Four sources of inequality
sex, urban bias, regional differences and race
Four sources of wage inequality: the case of Brazil

- This chart shows data on inequality in Brazil in the early 1990s. If the average national wage is set at 100, the other five sets of bars show the difference in average pay from the national figure according to region of the country, urban or rural residence, colour, sex, sex and colour combined, and finally sex and urban/rural residence combined.

- Brazil’s exceptional inequality (<10) is caused, as in many countries, by a multiplicity of discriminations. But unlike many countries, Brazil publishes a large amount of information about different kinds of inequalities among its people. This chart summarizes some of that information:
  - wages in the southeast of the country are about 2½ times those in the northwest (>64);
  - urban wages are about 3 times rural wages;
  - wages of whites are about 3 times wages of blacks;
  - and wages of men are nearly double those of women.

Real inequalities are wider because they result from a combination of overlapping discriminations. So a white man typically earns 7 times the pay of a black woman and an urban male head of family in a rich region earns 15 times as much as a female rural head of family in a poor region. These data provide a very good example of the multiple sources of inequality – class, sex, place of residence and colour – which are examined one by one in the rest of this section of the book. The data, however, are only for wage and salary earners in employment. Capitalists, landowners, property owners on the one hand, and unemployed people, peasants, self-employed and indigenous people on the other are all missing. Their inclusion would explain more of Brazil’s exceptional inequality.

Relation of male and female adult literacy rates (1997)

1. The world
2. Developing countries
3. Sub-Saharan Africa
4. Arab States
5. East Asia (except China)
6. China
7. South Asia (except India)
8. India
9. Southeast Asia and Pacific
10. Latin America and Caribbean
11. Eastern Europe and CIS
12. Industrialized countries

Relation of male and female combined educational enrolment ratio (1997)
The two graphs show aspects of sex discrimination in education. The vertical axes measure literacy and educational enrolment levels of men, the horizontal axes the same variable for women. The numbered points show the values for the world and eleven subcategories of country. If men and women were equal these points would be on the 45° line; points above show discrimination against women. Combined educational enrolment is an index compiled by the United Nations Development Programme, based on the percentage of the appropriate age group enrolled in primary, secondary and tertiary education.

The graph shows differences by region and category of country in both the level of literacy and enrolment and the differences between men and women. The developed countries, Eastern Europe and the former USSR and East Asia have very high, in many cases effectively complete, levels of literacy. So it is logically impossible for there to be differences between men and women. But for all other groups of countries, except Latin America, women remain considerably behind men in their access to reading and writing skills. The differences are more severe than in the case of present school enrolment. This is because adult literacy differences express past differences in access to education which were even more discriminatory than those of today. Nevertheless, with the same exceptions as before, women in most areas of the world still find it more difficult than men to gain access to education. The difference is most acute in the Arab countries, India and the rest of South Asia, part of a story which we have seen and will see other parts of elsewhere in this book (26–33, 123).

UNDP 1999.
The sexual bias of work and pay, 1995

- The graph consists of two rings which divide the total hours worked in the world according to two criteria: whether the work is done by men or women and whether it is paid or unpaid. The rings are then placed in relation to each other to show the four categories which result from the two criteria combined: men's and women's paid and unpaid work.

- In 1995 the Human Development Report published the results of an original study about the world sexual division of labour. Among other things, it concluded:
  - women did 53 per cent of the total hours of work in the world and men 47 per cent;
  - about 75 per cent of men's work is paid;
  - only about one-third of women's work is paid;
  - so, of the four categories of work, the largest is women's unpaid labour and the smallest is men's unpaid labour.

These results are based on generalizing a number of sample studies which have been carried out in individual countries. They are, therefore, quite tentative but since they all tell a similar story it is justifiable to generalize them.

This difference in the nature of women's and men's work is the result of the discriminatory nature of gender roles and also partly explains why changing these roles is difficult. Women work much less than men for pay; and when they do they work for less pay. The combination of these two facts leads to men taking a very large direct share of monetary income in nearly all societies and impedes women's economic independence (>61).

UNDP 1995.
Women's participation rate as % of men's (1997):

- >80%
- 61-80%
- 41-60%
- <40%
- no data
The map shows women’s economic activity rate as a percentage of men’s. The rate of participation in economic activity is officially defined as supplying labour for the production of goods and services. In principle it includes self-employed people and unemployed people who wish to work. It may also include those who work outside the home in unpaid community work or in unpaid agricultural labour, but different countries apply differing criteria. It is not supposed to include unpaid domestic labour.

There is much variation in this indicator. Part of it may be due to the fact that national concepts of economic activity may differ and so the measure is not a very satisfactory one. But much of the variation is due to vast differences in social customs relating to the relative roles of men and women in society, and to differences in policies which facilitate or impede women’s economic participation. It is noticeable that the highest rates of participation are in north-west Europe, North America and the formerly or presently communist countries. In the developed capitalist countries women’s participation in paid labour has expanded enormously during the years since 1950. In some countries it has been facilitated by changing attitudes and by measures such as the provision of childcare and new laws on maternity leave. But another major cause has been the financial pressure on working- and middle-class families in countries, including the USA, with little growth of male wages (16).

Lower women’s participation rates are found in the countries of southern Europe, parts of Asia and all of Latin America. But the lowest, not surprisingly, are in countries where conservative forms of Islam and Christianity are powerful.

UNDP 1999.
- The share of national income going to women is lower than that going to men, but this does not mean that women are paid less than men. The share of income received by a woman depends on the share of her work in the national income.

- The data for Tanzania, the United States, and India show that the share of income received by women is higher than that of men in countries with a high income growth. This is due to the fact that women in these countries have a higher participation rate in the labor market. In other countries, such as Brazil and South Korea, the share of income received by women is lower than that of men. This is due to the fact that women in these countries have a lower participation rate in the labor market.

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The graph shows for a varied sample of countries the division of total personal monetary income between men and women. This depends on relative women’s participation and relative women’s pay.

The country where women’s share of income is the highest is Tanzania. As in many African countries women’s participation, both in traditional agriculture and in the commercial monetary economy, has traditionally been extremely high, producing relatively high independent incomes. In the case of Tanzania it has been further boosted by the ideology of its government since independence. In second place in this sample is Sweden. In all Scandinavian countries women tend to participate in the economy and in politics at a greater level of equality with men than in other Western countries. After another East African country (Kenya) comes Russia, where the Soviet legacy of high women’s participation, officially encouraged by state ideology and policies, persists. Pay has been relatively equal for equal work, and women occupy many professional posts, though not so many responsible managerial ones. Next comes the USA, where relatively high women’s income is relatively recent, and has resulted from an enormous increase in the number of women participating in the labour market.

At the other end of this sample are a number of countries where the combination of social tradition and religious teaching contribute to obstacles to women having an independent income. These countries tend to be in West Asia and Latin America. No sub-Saharan country is in this category and, with the exception of Ireland, no European country either.

UNDP 1996.
This diagram illustrates the relationship between the degree of urban bias in access to services and the percentage of the population with access to various services. The graph shows the trajectory of different regions, with a gradient indicating the rate of change in access over time. For example, countries with higher population densities may have a steeper gradient if the urban bias is close to zero. If the gradient is flatter, it suggests a slower rate of change in access points, or a lower urban bias in the provision of services.

What the diagram reveals is that while countries like South Korea and Japan, known for their high standards of healthcare and sanitation, have relatively lower urban biases, regions like Sub-Saharan Africa and South Asia, where the need for sanitation and healthcare is acute, have higher urban biases. This indicates that these regions need more investment in urban areas to ensure equitable access to services. In essence, the diagram underscores the importance of addressing urban biases to improve access to essential services, which is crucial for sustainable development.
This graph describes the degree of urban bias in five countries and two regions. On the vertical axis is measured the percentage of the population as a whole having access to health services (H), drinking water (W) and sanitation (S). And the horizontal axis shows the degree of urban bias measured as the excess of the urban rate of access over the rural rate. If the percentage of the rural population with access is the same as the urban then this figure is zero. If urban access is 80 per cent and rural access is 20 per cent then the urban bias index is 60. For each country/region the three points, H, W and S, are linked by a line which provides a kind of footprint describing relative access to public health benefits.

What is noticeable from this graph is that in most countries access to health services is the highest of these three indicators and sanitation is the lowest. The differences in some cases are extreme; in China, for instance, over 90 per cent of people have access to medical services while less than 25 per cent have sanitation. Since most of the lines slope downwards from left to right this implies that the lowest indicator (usually sanitation) shows more urban bias than the others. Again in the case of China rural access to health services is only 10 per cent less than urban access. But in the case of sanitation the difference is 95 per cent. If this figure is accurate it really means that urban sanitation is general while rural sanitation is virtually unknown. Only those who have had to live without sanitation will know what a hardship this is, producing inconvenience, indignity and danger to health. The author of this book chooses to live in not very sophisticated rural conditions; but he would not be so happy to do so in the absence of sanitation!

UNDP 1999.
The world is urbanizing: 90% of urban and rural dwellers are expected to live in urban areas by 2050, since developing country urban populations have been growing at 3% and 10%, respectively.

Urbanization during the 20th century has transformed the landscape of their own cities. The urban dweller is now the majority in many cities, from about 20% in 1950 (≤20%) to over 80% in the world by 2050. Urban migration is one of the world’s social issues. The increasing pace of urbanization is also an issue that affects especially the countryside and the environment. Urbanization can also lead to increased social mobility and improved quality of life, which in turn can reduce rural poverty and increase economic growth which can improve the world.

The process of urbanization is affected by political, social, and economic factors. Urbanization in parts of the world has led to increased urban populations, which is a trend that continues to grow. The less developed parts of the world also face challenges, but the trend continues to grow in more developed parts of the world.
The map shows the percentage of the population living in urban areas. The comparison should be treated with much caution since different countries use different definitions of the minimum population in an urban settlement (varying between about 1,000 and 10,000).

Urbanization has been part of the process of industrialization during the last 200 years. It is associated with the great productive transformation from a world in which nearly everyone produced their own food (along with a surplus for the minority of urban dwellers and for the rulers and parasites) to one in which the majority work in industry or services and are supplied with food from a minority who work in agriculture and live in rural areas (less than 5). But this transformation has taken place in some parts of the world much more fully than in others. And urbanization in some places is a response not so much to the opportunities provided by new economic activities as to the impossibility of continuing to survive in the old ones. Nonetheless it is now estimated that around half of the world’s population live in towns. The almost universal discrimination against the population of rural areas, which we saw in the previous graph, is therefore something from which 50 per cent of the world’s population may suffer.

The problem of resolving urban bias derives from the fact that political and financial power tend to be concentrated in the urban parts of the world. This is not to say that large parts of the urban population are not oppressed; but the oppressed rural population tends to suffer a double burden of discrimination. And they have less opportunity to mobilize political power than their urban counterparts.

World Bank 1999a.
Regional differences in Brazil and Mexico

This and the next three pages of maps show variations in the level of income between regions, states or provinces of seven countries and the European Union.

If the countries of the world are unequal then so are the regions of any given country; and regional inequality is apt to be more extreme in countries of the South than in countries of the North. One juridical country, especially if it is large, can encapsulate several social and economic countries.

Inequalities between the provinces of Brazil result from a development process which is extremely concentrated in the southeast of that vast country. The figures for income per head and for other indicators in the province of São Paulo are very close to those of a developed country, while in the northeastern provinces they often are no higher than those of a poor African country. The UNDP has disaggregated its Human Development Index for Brazil. The national average of the Index is 0.756 but regional values range between 0.831 for the south of the country (similar to Portugal or Singapore) and 0.544 in the northeast (similar to Bolivia).

In Mexico the inequality between states is also considerable, although less than that of Brazil. From the map it is evident that a major explanatory variable for differential levels of income per head is proximity to the USA. The inequality is perhaps less ‘autonomous’ than Brazil’s. The disaggregation of the Human Development Index for Mexico (where the national average is 0.804) gives values ranging between 0.868 (similar to the Baltic republics) in the state of Nuevo León and 0.627 (the level of Jordan) for the state of Chiapas.

Regional differences in India and China

- The maps of India and China show the levels of income per head for states and provinces as a percentage of the national average.

- India and China are the most populated countries of the world, both with more than 1,000 million inhabitants, and both cover a massive geographical area. It is not, therefore, surprising that they both encompass huge regional differences. In China the interprovincial range of income per head between Shanghai, the richest province, and Guizhou, the poorest, is almost 12 to 1. These income levels are close to those of Spain and Sudan respectively. In general the coastal regions have the highest incomes.

  In 1995 the UNDP estimated the national value of the Human Development Index in China as 0.644, ranging from Shanghai with 0.885 to Guizhou with 0.494 and Tibet with 0.391, equivalent to the range between Argentina and Togo. China is in this sense many countries and these differences have grown in the last twenty years of extremely rapid economic growth.

  The variation in income per head between Indian states is slightly less than that between Chinese provinces. In 1995–96 Delhi and Goa were the richest regions; the richest large state was Punjab, followed by Maharashtra, and the poorest was Bihar. The ratio between the average income of Delhi and Bihar was 6.2 to 1, and their levels were equivalent to those of Guatemala and Rwanda. The interstate variation in the Human Development Index does not coincide with the variation in income. Kerala, a state with only half the per-capita income of Punjab, had the highest HDI (0.6279) compared to Punjab’s HDI of 0.5486. Bihar’s HDI, however, was lower than that of any country in the world.

Regional differences in Nigeria and South Africa

- For Nigeria the map is based on a study of the interstate prevalence of poverty, since state income per head figures are not available. For South Africa the data are for relative income per head by province as in the previous maps.

- South Africa has, as the legacy of apartheid, a level of inequality almost unsurpassed in the world (10). Vast differences in economic level exist between ethnic groups, social classes and, as is plain here, between regions. In 1994 income per head ranged between 14,737 rands in Gauteng (which includes Johannesburg) and 1,944 rands in Northern Province, a ratio of 7.6 to 1, equivalent to the range between Argentina and Nepal.

Nigeria is another African country with wide regional differences. They are shown here as variations in the level of absolute poverty. These show a phenomenon which is general in West Africa: that the coastal zones are more developed than those of the interior. The 1992/93 poverty level ranged between 14.4 per cent in Imo and 55.8 per cent in Bauchi, with a national average of 34.1 per cent. In 1994 Nigeria’s Human Development Index was 0.348, a figure which puts it close to the bottom of the scale. A study by the UNDP of interstate differences showed a range between 0.666 for Bendel (higher than the national level of Cuba in that year) and 0.156 in Borno (lower than the national level of any country). Life expectancy was 39.6 years in Borno and 59.5 in Bendel. The adult literacy percentage for the same states was 12.1 per cent and 79.5 per cent, respectively. These are wider differences than for any other country mentioned in this group of maps.

USA: income per head – by county (1990 census)

EU: Income per head by NUTS2 region (1997)

- by state (1996)

% of EU/USA average

- > 200%
- 150-200%
- 100-150%
- 50-100%
- <50%

- The economic regions in the USA are divided by state. But the EU regions are less integrated than in the US.

- Despite this, the average income in the USA is almost double that of the EU.

- The EU regions are more homogeneous in terms of income compared to the USA states.

- The economic regions in the EU are more comparable to each other in terms of income compared to the USA states.

- The economic regions in the EU are more comparable to each other in terms of income compared to the USA states.
The figures shown in the small map of the USA are for personal income per head as a percentage of the national average. For the EU the figures are regional product per head as a percentage of the EU average. The EU is divided into NUTS2 regions (nomenclature of territorial units for statistics). These correspond to German Länder, Spanish autonomías and French provinces and the equivalent in other EU countries. The large US map provides income data at the county level from the 1990 census.

The extent of regional variations depends on the size of the regions that are considered. In the USA the states have personal per-capita income levels ranging from $35,704 in Washington DC to $18,098 in Mississippi, a ratio of slightly less than 2 to 1. No state is more than 40 per cent above or less than 30 per cent below the national average.

The European data show more variation, but for smaller regions. Five regions (London, Paris, Hamburg and two more German regions) have per-capita levels more than 50 per cent above the EU average and twelve have levels less than 50 per cent of the average.

Despite the difference in the relative size of regions it is in fact almost certain that the range of difference in the EU is greater than in the USA since the European Union economy is still much less integrated than that of the USA.

But US regional variations are greater than they appear at the state level and something of this is conveyed by the map of five income levels divided by counties. It is possible to see the pockets of relative poverty in the Appalachian region, the states of the South and areas close to the Mexican border (>105).

The life expectancy of African-American men in the USA is 2 years shorter than that of whites. For every 100 people who die of AIDS, 57 blacks die and 43 whites die. The softeners in brown, etc., show that after the death of whites, double the number of blacks are in poverty. The highest proportion of black women receive the double wages of at least men. Men's wages are 0.72; women's wages are 0.92. Black unemployment rate is 2.15. Infant mortality is 2.21. The percentage of households headed by women is 3.1. AIDS death rate is 3.22. The percentage in poverty is 3.47. Maternal mortality is 4. Prisoners are incarcerated by black people at a rate of 6.5 per 100,000. The death rate due to murder is 6.76. The proportion of healthcare workers in the USA is 0.85. There are 0.85 healthcare workers per 1000 people.
The left-hand chart compares the percentage of white and African-American families in the USA in 1992 that fall into each of five income categories. And the right-hand chart shows several indicators for African-Americans as a ratio of the same indicator for whites in the USA.

The left-hand chart shows a striking difference in the distribution of income between whites and African-Americans in the USA. We find a larger proportion of white families than of African-American families in the highest three categories and a larger proportion of African-American families in the lowest two. Almost 40 per cent of African-American but only 12 per cent of white families receive the lowest of the five categories of income. And 40 per cent of white, but only 15 per cent of African-American families receive the highest. Hispanics are between whites and African-Americans, and people of Asian origin are higher than whites.

The right-hand chart shows a selection of the numerous ways in which the black population of the USA suffers discrimination and enjoys a lower level of welfare than whites. Economic indicators show that wages for African-Americans are lower (especially for men) than for whites; that more than three times the percentage of people, and more than four times the percentage of children, live in poverty; and that the black rate of unemployment is more than double the white rate. The health indicators show that African-Americans have double the rate of infant mortality, three times the AIDS death rate and four times the rate of maternal mortality of whites. Finally they have 6.5 times the incarceration rate (111, 112) and nearly seven times the death rate due to murder.

Hacker 1995.
The graph compares the HDI values of South Africa and the world. It shows that the values of education spending and health spending are higher for whites in South Africa compared to the world average. However, there is a significant disparity in life expectancy, with whites having a higher average than blacks, and industrial wages and income per head being lower for blacks.

Apartheid in South Africa maintained systems of disadvantage which was reflected in lower HDI values for blacks compared to whites. According to the graph, the HDI for whites was 0.878, while for blacks, it was 0.462. This disparity highlights the impact of apartheid on social development.

In conclusion, the graph illustrates the significant challenges faced by blacks in South Africa compared to the world average, especially in areas such as education and health. The disparities in HDI values underscore the need for addressing these issues to improve the well-being of all South Africans.
The world as a macrocosm of apartheid

- The graph shows a comparison of white/black differences in South Africa in the closing years of apartheid with differences in the world between North and South. The bars represent ratios of the values of a number of indicators for whites compared with blacks in South Africa (the black bar) and for the North compared with the South in the world (the white bar). Where the white bar is longer than the black one the North/South inequality in the world is greater than white/black inequality in South Africa and vice versa. The scale is logarithmic (progressively condensed) in order to show a very wide range of values.

- Apartheid in South Africa was one of the most organized systems of discrimination the world has ever seen. It produced and maintained some of the inequalities that the black bars in this diagram display. The differences are underlined by the figures in the lower chart for the Human Development Index disaggregated according to race, and then sex and urban/rural residence. Whites in general had in 1994 an HDI of 0.878 while rural black women had a rate of only 0.356. It is the difference between Spain and Haiti.

The upper chart also shows (the white bars) the discrimination that exists between North and South in the world. The interest of the counterposition is that it shows that the degree of North/South inequality in the world is strikingly similar to white/black inequality under apartheid. In some respects, most notably health spending, the North/South inequality is greater. In other words, the world seems to be a macrocosm of a discriminatory system which that same world almost unanimously rejected as morally unacceptable.