

## COLOMBIA

# Rising poverty and gender inequity



Poverty has been increasing in Colombia in recent years and it affects women more than men. The Government is aware of this, but its strategies have been inadequate because its problems are so huge. Unless the Government adopts a policy to redistribute income, and unless the traditional roles of men and women are re-defined, it will be impossible to move towards the Millennium Goals.

### Corporación Región<sup>1</sup>

Worldwide it is evident that a development concept which uses the market as the sole regulator is contradictory. At the same time as scientific and technological progress enables us to improve the quality and prolongation of human life, this model excludes nearly half the inhabitants of the planet from the benefits of development.

Colombia is no exception to this. Its market-oriented system gives priority to economic growth and low inflation, but the social protection network is weak and there is no policy to re-distribute income to help the least-protected sectors of the population. They consequently become more vulnerable.

Poverty is on the rise and it is so widespread, so serious and so heterogeneous that it is setting more and more limits on the lives of millions of people and making the poor even poorer. But it does not affect everyone in the same way; its impact are greater on women than on men, and this gap makes for a vicious cycle that can only be broken if basic changes are made to the structures and foundations that sustain the current development model.

### Recent poverty

According to the Research for Development Centre at the National University of Colombia, economic volatility in the last decade has hurt the most vulnerable sectors of the population, a fact reflected in the worsening of social indicators such as the levels of poverty.<sup>2</sup>

Recent poverty<sup>3</sup> is a big problem. It has been caused by a fall in income due to the deterioration of the country's productive base, by the exodus from rural areas, by de-industrialization, by changes in the way labour is contracted, by an increase in the

number of independent workers and by longer working hours in poorly paid jobs.

In 2004 there was a debate in the country about poverty indicators and the way that different state institutions measure poverty. It is generally recognized that more than half the population are poor.<sup>4</sup> The National Planning Department (the main government body that designs and implements economic policy), using a poverty line measure, has estimated poverty at 52.6%, while the General Comptroller of the Nation estimates the figure at 66.3%.

Poverty is on the rise. In the table below two calculations of a basket of basic products were compared over time using the Quality of Life Survey for 1997 and 2003. In this period the value of the new basket rose from 55% to 66%, and was higher than the value of the old basket, which increased from 51% to 56%.

TABLE 1

Poverty lines according to baskets		
	1997	2003
<b>OLD BASKET</b>		
Poverty line	COP* 105.795	COP 185.118
Poverty line	51,1%	56,6%
<b>NEW BASKET</b>		
Poverty line	COP 122.629	COP 234.622
Poverty line	55,8%	66,3%

\* Colombian pesos

Source: Contraloría General de la República Report, 2005.

One of the factors that underlies poverty is income distribution inequality. In Colombia the Gini<sup>5</sup> coefficient is 0.563, the second highest in the region, exceeded only by Brazil. Income in the richest 10% of homes is 30 times higher than income in the poorest 10%.<sup>6</sup>

Inequality in income distribution is linked to limitations on access to different kinds of assets. A striking example is that land ownership is concentrated in very few hands. This has been accentuated by the armed conflict in which peasants' rights to ownership and property are disregarded and they are forced to leave their homes and land.<sup>7</sup> This has worsened land distribution: in areas affected by the conflict, land ownership concentration, as measured by the Gini, is 0.81.<sup>8</sup>

Income and wealth are very unevenly distributed in Colombia, and this has become an obstacle to reducing poverty. There is a vicious cycle that goes on and on: less access to assets makes for lower income; low pay and unemployment make for less purchasing power; and lower demand in the market makes it harder to create new jobs and expand the productive sector.

### Women poorer than men

Studies in Colombia take little account of the gender perspective.

One example is that when poverty is measured by income, gender inequalities are not registered because the system does not take account of the fact that income is unequally distributed within households depending on the members' sex and age.<sup>9</sup> Thus in households that are considered not to be poor there may be women who are poor because they do not have their own source of income, since resources are inequitably distributed in the nuclear family.

When analyzing the different effects that poverty has on the lives of men and women, we should take into account the cultural factors that assign different social roles and functions to the sexes. It has to be stressed that there are power relations involved, and these can be seen in exclusion, inequality and discrimination in the job market and unpaid work, in physical and symbolic violence against women, and in the fact that men's work and time is valued more than women's.

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2 Development Research Centre. *Bien-estar: macroeconomía y pobreza. Informe de coyuntura 2004*. Bogotá, p. 21.

3 *Ibid.* Poverty is an indication of the extent to which Colombians have lost purchasing power in recent years. Between 1997 and 2003 the total number of poor people rose by 7.4 million.

4 Bonilla, Ricardo. "Bienestar, macroeconomía y pobreza" in *Revista Economía Colombiana*. No. 306. January-February 2005. Bogotá: Contraloría General de la República, p. 97.

5 This index is based on the accumulated distribution of income, and ranges from the poorest individual or home in the country to the richest. A value of zero means that income is equally distributed and that the poorest person has the same income as the richest, while a value of 1 means that all income in the economy goes to the richest person (or household) and that nobody else has any income at all.

6 Contraloría General de la República. *Evaluación de la política social 2003*. Bogotá, March 2004, p. 46.

7 According to estimates by the Human Rights and Displacement Advisory Board (CODHES), in the last two decades more than 3 million people in Colombia have been forced off their land. [www.codhes.org.co/cifra/GraficoTendencias1985\\_2005.jpg](http://www.codhes.org.co/cifra/GraficoTendencias1985_2005.jpg)

8 Research for Development Centre, *op cit*. p. 11.

9 Arriagada, Irma. "Dimensiones de la pobreza y políticas desde una perspectiva de género". *Revista de la Comisión Económica para América Latina (CEPAL)*. Santiago de Chile: CEPAL, April 2005, p. 101.



There are structural and intermediate causes of women's vulnerability to poverty.<sup>10</sup> The former have to do with the sexual division of work whereby the reproductive (private) role is assigned to women and the productive (public) role is assigned to men. The latter factors include the lack of opportunities that stems from the sexual division of work which limits women's access to productive property, to remunerated work, to education and training, and also to playing a part in political, economic and social decisions.

Human development indicators show that Colombia has lost a lot of ground. The country fell from 47<sup>th</sup> in the world in 1997 to 73<sup>rd</sup> in 2004,<sup>11</sup> and is now classified as a medium-developed country. Although life expectancy increased by approximately five years in the 1990s and enrolment rates in schools also increased, incomes have gone down dramatically. Gross domestic product (GDP) per capital decreased from USD 2,662 in 1997 to USD 2,086 in 2004, a fall of 21.6%.<sup>12</sup>

Besides this, Colombia has also slipped back according to the Gender-related development index: the country fell from 40<sup>th</sup> in the ranking in 1997 to 59<sup>th</sup> in 2004.

The unemployment rate for women has remained two points above that for men. The employment situation has improved recently, but the rate for men improved more than for women. Between the first quarter of 2001 and the same period in 2005 unemployment among men fell by 19.7% but among women it fell only 9.8%.<sup>13</sup>

On the other hand, there are social spheres in which changes in the roles of men and women are becoming apparent. Nowadays more women are opting for traditionally male careers, like engineering and agronomy, although a high percentage remain in what are traditionally women's jobs. Almost all pre-school teachers are women but less than a quarter of university teachers are, which indicates a clear difference in the salaries paid.<sup>14</sup>

## Government strategies

The Government set up a board to propose solutions and design a strategy to reduce poverty and inequality. It is already clear that, at the present rhythm of development, it will not be possible to reach the Millennium Goals, since this would require a very high annual growth rate and a big reduction in inequality.

However, the Government has resolved to make a start with the following poverty reduction targets:

- Reduce the number of people living in poverty to 28.5%, taking the 1991 poverty line figure of 53.8% as a base.
- Reduce the number of people in extreme poverty or indigence to 8.8%, taking the 1991 figure of 20.4% as a base.<sup>15</sup>

These targets are based on the assumption that economic growth will be 4% in 2005, 6% in 2006, and 6% per year thereafter. The Government also has plans to implement two strategies:

- Assistance to enable poor people to construct and protect their own assets, which means access to ownership of land and housing, to education and to credit, and also to develop mechanisms and institutions to protect human capital and the assets accumulated by households.
- Welfare coverage, including the social security system (health, pensions, work risk insurance, labour training, employability and family social assistance) and a social support network.<sup>16</sup>

In 1995 a National Women's Equity Board was set up to design government policy in this area, but in 1999 this was changed to the Presidential Advisory Council for Women's Equity. This was a step back because the old organization had more administrative and budgetary autonomy, and was better able to have an impact on how State policy was made.

What stands out at present is the 2003 National Gender Equity Agreement, which was promoted by the Presidency as a State commitment to equity between men and women and is actually being put into practice. There is also a Gender Affairs Monitoring Office, which has been in operation since 2004.

The Government recognizes that there is still discrimination, mainly in the employment area, participation in electoral positions and in violence against women.<sup>17</sup> In addition, important efforts are being made by the National Statistics Administration Department and the United Nations Development Programme to bring the gender perspective into statistical analyses,<sup>18</sup> and progress can be seen in the indicators that capture heads of households, and salary differences in seven cities.

Although some steps towards parity have been taken, the country is still far from making any real progress as regards changing traditional perceptions of men's and women's roles, and this constitutes a fundamental obstacle to achieving equity.<sup>19</sup>

## A long way to go

Despite the efforts that have been made in the last 30 years to benefit women and bring them into the development process so as to improve their conditions of life, the position that they are assigned in society has still not changed, and very little progress has been made towards gender equity.<sup>20</sup>

Men tend to be inflexible and reluctant to look after children or share housework, so "...women's workload is tripled, which means that development and modernization can reinforce sexual discrimination instead of reducing it."<sup>21</sup>

The Government's strategy to reach the first Millennium Development Goal - to eradicate extreme poverty and hunger - is weak. It is built around allocating subsidies efficiently so as to avoid resources going to sectors that do not really need them, but there is no plan to tackle the very serious inequality in the country by implementing an income redistribution policy. Nor are there plans for other necessary reforms like bringing in a progressive system of taxation (which would tax higher incomes at a higher rate), reducing the high cost of financial services, or guaranteeing access to credit.

What is needed to fight poverty and gender inequity is an "equity policy plan" which would, in the short term, set up a comprehensive social security network in the framework of a poverty reduction strategy that is much more all-embracing than the Government's current plan.

This plan would have to go hand in hand with sustainable economic growth and a job creation policy, access to education and health services, providing food for people in extreme poverty, public services and housing, labour training, and a solid programme of public works. Only in this way can real progress be made.

It is also necessary to make a commitment to promote women's capacities and really move towards gender equity through fundamental changes in public and private life. ■

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