Social Inclusion in Uruguay

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Contents

Executive Summary 1

1. Introduction 9

2. Growth, Poverty Reduction, and the Left Behind 15

3. Exclusion from Markets 25

4. Exclusion from Services 33

5. Exclusion from Spaces 43

6. Policy Analysis and Recommendations 57

7. Final Thoughts: Toward a New Generation of Programs 79
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>AD</td>
<td>Afro-descendant</td>
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<tr>
<td>AF</td>
<td>Family Allowance Transfer Program</td>
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<tr>
<td>AFAM-PE</td>
<td>Family Allocation Equity Plan (Asignación Familiar Plan de Equidad)</td>
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<tr>
<td>AGEV-OPP</td>
<td>Directorate of Management and Evaluation (Dirección de Gestión y Evaluación de la Oficina de Planeamiento y Presupuesto)</td>
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<tr>
<td>ASSE</td>
<td>Administration of State Health Services (Administración de los Servicios de Salud del Estado)</td>
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<tr>
<td>BAE</td>
<td>Economic Support Scholarship (Beca de Apoyo Económico)</td>
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<td>BPS</td>
<td>Social Insurance Bank (Banco de Previsión Social)</td>
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<tr>
<td>CAIF</td>
<td>child and family care center (centro de atención a la infancia y la familia)</td>
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<td>CE</td>
<td>Education Commitment Scholarship</td>
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<tr>
<td>CONACHA</td>
<td>Council of the Charrúa Nation (Consejo de la Nación Charrúa)</td>
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<td>CONAMU</td>
<td>National Council of Women of Uruguay (Consejo Nacional de Mujeres del Uruguay)</td>
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<tr>
<td>CQ</td>
<td>Carlos Quijano Scholarship</td>
</tr>
<tr>
<td>ECH</td>
<td>Continuous Household Survey (Encuesta Continua de Hogares)</td>
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<tr>
<td>ECLAC</td>
<td>United Nations Economic Commission for Latin America and the Caribbean</td>
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<tr>
<td>ELBU</td>
<td>Longitudinal Study of Well-Being in Uruguay (Estudio Longitudinal del Bienestar en Uruguay)</td>
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<tr>
<td>ENAI</td>
<td>National Survey of Adolescents and Youths (Encuesta Nacional de Adolescentes y Jóvenes)</td>
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<tr>
<td>ENDIS</td>
<td>Nutrition, Child Development, and Health Survey (Encuesta de Nutrición, Desarrollo Infantil y Salud)</td>
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<tr>
<td>GAMA</td>
<td>Afro-Uruguayan Women’s Support Group (Grupo de Apoyo a la Mujer Afouruguaya)</td>
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<tr>
<td>GDP</td>
<td>gross domestic product</td>
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<tr>
<td>IAMC</td>
<td>collective medical care institution (institucion de asistencia médica colectiva)</td>
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<tr>
<td>ICC</td>
<td>Index of Critical Deprivations (Índice de Carencias Críticas)</td>
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<tr>
<td>ILO</td>
<td>International Labour Organization</td>
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<td>IMF</td>
<td>International Monetary Fund</td>
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<tr>
<td>INDDHH</td>
<td>Human Rights National Institute and Ombudsman (Institución Nacional de Derechos Humanos y Defensoria del Pueblo)</td>
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<tr>
<td>INE</td>
<td>National Statistics Institute (Instituto Nacional de Estadística)</td>
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<td>INEFOP</td>
<td>National Institute of Employment and Vocational Training (Instituto Nacional de Empleo y Formación Profesional)</td>
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<tr>
<td>INMujeres</td>
<td>National Women’s Institute (Instituto Nacional de las Mujeres)</td>
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<tr>
<td>IRPF</td>
<td>personal income tax (impuesto a la renta de personas físicas)</td>
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<tr>
<td>LGBTI+</td>
<td>lesbian, gay, bisexual, transgender, intersex, and other gender diverse (persons)</td>
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<tr>
<td>MIDES</td>
<td>Ministry of Social Development (Ministerio de Desarrollo Social)</td>
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<tr>
<td>MoPH</td>
<td>Ministry of Public Health</td>
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<tr>
<td>NEET</td>
<td>not in education, employment, or training</td>
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<tr>
<td>NGO</td>
<td>nongovernmental organization</td>
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<tr>
<td>Acronym</td>
<td>Full Form</td>
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<td>---------</td>
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<tr>
<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
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<td>ONSC</td>
<td>National Civil Service Office (Oficina Nacional del Servicio Civil)</td>
</tr>
<tr>
<td>OPP</td>
<td>Office of Planning and Budget (Oficina de Planeamiento y Presupuesto)</td>
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<tr>
<td>PAN</td>
<td>Black Native Party (Partido Autóctono Negro)</td>
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<tr>
<td>PISA</td>
<td>Program for International Student Assessment</td>
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<tr>
<td>PMB</td>
<td>Neighborhood Improvement Program (Programa de Mejoramiento de Barrios)</td>
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<tr>
<td>PPP</td>
<td>purchasing power parity</td>
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<tr>
<td>SEDLAC</td>
<td>Socio-Economic Database for Latin America and the Caribbean</td>
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<td>STD</td>
<td>sexually transmitted disease</td>
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<tr>
<td>TUS</td>
<td>Uruguay social card (Tarjeta Uruguay Social)</td>
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<tr>
<td>TVET</td>
<td>Technical and Vocational Education and Training</td>
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<tr>
<td>UDELAR</td>
<td>University of the Republic (Universidad de la República)</td>
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<tr>
<td>UTU</td>
<td>University of Labor of Uruguay (Universidad del Trabajo del Uruguay)</td>
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<td>WHO</td>
<td>World Health Organization</td>
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Prologue in Times of COVID-19

Even though this report is based on research conducted over the last two years, it could not have been launched at a more appropriate, and pressing, moment. As we send this to press, the COVID-19 pandemic is overwhelming health systems in wealthy and developing countries alike, and already showing its devastating effects—health, economic, and social—across Latin America and the world beyond the region. Over one third of the world’s population is in some form of quarantine, with nearly nine out of ten school-aged children stuck at home. Besides the tragic loss of lives, the pandemic is expected to have socioeconomic consequences that will take years to fully assess, let alone reverse. Although the report was not written with this horrific scenario in mind, it raises the exact issues of vulnerability and social inequity that are more important now than ever before.

COVID-19 makes us all vulnerable, but some are far more vulnerable than others … and they tend to be those who were struggling before the onset of the pandemic. The elderly and persons with underlying health conditions, such as diabetes and cardiovascular disease, are known to be among the most severely affected by the disease. But historically excluded groups, such as Afro-descendants, persons with disabilities, indigenous peoples, the homeless, people living in informal settlements, trans persons, among other vulnerable minorities, are also at higher risk of suffering both the biomedical and the socioeconomic consequences of the virus. We know this to be the case by early evidence as well as by inference and relationships.

Even in wealthy countries, the first wave of COVID-19 hospitalizations and mortality rates assessed according to ethnicity show that marginalized populations are suffering disproportionately. The U.S. Centers for Disease Control and Prevention reported on April 22, 2020 that within the first study group of COVID-19 cases in the United States, African-Americans represented 45 percent of hospitalized patients although they were only 18 percent of the population of the communities under study. Likewise, Latinos represented 14 percent of the hospitalized patients but only 8 percent of the U.S. population studied.

The economic and social consequences of the pandemic multiply out from that highly uneven starting line. The most vulnerable segments of the population in Uruguay, as in many countries, not only have more limited access to quality health care, they also tend to be more concentrated in the informal sector, have higher rates of unemployment, are less likely to have support from the social safety net, and have overall lower levels of savings to weather the storm.

Uruguay is strongly positioned to mitigate and recover from the effects of COVID-19, owing to its comprehensive health system, its strong social compact, and the government’s remarkable early response to the outbreak. As of May 13, 2020, the country had reported slightly over 700 cases and 19 deaths. Yet, the pandemic is already taking a significant toll on the economy, and risks reversing some of the gains in poverty reduction of the past two decades. In April, the number of applications to the Banco de Previsión Social for unemployment insurance reached an historic level. Activities heavily impacted by COVID-19 employ a high share of Afro-descendants (e.g. retail, domestic services, construction and transport employ 59 percent of Afro-descendant men and 46 percent of women), but even before the pandemic a larger number of Afro-descendants experienced unemployment (11 percent of men and 14 percent of women, compared to the national average of 8 percent)
and were more concentrated in the informal sector (33 percent for Afro-descendant men and 31 for women, against 23 for the general population). It is conceivable that the looming recession risks broadening many of these gaps.

COVID-19 hit Uruguay at a crucial inflection point, and the way the country responds to it will likely determine its development path for years to come. Uruguay has grown steadily after the crisis of the early 2000’s emerging as a regional leader in the fight against the historically entrenched and pernicious inequality of Latin America. But Uruguay has been here before, and positive cycles like this have been followed by steady and prolonged periods of decline in the past. Uruguay began the twentieth century on a similarly strong footing. Ambitious and pioneering social programs, backed by decades of remarkable economic growth, led to one of the highest living standards in the Americas. In the 1950s, however; when livestock export earnings faltered, Uruguay entered a decades-long period of economic, social, and political deterioration. COVID-19 does not need to become another lamentable turning point, though the direction of change will depend on the resolve of the country to double down on social inclusion, even while managing a considerable tightening of the fiscal space needed for the expansion of programs and investments.

From the onset, this report was conceived as an opportunity to understand the country’s successes, but also to shed light on those stubborn pockets of exclusion which have eluded a complex web of social programs and one of the most ambitious social spending systems in the region. Some trends are puzzling, like the sustained growth in the number of informal settlements or the persistent gaps in poverty across population groups despite economic progress. The inclusion of lagging areas and excluded minorities is important in itself; to build more just and equitable societies, but also because not doing so has detrimental consequences for the country as a whole, and risks hindering its recovery. The current barriers experienced by women in the job market, for example, cost the country about 14 percent of its GDP in forgone income. The successes and challenges of Uruguay’s robust social inclusion agenda, which we analyze here, can provide a roadmap for building a more inclusive society for the post-pandemic future.

The analysis in this report itself is multifaceted, as is the team that brought this work together. Authorship benefited from two anthropologists (Germán Freire and Steven Schwartz), a lawyer (María Elena García Mora), and an economist (Gabriel Lara). This multicurricular approach is a fair reflection of the complexity of the challenges that we are analyzing, and, in some cases, the complexity of the policy responses.

As the country rolls out measures for protecting jobs and incomes, and for returning to growth, it is crucial to make space for the historically excluded; that is, those who might not be reached through a conventional set of well-intentioned universal policies. As we all focus on the big picture and its terrifying prospects, the objective of this report is to draw attention to the weakest links of the country’s economic and medical strategies.

There is little doubt that the Uruguayan economy, and the majority of its citizens, will recover from this crisis. As the country rebounds, those pockets of exclusion that were a policy challenge before the pandemic should shift to the foreground in the government’s post-pandemic strategy. We hope this report will serve as a modest contribution to the necessary debate that will take place as Uruguay consolidates its well-earned reputation as a nation committed to both growth and social justice.

Jordan Schwartz
World Bank Director for Argentina, Paraguay and Uruguay
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EXECUTIVE SUMMARY
Main Messages

Uruguay is a regional leader in the path toward social inclusion. Sustained economic growth and redistributive policies have made it the most egalitarian country in Latin America. However, some groups are still excluded.

Afro-descendants, persons with disabilities, women—particularly in female-headed households—and LGBTI+ people\(^1\) are more likely to be excluded. They face unequal opportunities, lower accumulation of human capital and skills, and a lack of voice and agency to have their points of views and aspirations of development included in decision making.

This translates into disadvantages in education, health, housing, political representation, and employment, among others, and a higher tendency to live in poorer regions and slums.

Many disparities are related to the quality and pertinence of the services received—rather than to lack of access—which produce differentiated outcomes (for example, higher dropout rates, lower education achievements, and poorer health). Excluded groups are also confronted with glass ceilings in the job market, which result in lower incomes and fewer opportunities.

Uruguay has a robust matrix of social policies and one of the highest levels of public social spending in the region, but atomization of social programs and lack of coordination between them compromises their effectiveness. The quota and territorial strategies adopted by Uruguay over the past decades may need more integral approaches to reach the most vulnerable households.

Closing the remaining gaps is not only possible but may not require large additional spending. Very often, changes in preexisting programs is all it takes to make them more socially inclusive. Policies that put social inclusion at their core do not necessarily do more, but they do things differently.

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\(^1\) Lesbian, gay, bisexual, transgender, intersex, and other gender diverse (people).
Uruguay is renowned for its significant progress toward social inclusion, standing out for its robust middle class, near absence of extreme poverty, and universal access to basic services. A combination of sustained economic growth and redistributive policies have made it the most egalitarian country in Latin America—an impressive achievement in a region that is notorious for its high and entrenched inequality.

Over the past two decades poverty has declined by three-quarters, education outcomes have improved, and new laws have been passed that protect and bring attention to groups that have historically been subject to discrimination. Today, Uruguay is a regional leader in reforms promoting the rights of trans people, people with disabilities, and Afro-descendants. Furthermore, the goal of achieving shared prosperity and eradicating poverty has garnered widespread support. All of this has made Uruguay a rare success story, one that can convey powerful lessons to Latin America and beyond.

However, the encouraging steps taken so far have been insufficient to eradicate poverty, leaving behind certain regions and groups. For instance, despite the State’s unyielding commitment to gender equality, female-headed households are still twice as likely to be poor than those headed by males. And, while Uruguay has implemented affirmative action policies for Afro-descendants, nearly 20 percent of them continue to live in poverty (2.5 times the national poverty rate). Excluded groups not only are stigmatized due to their gender identity, race, sexual orientation, disability, age, or geographic location, they also face profound disadvantages in education, health, and employment. More often than not, they live in the poorest regions and most precarious neighborhoods, where opportunities and services are scarcer and the exposure to crime, violence, and environmental pollution is greater.

The remaining pockets of exclusion constitute an analytic puzzle and an urgent policy challenge for Uruguay. The strong economic growth and the policy overhaul of the last two decades have not been enough to address their needs and aspirations. This report considers why these groups continue to lag behind, what are the social dynamics that drive their exclusion, and what can be done to improve their situations. Through an interdisciplinary approach, we draw on a variety of sources—from census data and household surveys to oral histories and secondary literature—to inform ongoing discussions in Uruguay on how to close these gaps.

Failing to include these groups can result in economic and human costs, not only for vulnerable households themselves, but also for Uruguay as a whole. To give one example, the per capita output losses from all disparities affecting women in the Uruguayan labor market are estimated at 14 percent of gross domestic product (GDP). Exclusion is therefore costly and (though the precise losses are always challenging to estimate) can hamper development in complex and indirect ways. The positive news is that change not only is possible, it also can be achieved without necessarily implying new financial resources or programs. Policies that have social inclusion at their core do not necessarily do more, but they do it differently.

Who Is Left Behind?

Our report focuses on Afro-descendants, persons with disabilities, women (particularly in female-headed households), and trans people. We are cognizant of the complexities of drawing rigid group boundaries and the impossibility of exhausting the full palette of excluded groups. Our emphasis derives both from the substandard conditions these groups exhibit in numerous development indicators, and from them having been explicitly targeted by the Uruguayan State through policy agendas over the past two decades. Still, despite important gains, these policies have been insufficient for ensuring their full inclusion. They remain both more vulnerable to poverty, and more vulnerable overall.
Why Social Inclusion?

We approach these groups through the lens of social inclusion, building on an analytic framework proposed by the World Bank in 2013. This framework recognizes that social exclusion is a process by which individuals or groups are systematically prevented from participating fully in the economic, social, or political life of society. Although it is often seen as indistinguishable from poverty, and indeed it typically leads to economic disadvantages, exclusion can affect people of all socioeconomic strata. Excluded groups invariably encounter unequal opportunities, have lower accumulation of human capital and skills, and lack the voice and agency to have their points of view and aspirations for development included in decision-making spaces. Social inclusion is hence the process of improving the opportunities, abilities, and dignity of excluded groups to take part in society.

Our report explores three interrelated domains from which individuals and groups are typically excluded: markets, services, and spaces.

Exclusion from Markets

Uruguay has achieved an impressive reduction of poverty. Between 2006 and 2017, the percentage of the population living in poverty steadily dropped by more than 24 percentage points (from 32.5 to 7.95 percent), while informal employment and underemployment declined. Yet, workplaces are still prone to forms of discrimination, which hinders fair wages and professional growth, productivity and innovation, and the aspirations and self-esteem of excluded groups. Women, Afro-descendants, and workers from certain geographic regions earn less on average and, in many ways, are in a worse position when it comes to the world of work.

For example, while the unemployment rate in Uruguay stands at about 8 percent, Afro-descendants have an 11 percent unemployment rate. Afro-descendant women, for their part, show a 14 percent rate of unemployment. While persons with disabilities are also affected by unemployment, the presence of a person with disability in the household is correlated with lower labor market participation of all the members of the household. When they are employed, excluded groups tend to gain less for the same types of work, even when having the same qualifications. Comparing workers with the same level of education, age, gender, marital status, experience, work sector, and household traits, but of different ethno-racial origin, Afro-Uruguayans tend to earn 11 percent less than non-Afro-descendants.

Exclusion from labor markets stems in part from socially ingrained beliefs and attitudes toward certain groups. Uruguayan women, for instance, devote almost twice the amount of time to unpaid work than men, performing domestic and other tasks. Caring is overwhelmingly feminized because women are still perceived as those who ought to look after the family,
while men are perceived as the main breadwinners of the household.

**Exclusion from Services**

Uruguay has equally made remarkable progress in expanding access to basic services. Access to running water, electricity, and sanitation is nearly at 100 percent. But in other milieus, such as education and health care, there are disparities in access and in the quality of services received. Afro-descendants, for instance, often report higher rates of mental health problems and work-related stress, but they forgo medical visits and lack access to high-quality health care at a higher rate.

Uruguay has made great strides in expanding access to education. School attendance of children ages 1 to 6 years is above 99 percent, displaying no substantial differences between subgroups of population, gender, or race. However, for secondary and tertiary education the picture is more complex. Afro-descendants have a 20.7 percent lower probability of completing secondary education, while people with disabilities have inferior levels of school attendance and educational attainment across the board. Early childhood education is still not accessible to all, as 17 percent of children ages 2 to 6 living in urban areas have never attended such facilities.

Unsafe, inaccessible or unwelcoming school environments often perpetuate these gaps in education. In 2013, the Uruguayan National Survey of Adolescents and Youths (Encuesta Nacional de Adolescentes y Jóvenes; ENAI)—which interviewed respondents between ages 12 and 29—found that 63.8 percent reported discrimination in schools. Discrimination can penetrate both class dynamics (through dismissive gestures or downplaying complaints) and textbooks (that lack positive role models). All of this can result in lower educational outcomes and early dropout rates, while also taking a toll on students’ mental and physical health. In the long run, it can weaken a student’s ability to acquire noncognitive skills that are conductive to human capital formation, including attitudes that promote trust, motivation, tolerance, empathy, and conflict resolution.

**Exclusion from Spaces**

Uruguay is one of the most urbanized countries in Latin America, with 93.4 percent of the population living in urban areas (according to the census of 2011). A positive consequence of this trend is a near universal access to water, electricity, and sanitation services. But the high urbanization rate can often hide interregional and subregional variations. Location matters greatly in shaping a person’s living conditions and future possibilities.

Exclusion from spaces can start at the household level. Afro-descendant dwellings, for instance, are more densely occupied and are more often considered to be at risk. Single-parent households led by women also experience substandard housing conditions. Spatial exclusion can equally mark entire regions, as some groups are overrepresented in deteriorated neighborhoods or informal settlements that are more exposed to overcrowding, flooding, and crime. About 5 percent of the urban population in Uruguay lives in such areas, a number that has grown over the past decade. Afro-descendants are about twice as likely to live in informal settlements.

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These settlements are often inadequately integrated into the city, lacking suitable services, public spaces, and land tenure rights. Such areas can also constrain people’s ability to construct meaningful social networks that promote social mobility, while making them more susceptible to violence and crime. Insecurity creates barriers to using public space, erodes housing market values, and foments distrust among neighbors and toward institutions.

Spatial exclusion is also expressed in how people move across the city. Excluded groups often face pricier and longer commutes, entailing greater
investment of money, time, and energy. Persons with disabilities and older adults are also more likely to face limits to their mobility around the city due to the insufficient number of accessible buses.

Finally, excluded groups can encounter obstacles when engaging in social, cultural, and political spaces. In Uruguay, about 7 of every 10 women experience domestic violence at some point in their lives, which affects more severely young women, Afro-descendants, and residents from the southeastern parts of the country. Similarly, sexual and gender-based violence among trans women is widespread. About 45 percent of trans people declare having suffered violence due to their gender identity, which escalates to 77 percent if we only consider trans people that have worked or currently work in sex work. Violence can lead to isolation from social, cultural, and political spaces, which in the long run risks making excluded groups “invisible” to the rest of the population.

**Change toward Social Inclusion Is Possible**

Uruguay is a leader in the design and implementation of laws and policies for achieving equality. Highly progressive social spending has underpinned its outstanding performance over the past decades. Given this positive picture, why are some groups still left behind? How is change possible?

This report provides an assessment of numerous social programs and policies, suggesting potential paths for closing the remaining gaps in markets, services, and spaces. To begin, the study finds that the atomization of social programs, and the lack of coordination between them, might be impairing their reach among the most vulnerable households. Well-designed and adequately implemented programs can change the face of social exclusion, but a disproportionate number of initiatives, without clear responsibilities or division of labor, can have the opposite effect, leading to a waste of resources and poor results.

Although universal and targeted programs might be successful in addressing poverty, it is essential to examine their effectiveness in terms of social inclusion. Assessing whether a program is socially inclusive can lay the groundwork for a new generation, or revamping, of programs. Two areas where Uruguay has achieved significant success, but faces looming challenges, are affirmative action and spatial distribution policies.

Uruguay has relied on affirmative actions to broaden access to education and decent work. Quotas can be useful to counter conscious and unconscious biases or structural barriers that limit the access of an excluded minority to the education system or the job market. But for quotas to work there has to be a critical mass of eligible beneficiaries (for example, youths with secondary education or professionals with the necessary skills). Quotas are insufficient to level the playing field when conceived in isolation, without addressing the multiple layers of exclusion that affect an excluded minority, such as deficits in early child care and primary education, poverty, societal prejudices, barriers imposed by spatial segregation, or other intrahousehold and intrasocietal dynamics.

Uruguay has also put forth spatial inclusion policies that have improved access to water and sanitation infrastructure, strengthened land tenure rights, and provided adequate housing for the poor. But, in some cases, these frameworks do not contemplate strategies for eliminating disparities associated with ethno-racial and gender identities, disability status, or age (and their mutual intersection). Our report finds that community participation is a key aspect to guarantee success when it comes to prioritizing the challenges communities face, identifying interventions, and ensuring the sustainability of spatial inclusion programs.

**Looking Ahead**

Excluded minorities constitute diehard pockets of poverty, which require targeted approaches and integrated efforts to help them break the cycles
of chronic poverty. To do so, Uruguay will have to change the approach from tackling poverty to redressing exclusion. This does not necessarily imply new financial resources or programs, but rather changes in focus and reorganizations in the existing ones. Very often, only a small tweak is needed in preexisting programs to make them socially inclusive. Whatever the path chosen, experience shows that without the active participation of excluded groups new policies and programs tend to engender old and new prejudices that hamper their success.
1 INTRODUCTION
Uruguay stands out in Latin America for its highly progressive social policies and its low levels of inequality. It has the largest middle class proportional to its population, at over 60 percent, and between 2007 and 2018 its poverty rate dropped by three-quarters, falling from about 30 percent to less than 8 percent. Meanwhile, extreme poverty was practically eradicated. Minimum wages doubled in real terms between 2006 and 2017, while the index of real salaries increased about 50 percent. Unemployment, informal employment, and underemployment also showed decreases during this period. These positive developments benefited particularly the poor and the vulnerable, making Uruguay the most egalitarian country in the region.

This exceptional social picture, for a region regarded as the most unequal in the world, was the product of a combination of sustained economic growth, averaging 4 percent over the past 15 years, and the implementation of important redistributive policies. Pro-poor policies led to significant decreases in income disparities, with social assistance programs such as family allowances and food programs playing an important role in addressing chronic poverty. Other important social policies focused on expanding the coverage of basic services such as education, piped water, electricity, sanitation, and social security, on which Uruguay is today among the regional leaders. Between 2006 and 2018, Uruguay’s Gini coefficient—which measures the wealth distribution of a country’s residents in a scale from 0 (when everyone has the same income) to 1 (when one person concentrates all the income)—dropped from 0.45 to 0.38, the lowest in South America.

Despite this outstanding performance, Uruguay still has pockets of exclusion. Although its levels of inequality are low for the region, they are still high for countries of the Organisation for Economic Co-operation and Development (OECD) and comparable economies. On a closer look, historically excluded groups are overrepresented among the poor, who have benefited less than others from the prosperity of the past decade. Some groups tend to be systematically excluded because of their gender identity, race, sexual orientation, disability, age, and geographic location. For instance, female-headed households are twice as likely to be poor (11 percent) than those headed by males (5.8 percent), and Afro-descendants have 2.5 times the national poverty rate, at 20 percent. Nearly one in three people with severe disabilities have at least one unmet basic need in Montevideo. Excluded groups also face disadvantages in a variety of other dimensions, such as education, health, personal safety, and employment. Trans men have a 43 percent unemployment rate, compared to 6.5 percent for the overall population, and close to a third of trans women work as sex workers.
Exclusion also has a geographic dimension. Excluded groups tend to be more concentrated in poorer regions and informal neighborhoods, where they have worse opportunities and poorer access to services, and are more exposed to crime, violence, and environmental pollution. For instance, the northern departments of Uruguay have significantly higher rates of poverty and a proportionally higher concentration of vulnerable households. Rivera and Artigas, on the border with Brazil, show the highest poverty rates in the country (about 12 and 11 percent, respectively), the highest percentages of unmet basic needs (54 and 45 percent, respectively), and the highest concentration of Afro-descendants.

To be sure, the past decade and a half has benefited excluded groups. About 64 percent of Afro-descendant households and 68 percent of female-headed households were lifted out of poverty between 2006 and 2017. However, during the same period poverty fell by about 75 percent for the overall population. Hence, although Afro-descendant and female-headed households saw a remarkable improvement in absolute terms, the gaps that separated them from the average Uruguayan household did not improve in relative terms. On the contrary, they became proportionally wider. Despite their important gains, Afro-descendants were 1.6 times more likely to be poor than other Uruguayans in 2006, but 2.5 times more likely 11 years later; female-headed households went from near parity to being 1.3 times more likely to be poor at the end of the same period.

Persisting gaps are important for various reasons. First, they illustrate that overall economic growth and universal policies are not enough to improve the lives of the chronically poor and include the most vulnerable. They are also significant because experience shows that when economies slow down or fall into recession, vulnerable groups are the first to fall back into poverty, and take longer to recover from economic crises. For example, although the economy never really fell into recession in Uruguay, as it did in other countries, the slowdown that followed 2012 produced a halt in poverty reduction among Afro-descendant households between 2011 and 2013, and an increase in poverty rates between 2014 and 2015, while poverty continued to decrease for the rest of the population throughout the same period (figure 1).

Figure 1: Poverty Rates by Population Group

Source: Continuous Household Survey (authors’ own calculation).

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This is because Afro-Uruguayan households tend to be more concentrated in the lower spectrum of the income distribution, and therefore farther from the poverty line. They require greater increases in income to be lifted out of poverty, while usually receiving lower returns to assets and having fewer economic opportunities.3

The inclusion of vulnerable groups is important to build a more just and equitable society, but it also matters because not doing so hinders the ability of society as a whole to eradicate poverty—growth alone is not enough. Moreover, exclusion is costly, and it hampers development in complex and indirect ways. Exclusion from health services can lead to poor health, for instance, which in turn negatively impacts educational attainment and affects the life opportunities of individuals. When excluded groups finally seek health care, on the other hand, they usually do it under conditions that are riskier, more costly, and more difficult to treat, putting pressure on the financial sustainability of public health systems.

Exclusion forces people out of markets, services, and the public space, entrenching excluded communities in hard-to-beat traps of chronic poverty. These poverty traps also have economywide costs, which have palpable impacts in terms of opportunity loss. Exclusion from the labor market and the economy translates into forgone potential outputs and incomes, for instance, which can be quite significant. The per capita output losses from all disparities affecting women in the Uruguayan labor market are estimated at 14 percent of GDP. That is, improving the terms of participation of women in the labor market, on par with those of men, would lead to a significant leap in economic growth.4

Excluded groups also tend to be geographically segregated. More often than not, they are disproportionately concentrated in areas with low-quality services, fewer opportunities, greater exposure to environmental risks, and higher levels of crime and violence. The inclusion of excluded groups therefore results in positive externalities impacting other indicators of well-being, such as increased citizen security and better integrated and more resilient cities.

The goal of the present study is to contribute to better understanding the causes behind the persistent exclusion of vulnerable minorities in Uruguay, with a view to informing the policy reforms needed to close the remaining gaps—diehard pockets of chronic poverty. This study is also an opportunity to take stock of the successful Uruguayan experience, which can hopefully influence policies and actions in other countries, as the region struggles to defeat its lamentably high and entrenched inequality.

We approach the study of vulnerable groups through the lens of social inclusion, building on an analytic framework proposed by the World Bank in 2013.5 This framework recognizes that vulnerable groups are simultaneously affected by multiple factors that interact in complex ways to produce different social experiences and outcomes. Excluded groups face unequal opportunities, expressed in lower likelihood of enjoying public goods and services deemed to be crucial for personal development. They also have lower accumulation of human capital and skills, limiting their ability to identify and profit from such opportunities. They also lack the voice and agency to have their points of view and aspirations of development included in decision making—what in the social inclusion framework is referred to as lack of dignity. These inequalities give excluded groups an unequal footing in life, with lasting consequences for their individual and group well-being.

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3 Germán Freire et al., Afro-descendants in Latin America.
4 To quantify the costs incurred by the economy due to the exclusion of women from the labor market in Uruguay, this report follows a methodology developed by Cuberes and Teignier (2014). See David Cuberes and Marc Teignier; “Gender Inequality and Economic Growth: A Critical Review,” in Journal of International Development 26, No. 2 (2014).
Social inclusion therefore refers to the process of improving people’s opportunities, abilities, and dignity to enable them to take part in society. We organize our analysis around three interrelated domains from which individuals and groups are typically excluded: (a) their exclusion from the market and, in particular, the labor market, including characteristics of employment, wage differentials, and job quality; (b) their exclusion from services, focusing on the education system (school attendance, completion rates, and quality of education at different levels); and (c) their exclusion from spaces, explored through their housing and territorial segregation, as well as through their visibility and participation in social, cultural, and political milieus—the public space (figure 2).

Although the study acknowledges the complexities of setting group boundaries or covering the full palette of exclusion, we focus our analysis on women, Afro-descendants, persons with disabilities, and trans people. This is due to two main reasons. On the one hand, these groups exhibit substandard conditions on most development indicators, contributing disproportionally to chronic poverty in the country. On the other, they have been explicitly targeted by the Uruguayan State through policy agendas over the past two decades and, despite significant achievements, the policies implemented have not been enough to close many gaps. We hence propose an analysis of the cumulative disadvantages that these groups endure across the labor, education, territorial, and policy domains. The purpose of this multiperspective analysis is not so much to provide a detailed description of how those groups fare in a given sector but rather to highlight some of the cross-cutting processes that may be contributing to their persistent exclusion.

The study is based on the analysis of data from several sources, including the 2011 census; the Continuous Household Survey (Encuesta Continua de Hogares; ECH) 2007–17; the Nutrition, Child Development, and Health Survey (Encuesta de Nutrición, Desarrollo Infantil y Salud; ENDIS) of 2013 and 2015; the Longitudinal Study of Well-Being in Uruguay (Estudio Longitudinal del Bienestar en Uruguay; ELBU) 2010/11; and the Program for International Student Assessment (PISA) 2009. We also used excerpts from oral histories collected through ethnographic work commissioned to the University of the Republic (Universidad de la República; UDELAR), jointly with the Ministry of Social Development (Ministerio de Desarrollo Social; MIDES). This qualitative work was conducted in Rivera and Montevideo, with additional interviews with low-income trans women elsewhere. The study also relies on cooperation with and data provided by the Presidential Office of Planning and Budget (Oficina de Planeamiento y Presupuesto; OPP).

The final section of this report reflects on the robust institutional and legal framework the country has built to fight poverty and address social inclusion.
section aims at reflecting on why public social spending may be failing to reach some vulnerable households, with a view to understanding the policy reforms needed to close the remaining gaps. This section does not aim to provide specific recommendations on the way forward, but to contribute to the debate that is taking place within Uruguay as it consolidates its path of growth with social justice.
2
GROWTH, POVERTY REDUCTION, AND THE LEFT BEHIND
Uruguay has gone through an extraordinary transition over the past decade and a half. Despite undergoing one of the worst economic crises in its history at the start of the century, the country slowly but successfully recovered, driven by a rise in productivity, investments, and labor force participation. Uruguay has achieved an impressive reduction of poverty since the end of the economic crisis (1999–2002). Between 2006 and 2017, the percentage of the population living in poverty steadily dropped by more than 24 points (from 32.5 to 7.95 percent), while extreme poverty was practically eradicated. Today, Uruguay has the lowest poverty rates in Latin America and the Caribbean. Poverty reduction was accompanied by a remarkable decline in inequality—between 2006 and 2018, Uruguay’s Gini index dropped gradually from about 0.45 to 0.38 (figure 3).

These remarkable accomplishments have been spurred by the enactment of important redistributive policies and improvements in the labor market. Between 2006 and 2016, the unemployment rate in the country followed a decreasing trend (from 8.1 to 6.5 percent for men and from 14.0 to 9.4 percent for women) and the average time reported in finding a job declined from 11.9 to 7.8 weeks. Meanwhile, informal employment and underemployment have dropped, while the general real wage index and the real national minimum wage have increased since 2003.

Uruguay currently has a strong middle class, while the coverage of basic services (including water, electricity, and sanitation) is amongst the highest in the region. Uruguay has also crafted a robust legal and institutional framework for achieving equality. It has enacted quotas in education and employment

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6 It is important to note that growth has slowed in recent years, averaging an annual GDP growth rate of 1.57 percent, compared to 5.15 percent in 2006-2014. This slowdown, alongside the problems that will emerge as a result of the COVID-19 emergency, suggest a halt on the progress Uruguay has made thus far. It also calls for a renewed vision to support vulnerable groups. See International Monetary Fund, “Uruguay: 2017 Article IV Consultation—Press Release; Staff Report; and Statement by the Executive Director for Republic of Uruguay,” IMF Country Report No. 18/23, 2018.

7 Official poverty estimates are produced annually by the National Statistics Institute (Instituto Nacional de Estadística; INE), which uses income as a welfare measure. The poverty lines used correspond to the updated monetary value of the basic food and nonfood baskets, taking into account the economies of scale for the nonfood expenditures introduced by geographic area. The official national estimate of the poverty rate in Uruguay is based on income data from the ECH. A food line and a nonfood line are periodically updated for three geographic areas: Montevideo, urban interior; and rural interior. The average corresponding poverty lines (in per capita terms) are 12,357 Uruguayan pesos, 8,098 Uruguayan pesos and 5,427 Uruguayan pesos, respectively. As reference, these lines, expressed in per capita per day terms, are equivalent to US$16 2011 purchasing power parity (PPP), US$10.5 2011 PPP, and US$7 2011 PPP.

8 Similarly, using the international standards at US$5.5 a day (2011 PPP), the percentage of the population living in poverty has steadily decreased from 17.1 percent in 2006 to 2.9 percent in 2017. See https://data.worldbank.org/indicator/SI.POV.NAHC?end=2017&locations=UY&start=2006&view=chart.


for a variety of vulnerable groups, including Afro-Uruguayans, persons with disabilities, and trans people. Uruguay has consistently been one of the most accepting and tolerant countries worldwide toward sexual and gender minorities—consensual same-sex relations were legalized in 1934 and it was among the first Latin American countries to recognize same-sex unions (2007), adoption by same-sex couples (2009), and in vitro fertilization for lesbian couples (2013).12

These achievements in poverty reduction and shared prosperity are a formidable success story from which other countries can draw important lessons. But this positive story is only partial, as these efforts have not been enough to fully include some groups that continue to fall behind. First, although Uruguay’s Gini index is low for the region, it is above OECD countries and other comparable economies. Also, Uruguay has been amongst the best performing countries in Latin America on the Social Progress Index, but it has been slowly losing ground since 2016. At present, it is second to Chile. The Social Progress Index measures advances in the capacity of a society to meet the basic needs of its citizens, and encompasses indicators such as respect for personal rights and tolerance for minority groups. It notably excludes GDP and other economic indicators. Compared to 15 other countries with similar GDP per capita, Uruguay’s performance is in fact average, and lags behind in aspects such as gender parity in secondary enrollment, early marriage, incidence of crime and violence, and access to advanced education, in particular with regards to women’s average years in school.13

Excluded groups continue to face disadvantages, not only in monetary terms but more generally in terms of welfare. Economic growth and the policy overhaul of the last two decades have not been enough to close significant gaps. What worked for most Uruguayans did not work for some excluded minorities, which continue to be overrepresented among the chronically poor. This represents a lost opportunity that has costs not only for vulnerable households, but for the country as a whole.

Figure 3: Gini Index in Uruguay and Selected Countries

<table>
<thead>
<tr>
<th>Country</th>
<th>2017 Gini Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brazil</td>
<td>53.2</td>
</tr>
<tr>
<td>Panama</td>
<td>49.7</td>
</tr>
<tr>
<td>Colombia</td>
<td>49.6</td>
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<tr>
<td>Paraguay</td>
<td>48.8</td>
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<tr>
<td>Costa Rica</td>
<td>48.3</td>
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<tr>
<td>Mexico</td>
<td>48.3</td>
</tr>
<tr>
<td>Ecuador</td>
<td>44.6</td>
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<tr>
<td>Bolivia</td>
<td>44</td>
</tr>
<tr>
<td>Peru</td>
<td>43.3</td>
</tr>
<tr>
<td>Argentina</td>
<td>40.6</td>
</tr>
<tr>
<td>Uruguay</td>
<td>38</td>
</tr>
<tr>
<td>Spain</td>
<td>38.2</td>
</tr>
<tr>
<td>Lithuania</td>
<td>37.4</td>
</tr>
<tr>
<td>Portugal</td>
<td>38.5</td>
</tr>
<tr>
<td>Finland</td>
<td>27.1</td>
</tr>
</tbody>
</table>

Source: World Development Indicators. Poverty for Latin America and the Caribbean countries uses the Socio-Economic Database for Latin America and the Caribbean (SEDLAC) based on harmonized income welfare from countries’ household surveys.

13 The SPI “measures 51 social and environmental indicators to create a clearer picture of what life is really like for everyday people. The index doesn’t measure people’s happiness or life satisfaction, focusing instead on actual life outcomes in areas from shelter and nutrition to rights and education. This exclusive focus on measurable outcomes makes the index a useful policy tool that tracks changes in society over time.” See www.socialprogress.org.
Who Has Been Left Behind?

In the next pages we present a brief analysis of who has been left behind, reflecting on why this is the case and what might be the policy options to close the persisting gaps. We focus on women, Afro-descendants, persons with disabilities, and trans people, both because they are overrepresented among the poor and the vulnerable, and because they have been explicitly targeted by the Uruguayan State through a battery of programs and policies. Despite their best efforts and achievements, these groups remain not only more vulnerable to poverty, but also more vulnerable overall.

The gender situation in Uruguay is complex and heterogeneous. On the one hand, Uruguay has the best gender balance in Latin America in terms of labor participation. However, women still face barriers in the job market, and there remain major gaps in many other areas, such as their political participation, despite the strong commitment of the State to gender equality.14

Uruguay was the first country in the Americas to allow women to vote, in 1917.15 It also engendered one of the first feminist movements in Latin America, the National Council of Women of Uruguay (Consejo Nacional de Mujeres del Uruguay; CONAMU), founded in 1916 by Uruguayan intellectual Paulina Luisi. More recently, it has ratified the Convention on the Elimination of All Forms of Discrimination against Women (adopted in 1979 by the United Nations General Assembly) and has included gender as one of the three transversal themes in the Uruguay 2050 Vision.16 Yet, despite this strong and old legal framework, Uruguayan women have the lowest levels of political participation in the region. Only 22 percent of members of Parliament and eight senators were women in 2014, placing Uruguay in 87th place out of 188 countries in terms of gender parity.17 In the 2019 elections the result was even worse, with a female representation of only 19 deputies (18%) and the same number of senators. Some have pointed to a minimal interpretation of the law by political parties as the main driver behind this disappointing evolution. The reduced political voice of women is aggravated by other aspects of exclusion, economic and otherwise.

In 2017, there was a gap of nearly 17 percentage points between male (72.9) and female (56.1) labor force participation. Though women in the labor market tended to be more educated than men (45.8 percent with at least completed secondary education versus 30 percent among men), they were more likely to be unemployed and on average earned 25 percent less than men with similar backgrounds and experience for the same types of jobs. Women also face exclusion from certain occupations that are traditionally dominated by men, despite having the same or higher credentials. Women are affected by stereotypes that position them as natural caregivers—of children, older adults, and persons with disabilities—while single-parent households led by women are more often affected by substandard
housing conditions and have a higher likelihood of dwelling in an informal settlement.

Uruguayan women are also affected by domestic and sexual violence. Domestic violence against women is the second most common crime after theft. Uruguay scores last of 12 countries in the South America region in the indicator “violent deaths caused by a partner or former partner,” according to the Gender Equality Observatory for Latin America and the Caribbean of the United Nations Economic Commission for Latin America and the Caribbean (ECLAC). This troubling mix forces many women to abandon public spaces due to concerns about their personal safety.

Afro-descendants—the largest minority in Uruguay—also face cumulative disadvantages and unequal opportunities. About 255,000 people, or 8.1 percent of the national population, identified themselves as Afro-descendants in the 2011 census. Uruguay has recognized the Afro-descendant population as a community with historical and structural disadvantages. It has ratified its commitment to improving the situation for this group by officially launching in 2019 the National Plan for Racial Equity and Afro-descendants, and through several international commitments. It has also made considerable efforts to update its regulatory framework to guarantee the inclusion of Afro-descendants, including the ratification of most relevant international agreements. However, these legal advances have not translated into definitive changes for most Afro-Uruguayan households, who continue to experience major disadvantages.

Afro-Uruguayans live predominantly in urban areas (at 96.5 percent), so their access to basic services is high, but they are disproportionately represented among the poor. The 2017 Household Survey estimated that people who identify as Afro-descendant in Uruguay comprised 22.5 percent of those living below the poverty line. Afro-descendants earn less than other Uruguays for the same types of jobs and take on informal jobs at much higher proportions. Afro-descendants also have fewer years of education and are underrepresented in decision-making positions in both the private and public sectors. As a black minority in a country that for much of the past two centuries fashioned itself as a white nation, Afro-descendants encounter multiple forms of discrimination, direct and indirect, that impact their life trajectories, well-being, and dignity.

People with disabilities also encounter numerous obstacles to full enjoyment of the benefits obtained by the rest of society. About 16 percent of the Uruguayan population report having some degree of visual, hearing, motor, or learning disability. Although the country has ratified the Convention on the Rights of Persons with Disabilities and the Inter-American Convention on the Elimination of All Forms of Discrimination against Persons with Disabilities, which recognize the rights and needs of people with disabilities, they continue to encounter barriers in the labor market, in schools, and in the public space. In 2017, the city of Montevideo launched an Accessibility Plan, recognizing that infrastructure that guarantees accessibility is key to creating more opportunities and inclusion for persons with disabilities. However, compared to the overall population, people with severe disabilities live more often in poor and lower-middle-income households, attain fewer years of education, and more often reside in inferior quality, overcrowded housing. The exclusion of persons with disabilities affects not just impaired individuals but also their caretakers, who consistently show lower levels of employment and education.

The exclusion of persons with disabilities is exacerbated by their statistical invisibility, due to the absence of data or to the existence of data with disparate criteria, which are difficult to analyze and compare for policy purposes. Uruguay has established a national registry of persons with disability for those

18 See https://lac.unwomen.org/es/donde-estamos/uruguay.
19 Based on the Continuous Household Survey (ECH) in 2017.
applying for jobs within the public administration, but other data collection instruments, such as INE’s flagship household survey (ECH), do not usually collect information on disabilities. Other national surveys only indirectly collect data on disability status, because they lack an explicit question on this topic.

Uruguay stands as a global leader in the recognition of LGBTI+ rights. It was the first country in Latin America to legalize civil unions (in 2007). In 2018 it passed the Comprehensive Law for Trans Persons (Ley Integral Para Personas Trans), which eliminated the requirement for changing a person’s legal name on official documents and created an affirmative action program for government jobs and a monthly pension for trans people born before 1975 as reparation for the attacks suffered during the previous dictatorship. In spite of all these efforts, trans people—individuals whose gender identity does not reflect their sex assigned at birth or who may have transitioned or plan to transition to the sex not assigned at birth—continue to face severe forms of exclusion.

About 45 percent of trans people declare having suffered violence due to their gender identity, and up to 77 percent among sex workers. According to the First National Census of Trans People (Primer Censo Nacional de Personas Trans), conducted by MIDES in 2016, there were 933 transgender people in the country (roughly 0.02 percent of the population). They face exclusion early on in their lives, as most leave their homes before officially becoming adults, and often lose the support of their families, curtailing their possibilities of pursuing higher education. They are also less likely to be homeowners (16 percent, as against 59 percent for the overall population), and 45 percent live in precarious housing situations (as against 15 percent for all Uruguayans). Regarding education, about 25 percent had completed only primary, while only 3 percent had completed high school.

Regarding market participation, about 43 percent for male trans and 30 percent for female trans are unemployed, which is over four and three times the unemployment rate of average men and women in the country, respectively. About a third of transgender people work as sex workers. This exposes them to health risks, such as a higher incidence of sexually transmitted diseases, mental health issues, and drug addiction. Access to health services is also problematic, as a third of them report being discriminated against in health care facilities.

Finally, while the National Plan on Sexual Diversity—a policy document aimed at eliminating the forms of discrimination based on sexual orientation and gender identity—notes the obstacles faced by LGBTI+ people, limited data availability from censuses and surveys can preclude further empirical analyses or effective policy interventions.

Although in the following pages we will focus on these four groups, we are aware that these do not exhaust the universe of people who might face exclusion in Uruguay. The scarce data available show that people...
Box 1. People Who “Believe to Have” Indigenous Ancestry in Uruguay

For much of the nineteenth and twentieth centuries, Uruguay was considered the only Latin American country without an indigenous population. The indigenous population had been either assimilated into the settler society or tragically decimated during the first half of the nineteenth century. However, soon after the end of the last military dictatorship, in the mid-1980s, a process of reclaiming the indigenous past of the country began, leading many Uruguayans to reflect on their indigenous ancestry. In the 1990s, local academia started researching the ancestry and historical roots of the country, feeding a still ongoing debate on the past and present composition of its population. In the late 1990s, the INE included in its household survey a question inquiring whether people “believed” (sic) to have indigenous descent (the only country in the region to ask this). The first survey that included identifiers for “indigenous” and “indigenous-white” (1996) identified only 0.4 percent claiming to have indigenous ancestry, but the percentage increased to 2.9 percent in 2006. The most recent census, carried out in 2011, showed that when having the option to select among several ethnic groups, 159,319 people indicated that indigenous was (at least) one of them (4.9 percent of the population). In the ECH 2017, this rate went up further to 5.9 percent.

People with indigenous ancestry are obviously undergoing a revalorization of their roots, evidenced in the emergence of various indigenous organizations, such as the Council of the Charrúa Nation (Consejo de la Nación Charrúa; CONACHA), which groups local organizations and collectives from different parts of the country. The current national debate focuses on whether people who self-identify as having indigenous ancestry should be recognized as a distinct social group or a vulnerable minority. Since 2010, organizations and collectives defining themselves as indigenous people have been fighting for the recognition of the category “indigenous person” in the Civil Registry. Another major demand is the ratification of the International Labour Organization (ILO) Indigenous and Tribal Peoples Convention, 1989 (No. 169), which is the framework most neighboring countries use to structure indigenous peoples’ rights. Although Uruguay has voted in favor of the United Nations Declaration on the Rights of Indigenous Peoples, it is one of the few countries in Latin America that has not yet ratified the ILO Convention.

People who report indigenous ancestry show a pattern of exclusion common to other urban indigenous populations in the region. Their poverty rate is 1.3 times higher than among the general Uruguayan population, according to the ECH 2017. Earlier estimates show that, on average, they complete one year less of schooling by age 18, are more often hired in the informal sector (37 percent versus 30 percent), and have less access to sanitation (57 percent versus 65 percent). These poor indicators show that ethno-racial exclusion can outlive the existence of indigenous societies, affecting those who recognize themselves as having indigenous ancestry centuries after being officially “integrated” into the majority society.

g. World Bank, Indigenous Latin America in the Twenty-First Century.
who claim to descend from the indigenous population tend to exhibit worse socioeconomic indicators (box 1). Similarly, the scarce data availability on the gay and lesbian community prevents us from including them in this report. The 2011 census lacks questions on sexual orientation, while the ECH 2017 contains information that could only partially reflect the livelihoods of the gay and lesbian community—only individuals in unions (marriage, civil, concubinage) can be identified as having a partner of the opposite or same sex.

Finally, international immigrants are often thought to be vulnerable, but the data available suggest that they in fact perform better than the average person in Uruguay. For instance, they show lower poverty rates (5.5 percent compared to 7.9 percent nationally), are more likely to be employers, and have lower teenage pregnancy rates (2.4 percent). Recent immigrants, both women and men, are more likely to have tertiary education than resident Uruguayans. Among those employed, a larger share of them are in high-skilled occupations, and about a quarter work as “profesionales, científicos e intelectuales y técnicos y profesionales de nivel medio,” compared to only 9 percent of non-emigrant natives. Although there are undoubtedly certain outcomes such as informality and access to health insurance where they lag behind, international immigrants are not among the most excluded people in the country.

How Does Exclusion Work?

In this report, social exclusion refers to the process by which individuals or groups are systematically prevented from participating fully in the economic, social, or political life of society. Although social exclusion is often seen as indistinguishable from poverty, and indeed it is typically associated with economic disadvantages, exclusion can affect people of all socioeconomic strata. People can be denied full civil rights due to their sexual orientation or race, for example, irrespective of their economic status or capacity.

Social exclusion is systematic because it is potentially exercised by anyone, including people belonging to excluded minorities, through ideas and attitudes rooted in prejudices, beliefs, and social norms. That is, social exclusion is most often indirect, and not necessarily written into law or the result of direct forms of violence or subjugation. More often than not, people replicate and pass on these ideas and attitudes without being aware of their existence, or of the effects they may have on other people. This is why social exclusion is often difficult to challenge, as it appears to be “just the way things are,” and therefore nobody’s fault.

But social exclusion is also elusive because it is difficult to pin down to one single cause. Excluded groups are heterogeneous and people have multiple identities, which intersect in complex ways to produce dissimilar social experiences and outcomes. The overlap of excluded categories can make some individuals more or less vulnerable than others. Afro-Uruguayan women, for example, have worse education and employment outcomes than white women, but also than Afro-descendant men. These layers of exclusion invariably lead to lower outcomes in terms of income, human capital, and participation in decision-making spaces.

The causes underlying social exclusion are often inscribed in history, social norms, and received wisdom. Looking at these aspects can help illuminate why specific groups fare worse than others. Social exclusion is therefore a structural process, which manifests itself in many domains of everyday life, whether in family relations, in casual verbal interactions, at school, before the law, or in hiring processes. Often,
negative beliefs about excluded minorities circulate in the form of ideas shared both by excluding and excluded groups, such as the idea that women are better suited for taking care of children, older adults, and persons with disabilities.

Even if not explicitly written into law or ascribed to individual acts of hostility, such as in segregation laws or bigotry, these negative biases penetrate institutional spaces and impair the delivery of services. For much of the twentieth century, the perception that race was not problematic in Latin America prevented statistical institutes throughout the region from collecting ethno-racial data. Doing so, it was feared, could stir racial divides where there were none before. As a result, Afro-descendants were rendered statistically invisible, making it impossible to know their situations and needs. As Afro-descendants fought and won the right to be included in statistical records, the abysmal gaps separating them from the majority society started to emerge unambiguously, and policy debate on how to address the racial divide started to take place.26

Exclusion can also influence how excluded groups recognize opportunities and act (or not) in response to those opportunities. Prolonged forms of discrimination can impair the ability of excluded people to debate and challenge the conditions that affect their lives. This can minimize their involvement in political, economic, and social matters. A diminished “capacity to aspire” can also trigger a sense of resignation at both group and individual levels, limiting their ability to dream of a better future.27

In sum, although social exclusion is often inexplicit, it has very palpable consequences on excluded groups. The barriers and glass ceilings they face prevent them from realizing their full human potential, a pattern that can extend over time and even across generations. That is why the study of social inclusion has to go beyond the analysis of mere poverty trends and consider how social identities are linked to poverty and explain why certain groups are more likely to live in chronic poverty than others. It also must look at the social mechanisms behind their persistent exclusion. In the following pages, we will analyze the way exclusion plays out in markets, in the delivery of basic public services, and in the use and appropriation of the public space.

26 Germán Freire et al., Afro-descendants in Latin America.
3 EXCLUSION FROM MARKETS
The persistence of poverty gaps can be partially attributed to the way excluded minorities join and navigate the labor market. As in other countries, workplaces in Uruguay are prone to different forms of discrimination. Stereotypes can become embedded in hiring practices that end up excluding people from jobs or fair wages. By creating hostile or unsafe workplaces, discrimination can influence people in their decisions to quit a job or completely abstain themselves from entering the labor market. Even a single instance of discrimination can have enduring effects, causing vulnerable groups to self-exclude, since they anticipate being discriminated against by potential employers in the future.

Discrimination can drive excluded groups to invest less in activities that would lead to greater human capital endowments, such as a secondary or tertiary education. In fact, the impact of discrimination on wage disparities tends to hit harder the poorest and less educated workers. But discrimination can create barriers even for those already in the labor force. It can limit the type of jobs and wages they get as well as the prospects of long-term growth (such as promotions). In all cases, the effects of exclusion can be profound. It can lead to losses in productivity and innovation, but it can also diminish the aspirations and self-esteem of excluded groups.

Unemployment rates have historically been higher for women than for men. But this pattern may be explained by the fact that women dedicate almost twice the amount of time to unpaid work than men in tasks such as cleaning, cooking, and maintenance of the house, as well as caring for children, older adults, and persons with disabilities. The “time poverty” they face—that is, the lack of time due to the performance of unpaid tasks—limits the amount of time they can devote to the labor market or education, affecting their prospects for future employment. In 2016, the percentage of women of working age performing

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28 World Bank, Inclusion Matters, 82.
only housework and not participating in the labor force was 12 times higher than that of men (12.4 versus 1 percent). While men spent 21.2 hours a week on unpaid work, women spent an average of 41 hours. This is significantly higher than in OECD countries. For instance, a 2018 survey of 300 working couples in Japan showed that Japanese women spent about 25 hours doing housework every week.\(^{21}\)

In Uruguay, although the proportion of unpaid work increases for women of lower socioeconomic status, it does not decrease for women with full-time jobs, as they cumulatively take on more hours of work—paid and unpaid—than men. The unbalanced distribution of unpaid work illuminates how gender hierarchies, especially stereotypes that continue to imagine women as naturally intertwined with domestic spaces, reinforce exclusion of women from the labor market.

Unpaid domestic work often goes unrecognized in terms of social security. Yet, caring is overwhelmingly feminized, in part because of socially ingrained ideas that categorize women as those who ought to care for the family. On the other hand, men continue to be imagined as the main “breadwinners” of the household (especially among low-income households).\(^{22}\) Women report more often than men that they would be willing to cut their hours, or quit their jobs entirely, in order to provide care to older adults of the household.\(^{23}\) In fact, a study found that 21 percent of young women that were not attending school were dedicated to this form of unpaid work, acting as the main care providers in their households.\(^{24}\)

Although caring affects all women of working age, Afro-descendant women are particularly susceptible to spending longer hours doing these domestic tasks. In fact, a study found that Afro-descendant mothers participate less in the job market compared to their non-Afro-descendant peers, especially during the first years of their child’s life (53.6 percent versus 60 percent). Afro-Uruguayan women may thus lack the time to perform other income-generating activities.\(^{35}\)

The exclusion of women is not limited to their unequal participation in the labor market. Women who manage to enter the labor force continue to be barred from certain types of jobs and wages. Women are less likely to be employers and earn on average 25 percent less than men, given similar characteristics. Women hold managerial positions in a smaller proportion than men, even though they tend to have higher educational attainments. When women hold high-skilled and high-paying jobs, they earn on average 7 percent less than men. In sum, gender-based exclusion affects not only the poor, but women of all socioeconomic backgrounds.

Disparities in labor force participation are also observed based on geographic locations across the country. Labor force participation is higher in Montevideo, at 65.8 percent in 2016, than in the rest of the country, with participation rates estimated at 61.8 percent during 2016. When analyzing these disparities separately for men and for women with data from 2016, there is a minimal gap in participation rates for men between Montevideo (73.4 percent) and the rest of the country (73.2 percent).

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\(^{24}\) Ministry of Social Development, Office of Planning and Budget, *Mapping of Public Initiatives Aimed at Labor and Productive Inclusion of Vulnerable Sectors*.

Social Inclusion in Uruguay and the rest of the country (71.5 percent). For women, however, the gap in participation rates is much larger—59.2 percent in Montevideo compared to 52.7 percent in the rest of the country.

Labor force participation also tends to differ according to race. Afro-descendants participate at higher rates in the labor market, start working at a younger age, and retire later than the overall population, but they experience higher rates of unemployment and three-quarters of them work in low-skilled occupations. They are also less likely to find jobs in large firms, the public sector, or in the formal sector (where they would benefit from the social security system).

Holding all else constant, Afro-descendants are likely to earn 20 percent less than other Uruguayans for the same types of jobs; on average they earn a third less than non-Afro-descendant workers, a tendency that worsened between 2005 and 2015. This echoes with the shared perception among Afro-descendant respondents of a recent study that the returns to education are highly unequal and vary depending on a person’s ethno-racial features.

Afro-descendant women carry the greatest burden, as they experience the highest unemployment rate of all subgroups in Uruguay (14.1 percent compared to 8 percent among non-Afro-descendants). Their inadequate participation in the labor market illustrates how the intersection of various social identities—including race and gender—can intensify a person’s exclusion (table 1).

Like women, Afro-descendant professionals are confronted with glass ceilings in their careers. Based on a sample of 6,787 managers in Uruguay, one study found that only 0.8 percent of workers were Afro-descendants (both in the private and public sector; as well as in civil society organizations such as unions, universities, and political organizations). In the private sector; only 0.2 percent of executive directors were Afro-descendants. Discrimination and structural disadvantages are key drivers of this trend. In fact, in-depth interviews conducted by OPP found that, amongst certain Afro-descendant groups living in Montevideo with tertiary education (completed and incomplete), there is a great deal of frustration due to the shared perception that the types of jobs they can access are of lower quality.

The quality of a job has a direct impact on a person’s well-being. Informality—implying that workers are unregistered in the social security system—can prevent people from securing a retirement scheme and employment-base health care. Although informality has declined, from 35 percent in 2006 to 25.3 percent in 2016, the proportion of Afro-descendants doing informal work is still 10 percentage points higher than the national average (a rate that grew between 2016 and 2017). Rural areas or localities with less than 5,000 inhabitants have double the proportion of people doing informal work compared to Montevideo (34 versus 17.7 percent).

Among the activities with the highest rates of informality are fishing, construction, social services, and domestic services. Not surprisingly, Afro-descendants have higher participation rates in these activities compared to their counterparts, a pattern of labor segregation that has persisted for generations. During the nineteenth century and

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36 This may indicate a preference or need to leave the education system earlier on, and the lack or insufficiency of pensions or other safety net mechanisms for older adults.
most of the twentieth century, Afro-descendants in Uruguay tended to work in low-skilled occupations, for example as artisans, soldiers, street vendors, and domestic workers. Today, about 21 percent of Afro-descendant women are domestic workers, compared to 13 percent of non-Afro-descendant women. Informality can be intergenerational and impervious to change. While structural conditions—such as lower educational attainments—partly underpin this trend, the absence of role models also plays a part. A study conducted by OPP show that the high number of Afro-descendant girls conducting domestic work was

Table 1: Labor Market Outcomes, by Population Group

<table>
<thead>
<tr>
<th></th>
<th>Value (%)</th>
<th>Non-AD (%)</th>
<th>AD (%)</th>
<th>Difference AD/ non-AD</th>
<th>Women (%)</th>
<th>Women and AD (%)</th>
<th>Women AD/ non-AD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In the labor market</td>
<td>62.9</td>
<td>62.7</td>
<td>65.2</td>
<td>***</td>
<td>55.0</td>
<td>57.3</td>
<td></td>
</tr>
<tr>
<td>Employer</td>
<td>3.8</td>
<td>4.1</td>
<td>1.6</td>
<td>***</td>
<td>2.6</td>
<td>1.1</td>
<td>***</td>
</tr>
<tr>
<td>Salaried worker</td>
<td>73.2</td>
<td>73.0</td>
<td>74.8</td>
<td>***</td>
<td>76.7</td>
<td>77.3</td>
<td></td>
</tr>
<tr>
<td>Self-employed</td>
<td>22.2</td>
<td>22.1</td>
<td>23.2</td>
<td></td>
<td>19.8</td>
<td>21.0</td>
<td></td>
</tr>
<tr>
<td>Not salaried</td>
<td>0.7</td>
<td>0.8</td>
<td>0.4</td>
<td>*</td>
<td>1.0</td>
<td>0.6</td>
<td></td>
</tr>
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<td>Unemployed</td>
<td>8.1</td>
<td>7.7</td>
<td>11.4</td>
<td>***</td>
<td>9.7</td>
<td>14.1</td>
<td>***</td>
</tr>
<tr>
<td>Large firm</td>
<td>45.3</td>
<td>45.6</td>
<td>42.9</td>
<td></td>
<td>41.7</td>
<td>38.4</td>
<td></td>
</tr>
<tr>
<td>Small firm</td>
<td>39.6</td>
<td>39.2</td>
<td>43.3</td>
<td>***</td>
<td>40.4</td>
<td>46.9</td>
<td>***</td>
</tr>
<tr>
<td>Public firm</td>
<td>15.1</td>
<td>15.2</td>
<td>13.8</td>
<td>***</td>
<td>17.9</td>
<td>14.8</td>
<td>***</td>
</tr>
<tr>
<td>Formal (SS)</td>
<td>77.1</td>
<td>78.3</td>
<td>66.8</td>
<td>***</td>
<td>78.9</td>
<td>68.8</td>
<td>***</td>
</tr>
<tr>
<td>Informal (SS)</td>
<td>22.9</td>
<td>21.7</td>
<td>33.2</td>
<td>***</td>
<td>21.1</td>
<td>31.2</td>
<td>***</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Population of the first income quintile</th>
<th>Value (%)</th>
<th>Non-AD (%)</th>
<th>AD (%)</th>
<th>Difference AD/ non-AD</th>
<th>Women (%)</th>
<th>Women and AD (%)</th>
<th>Women AD/ non-AD</th>
</tr>
</thead>
<tbody>
<tr>
<td>In the labor market</td>
<td>53.8</td>
<td>52.9</td>
<td>59.8</td>
<td>***</td>
<td>44.0</td>
<td>51.4</td>
<td>**</td>
</tr>
<tr>
<td>Employer</td>
<td>0.8</td>
<td>0.9</td>
<td>0.5</td>
<td></td>
<td>0.5</td>
<td>0.7</td>
<td></td>
</tr>
<tr>
<td>Salaried worker</td>
<td>57.8</td>
<td>57.2</td>
<td>61.0</td>
<td></td>
<td>62.4</td>
<td>63.9</td>
<td></td>
</tr>
<tr>
<td>Self-employed</td>
<td>40.5</td>
<td>40.9</td>
<td>37.7</td>
<td></td>
<td>35.7</td>
<td>34.2</td>
<td></td>
</tr>
<tr>
<td>Not salaried</td>
<td>0.9</td>
<td>1.0</td>
<td>0.8</td>
<td></td>
<td>1.4</td>
<td>1.2</td>
<td></td>
</tr>
<tr>
<td>Unemployed</td>
<td>14.7</td>
<td>14.1</td>
<td>18.2</td>
<td>*</td>
<td>19.4</td>
<td>23.6</td>
<td></td>
</tr>
<tr>
<td>Large firm</td>
<td>29.5</td>
<td>29.7</td>
<td>27.8</td>
<td></td>
<td>26.5</td>
<td>25.2</td>
<td></td>
</tr>
<tr>
<td>Small firm</td>
<td>65.3</td>
<td>65.2</td>
<td>65.8</td>
<td></td>
<td>68.6</td>
<td>69.8</td>
<td></td>
</tr>
<tr>
<td>Public firm</td>
<td>5.2</td>
<td>5.1</td>
<td>6.4</td>
<td></td>
<td>4.8</td>
<td>5.0</td>
<td></td>
</tr>
<tr>
<td>Formal (SS)</td>
<td>45.4</td>
<td>46.4</td>
<td>39.2</td>
<td>***</td>
<td>47.2</td>
<td>41.7</td>
<td>*</td>
</tr>
<tr>
<td>Informal (SS)</td>
<td>54.6</td>
<td>53.6</td>
<td>60.8</td>
<td>***</td>
<td>52.8</td>
<td>58.3</td>
<td>*</td>
</tr>
</tbody>
</table>

Source: Authors’ calculations using SEDLAC (Cedlas and the World Bank), based on ECH 2017.
Note: Significance level: * = 10 percent, ** = 5 percent, *** = 1 percent. Bottom 20 refers to the first quintile of the income per capita distribution.
AD = Afro-descendant; SS = definition based on contribution to the social security system (health and pensions).
at least partially driven by the notion that one should follow "the role model of what the mother does." The OPP study showed that none of the interviewees, independent of their sex, age, socioeconomic status, or race, believed that an Afro-descendant could become president in Uruguay.

Unemployment disparities are particularly pronounced between the Afro-descendant population and the non-Afro-descendant population. Unemployment rates for non-Afro-descendant individuals stand at 8 percent, contrasting with 11 percent for Afro-descendants. However, unemployment rates are even more pronounced for Afro-descendant women, at about 14 percent. This places Afro-descendant women as the group with the highest unemployment rate among all population groups—above the national rate, and almost twice as high as the rate for Afro-descendant men.

This highly unequal labor participation explains the trends shown by many Afro-descendants with regard to poverty. Despite representing between 8 and 10 percent of the population, Afro-descendants comprise 22.5 percent of the poor; and have a much higher tendency to remain poor over time. Between 2009 and 2012, years of significant economic growth, the incidence of chronic poverty among Afro-descendant households was three times higher than for other households (10.2 versus 2.9 percent). This is, the proportion of Afro-descendant households that moved out of poverty was lower than that of non-Afro-descendants, while the proportion of Afro-descendant households that fell into poverty was over twice as high (7.2 percent versus 3.1 percent).

People with disabilities and their caretakers also face major disadvantages in the job market. They are not only less likely to find a job, but also more likely to earn lower wages than workers without disabilities. The presence of a person with disability in a household is correlated with lower labor market participation of other members without disabilities of the household. While this may be because persons with disabilities and their caretakers are typically older, it may also point to a higher burden of time and unpaid work performed by the latter.

In 2011, about 16 percent of the population in Uruguay reported having some type of visual, hearing, motor, or learning disability. The majority (over 80 percent) of individuals that declared having severe difficulties did not participate in the labor market. The rate of participation among those with some form of disability was 59.5 percent, which is significantly lower than that among persons that did not report any disability (76 percent). Only a small fraction of persons with disabilities are unemployed, but this is likely to be explained by the fact that so few of them actively participate in the labor market in the first place (figure 4).

Across the globe, there is a clear link between people with disabilities and poverty. But the low participation in the labor market in Uruguay could be driven by other disincentives related to the eligibility requirements for the disability pension (pension por invalidez). Individuals with a doctor-certified disability are entitled to receive this pension. Persons with severe disabilities receive the pension without having to comply with other requirements. Yet, persons with a certain level of disability can receive the transfer provided that their income is not above the equivalent of three times the pension amount— at which point they will become ineligible to receive the transfer. The law also stipulates income caps of eligibility based on the income of family members that are considered “obliged” to take care of the

42 OPP qualitative study commissioned for this report, interviews and preliminary results, 2019.
43 Germán Freire et al., Afro-descendants in Latin America.
44 Ibid.
45 Half of the working age population that has some disability is 50 years old or above, compared to 21 percent of the working age population without a disability. This implies that disabilities related to old age (or acquired on the job) may be more prevalent than disabilities at birth.
46 This is a public noncontributory transfer that people with disabilities receive from the government.
person (familiares obligados). If the income of the overall family is surpassed, the person with disabilities becomes ineligible for the transfer.

In 2019, the average transfer amounted to 11,160.29 Uruguayan pesos per month. To put this in context, the minimum monthly wage in 2019 was 13,000 pesos, and the average poverty line in the first quarter of 2019 was 13,981 pesos per month in Montevideo, 9,077 in other urban areas, and 6,081 in rural areas.

At first sight, it seems unlikely that the low amount of the transfer would act as a major deterrent to labor participation. Yet, there may still be disincentives to working at the intensive margin, as the effective “tax” rate in the form of lost income is potentially very high for individuals who are working and making not even three times the minimum wage.\(^{47}\) This cap may also incentivize seeking informal jobs as a way to secure this source of income.

Finally, trans people have the worst market indicators in the country. While 66 percent of trans people are employed, trans males have a 43 percent unemployment rate and trans females have a 30 percent unemployment rate—over twice the unemployment rate of Afro-descendant women. Labor opportunities are not very varied either. Among those working, close to a third of trans people work as sex workers (up to 70 percent of trans women work or have worked as sex workers), which exposes them to higher risk of sexually transmitted diseases (STDs)—29 percent reported having or having had an STD.\(^{48}\) These statistics clearly point to an important challenge facing public policy—how to help this community, given the breadth of obstacles they have faced throughout their lives.

\(^{47}\) In 2019, a single individual with no disability making a monthly wage equivalent to three times the disability pension amount (that is, 33,480 Uruguayan pesos) would pay 0 pesos for income below 29,078 pesos and a 10 percent rate for incomes between 29,078 and 41,540 pesos. The total would be around 440 pesos paid as personal income tax (impuesto a la renta de personas fisicas; IRPF), or around 1.3 percent of income in taxes. If this person would have a disability and be receiving the pension, for which no IRPF taxes are paid, their income could actually be closer to 44,441 pesos and the IRPF taxes would be around 1 percent of total income (that is, the post-IRPF income would be 44,201 pesos). Nonetheless, assuming that this person receives (or could work more hours to reach) an increase in salary of 10 percent, this would lead to an increase in labor income to 36,629 pesos. In turn, this person would have to pay 775 pesos in IRPF. Given that the person would no longer be eligible for the pension, their post-IRPF income would be 36,053 pesos. The effective IRPF-pension tax rate after this raise is closer to 22 percent.

\(^{48}\) Trans census 2016.
4 EXCLUSION FROM SERVICES
Uruguay has made significant progress in expanding access to basic services. Access to water, electricity, and sanitation is nearly at 100 percent and, notably, with little difference between groups or across regions. The Human Opportunity Index, which is typically calculated for basic services, shows that first-generation access is practically universal. Yet, there are other domains, such as education and health care, where disparities in access and, especially, in the quality of services received are palpable.

The relation between Afro-descendants and health is an illuminating example of how exclusion works by segregating segments of the population to different quality services. Access to health services, as measured by simple self-reported status of being covered by medical services, is high across the population in Uruguay, with no substantial differences between population groups. However, there are important differences regarding the type of health services used by different groups. About 30.5 percent of the population uses health services offered by the Ministry of Public Health through its Administration of State Health Services (Administración de los Servicios de Salud del Estado; ASSE). The service is free for households with income levels that do not allow them to pay health services otherwise. Afro-descendants are the segment that most relies on this service, with 47.7 percent overall.

Inversely, the percentage of the population that seeks prepaid health care from collective medical care institutions (instituciones de asistencia médica colectiva; IAMCs) is estimated at 62.7 percent, while the percentage of Afro-descendants using these prepaid services is down to 45.7 percent. Afro-descendant women show an even lower access rate—43.3 percent, compared to 62.2 percent for non-Afro-descendant women. The service provided by IAMCs is typically of a higher quality than that offered by the public health service, due in part to

49 The Human Opportunity Index helps not only to establish the existence of uneven access to opportunities—defined as access to goods and services that have been universally recognized as important, such as drinking water—but also to measure the extent to which this access relegates certain groups of the population. Understanding how some of the key opportunities in Uruguay are distributed can help shed light on another angle of social exclusion in the country. For an application in Latin America, see José R. Molinas, Ricardo Paes de Barros, Jaime Saavedra, Marcelo Guigale, Louise J. Cord, Carola Pessino, and Amer Hasan, Do Our Children Have a Chance? A Human Opportunity Report for Latin America and the Caribbean (Washington, DC: World Bank, 2012); for the Middle East and North Africa, see Nandini Krishnan, Gabriel Lara Ibarra, Ambar Narayan, Sailesh Tiwari, and Tara Vishwanath, Uneven Odds, Unequal Outcomes: Inequality of Opportunity in the Middle East and North Africa (Washington, DC: World Bank, 2016); and for Sub-Saharan Africa see Andrew L. Dabalen, Ambar Narayan, and Jaime Saavedra-Chanduvi, Do African Children Have an Equal Chance? A Human Opportunity Report for Sub-Saharan Africa (Washington, DC: World Bank, 2014). See also World Bank, Uruguay—Equality of Opportunity: Achievements and Challenges (Washington, DC: World Bank, 2010).

the greater amount of resources received by IAMCs, which translate into better-quality attention, shorter waiting lists, and easier access to specialized tests and specialists, among other benefits. Afro-descendants also show the lowest rate of use of private health care providers (table 2).

The exclusion of Afro-descendants is visible not only in the differential access to health care services via IAMCs or private clinics, but also in many health indicators and attitudes toward health care. A higher proportion of Afro-descendants (20.2 percent) perceive their health situation as regular.

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Table 2: Health Indicators for the Entire Distribution

<table>
<thead>
<tr>
<th>Overall population</th>
<th>Overall (%)</th>
<th>Non-AD (%)</th>
<th>AD (%)</th>
<th>Difference AD/ non-AD</th>
<th>Women (%)</th>
<th>Women AD (%)</th>
<th>Women AD/ non-AD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access to health services</td>
<td>98.6</td>
<td>98.6</td>
<td>98.0</td>
<td>99.1</td>
<td>98.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MoPH/ASSE</td>
<td>30.5</td>
<td>28.8</td>
<td>45.2</td>
<td>***</td>
<td>31.4</td>
<td>46.7</td>
<td>***</td>
</tr>
<tr>
<td>IAMC</td>
<td>62.7</td>
<td>64.4</td>
<td>48.4</td>
<td>***</td>
<td>62.2</td>
<td>47.2</td>
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<td>Private</td>
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<td>2.7</td>
<td>0.4</td>
<td>***</td>
<td>2.6</td>
<td>0.4</td>
<td>***</td>
</tr>
<tr>
<td>Military/police hospital</td>
<td>7.0</td>
<td>6.8</td>
<td>9.0</td>
<td>***</td>
<td>6.8</td>
<td>8.7</td>
<td>***</td>
</tr>
<tr>
<td>BPS</td>
<td>0.3</td>
<td>0.2</td>
<td>0.5</td>
<td></td>
<td>0.2</td>
<td>0.5</td>
<td></td>
</tr>
<tr>
<td>Municipal policlinic</td>
<td>0.7</td>
<td>0.6</td>
<td>1.5</td>
<td>***</td>
<td>0.8</td>
<td>1.7</td>
<td>***</td>
</tr>
<tr>
<td>Police policlinic</td>
<td>1.6</td>
<td>1.5</td>
<td>2.4</td>
<td>*</td>
<td>1.6</td>
<td>2.6</td>
<td>*</td>
</tr>
<tr>
<td>Teenage pregnancy</td>
<td>6.8</td>
<td>6.3</td>
<td>9.6</td>
<td>***</td>
<td>6.8</td>
<td>9.6</td>
<td>***</td>
</tr>
<tr>
<td>Smoke</td>
<td>9.9</td>
<td>9.7</td>
<td>12.0</td>
<td>***</td>
<td>8.1</td>
<td>11.2</td>
<td>***</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Population of the first income quintile</th>
<th>Overall (%)</th>
<th>Non-AD (%)</th>
<th>AD (%)</th>
<th>Difference AD/ non-AD</th>
<th>Women (%)</th>
<th>Women AD (%)</th>
<th>Women AD/ non-AD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access to health services</td>
<td>97.7</td>
<td>97.8</td>
<td>97.4</td>
<td>98.7</td>
<td>98.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MoPH/ASSE</td>
<td>63.4</td>
<td>62.7</td>
<td>73.4</td>
<td>***</td>
<td>63.8</td>
<td>73.6</td>
<td>***</td>
</tr>
<tr>
<td>IAMC</td>
<td>33.3</td>
<td>34.0</td>
<td>23.1</td>
<td>***</td>
<td>33.0</td>
<td>22.9</td>
<td>***</td>
</tr>
<tr>
<td>Private</td>
<td>0.1</td>
<td>0.1</td>
<td>0.0</td>
<td>***</td>
<td>0.1</td>
<td>0.0</td>
<td>**</td>
</tr>
<tr>
<td>Military/police hospital</td>
<td>3.9</td>
<td>3.9</td>
<td>4.4</td>
<td></td>
<td>4.0</td>
<td>4.4</td>
<td></td>
</tr>
<tr>
<td>BPS</td>
<td>0.3</td>
<td>0.3</td>
<td>0.6</td>
<td></td>
<td>0.2</td>
<td>0.7</td>
<td></td>
</tr>
<tr>
<td>Municipal policlinic</td>
<td>1.6</td>
<td>1.5</td>
<td>2.2</td>
<td></td>
<td>1.6</td>
<td>2.2</td>
<td></td>
</tr>
<tr>
<td>Police policlinic</td>
<td>1.2</td>
<td>1.2</td>
<td>1.5</td>
<td></td>
<td>1.3</td>
<td>1.6</td>
<td></td>
</tr>
<tr>
<td>Teenage pregnancy</td>
<td>15.2</td>
<td>14.3</td>
<td>25.7</td>
<td></td>
<td>15.2</td>
<td>17.6</td>
<td></td>
</tr>
<tr>
<td>Smoke</td>
<td>17.6</td>
<td>17.4</td>
<td>19.4</td>
<td></td>
<td>14.5</td>
<td>16.9</td>
<td></td>
</tr>
</tbody>
</table>

Source: Authors’ calculations using SEDLAC (CEDLAS and the World Bank), based on ECH 2017. Note: Significance level: * = 10 percent, ** = 5 percent, *** = 1 percent. Bottom 20 refers to the first quintile of the income per capita distribution. AD = Afro-descendant; MoPH = Ministry of Public Health; BPS = Social Insurance Bank (Banco de Previsión Social).
Social Inclusion in Uruguay

or bad compared to non-Afro-descendants (16.9 percent). They also report much higher rates of sleep disorders, depression, and work-related stress. Even so, they appear to forgo medical visits at a higher rate, even when they feel the need to do so.\(^{52}\) While there is a lack of data on the drivers that underpin these health trends, indirect costs associated with seeking medical care (such as transportation or child care), the distance from health care facilities, and discriminatory attitudes in health care facilities have been found to influence Afro-descendants’ decision not to seek medical attention.\(^{53}\)

Similarly, teenage pregnancy for Afro-descendants is at 14.6 percent, double the national rate, and for Afro-descendant girls in the bottom quintile of the income distribution the rate is over 25 percent (triple the national average). Teenage pregnancy often results in health complications for their children, including low birthweight or malnutrition. Among Afro-descendant men, 14.4 percent are smokers (double the national rate).

Suicide patterns are also strongly differentiated along race lines. Uruguay has the third-highest suicide rate in Latin America and the Caribbean (about one in five deaths among 20–25-year-olds are due to suicide), double the regional average,\(^{54}\) and Afro-descendant men are nearly four times more likely to commit suicide, and over twice as likely to report considering suicide, while at disadvantage in seeking adequate and timely care for mental health issues.\(^{55}\)

Education is the other key axis for human capital accumulation and, as with health, Uruguay has made tremendous progress over the past decade. School attendance for children ages 6 to 11 is above 99 percent, showing no substantial differences between subgroups of population, gender, or origin. Uruguay’s robust education system is in part the result of an unrelenting commitment to public education that goes back to the late nineteenth century.\(^{56}\) There are, however, important gaps between vulnerable groups and the majority society at secondary and tertiary levels, as well as in the quality of the education received (tables 3 and 4).

For example, Afro-descendants experience lower levels of educational attainment overall, but the gap widens considerably at secondary and tertiary levels. In 2017, Afro-descendants were 0.7 percent less likely to have completed primary education compared to their non-Afro-descendant peers, holding all else constant. The probability of completing secondary education was 17.5 percent lower for Afro-descendant youths. This gap is more pronounced for Afro-descendant girls, who are 20.1 percent less likely to complete secondary education than their non-Afro-descendant female counterparts, after controlling for other factors, such as socioeconomic background, location, and family characteristics (figure 5).

Disparities in school attendance are even more prominent among children and youths of the bottom 20 percent of the income distribution. Based on a Human Opportunity Index estimation for school attendance among individuals between 18 and 22 years of age (that is, those that should be attending tertiary education), only 48 percent were attending tertiary education, but those with lower socioeconomic background were less likely to do so.

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\(^{52}\) See National Health Survey, 2014.


\(^{54}\) World Health Organization, Global Health Observatory data: Suicide rates per 100,000 population. https://www.who.int/gho/mental_health/suicide_rates_crude/en/.


\(^{56}\) Ministry of Education and Culture, A 140 años de la educación del pueblo: Aportes para la reflexión sobre la educación en el Uruguay (140 Years after the Education of the People: Contributions for Reflection on Education in Uruguay) (Montevideo: Ministry of Education and Culture, 2014).
Persons with disabilities also have lower levels of school attendance and educational attainment. Although the national rate of people that have completed primary or less is 40 percent, among people with some disability and a severe disability it is 57 and 72.5 percent, respectively. While 10 percent of the national population has completed tertiary education, only 5.4 and 4 percent of those with a disability and severe disability have done so, respectively. Analogous to what happens in the labor market, there are substantial spillovers from living with an impaired person. Although those living with a person with a disability are slightly more likely to attend elementary school than those residing in households where no member has a disability, this difference is reversed at the secondary and tertiary levels. Overall, they have lower educational attainment than those living in households where no member has a disability (table 5).

School attendance and educational attainment are not the only areas where exclusion is at play. The

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Table 3: School Attendance Rates by Age Group and Population Group

<table>
<thead>
<tr>
<th>Overall</th>
<th>Value (%)</th>
<th>Non-AD (%)</th>
<th>AD (%)</th>
<th>Difference AD/ non-AD</th>
<th>Women (%)</th>
<th>Women AD/ non-AD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schooling 6–11</td>
<td>99.5</td>
<td>99.5</td>
<td>99.5</td>
<td>99.4</td>
<td>99.6</td>
<td></td>
</tr>
<tr>
<td>Schooling 12–17</td>
<td>91.3</td>
<td>91.5</td>
<td>89.9</td>
<td>92.8</td>
<td>91.7</td>
<td></td>
</tr>
<tr>
<td>Schooling 18–22</td>
<td>48.2</td>
<td>49.5</td>
<td>38.5</td>
<td>***</td>
<td>55.2</td>
<td>43.8</td>
</tr>
</tbody>
</table>

| Population of the first income quintile | | | | | | |
| Schooling 6–11 | 99.3 | 99.4 | 98.7 | 99.1 | 99.5 | * |
| Schooling 12–17 | 84.9 | 84.6 | 85.9 | 87.1 | 88.9 | |
| Schooling 18–22 | 31.0 | 32.0 | 25.9 | 35.1 | 30.4 | |

Source: Authors’ calculations using SEDLAC (CEDLAS and the World Bank), based on ECH 2017.
Note: Significance level: * = 10 percent, ** = 5 percent, *** = 1 percent. Bottom 20 refers to the first quintile of the income per capita distribution. AD = Afro-descendant.

Table 4: Educational Attainment by Population Group

<table>
<thead>
<tr>
<th>Overall (%)</th>
<th>Non-AD (%)</th>
<th>AD (%)</th>
<th>Statistical difference</th>
<th>Women (%)</th>
<th>Statistical difference</th>
<th>AD Women (%)</th>
<th>AD men (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incomplete primary or less</td>
<td>10</td>
<td>9</td>
<td>12</td>
<td>***</td>
<td>9</td>
<td>12</td>
<td>13</td>
</tr>
<tr>
<td>Complete primary</td>
<td>22</td>
<td>22</td>
<td>26</td>
<td>***</td>
<td>22</td>
<td>25</td>
<td>27</td>
</tr>
<tr>
<td>Incomplete secondary</td>
<td>37</td>
<td>36</td>
<td>42</td>
<td>***</td>
<td>34</td>
<td>***</td>
<td>42</td>
</tr>
<tr>
<td>Complete secondary</td>
<td>11</td>
<td>11</td>
<td>8</td>
<td>***</td>
<td>11</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Incomplete tertiary</td>
<td>7</td>
<td>8</td>
<td>5</td>
<td>***</td>
<td>8</td>
<td>***</td>
<td>6</td>
</tr>
<tr>
<td>Complete tertiary</td>
<td>13</td>
<td>14</td>
<td>6</td>
<td>***</td>
<td>15</td>
<td>***</td>
<td>7</td>
</tr>
</tbody>
</table>

Source: Authors’ calculations using SEDLAC (CEDLAS and the World Bank), based on ECH 2017.
Note: Significance level: * = 10 percent, ** = 5 percent, *** = 1 percent. Adults older than 20 years. AD = Afro-descendant.

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A person with some disability includes people that have reported having difficulty (either a little, some, or a lot) to conduct certain tasks related to hearing, seeing, walking, or learning.
The quality of education received by children can be very different across different groups. Based on data from the Program for International Student Assessment (PISA), the average math score for Afro-descendants is lower than for non-Afro-descendant children (412.11 versus 428.1). The mother’s education and socioeconomic status is also related to the performance of students. Children whose mothers had not completed primary education received the lowest scores in math assessments in both groups, followed by those whose mothers had completed primary education. Children from households in the lowest two income quintiles received the lowest average. Race and socioeconomic status had the highest impact on children’s scores.

There also are differences in access to early childhood education. According to the 2015 Nutrition, Child Development, and Health Survey (ENDIS), 17 percent of children ages 2 to 6 living in urban areas had never attended any educational facility, but the percentage was higher for Afro-descendant children, 19 percent of whom had never attended education by the age of 6. Among the most commonly cited reasons for not sending children to preschool education was the belief that the child was too small to leave home, the preference to take care of them at home, and associated indirect high costs. Afro-descendant mothers also mentioned the lack of quotas as an additional factor.

As is the case for the labor market, discrimination is behind many of these gaps. Unsafe, inaccessible, or unwelcoming school environments, for example, contribute to negative outcomes by making it harder for women, Afro-descendants, and students with a disability to stay in school or perform well. In 2013, the Uruguayan National Survey of Adolescents and Youths (ENAJ), which comprised respondents between ages 12 and 29, found that 63.8 percent reported discrimination in an educational setting, an increase from 2008, when it was at 46 percent (figure 6).

Figure 5: Decrease in Probability of Completing Primary or Secondary Education If a Person Belongs to an AD Household versus a non-AD Household, by Year


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58 Scores in the reading and science assessments also show differences across Afro-descendant children and their counterparts, with higher scores for the latter ones. However, data for these assessments are too noisy and thus results are not included in this analysis.

59 Article 6 of Law 19.122 establishes that all systems of scholarships and student support assigned at the national and local level, even when their source of financing comes from international cooperation, should incorporate quotas for Afro-descendants. In principle, any type of support to preschool should include quotas for Afro-descendants. Nevertheless, the recent 2019 OPP report that assesses the implementation of Law 19.122 does not cite any efforts at the early childhood development level.
Table 5: Educational Outcomes by Groups of Individuals (%)

<table>
<thead>
<tr>
<th></th>
<th>Overall</th>
<th>Person with some disability</th>
<th>Person with high disability</th>
<th>Living in HH where no members have disabilities</th>
<th>Living in HH where one member has some disability</th>
<th>Living in HH where one member has high disability</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Attendance</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Schooling 6–11</td>
<td>99.1</td>
<td>97.5</td>
<td>***</td>
<td>97.6</td>
<td>94.8</td>
<td>99.1</td>
</tr>
<tr>
<td>Schooling 12–17</td>
<td>83.6</td>
<td>77.8</td>
<td>***</td>
<td>66.5</td>
<td>81.4</td>
<td>80.4</td>
</tr>
<tr>
<td>Schooling 18–22</td>
<td>38.5</td>
<td>29.3</td>
<td>***</td>
<td>17.5</td>
<td>39.4</td>
<td>31.8</td>
</tr>
<tr>
<td><strong>Educational attainment</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary less</td>
<td>39.3</td>
<td>57.2</td>
<td>***</td>
<td>72.5</td>
<td>34.2</td>
<td>41.2</td>
</tr>
<tr>
<td>Secondary some</td>
<td>22.9</td>
<td>17.8</td>
<td>***</td>
<td>10.5</td>
<td>23.0</td>
<td>27.3</td>
</tr>
<tr>
<td>Secondary</td>
<td>17.4</td>
<td>11.5</td>
<td>***</td>
<td>7.3</td>
<td>19.2</td>
<td>16.8</td>
</tr>
<tr>
<td>Tertiary some</td>
<td>9.6</td>
<td>8.1</td>
<td>***</td>
<td>5.7</td>
<td>10.4</td>
<td>8.3</td>
</tr>
<tr>
<td>Tertiary</td>
<td>10.7</td>
<td>5.4</td>
<td>***</td>
<td>4.0</td>
<td>13.3</td>
<td>6.4</td>
</tr>
</tbody>
</table>

Source: Based on 2011 census.

Note: Significance level: * = 10 percent, ** = 5 percent, *** = 1 percent. Column heads 4–6 include household (HH) members who themselves do not have a disability.

Figure 6: Main Reasons Why Youths and Adolescents Felt Discriminated Against

a. Spaces where you felt discriminated against

- Educational facility: 63.8%
- Public space: 16%
- Workplace: 6.3%
- Bar, club or party: 5%
- Other: 3.2%
- Home: 3%
- Store or shopping center: 1.8%
- Public office: 1%

b. Main reasons for which you were discriminated against

- Physical features: 35.5%
- Way of dressing: 17.8%
- Skin color: 9.4%
- Lack of money: 5.2%

Discrimination limits the expectations of parents and their aspirations regarding their children's future. Parent's aspirations are critical in fostering positive outcomes for children. Only 56 percent of Afro-descendant parents believed their children would complete tertiary education, compared to 68.3 percent of non-Afro-descendant parents. Two national surveys tell a similar story: reporting being discriminated against is negatively correlated with the expectations of educational attainment of children.

There is a full 24-percentage-point difference in the share of parents expecting their children to make it to college between those that reported being discriminated against and those that did not (figure 7). Although we cannot fully quantify the cost of exclusion from tertiary education, individuals who complete a university degree earn on average 40 percent more than those with only high school education (or some tertiary courses), holding other variables constant. If their parents’ expectations of not attending college materialize, it could result in this group earning about 119 Uruguayan pesos per hour less. In sum, discrimination can make caregivers skeptical of the future returns of schooling years and, in the long run, impact their children's economic future.

Figure 7: Education Expectation of Parents Based on Having Experienced Discrimination in the Past Three Months

<table>
<thead>
<tr>
<th></th>
<th>a. ENDIS 2015</th>
<th>b. ELBU 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, often</td>
<td>45%</td>
<td>20%</td>
</tr>
<tr>
<td>No, rare</td>
<td>15%</td>
<td>24%</td>
</tr>
<tr>
<td>Primary or less</td>
<td>10%</td>
<td>7%</td>
</tr>
<tr>
<td>Secondary</td>
<td>25%</td>
<td>29%</td>
</tr>
<tr>
<td>University / Tertiary</td>
<td>24%</td>
<td>34%</td>
</tr>
</tbody>
</table>

Source: Authors’ calculations using ENDIS 2015 and ELBU 2012.

60 In the ENDIS 2015, 9.1 percent of caregivers reported having been discriminated against in the three months previous to the interview (with about 3.6 percent reporting being discriminated against always/frequently), while in the ELBU these rates are 14 percent and 5.4 percent, respectively. These surveys, while representing two different points in time and two different populations (parents of children 0–4 years old and of children 6–7 years old, respectively), show similar results.

61 We fully recognize that this self-reported measure is a noisy measure of acts of discrimination, as individuals may have already internalized discrimination as a “common” or “everyday” thing, or because the reference point of what constitutes discrimination will be different for different people. Thus, these results should be interpreted with caution.

62 The gap is notably lower in the ELBU (11 percentage points).

63 The team conducted a rough estimate of the costs of this by doing a quick back-of-the-envelope calculation using these differences in percentages and a Mincer (1974)-type equation for the Uruguayan labor market. We use the ECH 2017 to estimate a regression of the log of the wage as the dependent variable and a series of demographic characteristics (age, education level, location, gender and ethnic dummies, household structure, sector of employment and informal job dummy) as the regressors. Education level is defined in the following categories: incomplete primary, complete primary, incomplete secondary, complete secondary, some tertiary, and complete tertiary. Thus, the Technical and Vocational Education and Training (TVET) track provided by the University of Labor of Uruguay (Universidad del Trabajo del Uruguay; UTU) is merged with the general secondary education. A more detailed disaggregation could yield lower estimated wage gaps between those with incomplete tertiary and complete tertiary education.

64 In 2017, the expected return from someone who completed tertiary was 269 Uruguayan pesos per hour, controlling by gender, department, urban location, dependency characteristics in the household, full-time occupancy, and Afro-descendance. Also, the expected return from someone who completed secondary was 150 pesos, controlling for the same characteristics.
Class dynamics can also make school environments hostile to excluded minorities, driving them to early dropout. Dismissive gestures and nonverbal attacks, rudeness, indifference, avoiding eye contact, or downplaying complaints can generate unbearable classroom environments for excluded students. Seemingly inoffensive everyday exchanges can also send denigrating messages to excluded students, often encrypted in jokes, nicknames, common expressions (for example, “hacer cosas de negro”), traditional impersonations (such as blackface, gendered characterizations), and exclusion from after-school social activities, among others (box 2).

Implicit biases can also have profound effects on excluded children. These biases may be made up of positive and negative assessments about different social groups, which can be activated involuntarily without people being aware of them. Implicit biases are formed early in life and can be long lasting, even if they contradict explicit beliefs. Excluded groups themselves can hold them. For example, a middle-class Afro-descendant interviewed in an OPP study stated that their Afro-descendant peers “live to play the drums on the street [and] listen to tropical music with offensive letters and bad words.” While unconscious, these biases can shape people's actions, perceptions, and attitudes. In the case of education, stereotypes about women lacking certain cognitive aptitudes can discourage them from pursuing certain careers, especially those in which “gifted” talent is viewed as critical for success.

Box 2. Meet Lucrecia!

Lucrecia was born in a floodable neighborhood in the periphery of Rivera in a poor household. Her father left when she was two. She lived with her mother and stepfather, who was an alcoholic. Her childhood and youth were marked by violence and abuse. Transphobia commenced within the family and extended to her community and society at large.

She loved studying but when she turned 12 she dropped out of school as she could not tolerate any more the bullying she endured daily. “I did not want to study anymore because … a block before my school I had to endure the stones, the scalding coffee, the insults of ‘faggot,’ the mockery and laughter …”

Interviewee, Rivera, UDELAR qualitative work.

68 OPP qualitative study commissioned for this report, interviews and preliminary results, 2019.
69 In fact, the underrepresentation of women in a range of academic fields in the United States (including science, technology, engineering, mathematics, economics, and philosophy) has been attributed to cultural assumptions that tend to associate “innate talent” with men rather than women. The number of women that received PhDs in disciplines such as economics and philosophy is less than 35 percent, whereas in fields such as psychology and art history it is more than 70 percent. African Americans are also perceived as lacking “innate intellectual talent” and are consequently underrepresented in disciplines where “gifted” talent is seen as critical for success. See Sarah-Jane Leslie, Andrei Cimpian, Meredith Meyer, and Edward Freeland, “Expectations of Brilliance Underlie Gender Distributions across Academic Disciplines,” in Science 347, No. 6219 (2015): 262–5.
“Racial ideologies”—the set of beliefs that legitimize racial inequalities—can also be present (at times inadvertently) in textbooks. In Uruguay, textbooks frequently lack positive references to Afro-descendant role models, beyond stereotypical accomplishments in music or sports. Afro-descendant women whose lives are of historical, cultural, or political significance are often entirely absent from pedagogic materials.

Role models are important for improving the ability of individuals to take advantage of the opportunities available to them, because they boost their (and their parents’) aspirations. Positive role models can convey to younger generations knowledge about who they are and who they can aspire to become. Their absence can severely constrain the limit of what is imaginable for the future.

Discrimination not only leads to lower educational outcomes, it also can take a toll on students’ mental and physical health. This may diminish their ability to acquire noncognitive skills that are conductive to human capital formation, including attitudes that promote trust, motivation, tolerance, empathy, and conflict resolution.

Although barriers in education can have lifelong impacts, one overlooked group comprises those that are neither studying nor working. They represent about 11 percent of the population, but they often go unnoticed in terms of policy programs (box 3).

For Bonilla-Silva, a racial ideology can be defined as the “racially based frameworks used by actors to explain and justify (dominant race) or challenge (subordinate race or races) the racial status quo.” Generally, the racial framework of the dominant group becomes more widespread, which perpetuates practices and ideas that reinforce the racial status quo. Racial ideologies are commentaries on how social relations work—or ought to work. See Eduardo Bonilla-Silva, *Racism without Racists: Color-Blind Racism and the Persistence of Racial Inequality in America* (Lanham, Maryland: Rowman & Littlefield Publishers, Inc., 2014), 44.

Germán Freire et al, *Afro-descendants in Latin America*.


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Box 3. NEETs in Uruguay

The youth population comprises all individuals between 15 and 24 years of age. Between these ages, individuals are typically expected to be studying or entering the labor force. Yet, one understudied group is the so-called NEET population—those who are “not in education, employment, or training” (regardless of whether they are looking for employment). The overall rate of NEETs in Uruguay is estimated at 11 percent. But this percentage does not take into account the unemployed youths, estimated at 7 percent, who could be counted within the NEET definition, based on whether that considers youths looking for employment. The NEET rate in Uruguay is similar to that in Chile, Costa Rica, Ecuador, and Panama, though higher than that of Bolivia (13 percent) and Peru (11 percent) if one includes unemployed youths.

The NEET and unemployed percentage rates for Afro-descendants and women are 12 percent and 9 percent, and 14 percent and 7 percent, respectively. Both groups are therefore slightly less attached to productive activities in Uruguay. NEET youths pose a particular policy challenge, as this population has existed for some time now and, at some point, may become dependent on private or public transfers.

5 EXCLUSION FROM SPACES
disadvantaged access to spaces can reinforce social exclusion, as it can negatively impact the prospects of enjoying services or high-quality jobs. In this report, space is understood not only in the physical sense (land, housing, transportation, or urban infrastructure), but also in terms of the social, cultural, and political domains in which people interact and make use of their voice and agency.

Exclusion from spaces starts at the household level. Afro-descendant dwellings, for instance, are more densely occupied, with an average of 1.3 individuals per room, compared to the average of 1.0 individual for non-Afro-descendant households. In terms of bedroom use, Afro-descendants average 2.0 individuals per bedroom (the limit to be considered overcrowded) compared to 1.7 for non-Afro-descendants. The number of people using a single toilet is also slightly higher in Afro-descendant households (4.0 compared to 3.5 among their counterparts) (table 6).

Inadequate housing conditions often affect the poorest, most excluded groups. Based on figures of the Ministry of Housing, Territorial Planning, and Environment of Uruguay, the quantitative housing deficit in Uruguay varies between 2 and 6 percent across departments, while 15 percent of the population has at least one form of qualitative deficit. In this segment, single-parent households led by women are disproportionately affected by substandard housing conditions (87 percent).

The conditions and quality of dwellings are also worse for Afro-descendants. Based on the ECH...
Table 6: Dwelling and Housing Characteristics, by Gender and Ethnicity

<table>
<thead>
<tr>
<th></th>
<th>Overall</th>
<th>Non-AD</th>
<th>AD</th>
<th>Difference AD/non-AD</th>
<th>Head of household is woman (both AD and non-AD)</th>
<th>Head of household is AD woman</th>
<th>Difference head AD/non-AD woman</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individuals per room</td>
<td>1.1</td>
<td>1.0</td>
<td>1.3</td>
<td>***</td>
<td>0.8</td>
<td>1.08</td>
<td>***</td>
</tr>
<tr>
<td>Individuals per bedroom</td>
<td>1.7</td>
<td>1.7</td>
<td>2.0</td>
<td>***</td>
<td>1.4</td>
<td>1.7</td>
<td>***</td>
</tr>
<tr>
<td>Individuals per toilet</td>
<td>3.5</td>
<td>3.5</td>
<td>4.0</td>
<td>***</td>
<td>2.6</td>
<td>3.2</td>
<td>***</td>
</tr>
<tr>
<td>Toilet inside the dwelling</td>
<td>95%</td>
<td>96%</td>
<td>91%</td>
<td>***</td>
<td>96%</td>
<td>91%</td>
<td>***</td>
</tr>
<tr>
<td>Owner dwelling</td>
<td>58%</td>
<td>59%</td>
<td>53%</td>
<td>***</td>
<td>56%</td>
<td>49%</td>
<td>***</td>
</tr>
<tr>
<td>Tenant dwelling</td>
<td>18%</td>
<td>18%</td>
<td>19%</td>
<td></td>
<td>20%</td>
<td>21%</td>
<td></td>
</tr>
<tr>
<td>Does not pay rent (authorized by private party)</td>
<td>20%</td>
<td>19%</td>
<td>24%</td>
<td>***</td>
<td>20%</td>
<td>25%</td>
<td>***</td>
</tr>
<tr>
<td>Other dwelling</td>
<td>4%</td>
<td>4%</td>
<td>5%</td>
<td></td>
<td>3%</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>Qualitative housing deficit</td>
<td>20%</td>
<td>19%</td>
<td>31%</td>
<td>***</td>
<td>11%</td>
<td>21%</td>
<td>***</td>
</tr>
<tr>
<td>Overcrowded housing</td>
<td>15%</td>
<td>14%</td>
<td>27%</td>
<td>***</td>
<td>9%</td>
<td>18%</td>
<td>***</td>
</tr>
<tr>
<td>Without water network</td>
<td>5%</td>
<td>6%</td>
<td>4%</td>
<td>***</td>
<td>2%</td>
<td>2%</td>
<td></td>
</tr>
<tr>
<td>Without sanitation network</td>
<td>1%</td>
<td>1%</td>
<td>3%</td>
<td>***</td>
<td>1%</td>
<td>2%</td>
<td></td>
</tr>
<tr>
<td>Dwelling at risk</td>
<td>48%</td>
<td>46%</td>
<td>67%</td>
<td>***</td>
<td>49%</td>
<td>68%</td>
<td>***</td>
</tr>
<tr>
<td>Humidity at dwelling</td>
<td>36%</td>
<td>34%</td>
<td>48%</td>
<td>***</td>
<td>37%</td>
<td>49%</td>
<td>***</td>
</tr>
<tr>
<td>Dwelling with falling risk</td>
<td>21%</td>
<td>19%</td>
<td>32%</td>
<td>***</td>
<td>22%</td>
<td>32%</td>
<td>***</td>
</tr>
<tr>
<td>Humidity on ceilings</td>
<td>16%</td>
<td>16%</td>
<td>19%</td>
<td>***</td>
<td>18%</td>
<td>19%</td>
<td></td>
</tr>
<tr>
<td>Leaks in ceilings</td>
<td>19%</td>
<td>18%</td>
<td>34%</td>
<td>***</td>
<td>19%</td>
<td>34%</td>
<td>***</td>
</tr>
<tr>
<td>Cracked walls</td>
<td>11%</td>
<td>10%</td>
<td>18%</td>
<td>***</td>
<td>11%</td>
<td>18%</td>
<td>***</td>
</tr>
<tr>
<td>Doors or windows in poor condition</td>
<td>14%</td>
<td>12%</td>
<td>25%</td>
<td>***</td>
<td>14%</td>
<td>25%</td>
<td>***</td>
</tr>
<tr>
<td>Cracks in floors</td>
<td>5%</td>
<td>5%</td>
<td>11%</td>
<td>***</td>
<td>5%</td>
<td>11%</td>
<td>***</td>
</tr>
<tr>
<td>Fall of wall or ceiling plaster</td>
<td>15%</td>
<td>14%</td>
<td>22%</td>
<td>***</td>
<td>16%</td>
<td>23%</td>
<td>***</td>
</tr>
<tr>
<td>Detached ceilings</td>
<td>3%</td>
<td>3%</td>
<td>5%</td>
<td>***</td>
<td>3%</td>
<td>5%</td>
<td>***</td>
</tr>
<tr>
<td>Low sunlight</td>
<td>7%</td>
<td>7%</td>
<td>14%</td>
<td>***</td>
<td>8%</td>
<td>15%</td>
<td>***</td>
</tr>
<tr>
<td>Poor ventilation</td>
<td>4%</td>
<td>3%</td>
<td>9%</td>
<td>***</td>
<td>4%</td>
<td>9%</td>
<td>***</td>
</tr>
<tr>
<td>Floods when it rains</td>
<td>4%</td>
<td>4%</td>
<td>9%</td>
<td>***</td>
<td>4%</td>
<td>9%</td>
<td>***</td>
</tr>
<tr>
<td>Moisture in the foundations</td>
<td>27%</td>
<td>26%</td>
<td>38%</td>
<td>***</td>
<td>28%</td>
<td>40%</td>
<td>***</td>
</tr>
</tbody>
</table>


Note: Qualitative housing deficit is experienced by those in overcrowded housing, without water and sanitation network. A dwelling is considered at risk if at least the following is observed in the dwelling: humidity on ceilings, leaks in ceilings, cracked walls, doors or windows in poor condition, cracks in floors, fall of wall or ceiling plaster, detached ceilings, low sunlight, poor ventilation, floods when it rains, danger of collapse, moisture in the foundations.

Significance level: * = 10 percent, ** = 5 percent, *** = 1 percent. AD = Afro-descendant.
2017, 67 percent of Afro-descendant households live in dwellings considered at risk, while the estimate for non-Afro-descendant households stands at 46 percent. The gap is higher when gender is taken into account. When analyzing the dwellings at risk for households headed by Afro-descendant women and Afro-descendant men, the estimate is slightly higher for women at 68 percent, compared to 67 percent for men. Finally, Afro-descendants experience more frequently qualitative housing deficits (31 versus 19 percent).

Homeownership rates also differ between Afro-descendants and non-Afro-descendants, with rates of 53 percent and 59 percent of households owning their dwellings, respectively. Afro-descendants tend to be in a more vulnerable position regarding the certainty of dwelling premises, since 24 percent of the households are living for free in properties authorized by private parties, contrasting with the 19 percent estimated for non-Afro-descendants. In 2017, 11.3 percent of Afro-descendant individuals lived in irregular settlements, contrasting with the 4.7 percent estimated for the total population, and 3.9 percent estimated for non-Afro-descendant individuals. Differences in the percentage of individuals in irregular settlements are even higher in Montevideo: 20.3 percent for Afro-descendant individuals compared to 8.4 percent and 6.9 percent for the overall population and non-Afro-descendant individuals, respectively.

There is some evidence that households with a person with disability are more likely to reside in low-quality housing than the overall population. Indicators such as the number of individuals per room or per bedroom point to more households in this category living in smaller spaces than the average Uruguayan household. This group of the population is also less likely to have Internet at home and less likely to own mobile phones. While households with at least one member who has a disability are more likely to be homeowners than the general population, the dwellings owned are more likely to have a qualitative housing deficit (due to overcrowding and lack of access to water or sanitation).

Lagging Neighborhoods

Spatial exclusion is visible in the fact that some groups tend to be overrepresented in deteriorated areas, often residing in informal settlements that are more exposed to overcrowding, flooding, and crime.

Uruguay has one of the highest levels of urbanization in Latin America and the Caribbean. According to the 2011 census, 93.4 percent of the population lives in an urban agglomeration. As a result, there is practically universal access to water, electricity, and sanitation services. Yet, residential segregation has persisted and even intensified in recent years. About 5 percent of the urban population in Uruguay lives in informal settlements. These settlements have a long history and diverse causes are behind their formation. But their number has grown over the past decade,

80 According to the ECH 2017 a dwelling is in risk if it shows at least one of the following characteristics: humidity or leaks on the ceilings, cracks in walls, poor condition of doors or windows, cracks in floors, fall of wall or ceiling plaster, detached ceilings, low sunlight, poor ventilation, flooding during rains, danger of collapse, and moisture in the foundations.


83 Since 2006, an irregular settlement in Uruguay has been defined as “a conglomerate of more than 10 houses, located in public or private land, constructed without authorization of the owner in conditions formally irregular, without respecting urban normativity. They usually lack all or some basic urban infrastructure services, compounded by the lack or poor quality of, or lack of access to, social services.” See Ministry of Housing, Territorial Planning, and Environment and Neighborhood Improvement Program, Informe técnico: Actualización de la cartografía nacional de asentamientos irregulares (Technical Report: Update of the National Cartography of Irregular Settlements), 2018, 2. See also Verónica Amarante and Marcelo Caffera, Los factores determinantes de la formación de asentamientos irregulares: Un análisis económico (The Determining Factors of the Formation of Irregular Settlements: An Economic Analysis) (Montevideo: Ministry of Housing, Territorial Planning, and Environment and University of Montevideo, 2003). http://www2.um.edu.uy/marcaffera/investigacion/Resumen%20Asentamientos.pdf.
reaching about 607 slums in 2018 (45 more than in 2011). Of these new informal settlements, only 2 percent are connected to the sanitation network, and 9 percent have formal electricity connection. In the capital, which concentrates 54 percent of all informal settlements, socioterritorial segregation remained constant between the last two censuses (2004 and 2011).

Informal settlements are often inadequately integrated into the city, lacking urban planning and land tenure rights. They are more prone to having deficient services and public spaces, and fewer employment and education opportunities. They are also more susceptible to crime and flooding. For example, La Via, in Rivera, is located at the side of the railway, which poses significant risks for its population. All these conditions can lead to overlapping forms of informality—around housing, transportation, and labor.

Vulnerable minorities are frequently concentrated in these lagging neighborhoods. In these areas, households tend to be younger, be led more often by women (58 versus 42 percent of female household heads in the formal city), and experience economic hardship. In Montevideo, while wealthier coast districts have under 14 percent of households with unmet basic needs, a group of northern neighborhoods located mostly in the periphery show critical deficiencies, with between 40 percent and 60 percent of the households having unmet basic needs. These spatial disparities have been persistent over time, as areas with the highest concentration of households with unmet basic needs were practically the same in 1996, in 2011, and today.

The spatial gaps are also manifested in rental values. In 1996, the dwellings with the lowest rental values were clustered in the northeast and northwest regions of Montevideo, which are also the areas with the highest poverty rates and numbers of households with unmet basic needs. Although there was an overall depreciation of all rental values across the city, the distribution of rental values across Montevideo remains pretty much the same when using data for 2015, suggesting persistent disparities over time.

Afro-descendants are overrepresented in informal settlements. They are about twice as likely to live in these areas, which can be explained in part by historical patterns of spatial segregation. In Artigas and Rivera—the departments with the highest proportion of Afro-descendants—the percentage of Afro-descendants living in poor neighborhoods is even more pronounced: 18 and 15 percent, compared with 15 and 9 percent among non-Afro-descendants, respectively.

Drawing from household surveys and census data to document spatial distribution of the population at the level of communal zone center (centro comunal zonal) in Montevideo, 7 out of 18 such zones concentrate 63.3 percent of the Afro-descendant population in the city. When the poverty rate of each of these communal zone centers is computed separately, using the data from ECH, the seven zones have the highest poverty rates in Montevideo, a fact that changed little between 2011 and 2017. Looking at indicators of vulnerability, the results indicate that these seven zones also concentrate 75 percent of the population in Montevideo receiving health insurance through the Ministry of Public Health, 85 percent of the population using a card targeted at low-income

85 World Bank, Inclusion Matters, 133–4.
86 Jack Couriel, De cercanías a lejanías: Fragmentación sociourbana en el Gran Montevideo (From Near to Far: Socio-urban Fragmentation in Greater Montevideo) (Montevideo: Ediciones Trilce, 2010).
87 Antía Argüñarena, Luisina Castelli, Gonzalo Gutiérrez, Marcelo Rossal, and Camilo Zino, Estudio cualitativo: Inclusión social en territorios vulnerables de Uruguay (Qualitative Study: Social Inclusion in Vulnerable Territories of Uruguay), UDELAR Background Report, 10.
88 Such as the incidence of people receiving or using each service: health insurance provided by the Ministry of Public Health and ASSE, support targeted at low-income people by means of provision of a Uruguay social card (tarjeta Uruguay social; TUS-MIDES or TUS-INDA), no use of Internet in the month prior to the survey, and children attending a CAIF preschool.
people, 62 percent of the population who reported not having used the Internet in the month prior to the survey, and 80 percent of the children attending school at a child and family care center (centro de atención a la infancia y la familia; CAIF) (map 1).

An informal settlement can constrain a person’s ability to construct meaningful social networks that promote social mobility. Living in these spaces can reduce social interaction among people with different socioeconomic backgrounds (among high- and low-income groups), an obstacle that has been found to affect a person’s employment options. Montevideo’s neighborhoods are quite homogeneous in a variety of indicators. Unlike the coastal and central neighborhoods, the peripheral neighborhoods have the highest rate of people employed in low-skilled jobs (map 2).

This pattern of overlapping disadvantages is not exclusive to Montevideo. Rivera, on the northern border with Brazil, has the highest proportion of poor households in the country (8.8 percent versus the national average of 5.2 percent), the fourth-highest number of informal settlements created between 2011 and 2018, and the highest percentage of informality (51.9 percent). It also has the second-highest proportion of Afro-descendants, the fourth-largest population with disabilities (18.3 percent), and the sixth-highest proportion of trans people (4.6 percent). Of the latter, about 51 percent have only completed primary education, but not a single respondent completed secondary or tertiary education. The unemployment rate of transgender residents was 44 percent. While 70 percent of respondents declared being unable to find work the previous year, 56 percent of those unemployed

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89 Plan CAIF is a public policy that aims to guarantee the protection and promotion of the rights of children ages 0–3 years (https://www.plancaif.org.uy/plan-caif/que-es-plan-caif). The policy supports the establishment and running of centers where poor or socially vulnerable families can bring their children. The centers have a nutritional program, a health promotion program, and a program for developing the potential of adults within the framework of their communities. CAIFs are found in both urban and rural areas.


92 According to the First National Census of Trans People carried out by MIDES in 2016.
Box 4. Forced Evictions of Afro-descendants

Historically, a higher percentage of Afro-descendant individuals have established informal settlements in Uruguay. In Montevideo, this can be partly explained by the way Afro-descendants have been integrated into the city.

After the abolition of slavery, Afro-descendants living in urban areas gradually moved from the homes of former masters to precarious wooden dwellings at the outskirts of the city. Access to housing was largely through the rental market by resorting to units in old buildings called conventillos, inquilinatos, and pensiones.\(^a\) By 1908, a quarter of the population in Montevideo lived in rental units, and 3 percent of all homes were conventillos and inquilinatos, located near the areas of Barrio Sur, Centro, Cordón, Tres Cruces and the Old City.\(^b\) These buildings were constructed near the main industrial areas and railway lines with the aim of providing housing for workers. At the beginning of the twentieth century, high-income households avoided the southern coastal region due to its propensity for being hit by heavy storms (temporales). The conventillos were racially mixed, composed of European immigrants, internal rural migrants, and former slaves. The largest conventillo was known as Medio Mundo, followed by a wave of smaller ones that emerged in the Barrios Reus al Sur (currently Villa Muñoz). The conventillos became spaces where the cultural traditions of Afro-descendants flourished.

Up until 1927, the rental market was unregulated, lacking rules that protected tenants and landowners. But in 1947 the Ley de Alquileres (Tenancy Law) limited evictions and froze rental rates. The landlords reacted by minimizing or cutting maintenance from the units, which led to a decline in the condition of the buildings and overcrowding of the conventillos. By the mid-twentieth century, few of the original conventillos remained (primarily Medio Mundo and Ansina, which continued to have a mixed racial composition and working class tenants).

In November 1975, the military dictatorship declared the conventillos in “ruinous condition” and started evicting Afro-descendant residents and demolishing the structures.\(^c\) In 1978, the Intendencia of Montevideo was given the power of evicting residents from buildings with a high risk of collapsing in the Old City, Palermo, and Barrio Sur. Although the conventillo Ansina—and others—had been declared national historic monuments, 57 buildings were stripped of this status and demolition plans were made for hundreds of properties.\(^d\) The real estate industry constructed residential projects on the site of demolished rental houses.

Afro-descendants were displaced from the conventillos in Medio Mundo, Ansina, and the Old City. In the 1990s, black organizations such as Mundo Afro argued that the evictions were “racist assaults on the Afro-Uruguayan population, motivated in part by a desire to profit from rising real estate values in the city’s central neighborhoods.”\(^e\) The evictions were also perceived as an attack on Afro-descendants’ “families, culture, history, and traditions.”

Although in the early 2000s Mundo Afro worked along with the Afro-Uruguayan Women’s Support Group (Grupo de Apoyo a la Mujer Afourugaya; GAMA) to convert a city-owned property in Palermo (near Medio Mundo conventillo) as a housing solution for Afro-descendant single mothers, the project encountered a range of obstacles, including initial opposition from nearby residents of high-rise buildings.\(^f\) Beyond these efforts, the return of Afro-descendants to the area of former conventillos has been largely unsuccessful.

\(^a\) The buildings were usually made of a row of rooms (of one or two floors) and small units that shared a common area used for clothes laundering, cooking, and social interaction.
\(^b\) Lucía Scuro Somma et al., Afro-descendant Population and Ethno-Racial Inequalities in Uruguay.
\(^c\) Ibid., 65.
\(^e\) Ibid., 142.
\(^f\) Ibid., 143–4.
\(^g\) Ibid., 153.
attributed their failed search to discrimination. This phenomenon may partly explain why most of the trans respondents are informal sex workers, often working on the Brazilian side of the border. One study conducted in other areas of Rivera—such as Cerro del Estado—found that respondents needed to “descend the Cerro” to access education or health services, since there are no health clinics or schools in their immediate surroundings.

Spatial inequalities can also increase the risk of contracting certain diseases (caused, among other things, by poor quality of water or inadequate sanitation facilities). One study conducted in Cantera del Zorro, in Montevideo, gathered reports from residents of lead intoxication and its related effects on health, particularly of children, including learning disabilities.

Living in a lagging neighborhood exposes residents to stigmatization, while making them more susceptible to violence and crime. Crime does not affect all places in the same way. A recent report found that the proportions of robberies have shifted in the different areas of Montevideo. While in 2007 about 20 percent of robberies occurred in the wealthier central and coastal regions, in 2016 only 3 percent of all robberies occurred in these areas. Robberies are now affecting the middle-income and poor peripheral regions of Montevideo. Given the overrepresentation of Afro-descendants in these neighborhoods, they are more likely to be affected by crime.

Insecurity can create barriers to using public spaces. It can also erode housing market values, as people tend to avoid areas that have the reputation of being insecure. Insecurity can foment distrust among...
neighbors and toward institutions, confining residents to their homes and reducing social interaction and cohesion. For example, women are more likely to abandon public spaces because of insecurity. Nearly half of women ages 15 and older living in Montevideo declared having been victims of sexual harassment in the streets, but the rate of Afro-descendant women was 10 percentage points higher. Sexual and gender-based violence rates are significantly higher in Montevideo than in the rest of the country. Fear risks limiting women’s right to navigate the city.

Mobility Inequality

Lagging neighborhoods are also hit by forms of mobility inequality, characterized by pricier and longer commutes that can negatively impact a person’s well-being. For vulnerable groups, moving across the city entails a greater investment of money, time, and energy. In Montevideo, transportation costs take up about 8 percent of the household budget of the poorest residents. Those belonging to the lowest socioeconomic strata spend on average over 50 percent more time than the wealthier residents commuting to work (43 minutes versus 28 minutes).

Montevideo is amongst the cities in Latin America that relies more heavily on private vehicles for transportation (39 percent of residents). This is similar to Brasilia (41 percent) and Panama City (36 percent). Yet, residents in the lowest quintile and Afro-descendants are less likely to own a car. Also, the majority of the population of Montevideo uses public transportation, with 55 percent of trips done through public transport (excluding short walking trips of less than 15 minutes), but in poorer areas such as the north and west, 85 percent of trips are done using public transportation. While recent investments may have improved the urban landscape, data from 2009 in Montevideo point to a very low percentage of infrastructure that prioritizes public transportation. For instance, only 0.8 percent of lanes give priority to public buses over cars. Given the dependence of the lower-income strata on buses, this poses another barrier to their mobility.

Persons with disabilities and older adults are also more likely to limit their mobility around the city if spaces and public transportation are not accessible. It is estimated that approximately 450 out of about 1,500 buses in Montevideo are accessible (80 units with a low floor or low entry and around 370 with elevated platforms). However, this is well below the legislation requirements of 40 percent of buses with low entry and 60 percent with elevated platforms. Even for those accessible units there are additional obstacles, including low frequency of service, limited coverage on certain routes, and lack of or limited service at weekends. Added to this, if a bus is full

99 Niki Johnson, Sebastián Aguiar, Sofía Cardozo, Victoria Jorge, and Valentina Torre, Diagnóstico sobre la violencia hacia las mujeres en espacios públicos en Montevideo: Programa ciudades y espacios públicos seguros para mujeres y niñas (Diagnosis of Violence against Women in Public Spaces in Montevideo: Safe Cities and Public Spaces Program for Women and Girls) (Montevideo: Municipality of Montevideo, UN Women, and Faculty of Social Sciences of the University of the Republic, 2018), 30–33.
101 Ibid. 105–6.
102 Antonio Mauttone and Diego Hernández, Encuesta de movilidad del área metropolitana de Montevideo: Principales resultados e indicadores (Survey of Mobility of the Metropolitan Area of Montevideo: Main Results and Indicators) (Montevideo: Municipality of Montevideo, 2017), 29–30.
103 It is also one of the cities in Latin America that relies least on pedestrian mobility, with only 11 percent of people reporting this as their means of mobility similar to Caracas (14 percent) and Panama (8 percent) and significantly lower than Belo Horizonte (40 percent) and Guadalajara (37 percent). See Christian Daude, Gustavo Fajardo, Pablo Brassiolo, Ricardo Estrada, Cynthia Goytia, Pablo Sanguineti, Fernando Álvarez, and Juan Vargas, Crecimiento urbano y acceso a oportunidades: Un desafío para América Latina (Urban Growth and Access to Opportunities: A Challenge for Latin America) (Bogotá: CAF, 2017), 128.
104 According to ECH 2017, in Montevideo, about 41.7 percent of the households have a car, but only 21.4 percent of households with an Afro-descendant member in Montevideo have one.
106 Development Bank of Latin America (CAF), Urban Mobility Observatory, 2009.
107 Data from the Mobility Area of the Municipality of Montevideo (Área de Movilidad de la Intendencia de Montevideo), 2018.
Box 5. Meet Freddy!

Freddy was born in Rivera and is 31 years old. He lived in Cerro Marconi until he was 12 years old with his mother until she moved out with her partner and he went to live in Cerro del Estado with his grandparents. He is the eldest of five brothers. He had a good childhood and loved soccer. He learned carpentry and the blacksmith trade in a skills training center. Coming out one afternoon he was hit by a motorcycle that was being chased by the police. His legs and hips were severely injured, and it was a long time before he could walk again. He could not get rehabilitation services in his community and had to go downtown, but he did not have a car. He can walk now but his hips and legs still hurt sometimes. He works collecting oranges in Paysandú and returns to Rivera to be with his family. His trajectory and limited educational attainment have constrained his ability to pursue other employment opportunities.

Interviewee, Rivera, UDELAR qualitative work.

and the priority seats are occupied the bus will not stop, and it is hard to predict when an accessible unit will come. Box 5 illustrates the transportation problems that can face persons with disabilities.

Mobility constraints can unfairly reduce the geographic scope of a person’s social world (including their job and educational possibilities). These obstacles affect women—who already lag behind in the labor market—more severely than men. Women face an additional deterrent to using public transportation: sexual harassment and violence. About 12 percent of women in Montevideo reported being victims of sexual and gender-based violence in public transport. Trans people equally limit their use of public transportation due to the threat of sexual and gender-based violence and discrimination.

Exclusion from Social, Cultural, and Political Spaces

Vulnerable groups also encounter obstacles engaging in social, cultural, and political spaces. Violence against subordinate groups is a symptom of their intense exclusion. Excluded groups, especially women and transgender people, are often more exposed to violence than others. In Uruguay, close to 7 out of 10 women experience domestic violence at some point in their lives, with higher proportions reported by young women, Afro-descendants, and residents from the southeastern parts of the country. Moreover, one in three teenage women (ages 15–19) have experienced physical, sexual, or psychological violence by their partners or former partners, while 40 percent of women (ages 15–29) have experienced sexual violence by a person who was not their partner or former partner. Gender-based violence is the main cause of homicide among women, with a woman being killed every 15 days on

108 Municipality of Montevideo, Participación ciudadana, una seña de identidad. Una mirada a los programas de la Intendencia de Montevideo (Montevideo: Municipality of Montevideo), 260.
109 World Bank, Inclusion Matters, 134.
average. Between 2005 and 2013 there was a 400 percent rise in criminal complaints, though this can be partly attributed to improvements in data collection.

Sexual and gender-based violence against trans women is even more pronounced and violent. Gender-based violence is in fact rooted in a convoluted history. The last military dictatorship (1973–85) launched a process of national reconstruction with moral values that included the preservation of the heteropatriarchal family and the promotion of a concept of youth that was “without sexual deviation” and “uncorrupted.” People with different sexual orientations were seen to compromise the values promoted. Trans women were particularly vulnerable to raids, arbitrary detentions, sexual violence, torture, blackmail, extortion, and forced disappearances. In 1976, one single raid led to the detention of over 300 gay people. When the raids finished, in the late 1980s, detentions of trans women continued due to their participation in sex work.

While systematic State violence no longer exists, structural discrimination has continued to affect trans people. In the late 1980s, members of the LGBTI+ community were seen as the culprits for the propagation of HIV/AIDS. In fact, 45 percent of trans people declared having suffered violence due to their gender identity, rising to 77 percent if only considering trans people that had worked or currently work in sex work. The police reportedly perpetrated about 11 percent of violent acts. But violence against LGBTI+ people need not be overt or physical to be equally damaging, as negative perceptions can also lead to exclusion. Although Uruguay provides ample rights for LGBTI+ people, the World Value Survey of 2011 still found that 9.6 percent of Uruguayans would not want to have gay people as their neighbors.

Lacking access to social, cultural, and political spaces can affect a person’s dignity (that is, the degree of respect and recognition they enjoy in social life). This, in turn, limits their prosperity and exacerbates their marginalization over time. By not participating in social, cultural, and political spaces, excluded groups risk becoming “invisible” to the rest of the population, as the case of Afro-descendants in Uruguay illustrates (box 6).

Lack of voice and participation is exacerbated by invisibility in official statistics. The absence, or inadequacy, of official data collection regarding excluded groups can limit the terms by which they can participate in society. For example, between 1852 and 1996, ethno-racial indicators were excluded from official statistics in Uruguay. The invisibility of Afro-descendants in official records made it impossible to know not only their demographic conditions, but also their disadvantaged socioeconomic status.

There are other statistical blind spots that prevent us from crafting a more accurate portrait of exclusion in Uruguay. While the gender dimension is consistently collected and observed across all data collection efforts of the INE, data that allow for the identification of ethnicity, the existence of a disability, or gender identity are scarcer. While statistics disaggregated by male and female are common, there is no comparable effort to analyze, from a quantitative angle, the conditions of the LGBTI+ community. Also, while the First National Census of Trans People was conducted in 2016 as a response to the need to provide quantitative information on the living conditions of the trans population, there are as yet no public use file versions of the census microdata. Only official publications based on topical notes have been released.

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111 Gonzalo Gutiérrez Nicola, “We Were Trans, We Weren’t Criminals.”
113 World Bank, Inclusion Matters, 15–16.
114 In the 2017 ECH, for instance, there is the possibility of finding civil unions or married couples of the same sex, but there is no information collected on gender identity that would allow identifying the LGBTI+ single community.
Box 6. Reclaiming the Visibility of Afro-Uruguayans

Uruguay fashioned itself as a predominantly white nation due in part to open-door immigration policies in the late nineteenth century. By 1880, Uruguay had received up to 580,000 European migrants, which exceeded the existing population of 520,000. In 1907, during the centenary celebration, an annual report described that Uruguayans were “a new ethnic type … [of which] all countries of the white race have contributed to our formation and perfection, working in common.” Similar publications at the turn of the twentieth century described the population as a predominantly “white race,” erasing any black or indigenous component. Yet, already by 1933, Afro-Uruguayan intellectuals launched Nuestra Raza (1933–48), one of 25 periodicals that flourished between 1870 and 1950 aimed at a black readership. Uruguay developed the second largest black press in Latin America after Brazil, which was important for disputing shared assumptions regarding blackness, raising awareness on their marginalized status, and pushing for racial equality. Moreover, these newspapers catalyzed a black political party—the Black Native Party (Partido Autóctono Negro; PAN)—and other social movements.\(^a\)

After the end of the military dictatorship (1973–85), these movements gained a renewed impulse. In 1988, Mundo Afro, which started as a magazine, became an influential nongovernmental organization (NGO) that denounced the exclusion of Afro-Uruguayans in a State parade. In 1992, it also organized a protest around the Columbus quincentenary, using cultural forms, such as candombe music, for expressing political dissent. Mundo Afro and other organizations have been crucial in strengthening the voice of Afro-descendants, channeling their priorities and aspirations, and reverting decades of public invisibility. Between 1996 and 2006, the Afro-descendant population increased from 5.9 to 9.1 percent in the national statistics, a rise partly attributed to the success of these debates around ethno-racial relations, which highlighted the presence of “blackness in the country’s racial and ethnic mix.” In fact, the work of Mundo Afro was key in making the government—through the National Statistics Institute (INE)—agree to collect ethno-racial data for the first time in a century in 1996. The data availability has allowed richer research on the gaps between the overall population and Afro-descendants regarding income, human capital, and the labor market.\(^b\) The tenacity of these organizations has also contributed to the election of Edgardo Ortúñio (Frente Amplio) to Parliament (2005–2010), the first Afro-descendant legislative representative in the country; and later of Felipe Carballo (Frente Amplio) (2010–2015/2015–2020) and Gloria Rodriguez (Partido Nacional) (2015–2020).\(^c\) This story portrays the long struggle to make Afro-descendants visible in social and political spaces.

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\(^a\) George Reid Andrews, Blackness in the White Nation.

\(^c\) In addition to three substitute Afro-descendant representatives: Claudia de los Santos (MPP/Organización Mundo Afro), Susana Andrade (711/Organización Atabaque), and Sonia Cayetano (711).
A similar blind spot is found among the population with disabilities, as measurement tools often differ in ways that limit comparability. As shown in table 7, the availability of data sources to study this group is more limited when compared to other groups. A standard approach for identifying persons with disabilities is to use the recommendations from the Washington Group on Disability Statistics.115 But only the population census of 2011 included this set of questions. A health survey for infants (0–4 years) collected information on similar questions to that of the Washington Group, but placing an emphasis on “permanent” disabilities (which is not strictly comparable to the data collected in the census). Other data collection efforts on persons with disabilities exist but are limited in their coverage, timelines, and comparability with the standard Washington Group questionnaire. Others only allow for the identification of persons with disabilities indirectly.116 For example, INE’s flagship household survey (ECH) does not collect information on disabilities, with one exception.

Although Uruguay has improved data collection for excluded groups, some institutions still fail to collect data adequately, or do so in ways that do not allow for further analytic work. The lack of official statistics can exacerbate the political invisibility of excluded groups by failing to accurately account their situations.

In sum, the spatial segregation of excluded minorities, in lagging regions and poor-quality neighborhoods, and in social, cultural, and political spheres, not only results from their unequal access to markets, services, and opportunities, but actually reinforces these inequalities. Despite Uruguay’s overall success in reducing inequality and poverty, these spatial inequalities have persisted and even grown over the past decades, showing that the universal redistributive policies that have worked so well elsewhere might not have the same effect on chronically poor or persistently excluded minorities.

115 The Washington Group on Disability Statistics has developed, tested and adopted a short set of six questions on functioning for use with national censuses and surveys. The questions reflect the conceptualization of disability and use the World Health Organization (WHO) International Classification of Functioning, Disability, and Health as a conceptual framework. As noted in the revision of the Principles and Recommendations for Population and Housing Censuses (United Nations Statistics Division), four domains of functioning (seeing, hearing, walking/climbing steps, and remembering/concentrating) are considered the most essential in determining status from census data in a comparable manner.

116 In the ECH 2004, a module on persons with disabilities was collected. The questions followed the framework of the WHO International Classification of Functioning, Disability, and Health, collecting information on seeing, hearing, communicating, walking, using arms and hands, learning, and relating to others. In the 2006 round of the Expanded National Household Survey, a section on health was included, with questions on permanent limitations to seeing, hearing, and movement, as well as items on mental health and chronic diseases. A Survey of Dependence (Encuesta de Dependencia) was conducted in 2014 for people that were receiving a pension for severe disability. Finally, a survey on the use of information and communications technology (ICT) with national coverage was carried out in 2010, 2013, and 2016, though persons with disabilities can only be identified indirectly through a question on the reasons for not having used a personal computer or having never used Internet, where among the list of possible answers one option is: “because of a physical disability.”
<table>
<thead>
<tr>
<th>Source</th>
<th>Year</th>
<th>Coverage</th>
<th>Identification of AD group</th>
<th>Identification of people with disabilities</th>
<th>Information on access to markets, services, spaces</th>
<th>Socioeconomic background</th>
<th>Other selected characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population census</td>
<td>2011</td>
<td>National</td>
<td>Self-reported ancestry</td>
<td>Washington Group questions (visual, hearing, walking, learning)</td>
<td>Employment, education, residence (location), size of locality, department, municipality, and Montevideo neighborhood</td>
<td>Education of (co-resident) parents</td>
<td>Gender, region or country of birth</td>
</tr>
<tr>
<td>PISA(^a)</td>
<td>2009</td>
<td>National: children from 7th to 11th grade</td>
<td>Yes (binary)</td>
<td>No</td>
<td>Math, science, reading scores and proficiency</td>
<td>Wealth index, education of parents</td>
<td>Gender, country of birth, occupational status (parents)</td>
</tr>
<tr>
<td>ENDIS</td>
<td>2013, 2015(^b), 2018</td>
<td>Children ages 0 to 4 in urban localities (more than 5,000 inhabitants)</td>
<td>Yes (ancestry)</td>
<td>Washington Group-like questions but for permanent disabilities; indirectly (through transfers received or coverage)</td>
<td>Nutrition, weight, food security, discrimination (caregiver)</td>
<td>Labor income in household, Equity Plan (Plan Equidad) transfers, education (caregiver)</td>
<td>Gender, life satisfaction (caregiver)</td>
</tr>
<tr>
<td>ECH</td>
<td>Annual, latest 2017</td>
<td>National</td>
<td>Yes (ancestry)</td>
<td>Indirectly (reception of disability allowance)</td>
<td>Employment characteristics, dwelling characteristics, health (simple coverage, smoking, teenage pregnancy), residence (department)</td>
<td>Household income (official welfare aggregate for poverty)</td>
<td>Gender, country of birth</td>
</tr>
<tr>
<td>ELBU</td>
<td>2004(^c)</td>
<td>Students 1st grade at public schools in Montevideo and urban areas</td>
<td>Yes (ancestry)</td>
<td>No</td>
<td>Dealt with discrimination (where and from whom), employment, education</td>
<td></td>
<td>Gender</td>
</tr>
</tbody>
</table>

Note: AD = Afro-descendant.

\(^a\) PISA 2015 data are also available, but there is no information that can help identify Afro-descendant persons with disabilities. Furthermore, PISA 2009 does not contain ethnicity as a standard question in the data. This information was collected separately during a follow-up interview (five years later) with children who took the PISA 2009 test.

\(^b\) ENDIS 2013 included households with children ages 0 to 4 in urban localities. ENDIS 2015 included households with children ages 2 to 6 that participated in the first round.

\(^c\) ELBU 2004 is a cohort study, of which four waves have been carried out: 2004, 2006, 2011/12 and 2015/16. The latest available data are from 2010/11.
6 POLICY ANALYSIS AND RECOMMENDATIONS
The outstanding performance of Uruguay in reducing poverty and inequality over the past decade has been sustained through highly committed social spending. Between 2005 and 2012, social spending increased 87 percent, and there has been continuity in many programs. Today, 21.7 percent of GDP is devoted to social expenditure, both through direct transfers (such as noncontributory pensions, family allowances, cash or food transfers) and in-kind transfers (education and health). This is about the average for OECD countries—estimated at just over 20 percent of GDP—but above comparable countries such as Chile, Ireland, Mexico, Republic of Korea, and Turkey, where social spending accounts for less than 15 percent of GDP.

All of this has contributed to Uruguay’s success in creating the conditions for confronting exclusion in many areas. It is also a clear sign of the commitment of Uruguay to pursuing social inclusion. But, as shown in previous chapters, social inclusion is complex and multilayered, so strong policy frameworks and social spending alone are not enough. There still are pockets of exclusion, socially and geographically segregated. Why were these groups left behind? What changes can be made to improve the terms of their inclusion?

In this final section, we address these questions by presenting a brief assessment of a number of social programs and policies that have been instrumental in the progress made so far. We then focus on two areas where Uruguay has placed considerable effort: affirmative action and spatial distribution policies. We finish this section reflecting on how a new generation of social programs might look, focused on closing the remaining gaps and unleashing the potential contribution of excluded minorities in markets, services, and spaces.

The Road So Far

Uruguay’s commitment to policies of social inclusion is not new. During the first half of the twentieth century, Uruguay crafted a comprehensive social security system and enacted policies aimed at broadening access to education, employment, and

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118 In 2009, 92 percent of all people over 64 years old were covered by a contributory and noncontributory pension. See Marisa Bucheli et al., “Social Spending, Taxes and Income Redistribution in Uruguay.”
119 This is below many of the European countries, such as France (30 percent) and Austria, Belgium, Denmark, Finland, Germany, Italy, and Sweden (25 percent). The OECD estimates for public spending include pensions (old age and survivors), income support to the working population (incapacity benefits, unemployment, etc.), and health expenditures and other social services (housing, services for the elderly, etc.), but it does not account for education expenditures at all levels. Thus, they may not be entirely comparable with Uruguay’s estimates. See OECD, Social Expenditure Update 2019, www.oecd.org/social/expenditure.htm.
health care. Under the visionary influence of José Battle y Ordóñez—twice president of the country between 1903 and 1915—Uruguay led a revolution in forward-looking policies that laid the ground for its robust and long-standing social democracy. Under his influence, Uruguay approved far-reaching labor legislation (becoming the first country in the world to adopt an eight-hour workday), separated the church from the State, universalized access to primary education (which had been made public, secular, and compulsory decades earlier by José Pedro Varela 1845-1879), expanded the coverage of secondary education and health care, ended university fees, modernized much of the infrastructure of the country, legalized divorce, decriminalized same-sex relations, and declared the right of the unemployed to be supported by the State, among many other reforms that put Uruguay at the forefront of the region and beyond.

After the 1960s, a steady economic decline led to the reduction of the State’s role in the provision of social services, a process strongly aggravated by the economic, political, and social crisis created by the civic-military dictatorship (1973-1985). The weakening role of the State continued during the shift toward liberalization in the 1990s, which triggered a profound transformation in the job market (and the rise of informality and underemployment), household composition, and the distribution of poverty and vulnerability. However, after the financial crisis of 2002, marked by rising poverty rates (reaching as high as 40 percent), Uruguay created an institutional framework aimed at addressing mounting social risks by working across a range of institutions, including the recently created Ministry of Social Development (MIDES). This framework privileged social policies and led to the growth of public spending on the priorities of the most vulnerable groups. This first generation of social programs focused on universalization through improving access to services and safety nets.

Uruguay successfully achieved major reductions in poverty, nearly universal education at primary level, and broader access to health services, electricity, water, and sanitation. The National Social Emergency Assistance Plan (Plan de Atención Nacional a la Emergencia Social) (2005) tackled urgent social needs through cash transfers such as citizen income (ingreso ciudadano) and targeted programs for people in extreme poverty.

As the crisis waned, a second generation of programs was born, inspired by the concept of proximity (acompañamiento)—an integral approach of support aimed at the most vulnerable households. This new generation of social safety nets addressed most of the critical needs of families, where partnerships with them became a major component of its implementation.

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121 Milton Vanger, Uruguay’s José Battle y Ordóñez: The Determined Visionary, 1915–1917 (Boulder: Lynne Rienner Publishers, 2010); José Pedro Barrán, Homosexuality in the History of Uruguay.
123 For example, I Work for Uruguay (Trabajo por Uruguay), Exit Routes (Rutas de Salida), and Habitat Improvement (Mejoramiento del Hábitat). See Presidency of the Oriental Republic of Uruguay, National Voluntary Report: Uruguay 2017, Sustainable Development Goals, 34.
124 Ibid., 33.
125 This methodology is based on building relations of trust with and providing personalized care and nonformal education to families undergoing extreme vulnerability. Uruguay Crece Contigo (Uruguay Grows with You), as a second-generation program, provides everyday support to low-income families, as well as nonformal education on parenting and child stimulation. Uruguay Crece Contigo is framed around a targeted model that addresses families’ critical needs and is meant to have long-term effects on school performance and employment. Yet, proximity programs do not always have social inclusion as a main priority of their approach. See Daniel Fagundez and Federico Silva, “La metodología de proximidad en políticas sociales en Uruguay: Tensiones entre el control social y la ética de los operadores sociales” (“The Proximity Methodology in Social Policies in Uruguay: Tensions between Social Control and the Ethics of Social Operators”), paper presented at the International Meeting of Education, Research and Dissemination Spaces, October 29–31, 2014, NEES – Faculty of Human Sciences, UNCPBA, Tandil, Argentina, https://www.ridaa.unicen.edu.ar/xmlui/bitstream/handle/123456789/423/41431.pdf?sequence=1&isAllowed=y.
The second generation was organized around the Equity Plan (Plan de Equidad) (2008), which sought to address inequality through the so-called Social Protection Matrix. This matrix went beyond income poverty and delineated cross-cutting strategies (in labor, health, housing, education, and tax policies) for tackling gender, ethno-racial, and territorial disparities. In order to generate equal opportunities and enhance the dignity of excluded groups, it proposed articulating universal policies with new, targeted programs for fixing deficient coverage of ongoing efforts. The matrix also favored decentralization and participation at the departmental and municipal levels.

Underpinning this social inclusion framework are a set of comprehensive laws in areas such as affirmative action in education and employment (Law 18.651 and Law 19.122), rights for trans people (Law 19.684), gender equality (Law 18.104), fiscal progressive policies (Law 18.083), health care (Law 18.211), financial inclusion (Law 19.210), and housing (Law 18.308). Legislative reform has reversed discrimination in many areas. For example, in compliance with the right to health, enshrined in the Uruguayan Constitution, the health care reform of 2007 significantly expanded access to the public health system. By 2016, over 2.5 million persons (over 75 percent of the population) were affiliated to the National Health Insurance (Seguro Nacional de Salud).

For the most part, Uruguay has favored policy continuity over short-term approaches, which explains much of the success of the past two decades. The country set itself the ambitious goal of mapping prospective scenarios and development strategies for 2050, an effort that is both commendable and unique in the region. The Uruguay 2050 Vision (developed by the Office of Planning and Budget, OPP) not only identifies future opportunities and risks, but also seeks to outline an integral plan for addressing demographic changes, transformations in the labor market, enduring disparities in gender relations, and uneven territorial development, among others, as key priorities for social policy. Although this plan promises to preserve Uruguay’s place as the regional leader of social inclusion policies, in order to accomplish its goals it would need to close gaps that have proven persistent in the current set of policies. A first step in that direction is to assess the policies that are now in place, identifying issues and blind spots that may prevent Uruguay from fulfilling its vision.

Social Protection Matrix

Uruguay’s Social Protection Matrix promotes articulation of the activities of numerous institutions and civil society organizations. Although many programs were established decades ago, there has been a proliferation of initiatives in the past few years. Over time, a plethora of programs managed by different agencies (to tackle similar or the same objectives) has made it hard to evaluate progress and ensure coverage of the remaining pockets of exclusion. In 2014, there were 330 social programs, and 187 had at least two responsible entities. There are over 41 programs, run by 14 entities, devoted only to inclusion to the labor market. Other social issues such as school dropout, underemployment, and infringement of the rights of children and youths are addressed by more than one program (figure 8). Although well-designed and adequately implemented programs can change the face of social exclusion, a
disproportionate number of initiatives and actors, without clear responsibilities or division of labor, can have the opposite effect. This overlap of institutions and programs is not only negative at the operational level, it can also make it difficult for individuals to navigate the universe of options available and know which programs apply to them.

The overlap of responsible entities and options available can lead to the waste of resources and poor results. The programs for Afro-descendants are one example. Between 2004 and 2019, 31 institutional spaces were created for supporting ethno-racial inclusion, of which 17 remain active. On average, these spaces tend to last three to four years, since changes in government have led to frequent interruptions, or variations in name and scope. Working groups and honorary commissions frequently lack the budget and capacity to enforce their recommendations, and thus have little capacity to pursue concrete goals.

Similarly, monitoring and evaluation arrangements are often missing in programs targeting Afro-descendants, making it difficult to assess progress toward their objectives. Assessments of progress often focus on the number of meetings, workshops, and capacity-building events organized (that is, the outputs), rather than on the impact of such programs or activities on the socioeconomic conditions of the target population over time (that is, the desired outcomes). Finally, institutions that lack ethno-racial policies are often reluctant to include ethno-racial data in their administrative records, citing other priorities or budgetary and staff constraints. Without disaggregated data, it is difficult to assess progress toward any goal. Programs that target historically excluded groups can have long-lasting impacts, but their sole existence is no guarantee that their positive effects will materialize.

Uruguay’s matrix of programs also faces long-standing tension between universal access and focalization for historically marginalized groups. There are 163 non-targeted programs, 155 targeted programs, and 12 mixed programs (figure 9). Some key components are present in some programs but absent in others. For instance, programs aimed at early childhood have

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132 OPP, study of public institutions and Afro-descendant population, background report.
a strong socioeconomic emphasis, but this very same component is missing in programs aimed at persons with disabilities, despite the barriers they face in the job market. Narrowly defined programs, with little de facto coordination, may be insufficient for tackling the numerous interconnected aspects anchoring vulnerable households to poverty.

**Targeted versus Universal Programs**

Even programs that are universal in scope can be patchy in their geographic coverage. Nationwide programs have a geographic reach of about 60 percent of the territory. Yet, departments (for example Rivera) with high concentration of excluded groups, such as Afro-descendants and trans people, have incidentally the lowest level of municipalization, which can limit the availability of programs or limit the participation of local actors. This might indicate the absence of a strong territorial focus when addressing excluded groups. On the other hand, targeted policies—aimed at specific vulnerable groups—can also fail to consider other drivers of exclusion at play that might not be related to poverty (such as discrimination based on gender identity or sexual orientation). Regardless of a program’s universal or targeted approach, community participation and ownership is key to understanding the many layers of exclusion that prevent them from taking advantage of the opportunities available. Participation also ensures that people are committed to a program’s goals.

However, Uruguay has good examples of effective targeting that can draw lessons for a more systematic strategy. For instance, programs of access to technology, which are powerful agents of inclusion, are successfully reaching the poorest quintiles. Based on the ECH 2017, the Plan Ceibal—a program that offers a laptop and Internet connection to children attending public schools—reaches about 37 percent of the population. It has provided computers to 64.4 percent of the poorest quintile and 50.9 percent of the second-poorest quintile. About 48 percent of Afro-descendant children have received laptops through this program, a rate that is higher than the proportion of non-Afro-descendants (36.3 percent).

Another example is public transfers. Evidence from across the globe shows that cash transfers play an important role in reducing income inequality and empowering excluded groups. In Uruguay, the poorest households have expanded their share of participation in contributory and noncontributory transfers. In the 1990s, coverage among the first income decile was 46 percent, but by 2011 it had reached 93 percent. Female-headed households

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134 Office of Planning and Budget, Estrategia nacional de políticas públicas para la población afrouruguaya y afrodescendiente hacia el 2030, Anexo 3: Sistematización y análisis de políticas existentes (National Public Policy Strategy for the Afro-Uruguayan and Afro-descendant Population by 2030, Annex 3: Systematization and analysis of existing policies) (Montevideo: Office of Planning and Budget), The Law of Political Decentralization and Citizen Participation (Ley de Descentralización Política y Participación Ciudadana), Law 18.567, 2009, created “municipalities” as a new level of government. Municipalities are decentralized mechanisms that seek to expand the participation of local stakeholders in development projects. Their responsibilities include collaborating in the construction and maintenance of public infrastructure and services, formulating and implementing social and cultural programs, and adopting measures of environmental conservation. However, according to a recent study, while 73 percent of the population and 31 percent of the national territory is located within a municipality, in rural areas, only 47 percent of areas are within one. While the territories of Montevideo, Canelones, and Maldonado are covered entirely by municipalities, by contrast only 0.02 percent of the department of Flores is covered by one. For the 2015–20 period, 112 municipalities had a government budget. Municipalities have been found to increase decentralization, create new possibilities of participating in decision-making, and more effectively channel complaints and shared concerns to government entities. The absence of this third level of government can affect excluded groups, limiting the number of available decision-making spaces and opportunities for government engagement. See Uruguay Territory Observatory (Observatorio Territorio Uruguay), Municipalización en Uruguay: Percepción ciudadana, Reporte 4 (Municipalization in Uruguay: Citizen Perception, Report 4) (Montevideo: Uruguay Integra Program, Directorate of Decentralization and Public Investment and Office of Planning and Budget, 2015).


(which have a higher rate of poverty than male-headed households) also have a higher likelihood of enrolling in programs of family allowance, such as the Family Allowance Transfer Program (AF) and the Family Allocation Equity Plan (Asignación Familiar Plan de Equidad; AFAM-PE), and transfers such as that employing the Uruguay social card (TUS). Since 2012, trans people were deemed eligible to receive the TUS\textsuperscript{137} without the need to comply with additional socioeconomic requirements. Based on the ECH of 2017, about 77 percent of TUS-MIDES recipients were allocated to the lowest quintile, and another 17 percent to the second-lowest quintile. Among Afro-descendants, 5.6 percent are cardholders, a much larger proportion than non-Afro-descendant beneficiaries (1.5 percent).

Yet, while social spending and tax policies are progressive,\textsuperscript{138} some groups might not be benefiting as much from them. About 5 percent of the poor do not receive any kind of direct transfer, and most of those that lack coverage have children.\textsuperscript{139} In the case of family allowances such as AFAM-PE, between 10 and 20 percent of households in the bottom two income deciles do not participate.\textsuperscript{140} Afro-descendants have also a lower likelihood of receiving contributory or noncontributory transfers, while rural households belonging to the first income quintile have lower levels of coverage overall. People from to the poorest 15 percent of the population reported having lost their benefits due to their dependents turning 18 (or disenrollment from secondary school),\textsuperscript{141} or for having raised their monthly incomes slightly above their TUS-MIDES benefits.

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{Figure9.png}
\caption{Distribution of Social Programs According to Sector and Focus}
\end{figure}

\begin{tabular}{lcccccccc}
\hline
 & Targeted & \multicolumn{3}{c}{Mixed} & \multicolumn{3}{c}{Non-targeted} \\
 & Education & Social and cultural participation & Work & Health & Integral attention & Housing and habitat & Social security & Nutrition \\
\hline
Targeted & 69 & 20 & 26 & 22 & 43 & 10 & 3 & 8 \\
Mixed & 6 & 2 & 5 & 2 & 1 & 3 & 0 & 0 \\
Non-targeted & 80 & 41 & 25 & 26 & 0 & 18 & 18 & 0 \\
\hline
\end{tabular}


Note: \(N = 330\) cases.

\textsuperscript{137} They receive the amount equivalent to that reserved for households with a dependent minor.

\textsuperscript{138} One study found that the tax system is conducive to social inclusion as it “increase[s] the income of the bottom deciles.” See Marisa Bucheli et al., “Social Spending, Taxes and Income Redistribution in Uruguay,” 424.

\textsuperscript{139} See Ibid., 429.

\textsuperscript{140} Other respondents alluded to difficulties collecting the required documentation, delays in getting an official response, mistakes on the part of the Index of Critical Deprivations (Índice de Carencias Críticas) in establishing their eligibility, or the absence of alternatives for households that are between the ages of 18 and 65. In fact, 7 percent of households in the poorest quintile have no children or persons of ages 65 and over making them ineligible for this type of transfer.

\textsuperscript{141} Given that 38.8 percent of adolescents (ages 14–17) are not enrolled in school, there is a reinforcing pattern of uneven accumulation of human capital on the one hand and monetary poverty on the other; leaving aside that enrollment requirements might be untenable for some vulnerable families. See Marco Colafrancesqui and Andrea Vigorito, “Uruguay: Evaluation of Transfer Policies,” 96–99. Ethno-racial and gender considerations should also be underlined, as Afro-descendants are 21 percent less likely to complete secondary education than their non-Afro-descendant peers. And considering overlapping disadvantages, Afro-descendant girls are 24 percent less likely to complete secondary education than their non-Afro-descendant female counterparts.
the minimum threshold. Yet, these disqualified households are still vulnerable to falling back into poverty due to adverse shocks.

Analogously, young people are benefiting relatively less from poverty reduction programs, as social spending is biased toward older age groups, due to the high proportion of the budget destined to contributory and noncontributory pensions. Older adults are more likely to move out of poverty due to direct transfers than children and adolescents. The poverty rate among persons receiving pensions is 4 percent (about half of the national poverty rate), but among children and adolescents (18 years old or less) is almost 20 percent. Additionally, households with children benefit proportionally less, owing to the relatively low per capita amount of the transfer. Poverty in households with children is also tendentially more severe, thereby reducing the impact of the transfer. The costs of implementing a program that achieves full coverage can be very high. But if these excluded individuals were reached, the coverage of direct transfers would increase to 99 percent of the poor.

Social Inclusion Assessment Tool

The remaining pockets of exclusion identified above appear to need new and complementary approaches. Although universal and targeted programs might be succeeding in addressing poverty overall, it is essential to examine their effectiveness also in terms of social inclusion. The World Bank has proposed a very simple tool for social inclusion assessment, aimed at helping determine the extent to which social inclusion is a priority in a policy or program design, implementation, and evaluation. The Social Inclusion Assessment Tool considers four simple questions:

1) **Are excluded groups identified?** Are responsible entities or policies asking why some groups are overrepresented among those excluded? Do they provide historical or structural reasons to account for such patterns?

2) **Is there ex ante analysis on social inclusion?** Is the program or policy informed on the drivers of exclusion of vulnerable groups? Has the program reflected on key processes and domains of exclusion?

3) **Are there actions intended to advance social inclusion?** Are there actions tailored to respond to the analysis of the drivers behind exclusion? Are there changes in budgets or staff in response to such analysis?

4) **Are there indicators to monitor social inclusion?** How can we know if there was any progress? In projects, does the results framework contain indicators on inclusion?

Following these four simple sets of questions, we can have a quick understanding of whether selected programs are in fact provided with the analytics and mechanisms to effectively target excluded minorities. Below, we provide a quick glance at some good cases found after a quick assessment, by means of example. It is worth highlighting that this retrofitting exercise is conducted on programs that were not necessarily conceived as social inclusion programs but rather as antipoverty efforts.

In terms of identification and analysis, for example, Jóvenes en Red—aimed at labor market inclusion for people in vulnerable conditions—makes good use of community-based resources and socioeducational teams to create georeferenced maps that assist in better locating the target population. The program has a strong territorial focus, and the criteria of...
eligibility emerge from interactions with local institutions, including schools, day-care facilities, local NGOs, community associations, and word of mouth. The comprehensive targeting seems to help reach excluded populations beyond monetary terms.

However, this comprehensive outreach strategy is not the norm in other programs analyzed for this report. Programs aimed at broadening access to housing or the job market or at improving the living conditions of vulnerable groups in informal settlements lack a clear definition of excluded groups in their pool of beneficiaries. Thus, although program objectives are centered on inclusion, there is a lack of specificity regarding the interhousehold or intracommunal dynamics that have shaped and reinforce the disadvantaged position of their target population.

In terms of actions, Jóvenes en Red also incorporates psychosocial assistance and individual coaching, orientation and mentoring workshops, and other forms of interventions that seek to help youths in vulnerable situations. The program is notable for its strong monitoring practices: it tracks results by measuring the percentage of participants that access some form of education, employment option, sociocultural activity, or health care program. By closely monitoring participants, the program has uncovered areas that require adjustments, such as the perception among applicants that the program provides limited training or skills, or the fact that participants report stigmatization during their reinsertion into the education system or job market.  

Uruguay Crece Contigo also has a robust monitoring strategy, which has allowed pinpointing of nascent challenges. For example, trans women have criticized the emphasis on construction and masonry fields in their training programs instead of other preferred areas such as the beauty industry, clothing gastronomy, and computer science. Other programs, however, lack this type of monitoring. Major slum upgrading and territorial development programs, which by definition target geographically segregated communities, focus on valuable aspects of urban planning and spatial integration but neglect education, health, job creation, or community empowerment support focused on particularly vulnerable excluded households, which are the most at risk of becoming the victims of gentrification.

Assessing whether a program is socially inclusive can lay the groundwork for a new generation, or a revamping, of programs. This could combine actions that promote community engagement to raise the voice of the excluded while avoiding fragmentation in smaller programs and strengthening interinstitutional coordination. It can also help in the transition from antipoverty programs to initiatives that explicitly tackle exclusion.

To be sure, social programs in Uruguay have been very successful in fomenting social inclusion, and are worth emulating in the light of their success in reducing poverty and inequality. However, the robust institutional and legal framework, along with its progressive social expenditure and fiscal policies, has not been enough to close the gaps in relation to some households—namely, those led by single women, Afro-descendants, or LGBTI+ people, or that have a member with disabilities. This is where a new generation of social programs should focus. The proliferation and fragmentation of programs may be making things harder by diffusing results and lessening coverage. It may also make monitoring and interinstitutional coordination complex, hindering the ability to truly understand why some excluded groups are not being reached.

Affirmative action and spatial distribution policies are two areas that Uruguay has successfully promoted in recent years. In what follows, we explore briefly their

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147 Ministry of Social Development, Office of Planning and Budget, Mapping of Public Initiatives Aimed at Labor and Productive Inclusion of Vulnerable Sectors.
Affirmative Action: Expanding Access to Labor Markets and Education

Affirmative action is one of the tools that Uruguay is using to broaden access to education and decent work. Uruguay has actively adopted several laws establishing quotas to bridge the educational attainment gap and expand employment opportunities for groups that have historically been discriminated against: persons with disabilities, transgender people, and Afro-descendants.

In 2010, Uruguay passed Law 18.651, on Integral Protection of Persons with Disabilities, following the 2009 ratification of the United Nations Convention on the Rights of Persons with Disabilities. The law provided guidelines to assist the public sector in moving forward on this matter. Among other things, the law (a) established the National Honorary Commission for the Disabled; (b) mandated a 4 percent public sector employment quota for persons with disabilities among the total of vacancies created annually; (c) authorized the Ministry of Labor and Social Security to propose incentives and benefits for parastatal entities and the private sector to hire persons with disabilities; and (d) outlined the State’s obligation in taking additional actions regarding educational programs, employment, and professional training. The legal action has been complemented by other initiatives, such as protective production workshops (talleres de producción protegida), created in 2013 by Law 19.159, which are nonprofit organizations that aim at providing labor skills to persons with disabilities to help their insertion into the labor market.

In 2018, Law 19.691 was passed, establishing employment quotas for persons with disabilities for the private sector. This new law requires all private sector employers who have 25 or more permanent workers to hire a percentage, depending on the total number of employees, of persons with disabilities among the vacancies created annually.

It also requires that the employer grant reasonable accommodation to workers with disabilities to fulfill their duties. The employer is responsible for

148 Affirmative action has never been properly defined, though it has often been linked to policies developed in the United States of America, mostly aimed at ensuring equal employment and education opportunities. Affirmative action was supposed to correct structural injustices in the status quo that negatively impacted the opportunities of excluded groups. Over the years, several United States judicial rulings have defined the scope of affirmative action, narrowing its interpretation to a specific set of policies that allowed using race as a positive criterion for assessing school or job applications. Throughout the second half of the twentieth century, affirmative action was embraced by the American civil rights movement and played a pivotal role in bringing issues of discrimination to the forefront of the policy dialogue. The countries that have incorporated affirmative action have so far done so in association with quotas, with varying degrees of success. Affirmative action arrived much more recently to Latin America, with positive examples in both the private and public sectors.


150 This Commission is presided over by the Ministry of Social Development (MIDES), the Ministry of Public Health, the Ministry of Education and Culture, the Ministry of Labor and Social Security, the Faculty of Medicine of the University of the Republic, the Central Board of Directors of the National Administration of Public Education, the Congress of Mayors, the Faculty of Odontology of the University of the Republic, the National Institute of the Child and the Adolescent of Uruguay, the Social Security Bank, the State Insurance Bank, the Honorary Commission of the Psychopath Board, the Faculty of Social Sciences of the University of the Republic, other delegates as needed, and one delegate of each organization of people with disabilities.

151 Public sector employment quotas have also been adopted in several countries in the region, including Argentina, Bolivia, Brazil, Costa Rica, Ecuador, El Salvador, Honduras, Panama, Paraguay, Peru, and Venezuela. See https://www.incluyeme.com/paises-obligatorios-los-cupos-cuotas-contratar-personas-discapacidad/.

152 The law can be found here: https://parlamento.gub.uy/documentosyleyes/leyes/ley/19691. Other countries, including Argentina, Brazil, Chile, Ecuador, Nicaragua, Panama, Peru, and Venezuela, have also enacted similar legislation for the private sector. See https://www.incluyeme.com/paises-obligatorios-los-cupos-cuotas-contratar-personas-discapacidad/.

153 Law 19.691 permanently exempts any private enterprise with less than 25 permanent workers from implementing the employment quota. During the first year of implementation, private enterprises with less than 30 permanent workers are also exempt from the law. However, during the second year they will be included if they have 25 or more permanent workers.

154 Accommodation in this sense refers to adaptability and is defined in Law 18.651 as the possibility of modifying the physical surroundings to make them completely and easily accessible for persons with disabilities. The Convention on the Rights of Persons with Disabilities defines reasonable accommodation as necessary and appropriate modification and adjustments not imposing a disproportionate
providing suitable accessibility conditions to ensure the proper fulfillment of the worker’s tasks. The implementation of the law can benefit from the lessons of private sector companies that already hire persons with disabilities.

One of the main achievements of Law 18.651 has been to emphasize that persons with disabilities have the right to work, which has sparked a debate about the importance of their inclusion. However, there has not been a single year when the full quota has been achieved in the public sector since 2010. The highest rate reached was 1.3 percent of recruits in 2017. Moreover, not all public agencies disclose and send the required information to the National Civil Service Office (Oficina Nacional del Servicio Civil; ONSC), or the information sent is incomplete, yet reporting has significantly improved over the years. While in 2010 only 84 percent of public agencies reported on their compliance with the quota for persons with disabilities, this increased to 98 percent in 2016.

Although reporting by public agencies is growing, the audit mechanisms are not properly in place and the sanctions established by the law are not being applied, thus generating low incentives for compliance. This is reinforced, inter alia, by low levels of accessibility in many public buildings and to the computer software commonly used by staff workers of public institutions.

Staff members from agencies that complied with the quotas in 2017 stated that the main factors underlying their success were (a) a committed management; (b) training of resource management and other staff; (c) support from organizations of persons with disabilities; and (d) the use of the database created by the National Honorary Commission for the Disabled, which includes CVs and other relevant data from persons with disability that are looking for jobs.

Uruguay has also made significant efforts to combat ethno-racial discrimination. In 2013, Congress passed Law 19.122 on Affirmative Actions for Afro-descendants. This legislation (a) establishes an 8 percent employment quota of the total annual post openings; (b) mandates the National Institute of Employment and Vocational Training (Instituto Nacional de Empleo y Formación Profesional, INEFOP) to assign at least 8 percent of the capacity of any of its training programs to the Afro-descendant population; (c) requires that any scholarship or support for students assigned at the national or departmental level should establish a quota for the Afro-descendant population; (d) assigns fiscal benefits to companies that hire Afro-Uruguayans (alluding to Law 16.906); (e) promotes the integration of Afro-descendant culture and legacy in education programs; and (f) creates an Interministerial Commission to supervise the proper enforcement of the law and a Consultative Council with members of civil society.156

An assessment conducted by the Office of the Presidency (AGEV-OPP) found that Law 19.122 has had mixed results, with more positive outcomes on the education quotas than on the employment quotas and with limited data availability to assess the skills training component. The scholarships considered by Law 19.122 cover basic education (BAE), high school (CE), and postgraduate studies (CQ). Between 2014 and 2018 more than 8 percent of beneficiaries self-identified as Afro-descendants, complying fully with the legal requirements.157 The number of self-identified beneficiaries in this period for each scholarship was 17 for CQ, 3,752 for BAE,
and 5,043 for CE. It is important to note that eligibility for these scholarships is assessed according to the Index of Critical Deprivations (Índice de Carencias Críticas; ICC). Given the overrepresentation of Afro-descendants in the population eligible according to this index, it is expected that the quota would be reached independently of ethno-racial targeting. Nevertheless, evidence shows a redistribution of scholarships to Afro-descendant students and an increase in applications from Afro-descendant youths—a 15 percent increase between 2017 and 2018 (figure 10). However, the data also show a significant shortage in coverage. For instance, in 2017, only 19.7 percent of all Afro-descendants who applied for the BAE scholarship received it.\(^\text{158}\)

The findings are less positive with regard to public employment quotas. Between 2014 and 2017, only 58.5 percent of the government agencies announced targeted quotas for Afro-descendants in their vacancy advertisings.\(^\text{159}\) In fact, only 1,117 Afro-descendants have benefited from the State employment quota, from a total required by law of 4,699 positions. The 8 percent employment quota was never accomplished between 2014 and 2018. As table 8 shows, 2015 had the highest number of quota entries, with only 2.7 percent, followed by 2 percent in 2017.\(^\text{160}\) It is also worth highlighting that the number of fully compliant public agencies is very low, with the highest compliance rates belonging to the Executive Branch. During the last two years only one public agency has been fully compliant with the quota.

There is little to be said on the enforcement of the skills training component. Data collection and information systems in INEFOP had not been disaggregated along ethno-racial variables for analysis at the time of writing this report. It was only in 2018 that a workplan was approved in INEFOP to enforce the requirements of the law.\(^\text{161}\) However, in 2018 the quota was surpassed with 11.7 percent of participants self-identifying as Afro-descendants, of which 60 percent were women and 0.5 percent trans people or people that did not identify with either gender. Among Afro-descendant beneficiaries, 13.9 percent had completed primary education, 26.6 percent had completed junior high

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\(^{158}\) Office of Planning and Budget, National Public Policy Strategy for the Afro-Uruguayan and Afro-descendant Population by 2030, Annex 3.

\(^{159}\) Ibid.

\(^{160}\) These numbers include the quotas for the Ministry of National Defense and the Ministry of the Interior; both of which have separate laws regulating these issues. Ibid.

\(^{161}\) Ibid., 75.
school (enseñanza media básica), 27.2 percent had completed high school (enseñanza media superior), and 13.7 percent had completed tertiary education. The participation of Afro-descendants was higher in certain programs, such as Labor Orientation (37.7 percent), Projoven (15.71 percent), and Emprende (14.75 percent). INEFOP reported taking several proactive measures to improve its outreach and information systems.

Finally, there are also positive externalities associated with the quota systems, such as an increased awareness on the importance of diversity and a greater visibility of the ethno-racial inclusion agenda in the public debate. For instance, a recent survey conducted by the OPP showed that 45 percent of agencies had designed and implemented awareness trainings and capacity-building activities on the inclusion of Afro-descendants.162

Finally, in 2018 the country passed Law 19.684 on Integral Legislation for Trans People.163 This law seeks to promote gender equity and combat gender-based discrimination. The legislation establishes a 1 percent quota of all job positions to trans people and a similar quota at INEFOP for skills training and capacity-building activities. The law also advises education institutions to provide psychological, pedagogic, social, and economic support for trans students, reserving 2 percent of national and departmental scholarships and 8 percent of financing of the postgraduate CQ Scholarships to trans people.164

The approval of the law was followed by controversy. Several opposition legislators claimed that approving the law implied granting privileges to a group over the rest of society, adding that the law might lead to transphobia. While approved in October 2018, the law returned to public debate at the beginning of 2019, after two members of the Partido Nacional (National Party) presented in March 2019 the necessary signatures to call for a referendum to repeal it. According to the petitioners, they had gathered 69,360 signatures (the norm stipulates a minimum of 55,000). The collection of signatures was carried out under the slogan “We are all equal.” The Electoral Court analyzed and validated the signatures. A popular call was organized for August 4, 2019, in which support for the repeal of the law needed to get at least 25 percent of the electoral roll in order to be formally voted in the next national elections. Yet, fewer than 10 percent of eligible voters supported the measure, which was claimed as a victory of the Uruguayan LGBTI+ community.165

### Table 8: Compliance with Law 19.122: Employment Quotas for Afro-Descendants

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Afro-descendant new recruits</td>
<td>140</td>
<td>341</td>
<td>275</td>
<td>361</td>
</tr>
<tr>
<td>8% of total vacancies</td>
<td>1,055</td>
<td>1,006</td>
<td>1,237</td>
<td>1,401</td>
</tr>
<tr>
<td>% represented by AD recruits</td>
<td>1.1</td>
<td>2.71</td>
<td>1.78</td>
<td>2.06</td>
</tr>
<tr>
<td>Number of fully compliant public agencies</td>
<td>4</td>
<td>3</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: Elaboration based on ONSC reports 2014–17.

Note: AD = Afro-descendant.

162 Ibid.
164 The law also establishes an economic subsidy of US$338 per month for people born before 1975 who prove that they were persecuted during the military dictatorship because of their gender identity. Trans people are also recognized as a priority population for access to housing.
Box 7. Lessons Learned from Uruguay Trabaja and Primera Experiencia Laboral

Uruguay Trabaja and Programa Primera Experiencia Laboral\(^a\) are two cases of affirmative action that offer important lessons. In 2013, the reform of Law 18.240 introduced mechanisms to ensure equality of opportunity in accessing the program. Hence, in 2014 MIDES introduced the following quotas: 8 percent for Afro-descendants, 4 percent for persons with disabilities and 2 percent for trans people. Similarly, Law 19.133 on Youth Employment established the following employment quotas in MIDES’ program Primera Experiencia Laboral: 50 percent for young women, 8 percent for Afro-descendant youths, 4 percent for youths with disabilities, and 2 percent for trans youths, with a subsequent addition of 11 percent for people from vulnerable households. In terms of employment quotas for trans people, Uruguay Trabaja is the program with the greatest number of trans beneficiaries, reaching 337 members between 2014 and 2016. Studies show that outreach mechanisms targeting potential trans beneficiaries effectively were instrumental in achieving such an uptake.

While both have been successful at bringing in excluded groups, three overarching lessons can be drawn.

1) Activities and employment opportunities need to be more diverse and greater efforts are required for matching the jobs with the aspirations of candidates. For instance, whilst surveys indicate that the majority of trans women are interested in pursuing hairstyling or cosmetology, the jobs offered were mainly limited to carpentry and construction.

2) The time frames are too short to create opportunities to build a network of support for reentering the job market successfully once the program ends. Stronger support for program graduates during this delicate transition is needed.

3) The goal of the programs is to support beneficiaries in reentering the labor market, but also to increase their self-esteem and dignity. Yet, further efforts should be put into this second area. For social workers and technical personnel, especially in traditionally male-dominated areas such as construction, beneficiaries point to the need to incorporate informational sessions and learning activities in themes such as sexual orientation, gender identity, and gender expression to increase sensitivity and unintended discrimination.

\(^a\) “Uruguay Works” and “First Work Experience Program.”

Given its recent passage, there are few data to assess progress of the quota for trans people. Yet, the law has faced public scrutiny and legal challenges, illuminating the extent to which quotas can be politically sensitive.
Lessons Learned

Several persistent challenges still impede the full enforcement of quota systems in Uruguay and elsewhere. Quotas can be useful to counter conscious or unconscious biases or structural barriers that limit the access of an excluded minority to the education system or the job market, despite having the necessary skills or background. But for quotas to work there has to be a critical mass of eligible beneficiaries (for example, youths with secondary education or professionals with the necessary skills). Quotas do little for groups that might have problems completing primary or secondary education, or who are only prepared for unskilled and low-paying jobs.

In 2017, Afro-descendant youths were 20.7 percent less likely to have completed secondary education when compared to non-Afro-descendants. Only 25 percent of trans people in Uruguay had completed primary education, 3 percent had completed high school, and only 1 percent had completed tertiary education. The educational attainment of persons with disabilities varies greatly depending on the type and severity of the disability, but in all cases the achievement of tertiary education is significantly lower than that of persons without disabilities.

Employment quotas therefore tend to benefit the more educated and better-off subset of excluded populations. The rest will only be suitable for low-skilled, low-paying jobs. For this to change, Uruguay needs to focus strongly on the education of these groups to boost the educational attainment of younger cohorts to fulfill the quota in future. There is, arguably, an indirect benefit to vulnerable minorities within excluded groups from fostering their collective voice and agency via the creation of a representative elite or by generating role models that can contest stereotypes. But quotas are insufficient to level the playing field when conceived in isolation, without addressing the multiple layers of exclusion that affect an excluded minority, such as deficits in early childhood care and primary education, poverty, societal prejudices, barriers imposed by spatial segregation, or other intrahousehold and intrasocietal dynamics.

Additionally, in practice, employment quotas tend to be concentrated in low-skilled, low-paying jobs. One illuminating example is the case of the Ministry of Defense. Data from ONSC show that the majority of male Afro-descendants who got jobs as part of Law 19.122 did so in low-ranking positions in the National Defense Ministry or the Ministry of Interior, whilst women were employed in administrative tasks. Afro-descendants are still overrepresented in jobs requiring low skills and underrepresented in positions requiring high skills or professional jobs.

A survey conducted by OPP in 2019 showed that it was common practice in job advertisements for positions to comply with Law 19.122 to assign employment quotas to tasks with high demand and a broad base of applicants, which has the implicit bias of limiting quota applications to low-skilled jobs. Similarly, an ONSC report shows that in 2017 most positions for persons with disabilities were in administrative tasks and auxiliary jobs, with only two professional technicians. In the case of persons with disabilities, this tendency is also reinforced by the fact that the pension for disability has a clause that only beneficiaries with incomes below a third of the pension’s amount are eligible. This might create unintended incentives for persons with disabilities to look for low-skilled or informal work that would not exclude them from the pension.

166 This challenge was highlighted in the workshop with disability experts, who emphasized that in addition to inclusive education, efforts should be strengthened to include a focus on soft skills, job competencies, and professional training. Furthermore, in this workshop it was recommended that the minimum requirements of certain vacancies be reconsidered, as some requirements (such as completed secondary education) might limit the eligibility of some applicants, and perhaps the job itself did not necessarily require that level of education.


168 As of May 2019, this would mean close to 33,500 Uruguayan pesos (US$950). More information on the disability pension is available at https://www.bps.gub.uy/bps/file/6143/2/4-19-2013-nuevo_reglamento_pv-pi.pdf.
Another aspect to consider is overlapping disadvantages within excluded groups. Even when Afro-descendants are employed in compliance with Law 19.122, further efforts need to be incorporated to reach vulnerable groups within the Afro-Uruguayan community. For instance, today, the majority of the job positions offered through the quota system are filled by men ages 17 to 29 years. Women and older men are less likely to benefit from the employment quotas. However, Afro-descendant women have the highest unemployment rate in Uruguay with a 14.1 percent rate compared to the national unemployment rate of 8.1 percent and the 11 percent unemployment rate for Afro-descendant men.\(^\text{169}\)

While Law 19.122 does refer to the importance of considering gender aspects, this has not fully translated into actions that would increase the number of Afro-descendant women that benefit from the quota system. Similarly, early lessons of the quota system in the Uruguay Trabaja program hint at service delivery issues that impact the experience of trans women. Between 2014 and 2016, the acceptance of trans women decreased in comparison to trans men. A plausible explanation is that the opportunities offered were concentrated in the construction sector, which are perceived as male tasks, and could be seen as a particular affront to their gender identity. The urgency of addressing this group is reflected in the limited job opportunities for trans women, 70 percent of whom are or have been engaged in sex work (according to the trans census).\(^\text{171}\)

Another challenge related to the implementation of employment quotas is the intrinsic subjective issues of self-identification, due in part to the enduring stigma associated with folk Afro-descendant categories, such as negro or moreno. The history of discrimination and exclusion leads many Afro-descendants to refuse to identify as such, making them miss opportunities and limiting the application scope of the law.\(^\text{170}\)

Another related issue is potential discrimination within the subgroup. In Uruguay, some beneficiaries of pro-trans policies such as Uruguay Trabaja were considered not “trans enough” or “newly trans,” somehow questioning their right to apply for these programs.\(^\text{171}\) As an interviewee put it: “It generated something like a trans-barometer. To see who was ‘more trans’.”\(^\text{172}\) Thus, the creation of these policies should consider the societal and political considerations of ascription to groups with stigmatized histories, to avoid new forms of discrimination. People who were disadvantaged in the past for not being “white enough” or “cissexual enough” might now be questioned for not being “black enough” or “trans enough.”\(^\text{173}\)

The verification of one’s disability to qualify for quotas is also not without challenges. During an experts’ workshop with key stakeholders on disability inclusion organized for this report, participants pointed out that channels to access the National Registry of People with Disabilities should be granted to all Uruguayans in a decentralized manner. As of May 2019, the first steps of the registration process can be completed online, but it is required for people to finalize the process in person,\(^\text{174}\) which could be difficult for persons with disabilities. In addition, it was also highlighted that the requirement for persons with disabilities that are looking for jobs (who need to be registered to be considered in the application process) could be seen as discriminatory, since they are the only group that needs such verification.


\(^{172}\) Interview quotes in Ministry of Social Development, Trans People and Labor Inclusion in Uruguay.

\(^{173}\) Germán Freire et al, Afro-descendants in Latin America.

\(^{174}\) More information is available at http://pronadis.mides.gub.uy/62728/registro-de-personas-con-discapacidad.
Additional obstacles refer to the lack of enforcement mechanisms or penalties for noncompliant organisms. There are no formal mechanisms to process complaints or receive feedback from potential beneficiaries or other stakeholders. A commission was established to monitor and enforce the different quota laws, chaired by MIDES, but it lacks the resources and the political capacity to enforce their implementation.

Understanding the scope of the law is an additional challenge. A survey conducted by OPP showed that knowledge of Law 19.122 amongst the staff who were meant to apply it was limited. Only 37.7 percent of the respondents understood the specifics of the legislation, whilst 22.6 percent said that they knew the law in general terms, and 13.2 percent did not know the law and had no interest in knowing about it. The study also showed that 15 percent of interviewees did not consider the overall actions of the law to be pertinent to their departments, and 19 percent did not consider the labor quota pertinent at all.

The Human Rights National Institute and Ombudsman (Institución Nacional de Derechos Humanos y Defensoría del Pueblo; INDDHH) highlighted that structural racism was the underlying cause behind the low application of the Afro-descendant law. In addition to operational considerations (for example, how a vacancy posting is defined, whether 8 percent was a maximum cap, to what type of vacancies did it apply), the main concerns related to the idea that employment should be given according to merit, irrespective of other considerations, such as ethno-racial identity. Other studies also established that affirmative action seems to go against the Uruguayan cultural belief that public policies should be universal and egalitarian, highlighting a friction between equality and equity.

Prejudices are also a common obstacle for employers when hiring persons with disabilities, as they continue to fear that they are unqualified and unproductive. A survey conducted by MIDES, to assess the program Uruguay Trabaja, showed unanimously that interviewees considered the fulfillment of the disability quota the hardest to attain, due to the diversity of situations that could impact the delivery of technical work. Other respondents mentioned issues related to the inclusion of these groups within the team and the potential discrimination, either covert (for example, when teams inadvertently isolated a deaf colleague in day-to-day interactions given their inability to speak sign language) or overt (for example, referring to cases of homophobic or transphobic behaviors). An interviewee explained how a homophobic public servant covered his ears for 40 minutes during an awareness training session. Interviewees also explained that they had not integrated or fully understood in their lingo the recognition of trans identities or that the information systems in place might not recognize name changes. They found that the private sector was hesitant to take on trans candidates, even when having the same qualifications as their non-trans peers.

Most of the challenges above are expected to be present in the implementation of Law 19.691, which established quotas to promote access to employment opportunities for persons with disabilities in the private sector. In addition, according to the survey conducted by the World Bank of public servants, civil society, and the private sector, the main challenges expected for its implementation are linked to the perceptions that (a) it will be difficult for employers to find skilled candidates to comply with the quota; (b) the costs of adapting offices to the potential needs of persons with disabilities will be high; and (c) there will be other costs associated with hiring persons with disabilities (for example, they might

175 Office of Planning and Budget, National Public Policy Strategy for the Afro-Uruguayan and Afro-descendant Population by 2030, Annex 3.
176 Ibid.
177 Ministry of Social Development, Trans People and Labor Inclusion in Uruguay.
179 Focus group discussion, Cerro Largo. See Ministry of Social Development, Trans People and Labor Inclusion in Uruguay.
180 Ibid.
require more leave days than other employees). For instance, Article 10 of Law 19.691 gives three months of extraordinary unpaid leave in addition to annual and sick leave.

In sum, quotas can be a good tool for social inclusion if implemented adequately, bridging some education and labor gaps. However, quotas are not a panacea and the public and political discourse needs to avoid relying on a partial solution for a problem that calls for a multilayered and integral response.

Partial inclusion policies such as quota systems need to be complemented with policies that strengthen the educational outcomes and the employability of excluded groups, which should take into account the cumulative disadvantages faced by these groups throughout their life cycle. Quotas have to be considered within a long-term and structural strategy, otherwise they are likely to fail and reinforce the types of stereotypes and prejudices that led to social exclusion in the first place.

Spatial Distribution Policies: Improving Access to Spaces

Uruguay has adopted a range of policies for improving access to spaces, which include strengthening legal frameworks, expanding access to housing, integrating informal settlements, and optimizing land use. Through these efforts, Uruguay has made formidable progress in offering adequate housing for the poor. However, these policies have varying degrees of success when it comes to closing the gaps affecting excluded groups.

Uruguay has put together a comprehensive legal framework for designing spatial distribution policies across national, departmental, and municipal levels (Law 18.308, on Territorial Planning and Sustainable Development). Although this legislation aims at decentralizing spatial distribution policies, it still lacks an explicit framework for eliminating disparities associated with ethno-racial and gender identities, disability status, or age (and their mutual intersection). It does not single out the need to address the priorities of excluded groups or the ways in which their viewpoints can be integrated into spatial distribution programs. Similarly, the System of Territorial Information (Sistemas de Información Territorial) does not indicate how these data sources are being used by staff for crafting plans that respond to the needs of targeted beneficiaries, or if such sources even contain disaggregated data (by ethno-racial identity, gender, disability status, or age). This sort of disaggregated mapping can make territorial planning into a tool for improving action to combat structural forms of inequality.

The departments that have the highest concentration of Afro-descendants are incidentally those that have lower levels of municipalization, which can further obstruct their participation. One study also found a range of barriers for the participation of persons with disabilities, including physical barriers in public buildings; barriers in communication (such as lack of knowledge of sign language by government officials and lack of adaptation of materials to accommodate persons with visual impairments or persons with intellectual disabilities); bureaucratic procedures that might require multiple visits to multiple offices, complex procedures, or procedures that require signing print-based documents without support for the blind or accessibility; and attitudinal barriers.

As local territorial plans are being updated to reflect the parameters of the New Urban Agenda (adopted at the United Nations Conference on Housing and Sustainable Urban Development in Quito, Ecuador; October 2016), Uruguay needs to include gender, ethno-racial, and social disparities as essential dimensions in inclusive territorial development. This requires, among other things, an integral approach...
that moves beyond bricks-and-mortar interventions and considers integral solutions to multilayered exclusion.

**Access to Housing**

Access to housing has been a priority of spatial distribution policy. The Five-Year Housing Plan (Plan Quinquenal de Vivienda 2015–2019) has set housing goals across all levels of government. In this plan, housing is defined as a human right that can reduce socioeconomic disparities and serve as an instrument of wealth redistribution. The plan seeks to provide housing for poor and excluded groups, while addressing long-standing patterns of spatial segregation. Rather than expanding the urban fabric, it calls for using consolidated areas, tapping into the accumulated investment in infrastructure in the form of electric grids, roads, water and sewerage lines, public spaces, and educational and health care facilities.

Uruguay’s housing efforts have contributed to a rise in homeownership, which increased 10.4 percent between 1996 and 2011. However, there are no disaggregated data for analyzing the extent to which excluded groups have fully benefited from this trend. Some available indicators suggest that, although these policies may have helped reduce homeownership gaps, they are far from closed. For instance, for those living in informal settlements, there was an 8 percent increase in homeownership for non-Afro-descendants between 2009 and 2017, but only a 1 percent increase for Afro-descendants. Additionally, data from ECH 2017 show that female-headed Afro-descendant households are 9 percentage points less likely to own their home than the overall population.

Homeownership for the trans population also remains extremely low, at 16 percent (2016 trans census). Furthermore, qualitative data suggest that trans people living in the street encounter housing barriers. One study conducted in Rivera found that the city shelter did not admit trans people, leaving them unattended. Although the number of trans people in Uruguay is low, there are no focalized housing policies that take into consideration their urgent needs.

As part of its housing policy, Uruguay passed a National Rental Policy for Social Interest Housing, which includes an agreement between the Ministry of Housing, Territorial Planning, and Environment and the National Women’s Institute (Instituto Nacional de las Mujeres) of the Ministry of Social Development (InMujeres-MIDES) to provide temporary rental housing for women that are transitioning away from situations of domestic violence. The Ministry of Housing, Territorial Planning, and Environment also created the Gender, Housing, and Habitat Commission (Comisión de Género, Vivienda, y Hábitat), and included a gender-responsive approach in the Five-Year Housing Plan 2015–2019. Yet, there are few indications of multisectoral steps for increasing women’s access to decent houses and high-quality public spaces. A similar gap is found in the attention to persons with disabilities and to older adults. In the context of a country with an aging population, housing plans need not only to ensure solutions accessible to older adults and persons with disabilities but also to promote equal mobility across all urban spaces.

In recent years, the Ministry of Housing, Territorial Planning, and Environment has invested resources for building homes for the lowest quintile of the

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182 The Constitution (Article 45) guarantees the right to housing.
184 While the plan refers to excluded or vulnerable groups, it is not clear how these are defined.
186 Ibid. 88.
population, but these solutions can also fail to address other forms of exclusion, such as those found in the labor market. Excluded groups are more susceptible to being unemployed or working in the informal sector. The absence of formal, income-generating sources can disqualify people from programs channeled through the BPS, which serves retirees that have made pension contributions. Such absence can also make the transition to social interest housing ineffective in addressing socioeconomic gaps, since residents remain excluded from decent work.

Housing policies are not sufficiently intertwined with other efforts geared toward attaining inclusion in the labor market, especially for women, youths, persons with disabilities, and Afro-descendants. A key objective of housing policies is to improve urban connectivity, as safe, affordable, and sustainable public transportation services are crucial for social inclusion. The Mobility Plan for Montevideo, published in 2018, recognizes urban accessibility and social inclusion as guiding strategic principles to promote equitable access to urban life. The plan also recognizes the need for principles of infrastructure design to be applied consistently and equitably through the urban environment. Since it is still being rolled out, there are no formal evaluations of the impact of the plan or publicly available data on monitoring of the different activities.

On a broader scope, Uruguay has implemented a series of measures aimed at urbanizing informal settlements, including actions for their eradication, relocation, and regularization, as well as for preventing new settlements. The National Relocation Plan (Plan Nacional de Relocalización) seeks to relocate households living in at-risk areas, whereas the Plan Juntos (“Plan Together”) and the Neighborhood Improvement Program (PMB) target areas that require critical assistance in terms of housing conditions and urban infrastructure.

These efforts have contributed to a drop in the number of informal settlements. Between 2006 and 2011, the PMB was able to regularize or relocate 91 informal settlements. From 2011 onwards, between PMB and the National Relocation Plan, 42 irregular settlements were regularized or relocated, representing 3,217 houses. New settlements were formed during this same period (9 in the first case and 45 in the second). Yet, the new settlements tended to be smaller (99 inhabitants on average) in contrast to those that were resettled (430 inhabitants on average). The PMB has been recognized for improving connectivity between informal settlements and the rest of the city, increasing the coverage of basic services, and constructing high-quality public spaces for excluded populations, including CAIFs and neighborhood policlinics (policlinicas barriales). The Ministry of Housing, Territorial Planning, and Environment has also worked alongside other government programs, such as Uruguay Crece Contigo, Cercanías, and Jóvenes en Red, to revert situations of food insecurity, extreme poverty, and unemployment. Yet, the evaluation reports mention


191 Municipal Administration of Montevideo, Mobility Plan 2010–2020, 23.


193 This shows that the new settlements formed were significantly smaller, with an average size of 44 houses. Ministry of Housing, Territorial Planning and Environment and Neighborhood Improvement Program, Update of the National Cartography of Irregular Settlements, 8–9.


195 Ibid., 37–38.
difficulties in interinstitutional coordination.\textsuperscript{196} In the case of Jóvenes en Red, housing is a common request from participants, which the institution is unable to address.\textsuperscript{197} Housing is also one of the main concerns of the beneficiaries of the program Cercanías, but staff members on the ground do not know exactly how to assist them. The lack of coordination on the ground can lessen the effectiveness of these programs in addressing spatial disparities.\textsuperscript{198}

Implementation of these programs over numerous years has provided valuable lessons for tackling spatial exclusion. First, community members should be the main protagonists in improving neighborhoods. Participation is an essential aspect to guarantee the success of a program when it comes to prioritizing the challenges communities face, identifying interventions, and ensuring their sustainability. Second, communication between actors is key to managing expectations and ensuring access to information. This can help build ownership, trust, and confidence among beneficiaries. Third, each neighborhood is distinctive and thus methodologies should be flexible enough to account for different needs and challenges as well as community dynamics. Fourth, interventions need to be integral, requiring close cooperation between different actors and institutions within each territory. Fifth, municipalities are key actors in the implementation of neighborhood projects, and they should be involved since the early stages of the design—which is often hampered by the lack of financial and human resources.

The Five-Year Housing Plan has also identified several challenges surrounding programs that aim to integrate informal settlements. One of them is the high demand for land and resources for relocation and the challenges of intervening in areas with significant environmental and social risks.\textsuperscript{199} Other efforts remain overtly centered on generating housing solutions\textsuperscript{200} without addressing other drivers of exclusion.\textsuperscript{201} Policies exclusively aimed at relocation can also run the risk of aggregating vulnerable groups in limited areas and compounding the issue of homogeneity in neighborhoods.\textsuperscript{202} The lack of disaggregated data by gender, socioeconomic status, or ethno-racial background can make it difficult to track the effectiveness of these programs in serving excluded groups.

In sum, while it is clear that housing and urban policies need to be people centered, in Uruguay it is not clear how the participation of all relevant stakeholders—especially members of excluded groups—is being integrated into the design, implementation, and evaluation of such programs.

\begin{itemize}
\item[] \textsuperscript{196} National Directorate of Evaluation and Monitoring, Proximity Programs Commission, Reflexiones comparativas entre UCC, JeR, y Cercanías (Comparative Reflections between UCC, JeR, and Cercanías) (Montevideo: December 10, 2015).
\item[] \textsuperscript{198} National Directorate of Evaluation and Monitoring, Informe de evaluación cualitativa Programa Cercanías (Qualitative Evaluation Report of Cercanías Program) (Montevideo: Evaluation Division, National Evaluation and Monitoring Directorate, December 2014), 35.
\item[] \textsuperscript{199} Ministry of Housing, Territorial Planning, and Environment, Five-Year Housing Plan 2015–2019, 69.
\item[] \textsuperscript{200} On the positive side, the program has stimulated the housing market in areas of previously low activity and has encouraged the use of different construction methods, such as self-construction or agreements with cooperatives. Ibid., 19–20.
\item[] \textsuperscript{201} Ibid., 19.
\item[] \textsuperscript{202} Housing solutions targeted exclusively at the poorest income quintile have tended to create, in other places, poverty traps as the agglomeration of people from the lowest quintile limits networking and might entrench prejudices and stigma. Ibid.; see also United Nations Human Settlements Programme, The State of Latin American and Caribbean Cities 2012, 68. The fragility of labor status of the residents also limits the opportunities for reciprocity, making community social networking weak. See also Ruben Katzman and Alejandro Retamoso, Residential Segregation in Montevideo: Challenges to Educational Equality (Montevideo: Catholic University of Uruguay, 2006), 136.
\end{itemize}
FINAL THOUGHTS: TOWARD A NEW GENERATION OF PROGRAMS
Final Thoughts: Toward a New Generation of Programs

Over the past decade and a half, Uruguay has achieved near universal access to primary education, health care, electricity, and water, among other essential services. Disadvantaged children have gained access to new technologies through innovative education programs, while over 87 percent of the population of retirement age is covered by the pension system. Uruguay has much to be proud of, and much to teach to the region.

However, as everywhere else in the region, exclusion has proved persistent, particularly for historically excluded groups. In this report, we have focused on the gaps and challenges faced by Afro-descendants, women, people with disabilities, and trans people. The data show that these groups have benefited less than others from the opportunities opened by the Uruguayan State and, therefore, continue to be vulnerable to economic downturns, political instability, and environmental shocks.

One of the main messages of the report is that exclusion is the result of complex interactions at the individual, societal, and institutional levels, which conspire to produce disadvantaged outcomes. Social policies can fail if they do not make the right connections. What works for everyone else does not necessarily work for excluded minorities, for reasons that are difficult to single out.

A new generation of social programs should change the approach from tackling poverty to redressing exclusion, which does not necessarily imply more resources or new programs, but changes in focus and reorganization of the existing ones. Often, a small tweak in preexisting programs makes them more sensitive to the needs and aspirations of chronically excluded people. Policies that put social inclusion at their core do not necessarily do more, but they do things differently.

Atomization and lack of coordination between programs and sectors targeting similar or the same objectives contribute to inefficiencies that not only waste resources but might be perpetuating exclusion. A review of the current policy and institutional matrix for social inclusion should focus on combined and multisectoral strategies to better target vulnerable households. This requires creating incentives for interinstitutional cooperation, with clearer responsibilities, funding, data, and measurable goals.

Uruguay could also benefit from an optimization of the robust but entangled net of urban programs in order to break poverty traps in lagging regions and neighborhoods. A new generation of spatial programs should note the geographic concentration of poverty but also the fact that excluded groups are affected by segregation in dissimilar ways. National and local governments need to invest more in integral habitats.
and housing projects that look at urban planning from the lens of social inclusion.

Whatever the path chosen by Uruguay in its efforts to eradicate poverty, experience shows that without the active participation of excluded minorities, new policies and programs tend to engender old and new prejudices that hamper their success. Increasing the voice and agency of excluded groups—from design through implementation—is the only way to break away with the inertia and the biases that drive exclusion.