From 1990 to 1997 in Peru, advances were made in average life expectancy, infant mortality, and decent housing. A peculiar use of statistics underestimated the extent of under-employment. State expenditures for extreme poverty relief increased. The economic and social breach widened and political freedoms were cut back. Peru faces the task of achieving the average world rates in child nutrition, maternal mortality, calorie intake, health care, availability of housing and other aspects of social policy. But Peru not only has to reach these average targets (some, like life expectancy have already been accomplished); there are also internal inequalities to be reduced or eliminated. In Peru, the battle against poverty is, above all, the fight for equity (Main document of CONADES II, 1997).

Courage also has a woman’s face

Peruvian women number 12,059,000, making up half the national population of 24m habitants (National Institute of Statistics and Information, INEI, 1996). Of these, 5,767,233 live below the poverty line, 2,330,493 of them in extreme poverty. Women do not surrender to adverse conditions. They run 23% of homes, playing the role of both father and mother (National Institute of Statistics and Information, INEI). This proportion reaches 75.6% to 80.1% in the poorest zones. In the last decade, women continued to organise and maintain soup kitchens and milk committees; they formed rural and urban self defence circles and committees of people displaced by violence, and they were members of small business organisations.

Until 1955, women did not have the right to vote; from 1979, illiterate women are also entitled to vote. The number of women is not reflected in political representation; in the last elections (1995), the parties and independent lists included only 297 women (12%) out of 2,400 candidates. Thus, there are only 13 women (10%) out of a total of 120 members of congress. There are only 59 female mayors (3.3%) in 1,810 municipal areas, and only 940 women (8.7%) among the 10,793 alderpersons.

Slowly, and mostly owing to pressure from the women’s movement, the country has officially started to accept female participation. Congress, in its ambit, has created the Women’s Commission. A Specialised Women’s Ombudsman’s section has also been established within the Ombudsman’s office along with the new Ministry for the Promotion of Women and Human Development – PROMUDEH (1.5% of the 1997 national budget).

At work: half are informal.
A quarter are street vendors

Excluding women who work exclusively as housewives, a quarter of the economically active population (EAP), estimated at 7,109,527 (1993 Census), are women. Of the 2,104,775
WOMEN AND WORK: PERCENTAGES COMPARED WITH THE TOTAL POPULATION

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>EAP Men</td>
<td>20.4%</td>
</tr>
<tr>
<td>Formal sector workers</td>
<td>2.5%</td>
</tr>
<tr>
<td>Street vendors</td>
<td>1.7%</td>
</tr>
<tr>
<td>Women in informal sector who are</td>
<td>4.6%</td>
</tr>
<tr>
<td>not street vendors</td>
<td></td>
</tr>
</tbody>
</table>

Source: 1993 Census.

Women in the formal sector earn on average 46.3% less than the men (Guillermo Felices and Georgette Montalavan, *Participation in the labour market and determining factors of earnings by gender: theoretical and empirical revision for metropolitan Lima*, Universidad del Pacifico, 1994). When adjustment was applied, women in the salaried sector lost their right to equal pay for equal work and many other labour rights that had been protected by law. Women in the informal sector have no social or labour rights.

A FIFTH NEVER WENT TO SCHOOL

Eighteen per cent of Peruvian women have no education. At present there are three illiterate women for each illiterate man (1993 Census). For every hundred women aged 15 to 40, 14 in the rural areas never went to school. In urban areas, 19 of every hundred women go on to further education. However, female education is slowly expanding. In the cities, the level of schooling is now equal between boys and girls at primary and secondary level. This is not the case at universities, where there are more men. In the provinces, 64% of university students are male (*GRADE, Further Education in Peru, data for analysis*, Lima, 1990).

MATERNAL MORTALITY IS UNDER REGISTERED

52% (6,259,000) of women are of childbearing age (15–49) (INEI, 1996). Two–thirds live in rural areas in poverty – socially, economically and politically isolated. One–third of these women nationally and 40% in rural areas suffer some degree of anaemia (*National Demographic and Family Health Survey, ENDES, 1996*). Six of every ten women over 15 years old are living with a partner and by the age of 21, half of all women have formed some sort of home.

The fertility rate is 5.6 in rural areas and 2.8 in urban zones. The national average is 3.4 children per woman (Ministry of Health, MINSA, 1995). Family planning programmes, which include voluntary sterilisation, form an important part of the state anti–poverty programmes. For every man who underwent a vasectomy, 23 women had had their tubes tied (Ministry of Health, MINSA, 1995). There is still no objective evaluation of the effects of the current mass sterilisation programmes on women’s health, above all in the poorest areas.

While 70% of pregnant women receive some sort of professional care in the cities, in rural areas 60% of pregnant women receive no attention (ENDES, 1991–1992). While 73% of births are attended by health professionals in the big cities, only 15.2% are attended by professionals in the rural areas. There are no reliable figures on maternal mortality. In the 1990–1993 period there was a 50% under–registering of deaths. The 1992–1993 ENDES estimated maternal mortality at 261 per 100,000 live births (408/100,000 in the rural areas). The 1996 ENDES showed an increase to 265 per 100,000 live births.

Voluntary abortion is considered a crime. But, for example, in 1989 there were an estimated 271,150 abortions, 742 per day. 4 of every 10 pregnancies ended in a provoked abortion (Guttmacher Institute on the bases of data from ENDES, 1991–1992). Violence against women both within and outside the home continues to be a reality. Women’s delegations – police offices established to receive reports of abuse – have come into operation. Meanwhile, there are 6,500 «wawahuasis» (nurseries) that are run by mothers in the poor neighbourhoods to take care of the children of working mothers with support from the State and international co–operation. But there are no national policies to deal with women in various situations of risk or precariousness.

SOCIAL EQUITY

The educational system covers 86.15% of children from 6 to 14 years old, but 13 mountain and forest areas are below this average. The number of children and adolescents from 12 to 19 years old who are outside the education system is 1,130,000. (See Graphic 2)

The national average for school attendance is 8.7 grades. The average in Lima is 9.8 grades; in Cajamarca and Amazonas it is only 6.8. In Cajamarca and Amazonas, for example, only 52.4% of the registered students between 12 and 19 years old...
actually went to school and in San Martin only 32.4% went. In both achievement and learning levels there is a gap between urban and rural zones. Upper class children and young people in Lima receive six times as many teaching hours as their rural peers. School attendance reaches 226 hours per student per year in rural areas, 450 in marginal urban areas, and 1,100 in private schools (Social Investment, Bulletin of the Support Group and UNICEF).

HALF THE SICK ARE IN LOWER INCOME SECTORS

Of the total of 23m inhabitants in Peru in 1994, the Health Ministry dealt with 5,954,667 people (MINSA/INEI). The Peruvian Social Security Institute (IPSS) has 2.5m subscribers and 7m beneficiaries. The armed forces and police have their own health establishments. Some 500,000 people are cared for in private clinics that serve high income sectors (Ministry of Health, The Situation of Health in Peru, 1996).

Only 11m of the 23m inhabitants in Peru had the possibility of accessing professional attention. In 1992, there were 4,617 functioning health establishments: 455 hospitals, 826 health centres and 2,952 health posts. Of these, 90.4% belonged to the Ministry of Health, 5% to the IPSS, 2.4% to the national army and police and 2.2% to other institutions.

In 1996, 47.7% of the population showing some symptom of illness or accident during the three months prior to the National Homes Survey (ENAHO), came from the lowest two–fifths of the income groups. Fifty–five per cent of the people who had suffered some symptom said they sought professional attention. This figure is 62% for rural areas; 54% of rural people surveyed said they did not seek professional help because they lacked economic resources (ENAHO 1996, INEI).

Two state primary health care programmes have been organised: Basic Health for All and Shared Administration. The first is for areas of greater poverty. The second is supposed to charge for each consultation, which would exclude extremely poor people.

According to the 1993 Census, infant mortality stood at 52 per thousand live births as a national average; a reduction to 48 per thousand was expected for 1996. However, the gap in infant mortality rates between poor provinces and large urban centres has grown. While in Callao the rate is around 21 per thousand, in Huancavelica it is 102 per thousand.

WELFARE OR PRIVATISATION?

Peru has 600,000 people receiving benefits. Of them, 250,000 receive benefits of less than $75 per month, although the minimum salary set by the government is $132. Two–thirds of the total population have no health insurance (National Report to the World Food Summit, 1996). Between 1994 and 1997 the government forced more than one million workers to change to a new private pension system. The national pension system ended 1994 with a 50% annual budget deficit. The private system, which is made up of Private Fund Administrators (AFPs) and has more than 300,000 subscribers, had a debt of 50% and net losses of $16m in 1996.

FIVE MILLION OVERCROWDED – SEVEN MILLION LACK SEWERAGE

Depending on which indicator is used, there is a deficit of 1.3m– 1.8m decent houses in the country. More than three million people live in poorly served housing. More than 5.4m people live in over– crowded conditions; 7.9m have no access to secure sewage elimination systems. Access to water and drainage has increased slowly in recent years. The privatisation of services has brought with it large increases in charges and increased inequity in access among social sectors. In Metropolitan Lima a cubic metre of water costs 15 cents, but in the marginal areas, water tanker lorries charge from $3–$4 (National Report to the World Food Summit).

DEREGULATION AND SUB–CONTRACTORS

Since 1996, INEI has applied a new methodology for measuring under– employment that cross references the number of hours worked per week with the quantity of two contributors to a minimum consumer basket for five persons that is esti-
mated to cost $183 per person. This has allowed for a statistical reduction of under-employment from 74.3% to 46.5%. But under-employment is still one of the main population problems. More than 50% of the Gross Domestic Product is produced by small businesses (PYMES) where under-employment reigns. Of every 100 new jobs created in 1996, 85 were in the informal sector (ILO Labour Panorama in Latin America, 1996).

Decree 728, known as the Employment Encouragement Law, feeds the substitution of stable, protected jobs with casual, precarious and unprotected posts. It also promotes subcontracting. This occurs through companies who provide complementary services, commonly known as «services», where thousands of sub-contracted workers earn a minimum salary of around $75 a month with no union rights. This decree also promotes the Youth Labour Training Conventions and the Pre-Professional Practice Agreements, in which young people aged 16 to 25 are contracted to work for up to three years without being considered workers. Up to 40% of a company’s staff can be in this category.

There are state organised retraining programmes for workers dismissed from privatised companies, which are funded by international co-operation. Only 3,000 workers have been incorporated into other formal-sector jobs through these programmes.

**AGREEMENTS BETWEEN UNIONS AND EMPLOYERS HAVE BEEN DISREGARDED**

In the past six years, authorities have forced a disregard for or revision of agreements adopted between employers and workers. People working for companies with less than 20 workers cannot join a union. No one who has worked for a company for less than a year can be a union leader. Union leave is allowed only 30 days per year. Union leaders are obliged to provide information about their activities whenever the work authorities or military demand it. Unions can be dissolved by the administrative authorities by cancelling their registration (Article 20 of the Collective Relations at Work Law). For essential public services, the law imposes obligatory arbitration if no agreement is reached in direct negotiations or conciliation. This includes the transport service sector and any service whose interruption would create a serious and imminent risk to persons or goods. In practice, this includes nearly all services.

**«BONSAI» BOYS AND GIRLS**

Various studies have shown that 30% of children under five and 50% of those enrolled in first grade are small for their age; this is caused by chronic lack of nutrients and previous episodes of serious malnutrition. 57% of children under age five suffer from anaemia (ENDES 1996). One explanation given for the high proportion of children with chronic malnutrition is that it is increasingly easy to save their lives with medical care. A Peruvian child can survive more than 20 bouts of diarrhoea in its early years, thanks to the application of new drugs. But children’s bodies adapt to the lack of food and remain small in order to survive. Hence, the high proportion of «Bonsai children» in Peru (Miyaray Benavente, Working Document of the Food Security Group, 1996).

Many children work. It is estimated 1,425,000 children between 6 and 17 years old, 433,000 of them under the age of 12, work. Most of them work in high risk areas (INEI, 1995). Many girls work as domestic employees with no protection at all.

**SOCIAL SPENDING: GROWING BUT STILL NOT ENOUGH**

The share of the National Budget spent on social programmes has been increasing since 1990. In 1993, public social spending (GS) was $1.3 billion, equal to 3% of the GDP calculated at $43 billion. The 1997 budget planned expenditures for a total of $9 billion. According to the government, $3.5 billion (6% of GDP) will be spent on GS (declarations by President Fujimori in August 1997).

However, we must take into account that the Peruvian budget is managed behind closed doors, and that the figures for what was really spent are only known two years later when Congress is allowed to examine the General Accounts of the Republic. An examination of the 1995 General Accounts makes clear that in that year, 27.2% of the budget was spent on GS (Eduardo O’Brien, The 1995 General Account, CEDEP working document). The government, however, claimed 40% was spent on GS.

**ECONOMIC EQUITY?**

In 1994, while the lower tenth of the population took only 1.9% of the national income, the upper tenth took 34.3% (World Bank, World Development Report, 1996). From 1990–1994, private companies took 40% of the national income in the form of earnings, while workers took only 20% (INEI/BCR/GRUPO PROPUESTA). During the same period, the richest 20% did 50% of the national spending, while the poorest 20% did only 6% (Andris Medina Ayala, Poverty, growth and inequality, Editora Cuanto, 1996).

**REAL SALARIES KEEP FALLING**

If 1985 is taken as a baseline of 100, in 1992 the real salaries of workers in the private sector stood at 49.4, those of
public sector workers 20.6, and the minimum salary at 29.7 (Non Governmental Report from Peru to the United Nations Economic and Social Rights Committee, 1997). The minimum salary of $75 per month is far lower than the minimum consumer basket which INEI estimated at 400 sols ($150) for 1997.

GRAPHIC 3.

COMPARISON OF REAL SALARIES
1985-1992

<table>
<thead>
<tr>
<th>Year</th>
<th>Public Sector 1992</th>
<th>Private Sector 1992</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985</td>
<td>75</td>
<td>120</td>
</tr>
<tr>
<td>1992</td>
<td>29.7</td>
<td>120</td>
</tr>
</tbody>
</table>

Source: Non Governmental Report to UN Economic and Social Rights Committee.

LAND: STILL AT AN IMPASSE, RECONCENTRATION UNDERWAY

The 1993 Constitution established that the common lands of rural communities – previously untouchable – could be embargoed, bought, sold or split into parcels. In 1995, Law 26505, the «Law for the Promotion of Private Investment in Economic Activities on National Land and that of Rural Communities» was approved. This law, which has not yet entered national legislation, established that common, rural lands could be acquired by third parties by simple occupation or possession when left empty. Sometimes communities leave part of their land fallow for crop rotation, as the Quechua and Aymara do, or they are forced to leave through violence, as were the Ashaninka, but such explanations for «empty land» have not been taken into account.

In 1996, a special tax regime was approved (DL 885 Law for the Promotion of the Agrarian Sector) which only benefits private entrepreneurs in the modern sector. The economic model currently being applied promotes the sale of natural resources. This allows private companies to use common lands without adequate consultation of communities and without paying the benefits due them. The 1993 hydrocarbons law has no provisions to protect indigenous peoples’ rights to the lands and forests they occupy; this particularly threatens the Amazon communities.

CREDIT: LIMITED ACCESS

Only 16% of Peruvian households have access to some kind of credit. 62% of households with access to credit are not poor. Only 2% of 2.5m small businesses in existence are considered eligible for credit by the commercial banks (EN-NIV, Cuanto SA, 1994). Due to the closure of the Agrarian Bank, decided under the 1990 adjustment plan, the rural population no longer has access to formal credit. There is a state-sponsored rural savings system but this plays no significant role.

ETHNIC EQUITY

The ethnic and cultural plurality of the nation is recognised in the Constitution (Arts 2, 17 ad 19). Peru recognises both Spanish and ethnic languages as official – the latter only in the zones where they predominate (Art 48 of the Constitution, Art. 4 and 5 of the General Education Law). The Constitution recognises the special jurisdiction of native communities for the administration of justice in the Amazon region (Art 149). However, the subtlety and sophistication of racist attitudes and behaviour have made marginalisation due to ethnicity a socially accepted and organised fact. The state’s attitude and practice lies between the two extremes of repression and paternalism.

The Peruvian state does not recognise the Quechua and Aymara communities as ethnic groups; it affords this classification only to the Amazon peoples, despite the fact that the former, who number around seven million, provide an enormous cultural input. 22% of Quechua speakers over six years old have no formal education. This situation is more critical among girls: 31% have never been to school.

The 1993 Census registered 193,952 indigenous individuals in the Amazon. Of these, 68,298 can neither read nor write; 52,731 native people have never been to school. When it adopted ILO Convention/169 in 1994, Peru took on the obligation of recognising the right of indigenous peoples to create their own educational institutions and media. The cultural linguistic diversity and the need for education in the language of each ethnic group, Quechua, Aymara or Amazon (Shipibo, Ashaninka, Aguaron, etc.) is suggested in the Intercultural and Bilingual Intercultural Education Policy for 1991–1995. But this only covers 7% of the primary education centres; the remaining 93% use Spanish (School census, 1993).
**DISPLACED PEOPLE AND REFUGEES**

Between 1983 and 1994, more than 600,000 people had to leave their homes because of violence in the Andes and the forests. The displaced people’s organisations have held a National Congress and have organised the National Co-ordination of the Displaced and Communities in Reconstruction. In 1993, the government created the Repopulation Support Programme (PAR). The number of people who have returned spontaneously to their places of origin is around 25% to 30% of the total displaced population (estimates of the National Panel on Displacement in Peru, 1996). The majority of displaced people and refugees decided to remain in refugee areas without giving up their home villages.

**POLITICAL EQUITY?**

Only four parties, two governing (Cambio 90 and President Fujimori’s New Majority) and two of the centre opposition (former President Belaunde’s Popular Action and Javier Perez de Cuellar’s Union For Peru) are registered. The Apra and the left-wing parties have become illegal as they lack registration. To obtain registration, a party needs to submit 500,000 signatures to a government–controlled body, which charges 10 cents of a sol to verify the authenticity of each signature, meaning a total cost of 50,000 sols ($18,000) as a minimum to start the inscription process.

Following the dismissal of four of its members, the Constitutional Tribunal has become inoperative. After the coup on April 5, 1992, the government suspended the Organic Law for Judicial Power, annulled the majority of the Supreme Court faculties and appointed an Executive Commission with powers to withdraw judges and name other provisional post holders in the Judicial Power and the Ministry. The Executive Commission has the power to create, suspend and reorganise judicial bodies according to its own criteria.

- This report was drawn up within the National Conference on Social Development Initiative Committee, CONADES, with support from its member networks. The co-ordination with Social Watch was carried out by Roelfin Haak. The National Conference on Social Development Initiative Committee (CONADES), is made up of: Acción Ciudadana; Asociación Nacional de Centros; Centro Amazónico de Antropología y Aplicación Práctica, CAAAP; Centro de Estudios para el Desarrollo y la Participación CEDEP; Comisión Episcopal de Acción Social CEAS; Comisión Hábitat; Comisión Interinstitucional Desarrollo Región Ayacucho CIDRA; Consorcio Apurímac; Consorcio de la Pequeña y Microempresa COPEME; Fomento de la Vida, FOVIDA; Foro Ecológico para el Desarrollo Sostenible del Perú; Foro Educativo para el tema de la educación y empleo; Grupo de Canje de Deuda por Desarrollo; Grupo de Iniciativa Nacional sobre los derechos del niño, GIN; Grupo de trabajo sobre seguridad alimentaria y nutrición; Grupo Mujer y Ajuste; Grupo Pachacámac; Red Nacional Mujer Rural/ Flora Tristán.