Examining claims on Structural Adjustment and Inequality in Latin America

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Abbreviations

EFF:	Extended Fund Facility
GDP:	Gross Domestic Product
IFI:	International Financial Institutions
IMF:	International Monetary Fund
ISI:	Import Substitution Industry
MDSD:	Most Different Systems Design
SACP:	Structural Adjustment Credit Project
SALP:	Structural Adjustment Loan Project
SBA:	Stand-By Arrangement
SDR:	Special Drawing Right

1. Introduction

The Structural Adjustment Programs (SAPs) implemented with the help of the International Monetary Fund (IMF) and The World Bank in the stagnating economies of Latin America in the 1980s, and in general have been a subject of scholarly debate for decades. The influence on economic growth, poverty and inequality[1] has been the main focus of studies, but these policies have also been criticized for their consequences on public health, corruption and the environment. When examining the studies on the relationship between structural adjustment and inequality, SAPs are often criticized for their conditions and consequences which increased levels of inequality. How these policies associated with neoliberal ideology influence inequality is explained, which is endorsed by an increasing unequal distribution of income in this period. However, inequality is a complex phenomenon caused by various interrelated factors that differ in consequences. In Latin America for example, the structure of the post-war economy and the recession that preceded reform might have played a major role in the development of the distribution of income in the 1980s.

This research aims to examine whether SAPs were indeed the main cause of rising levels of inequality in this region. It will do so by testing the claims from the literature on structural adjustment through an examination of the identified causes of inequality in case studies on this subject in Latin America. If the abovementioned theoretical literature is correct, the results of these empirical case studies, wherein the complexity of the causes of inequality can be thoroughly described, will state that SAPs are in fact responsible for rising levels of inequality in this period. As such, this dissertation aims to answer the research question: Are Structural Adjustment Programs identified as the primary causes of rising levels of economic inequality between 1980 and 2000 in conducted case studies in Latin America?

In the next chapter, the nature of structural adjustment will be clarified. In the third chapter, the theoretical framework wherein SAPs are perceived as the cause of inequality in Latin America will be described. In the fourth chapter, the method of analyses will be explained. In the fifth chapter, the examined case studies will be presented. In the final chapter, these findings will be discussed and the conclusion will be presented.

[1] Inequality and economic inequality are used interchangeably in this dissertation. As economic inequality in general is examined, both income and wealth will be included in this research. However, most of the literature used will refer to the distribution of income.

2.Structural Adjustment Programs

Bulmer-Thomas (2014) provides a qualitative overview of the economic history of Latin America. In the early 1980s the region underwent a severe economic crisis, predominantly caused by unmanageable amounts of debt, and stagnating and inefficient economies. Unable to pay their government debts and realizing the problems related to their economy based on Import Institution Industrialization (ISI), the countries in Latin America sought financial help at international creditors such as the International Financial Institutions (IFIs). International banks in America and Europe had such a high level of exposure to Latin American debts that their financial viability was perceived to be at risk. Worried that their interest might be at stake, the governments of advanced economies acted determined to reform the Latin American economies in such a way that economic performance would be improved and debt could be managed again. With active involvement of the Reagan administration, governments, banks, creditors (bilateral and multilateral) and debtor countries had frequent formal and informal meetings and set up a common set of principles guiding the economies back to a healthy performance. The IFIs had a particular important role in this process, and initiated a new type of program that became pivotal in these reforms: the Structural Adjustment Programs. (Bulmer-Thomas, 2014)

Structural Adjustment Programs are policy instruments designed by The World Bank in reaction to economic problems developing countries faced due to the economic/oil crisis of the 1980s (Easterly, 2005). The main objective of these programs was to adjust balance of payments problems while maintaining growth. The IMF had a history of conditioned loans before this period, but Easterly explains that after 1980 the fund changed the nature of these lending facilities by expanding the number and maternity of the loans and by cooperating more intensively with The World Bank. These programs consist of conditions that countries have to comply with in order to obtain a loan from the IFIs. Typical conditions include currency devaluation, reduction of the government budget through higher taxes and lowered spending, liberalization of the domestic markets and privatization of state enterprises, but the implemented policies vary from case to case (Lensink, 1996).

Samuel Morley (1995) has described how SAPs became notorious measures that were implemented in Latin America during and after its debt crisis. His book on the impact of adjustment in Latin America provides an extensive and detailed overview of reform processes and their consequences in the region. Although the countries adjusted some of the inherent problems of the ISI economies predominately found in Latin-America, the backlash of crisis and reform had severe social consequences. The IFIs had been active in these regions before, providing short-term loans to countries with problems related to government debt, inflation and economic performance, but these

loans differed from to new SAPs. Structural adjustment programs and loans were a first in macro-economic adjustment at such a fundamental scale, influencing the economy at the most basic level (Morley, 1995).

The SAPs that will be examined in this study will be both from the IMF and The World Bank. Any Structural Adjustment Loan or Credit Project from the World Bank will qualify as an SAP. The IMF facilities are a little more complicated. Oberdabernig's (2000) research of the influence of IMF SAPs on poverty and income distribution offers a useful guide to the different programs of the IMF. The programs researched in this study include Stand-By Arrangements and Extended Fund Facilities.[2] Oberdabernig (2000, p.2) states:

> *''Stand-By Arrangements (SBA) are generally shorter term agreements which last typically one to two years and imply higher conditionality. They are designed to help countries with more severe disequilibria to address short-term balance of payment problems. The greatest amount of IMF resources was provided under SBAs.*
>
> *The Extended Fund Facility (EFF) was established to help countries with severe disequilibria to address longer-term balance of payment problems which require fundamental economic reforms. The typical EFF program usually lasts three years.''*

As these projects of the IMF and the World Bank differ in size and nature not only as a type, but also as the same type between different countries, comparative research is difficult. [3] However, these loans, the conditionality's attached and the consequences are often so intertwined that separated analysis in almost impossible. When one tries to assess the causes of inequality in Latin America with a focus on the role of SAPs, examining only one of the IFIs SAPs would mean ignoring a very significant section of the studied phenomena. So while acknowledging some limitations, this paper will study both the IFIs SAPs.

3. Theoretical Framework

In this chapter, the ideological debate and general theoretical framework on structural adjustment will be presented first. In the second section, the specific relationship between SAPs and inequality as described in the scholarly literature will be examined. In the third section, the complexity of the

[2] The Structural Adjustment Facility, the Enhanced Structural Adjustment Facility, and the Poverty Reduction and Growth Facility would also qualify as SAPs, but were not implemented in Latin America in the covered period between 1980-2000.

[3] Edwin Truman (2001) formulated a critique towards a research of Easterly on all sorts of SAPs by naming it a comparison of apples, oranges and six other types of food.

relationship between SAPs and poverty will be described, and how this observation shows that there is a need to review the validity of the framework of section two.

3.1 General framework on neoliberalism and structural adjustment

Ever since the introduction of SAPs, both the nature and the consequences of these policies have been debated. Crisp and Kelly (199) explain in their data analysis on the socioeconomic consequences of SAPs that the proponents of structural adjustment claim that enormous debt burdens have been reduced, rapid inflation has been curbed and overall economic performance generally has been sound since reform. This, as opposed to the dramatic recession that Latin America encountered in the early 1980's, can be seen as a spectacular improvement. This crisis is perceived as proof that the paradigm of a statist economy that had been dominant in the region for decades had fundamental flaws. The crisis that the countries faced was the consequence of this flawed structure, and the IFIs policies, although painful, repaired these economies. However, opposing voices tell the narrative that these reforms have had severe social consequences which especially hurt the poorest, lack a ''human face'' and have paved the path towards an American style of ''casino-capitalism''. Although the interventionist economies might not have been perfect, these authors claim that the neoliberal cure has been worse than the initial economic disease. At the time, the former narrative was dominant in the IFI's, government, private sector and among academics. Any remaining voices defending a more interventionist state and debt relief by creditors were overwhelmed. Seemingly with no possible alternative, almost every Latin American country sought help through structural adjustment lending. (Crisp & Kelly, 1999) As this paper will derive a hypothesis from the critical[4] narrative, this side of the scholarly literature will be examined more thoroughly in the following section.

John Williamson was one of the first scholars to describe the neoliberal culture of the IFIs and coined the popular term ''the Washington Consensus''. Williamson (1990) identified 10 neoliberal principles that were recurring in most forms of policy of the IFIs that were tacitly agreed upon and although debated in scholarly and popular literature, were not under discussion within the IFIs. Neoliberalism and its proponents, both scholars such as Friedman and Hayek and politicians such as Reagan and Thatcher, dominated the economic debate at the time and these neoliberal principles formed the foundation for policies like the SAPs. Ever since Williamson's essay scholars have examined,

[4] The narrative or theoretical framework that criticizes SAPs on its efficiency, effectiveness or socio-economic consequences is referred to as ''critical'' in this dissertation. This is distinct from other scholarly uses of the word ''critical'', such as ''critical theory'' as in the theoretical framework associated with Robert Cox (Moolakkatuu, 2009).

researched and sometimes criticized the neoliberal principles of the Washington Consensus and structural adjustment in particular.

The study of Argawel and Sengupta (1999) on the effects of SAPs on economic performance, its main target, offers some insight on this context. They have researched whether SAPs in 1980 have led to better overall economic performance at the time of writing. They describe how the crises and reforms combined (the influence of both processes are hard to separate) of the Latin American countries caused falling GDP per capita, curtailed investment, and increased debt to GDP ratio's in the 1980s. In general, surpluses on the trade account only seemed to be caused by decreasing imports, not by the aimed increasing exports. Furthermore, they state that past experiences prove that to grow out of solvability problems, a country needs both significant economic growth and debt relief. As the Latin American crisis was perceived a liquidity problem, neither was achieved. In the 1990s however, Argawel and Sengupta identify more positive developments. Especially after 1994, they find that generally the countries achieved higher rates of economic growth, curbed extreme inflation and by boosting export rates they improved their trade account. Only debt reduction was not achieved properly, as debt to GDP ratios decreased only marginally. They conclude that in general reforms in the 1980s have led to economic growth in the 1990s, although they call into question whether this growth was optimal and sustainable.

3.2 SAPs and Inequality

There is a vast amount of literature on the relationship between structural adjustment and inequality.[5] Garuda (2000) presents a good overview of these theoretical linkages between neoliberal reforms and inequality, derived from an extensive collection of sources. Although the focus of its study is on IMF programs, many of these linkages probably also apply for SAPs of The World Bank. Garuda identifies four primary mechanisms how fund programs can have an impact on inequality (both negative and positive): currency devaluation, reductions in the budget deficit, changes in growth rates and changes in income rates.

- Currency devaluation as condition in programs is used to decrease the price ratio of non-tradable goods to tradable goods, which can promote exports. However, urban consumers

[5] For an illustrating selection of literature on the subject, see for example SAPRIN (2004), a report composed by various international organizations on the consequences of structural adjustment and how it caused poverty and inequality; Simon et al. (1995) who have assessed the effects of SAPs on highly-indebted Sub-Saharan countries in a framework of ''underdevelopment''; Pieper and Taylor (1996) their essay on how the IFIs came to dominate economic policy and how this influences economic policies worldwide and Lazzarato (2009) who describes how the rise of neoliberalism has made individualization, competition and inequality main values of (American) society.

facing higher food prices and rural farmers producing for domestic production often get set back financially by this measure.

- Austerity as a condition in SAPs does not have to worsen the distribution of income, but Garuda claims that in general those in low income households are the most targeted group and suffer the most in economic terms due to taxation and austerity. This causes a rise in economic inequality. In developing countries where the interest of the economic and political elite are usually more aligned, this proves to be especially true according to Garuda.
- Non-inclusive growth caused by SAPs can influence inequality. Garuda supports this statement with an analysis of the development of job growth in manufacturing and agriculture. IMF programs, which severely increase unemployment for manufacturers or rural farmers despite renewed economic growth, can immensely increase inequality, as critics of a fund programs in Indonesia point out (Garuda, 2000).
- Finally, curbed inflation following imposed policies usually has a positive effect on the distribution of income. Inflation hurts urban workers paid in cash the most, as the lag in their salaries as opposed to changes of commodity and food prices hurts their real income. Wealthy individuals and enterprises can protect themselves by buying (foreign) assets protected from domestic inflation. As IMF programs have an overall good record of decreasing massive inflation, they can reduce inequality in this manner.

Garuda presents these mechanisms without an overall conclusion; the relative weight and exact nature of the reforms determines the actual influence. Oberdabernig's (2010) enumeration of possible mechanisms of SAPs that influence inequality and poverty includes Garudas four points (although they differ in exact conceptualization) and adds two other mechanisms: trade and financial liberalization.

- Trade liberalization, as a condition of SAPs, is likely to have two contrary effects. First, formerly protected sectors will contract and will lower income for the households involved. As SAPs can have a tremendous impact on domestic industries employing many low-skilled workers, this might have skewed inequality. However, growing agricultural and industrial sectors that are competitive might raise the incomes of poor households active in this sector, what can level the distribution of income. Whether the overall effect of trade liberalization is positively or negatively related to inequality depends on the relative size of both the competitive and protected sectors in a country.
- Financial liberalization, as a condition of SAPs, which aims to enlarge capital markets in developing countries can be linked to weakness in the banking sector according to Oberdabernig, which can lead to financial crisis. Without proper regulation and sound

economic policy, liberalization of the financial sector can indirectly greatly affect the distribution of income and well-being of the poor. An orthodox neoliberal would however oppose this claim by stating that financial liberalization causes a more effective allocation of capital, which enhances economic growth.

The presumed relationship between SAPs and inequality will be based on these six mechanisms in this dissertation.

3.3 Complexity in explaining poverty

In literature on poverty and economic growth authors tend to emphasize the complexity of the interdependent relationships between these phenomena. To illustrate this emphasis on complexity; Easterly's (2003) conclusions based on an empirical study on poverty and growth are mixed. He finds that countries that reform under SAPs perform worse in lowering levels of poverty then countries that did not, at least during an economic expansion. At the same time, the level of poverty increases less dramatically during an economic crisis in program countries in comparison to non-program countries. Bulmer-Thomas (2014) observes an increase in poverty rates in the 1990s, which was the opposite of the initial prediction of proponents of the neoliberal economy, but a sharp decline after 2000. Although some of this poverty reduction might have been related to the better economic performance due to reforms, Bulmer-Thomas credits targeted social spending primarily for this reduction. Oberdabernig (2010) concludes a statistical analysis by stating that SAPs in general have a negative impact on poverty in a country, but Latin America as region is an exception to this.

In contrast to some of the critical literature that claims that structural adjustment definitely increases inequality, the causes and consequences of poverty as described above seem to be very complex. It is unlikely that these two very interrelated phenomena differ to such an extent in complexity, so one might expect that some authors on inequality might have left out some nuances. This observance indicates the need for a validity check of this critical theoretical framework. This dissertation is based on this need.

4.Method of analysis

4.1 Hypotheses

In order to check the validity of the critical framework, the general hypothesis derived from this framework ''SAPs have been a major factor in the increase of inequality in Latin America between 1980 and 2000'' will be tested. As this hypothesis is very broad, it will be deconstructed in multiple,

manageable subhypotheses. These subhypotheses will be based on the six theoretical linkages between SAPs and inequality described in section 3.3. Conversion of these mechanisms into hypotheses results in:

Subhypothesis 1: Currency devaluation implemented through SAPs increases inequality.
Subhypothesis 2: Austerity implemented through SAPs increases inequality.
Subhypothesis 3: Growth following structural adjustment is not inclusive, thereby causing inequality.
Subhypothesis 4: Curbed inflation following structural adjustment decreases inequality.
Subhypothesis 5: Trade liberalization implemented through SAPs can both increase and decrease inequality.
Subhypothesis 6: Financial liberalization implemented through SAPs increases inequality

How this research will be designed in order to test these subhypotheses will be explained in the next section.

4.2 General delimitation

This study will focus on the SAPs that were initiated between 1980 and 1999. This period is selected because although there had been conditional lending by the IFI's before 1980, the new framework of structural adjustment was not introduced until 1980 (Easterly, 2005). Cases after 1999 will not be examined because in this year Poverty Reduction Strategy Papers were introduced that focus on the alleviation of poverty within the IMF lending framework. This year marks (approximately) the beginning of the Post-Washington consensus, a phrase coined by Joseph Stiglitz, economist at World Bank at the time (Stiglitz, 1999). This was related to a changing attitude towards the role of the state, liberalization and the role of poverty in lending programs of the IFIs. This can be seen as a general reinterpretation of economic liberalism in the IFIs and might have significantly altered the nature and effects of programs. So in order to analyze the effects the initial policies that have been criticized in the presented literature, the cases and the developments of inequality levels after 1999 are excluded. In addition to this, most of the reviewed literature does not cover the period after 2000.

Latin America is chosen because of the limited scope of this study and the extensive literature of the subject in this region, which is probably related to extensive involvement of the IFIs in the 1980s due to the Latin American debt crisis and the exceptionally high rates of social and economic inequality in the region. This study can contribute to this literature by validating (or questioning) the quality of the claims made. Information about SAP in other regions such as Eastern Europe and Africa would enrich this study, but would produce an amount of data and literature that is too large for this dissertation

to manage. Further research in these other regions is needed and might produce revealing insights in the workings of SAPs in a different context.

4.3 A literature review of case studies

A selection of countries will be made that underwent adjustment reforms in the 1980, and a thick description based on existing scholarly will be given on each case. The literature reviewed will be presented, and in addition to this information about the economic development of the countries in this period and specific data about the SAPs, inequality, growth and inflation will be presented for each case. These elements will be used in the sixth chapter to test the hypothesis. A case selection will be made on the basis of a Most Different Systems Design (MDSD) (Bryman, 2012), as the cases vary too much for a Most Similar Systems Design comparison. The cases will have to be selected in such a way that the relevant factors influencing inequality differ at maximum and the only commonality is the process of structural adjustment. One could argue that (almost) every Latin American country has to be seen as an independent case due to the differences in both the background and the form of structural adjustment, and the generalized outcomes do not apply to cases that were not included. There is some reason in this point, but as this research will have a limited scope, it will aim to generalize findings to the region of Latin America by the means of a proper case selection nonetheless.

The cases that will be researched are Bolivia, Chile, Costa Rica and Venezuela. The selection is primarily made on the basis of GDP per capita, the history of economic growth, levels of inequality, geography and population in order to provide a variety of socio-economic contexts wherein SAPs were implemented. The absence of literature on individual cases also has excluded some possibilities, e.g. small island states. Data from The World Bank (2016) illustrate these differences. Chile has a relative high GDP per capita, Costa Rica and Venezuela a little lower and Bolivia much lower than this. The economic growth of Chile and Costa Rica has been high and stable since 1980, while Bolivia and Venezuela have performed more modestly and have been more unstable economically. Bolivia and Chile are relatively unequal as measured by the GINI index[6], and Costa Rica and Venezuela have been relatively equal (up until 2000). Furthermore, Edwards (1995) his assessment of reforms in the region grades the success of implementation of reforms in Chile with an 1,67, Bolivia with an 1,20, Costa Rica with a 0,40, and Venezuela with a 0,00 on a scale from 0 to 2. Venezuela is located at the Atlantic Ocean, Chile at the Pacific, Costa Rica at both oceans and Bolivia

[6] The GINI Index, or coefficient, is a statistical measure by which the distribution of income of a population can be represented. This will be the primary statistic whereby inequality will be measured in this research. The value can vary from 0, wherein everyone's income is equal, and 1, wherein one person has everything.

is landlocked. Finally, Venezuela, Chile, Bolivia and Costa Rica differ in terms of population, with approximately 15, 11, 5,5 and 2,4 million inhabitants in 1980, respectively (World Bank, 2016). As such, within the region these cases differ tremendously in socio-economic terms. If SAPs are indeed policies that inherently cause rising levels of inequality, this process will be identified by the examined literature despite these substantial different circumstances.

A subhypothesis is considered confirmed and deemed generalizable if it is perceived in two cases as an important factor influencing inequality. Four of the six subhypotheses state that SAPs cause inequality, one of them claims SAPs decrease it, and one states it depends on the circumstance. As each of the mechanisms can differ in its relative influence, it is difficult to establish the exact point from whereon the general hypothesis can be considered as confirmed. In any case, the ''negative'' mechanisms need to be identified as significant factors causing inequality in the literature. Although it is not necessary that each of the subhypotheses are identified in every case to confirm the general hypothesis, three of the four subhypotheses need to be evaluated as decisive factors that caused rising economic inequality in three of the four cases. In that case, the general hypothesis is considered confirmed. Alternatively, if ''positive'' mechanisms (inflation and possibly trade liberalization) caused by SAPs are identified as decisive factors promoting equity during periods when inequality is declining, or if the results are inconclusive or ambiguous, the general hypothesis will be rejected.

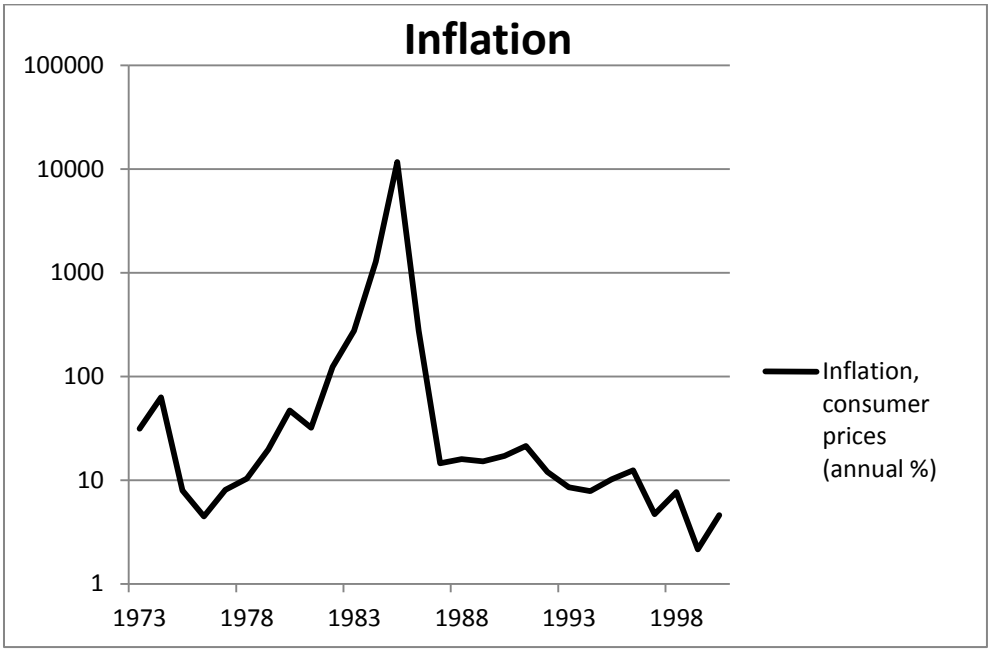
5. Cases

5.1 Bolivia

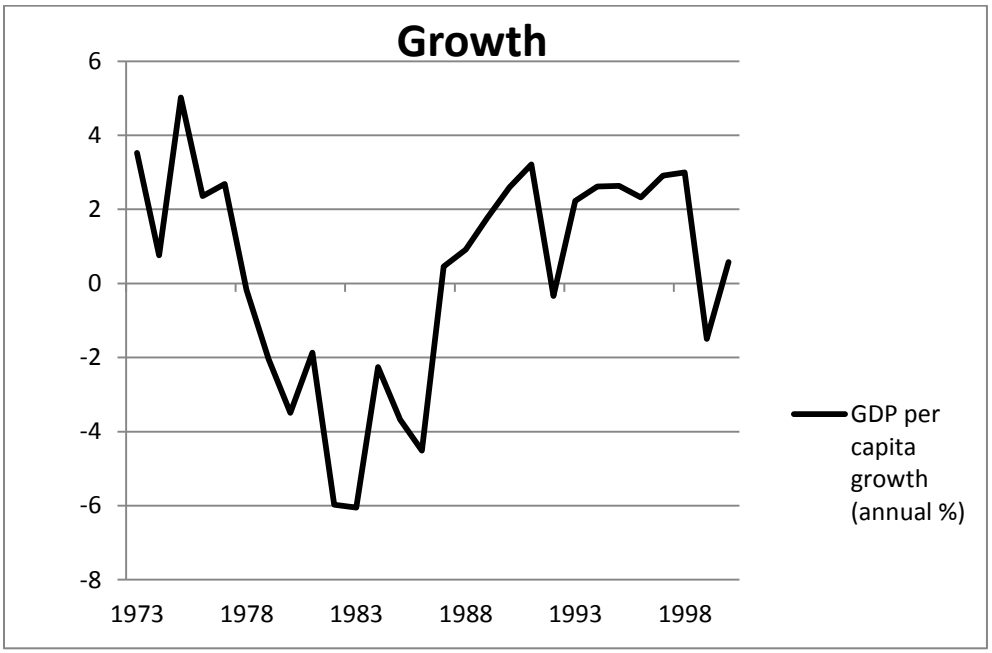
Table 1: Overview SAPs

Year	**IMF Loans**	**WB Loans**
	(In Thousands of SDRs)	(In millions of US $)
1980	66,38 (SBA)	50.0 (SALP)
1986	107,60 (2 SBAs)	
1988	163,26 (EFF)	
1991		70.9 (SACP)
1998	100,96 (EFF	

Graph 1: Overview Inflation Bolivia[7]

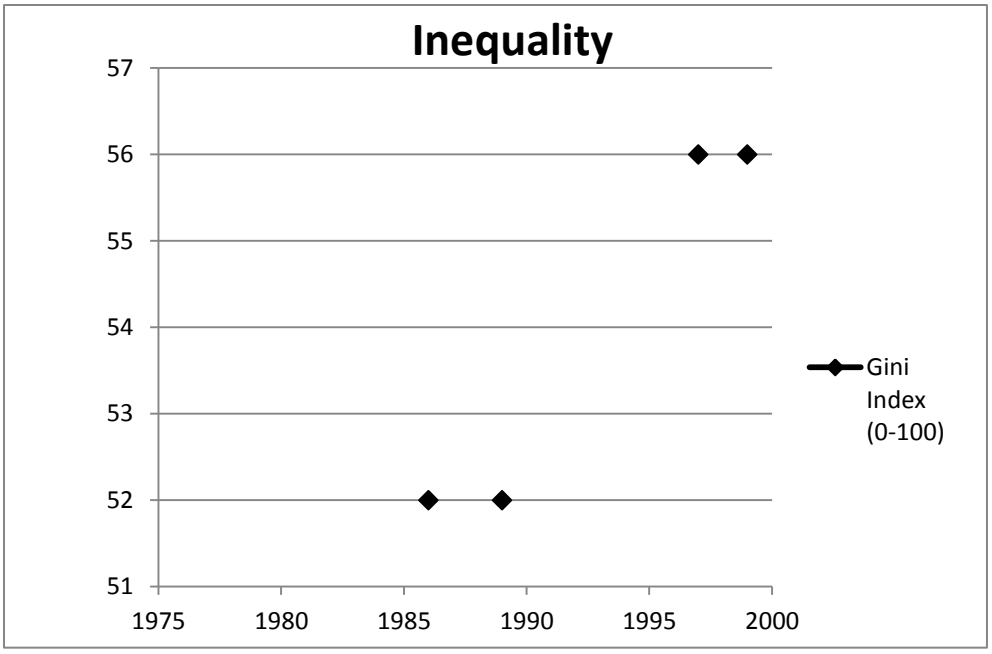


Graph 2: Overview GDP per capita growth Bolivia



Graph 3: Overview GINI index Bolivia

[7] Due to hyperinflation, in Bolivia and Chile the graphs on inflation are logarithmic.



Sources:
GINI 1986 & 1989: Lustig (1995)
GINI 1997 & 1999: UNU-WIDER (2015)
Inflation & GDP growth: The World Bank (2016b)
IMF Loans: International Monetary Fund (2016)
WB Loans: The World Bank (2016a)

In Bolivia, the IMF facilitated a total of four loans between 1980 and 1999, of which one was covered by the EFF and three by the SBA. The World Bank was active in the country by providing one Structural Adjustment Loan Project in 1980 and one Structural Adjustment Credit Project in 1991. Data on inequality is scarce and varies between different sources, so these trends need to be identified through secondary sources.

The most detailed and complete account of the development of inequality in Bolivia in this period comes from Thiele (2003). Thiele researched the consequences of the structural adjustment policies in Bolivia. He builds on the existing literature that evaluated the SAPs in Bolivia as successful in terms of providing macroeconomic stability and growth, and complements this by providing an account of the social developments. He distinguishes two periods after the introduction of structural adjustment following the Bolivian economic crisis of 1985. First, the economic reforms implemented curbed hyperinflation that was inflicting major economic damage on the country, which enabled economic recovery. From this point onwards, the development of inequality becomes more complex. Although it can be said that the general trend was towards more equality in the 1990s, Thiele concludes that there seems to be no clear long-term trend in the development of inequality since then. Furthermore, he describes some factors behind the development of inequality in Bolivia since 1990. He states that

differences in competiveness of various industries and the lack of competitiveness of the agricultural sector at a regional level due to mediocre devaluation were important factors. Secondly, the increase in income of white-collar workers has exceeded that of blue-collar workers and those working in the informal sector. Lastly, social spending is seen as an import factor influencing inequality. Due to the absence of cuts in spending, the increase of inequality was only moderate. Thiele concludes his examination by stating that given the success of stabilization and economic growth in Bolivia, additional efforts to reduce inequality and poverty only have been moderately successful.

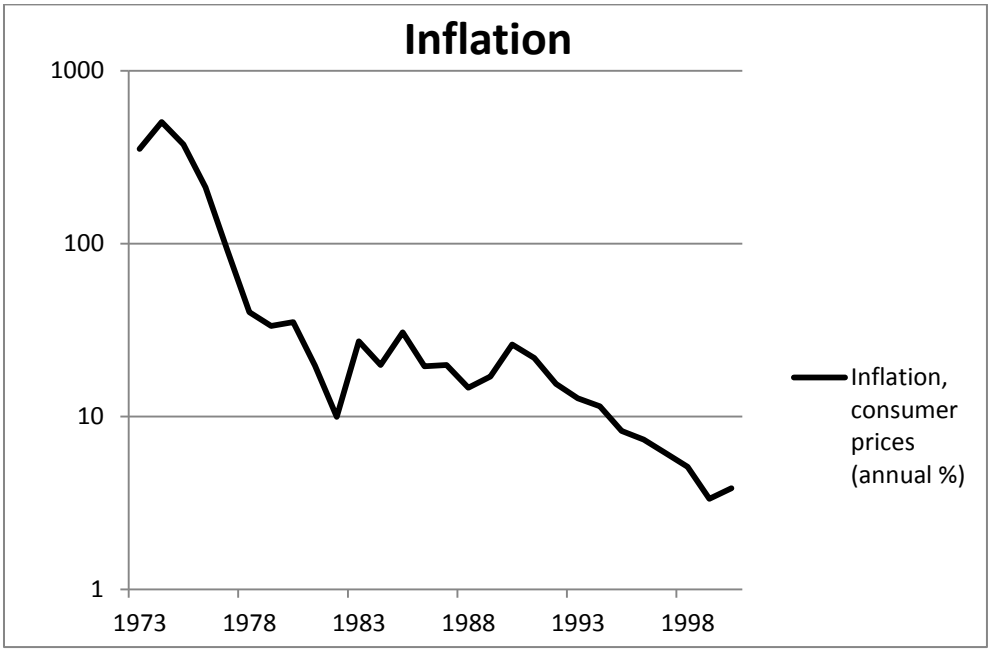
Vargas (2012) has examined the declining level of inequality in Bolivia since 2000. His results suggests that long-term improvements in education have contributed more than anything else to the reduction of inequality, and sources of inequality can be mostly attributed to differences in human capital. Although these findings are interesting and are accounted for, the ceasing of implementations of SAPs since 2003 make it difficult to assess whether this is a long-term consequence of structural adjustment or, on the contrary, caused by the withdrawal of the policies.

5.2 Chile

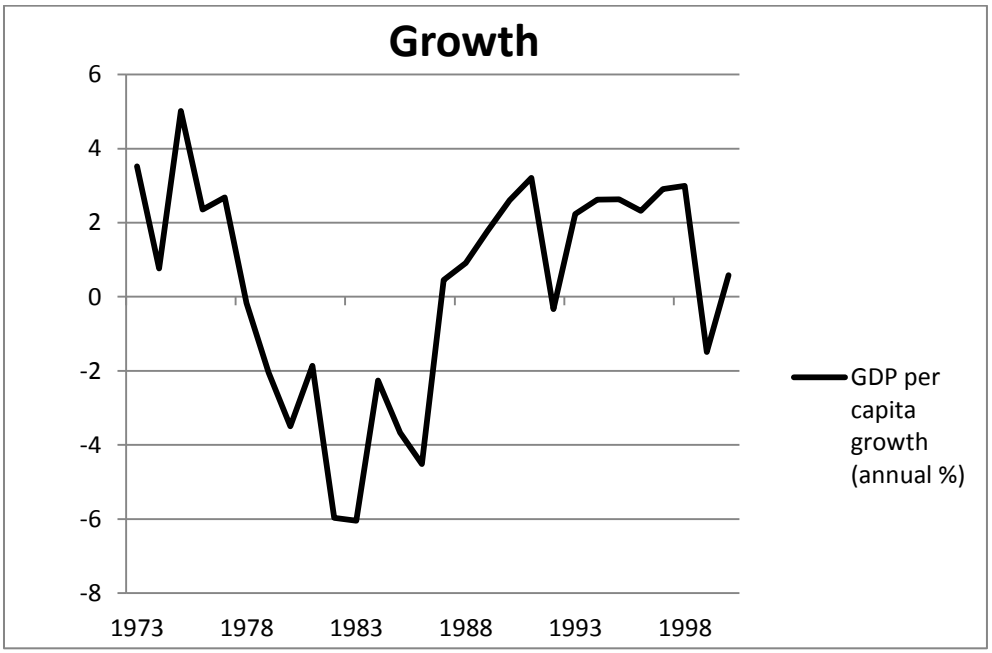
Table 2: Overview SAPs Chile

Year	IMF Loans	WB Loans
	(In Thousands of SDRs)	(In millions of US $)
1982	500,00 (SBA)	
1983		250.0 (SALP)
1984	825,00 (EFF)	250.0 (SALP)
1985		250.0 (SALP)
1988	64,00 (EFF)	

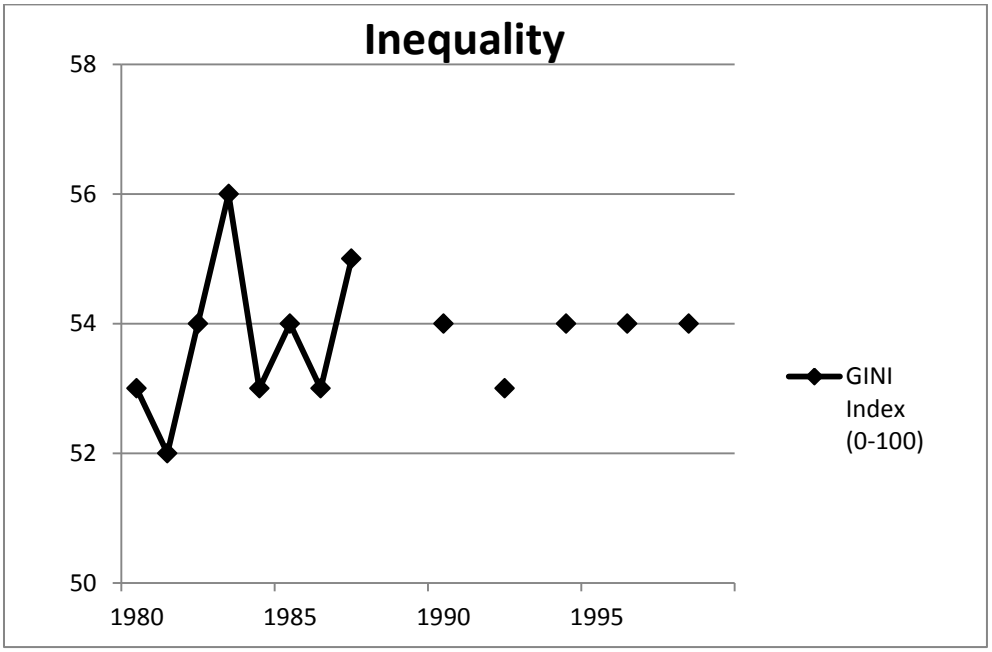
Graph 4: Overview Inflation Chile



Graph 5: Overview GDP per capita growth Chile



Graph 6: Overview GINI Index growth Chile



Sources:
GINI Indexes: UNU-WIDER (2015)
Inflation & GDP growth: The World Bank (2016b)
IMF Loans: International Monetary Fund (2016)
WB Loans: The World Bank (2016a)

Chile underwent three SALPs, in 1985, 1986, and 1987, under auspices of the World Bank. Furthermore, between 198w and 1988 the country received 3 loans from the IMF, of which 2 SBAs and one EFF. The overview of the country's GINI indexes indicates that levels of inequality have been stable at a level between 0.50 and 0.55 in the 1980s and 1990s.

Davis-Hamel (2012) his examination of the reforms in Chile provides an overview of its period of adjustment. Chile was the first Latin American country that encountered a recession caused by its ISI modeled economy in 1973, which caused a military coup installing the autocratic Pinochet regime. This regime restructured the economy (mostly independent from the IFIs) following an extremely orthodox neoliberal model, which boosted enormous economic growth up until 1982, but resulted in anther economic recession in 1982. The economy recovered again during newly initiated reforms under auspices of the IFIs. However, 10 years of crisis and reform had concentrated wealth into a very select group and left a significant part of the population poor and unemployed. Mass protest among other things triggered the Pinochet regime to hold an election, and in 1990 the newly elected government focused on ''growth with equity''. By a literature review and data collection Davis-Hamel finds that deviation from the orthodox model was crucial in improving socio-economic conditions.

Raczynski and Romaguerra (1995) have made a major contribution to the literature on Chile with a detailed description of the consequences of crisis and austerity in Chile and its relation to inequality, backed with substantial amounts of data. Like the crisis and process of reform itself, their conclusion is complex and ambiguous. Where a normal analysis of a period of crisis and reform is difficult due to different factors that are interrelated and working at the same time, the analysis of Chile is even more complex due to two crises (where the former might have caused the later), different forms of government and economic policy, and spectacular growth which was alternated by recession. Some notable findings of this research will be presented. First, they find that moderate, stable economic growth on the long-term is far better than booms and busts as in the Chilean experience for the middle and lower class of a society. Recession harms the wealth and income of these groups, but economic expansion does not guarantee an opposite development, at least not immediately. The repeated recession was especially harmful in respect to national inequality levels. Secondly, economic and social policy of the Chilean government has been improving over time. The neoliberal reaction of the government on the crisis of 1972 is evaluated as the most unsuccessful, followed by the programs of 1982 under structural adjustment, and the democratic government after 1990 (although it did not encountered a crisis of course) is deemed as most successful in providing inclusive economic growth. This is related to the last finding; the presence of both continuity and change. The democratic government was successful in changing (mostly intensifying and expanding) social policy, but at the same time continued adjustment policies fighting inflation, promoting liberalization and reforming the government. This dual policy seems to have accomplished balanced economic growth. (Raczynski & Romaguerra, 1995)

Sheehan's (1997) comparative research on structural adjustment in Chile, Mexico and Peru provides some insights on the influence of different episodes of reform. Based on the available data and literarily review he establishes two ''jointly valid conclusions'' about Chile: income inequalities are significantly higher at the time of writing than during the ISI economic model and sustained economic growth does not seem to have reduced the increased level of inequality. At the same time, estimations of inequality levels seem to show that the worsening stopped after the crisis of 1982 and even partially reversed, especially after the elected government commenced. Initially crisis and reform caused inequality, but the period of recovery through structural adjustment after 1982 is characterized by moderation of the distribution of income.

Gindling and Robins (2001) their article is an interesting contribution on the literature on Chile illustrating this complexity of the nature of structural adjustment. They have employed a quantitative research to examine why inequality in Chile increased more rapidly than in Costa Rica during reform. They examine the supply, demand and price of both educational facilities and educated labor in the

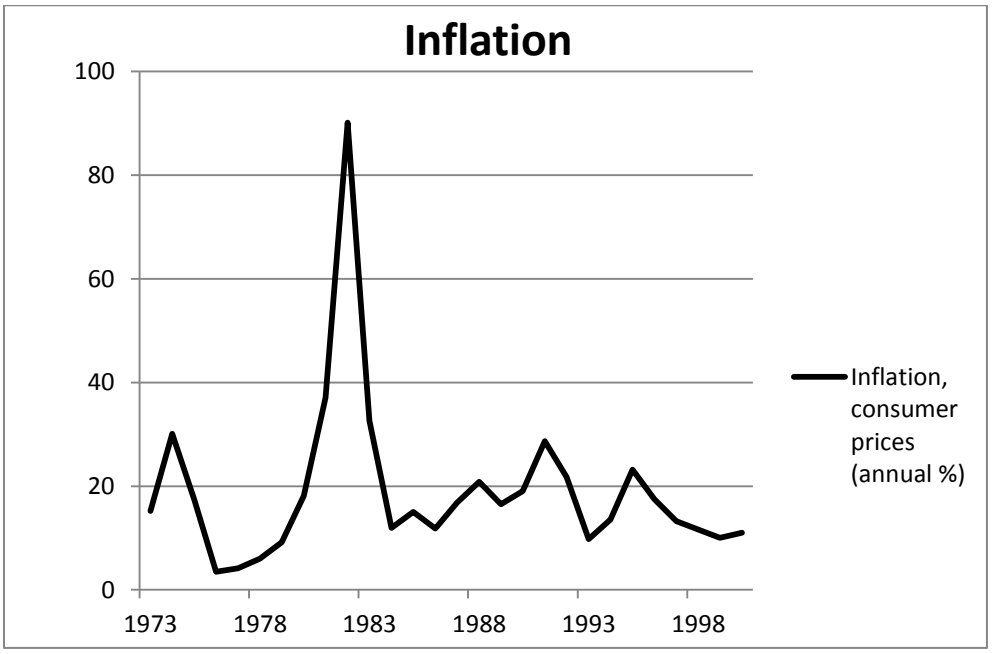
two countries, and find that although educational facilities can improve equity, the price of tuition and the differences in the price for low-skilled and high-skilled workers can increase inequality. By the latter two factors they explain why the increase in inequality in Chile exceeded the increase in Costa Rica.

5.3 Costa Rica

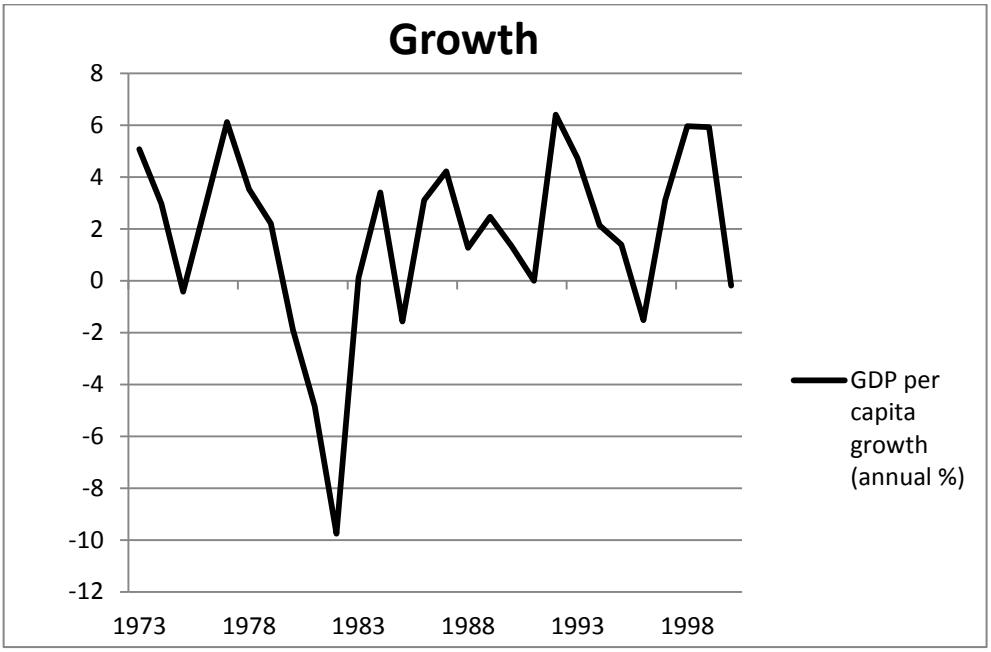
Table 3: Overview SAPs Costa Rica

Year	IMF Loans		WB Loans	
	(In Thousands of SDRs)		(In millions of US $)	
1981	60,50	(SBA)		
1982	276,75	(EFF)		
1983	92,25	(SBA)	80	(SALP)
1986	54,00	(SBA)	100	(SALP)
1989	40,00	(SBA)		
1990	42,00	(SBA)		
1991			100	(SALP)
1992	33,64	(SBA)		
1994	21,04	(SBA)		
1997	52,00	(SBA)		

Graph 7: Overview Inflation Costa Rica



Graph 8: Overview GDP per capita growth Costa Rica



Graph 9: Overview inequality Costa Rica

Sources:
GINI Indexes : UNU-WIDER (2015)
Inflation & GDP growth: The World Bank (2016b)
IMF Loans: International Monetary Fund (2016)
WB Loans: The World Bank (2016a)

Costa Rica underwent three structural adjustment programs from the World Bank in 1985, 1988 and 1993 respectively. In addition to this, the IMF facilitated 8 Standby-Arrangements between 1980 and 1995, and one Extended Fund Facility in 1981. Inequality seems to rise moderately since 1988 or so.

Most critical literature on the economic history of Costa Rica will point out that at first glance the country seems to be a major economic success story in general and for structural adjustment in particular. After facing a severe economic crisis in the 1980, Costa Rica reformed its ISIs to an export orientated economy, and with help of the IFIs the country curbed inflation and reduced budget deficits. Soon the newly export orientated economy was thriving again, and the little Central American country that had already set up an extensive and stable welfare state was recognized as the most developed country of Latin America in the mid-1990s. (Morley, 1995) Despite these major economic advancements, some critical scholars claim that further analysis points out that the neoliberal reforms have caused structural problems related to health-care, education, the appearance of a class-based society, for example.[8]

Morley (1995) however, describes the Costa Rican recovery as successful and economically regressive, emphasizing the major reduction of poverty and the decline of inequality between 1981 and 1989. As opposed to most Latin American countries that kept struggling after the economic recession, Costa Rica accomplished significant and inclusive economic growth after this crisis. Employing a statistical analysis of socio-economic data, Morley claims that the poorest section of the Costa Rican population was one of the groups that benefited the most from the economic expansion after 1981. He explains this achievement with two factors. First and foremost, profits from the agricultural export increased during this period, and most of the country's poor were concentrated in this sector. The surge in export in this sector is attributed to export promoting policies and devaluation. In addition to this, the Costa Rican government had explicit spending policies to limit the impact of the contraction on the poorest. One important remark on the writings of Morley is that it only covers the period up until 1989; the period of increasing inequality after 1990 is left out.

Arias-Ramirez (2004) coined the term ''heterodox adjustment'' in his dissertation on SAPs and social policy in Costa Rica. He describes the reforms as more incremental and socially balanced then in other Latin American countries that employed policies more related to ''shock therapy''. Balanced and inclusive growth, and channels of negotiations for stakeholders in this pluralist political democracy contributed to this achievement according to Arias-Ramirez. Three specific factors are highlighted in this respect. First, strong labor unions demanded negotiations concerning privatization, employment and wages. Second, strong links between state and industrial bourgeoisie guaranteed

[8] See for example the popular article of Hansen-Kuhn (1993) and the dissertation of Lubiner (2006).

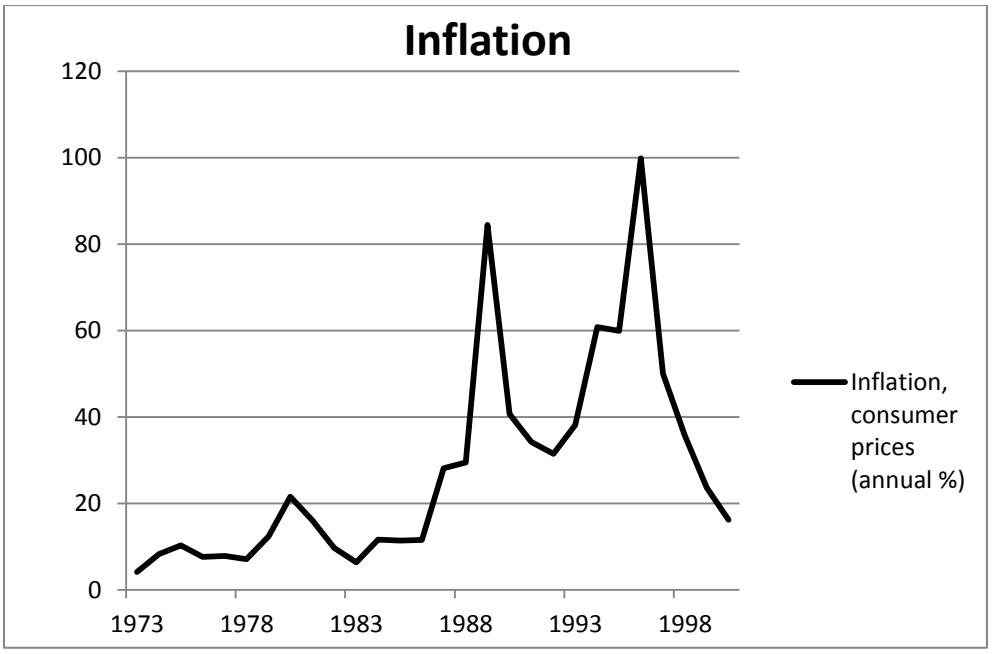
incremental liberalization so that national industries could adapt to the competiveness of the international market. Third, the unstable political situation in the rest of Central America ensured that Costa Rica had a ''preferential treatment'' by the US as a liberal democratic state in an authoritarian/communist region.

5.4 Venezuela

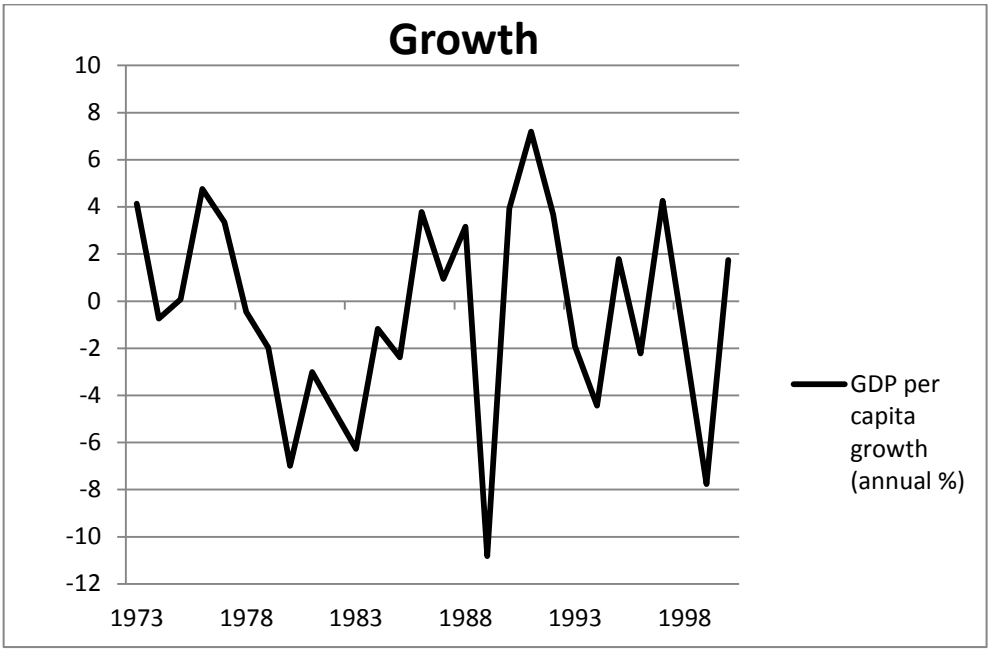
Table 4: Overview SAPs Venezuela

Year	IMF Loans	WB Loans
	(In Thousands of SDRs)	(In millions of US $)
1980		402 (SALP)
1982	3857,10 (EFF)	
1989	350,00 (SBA)	

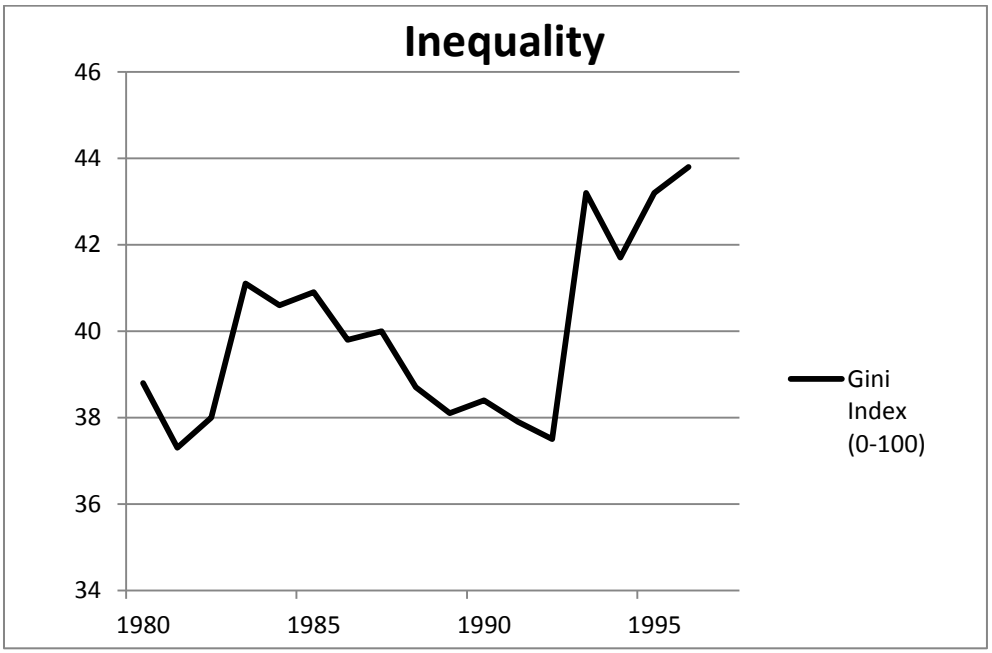
Graph 9: Overview Inflation Venezuela



Graph 10: Overview GDP per capita growth Costa Rica



Graph 11: Overview GINI Index growth Costa Rica



Sources:
GINI: UNU-WIDER (2015)
Inflation & GDP growth: The World Bank (2016b)
IMF Loans: International Monetary Fund (2016)
WB Loans: The World Bank (2016a)

In Venezuela SAPs were smaller in numbers. The World Bank had only one Structural Adjustment Loan Project in the country that started in 1989 and the IMF provided only one EFF in 1989 and one SBA in 1996. The data shows that inequality increased significantly in this period.

Morley (1995) describes how the Venezuelan economy was marked by a terrible contraction in the 1980s. Growth stagnated as opposed to exceptional good fortune in the 1970s, poverty amongst the population increased despite the presence of abundant natural resources (mostly oil), the political system deteriorated and inequality skyrocketed. In the decades preceding the economic recession, Venezuela's economic figures were rising parallel to the growing oil prices, but the country never developed an alternative economy that could sustain itself if the prices would drop. When they did in 1982, Venezuela started a painful process of adjustment, of which Morley identifies (1995) 3 phases. From 1983 to 1986, government budget cuts and real devaluation continued the recession. Morley describes this as ''adjustment without structural change'', as the contraction was not accompanied by any structural measures in changing the statist economy. Between 1986 and 1988, a new social democratic government reversed previous policies and tried to boost the economy through debt financed growth. Increased spending and (re)implementation of social policies lead to economic growth, but at the cost of increasing budget deficits and growing inflation. Policies were again reversed by a new government in 1989 when another major contraction due to unsustainable external debt occurred, and loans of the IFIs were coupled with structural changes. Deficits were reduces and price controls were abolished, but inflation rates had already risen to 84 percent and GDP had fell by almost 9 percent. Although Morley states this was one of the most dramatic recessions of Latin America at the time, after this contraction per capita income was raised significantly and inflation and poverty rates dropped tremendously.

During structural adjustment, the rates of poverty and inequality increased. However, the exact nature and perceived causes of this inequality are more complex than this correlation might imply. Morley (1995) explains how, although austerity measures had severe social effects on the population, the effects of structural adjustment might be more evenly dispersed then one might expect on the basis of just the rising GINI coefficient. His analysis of the social consequences of various groups in Venezuelan society points out that the effects of reform were quite evenly dispersed. Aside from the retention of the incomes at the highest levels as opposed to the rest of the population, Morley findings state that the influence of structural adjustment policies on social inequality were limited. He claims that poorly designed policies during and before the recession, preceding the SAPs, were the major cause of the socio-economic grievances in the 1980s. Furthermore, inequality levels in Venezuela started dropping slowly again after the recession.

Marquez (1995) states that social spending is one of the main factors influencing the distribution of income and poverty in his description of the poverty and social policies in this period in Venezuela. Public social spending drives the growth of human capital through schooling and health care, and as wages can be seen as the return of human capital, equality of opportunity through social spending promotes equality of economic outcome. He describes how the majority of the budget cuts that decreased investment in human capital in Venezuela were implemented following the recession of 1982, before the introduction of SAPs. Marquez finds that when these policies were swapped with programs of the IFIs, more attention was directed to investment in education. As such, Marquez concludes that the unilateral reforms following 1982 were primarily responsible for decreasing development of human capital.

The findings of Lander and Fierro (1996) in their article explaining the impact of neoliberal adjustment in Venezuela oppose those of Morley and Marquez. These authors stress that the increase of economic inequality was far more severe after 1989 then before, and that the efforts of to redirect social policies towards the poor, the most vulnerable sectors and the directly affected were only partially effective. At the same time, privatization of state enterprises mostly benefited the rich and wealth and income concentrated at the top. Decreased conditions of consumption, living and health followed for the lower sectors of society.

6. Interpretation of the research

6.1. Testing the hypotheses

To answer the research question, the six subhypotheses will be tested on the basis of the findings in the reviewed literature. The general hypothesis will be examined subsequently.

- 1. *Currency devaluation implemented through SAPs increases inequality.* Currency devaluation seems to play a significant role in the development of inequality in these cases. One of the reasons Thiele (2003) mentioned which explains the rising levels of inequality in Bolivia after SAPs where implemented is the moderate success of devaluating the currency. As this was not accomplished as properly as in other countries, the Bolivian agricultural sector became competitively disadvantaged. In sectors that proved to uphold their competitiveness despite these conditions like mining and manufacturing, incomes did increase, thereby increasing economic inequality. In Costa Rica however, real devaluation was accomplished. Along with other export promoting policies, Morley (1995) identifies devaluation as an import factor promoting agricultural exports. Both the production of

traditional and new agricultural products increased in the period following adjustment as these products could be exported very profitable. The poor of Costa Rica were primarily concentrated in this rural, agricultural sector, and this increase in production and profit benefited this part of the population immensely. This leveled the distribution of income. Although these are the only two occasions that devaluation is mentioned in the literature examined, in both cases it is identified as a factor that (potentially) can decrease inequality. Thereby, hypothesis 1 is rejected.

- 2. *Austerity implemented through SAPs increases inequality.* Austerity, or the lack of it, seems to be a major force influencing inequality. Mentioned in all of these cases examined, cuts in spending on social programs and investments in human capital are identified as one of the most important factors influencing inequality. Thiele (2003) states that the exceptional fact that Bolivia increased its social budget during reform was a factor that countered other processes increasing inequality. Spending in health-care and public investment remained stable, and spending in education even increased. These sectors are identified as crucial to promoting social mobility and equality. In Chile, initial (unilateral) reforms following the crisis of 1972 are evaluated by Raczynski and Romaguerra (1995) as both unsuccessful in promoting sustainable economic growth and the cause of a major increase in inequality. Severe austerity in order to reduce the government deficit was a substantial part of these reforms. Morley (1995) identifies government policies in Costa Rica that were explicitly set up to limit the consequences of crisis, contraction and reform as an import factor in the maintenance of a level distribution of income. These policies were set up to limit the consequences of austerity on the poorest. Finally, Marquez (1995) states that in Venezuela government budget cuts were the most important cause of rising levels of inequality, explaining it as the determinant of the growth of human capital. As the development for the poor of their own capital is diminished, equality of opportunity decreases, thereby also decreasing economic inequality. However, Marquez states that most of these cuts happened before 1989, and reform under the auspices of the IFIs after 1990 was more poverty orientated. So austerity does seem to be a major cause of inequality in the examined cases. However, one has to distinguish necessary austerity implemented due to excessive government debt from ill-considered cuts that halter the development of human capital. Excessive austerity can partially be contributed to the SAPs, but the case studies show that most of the latter forms of cut backs were done independently from the IFIs (Davis Hamel, 2012)(Marquez, 1995). So although there is a relation between austerity and inequality, subhypothesis 2 is rejected.

- 3. *Growth following structural adjustment is not inclusive, thereby causing inequality.* When the graphs on economic growth and inequality are compared, we can see in the cases of Chile, Costa Rica and Venezuela that (unstable) renewed growth did not decrease levels of inequality, and even seem to coincide with an increase. Raczynski and Romaguerra (1995) explicitly mention this occurrence in their article on Chile, as they explain how high growth alternated by crisis especially hurts the lower classes of society. Recession harms the wealth and income of these groups, but economic expansion does not guarantee an opposite development. The data in the graphs on growth and inequality seem to confirm this, as the contractions mostly resulted in increased inequality, and renewed growth often does not prove to be inclusive. SAPs can be identified as partly responsible for this factor, as renewed social spending programs were not included in the programs. In a similar fashion, Morley (1995) states that when governments independently set up facilities fighting inequality during renewed growth (e.g. Costa Rica) inequality declined, and when these were lacking (e.g. Venezuela) inequality remained. As both these authors describe this phenomenon as an import factor, subhypothesis 3 is confirmed.
- 4. *Curbed inflation following structural adjustment decreases inequality.* Inflation during crisis is in many cases identified as a major contributor to rising levels of inequality, and SAPs are mainly contributed to curbing inflation. The data presented in the graphs on inflation and the overviews of SAPs seem to confirm this, as periods of crisis and high inflation seem to coincide roughly with increasing levels of inequality, although the degree of (hyper)inflation does not seem to influence changing inequality proportionately. As for the literature, Thiele (2003) credits the structural adjustment reforms in Bolivia that curbed hyperinflation as one of the most important measures during the first stage of reform. This facilitated a slow recovery of renewed economic growth and caused a trend towards a more equitable income distribution. Morley (1995) states that a fast decrease in inflation due to reform enabled Costa Rica to make a quick economic recovery, and halted increasing inequality. However, Morley also states in his chapter on Venezuela that the increase of inflation during SAPs in 1989 (following the period of debt financed growth) was a major shortcoming of the reforms. In his view (in 1995) this is compensated by growth and poverty alleviation after this period, but this inflation would eventually result in hyperinflation during a crisis in 1998. There is not much literature on the question whether SAPs in 1989 failed to prevent this following crisis, further research on this case in needed. Although this anomaly in Venezuela is notable, hypothesis 4 is confirmed as multiple authors have identified this mechanism in multiple cases.

- 5. *Trade liberalization implemented through SAPs can both increase and decrease inequality.* Depending on the competiveness of the domestic industries, trade liberalization can have both an increasing and decreasing effect on economic inequality. In Bolivia, Thiele (2003) states that the agricultural sector was not competitive in the region and did not take off like it did in other countries. In addition, the increase in income of white-collar workers has exceeded that of blue-collar workers and those working in the informal sector. Although Thiele states that the exact relationship between reform and this development remains unclear, he explains it might be related to the implementation of structural adjustment as liberalized enterprises developed to become a larger share of the economy, and white-collar workers in this sector have increased their numbers and their individual incomes. These two processes caused by trade liberalization are perceived to have increased inequality. Gindling and Robins (2001) find that in Chile falling tariffs accelerated imports of physical capital and promoted technological development based on skill. The new industries that needed this capital and skilled labor caused a domestic demand for educated workers. This increased the ''returns of education'', or the difference between the price for highly and poorly educated labor. Although the level of education of the average Chilean rose in this period, difference in wages between workers increased, as did inequality. As such, Gindling and Robins find that liberalization worsened the distribution of increased inequality. As mentioned before, expansion of the agricultural sector was a major factor in the decrease of inequality in Costa Rica. Next to devaluation, export promoting policies like trade liberalization were a key factor contributing to this process, which enabled Costa Rica to reduce inequality and expand its welfare state (Morley, 1995). Although in the majority of these cases trade liberalization seems to have had a negative influence on inequality, it appears that it also has the potential to level the distribution of income. As such, subhypothesis 5 is confirmed.
- 6. *Financial liberalization implemented through SAPs increases inequality.* Financial liberalization is identified by Lander and Fierro (1996) as a cause of concentration of wealth and income at the elite of the society in Venezuela. In the liberalized financial markets the elite was able to increase their ownership of previously state-owned industries through the acquisition of stocks and bonds. These assets were cheap due to the crisis, but as some of these holdings increased tremendously in value in time in the newly liberalized economy, a relatively small number of people benefitted disproportionally. Although this observation is notable, it was the only source wherein financial liberalization was mentioned as a factor increasing inequality. Due to this lack of recurrence in other sources on Venezuela or other cases, subhypothesis 6 is rejected.

Based on these results, in this research the general hypothesis ‘‘SAPs have been a major factor causing the increase of inequality in Latin America’’ is rejected. Although through some policies SAPs might have increased inequality, this research shows that due to multiple mechanisms SAPs influence inequality in various, sometimes counteracting ways.

6.2 Alternative explanations

The review of the literature on the cases provided some other factors that were not identified in the theoretical framework. Although these findings do not provide further insight on the relationship between SAPs and inequality, they will be presented concisely in order to get a comprehensive image on the causes of inequality in Latin America and as an outline for further research on the phenomenon.

Poor economic policy prior to adjustment is one of the factors mentioned most frequently in relation to economic inequality. Many authors[9] state explicitly that the economic recession caused by the ISI based autarkic economies was the most important factor that increased inequality, and that these ISIs inevitably lead to the systemic crises of the 1980s. The data on inequality and growht of Chile and Costa Rica (Bolivia and Venezuela have too many missing values) confirm this as every economic contraction comes together with a steep increase in the GINI index. This differs from the smaller changes, both positive and negative, during the years of reform. Even more so, the austerity measures examined through subhypothesis 2 are also the indirect consequences of these flawed policies which caused economic crisis in the early 1980s. When one identifies budget cuts, whether or not as a part of SAPs, as a contributor to inequality, both post-crisis austerity and the pre-crisis policies that caused the need for this measure are partly responsible for the outcome. In addition to this, post-crisis policies conducted without the assistance of the IFIs seem to have a worse record than the SAPs. In the case of Chile, both Raczynski and Romaguerra (1995) and Davis-Hamel (2012) state that the initial, unilateral reforms of the Pinochet governments following the crisis of 1972 had the greatest impact on economic inequality, and also failed to bring sustained economic growth. Morley (1995) describes how the contraction caused by austerity of the Venezuelan government following the crisis of 1982 was not accompanied by any structural changes in the statist economy. Although the population endured falling standards of living, no economic progress was made. When policies were reversed in 1986, debt financed growth still did not bring any sustainable solutions. It was not until a second crisis led to economic assistance from the IMF, and structural problems were

[9] e.g.Morley (1995), Sheahan (1997) & Thiele (2003),

addressed. Economists in the capitals of Latin America sometimes seem to be more responsible for poor economics in the region then those in Washington.

Another factor which is identified as influencing the development of inequality is the policy on education. Multiple authors identify accessibility and quality of education as the most important factor influencing inequality. Vargas (2012) states that within the social budget long-term improvements of education specifically have contributed more than anything else to the reduction of inequality in Bolivia since 2000, and that sources of inequality can mostly be attributed to differences in human capital, on which accessible education has a leveling effect. Morley (1995) also describes how Costa Rica's traditionally high budget on education and the preservation of this policy during contraction contributed to moderate the effects of the economic crisis that increased inequality. Lastly, in his elaboration on the influence of public spending on inequality, Marquez (1995) also states that the development of human capital through education among other things is the main promoter of equality of opportunity and economic equity.

And finally, the adaptation of reforms to local circumstances and interest is perceived as a factor influencing inequality. If a ''bottom-up'' approach is used to reform, wherein local stakeholders are consulted, economic adjustment can be more balanced and successful. Arias-Ramirez (2004) identifies this as a key element explaining why reform in Costa Rica was successful. Rather than implementing reforms ''top-down'' and at a high pace, withholding crucial stakeholders time to adapt to change, representatives of labor, capital and other interest were consulted and their concerns were taken into account. This smoothed the process of adjustment, and prevented an excessive rise in inequality. This seems to be in line with the description of Raczynski & Romaguerra (1995) of the improvement of economic policies in Chile over time. As opposed to the unilateral reforms of the Pinochet regime, the most successful reforms of the democratic government several years later was characterized by adjustment balanced with social policies based on local interests. Although the case of Costa Rica can be lauded as a success of structural adjustment, this success also entails that the lack of involvement of local interest in other Latin American countries under SAPs precluded these other countries from establishing this sort of economic success. So in the rest of Latin America, the lack of this aspect can be seen as a shortcoming of SAPs.

Next to these factors that were (repeatedly) identified as major factors, other factors such as geopolitical relations (predominately towards the USA) were mentioned in the case of Costa Rica (Morley, 1995), failure of proper implementation in the case of Bolivia (Thiele, 2003) and the size of the informal sector of the economy in Venezuela (Morley, 1995) were described as significant in influencing inequality in the region.

6.3 Conclusion

As the general hypothesis of this dissertation has been rejected and these various alternative factors influencing the distributions of income in Latin America have been identified, it appears that SAPs cannot be held solely responsible for increasing levels of inequality in these cases, and thereby in Latin America in general. As there were hardly any authors that explained the rise of inequality in a country primarily as the result of SAPs, some consequences of SAPs might have decreased inequality, and authors have identified various other causes, this research concludes that Structural Adjustment Programs are not identified as the primary cause of economic inequality in conducted case studies in Latin America. The causes of the economic inequality that continue to plague this region cannot simply be related to these programs designed by the IFIs. With these findings this paper aims to contribute to a nuanced image of structural adjustment and inequality in the complex research on political economy.

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Dataset World Bank:

Series Name	Inflation, consumer prices (annual %)	Inflation, consumer prices (annual %)	Inflation, consumer prices (annual %)	Inflation, consumer prices (annual %)
Country Name	Bolivia	Chile	Costa Rica	Venezuela, RB
Country Code	BOL	CHL	CRI	VEN
1973	31,48603	352,828	15,21403	4,12631
1974	62,83608	504,7339	30,07363	8,287462
1975	7,976746	374,7354	17,3692	10,24428
1976	4,494012	211,9244	3,485833	7,601665
1977	8,107256	91,95414	4,174484	7,802643
1978	10,35567	40,08722	6,014671	7,114595
1979	19,71972	33,38921	9,18351	12,35461
1980	47,24165	35,13834	18,12639	21,54107
1981	32,1336	19,68684	37,0572	16,04997
1982	123,5357	9,941021	90,12271	9,660668
1983	275,5863	27,2572	32,62056	6,338049
1984	1281,35	19,86021	11,95066	11,57286
1985	11749,64	30,70349	15,05176	11,38238
1986	276,336	19,47687	11,83675	11,54335
1987	14,5787	19,88081	16,84665	28,13548
1988	16,00209	14,68436	20,82632	29,46873
1989	15,17347	17,02794	16,50995	84,46331
1990	17,11877	26,03648	19,04418	40,65575
1991	21,44707	21,78442	28,70932	34,2054
1992	12,06032	15,4258	21,78825	31,42263
1993	8,527877	12,72776	9,781446	38,12162
1994	7,874044	11,44312	13,53425	60,82101
1995	10,19321	8,232634	23,18924	59,9191
1996	12,42549	7,359115	17,52249	99,87714
1997	4,708444	6,133867	13,23147	50,03907
1998	7,673229	5,110244	11,66609	35,78202
1999	2,159516	3,336883	10,04588	23,56989
2000	4,60823	3,843273	10,99252	16,20481

Series Name	GDP per capita growth (annual %)	GDP per capita growth (annual %)	GDP per capita growth (annual %)	GDP per capita growth (annual %)
Country Name	Chile	Costa Rica	Bolivia	Venezuela, RB
Country Code	CHL	CRI	BOL	VEN
1973	-6,55082	5,080827	3,526323	4,138834
1974	0,817805	2,973534	0,762773	-0,73536
1975	-12,7707	-0,42297	5,016964	0,070186
1976	1,807577	2,865172	2,355187	4,762658
1977	7,057915	6,130471	2,687861	3,347331
1978	5,871135	3,527891	-0,17217	-0,45831
1979	7,08896	2,207974	-2,0418	-1,9742
1980	6,568476	-1,88785	-3,4971	-6,9888
1981	3,210885	-4,8431	-1,86673	-3,00443
1982	-11,6305	-9,75078	-5,97329	-4,63689
1983	-5,20348	0,13173	-6,05107	-6,26344
1984	6,348951	3,413071	-2,25942	-1,17714
1985	5,463427	-1,56616	-3,67165	-2,38348
1986	3,917456	3,112743	-4,51604	3,780855
1987	4,861732	4,225037	0,453069	0,945685
1988	5,547338	1,268615	0,910705	3,165297
1989	8,747514	2,476646	1,779195	-10,8138
1990	2,019072	1,319338	2,602972	3,928738
1991	6,249041	-0,00106	3,215017	7,191819
1992	10,5161	6,410736	-0,33717	3,678009
1993	5,342251	4,727796	2,231952	-1,91518
1994	4,126253	2,140567	2,621004	-4,42961
1995	9,02212	1,398053	2,632886	1,787882
1996	5,906049	-1,52029	2,323065	-2,22718
1997	5,15888	3,112925	2,908492	4,259021
1998	1,872912	5,962401	2,995873	-1,65401
1999	-2,03194	5,934553	-1,49327	-7,76163
2000	3,187714	-0,18893	0,580428	1,74665

Dataset UNU-WIDER:

Country	Countrycode	Year	Gini	Source
Bolivia	BOL	1992	56	SEDLAC,2012
Bolivia	BOL	1993	58	SEDLAC,2012
Bolivia	BOL	1993	-	SEDLAC,2012
Bolivia	BOL	1997	53	SEDLAC,2012
Bolivia	BOL	1997	-	SEDLAC,2012
Bolivia	BOL	1997	56	SEDLAC,2012
Bolivia	BOL	1997	-	SEDLAC,2012
Bolivia	BOL	1999	54	SEDLAC,2012
Bolivia	BOL	1999	55	SEDLAC,2012
Bolivia	BOL	2000	-	SEDLAC,2012
Bolivia	BOL	2001	54	SEDLAC,2012
Bolivia	BOL	2001	55	SEDLAC,2012
Bolivia	BOL	2002	54	SEDLAC,2012
Bolivia	BOL	2002	53	SEDLAC,2012
Bolivia	BOL	2003	54	SEDLAC,2012
Bolivia	BOL	2005	54	SEDLAC,2012
Bolivia	BOL	2005	54	SEDLAC,2012
Bolivia	BOL	2006	54	SEDLAC,2012
Bolivia	BOL	2006	53	SEDLAC,2012
Bolivia	BOL	2007	51	SEDLAC,2012
Bolivia	BOL	2007	51	SEDLAC,2012
Bolivia	BOL	2008	42	SEDLAC,2012
Chile	CHL	1987	42	SEDLAC,2012
Chile	CHL	1990	43	SEDLAC,2012
Chile	CHL	1992	43	SEDLAC,2012
Chile	CHL	1994	43	SEDLAC,2012
Chile	CHL	1996	44	SEDLAC,2012
Chile	CHL	1998	43	SEDLAC,2012
Chile	CHL	2000	44	SEDLAC,2012
Chile	CHL	2003	43	SEDLAC,2012
Chile	CHL	2006	43	SEDLAC,2012
Chile	CHL	2009	45	SEDLAC,2012
Costa Rica	CRI	1989	44	SEDLAC,2012
Costa Rica	CRI	1990	48	SEDLAC,2012
Costa Rica	CRI	1991	48	SEDLAC,2012
Costa Rica	CRI	1992	47	SEDLAC,2012
Costa Rica	CRI	1993	46	SEDLAC,2012
Costa Rica	CRI	1994	45	SEDLAC,2012
Costa Rica	CRI	1995	47	SEDLAC,2012
Costa Rica	CRI	1996	47	SEDLAC,2012
Costa Rica	CRI	1997	47	SEDLAC,2012
Costa Rica	CRI	1998	48	SEDLAC,2012
Costa Rica	CRI	1999	46	SEDLAC,2012

Costa Rica	CRI	2000	40	SEDLAC,2012
Costa Rica	CRI	2001	39	SEDLAC,2012
Costa Rica	CRI	2002	44	SEDLAC,2012
Costa Rica	CRI	2003	46	SEDLAC,2012
Costa Rica	CRI	2004	45	SEDLAC,2012
Costa Rica	CRI	2005	45	SEDLAC,2012
Costa Rica	CRI	2006	42	SEDLAC,2012
Costa Rica	CRI	2007	44	SEDLAC,2012
Costa Rica	CRI	2008	45	SEDLAC,2012
Costa Rica	CRI	2009	44	SEDLAC,2012
Costa Rica	CRI	2010	43	SEDLAC,2012
Venezuela	VEN	1989	45	SEDLAC,2012
Venezuela	VEN	1992	41	SEDLAC,2012
Venezuela	VEN	1995	39	SEDLAC,2012
Venezuela	VEN	1997	38	SEDLAC,2012
Venezuela	VEN	1998	36	SEDLAC,2012