



# Persistent Inequality among Indigenous and Non-Indigenous Individuals in Latin America<sup>1</sup>

Author: Carolina Trivelli

## Executive Summary

Latin America (LA) is the most unequal region on the planet. Here, economic growth has led to an increase in inequality, which disproportionately affects rural and indigenous populations (and within them women in particular). In countries throughout the region, these groups present a higher incidence of poverty and larger poverty gap. While their situation is not affected as much in times of crisis as that of non-indigenous groups, when there is growth they obtain fewer benefits. In LA, being indigenous means that poverty is more likely.

The situation of these groups is not coincidental. There is a systematic reproduction of limitations that keeps less favored groups from taking advantage of opportunities and achieving development. Indigenous populations not only have fewer assets (such as human and social capital and access to public goods and services), but they also suffer from discrimination, which is understood as lower compensation for their assets.

Indigenous groups have lower levels of education and academic performance than non-indigenous groups. When entering the labor market, their lack of training combined with processes of discrimination leads to less compensation for their work. This produces a vicious cycle: unequal conditions limit indigenous individuals' development and perpetuates their situation.

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<sup>1</sup> This working paper has been originally published in Spanish: Trivelli, C. 2008. "La Persistente Desigualdad entre Indígenas y No Indígenas en América Latina". Documento de Trabajo N° 22. Programa Dinámicas Territoriales Rurales. Rimisp, Santiago, Chile. This document can be accessed through the following link [www.rimisp.org/dtr/documentos](http://www.rimisp.org/dtr/documentos).

Furthermore, groups that systematically have fewer opportunities and assets and lower compensation are under-represented in (or absent from) elite decision-making spheres.

### ***An Example of How Institutions and Policies Reproduce Inequality: The Case of Peruvian Education***

While coverage of basic education has increased, differences between indigenous and non-indigenous individuals, rural and urban communities, and men and women are still present. These differences are associated with levels of access and educational accomplishment. For example, indigenous children are more likely to repeat a year of school or drop out while rural children are faced with poor infrastructure and a lack of educational materials. Poorly implemented interculturality, schools in which children from different grade levels share a classroom and a teacher, and poorly trained teachers are all problems that affect the quality of education. Access to secondary education is limited due to the schools' location (mainly) in the cities. This means that families who wish to send their children to high school face additional costs and risks. Access to higher education is limited and tends to benefit urban groups and those with greater economic resources.

It is less likely that indigenous, rural and female students will finish primary school and attend and finish high school. Furthermore, their chances for attending an institute of higher education, especially universities, are well below average. All of this reproduces and worsens the inequalities. The educational system thus limits change and reinforces and reproduces the status quo (particularly in regard to poverty).

### ***The Vicious Circle and Alternatives for Overcoming It***

The populations in question will not be able to progress on their own even in contexts of economic growth. As a result, there is a need for policies and institutions that address the following three objectives. The first involves redistributing basic assets (human capital, access to public services, communications, etc.) in order to generate a minimum set of assets that will allow individuals to subsist. This is clearly related to government policies on investment and spending. There is a need for an explicit commitment to improve attention to the basic rights of communities, social protection (health, education, nutrition) and the provision of key assets for the viability of these rights (roads, sanitation services, information, etc.). Second, we must attack discrimination in order to avoid different levels of compensation for similar assets (achieve equal pay for equal work), which involves private and public sector policies and market regulation, particularly labor markets. Finally, we must achieve equal distribution of opportunities, which is related to the

elimination of barriers and conditions that prevent groups with fewer resources from getting out of the trap of limited assets.

Clearly, in the case of Peruvian education, there is a need for more access. But we must do more than this. Access must be increased in order to close the gap, but there is also a need for key changes in the quality of education (teachers, interculturality, infrastructure), specific actions for promoting educational equity and programs designed to keep boys and girls in the educational system. There is also a need for actions that favor processes geared towards diversifying the groups and systems that make decisions regarding policies, actions, etc.

There is a need for coordination, consensus and collaboration among different actors (public and private) and a coordinated set of policies that address inequality between indigenous and non-indigenous groups.