9	57.5	8.7	12.7	9.6	11.7	8.3	10.0	0.9	1.0	2.5	1.1
1997	57.8	58.6	72.4	36.3	83.6	59.5	8.9	13.6	12.6	12.9	8.0	10.5	1.1	1.4	1.5	1.3
Ecuador																
1994	73.7	69.9	81.3	56.6	90.3	73.4	0.9	2.8	2.5	1.4	1.7	1.6	1.2	2.3	3.4	2.1
1998	74.2	69.7	81.6	58.2	90.3	73.9	1.9	3.6	2.5	2.1	2.9	2.5	1.9	1.9	3.5	2.1
El Salvador																
1991	58.1	63.6	69.0	41.7	82.8	60.3	4.7	6.6	4.6	3.5	7.2	5.2	4.6	7.0	8.7	5.9
1995	60.7	63.5	76.3	45.2	83.4	62.5	3.9	6.3	3.2	2.6	6.8	4.5	3.3	5.6	7.8	4.3
2000	61.5	63.0	72.8	49.2	79.6	63.1	3.9	6.2	3.6	2.0	7.7	4.6	1.0	1.6	1.8	1.3
Guatemala																
2000	61.4	65.4	80.8	40.9	88.3	63.0	0.8	2.5	1.2	0.8	1.3	1.1		2.0	3.5	1.6
Honduras																
1990	61.6	63.2	66.8	36.5	89.6	62.0	2.5	8.3	7.3	2.9	4.0	3.4	4.3	8.1	7.7	5.7
1995	61.7	64.7	73.9	37.5	90.4	62.6	1.6	3.7	2.4	1.3	2.8	2.0	3.8	6.4	7.3	4.7
1999	66.4	69.9	75.0	47.6	90.5	67.4	2.1	3.2	2.8	1.6	3.1	2.3	2.2	4.7	3.9	2.9
Jamaica																
1990	68.3	63.4	79.7	53.4	78.9	65.9	7.2	13.6	3.7	14.9	6.4	10.7	9.7	9.6	9.5	9.6
1996	74.1	71.9	68.2	58.6	85.6	71.6	3.4	7.9	8.1	10.4	4.1	7.3	8.6	8.6	9.3	8.7
1999	69.2	72.4	86.8	59.2	82.9	70.6	5.4	8.5	1.9	9.4	5.0	7.3	8.6	8.6	9.6	8.6
Mexico																
1992	52.4	60.1	69.6	32.7	81.5	56.2	1.5	2.7	2.7	1.0	3.0	2.0				
1996	59.6	64.0	73.8	42.2	85.1	62.5	1.8	3.7	3.7	1.5	3.8	2.6				
2000	61.9	65.7	73.1	43.2	86.7	63.8	0.8	1.7	1.6	0.6	1.9	1.2				
Nicaragua																
1993	50.1	54.5	61.9	35.2	70.3	51.8	12.4	16.3	14.7	9.3	18.1	13.5		5.8	7.5	5.6
1998	56.7	53.9	61.2	35.8	76.4	56.1	5.0	10.2	8.4	5.6	7.9	6.8		1.8	2.1	2.0
Panama																
1991	53.4	51.9	67.5	34.5	76.0	54.8	6.6	15.4	11.4	9.9	11.2	10.5		14.2	19.4	13.8
1995	56.9	58.8	74.0	39.5	81.1	60.2	7.0	13.2	9.1	10.0	9.6	9.8		10.4	13.2	10.2
2000	56.9	57.1	75.2	40.3	79.8	60.3	5.9	9.5	5.6	5.6	9.0	7.4		8.0	11.1	7.9
Paraguay																
1995	79.2	76.9	88.8	66.1	92.9	79.4	1.5	3.7	2.0	1.8	2.2	2.0	5.3	5.0	7.1	5.3
1999	66.7	68.7	83.4	50.9	86.5	68.6	2.9	5.3	2.6	3.1	4.0	3.5	5.1	6.8	6.7	5.9
Peru																
1991	67.8	61.2	76.7	52.5	80.2	65.6	1.9	4.2	2.5	2.4	3.2	2.8				
1994	69.1	60.1	70.6	51.3	81.7	65.7	1.3	4.1	4.3	2.2	3.7	2.9				
2000	75.1	67.4	73.6	60.0	84.1	71.6	1.7	4.5	4.8	3.1	3.9	3.5	1.4	2.3	2.3	2.2
Trinidad & Tobago																
1992	47.0	53.9	77.1	36.2	69.1	52.4	13.3	14.7	4.7	10.1	16.3	13.2				
Uruguay																
1989	60.3	70.7	79.1	49.9	85.2	66.1	3.4	6.5	4.6	4.9	4.3	4.6	5.8	7.1	9.3	6.8
1995	59.9	70.8	80.9	53.0	83.3	67.2	5.5	8.2	3.5	6.9	5.8	6.3	5.9	6.5	8.2	6.4
2000	59.3	70.1	74.0	54.0	80.0	66.3	9.7	10.3	8.8	10.6	8.8	9.8	7.0	7.7	7.1	7.3
Venezuela																
1989	56.4	58.8	73.4	36.7	80.3	58.5	6.3	6.1	4.4	3.0	9.0	6.0	7.0	8.0	6.9	7.3
1995	60.0	62.7	75.5	41.1	82.4	61.8	6.0	7.6	6.4	6.0	7.3	6.6	9.5	12.3	17.2	11.0
1998	62.7	65.0	72.7	47.5	82.2	64.9	7.2	8.8	6.9	6.6	8.8	7.7	8.6	10.6	13.7	9.9

Source: author's calculations based on microdata from household surveys.
Brazil 1995 and 2001: duration refers to average months since the worker left her last job.

Table 5.16
Distribution of capital income, profits and rents, pensions and other transfers
By equalized household income quintiles

Country	Capital income, rents and profits					Pensions					Transfers excluding pensions				
	1	2	3	4	5	1	2	3	4	5	1	2	3	4	5
Argentina															
1992	0.9	1.3	2.3	11.9	83.6	9.0	18.1	19.0	21.2	32.6	3.3	6.7	14.4	28.1	47.5
1996	1.0	0.6	5.1	9.1	84.2	5.0	11.2	17.1	21.4	45.4	5.8	8.7	12.5	29.7	43.4
2001	1.5	4.6	7.4	16.3	70.3	2.7	9.0	17.0	26.5	44.8	8.1	9.3	12.3	23.4	46.9
Bolivia															
Urban															
1992						4.9	8.0	14.5	19.0	53.8	3.7	4.8	6.7	15.7	69.0
1996	4.1	6.7	6.1	11.5	71.7	5.1	6.6	8.7	25.9	53.6	7.7	11.3	14.6	19.2	47.1
National															
1996	0.4	2.6	7.2	9.4	80.4	0.4	4.9	10.1	20.1	64.6	2.1	8.6	14.5	21.0	53.8
1999	0.5	2.0	5.9	15.7	75.8	0.0	1.9	5.8	14.4	77.9	1.7	6.4	14.2	22.0	55.7
Brazil															
1990	1.4	3.2	5.8	10.9	78.7	3.4	6.1	8.4	15.5	66.6	0.0	3.8	2.9	15.9	77.5
1995	0.5	1.5	3.8	9.6	84.6	2.6	7.3	11.4	16.2	62.6	7.6	10.6	13.4	19.9	48.5
2001	3.2	3.4	4.5	10.5	78.4	2.0	6.0	11.6	17.4	62.9	9.7	10.9	10.8	18.0	50.5
Chile															
1990	0.0	0.0	1.1	9.7	89.1	4.7	9.3	15.3	25.2	45.5	23.4	22.5	20.9	18.0	15.2
1996						2.8	8.1	16.6	25.8	46.7	28.7	26.6	22.2	16.7	5.8
2000						2.4	7.1	14.6	23.8	52.1	33.0	29.0	20.8	12.3	4.9
Colombia															
1999	2.0	3.2	5.5	13.5	75.7	0.4	3.4	7.8	16.6	71.9	5.4	8.5	10.3	15.9	59.9
Costa Rica															
1995						5.4	8.6	13.0	19.8	53.2	10.7	10.4	10.7	17.3	51.0
2000						6.6	8.7	10.3	18.2	56.2	11.0	10.5	10.6	16.2	51.7
Dominican R.															
1997	4.4	6.4	8.8	16.4	63.9	3.6	6.5	6.0	9.8	74.1	6.2	9.7	12.3	23.3	48.5
Ecuador															
1994	2.4	4.1	11.5	17.1	64.9										
1998	1.2	3.1	4.5	8.7	82.5										
El Salvador															
1991	1.1	2.5	5.3	9.9	81.2	1.6	4.2	9.4	21.9	62.8	4.7	8.7	13.3	20.7	52.5
2000	2.1	3.2	4.0	9.9	80.8	1.4	6.3	11.4	17.9	63.0	11.1	13.8	14.6	17.1	43.4
Guatemala															
2000	0.1	0.2	1.7	1.8	96.3	0.9	3.2	6.7	14.2	75.0	1.3	3.3	6.9	12.0	76.6
Mexico															
1992	1.8	3.8	5.8	17.2	71.4	1.5	11.6	13.4	21.0	52.5	5.0	11.4	14.5	15.3	53.8
1996	1.4	4.0	5.3	9.1	80.2	1.8	8.5	14.8	24.0	50.9	3.4	11.5	13.1	22.6	49.4
2000	1.6	1.8	6.0	7.1	83.4	1.3	5.9	9.9	12.3	70.5	10.5	11.0	14.5	18.9	45.0
Nicaragua															
1993	1.8	13.3	4.5	6.0	74.4	9.0	13.1	16.4	19.5	42.0	3.1	4.8	9.3	15.4	67.5
1998	0.2	0.7	1.6	2.4	95.1	3.9	3.2	10.7	19.0	63.2	3.7	7.8	10.3	16.7	61.5
Panama															
1991	4.7	5.4	7.3	13.2	69.4	0.7	4.6	9.5	21.1	64.1	18.4	20.7	17.7	17.4	25.9
1995	2.3	3.4	7.3	12.7	74.3	0.8	4.4	9.5	20.5	64.8	8.2	10.6	13.3	21.5	46.4
2000	0.7	2.4	8.4	9.1	79.3	0.7	3.6	7.8	19.0	69.0	12.1	13.7	15.3	19.9	38.9
Paraguay															
1995	0.1	0.9	2.7	8.2	88.1	0.2	10.6	7.5	16.5	65.3	5.1	7.5	17.4	18.8	51.2
1999	1.1	1.8	3.9	11.4	81.7	0.5	1.9	12.0	19.2	66.4	6.2	14.4	17.8	17.0	44.7
Peru															
1994	0.5	2.8	6.0	8.1	82.7	1.8	6.4	11.9	26.6	53.3	4.6	8.7	12.4	19.8	54.5
2000	0.3	1.1	2.5	7.0	89.0	0.0	1.9	8.0	18.0	72.0	3.0	6.8	11.6	18.4	60.2
Uruguay															
1995	1.1	2.6	6.2	13.1	76.9	5.7	13.1	17.7	22.6	40.9	12.3	15.1	18.6	22.9	31.1
2000	0.6	2.2	5.2	10.8	81.2	3.7	9.6	15.5	23.3	47.9	13.7	16.3	20.1	23.0	26.8
Venezuela															
1995	5.0	5.8	10.9	11.5	66.8						10.5	11.7	15.0	17.7	45.1
1998	3.6	7.4	8.9	12.1	68.1						8.7	10.8	15.8	22.4	42.3

Source: author's calculations based on microdata from household surveys.

Table 5.17
Gini coefficient for the distribution of
operational holdings of agricultural land

Region	D&O (i)	UNDP (ii)
Latin America	**0.81**	**0.74**
Mid-East & N. Africa	0.67	0.56
North America	0.64	
Sub-Saharan Africa	0.61	0.51
Western Europe	0.57	
East & South Asia	0.56	0.52

Source: Deininger and Olinto (2002) and UNDP (1993).
Column (i) shows averages for 1950-1994 period. Column (ii)
shows values around 1981.

Table 5.18
Gini coefficient for the distribution of
operational holdings of agricultural land
LAC countries

	Deiniger & Olinto		UNDP
	1950-1979 (i)	1980-1990 (ii)	1981 (iii)
Antigua	0.74		
Argentina	0.86	0.85	
Bahamas	0.90	0.87	
Barbados	0.90	0.93	
Belize	0.72	0.71	
Bolivia		0.77	
Brazil	0.83	0.85	0.86
Colombia	0.85	0.77	0.70
Costa Rica	0.81		
Chile			0.64
Dominican Rep.	0.80		0.70
Ecuador	0.86		0.69
El Salvador	0.83		
Grenada	0.78	0.74	0.69
Guatemala	0.86		
Guyana		0.68	
Honduras	0.75		0.64
Jamaica	0.81	0.81	
Mexico	0.59		
Nicaragua	0.80		
Panama	0.71	0.87	0.84
Paraguay	0.86	0.78	0.94
Peru	0.94		0.61
Puerto Rico	0.73	0.77	
Suriname	0.73		
Trinidad	0.68		
Uruguay	0.82	0.80	0.84
Venezuela	0.92		

Source: author's calculations based on Deininger and Olinto (2002) and UNDP (1993). The values for
each country correspond in column (i) to the first value in the 1950-1979 period and in column (ii) to
the most recent observation in the period 1980-1994.

Table 5.19
Housing ownership, number of rooms, and persons per room

Country	Ownership of housing						Number of rooms						Members per room					
	1	2	3	4	5	Mean	1	2	3	4	5	Mean	1	2	3	4	5	Mean
Argentina																		
1992	0.67	0.72	0.74	0.73	0.71	0.72	2.6	2.6	2.8	3.0	3.2	2.9	2.0	1.4	1.4	1.2	1.0	1.4
1996	0.65	0.71	0.71	0.71	0.74	0.71	2.7	2.7	2.8	3.0	3.2	2.9	2.1	1.6	1.4	1.2	0.9	1.4
2001	0.65	0.71	0.70	0.73	0.75	0.72	2.5	2.6	2.7	2.9	3.3	2.9	2.3	1.7	1.4	1.1	0.9	1.4
Bolivia																		
Urban																		
1992							1.6	1.8	1.8	2.0	2.2	1.9	3.9	3.6	3.3	2.8	2.1	3.0
1996	0.50	0.50	0.47	0.50	0.56	0.51	1.6	1.8	1.8	2.0	2.3	2.0	3.8	3.4	3.1	2.6	1.9	2.8
National																		
1996	0.89	0.71	0.60	0.53	0.57	0.66	1.3	1.4	1.7	1.7	2.1	1.7	3.8	3.8	3.4	2.9	2.2	3.1
1999	0.88	0.70	0.55	0.54	0.61	0.65	1.4	1.6	1.7	1.8	2.0	1.7	3.5	3.3	3.2	2.7	2.0	2.9
Brazil																		
1990	0.69	0.68	0.66	0.68	0.70	0.68	2.1	2.0	2.0	2.1	2.1	2.1	2.6	2.4	2.3	2.1	1.8	2.2
1995	0.62	0.65	0.67	0.68	0.71	0.67	2.1	2.0	2.0	2.0	2.1	2.0	2.7	2.3	2.1	2.0	1.7	2.1
2001	0.62	0.65	0.68	0.69	0.73	0.68	2.0	2.0	1.8	1.9	2.0	1.9	2.6	2.2	1.9	1.8	1.6	2.0
Chile																		
1990																		
1996	0.53	0.56	0.60	0.64	0.56	0.58	2.1	2.3	2.5	2.6	3.0	2.5	2.4	2.1	1.8	1.6	1.2	1.8
2000	0.61	0.63	0.67	0.68	0.65	0.65	2.3	2.4	2.5	2.7	3.0	2.6	2.2	2.0	1.7	1.5	1.1	1.7
Colombia																		
Bogotá																		
1992																		
1996	0.50	0.44	0.49	0.57	0.69	0.55	2.6	2.7	2.8	3.2	4.0	3.1	2.1	1.9	1.6	1.4	0.9	1.6
National																		
1996	0.73	0.63	0.58	0.58	0.63	0.63	2.8	2.9	3.1	3.2	3.8	3.2	2.1	2.0	1.7	1.5	1.1	1.6
1999	0.71	0.60	0.55	0.57	0.60	0.60	2.8	2.9	3.0	3.3	3.8	3.2	2.1	2.0	1.7	1.5	1.0	1.6
Dominican R.																		
1995	0.82	0.79	0.75	0.75	0.68	0.76												
1997	0.89	0.83	0.79	0.71	0.65	0.76	2.9	3.2	3.2	3.4	3.9	3.4	1.8	1.6	1.5	1.3	1.0	1.4
Ecuador																		
1994	0.77	0.73	0.66	0.66	0.63	0.68	1.6	1.8	2.0	2.0	2.4	2.0	3.6	3.6	3.2	2.7	1.9	2.9
1998	0.79	0.68	0.64	0.62	0.59	0.66	1.7	1.9	1.9	2.1	2.4	2.0	3.2	3.3	3.0	2.6	1.8	2.7
El Salvador																		
1991	0.61	0.55	0.58	0.60	0.67	0.61	1.2	1.3	1.4	1.6	2.1	1.6	5.0	4.6	4.1	3.3	2.2	3.7
1995	0.65	0.60	0.62	0.64	0.71	0.65	1.3	1.3	1.5	1.7	2.2	1.6	4.6	4.4	3.7	3.0	2.1	3.4
2000	0.69	0.65	0.65	0.63	0.70	0.66	1.8	1.8	1.9	2.0	2.3	2.0	3.7	3.3	3.1	2.8	1.9	2.8
Guatemala																		
2000	0.87	0.78	0.71	0.72	0.66	0.74	1.6	1.8	2.0	2.3	3.4	2.3	4.5	4.1	3.7	2.9	1.6	3.2
Honduras																		
1990	0.84	0.76	0.71	0.64	0.62	0.71	1.2	1.2	1.3	1.5	2.0	1.5	5.7	5.4	4.9	4.2	2.7	4.4
1995	0.83	0.74	0.69	0.69	0.69	0.72	1.3	1.4	1.5	1.6	2.1	1.6	5.3	4.8	4.2	3.7	2.4	4.0
1999	0.80	0.76	0.65	0.62	0.63	0.69	1.4	1.6	1.7	1.8	2.2	1.8	4.8	4.2	3.8	3.3	2.2	3.6
Jamaica																		
1990	0.80	0.76	0.73	0.71	0.55	0.69												
1996	0.64	0.65	0.65	0.62	0.53	0.60	2.9	2.8	2.9	2.8	2.9	2.9	2.3	1.9	1.8	1.5	1.0	1.6
1999	0.64	0.54	0.64	0.57	0.49	0.56	2.6	2.7	2.9	2.8	2.6	2.7	2.4	1.8	1.6	1.5	1.1	1.6
Mexico																		
1992	0.51	0.56	0.57	0.60	0.68	0.59	1.5	1.7	1.8	2.0	2.1	1.9	4.2	3.6	3.1	2.6	2.0	3.0
1996	0.48	0.56	0.63	0.66	0.67	0.61	1.6	1.7	1.9	2.0	2.1	1.9	4.0	3.4	2.9	2.4	1.9	2.8
2000	0.48	0.63	0.63	0.66	0.69	0.62	1.7	1.8	1.9	2.0	2.2	1.9	3.5	2.9	2.5	2.2	1.7	2.5
Nicaragua																		
1993	0.53	0.58	0.55	0.52	0.55	0.55	1.7	1.7	1.9	2.1	2.2	1.9	5.0	4.4	4.0	3.4	2.6	3.7
1998	0.42	0.43	0.42	0.46	0.51	0.45	1.4	1.4	1.5	1.6	1.9	1.6	4.9	4.5	4.3	3.7	2.9	4.0
Paraguay																		
1995	0.89	0.82	0.77	0.75	0.67	0.77	1.8	1.8	1.9	2.1	2.3	2.0	3.8	3.2	2.8	2.4	1.7	2.7
1999	0.89	0.84	0.78	0.81	0.75	0.81	2.0	1.9	2.1	2.2	2.4	2.1	3.4	2.9	2.5	2.2	1.6	2.4
Peru																		
1994	0.74	0.72	0.68	0.72	0.69	0.71	2.5	2.9	3.2	3.8	4.3	3.4	2.9	2.5	2.1	1.7	1.1	1.9
2000	0.83	0.75	0.72	0.72	0.73	0.75	2.8	3.0	3.2	3.7	4.4	3.4	2.4	2.3	2.0	1.8	1.2	1.9
Trinidad & Tobago																		
1992	0.26	0.34	0.38	0.39	0.51	0.39	2.4	2.5	2.6	2.7	2.7	2.6	2.6	2.3	2.0	1.7	1.2	1.9
Uruguay																		
1989	0.62	0.65	0.68	0.67	0.73	0.67	1.9	1.9	2.0	2.1	2.2	2.0	2.3	1.8	1.8	1.6	1.4	1.7
1995	0.64	0.68	0.70	0.71	0.75	0.70	2.0	2.0	2.0	2.0	2.0	2.0	2.2	1.8	1.7	1.6	1.4	1.7
2000	0.57	0.65	0.68	0.70	0.76	0.68	2.0	2.0	2.0	2.0	2.0	2.0	2.4	1.9	1.6	1.5	1.3	1.7
Venezuela																		
1989	0.83	0.81	0.75	0.73	0.69	0.75	2.5	2.6	2.7	2.8	2.9	2.7	3.1	2.7	2.4	2.0	1.5	2.2
1995	0.86	0.85	0.82	0.80	0.79	0.82	2.3	2.3	2.4	2.4	2.4	2.4	2.8	2.7	2.3	2.0	1.7	2.3
1998	0.84	0.84	0.83	0.81	0.80	0.82	2.2	2.2	2.3	2.4	2.3	2.3	2.8	2.6	2.4	2.1	1.8	2.3

Source: author's calculations based on microdata from household surveys.
Note: In most cases "rooms" refer to the number of rooms used only by the household, excluding the kitchen and bathrooms.

Table 5.20
Number of children under 12 per household
By parental income and education

Country	Parental income quintile						Parental education		
	1	2	3	4	5	Mean	Low	Medium	High
	(i)	(ii)	(iii)	(iv)	(v)		(vi)	(vii)	(viii)
Argentina									
1992	1.80	1.70	1.68	1.44	1.32	1.59	1.87	1.53	1.15
1996	1.80	1.76	1.55	1.28	1.20	1.52	1.90	1.34	1.09
2001	1.89	1.68	1.35	1.25	1.04	1.44	1.96	1.31	0.93
Bolivia									
Urban									
1992	2.11	2.27	2.18	2.10	1.94	2.12	2.37	2.08	1.65
1996	1.89	2.13	1.91	2.00	1.63	1.91	2.15	1.92	1.51
National									
1996	2.09	2.13	2.26	2.09	1.93	2.10	2.27	2.04	1.56
1999	2.61	2.18	2.03	1.86	1.61	2.06	2.47	1.76	1.39
Brazil									
1990	2.13	1.90	1.72	1.55	1.42	1.74	1.90	1.36	1.23
1995	1.89	1.66	1.47	1.32	1.18	1.50	1.65	1.18	0.99
2001	1.63	1.41	1.27	1.13	0.97	1.28	1.43	1.04	0.83
Chile									
1990	1.59	1.59	1.51	1.38	1.43	1.50	1.55	1.50	1.36
1996	1.55	1.52	1.46	1.35	1.32	1.44	1.48	1.48	1.28
2000	1.44	1.41	1.37	1.24	1.30	1.35	1.45	1.35	1.24
Colombia									
Bogotá									
1992	1.67	1.56	1.35	1.14	1.20	1.38	1.61	1.36	1.03
1996	1.28	1.29	1.36	1.19	1.11	1.25	1.43	1.20	0.94
National									
1996	1.97	1.67	1.61	1.50	1.29	1.61	1.76	1.40	1.14
1999	1.77	1.70	1.56	1.37	1.24	1.53	1.69	1.35	1.05
Costa Rica									
1990	2.06	2.00	1.94	1.72	1.88	1.92	2.02	1.75	1.64
1995	2.05	1.77	1.80	1.67	1.51	1.76	1.93	1.60	1.40
2000	1.86	1.68	1.64	1.57	1.30	1.61	1.75	1.49	1.23
Dominican R.									
1995	1.51	1.64	1.69	1.62	1.58	1.61	1.61	1.51	1.56
1997	1.54	1.61	1.57	1.68	1.53	1.59	1.64	1.52	1.40
Ecuador									
1994	2.30	2.05	2.12	1.86	1.56	1.98	2.29	1.56	1.39
1998	2.07	2.21	1.86	1.77	1.55	1.89	2.17	1.63	1.48
El Salvador									
1991	2.43	2.32	2.20	2.05	1.82	2.16	2.40	1.79	1.42
1995	2.28	2.15	1.86	1.82	1.64	1.95	2.17	1.60	1.47
2000	1.90	1.81	1.83	1.76	1.65	1.82	2.05	1.56	1.36
Guatemala									
2000	2.98	3.00	2.64	2.43	1.92	2.60	2.84	1.98	1.61
Honduras									
1990	3.00	2.85	2.68	2.53	2.28	2.67	2.85	1.90	1.77
1995	2.75	2.71	2.40	2.46	1.94	2.45	2.64	1.91	1.70
1999	2.70	2.47	2.19	2.08	1.80	2.25	2.50	1.72	1.46
Jamaica									
1990	1.62	1.24	1.10	1.41	1.53	1.38	1.36	1.40	1.15
1996	1.45	1.33	1.05	1.29	1.40	1.31	1.27	1.35	0.86
1999	1.18	1.24	1.10	1.19	1.04	1.15	1.20	1.17	0.86
Mexico									
1992	2.59	2.22	2.14	1.93	1.75	2.13	2.37	1.77	1.58
1996	2.32	2.14	1.85	1.67	1.51	1.90	2.19	1.69	1.35
2000	2.15	1.81	1.62	1.63	1.40	1.72	1.94	1.55	1.30
Nicaragua									
1993	3.11	2.61	2.66	2.40	2.15	2.58	2.94	2.05	1.80
1998	2.63	2.58	2.44	2.28	2.06	2.40	2.71	2.05	1.52
Panama									
1991	1.86	1.70	1.73	1.51	1.38	1.64	1.89	1.52	1.32
1995	1.84	1.65	1.61	1.30	1.24	1.53	1.81	1.46	1.20
2000	1.76	1.55	1.48	1.23	1.17	1.44	1.67	1.40	0.98
Paraguay									
1995	2.70	2.60	2.11	2.08	1.95	2.29	2.50	1.81	1.61
1999	2.48	2.27	2.16	2.04	1.72	2.14	2.41	1.86	1.52
Peru									
1991	2.28	2.10	1.90	2.08	1.80	2.03	2.30	1.92	1.63
2000	2.51	2.13	2.03	2.08	1.67	2.08	2.45	1.97	1.63
Trinidad & Tobago									
1992	1.96	1.52	1.59	1.62	1.67	1.67	1.84	1.63	1.42
Uruguay									
1989	1.48	1.47	1.46	1.26	1.42	1.42	1.53	1.33	1.32
1995	1.45	1.38	1.28	1.28	1.30	1.34	1.47	1.30	1.14
2000	1.33	1.33	1.26	1.11	1.11	1.23	1.46	1.15	0.92
Venezuela									
1989	2.35	2.23	2.10	1.84	1.65	2.03	2.28	1.73	1.38
1995	2.13	2.22	1.96	1.72	1.47	1.90	2.16	1.63	1.08
1998	1.99	1.95	1.80	1.74	1.50	1.80	2.03	1.65	1.27

Source: author's calculations based on microdata from household surveys.

Table 5.21
Household size by income quintile and education of household head

Country	Equivalized income quintile						Education of household head			
	1 (i)	2 (ii)	3 (iii)	4 (iv)	5 (v)	Mean (vi)	Low (vii)	Medium (viii)	High (ix)	Mean (x)
Argentina										
1992	4.39	3.36	3.64	3.37	2.89	3.46	3.50	3.58	3.12	3.46
1996	4.75	3.86	3.45	3.18	2.73	3.47	3.64	3.42	3.06	3.47
2001	5.00	3.89	3.46	2.96	2.63	3.42	3.63	3.35	2.97	3.42
Bolivia										
Urban										
1992	5.15	5.11	4.67	4.36	3.81	4.56	4.75	4.44	4.23	4.55
1996	4.74	4.67	4.42	4.07	3.61	4.26	4.42	4.17	3.99	4.25
National										
1996	4.38	4.43	4.53	4.15	3.61	4.19	4.22	4.19	3.96	4.18
1999	4.47	4.74	4.64	4.19	3.63	4.29	4.44	4.19	3.78	4.28
Brazil										
1990	4.95	4.43	4.13	3.96	3.44	4.11	4.25	3.56	3.41	4.11
1995	5.00	4.14	3.81	3.66	3.24	3.89	4.01	3.46	3.26	3.88
2001	4.80	4.07	3.41	3.33	3.00	3.62	3.74	3.33	3.06	3.61
Chile										
1990	4.66	4.37	4.03	3.89	3.53	4.06	4.17	3.99	3.71	4.05
1996	4.42	4.30	3.95	3.82	3.43	3.95	4.02	3.95	3.70	3.95
2000	4.52	4.28	3.90	3.65	3.24	3.86	3.96	3.87	3.57	3.86
Colombia										
Bogotá										
1992	4.79	4.33	4.29	3.74	3.36	4.04	4.34	3.83	3.45	4.01
1996	4.46	4.22	3.80	3.75	3.38	3.88	4.00	3.74	3.53	3.85
National										
1996	4.87	4.74	4.43	4.02	3.52	4.25	4.36	3.90	3.67	4.21
1999	4.87	4.82	4.39	4.09	3.37	4.23	4.39	3.83	3.47	4.17
Costa Rica										
1990	4.75	4.71	4.48	4.32	3.71	4.36	4.47	4.06	3.98	4.32
1995	4.56	4.52	4.31	4.02	3.51	4.15	4.25	3.94	3.78	4.11
2000	4.31	4.40	4.24	4.05	3.54	4.08	4.09	4.16	3.69	4.06
Dominican R.										
1995	5.07	4.64	4.43	4.17	3.76	4.38	4.31	3.89	4.10	4.20
1997	4.77	4.55	4.31	3.96	3.60	4.19	4.20	3.90	4.08	4.14
Ecuador										
1994	5.10	5.40	5.10	4.78	3.88	4.79	5.05	4.08	3.94	4.74
1998	4.72	5.23	4.80	4.47	3.71	4.53	4.75	4.09	4.01	4.55
El Salvador										
1991	5.60	5.33	5.03	4.54	3.88	4.79	4.95	4.24	3.92	4.76
1995	5.31	5.26	4.83	4.45	3.86	4.68	4.84	4.12	3.92	4.65
2000	5.11	4.77	4.62	4.27	3.53	4.39	4.53	3.93	3.85	4.35
Guatemala										
2000	5.94	5.84	5.55	4.98	3.34	4.90	5.32	4.17	4.10	5.12
Honduras										
1990	6.19	6.07	5.77	5.39	4.36	5.47	5.50	4.32	4.17	5.34
1995	6.20	5.95	5.57	5.12	4.34	5.35	5.36	4.45	4.19	5.20
1999	5.80	5.59	5.39	4.99	4.14	5.11	5.18	4.18	4.13	4.98
Jamaica										
1990	6.07	5.47	4.64	4.50	2.92	4.44	4.17	3.82	3.48	4.00
1996	5.67	4.58	4.56	3.85	2.58	3.97	3.59	3.79	2.95	3.64
1999	5.14	4.30	4.34	3.72	2.47	3.76	3.59	3.27	3.00	3.40
Mexico										
1992	5.75	5.38	4.93	4.54	3.83	4.79	5.04	4.06	3.99	4.74
1996	5.67	5.18	4.84	4.25	3.62	4.60	4.85	4.07	3.78	4.55
2000	5.11	4.68	4.27	4.07	3.43	4.24	4.37	3.91	3.67	4.16
Nicaragua										
1993	6.71	6.28	5.98	5.43	4.68	5.72	5.86	4.74	4.65	5.59
1998	5.97	5.76	5.64	5.09	4.72	5.39	5.61	4.89	4.44	5.39
Panama										
1991	4.62	4.82	4.74	4.06	3.42	4.26	4.42	4.06	3.74	4.24
1995	4.59	4.65	4.18	3.88	3.26	4.03	4.16	3.95	3.57	4.01
2000	4.36	4.34	4.10	3.63	3.11	3.84	4.03	3.79	3.37	3.84
Paraguay										
1995	5.82	5.11	4.75	4.41	3.76	4.68	4.83	4.18	4.02	4.67
1999	5.73	4.99	4.66	4.32	3.69	4.58	4.80	4.12	4.06	4.62
Peru										
1991	5.24	5.47	5.51	5.35	4.73	5.24	5.41	4.82	4.69	5.12
2000	5.18	5.32	5.24	5.12	4.49	5.05	5.11	4.93	4.69	4.98
Trinidad & Tobago										
1992	5.54	5.10	4.78	4.26	3.09	4.37	4.20	3.87	3.41	4.04
Uruguay										
1989	3.89	3.35	3.25	3.15	2.86	3.27	3.19	3.45	3.35	3.27
1995	4.11	3.41	3.18	3.03	2.72	3.23	3.13	3.46	3.20	3.23
2000	4.49	3.53	3.13	2.81	2.54	3.17	3.14	3.33	2.95	3.17
Venezuela										
1989	6.45	5.87	5.36	4.96	3.95	5.16	5.30	4.43	4.07	4.99
1995	5.59	5.52	5.03	4.65	3.93	4.86	5.11	4.37	3.81	4.84
1998	5.37	5.22	4.88	4.61	3.86	4.72	4.98	4.43	3.83	4.70

Source: author's calculations based on microdata from household surveys.

Table 5.22
Correlations between spouses

Country	Years of education (i)	Hourly wages (ii)	Hours	
			All (iii)	Workers (iv)
Argentina				
1992	0.6427*	0.5061*	0.0648*	0.0562*
1996	0.6525*	0.4600*	0.0793*	0.0715*
2001	0.6623*	0.4709*	0.0815*	0.0946*
Bolivia				
Urban				
1992	0.7516*	0.2248*	0.0638*	0.2122*
1996	0.6749*	0.3529*	0.0805*	0.2027*
National				
1996	0.7584*	0.1698*	0.1264*	0.2265*
1999	0.8119*	0.1335*	0.1369*	0.2769*
Brazil				
1990	0.7452*	0.4493*	0.0985*	0.1594*
1995	0.7300*	0.5077*	0.1594*	0.1467*
2001	0.7151*	0.3466*	0.1386*	0.1485*
Chile				
1990	0.7390*	0.4770*	0.0970*	0.3341*
1996	0.7392*	0.6044*	0.0852*	0.5108*
2000	0.7388*	0.4579*	0.1081*	0.3130*
Colombia				
Bogotá				
1992	0.7783*	0.6230*	0.1713*	0.3009*
1996	0.7596*	0.5002*	0.1522*	0.1824*
National				
1996	0.7538*	0.4354*	0.0817*	0.2006*
1999	0.7384*	0.2066*	0.0763*	0.2034*
Costa Rica				
1990	0.6735*	0.3569*	0.0959*	0.1403*
1995	0.6436*	0.4362*	0.0862*	0.1793*
2000	0.6406*	0.3951*	0.0745*	0.1004*
Dominican R.				
1995	0.6938*	0.3940*	0.0597*	0.2368*
1997	0.6680*	0.4168*	0.0333	0.1432*
Ecuador				
1994	0.7710*	0.2378*	0.1356*	0.1883*
1998	0.7689*	0.2863*	0.1889*	0.2689*
El Salvador				
1991	0.6977*	0.2501*	0.0441*	0.1388*
1995	0.7169*	0.4435*	0.0581*	0.2261*
2000	0.7118*	0.2896*	0.0673*	0.1681*
Guatemala				
2000	0.7438*	0.3167*	0.1499*	0.1553*
Honduras				
1990	0.7355*	0.3095*	0.0001	0.1527*
1995	0.7184*	0.2364*	0.0198	0.1472*
1999	0.7298*	0.0787*	0.0303	0.1262*
Jamaica				
1990	0.7121*	0.7662*	0.0273	0.3356*
1996	0.6898*	0.5984*	0.1581*	0.0983
1999	0.7125*	0.4922*	0.1412*	0.1981*
Mexico				
1992	0.7017*	0.3234*	-0.0273*	0.1329*
1996	0.6985*	0.2268*	0.0325*	0.1201*
2000	0.7366*	0.3241*	0.0761*	0.0849*
Nicaragua				
1993	0.7100*	0.2142*	-0.0265	0.2039*
1998	0.6431*	0.6165*	0.0400*	0.1876*
Panama				
1991	0.7458*	0.4696*	0.2068*	0.2262*
1995	0.7262*	0.3263*	0.1739*	0.1734*
2000	0.6585*	0.5420*	0.1277*	0.1401*
Paraguay				
1995	0.7303*	0.2241*	0.0662*	0.2433*
1999	0.7280*	0.3111*	0.1100*	0.2183*
Peru				
1991	0.7414*	0.2548*	0.2006*	0.2391*
1994	0.7538*	0.5128*	0.1206*	0.1776*
2000	0.7178*	0.3713*	0.1095*	0.1847*
Trinidad & Tobago				
1992	0.5856*	0.5178*	0.1514*	0.3559*
Uruguay				
1989	0.5287*	0.4347*	0.2316*	0.1469*
1995	0.6193*	0.3601*	0.2322*	0.1480*
2000	0.5953*	0.3073*	0.2377*	0.1677*
Venezuela				
1989	0.7197*	0.3516*	0.0376*	0.1552*
1995	0.7036*	0.2386*	0.0147	0.1232*
1998	0.6921*	0.1353*	0.0291*	0.1267*

Source: author's calculations based on microdata from household surveys.
* significant at 5%.

Table 6.1
School enrollment rates by age

Country	3 to 5 years-old						6 to 12 years-old						13 to 17 years-old						18 to 23 years old					
	1	2	3	4	5	Mean	1	2	3	4	5	Mean	1	2	3	4	5	Mean	1	2	3	4	5	Mean
Argentina																								
1992	0.22	0.34	0.29	0.43	0.51	0.34	0.97	0.99	0.98	0.99	0.99	0.98	0.73	0.74	0.77	0.81	0.94	0.78	0.33	0.34	0.35	0.44	0.54	0.41
1996	0.22	0.26	0.35	0.42	0.48	0.32	0.98	0.98	0.99	1.00	1.00	0.99	0.67	0.76	0.85	0.80	0.97	0.79	0.26	0.29	0.41	0.49	0.62	0.42
2001	0.34	0.43	0.44	0.54	0.54	0.44	0.97	0.98	1.00	1.00	0.99	0.99	0.87	0.91	0.95	0.95	0.99	0.92	0.36	0.36	0.45	0.57	0.72	0.49
Bolivia																								
1996							0.89	0.96	0.96	0.97	0.99	0.95	0.39	0.59	0.65	0.66	0.77	0.61	0.08	0.28	0.35	0.36	0.49	0.33
1999	0.40	0.38	0.60	0.53	0.74	0.50	0.87	0.96	0.97	0.96	0.97	0.94	0.41	0.62	0.76	0.75	0.89	0.68	0.14	0.40	0.32	0.48	0.62	0.42
Brazil																								
1990	0.25	0.29	0.36	0.47	0.64	0.38	0.70	0.79	0.87	0.92	0.96	0.83	0.52	0.56	0.65	0.75	0.84	0.65	0.14	0.16	0.21	0.26	0.40	0.24
1995	0.24	0.28	0.32	0.39	0.60	0.34	0.81	0.89	0.93	0.96	0.98	0.90	0.64	0.68	0.74	0.82	0.91	0.74	0.20	0.23	0.24	0.30	0.48	0.29
2001	0.36	0.40	0.44	0.52	0.72	0.45	0.93	0.95	0.97	0.98	0.99	0.96	0.81	0.83	0.87	0.91	0.96	0.86	0.32	0.30	0.31	0.34	0.55	0.36
Chile																								
1990	0.24	0.23	0.29	0.35	0.48	0.31	0.96	0.96	0.98	0.97	0.99	0.97	0.79	0.81	0.81	0.88	0.94	0.83	0.25	0.22	0.25	0.32	0.52	0.31
1996	0.30	0.32	0.41	0.43	0.63	0.40	0.96	0.98	0.99	0.99	1.00	0.98	0.82	0.84	0.90	0.95	0.97	0.89	0.27	0.29	0.35	0.43	0.63	0.39
2000	0.37	0.39	0.45	0.50	0.65	0.46	0.98	0.98	0.99	0.99	1.00	0.99	0.87	0.89	0.93	0.96	0.98	0.92	0.26	0.31	0.38	0.45	0.64	0.40
Colombia																								
1996	0.16	0.18	0.23	0.26	0.26	0.21	0.86	0.90	0.93	0.96	0.98	0.91	0.64	0.73	0.74	0.81	0.83	0.75	0.20	0.25	0.26	0.29	0.47	0.31
1999	0.18	0.18	0.21	0.27	0.29	0.22	0.88	0.90	0.93	0.96	0.97	0.92	0.66	0.72	0.74	0.81	0.85	0.75	0.22	0.22	0.23	0.28	0.46	0.29
Costa Rica																								
1990							0.83	0.89	0.88	0.88	0.94	0.88	0.45	0.53	0.56	0.60	0.82	0.58	0.16	0.15	0.17	0.24	0.42	0.23
1995	0.22	0.25	0.35	0.37	0.43	0.32	0.93	0.95	0.96	0.98	0.99	0.96	0.58	0.61	0.62	0.69	0.89	0.67	0.22	0.17	0.22	0.28	0.46	0.28
2000	0.28	0.38	0.41	0.36	0.56	0.38	0.94	0.96	0.97	0.97	0.98	0.96	0.59	0.63	0.63	0.70	0.84	0.66	0.20	0.25	0.27	0.35	0.55	0.34
Dominican R.																								
1995	0.26	0.30	0.25	0.31	0.51	0.32	0.92	0.94	0.94	0.95	0.96	0.94	0.85	0.87	0.88	0.89	0.91	0.88	0.37	0.38	0.35	0.37	0.47	0.39
Ecuador																								
1994	0.22	0.23	0.30	0.32	0.48	0.30	0.78	0.82	0.91	0.91	0.95	0.86	0.47	0.57	0.60	0.68	0.77	0.61	0.22	0.26	0.24	0.30	0.39	0.29
1998	0.18	0.25	0.33	0.36	0.47	0.31	0.91	0.92	0.95	0.98	0.99	0.94	0.50	0.65	0.68	0.74	0.85	0.68	0.19	0.24	0.21	0.29	0.48	0.29
El Salvador																								
1991	0.12	0.14	0.20	0.35	0.54	0.24	0.64	0.69	0.76	0.86	0.92	0.75	0.47	0.51	0.59	0.66	0.74	0.59	0.14	0.14	0.19	0.26	0.39	0.24
1995	0.21	0.23	0.31	0.46	0.70	0.35	0.74	0.77	0.84	0.91	0.96	0.83	0.53	0.58	0.64	0.71	0.80	0.64	0.17	0.14	0.19	0.27	0.43	0.25
2000	0.22	0.21	0.26	0.33	0.47	0.29	0.79	0.83	0.86	0.92	0.97	0.86	0.61	0.68	0.71	0.77	0.81	0.70	0.24	0.21	0.22	0.23	0.42	0.27
Honduras																								
1990							0.73	0.70	0.78	0.88	0.91	0.79	0.38	0.33	0.40	0.49	0.63	0.45	0.04	0.07	0.09	0.16	0.31	0.15
1995							0.83	0.84	0.89	0.91	0.96	0.88	0.40	0.41	0.45	0.53	0.64	0.49	0.06	0.10	0.08	0.19	0.31	0.16
1999							0.78	0.84	0.85	0.91	0.92	0.85	0.40	0.43	0.52	0.58	0.67	0.52	0.07	0.13	0.18	0.18	0.34	0.20
Jamaica																								
1990	0.79	0.72	0.75	0.75	0.84	0.77	0.98	0.96	0.98	0.98	1.00	0.98	0.81	0.77	0.85	0.81	0.79	0.80	0.05	0.02	0.03	0.04	0.03	0.04
1996	0.85	0.73	0.73	0.87	0.90	0.82	0.99	0.99	0.99	1.00	1.00	1.00	0.88	0.87	0.84	0.92	0.94	0.89	0.14	0.08	0.09	0.12	0.14	0.12
1999	0.96	1.00	0.96	0.97	0.98	0.97	0.99	0.99	1.00	1.00	1.00	0.99	0.87	0.86	0.88	0.95	0.96	0.90	0.13	0.14	0.29	0.18	0.18	0.19
Mexico																								
1992	0.39	0.53	0.66	0.78	0.83	0.62	0.86	0.94	0.96	0.96	0.97	0.93	0.48	0.54	0.65	0.63	0.84	0.61	0.12	0.15	0.19	0.24	0.40	0.23
1996	0.55	0.75	0.84	0.88	0.95	0.77	0.91	0.96	0.97	0.98	0.99	0.96	0.47	0.58	0.67	0.74	0.88	0.65	0.07	0.14	0.21	0.28	0.46	0.23
2000	0.67	0.84	0.94	0.92	0.92	0.85	0.93	0.95	0.98	0.98	1.00	0.96	0.57	0.63	0.70	0.78	0.90	0.70	0.16	0.15	0.29	0.28	0.52	0.29
Nicaragua																								
1993	0.11	0.19	0.26	0.33	0.54	0.28	0.93	0.95	0.98	0.98	0.99	0.97	0.54	0.70	0.74	0.78	0.86	0.72	0.21	0.23	0.20	0.29	0.41	0.28
1998	0.22	0.37	0.37	0.40	0.53	0.37	0.73	0.81	0.89	0.94	0.95	0.85	0.45	0.58	0.66	0.65	0.79	0.62	0.13	0.20	0.31	0.27	0.42	0.28
Panama																								
1991	0.30	0.43	0.43	0.58	0.76	0.47	0.93	0.95	0.98	0.97	0.98	0.96	0.56	0.76	0.83	0.87	0.88	0.76	0.14	0.24	0.32	0.38	0.53	0.33
1995	0.29	0.46	0.63	0.79	0.83	0.56	0.95	0.96	0.98	0.99	1.00	0.97	0.63	0.78	0.84	0.92	0.87	0.79	0.16	0.26	0.30	0.37	0.50	0.33
2000	0.52	0.58	0.79	0.88	0.91	0.69	0.96	0.97	0.99	0.99	1.00	0.98	0.70	0.82	0.85	0.91	0.96	0.83	0.22	0.29	0.34	0.44	0.65	0.39
Paraguay																								
1995	0.02	0.07	0.12	0.14	0.17	0.10	0.84	0.89	0.89	0.91	0.96	0.89	0.48	0.56	0.67	0.64	0.76	0.61	0.10	0.14	0.21	0.21	0.35	0.22
1999	0.11	0.17	0.16	0.17	0.17	0.15	0.90	0.93	0.97	0.98	0.99	0.95	0.60	0.69	0.75	0.83	0.84	0.73	0.13	0.27	0.21	0.31	0.49	0.30
Peru																								
1991							0.99	0.99	0.99	1.00	1.00	0.99	0.88	0.93	0.96	0.93	0.95	0.93	0.40	0.44	0.47	0.42	0.39	0.43
1994	0.50	1.00	0.00	0.00	1.00	0.53	0.94	0.96	0.98	0.98	0.97	0.96	0.82	0.84	0.89	0.91	0.95	0.88	0.37	0.35	0.39	0.45	0.53	0.43
2000	0.60	0.62	0.70	0.70	0.80	0.67	0.99	0.99	0.99	0.98	1.00	0.99	0.84	0.87	0.93	0.94	0.97	0.90	0.26	0.34	0.31	0.44	0.56	0.38
Trinidad & Tobago																								
1992	0.53	0.62	0.74	0.70	0.73	0.66	0.98	0.96	1.00	1.00	0.98	0.98	0.69	0.76	0.77	0.89	0.93	0.79	0.07	0.19	0.18	0.24	0.30	0.19
Uruguay																								
1989	0.24	0.39	0.56	0.67	0.85	0.50	0.96	0.98	0.98	0.98	0.99	0.98	0.68	0.76	0.78	0.89	0.92	0.78	0.17	0.23	0.29	0.36	0.50	0.32
1995	0.36	0.50	0.59	0.73	0.86	0.57	0.98	0.99	1.00	0.99	1.00	0.99	0.66	0.71	0.82	0.85	0.95	0.77	0.18	0.23	0.30	0.39	0.59	0.34
2000	0.51	0.60	0.70	0.80	0.91	0.65	0.98	0.99	0.99	1.00	1.00	0.99	0.68	0.78	0.86	0.92	0.98	0.81	0.17	0.24	0.36	0.42	0.68	0.36
Venezuela																								
1989	0.25	0.32	0.34	0.42	0.55	0.36	0.86	0.91	0.93	0.96	0.97	0.92	0.65	0.72	0.74	0.75	0.84	0.73	0.24	0.24	0.24	0.30	0.43	0.29
1995	0.45	0.45	0.50	0.58	0.67	0.51	0.94	0.95	0.97	0.98	0.97	0.96	0.75	0.75	0.77	0.80	0.89	0.78	0.28	0.29	0.30	0.36	0.48	0.35
1998	0.45	0.46	0.50	0.59	0.68	0.52	0.94	0.96	0.96	0.97	0.99	0.96	0.72	0.75	0.76	0.80	0.91	0.78	0.27	0.28	0.30	0.37	0.54	0.35

Source: author's calculations based on microdata from household surveys.
Note: For some countries statistics in the first panel refer to schooling only for children 5 years old, since no information is recorded for younger children. See the web page for details.

Table 6.2
Distribution of conditional probabilities of school attendance
Gini coefficient

Country	Primary	Secondary	College	College All
	(i)	(ii)	(iii)	(iv)
Argentina				
1992	0.6	12.4	15.0	37.3
1996	0.7	12.7	16.9	38.9
2001	1.1	4.5	13.5	33.6
Bolivia				
Urban				
1992	0.9	6.3	15.5	28.3
1996	0.5	11.6	23.0	33.0
National				
1996	1.1	10.7	26.3	43.5
1999	1.1	8.6	28.7	38.6
Brazil				
1990	15.2	20.4	38.1	65.2
1995	3.2	24.6	40.1	69.8
2001	1.0	26.2	50.1	69.7
Chile				
1990	6.9	9.1	26.9	47.6
1996	0.3	7.2	22.7	43.5
2000	0.4	5.8	25.6	46.5
Colombia				
Bogotá				
1992	2.8	3.5	17.8	34.1
1996	1.9	7.0	23.1	38.5
National				
1996	2.9	8.3	24.1	49.9
1999	2.3	8.4	29.8	49.6
Costa Rica				
1990	2.0	24.5	19.4	53.9
1995	1.3	22.1	18.2	51.9
2000	1.5	19.2	20.8	51.8
Dominican R.				
1995	0.8	8.6	20.4	46.9
Ecuador				
1994	3.2	24.1	24.3	48.9
1998	7.5	17.2	30.6	54.6
El Salvador				
1991	6.1	10.8	20.1	61.8
1995	11.4	8.9	17.1	55.9
2000	4.8	8.6	21.6	54.0
Honduras				
1990	3.4	29.2	26.4	77.1
1995	5.1	23.9	24.3	74.5
1999	5.2	24.9	27.1	74.7
Mexico				
1992	3.2	21.7	15.7	53.1
1996	3.0	19.3	20.3	56.3
2000	2.3	18.6	18.7	48.8
Nicaragua				
1993	7.2	13.2	29.0	62.7
1998	5.6	13.6	24.5	58.5
Panama				
1991	2.0	14.7	35.8	55.2
1995	1.7	14.0	32.0	50.1
2000	0.9	10.3	26.7	44.3
Paraguay				
1995	1.6	15.6	27.7	47.9
1999	1.0	11.4	32.3	54.8
Peru				
1991	0.8	5.1	24.5	30.0
1994	3.1	5.5	26.3	38.0
2000	1.0	6.5	32.3	41.8
Trinidad & Tobago				
1992	1.2	11.9	58.4	66.7
Uruguay				
1989	2.1	12.5	36.2	58.9
1995	1.5	14.0	18.9	48.5
2000	1.4	12.8	17.4	49.1
Venezuela				
1989	3.2	13.5	24.0	49.4
1995	3.7	11.8	17.7	41.8
1998	3.3	11.9	19.8	41.5

Source: author's calculations based on microdata from household surveys.
Note: (i) children between 9 and 12, (ii) youths between 15 and 17 who finished primary school,
(iii) youths between 19 and 21 who finished high school, (iv) all youths between 19 and 21.

Table 6.3
Educational Mobility Index
By age groups

Country	13-19 (i)	20-25 (ii)
Argentina		
1992	0.922	0.851
1996	0.904	0.834
2001	0.907	0.814
Bolivia		
Urban		
1992	0.898	0.908
1996	0.892	0.900
National		
1996	0.828	0.799
1999	0.838	0.799
Brazil		
1990	0.827	0.763
1995	0.808	0.762
2001	0.844	0.795
Chile		
1990	0.918	0.862
1996	0.914	0.823
2000	0.922	0.834
Colombia		
Bogotá		
1992	0.911	0.829
1996	0.930	0.838
National		
1996	0.845	0.794
1999	0.842	0.812
Costa Rica		
1990	0.854	0.806
1995	0.853	0.778
2000	0.856	0.766
Dominican R.		
1995	0.885	0.871
Ecuador		
1994	0.852	0.815
1998	0.824	0.782
El Salvador		
1991	0.865	0.786
1995	0.844	0.774
2000	0.819	0.793
Guatemala		
2000	0.800	0.736
Honduras		
1990	0.841	0.727
1995	0.853	0.746
1999	0.840	0.728
Jamaica		
1990	0.990	0.929
1996	0.990	0.941
1999	0.984	0.973
Mexico		
1992	0.905	0.842
1996	0.905	0.846
2000	0.868	0.768
Nicaragua		
1993	0.870	0.854
1998	0.851	0.811
Panama		
1991	0.867	0.822
1995	0.850	0.798
2000	0.893	0.856
Paraguay		
1995	0.846	0.768
1999	0.851	0.762
Peru		
1991	0.936	0.904
1994	0.873	0.886
2000	0.890	0.870
Trinidad & Tobago		
1992	0.964	0.944
Uruguay		
1989	0.923	0.880
1995	0.907	0.842
2000	0.900	0.820
Venezuela		
1989	0.831	0.799
1995	0.857	0.816
1998	0.843	0.788

Source: author's calculations based on microdata from household surveys.

Table 6.4
Health status measures and health services indicators
by socio-economic status quintiles

A. *Under-5 mortality and children underweight*

Country/region	Under-5 mortality rates (per thousand)							Children underweight rates						
	1	2	3	4	5	Average	CI	1	2	3	4	5	Average	CI
Bolivia	146.5	114.9	104.0	47.8	32.0	99.1	-0.22	16.9	9.8	6.3	3.9	3.1	9.0	-0.31
Brazil	98.9	56.0	39.2	26.7	33.3	56.7	-0.26	11.5	5.1	2.8	1.9	3.0	5.7	-0.21
Colombia	52.1	37.1	30.7	34.9	23.6	37.4	-0.13	14.7	9.4	6.7	3.2	3.0	8.4	-0.29
Dominican Republic	89.9	73.0	60.1	37.3	26.6	61.0	-0.21	12.9	6.6	3.2	1.7	1.0	5.9	-0.42
Guatemala	89.1	102.9	82.0	60.7	37.9	79.2	-0.12	35.1	33.2	28.5	16.2	7.3	26.6	-0.19
Haiti	163.3	150.1	137.1	130.6	105.6	140.6	-0.07	38.9	29.8	26.8	22.2	10.2	27.5	-0.17
Nicaragua	68.8	66.6	52.5	48.5	29.7	56.0	-0.12	18.4	14.2	11.4	6.5	3.9	12.2	-0.23
Paraguay	57.2	50.0	59.0	39.4	20.1	46.6	-0.13	5.9	4.3	4.0	1.8	0.8	3.7	-0.28
Peru	110.0	76.2	48.0	44.1	22.1	68.4	-0.25	16.7	7.8	4.6	1.9	1.4	7.8	-0.40
LAC	97.3	80.8	68.1	52.2	36.8	71.7	-0.17	19.0	13.4	10.5	6.6	3.7	11.9	-0.28
East Asia, Pacific	84.0	62.9	53.7	41.1	27.1	57.1	-0.19							
Central Asia	82.5	64.5	69.8	57.5	40.2	64.9	-0.09	17.8	14.2	11.0	7.8	6.5	12.1	-0.19
Middle East, North Africa	140.6	117.8	92.2	80.1	50.4	100.3	-0.17	30.1	26.5	22.0	19.6	13.7	22.7	-0.19
South Asia	144.2	152.6	136.1	110.8	71.7	126.6	-0.11	56.8	52.9	49.5	42.2	29.2	46.7	-0.11
Sub-Saharan Africa	191.7	190.9	174.3	156.6	112.4	168.4	-0.09	36.2	32.9	29.5	26.2	18.1	28.9	-0.13
ALL COUNTRIES	148.3	140.8	126.8	110.0	77.4	124.2	-0.12	32.2	28.3	24.9	21.2	14.6	24.8	-0.17

B. *Complete immunization coverage rates and prevalence of diarrhea*

Country/region	Complete immunization coverage rates							Prevalence of diarrhea (%)						
	1	2	3	4	5	Average	CI	1	2	3	4	5	Average	CI
Bolivia	21.8	24.9	21.0	33.4	30.6	25.5	0.08	21.8	19.8	20.5	17.9	11.7	19.2	-0.07
Brazil	56.6	74.0	84.9	83.1	73.8	72.5	0.07	18.3	12.9	12.7	9.3	7.4	13.1	-0.16
Colombia	53.8	66.9	68.1	70.6	74.1	65.5	0.06	18.4	19.8	16.8	14.9	10.0	16.7	-0.09
Dominican Republic	28.0	30.2	46.9	42.6	51.7	38.7	0.12	17.9	16.4	17.8	14.1	10.1	15.7	-0.08
Guatemala	41.2	43.0	47.1	38.3	42.5	42.6	0.00	22.8	21.5	23.3	17.7	16.0	20.9	-0.06
Haiti	18.8	20.1	35.3	37.9	44.1	30.2	0.17	30.9	27.1	24.4	31.6	20.4	27.4	-0.04
Nicaragua	61.0	74.6	75.3	85.7	73.1	72.6	0.05	16.1	14.0	14.2	14.4	8.7	14.0	-0.07
Paraguay	20.2	30.8	36.4	40.7	53.0	34.2	0.18	9.8	8.5	9.2	7.4	4.6	8.1	-0.11
Peru	55.3	63.8	63.5	71.7	66.0	63.0	0.04	21.4	20.3	18.6	14.1	9.3	17.9	-0.11
LAC	39.6	47.6	53.2	56.0	56.5	49.4	0.09	19.7	17.8	17.5	15.7	10.9	17.0	-0.09
East Asia, Pacific	48.3	56.8	60.3	64.6	72.9	59.3	0.08	10.5	9.9	9.9	8.6	6.3	9.3	-0.08
Central Asia	64.2	67.9	71.8	75.7	77.4	70.9	0.04	19.0	15.6	15.0	14.6	13.7	15.8	-0.02
Middle East, North Africa	42.2	53.3	62.5	73.2	81.1	61.0	0.17	21.0	20.3	19.1	17.2	14.7	18.7	-0.06
South Asia	29.8	31.4	41.6	49.8	64.4	42.0	0.17	17.0	14.4	14.3	15.3	12.4	14.9	-0.04
Sub-Saharan Africa	33.6	42.0	44.4	53.1	66.9	47.3	0.17	24.5	23.3	22.5	22.6	18.2	22.3	-0.05
ALL COUNTRIES	38.3	45.8	50.3	57.2	66.6	50.7	0.14	21.2	19.6	19.1	18.5	14.8	18.9	-0.05

C. *Basic antenatal care and attended delivery*

Country/region	Basic antenatal care rates (to a medically trained person)							Attended delivery rate (by a medically trained person)						
	1	2	3	4	5	Average	CI	1	2	3	4	5	Average	CI
Bolivia	38.8	57.8	70.4	88.6	95.3	65.1	0.17	19.8	44.8	67.7	87.9	97.9	56.7	0.28
Brazil	67.5	87.7	93.4	96.9	98.1	85.6	0.08	71.6	88.7	95.7	97.7	98.6	87.7	0.07
Colombia	62.3	81.1	89.8	95.4	95.9	82.5	0.09	60.6	85.2	92.8	98.9	98.1	84.5	0.09
Dominican Republic	96.1	98.2	99.0	99.2	99.9	98.3	0.01	88.6	96.9	97.3	98.4	97.8	95.3	0.02
Guatemala	34.6	41.1	49.3	72.2	90.0	52.5	0.19	9.3	16.1	31.1	62.8	91.5	34.8	0.42
Haiti	44.3	60.0	72.3	83.7	91.0	67.7	0.14	24.0	37.3	47.4	60.7	78.2	46.3	0.21
Nicaragua	67.0	80.9	86.9	89.0	96.0	81.5	0.07	32.9	58.8	79.8	86.0	92.3	64.6	0.19
Paraguay	69.5	79.5	85.6	94.8	98.5	83.9	0.07	41.2	49.9	69.0	87.9	98.1	66.0	0.18
Peru	37.3	64.8	79.1	87.7	96.0	67.3	0.17	13.7	48.0	75.1	90.3	96.6	56.4	0.31
LAC	57.5	72.3	80.6	89.7	95.6	76.0	0.11	40.2	58.4	72.9	85.6	94.3	65.8	0.20
East Asia, Pacific	64.9	80.7	86.9	91.4	96.2	81.9	0.08	30.5	53.0	68.4	80.6	93.4	60.8	0.22
Central Asia	78.2	84.7	86.8	93.3	96.3	86.9	0.05	82.7	92.3	95.1	98.6	99.7	92.8	0.04
Middle East, North Africa	13.7	21.1	33.4	49.3	73.0	35.2	0.32	12.8	21.7	37.7	58.6	82.2	38.5	0.36
South Asia	16.8	23.2	28.8	43.0	70.9	34.6	0.30	5.3	8.1	11.7	21.9	49.3	17.7	0.46
Sub-Saharan Africa	61.1	69.5	74.9	84.2	93.6	75.7	0.10	24.6	32.9	41.2	59.2	82.1	46.2	0.26
ALL COUNTRIES	55.0	64.8	71.1	80.6	91.0	70.8	0.13	31.2	42.1	51.6	66.2	84.0	52.5	0.25

Source: DHS (2002).

Table 6.5
Malapportionment in LAC,1999
Percentage of seats allocated to districts that
would not receive those seats in case of perfect apportionment

Country	Chamber	
	Lower	Upper
Argentina	0.14	0.49
Belize	0.08	n/a
Bolivia	0.17	0.38
Brazil	0.09	0.40
Chile	0.15	0.31
Colombia	0.13	0.00
Costa Rica	0.02	n/a
Dominican Rep	0.08	0.38
Ecuador	0.20	n/a
El Salvador	0.07	n/a
Guatemala	0.06	n/a
Honduras	0.04	n/a
Mexico	0.06	0.23
Nicaragua	0.06	n/a
Panama	0.06	n/a
Paraguay	0.04	0.00
Peru	0.00	n/a
Uruguay	0.03	0.00
Venezuela	0.07	0.33
LAC	0.08	0.25
USA	0.01	0.36
Industrial democracies	0.04	0.18
WORLD (without LA)	0.06	0.18

Source: Samuels and Snyder (2001).

Table 6.6
Crime victimization across quintiles

	1	2	3	4	5
Argentina	34.1	37.7	34.5	40.4	41.2
Bolivia	33.0	32.9	37.8	37.7	30.7
Brazil	34.1	34.5	32.0	40.5	45.8
Colombia	29.4	34.3	34.9	39.4	42.2
Costa Rica	33.7	35.5	36.0	43.2	35.0
Chile	27.8	32.2	27.2	33.2	33.6
Ecuador	42.0	39.7	45.5	42.6	43.0
El Salvador	45.3	38.5	47.5	41.6	59.8
Guatemala	54.8	50.9	52.5	58.9	58.5
Honduras	28.4	27.8	39.7	44.3	41.4
México	40.3	39.1	44.5	48.2	47.6
Nicaragua	29.7	32.9	34.9	40.9	42.2
Panama	25.9	26.4	34.1	29.6	26.1
Paraguay	27.2	32.1	37.5	38.9	32.9
Peru	34.9	33.8	35.4	44.0	39.3
Uruguay	20.1	17.5	23.9	31.5	31.8
Venezuela	37.9	42.3	47.0	45.8	53.8
Spain	9.4	13.3	15.2	17.3	18.0

Source: Gaviria and Pagés (1999).
Note: Share of population who answer yes to the question "Have you or any member
of your family been assaulted, robbed or victimized in any way during the past twelve months?"

Table 6.7

Coverage of water, hygienic restrooms, electricity and telephone

Country	Water						Restrooms						Electricity						Telephone					
	1	2	3	4	5	Mean	1	2	3	4	5	Mean	1	2	3	4	5	Mean	1	2	3	4	5	Mean
Argentina																								
1992	0.93	0.97	0.96	0.98	1.00	0.97	0.74	0.85	0.87	0.91	0.97	0.88												
1996	0.94	0.96	0.98	0.99	1.00	0.98	0.75	0.87	0.91	0.96	0.99	0.91												
2001	0.96	0.98	0.99	1.00	1.00	0.99	0.60	0.81	0.87	0.96	0.99	0.87	0.98	0.99	1.00	1.00	1.00	1.00						
Bolivia																								
Urban																								
1992	0.75	0.77	0.82	0.87	0.94	0.84	0.69	0.68	0.72	0.76	0.85	0.76	0.92	0.93	0.94	0.95	0.98	0.95						
1996	0.78	0.83	0.89	0.92	0.95	0.88	0.60	0.69	0.80	0.87	0.94	0.79	0.92	0.95	0.96	0.98	0.99	0.96						
National																								
1996	0.45	0.60	0.75	0.84	0.91	0.72	0.26	0.40	0.60	0.74	0.86	0.59	0.21	0.55	0.77	0.85	0.93	0.68						
1999	0.20	0.58	0.75	0.81	0.90	0.66	0.24	0.55	0.75	0.83	0.90	0.67	0.22	0.63	0.85	0.90	0.95	0.72	0.01	0.08	0.18	0.31	0.58	0.25
Brazil																								
1990							0.17	0.35	0.56	0.73	0.87	0.56	0.60	0.82	0.93	0.98	0.99	0.88						
1995							0.23	0.41	0.58	0.75	0.89	0.60	0.73	0.88	0.95	0.99	1.00	0.92	0.02	0.04	0.10	0.23	0.61	0.22
2001							0.33	0.52	0.64	0.79	0.90	0.67	0.86	0.95	0.97	0.99	1.00	0.96	0.17	0.37	0.52	0.76	0.93	0.59
Chile																								
1990																								
1996	0.79	0.88	0.92	0.96	0.98	0.91	0.55	0.70	0.81	0.90	0.97	0.80	0.89	0.95	0.96	0.98	0.99	0.96						
2000	0.83	0.91	0.94	0.97	0.99	0.93	0.65	0.78	0.86	0.92	0.98	0.85	0.95	0.97	0.98	0.99	1.00	0.98	0.29	0.44	0.59	0.75	0.91	0.62
Colombia																								
Bogotá																								
1992	0.97	0.98	0.99	0.99	1.00	0.99							0.99	0.99	1.00	0.99	1.00	0.99	0.74	0.81	0.83	0.89	0.97	0.86
1996	0.98	0.99	1.00	1.00	1.00	0.99	0.97	0.99	1.00	1.00	1.00	0.99	1.00	0.99	0.99	1.00	0.99	0.99	0.88	0.89	0.92	0.93	0.94	0.91
National																								
1996	0.60	0.78	0.86	0.91	0.96	0.84	0.54	0.76	0.84	0.90	0.97	0.82	0.81	0.91	0.94	0.96	0.98	0.92	0.13	0.24	0.35	0.51	0.71	0.41
1999	0.70	0.80	0.86	0.92	0.96	0.86	0.65	0.77	0.85	0.91	0.96	0.84	0.87	0.93	0.95	0.96	0.98	0.94	0.24	0.37	0.50	0.63	0.80	0.53
Ecuador																								
1994	0.40	0.46	0.59	0.65	0.80	0.59	0.42	0.53	0.68	0.75	0.90	0.67	0.70	0.86	0.90	0.93	0.96	0.88	0.05	0.04	0.13	0.15	0.37	0.16
1998	0.55	0.62	0.68	0.78	0.86	0.71	0.55	0.68	0.76	0.83	0.96	0.77	0.81	0.92	0.95	0.97	0.99	0.93	0.06	0.11	0.16	0.26	0.56	0.25
El Salvador																								
1991	0.19	0.27	0.40	0.55	0.76	0.46	0.05	0.12	0.23	0.38	0.64	0.31	0.42	0.55	0.69	0.81	0.91	0.70	0.01	0.01	0.03	0.06	0.23	0.08
1995	0.22	0.29	0.38	0.56	0.77	0.47	0.08	0.13	0.25	0.43	0.71	0.35	0.51	0.64	0.76	0.88	0.96	0.77	0.02	0.03	0.07	0.16	0.41	0.16
2000							0.22	0.29	0.40	0.54	0.77	0.47	0.68	0.77	0.87	0.92	0.98	0.86	0.17	0.21	0.28	0.39	0.63	0.36
Guatemala																								
2000	0.57	0.60	0.68	0.75	0.92	0.72	0.11	0.20	0.32	0.46	0.74	0.40	0.49	0.64	0.76	0.84	0.93	0.75	0.01	0.04	0.07	0.15	0.48	0.18
Honduras																								
1990	0.43	0.50	0.59	0.69	0.85	0.63	0.05	0.09	0.16	0.30	0.62	0.27	0.15	0.22	0.35	0.59	0.80	0.45						
1995	0.73	0.76	0.81	0.84	0.92	0.82	0.27	0.36	0.43	0.53	0.76	0.49	0.33	0.53	0.69	0.77	0.87	0.66						
1999	0.79	0.83	0.89	0.93	0.97	0.89	0.26	0.31	0.48	0.59	0.82	0.51	0.41	0.60	0.75	0.90	0.94	0.74						
Jamaica																								
1990	0.33	0.38	0.49	0.54	0.65	0.50	0.27	0.36	0.45	0.42	0.60	0.45	0.52	0.50	0.62	0.67	0.76	0.64	0.03	0.04	0.05	0.08	0.14	0.08
1996	0.46	0.47	0.50	0.57	0.71	0.54	0.32	0.34	0.46	0.40	0.65	0.47	0.70	0.64	0.69	0.70	0.87	0.74	0.19	0.18	0.16	0.21	0.40	0.25
1999	0.54	0.44	0.65	0.62	0.72	0.61	0.32	0.40	0.52	0.50	0.68	0.51	0.74	0.69	0.80	0.83	0.84	0.79	0.26	0.28	0.34	0.40	0.48	0.37
Mexico																								
1992	0.63	0.81	0.88	0.93	0.96	0.86	0.28	0.54	0.70	0.80	0.91	0.68	0.76	0.93	0.96	0.98	0.99	0.93	0.03	0.08	0.14	0.27	0.54	0.24
1996	0.80	0.90	0.93	0.96	0.98	0.92	0.32	0.53	0.71	0.84	0.93	0.70	0.85	0.95	0.98	0.99	1.00	0.96	0.05	0.10	0.21	0.35	0.60	0.29
2000	0.74	0.88	0.95	0.96	0.98	0.91	0.35	0.70	0.85	0.90	0.96	0.78	0.92	0.98	1.00	1.00	1.00	0.98	0.06	0.20	0.33	0.51	0.74	0.40
Nicaragua																								
1993	0.39	0.58	0.68	0.76	0.84	0.67	0.11	0.18	0.26	0.35	0.52	0.30	0.48	0.66	0.82	0.89	0.94	0.78	0.01	0.02	0.02	0.04	0.12	0.05
1998	0.33	0.50	0.69	0.75	0.81	0.63	0.06	0.09	0.20	0.30	0.48	0.24	0.39	0.62	0.72	0.84	0.92	0.71	0.01	0.03	0.07	0.11	0.30	0.11
Paraguay																								
1995	0.687	0.71	0.79	0.85	0.95	0.81	0.09	0.24	0.48	0.66	0.87	0.50	0.42	0.64	0.82	0.90	0.97	0.78	0.00	0.01	0.04	0.10	0.37	0.12
1999	0.708	0.78	0.85	0.92	0.97	0.86	0.16	0.39	0.60	0.75	0.89	0.60	0.73	0.88	0.94	0.97	0.97	0.91	0.02	0.06	0.14	0.34	0.59	0.26
Peru																								
1994	0.43	0.56	0.69	0.80	0.88	0.69	0.51	0.64	0.76	0.88	0.94	0.77	0.41	0.61	0.75	0.88	0.93	0.74	0.02	0.02	0.06	0.15	0.36	0.14
2000	0.49	0.65	0.76	0.86	0.92	0.74	0.59	0.70	0.86	0.91	0.96	0.81	0.53	0.65	0.83	0.89	0.96	0.78	0.04	0.09	0.18	0.34	0.61	0.26
Trinidad & Tobago																								
1992	0.60	0.62	0.61	0.81	0.88	0.73	0.43	0.48	0.56	0.68	0.83	0.63	0.86	0.93	0.98	0.95	0.96	0.94	0.26	0.23	0.36	0.51	0.60	0.42
Uruguay																								
1989	0.84	0.93	0.96	0.98	0.99	0.95							0.89	0.96	0.99	1.00	1.00	0.97						
1995	0.99	0.99	1.00	1.00	1.00	1.00	0.71	0.86	0.93	0.97	0.99	0.91	0.96	0.99	1.00	1.00	1.00	0.99						
2000	0.99	0.99	1.00	1.00	1.00	1.00	0.76	0.89	0.95	0.99	1.00	0.93	0.97	0.99	1.00	1.00	1.00	0.99						
Venezuela																								
1989	0.82	0.88	0.92	0.95	0.97	0.92	0.70	0.80	0.86	0.91	0.96	0.86	0.92	0.95	0.97	0.98	0.99	0.97						
1995	0.88	0.90	0.92	0.96	0.98	0.93	0.75	0.80	0.87	0.92	0.97	0.87	0.98	0.98	0.99	0.99	1.00	0.99	0.15	0.17	0.24	0.33	0.52	0.30
1998	0.87	0.91	0.93	0.96	0.97	0.93	0.759	0.822	0.885	0.936	0.969	0.882	0.97	0.98	0.99	0.99	0.99	0.98	0.19	0.23	0.31	0.39	0.61	0.36

Source: author's calculations based on microdata from household surveys.

Note: Water refers to the availability of a source of water in the house or lot. The variable restroom is equal to 1 when the household has a restroom with a toilet connected to the sewerage system or to a septic tank. The variable electricity includes all sources of electricity, while telephone includes fixed and cellular phones.

Table 6.8
Coverage of water, hygienic restrooms, electricity and telephone
Urban areas

Country	Water						Restrooms						Electricity						Telephone					
	1	2	3	4	5	Mean	1	2	3	4	5	Mean	1	2	3	4	5	Mean	1	2	3	4	5	Mean
Argentina																								
1992	0.93	0.97	0.96	0.98	1.00	0.97	0.74	0.85	0.87	0.91	0.97	0.88												
1996	0.94	0.96	0.98	0.99	1.00	0.98	0.75	0.87	0.91	0.96	0.99	0.91												
2001	0.96	0.98	0.99	1.00	1.00	0.99	0.60	0.81	0.87	0.96	0.99	0.87	0.98	0.99	1.00	1.00	1.00	1.00						
Bolivia																								
Urban																								
1992	0.75	0.77	0.82	0.87	0.94	0.84	0.69	0.68	0.72	0.76	0.85	0.76	0.92	0.93	0.94	0.95	0.98	0.95						
1996	0.78	0.83	0.89	0.92	0.95	0.88	0.60	0.69	0.80	0.87	0.94	0.79	0.92	0.95	0.96	0.98	0.99	0.96						
National																								
1996	0.79	0.78	0.85	0.90	0.94	0.88	0.62	0.59	0.70	0.84	0.92	0.79	0.86	0.93	0.94	0.96	0.98	0.96						
1999	0.86	0.91	0.87	0.89	0.94	0.91	0.67	0.76	0.83	0.87	0.93	0.86	0.98	0.97	0.97	0.98	0.99	0.98	0.12	0.17	0.22	0.35	0.63	0.39
Brazil																								
1990							0.32	0.49	0.65	0.79	0.90	0.70	0.89	0.95	0.98	1.00	1.00	0.98						
1995							0.38	0.53	0.66	0.79	0.91	0.71	0.94	0.97	0.99	1.00	1.00	0.99	0.03	0.05	0.11	0.25	0.62	0.26
2001							0.48	0.62	0.72	0.83	0.92	0.76	0.97	0.99	0.99	1.00	1.00	0.99	0.24	0.43	0.58	0.79	0.94	0.67
Chile																								
1990																								
1996	0.96	0.98	0.99	0.99	0.99	0.99	0.76	0.85	0.91	0.95	0.98	0.91	0.98	0.99	1.00	1.00	1.00	0.99						
2000	0.97	0.98	0.99	0.99	1.00	0.99	0.84	0.90	0.93	0.96	0.99	0.94	0.99	1.00	1.00	1.00	1.00	1.00	0.36	0.51	0.65	0.78	0.93	0.69
Colombia																								
Bogotá																								
1992	0.97	0.98	0.99	0.99	1.00	0.99							0.99	0.99	1.00	0.99	1.00	0.99	0.74	0.81	0.83	0.89	0.97	0.86
1996	0.98	0.99	1.00	1.00	1.00	0.99	0.97	0.99	1.00	1.00	1.00	0.99	1.00	0.99	0.99	1.00	0.99	0.99	0.88	0.89	0.92	0.93	0.94	0.91
National																								
1996	0.95	0.96	0.98	0.98	1.00	0.98	0.89	0.93	0.96	0.97	0.99	0.96	0.99	0.98	0.99	0.99	0.99	0.99	0.38	0.42	0.50	0.63	0.78	0.61
1999	0.96	0.98	0.98	0.99	0.99	0.98	0.90	0.94	0.97	0.98	0.99	0.97	0.99	0.99	1.00	0.99	1.00	0.99	0.56	0.62	0.69	0.76	0.88	0.74
Ecuador																								
1994	0.62	0.62	0.67	0.75	0.85	0.74	0.79	0.78	0.84	0.89	0.97	0.88	0.98	0.99	1.00	1.00	1.00	0.99	0.14	0.10	0.18	0.21	0.44	0.26
1998	0.77	0.77	0.78	0.87	0.90	0.84	0.86	0.85	0.86	0.90	0.98	0.91	0.99	0.99	1.00	1.00	1.00	1.00	0.18	0.17	0.21	0.31	0.61	0.36
El Salvador																								
1991	0.40	0.50	0.62	0.73	0.89	0.72	0.21	0.31	0.46	0.58	0.79	0.58	0.78	0.86	0.92	0.96	0.99	0.94	0.02	0.03	0.06	0.09	0.28	0.14
1995	0.44	0.48	0.55	0.68	0.83	0.67	0.26	0.31	0.44	0.57	0.79	0.57	0.83	0.90	0.93	0.96	0.99	0.95	0.07	0.07	0.12	0.21	0.47	0.26
2000							0.54	0.56	0.61	0.69	0.85	0.69	0.92	0.92	0.95	0.96	0.99	0.96	0.37	0.36	0.39	0.47	0.68	0.50
Guatemala																								
2000	0.81	0.77	0.84	0.84	0.97	0.89	0.57	0.57	0.68	0.71	0.89	0.76	0.80	0.88	0.90	0.94	0.98	0.94	0.06	0.11	0.15	0.24	0.58	0.35
Honduras																								
1990	0.67	0.72	0.76	0.79	0.90	0.82	0.20	0.31	0.36	0.45	0.75	0.54	0.65	0.75	0.77	0.88	0.95	0.86						
1995	0.83	0.79	0.81	0.86	0.94	0.87	0.50	0.47	0.52	0.63	0.83	0.65	0.78	0.86	0.93	0.94	0.98	0.93						
1999	0.90	0.88	0.94	0.94	0.99	0.95	0.52	0.49	0.60	0.69	0.88	0.71	0.90	0.89	0.95	0.99	1.00	0.97						
Jamaica																								
1990	0.60	0.79	0.80	0.83	0.81	0.79	0.50	0.62	0.72	0.62	0.74	0.67	0.64	0.68	0.76	0.79	0.82	0.77	0.10	0.10	0.06	0.10	0.20	0.13
1996	0.72	0.88	0.87	0.79	0.88	0.84	0.56	0.60	0.78	0.61	0.80	0.70	0.83	0.75	0.89	0.77	0.93	0.86	0.33	0.36	0.30	0.33	0.58	0.43
1999	0.83	0.77	0.80	0.87	0.93	0.87	0.55	0.65	0.67	0.72	0.83	0.73	0.83	0.78	0.80	0.86	0.88	0.85	0.42	0.51	0.49	0.59	0.65	0.57
Mexico																								
1992	0.85	0.89	0.91	0.95	0.97	0.93	0.54	0.70	0.79	0.86	0.95	0.82	0.96	0.98	0.99	0.99	0.99	0.99	0.09	0.11	0.17	0.30	0.57	0.31
1996	0.90	0.93	0.95	0.97	0.99	0.96	0.56	0.69	0.81	0.89	0.96	0.83	0.95	0.99	0.99	1.00	1.00	0.99	0.11	0.15	0.25	0.39	0.64	0.37
2000	0.86	0.92	0.97	0.97	0.99	0.96	0.67	0.83	0.92	0.93	0.97	0.91	0.95	1.00	1.00	1.00	1.00	0.99	0.12	0.26	0.37	0.53	0.76	0.49
Nicaragua																								
1993	0.75	0.82	0.87	0.86	0.91	0.86	0.29	0.34	0.40	0.44	0.60	0.46	0.83	0.89	0.96	0.96	0.98	0.94	0.03	0.04	0.04	0.05	0.14	0.08
1998	0.66	0.75	0.87	0.88	0.91	0.85	0.18	0.18	0.32	0.43	0.54	0.38	0.74	0.85	0.91	0.93	0.98	0.91	0.03	0.06	0.12	0.15	0.34	0.18
Paraguay																								
1995	0.68	0.81	0.87	0.90	0.95	0.89	0.30	0.46	0.65	0.78	0.92	0.75	0.78	0.92	0.96	0.97	1.00	0.96	0.02	0.04	0.07	0.14	0.42	0.21
1999	0.89	0.87	0.88	0.95	0.99	0.93	0.49	0.62	0.72	0.87	0.94	0.81	0.95	0.97	0.96	1.00	0.98	0.98	0.09	0.11	0.19	0.42	0.65	0.39
Peru																								
1994	0.74	0.77	0.85	0.87	0.94	0.86	0.76	0.82	0.88	0.95	0.97	0.91	0.78	0.90	0.93	0.97	0.98	0.94	0.06	0.03	0.08	0.17	0.40	0.20
2000	0.86	0.83	0.88	0.92	0.95	0.90	0.86	0.91	0.97	0.97	0.98	0.96	0.86	0.90	0.97	0.97	0.99	0.96	0.14	0.17	0.25	0.41	0.65	0.40
Trinidad & Tobago																								
1992	0.64	0.76	0.68	0.83	0.96	0.81	0.59	0.65	0.70	0.74	0.91	0.75	0.86	0.93	0.98	0.95	0.96	0.94	0.37	0.35	0.50	0.54	0.71	0.53
Uruguay																								
1989	0.84	0.93	0.96	0.98	0.99	0.95							0.89	0.96	0.99	1.00	1.00	0.97						
1995	0.99	0.99	1.00	1.00	1.00	1.00	0.71	0.86	0.93	0.97	0.99	0.91	0.96	0.99	1.00	1.00	1.00	0.99						
2000	0.99	0.99	1.00	1.00	1.00	1.00	0.76	0.89	0.95	0.99	1.00	0.93	0.97	0.99	1.00	1.00	1.00	0.99						
Venezuela																								
1989	0.98	0.99	1.00	1.00	1.00	1.00	0.97	0.98	0.99	0.99	1.00	0.99	0.99	1.00	1.00	1.00	1.00	1.00						
1995	0.96	0.99	1.00	1.00	1.00	0.99	0.92	0.96	0.98	0.99	1.00	0.99	1.00	0.99	1.00	0.99	1.00	0.99	0.34	0.25	0.31	0.39	0.67	0.49
1998	0.96	0.99	0.99	0.99	1.00	0.99	0.97	0.98	0.99	1.00	1.00	0.99	1.00	1.00	0.99	0.99	1.00	0.99	0.32	0.28	0.36	0.43	0.72	0.54

Source: author's calculations based on microdata from household surveys.

Note: Water refers to the availability of a source of water in the house or lot. The variable restroom is equal to 1 when the household has a restroom with a toilet connected to the sewerage system or to a septic tank. The variable electricity includes all sources of electricity, while telephone includes fixed and cellular phones.

Table B1.1
Class structure in LAC
Based on ECLAC, 2000

	Relative occupational incomes					Shares in working population				
	Employers	Professional/ Executives	Petty entrepreneurs	Formal workers	Informal workers	Capitalists	Professional/ Executives	Petty entrepreneurs	Formal workers	Informal workers
	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Argentina (Greater Buenos Aires)										
1980	280	226	267	96	71	2.1	3.3	4.3	44.2	46.2
1990	322	147	288	70	91	1.6	6.9	6.4	44.8	40.3
1997	336		321			1.4	6.9	5.6	46.1	40.1
Bolivia										
1989	386	183	281	86	77	1.1	4.3	3.9	31.4	59.1
1994	294	209	231	77	57	1.4	6.8	7.8	28.3	55.8
1997	281	244	197	89	59	2.0	6.7	6.9	24.8	59.5
Brazil										
1979	389	168	296	86	72	1.5	7.5	3.8	49.7	37.5
1990	343	174	240	81	62	2.2	4.6	3.3	45.9	43.1
1996	382	214	280	78	63	2.5	4.9	3.9	44.6	44.1
Chile										
1990	528	157	404	74	83	1.6	12.9	2.7	45.7	37.0
1994	544	155	290	65	79	1.5	15.4	6.2	44.9	32.1
1998	457	158	331	58	86	1.6	17.0	7.2	43.4	30.8
Colombia										
1980	428	208		55	64					
1994	345	208		68	55					
1997	287	182		71	53					
Costa Rica										
1981	198	173	195	73	82	1.5	2.7	3.4	60.1	32.2
1994	208	162	177	85	69	1.1	6.1	6.5	54.5	31.7
1997	150	161	132	86	58	1.6	8.8	8.9	49.9	30.8
Ecuador										
1990	171	214	143	104	67	1.4	4.5	4.2	39.3	50.3
1994	228	179	210	90	63	1.4	5.6	8.5	35.5	49.0
1997	220	190	217	97	63	1.9	6.0	7.5	34.0	50.6
Mexico										
1984	308	183	277	92	33	0.2	6.2	3.3		
1994	416	216	314	68	36	0.5	9.0	4.4		
1998	444	168	285	76	39	0.9	6.6	5.8		
Panama										
1979	116	243		89	35	2.1	4.6		69.9	23.4
1991	236	188	154	82	45	0.8	7.4	3.6	53.6	34.6
1997	275	179	207	73	53	1.0	10.8	3.6	53.4	31.2
Paraguay (Asunción)										
1986	290	223	245	84	61	1.7	6.1	7.8	35.3	49.1
1990	303	138	241	76	86	2.1	5.5	8.3	36.8	47.3
1996	294	181	200	86	69	1.4	4.8	8.5	33.0	52.2
Uruguay										
1981	347	147	293	60	42	1.6	3.9	4.6	55.8	34.0
1990	279	177	207	86	51	1.9	5.1	5.0	51.9	36.2
1997	235	200	200	94	47	1.7	6.5	5.9	48.3	37.7
Venezuela										
1981	153	196	145	91	69	1.5	5.2	6.4	43.5	44.3
1990	264	147	211	80	79	2.6	5.8	6.0	51.4	34.2
1997	311	161	261	67	84	1.9	6.1	6.1	45.2	40.6

Source: author's calculations based on ECLAC (2000).
Note: In panel 1 income is relative to the mean occupational income.

Table B1.2
Class structure in Argentina and Brazil

	Argentina		Brazil	
	1992	2001	1995	2001
	(i)	(ii)	(iii)	(iv)
1. Share in working population				
Capitalists	1.6	1.1	1.2	1.3
Professionals/executives	4.4	5.8	4.1	4.5
Petty entrepreneurs	4.9	5.4	3.7	3.7
Formal workers	46.5	45.9	33.8	31.7
Informal workers	42.6	41.8	57.1	58.8
2. Relative individual income				
Capitalists	144	173	145	149
Professionals/executives	108	127	105	110
Petty entrepreneurs	100	100	100	100
Formal workers	41	46	26	29
Informal workers	38	28	17	19
3. Relative equivalized household income				
Capitalists	136	140	127	129
Professionals/executives	113	140	122	120
Petty entrepreneurs	100	100	100	100
Formal workers	51	50	32	33
Informal workers	48	35	21	22
4. Income share				
Capitalists	4.8	4.1	6.2	6.1
Professionals/executives	10.0	15.5	15.1	16.2
Petty entrepreneurs	10.5	11.3	13.0	12.1
Formal workers	40.4	44.2	31.1	29.6
Informal workers	34.2	24.9	34.6	36.0
5. Within Gini coefficient for individual income				
Capitalists	37.1	53.1	54.9	57.1
Professionals/executives	34.1	34.2	45.7	45.7
Petty entrepreneurs	40.9	40.9	48.7	49.4
Formal workers	33.1	36.3	45.0	41.8
Informal workers	39.9	43.1	51.8	49.6

Source: author's calculations based on microdata from EPH and PNAD.

Table B1.3
Deciles of the distribution of individual income and class structure
Argentina and Brazil

Argentina, 1992

Deciles	Capitalists	Professional executives	Petty entrepreneurs	Formal workers	Informal workers
			Classes		
1	0.3	1.0	5.3	5.8	16.9
2	1.2	0.5	1.1	11.0	11.1
3	0.7	0.6	3.2	10.8	11.1
4	1.3	1.2	3.0	11.8	9.8
5	0.2	4.0	1.7	11.1	10.5
6	5.7	3.9	8.1	10.6	10.2
7	2.2	6.6	8.0	12.0	8.3
8	7.1	11.2	8.9	11.2	8.6
9	27.0	22.3	20.6	9.6	7.5
10	54.4	48.7	40.0	6.0	6.0
Total	100.0	100.0	100.0	100.0	100.0

Argentina, 2001

Deciles	Capitalists	Professional executives	Petty entrepreneurs	Formal workers	Informal workers
			Classes		
1	0.3	0.7	2.1	4.5	19.0
2	0.0	0.8	4.1	5.7	17.2
3	5.7	1.4	2.4	8.1	14.5
4	0.1	1.0	3.4	11.9	10.1
5	0.3	2.1	6.3	10.9	10.7
6	3.2	3.1	6.9	12.8	8.3
7	6.7	7.0	6.5	13.4	7.0
8	9.6	6.1	12.3	14.3	5.2
9	20.7	21.4	18.0	11.6	5.3
10	53.4	56.6	38.0	7.0	2.7
Total	100.0	100.0	100.0	100.0	100.0

Brazil, 1995

Deciles	Capitalists	Professional executives	Petty entrepreneurs	Formal workers	Informal workers
			Classes		
1	1.0	0.1	0.4	3.2	16.8
2	1.1	0.4	0.6	6.1	14.6
3	1.9	0.5	0.7	8.4	12.9
4	2.8	0.7	1.3	10.2	11.5
5	3.6	1.5	3.1	10.9	10.8
6	3.0	2.8	2.7	13.7	8.7
7	5.9	5.2	6.8	14.2	7.7
8	7.5	10.4	12.3	13.4	7.4
9	14.1	23.6	21.1	12.7	5.9
10	59.1	54.8	50.9	7.0	3.8
Total	100.0	100.0	100.0	100.0	100.0

Brazil, 2001

Deciles	Capitalists	Professional executives	Petty entrepreneurs	Formal workers	Informal workers
			Classes		
1	1.6	0.1	0.6	5.0	17.3
2	2.2	0.4	0.8	7.9	14.3
3	1.5	0.6	1.1	9.7	12.5
4	2.5	0.8	1.8	11.2	10.9
5	3.5	1.7	2.8	11.9	9.9
6	3.0	2.2	3.7	12.8	8.9
7	5.8	5.2	8.6	12.1	8.7
8	6.1	10.1	9.8	12.8	7.3
9	17.0	24.5	22.7	10.6	6.3
10	56.9	54.6	48.1	5.8	4.0
Total	100.0	100.0	100.0	100.0	100.0

Source: author's calculations based on microdata from EPH and PNAD.

Table B2
Theil decompositions
Between and within inequality in the distribution of hourly wages

Country	Education		Gender		Age		Urban/rural	
	Between	Within	Between	Within	Between	Within	Between	Within
Argentina								
1992	18.3	81.7	0.3	99.7	0.2	99.8		
1996	22.6	77.4	0.0	100.0	0.5	99.5		
2001	24.4	75.6	0.0	100.0	0.7	99.3		
Bolivia								
Urban								
1992	9.8	90.2	0.7	99.3	0.2	99.8		
1996	16.4	83.6	1.5	98.5	1.7	98.3		
National								
1996	19.7	80.3	0.3	99.7	0.3	99.7	10.4	89.6
1999	15.9	84.1	0.0	100.0	0.3	99.7	11.0	89.0
Brazil								
1990	35.0	65.0	1.2	98.8	0.6	99.4	8.3	91.7
1995	33.6	66.4	1.2	98.8	1.4	98.6	5.7	94.3
2001	32.3	67.7	0.6	99.4	1.7	98.3	4.2	95.8
Chile								
1990	16.1	83.9	1.0	99.0	1.7	98.3	1.8	98.2
1996	23.3	76.7	2.2	97.8	4.0	96.0	3.7	96.3
2000	24.7	75.3	1.3	98.7	1.8	98.2	2.7	97.3
Colombia								
Bogotá								
1992	32.7	67.3	1.6	98.4	0.7	99.3		
1996	36.9	63.1	1.5	98.5	1.7	98.3		
National								
1996	32.2	67.8	0.1	99.9	0.5	99.5	8.4	91.6
1999	28.7	71.3	0.0	100.0	0.8	99.2	5.1	94.9
Costa Rica								
1990	28.0	72.0	0.1	99.9	0.9	99.1	9.8	90.2
1995	25.9	74.1	0.0	100.0	0.6	99.4	5.3	94.7
2000	24.2	75.8	0.3	99.7	0.8	99.2	7.2	92.8
Dominican R.								
1995	17.0	83.0	0.2	99.8	1.0	99.0	3.5	96.5
Ecuador								
1994	12.1	87.9	0.6	99.4	1.4	98.6	2.6	97.4
1998	17.5	82.5	0.7	99.3	0.5	99.5	6.9	93.1
El Salvador								
1991	16.9	83.1	0.3	99.7	0.3	99.7	8.5	91.5
1995	29.6	70.4	3.1	96.9	0.3	99.7	8.9	91.1
2000	14.9	85.1	1.5	98.5	0.6	99.4	5.7	94.3
Guatemala								
2000	33.2	66.8	1.4	98.6	0.9	99.1	9.6	90.4
Honduras								
1990	26.6	73.4	0.1	99.9	0.4	99.6	11.1	88.9
1995	22.6	77.4	1.0	99.0	1.6	98.4	3.7	96.3
1999	16.6	83.4	0.4	99.6	0.6	99.4	4.4	95.6
Jamaica								
1990	4.8	95.2	6.5	93.5	1.1	98.9	0.6	99.4
1996	28.7	71.3	6.8	93.2	6.1	93.9	6.8	93.2
1999	12.4	87.6	0.3	99.7	1.4	98.6	5.0	95.0
Mexico								
1992	24.2	75.8	0.5	99.5	1.2	98.8	5.5	94.5
1996	25.0	75.0	0.5	99.5	0.3	99.7	5.5	94.5
2000	31.0	69.0	1.2	98.8	2.6	97.4	6.0	94.0
Nicaragua								
1993	11.1	88.9	0.3	99.7	1.9	98.1	5.6	94.4
1998	19.7	80.3	1.1	98.9	0.4	99.6	5.2	94.8
Panama								
1991	27.6	72.4	0.2	99.8	2.2	97.8		
1995	25.0	75.0	0.4	99.6	3.0	97.0	6.9	93.1
2000	18.9	81.1	0.0	100.0	1.4	98.6	5.6	94.4
Paraguay								
1995	15.0	85.0	0.3	99.7	1.2	98.8	5.3	94.7
1999	16.2	83.8	0.4	99.6	0.4	99.6	5.6	94.4
Peru								
1991	5.7	94.3	0.0	100.0	0.1	99.9	4.7	95.3
1994	13.9	86.1	0.8	99.2	1.2	98.8	5.3	94.7
2000	14.7	85.3	0.1	99.9	0.7	99.3	8.0	92.0
Trinidad & Tobago								
1992	27.0	73.0	1.0	99.0	1.8	98.2	0.6	99.4
Uruguay								
1989	14.5	85.5	3.0	97.0	0.9	99.1		
1995	20.2	79.8	0.7	99.3	0.8	99.2		
2000	17.3	82.7	0.3	99.7	1.5	98.5		
Venezuela								
1989	21.7	78.3	0.9	99.1	1.4	98.6	4.0	96.0
1995	10.7	89.3	0.3	99.7	0.6	99.4	2.2	97.8
1998	14.1	85.9	0.8	99.2	0.8	99.2	2.0	98.0

Source: author's calculations based on microdata from household surveys.

Table B3
Child labor
Share of children aged 10-14 who work

Country	Equivalized household income quintile					
	1	2	3	4	5	Average
Argentina						
1992	1.6	1.5	3.5	1.9	0.3	1.8
1996	0.9	1.6	0.9	2.1	0.1	1.1
2001	0.9	0.4	0.5	0.1	0.1	0.5
Bolivia						
Urban						
1992	7.2	9.0	8.9	10.2	9.4	8.8
1996	8.7	10.4	13.1	13.7	8.5	10.9
National						
1996	61.7	26.8	18.6	17.5	12.1	29.3
1999	60.3	32.0	16.9	20.2	10.0	29.1
Brazil						
1990	25.0	21.3	15.0	11.6	7.2	17.3
1995	30.5	20.8	15.6	11.4	6.8	18.8
2001	19.1	11.5	9.1	6.8	4.4	11.6
Chile						
1990	1.2	0.7	2.1	1.3	0.9	1.2
1996	1.2	1.9	2.4	1.0	1.6	1.6
2000	1.2	1.9	0.6	1.0	0.3	1.1
Colombia						
Bogotá						
1992	6.3	4.2	3.5	0.8	6.1	4.4
1996	4.0	2.7	5.1	1.2	7.0	4.0
National						
1996	16.0	10.8	11.6	8.4	7.7	11.3
1999	10.7	8.0	7.6	5.8	5.8	7.9
Costa Rica						
1990	8.0	6.5	6.6	7.1	1.2	6.1
1995	10.6	11.3	7.5	6.2	3.0	8.3
2000	4.3	4.0	4.3	2.5	1.4	3.5
Dominican R.						
1995	5.0	3.4	5.6	5.5	3.5	4.6
1997	7.3	3.2	3.3	5.2	4.7	4.9
Ecuador						
1994	35.1	26.1	31.9	30.0	21.3	29.4
1998	46.3	32.7	33.5	28.7	22.7	33.8
El Salvador						
1991	14.3	16.8	16.6	15.7	12.5	15.3
1995	12.7	11.3	11.4	9.6	6.4	10.7
2000	10.5	8.6	8.9	7.3	5.0	8.4
Guatemala						
2000	21.4	24.1	23.4	20.7	12.3	20.8
Honduras						
1990	16.1	14.9	13.1	9.9	11.2	13.2
1995	14.3	13.4	9.9	7.6	9.4	11.2
1999	16.2	15.7	17.3	14.8	12.5	15.5
Jamaica						
1990	0.7	2.3	1.8	2.3	1.3	1.7
1996	0.8	0.0	0.9	0.0	1.5	0.6
1999	0.0	1.5	0.0	1.2	3.6	1.0
Mexico						
1992	9.0	5.9	4.1	4.2	2.5	5.6
1996	14.6	10.2	7.5	4.7	2.9	8.9
2000	9.3	7.1	4.5	4.7	4.8	6.5
Nicaragua						
1993	9.2	10.4	8.5	8.1	8.7	9.0
1998	18.0	11.2	10.7	10.5	9.4	12.2
Panama						
1991						
1995	5.2	2.0	1.8	1.5	3.1	2.9
2000	2.9	2.0	0.6	0.8	1.5	1.8
Paraguay						
1995	49.9	35.4	30.6	26.2	20.0	34.3
1999	19.5	12.7	9.6	7.0	9.6	12.3
Peru						
1991	29.6	13.2	9.0	8.0	7.1	14.1
1994	35.6	25.9	15.9	13.9	8.8	21.6
2000	54.1	28.4	19.8	14.5	10.1	27.9
Uruguay						
1989	9.2	9.8	4.3	5.9	2.0	6.7
1995	9.7	12.4	7.8	5.5	2.2	8.3
2000	7.2	3.8	1.3	2.8	1.4	3.9
Venezuela						
1989	5.5	3.8	3.4	2.9	1.2	3.7
1995	3.6	3.6	3.7	2.4	2.7	3.3
1998	3.6	3.4	4.2	3.5	1.7	3.4

Source: author's calculations based on microdata from household surveys.

Table B4
Ratio non-white versus white
Wages for prime age men and household per capita income

Country	Wages prime age-men		Per capita income	
	Total (i)	Urban (ii)	Total (iii)	Urban (iv)
Bolivia				
1999	0.534	0.686	0.478	0.637
Brazil				
1990	0.515	0.540	0.454	0.480
1995	0.518	0.545	0.446	0.470
2001	0.511	0.527	0.457	0.474
Guatemala				
2000	0.524	0.530	0.448	0.512
Peru				
2000	0.438	0.485	0.415	0.497
Trinidad & Tobago				
1992	0.241	0.223	0.358	0.414

Source: author's calculations based on microdata from household surveys.

Table B5
Interpersonal and institutional trust in LAC
by age, education, subjective income and inequality perception
1996-2001

		Interpersonal Trust	Institutional Trust
Age	18-30	0.423	0.196
	31-55	0.426	0.202
	56-65	0.446	0.207
	more than 65	0.466	0.225
Education	No School	0.436	0.221
	Some Primary	0.437	0.210
	Some Secondary	0.403	0.158
	Some Tertiary	0.400	0.181
Subjective Income	Great Difficulties to Finance Living Costs	0.394	0.168
	Not Suffice to Finance Living Costs	0.417	0.183
	Finance Living Cost	0.444	0.217
	Finance Living Cost, and Save	0.469	0.261
Income Distribution perception	Too Unfair	0.390	0.159
	Unfair	0.435	0.188
	Fair	0.510	0.362
	Very Fair	0.508	0.422

Source: author's calculations based on microdata from Latinbarometer.

Figure 3.1
Income shares by deciles
Household per capita income

Argentina, 2001; Mexico, 2000 and Brazil, 2001

□Argentina ▦Mexico □Brazil
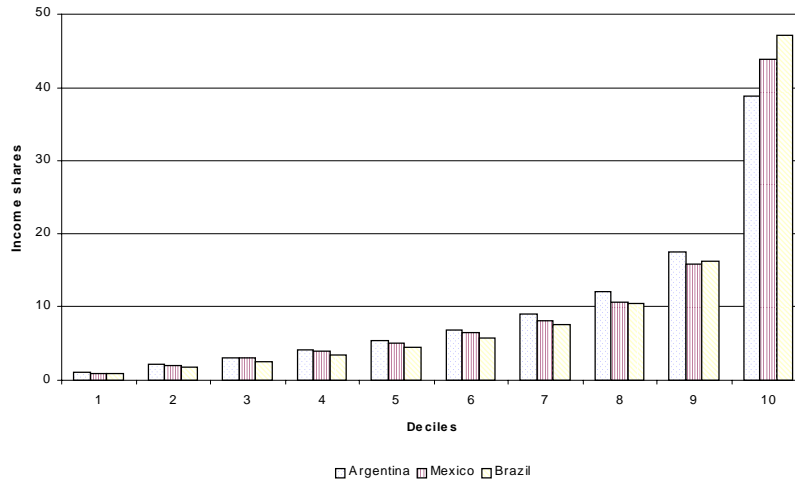
Costa Rica, 2000; El Salvador 2000, and Nicaragua, 1998

□Costa Rica ▦El Salvador □Nicaragua
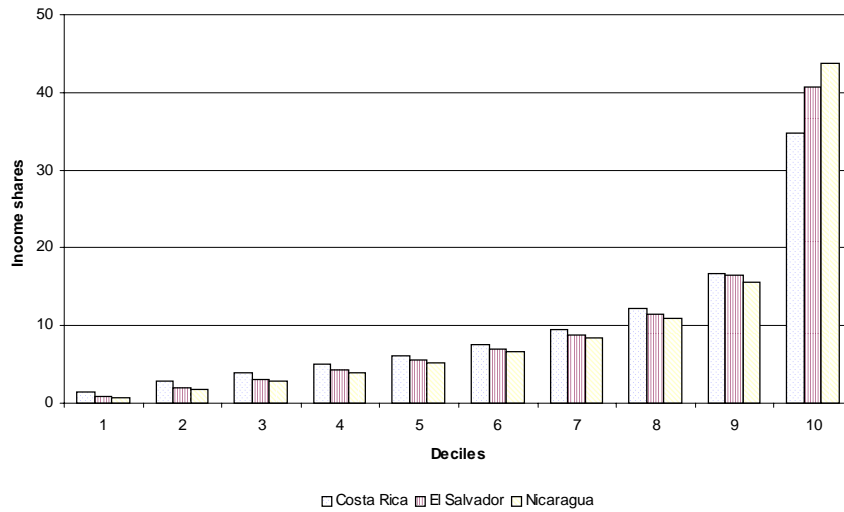
Source: author's calculations based on microdata from household surveys.

Figure 3.2
Histogram of the household per capita income distribution,
excluding the richest 1%
Mexico, 2000
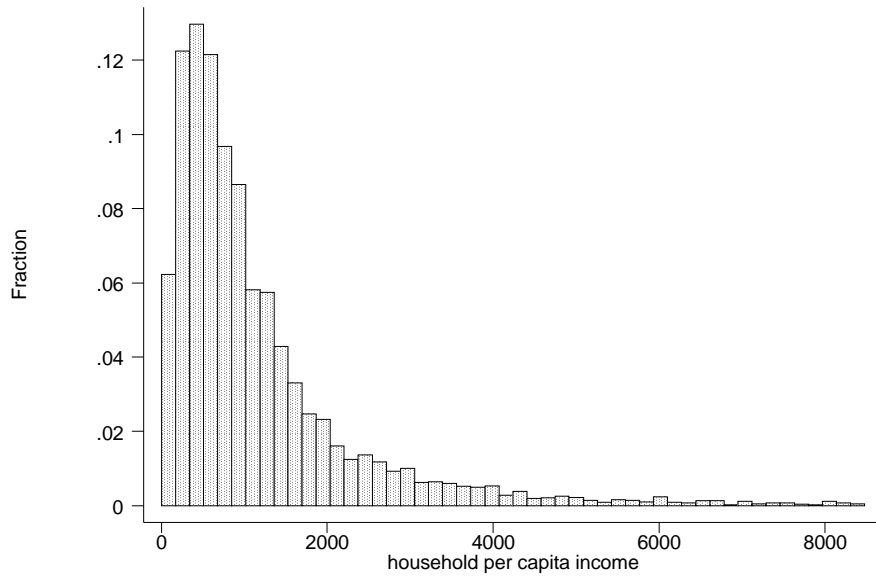
Source: author's calculations based on microdata from the ENIGH, 2000.

Figure 3.3
Gini coefficient
Equivalized household income

South American countries

Argentina — Bolivia — Brazil — Chile — Colombia — Peru — Uruguay — Venezuela
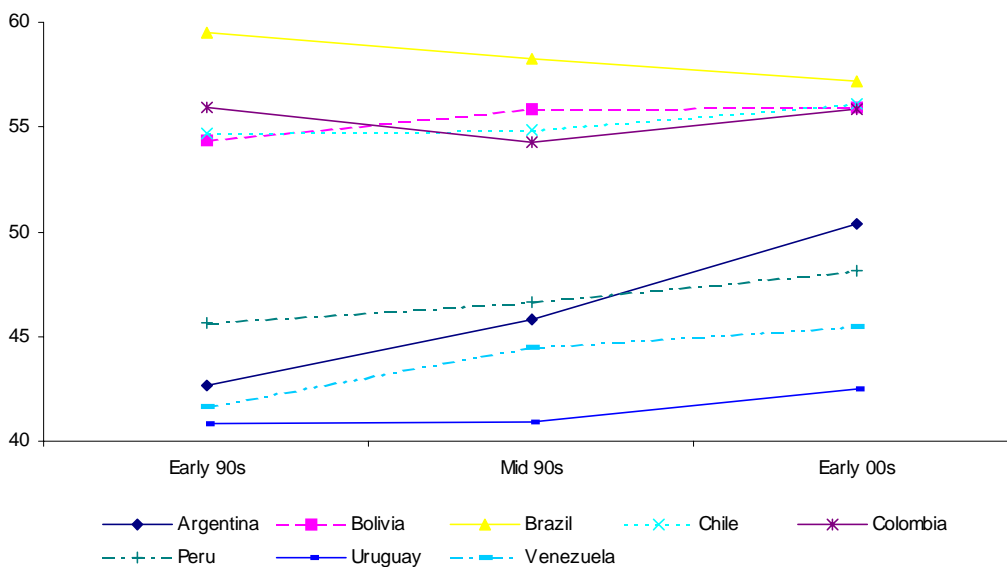
Central American and Caribbean countries

Costa Rica — El Salvador — Honduras — Jamaica — Mexico — Panama — Nicaragua
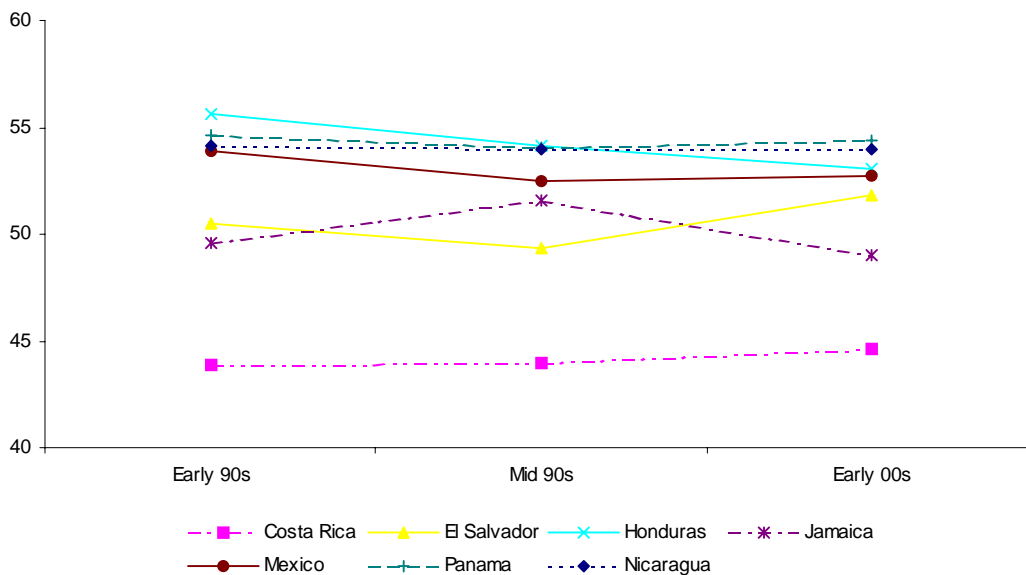
Source: author's calculations based on microdata from household surveys.

Figure 3.4
Gini coefficient
Equivalized household income

A.   Early 90s
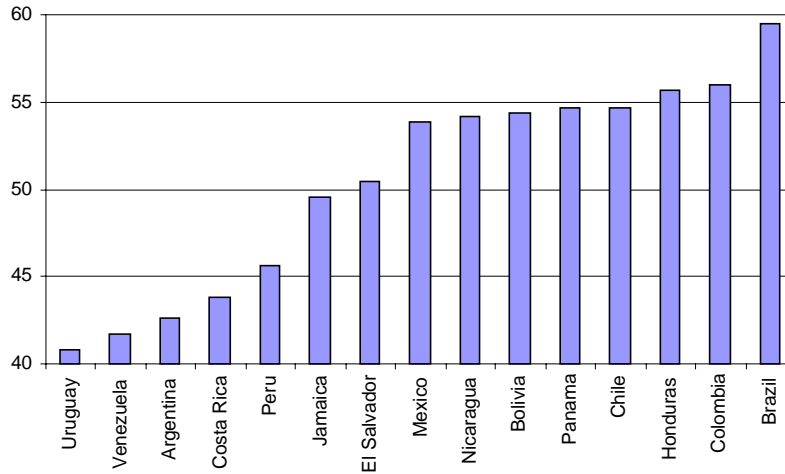
B. Late 90s or Early 00s
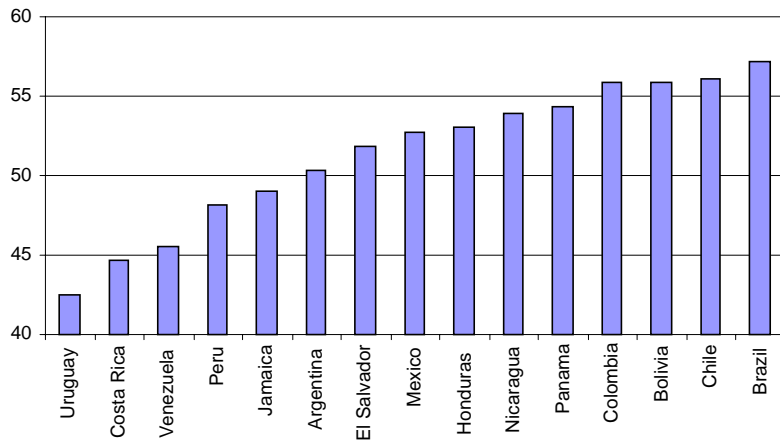
Source: author's calculations based on microdata from household surveys.

Figure 3.5
Gini coefficient
Equivalized household income

Argentina, Mexico, and Brazil
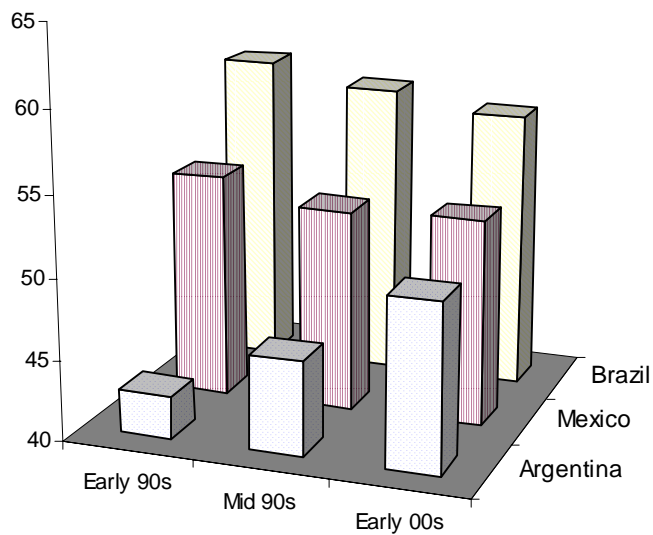
Source: author's calculations based on microdata from household surveys.

Figure 3.6
Aggregate welfare measures
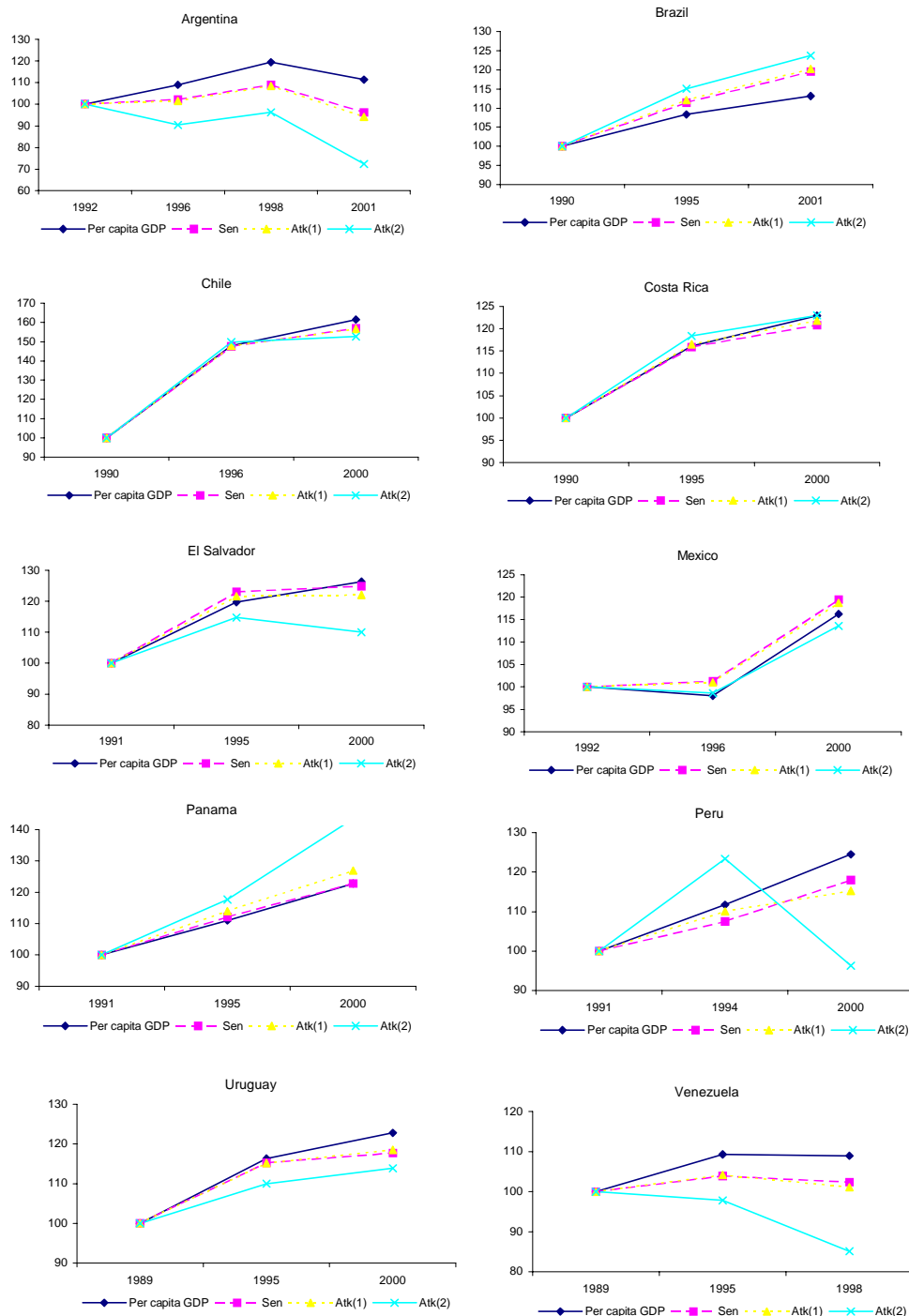
Source: author's calculations based on microdata from household surveys and per capita GDP from World Bank (2001), World Development Indicators, WDI -CD-ROM.
Note: see Lambert (1993) and the web page of this study for details on the aggregate welfare functions. Atk(e) refers to the function proposed by Atkinson (1970): a CES function with parameter equal to e. Early 90s observation for each country=100

Figure 3.7
Poverty headcount ratio
Share of individuals with less than US$ 2 a day
Late 1990s
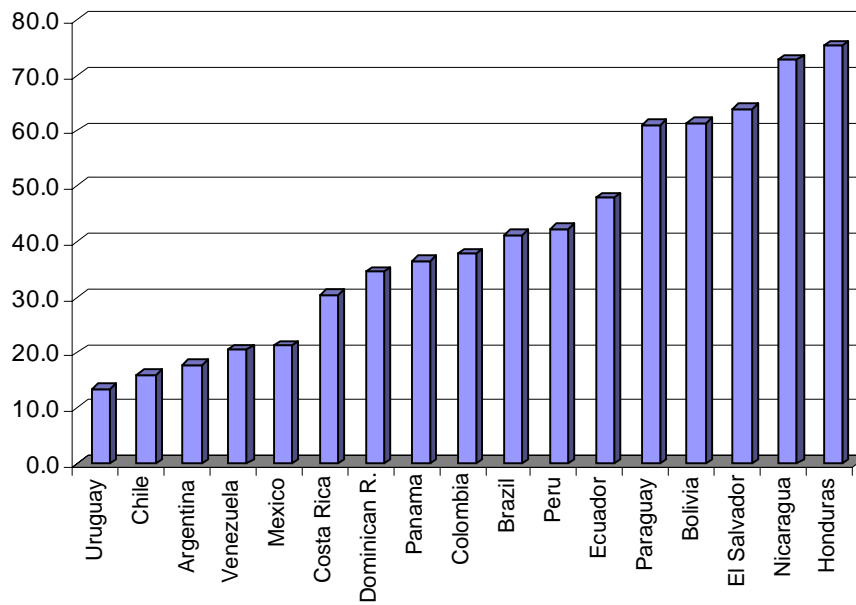
Source: author's calculations based on Székely (2001).

Figure 4.1
Gini coefficient
Distribution of household per capita income
Several countries of the world, 1990s
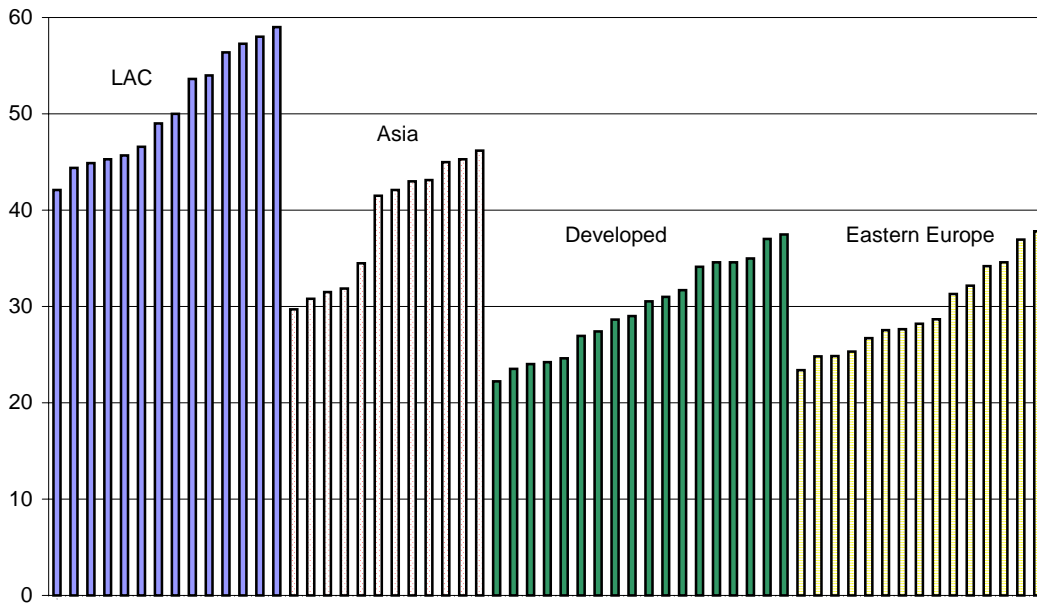
Source: author's calculations based on UNU/WIDER-UNDP World Income
Inequality Database, Version 1.0, 12 September 2000.

Figure 5.1
Difference in average years of education
between top and bottom quintiles
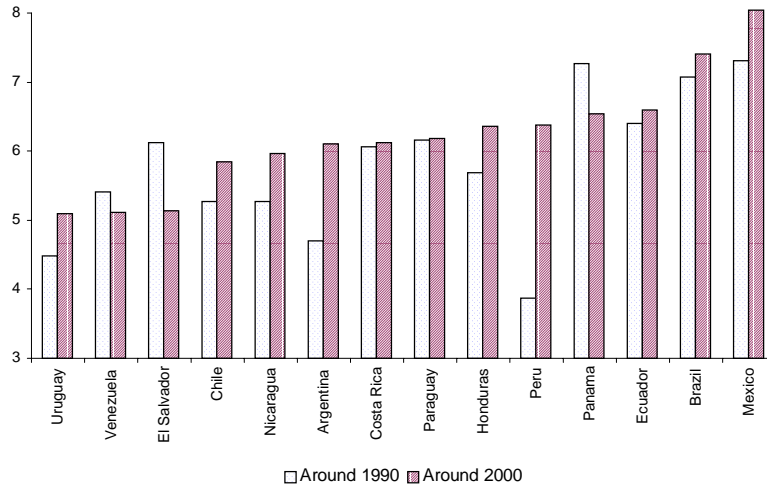
Source: author's calculations based on microdata from household surveys.

Figure 5.2
Difference in average years of education
between top and bottom quintiles
By age cohort, around year 2000
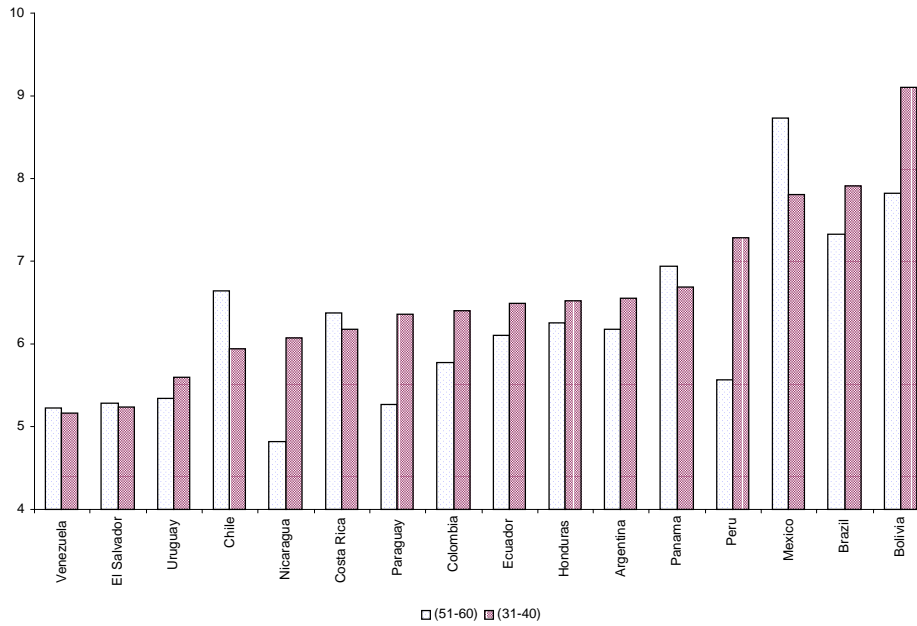
Source: author's calculations based on microdata from household surveys.

Figure 5.3
Hourly wage gap between skilled and unskilled workers
*Males, 25-55 years old*
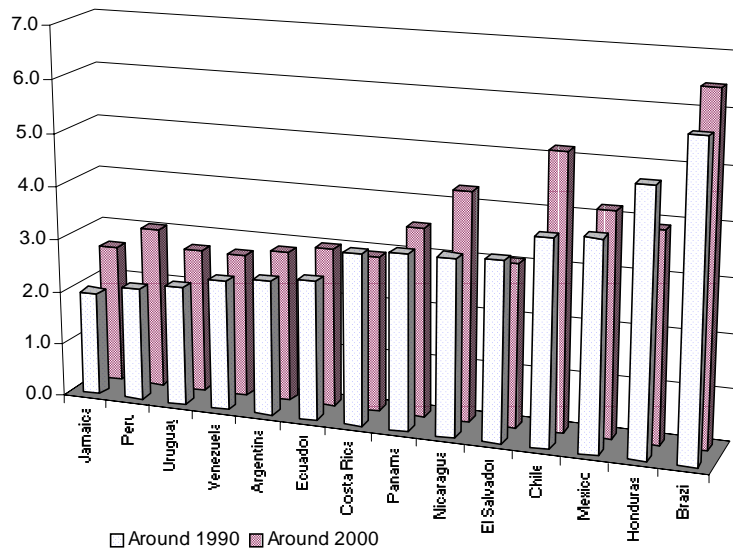
Source: author's calculations based on microdata from household surveys.

Figure 5.4
Hourly wage gap between semi-skilled and unskilled workers
*Males, 25-55 years old*
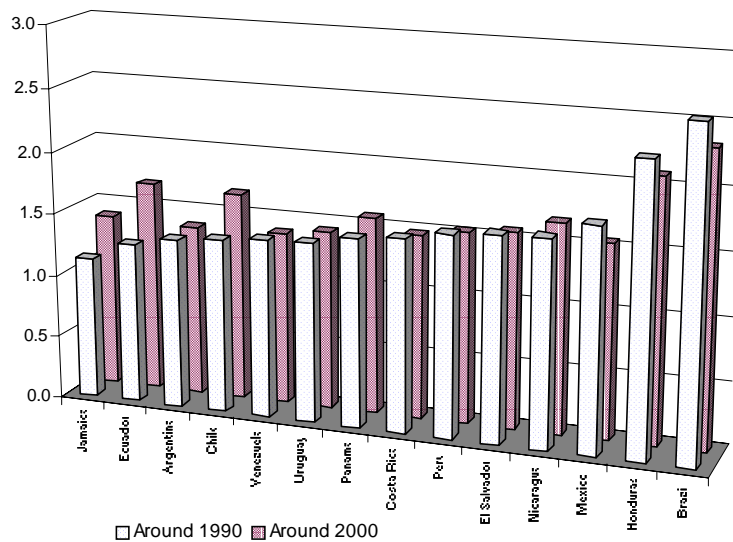
Source: author's calculations based on microdata from household surveys.

Figure 5.5
Marginal returns (in hourly wages) to college education
Males, 25-55 years old
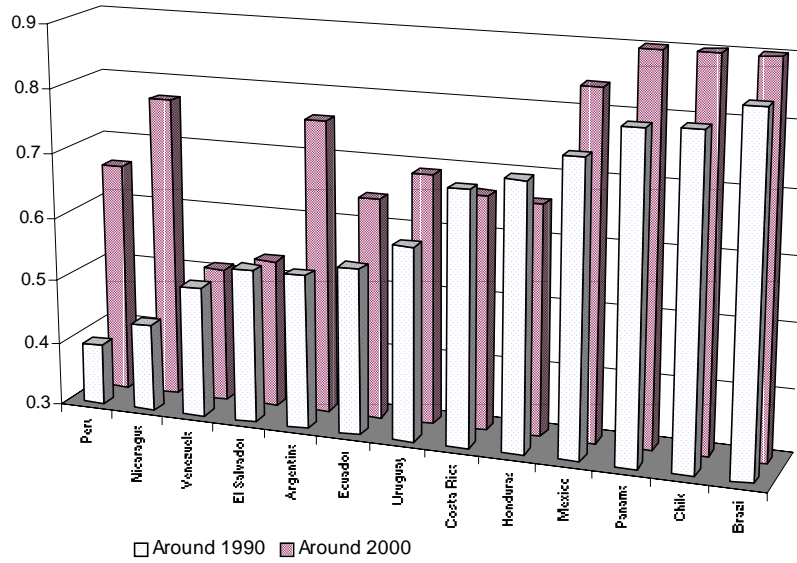
Source: author's calculations based on microdata from household surveys.

Figure 5.6
Hourly wage ratio women/men
(controlling for worker characteristics)
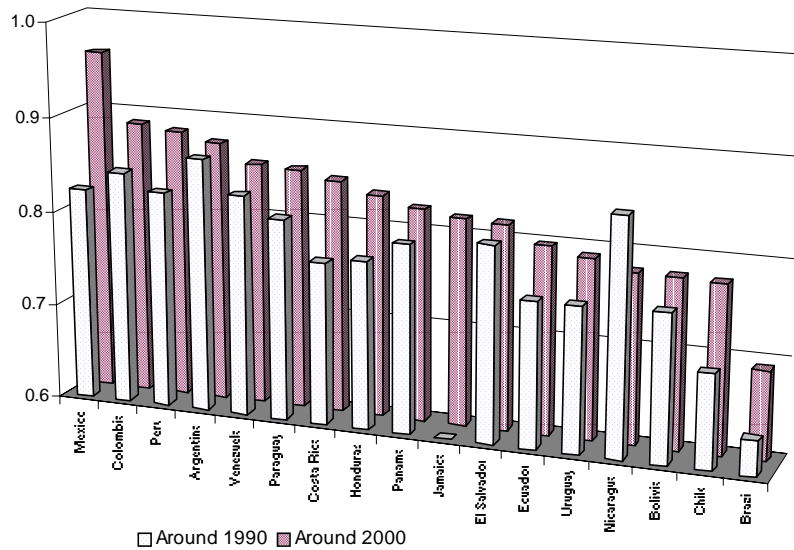
Source: author's calculations based on microdata from household surveys.
Note: see text and Table 5.12 for definitions.

Figure 5.7
Difference between unskilled and skilled workers
in average hours of work

Source: author's calculations based on microdata from household surveys.

Figure 5.8
Difference between unskilled and skilled workers
in unemployment rates (unemployed/adult population)

Source: author's calculations based on microdata from household surveys.

Figure 5.9
Difference between top quintile and bottom quintile
in housing ownership (in percentage points)

Source: author's calculations based on microdata from household surveys.

Figure 5.10
Ratio between bottom quintile and top quintile
in the number of children under 12 per household

Source: author's calculations based on microdata from household surveys.

Figure 6.1
Difference between top quintile and bottom quintile
in school enrollment rates

Source: author's calculations based on microdata from household surveys.

Figure 6.2
Gini coefficient for the distribution of conditional probabilities
of attending college for youths aged 19 to 21

Source: author's calculations based on microdata from household surveys.

Figure 6.3
Educational mobility index
Youths 13-19

Source: author's calculations based on microdata from household surveys.

Figure 6.4
Difference between top quintile and bottom quintile
in coverage of water, electricity, hygienic restrooms and telephone

Source: author's calculations based on microdata from household surveys.
Note: Water refers to the availability of a source of water in the house or lot. The variable restroom is equal to
1 when the household has a restroom with a toilet connected to the sewerage system or to a septic tank. The
variable electricity includes all sources of electricity, while telephone includes fixed and cellular phones.

Figure B1
Relative income of each percentile of the within-class distributions

Argentina, 2001

Brazil, 2001

Source: author's calculations based on microdata from EPH and PNAD.
Note: Income relative to the median of the income distribution for petty entrepreneurs.
See text of Box 1 for definitions of classes.