

## INTRODUCTION/ THESIS STATEMENT

There is a deeply ingrained idea in our society that men are the movers and shakers in the business world. They are the CEO's, the CFO's, and the ones who make things happen. This may have been true fifty years ago, but today we are seeing a new and very interesting trend developing. Women are making great strides in the business world and the ratio of men to women is beginning to even out. Take Chile, traditionally, Chileans typically conflate womanhood with motherhood. Perhaps, the Pinochet dictatorship had influenced many of the tensions that define Chilean women's lives today. As a result, these changes opened up new areas of work, many of which women now occupy. In this study, the investigation aims at answering the questions of whether there exists a strong association between gender inequality in the workforce and women's social status from 2009 to present, mainly focusing on Chile and the United States. Although studies show that the gender gaps in the workforce in both countries have been consistently narrowing down, suggestions from various studies point out that these two variables could still have a very strong relationship, especially to Chile, when comparing to the United States. For this reason, the central research question that will be guiding this study is that: *does a strong correlation between gender inequality in the workforce and women's social status still exists in Chile, despite new laws and policies since the return of democracy, and in comparison to the US in this same time period?* Pursuing the question and some other will adopt a standard scientific approach.

Firstly, this study will investigate the association between gender inequality in the Chilean workforce and in the U.S. workforce, and women's social status, focusing on the effects of education, racism, marriage status, company policies, and government policies for the

employed women, and will present the results of statistical analysis of gender inequality in the workforces, including a time series analysis from 2009 to present. Secondly, this study will investigate the Chilean historical backgrounds of labor movement action, the political sphere, and government policies, including three broad historical time periods: a period of emergence and early labor history, a period of state intervention, and a neoliberal period extending into the present. Thirdly, this study will investigate the contemporary Chilean economic structure, Chile integration with the global economy, and the Chilean employment structure, demographic and geographic characteristics. Finally, this study will logically apply theoretical understanding of gender inequality in the Chilean workforce and in the United States workforce and women's social status in both countries to make a clear argument in answer to the research question based on analysis. Answering these questions will help contribute the existing effort to curb the practices and even open doors for future research on the same.

## LITERATURE REVIEW

### *Women's Social Status in the United States*

In the early 1900s, women's role was to do all house cleaning and "maid" work as well as being the prime parent to take care of the children. Later, in the 1960s, adult females who lived through the Great Depression did not have much money to go to school. So they made their own schools that provided a much cheaper education, which also lead to the standard approach towards current day public schools (Donnelly 2016). Since then, the role of women in the U.S. has actually changed dramatically over the past few decades. For one, more and more women have taken on new responsibilities outside the home by joining the paid workforce. In contrast with the United States, there is a sort of consensus about women's labor force participation in

Chile being low in the last decades. One study shows that while women made up only about one-third of the workforce in 1969, women in 2012 made up almost half of all workers in the U.S. (Chu and Posner 2013). Overtime, women have gone from being the “housewife”, or the primary homemakers and caretakers of the children, while men earn the money to sustain the family. Now women and men can both be the breadwinners. In addition, according to Pew Research Center, in 2017, women had made gains in educational attainment; 14% of women ages 25 to 64 had an advanced degree, compared with 12% of men (Geiger and Parker 2018).

Nevertheless, according to one study, the biggest challenge facing women in the United States today is patriarchy (Wong 2019). Regardless of a woman’s experience, education or abilities, the patriarchal nature of U.S. society fosters the perception that women are less qualified and less competent than men, specifically when it comes to reward and recognition programs at work, it appears that men and women are treated differently. What patriarchy has done is convince people that a strong and intelligent women represents a problem; a disruption to the social order rather than an integral part of it (Wong 2019).

The 21st century has brought a new hope and has empowered women in a positive manner. Earlier women were seen only as housewives who were projected to cook, clean and take care of their family, but now they have established themselves socially, politically and economically in almost every field (Nigam 2018). Although more doors are open to women today, when it comes to jobs, there seems to be a “glass ceiling,” a level above which women do not rise (Wong 2019). For instance, women are less likely to be promoted at work than male coworkers.

*Gender Inequality in the United States Workforce*

Since the 1970s, the role of women in the U.S. workforce has changed tremendously — more women have entered the workforce, they are increasingly holding positions in management, and the pay gap between men and women has diminished. Although these are significant accomplishments that signal a positive change for U.S. female workers, many disparities remain (BLS 2013). For instance, American women remain disadvantaged in terms of pay, promotion prospects and work-life balance. In terms of women in leadership positions, in 2009 only 24% of CEOs in the U.S. were women, and they earned 74.5% as much as male CEOs (BLS 2010). In addition, one study points out that in 2010, the wage gap was lower for black and Hispanic women in part because wages for people of color tended to be lower overall (Glynn and Powers 2012); white women earned 78.1%, compared to white men, while African Americans earned only 58.7% of what whites earned and Hispanics earned only 69.1% of what whites earned (Glynn and Powers 2012).

Besides, the Government Accountability Office (GAO) also shows that in 2010 women constituted 59% of the low-wage workforce (BLS 2010). Less-educated women were more likely than less-educated men to work part-time — on average, 29% of women and 15% of men worked part-time in 2010 (BLS 2010). On the other hand, an article written in 2011 shows that women were less likely to be hired into manager-level jobs, and they were far less likely to be promoted into them — men ended up holding 62% of manager positions, while women held only 38% (Unknown 2012). Additionally, according to a 2012, Census Bureau report, women made as little as 77 cents for every dollar that men earned for equivalent work. Though the gender pay gap was much smaller for younger individuals. Among 25- to 34- year-olds, the women's-to-

men's earnings ratio was 90% in 2012, compared to 75% for 45- to 54-year-olds (DeNavas-Walt and Smith 2012). Nevertheless, labor force participation rates also vary by race and ethnicity. According to Status of Women, black women in 2014 had the highest unemployment rate among women at 10.5%, followed by Hispanic women (8.2%), white women (5.2%), and Asian women (4.6%). For each racial and ethnic group except Hispanics, women's unemployment rates were lower than men's (Status of Women 2014). In sum, when employment is considered from a racial and gender perspective, even greater disparities are revealed. Historically, African Americans and Latinos have had the highest rates of unemployment while Whites and Asians have had the lowest (Adjeiwaa-Manu 2019).

Although the U.S. as whole needs to reconsider how it treats women in the workplace, there is a little bit of sunshine amongst the clouds. For example, growing wages for women have helped narrow the gender pay gap, though women still lag men in pay. In 2016, the median working women earned 83 cents for every dollar earned by men, compared with 77 cents for every man's dollar in 2012 (Geiger and Parker 2018). Today, women have also made gains in educational attainment, which has contributed to their progress in the workforce at large. While women have made up a majority of college-educated adults, men still outnumber women as a percentage as U.S. workers, but the gap does have narrowed significantly in recent year. According to one study, the gap between men and women in starting data analytics and software engineering roles has narrowed, with men being paid 1% more in these positions (Hired 2019). Despite these developments, some of the other technical roles still have a long way to go. Women have overcome many obstacles within the workplace, but unfortunately, gender

inequality still continues to rear its ugly head.

*Women's Social Status in Chile*

Chile has been described as one of the most socially conservative countries of Latin America where traditional gender roles and a patriarchal culture have been the historical norm. Chileans typically conflate womanhood with motherhood (Power 2004). They associate women with the home, family, and children. Yet, for many women the gendered expectations they receive, and frequently internalize, conflict with the drive to modernity that dominates that national discourse and shapes public values and goals (Power 2004). These expectations also clash with many women's quotidian reality and desires. The Chilean experience has ranged from the leftist government of Salvador Allende in the early 1970s, to the military dictatorship of General Pinochet in the 70s and 80s, to the post-dictatorial Concertación government of today (Power 2004).

Perhaps, the Pinochet dictatorship had the most profound impact on gender relations; its legacy influences many of the tensions that define Chilean women's lives today. These changes led to a rapid decline in men's traditional sources of employment, along with the trade union movement that had defended them (Power 2004). They opened up new areas of work, many of which women now occupy. Thus, while the military regime's patriarchal discourse defined women as dependent wives and mothers, its economic policies either forced or allowed them to take on new roles as wage laborers, in some cases as the sole financial supporters of their families (Power 2004).

One could argue that the future is promising for women in Chile; a 2012 study found that younger women who have less traditional views about gender roles are more likely to join

the workforce — probably the result of a variety of factors such as reduced gender discrimination in schools and the dulled influence of the authoritarian period on women in Chile today (Bachelet 2015). In addition, an article written in 2017 points out that “Chilean women will stand up for what they want and what they believe in, and that their goals and dreams are changing the traditional gender roles that have long defined Chilean society” (Baillargeon 2017).

### *Gender Inequality in the Chilean Workforce*

Today, in Chile, the gender gaps in the workforce has actually been narrowing down but gender inequality in the workplace still seems to be a significant issue which require adequate solutions, when comparing to other developed countries such as the United States. During the neoliberal era, the government of Chile adapted the “rigid” labor legislation which excluded women, distorted effects on the labor market contribute to widening inequality among different sectors of the population. In general, there is a sort of consensus about women’s labor force participation in Chile being low in the last decades, when comparing to other developed countries such as the U.S., and when controlling by educational level and age.

In the literature, the reasons why Chilean women work little and why women’s participation has been fluctuant, remains as a puzzle. One reason can be that inadequate job training and lack of access to adorable day care services deters women from obtaining a job, particularly among poor women. In fact, according to a 2009 survey, 50% of low-income females who do not work in Chile listed childcare as the primary reason for not working (Medrano 2009). To address this issue, in 2012, the Chilean government introduced an in-work benefit that targeted women in the poorest 35% of households and has benefited about 300,000 women and encouraged labor demand (OECD 2015).

Moreover, a coordinated effort between the public and private sector has contributed a slow yet sustained increase in women's participation in the Chilean mining industry (CEPAL 2016). According to the Mining Council in the large-scale mining industry women represented 7.5% in 2015, a sustained increase from 2009 when women represented 5.2% of the workforce. In the mining companies women predominate in professional profiles, especially geologists and engineers specialist in processing, while fewer are concentrated in profiles relating to operation and maintenance.

On the other hand, one study presents that working females in Chile have more schooling than males, both in rural and urban areas. As education is an important determinant of earnings, it would be expected for women to have higher wages than men. However, the study shows that opposite result, the hourly wages of men are higher than the hourly wages received by women (Paz and Gianola 2019).

Overall, although the gender gaps in the Chilean workforce has been consistently narrowing down, there is still a significant gap of 27% remaining, mostly explained by married and low-educated women (Paz and Gianola 2019). Evidence shows that these two characteristics are associated to "sexist" attitudes towards women's work (Paz and Gianola 2019). When segmenting women by marital status, it is clear that although single women have slightly increased their participation in the labor force, and even have similar rates of participation to men in Chile, married women have been joining the labor force at a higher rate, but are still behind their peers with a participation rate of 67% compared to an 84% of single women (Paz and Gianola 2019). On the other hand, low-educated women, which are typically the ones with lower levels of income, have had a higher rate of growth but have not been able to catch up with



the rest (Paz and Gianola 2019).

*The Association between Gender Inequality in the Chilean Workforce and in the United States Workforce and Women's Social Status in Both Countries*

All modern society evolved out of agrarian society. Before the Industrial Revolution, the male endurance value and physical strength translated directly to political power. Men fought in wars, hunted beasts, erected buildings, and plowed fields precisely because they possessed the physical stamina to do so at a far greater degree than females. So, to put it plainly, women had a place in society that was not just dictated by male prejudice (while it certainly existed); it was dictated by the needs of society. Women were needed at home because the lack of sophistication in society basically relegated most men and women into the roles that they had. As a result, traditionally, men were seen as wage-earners and women were seen only as housewives who were projected to take care of their family and living off the earnings of men, and therefore of lower social status, but now they have established themselves socially, politically and economically in almost every field. These different political, social, economic, and cultural influences play out in a variety of ways in Chile today. Women's gendered realities shape many of their preferences and a gender gap exists in Chile, just as it does in the U.S. However, unlike the U.S., Chilean women tend to be more conservative than men. Nevertheless, when it comes to the workplace, there is still an even stronger sense among the public that the playing field is uneven.

Overtime, women have overcome many obstacle within the workplace, and have made serious strides leading up to 2019, but unfortunately there is still a significant gap remaining in both developed countries. Yet, despite being more educated than men and constituting nearly half

of the workforce, women are promoted at work far less often than men and continue to earn considerably less as well, and women of color are even worse off (Wilson 2019).

According to the sources, the overall gender gaps does have narrowed in both countries; a similar positive trend has emerged in salary offers to men and women, however, more companies are championing diversity programs that encourage women to apply to technical positions, and women are still not getting interviews at the same rates as men, especially married women (Hired 2019). For example, take Chile, married women have been joining the labor force at a higher rate, but are still behind their peers with a participation rate of 67% compared to an 84% of single women (Paz and Gianola 2019).

One reason cited for why more women are not moving into higher-up executive-type roles is the “lack of female role models” in the workplace (Wilson 2019). Another reason for that could be gender stereotypes hold women back in the workplace, particularly in male-dominated professions like finance and technology. Regardless of a woman’s experience, education or abilities, the patriarchal nature of society fosters the perception that women are less qualified and less competent than men, specifically when it comes to promotions in the workplace. These issues are the achilles heels of the Chilean labor market as well as of the U.S. labor market. Besides unequal pay, racism, and women are promoted less often than men can also be the major issues fueling gender inequality in the Chilean workforce as well as in the U.S. workforce.

## HISTORICAL BACKGROUND

*The Chilean Historical Backgrounds of labor movement action, the political sphere, and government social welfare policies*

A strong labor movement development early in Chile. “The first major period of worker militance occurred between 1890 and 1907” (Collier and Collier 1991:73). “During this period, worker protest was met with heavy repression” (Collier and Collier 1991:73). The first important strike was in 1890 in the newly expanding nitrate sector, starting among the port workers of Iquique and spreading rapidly throughout the nitrate region (Collier and Collier 1991:73). “By the time the military brought the situation under control, an estimated 10 to 15 nitrate workers had been killed and about a hundred wounded. The strike wave spread south from Tarapacá, reached as far as the coal fields of Lota and Coronel, and touched all the major industrial and port centers in between” (Collier and Collier 1991:73). Up to 10,000 workers were involved during the strike. Overall, 1890s saw about 300 labor conflicts (Collier and Collier 1991:73). Then, in 1907, 1,000 to 3,000 workers were killed as the army brutally put down a strike among nitrate workers during the Iquique massacre. (Collier and Collier 1991:74). In the next decade, collective protest had started to decline, and the political orientation of the movement also began to change (Collier and Collier 1991:74).

Democratic Party finally moved away from worker’s movement; breakaway faction formed Socialist Workers Party which later became Chilean Communist Party (Collier and Collier 1991:74). Nevertheless, between 1917 and 1919, there was about 110 to 120 strikes (Collier and Collier 1991:75). “Working-class publications were closed, unions were raided by the police, labor leaders were arrested, and meetings were broken up; the strike wave was

brought to a halt, and the 1917 to 1920 resurgence of labor militance was reversed” (Collier and Collier 1991:75). In 1927, Former General Ibàñez elected with 98% of vote; communist and anarcho-syndicalist unions were successfully repressed. “For a brief period, organized labor seemed to be in a position of substantial political strength, many strikes and often favorable responses to labor demands from the junta” (Collier and Collier 1991:181). Later on, the government renewed a policy of repression which brought the strike wave to a halt (Collier and Collier 1991:181). In addition, Former General Ibàñez later banned the Communist Party and unleashed a wave of raids on unions headquarters (Collier and Collier 1991:191). Within a short time, all major leaders as well as many party leaders and activists had been arrested, gone into hiding, or fled the country (Collier and Collier 1991:191). After the Communist Party was banned, “with the elimination of free union, labor policy turned to a second goal: the establishment of state-sponsored, state-controlled labor movement” (Collier and Collier 1991:191). “In Chile too the overthrow of authoritarian rule and the political opening that followed produced a dramatic reawakening and re-politicization of the labor movement in which both Communist and populist parties made impressive gains” (Collier and Collier 1991:374). “However, during this period in Chile, the Communist Party was allowed to function openly, and the government did not reimpose official unionism” (Collier and Collier 1991:374).

After Former General Ibàñez fell in 1931, union freedoms opened up. “Leaders of the official union movement were quick to adopt independent positions, especially in the face of annual union elections” (Collier and Collier 1991:375). Moreover, Socialist Party became a big presence in labor movement (Collier and Collier 1991:375). Unions had re-established their links to political parties, though the previously dominant Communist Party was losing the

organizational battle to the Socialist Party (Collier and Collier 1991:376). “A politicized labor movement, autonomous from the state but with close ties to the political parties, particularly the Socialist Party” (Collier and Collier 1991:377). Later in 1938, a “populist” coalition government was elected containing centrist parties, but also the Communist and Socialist parties (Collier and Collier 1991:378).

After 1946, however, even with the Communist Party in the cabinet supporting progressive centrist President González Videla “Government repression and the weakness of the Marxist parties and unions kept worker activism down from 1946 to 1952. Union collaboration with the Ministry of Labor, served to restrain more than fulfill worker demands” (Collier and Collier 1991:390). With more union freedom, the number of labor conflicts and strikes rose. New labor activity in the country sides (Collier and Collier 1991:383). Between 1950 and 1960, “the political role of the labor movement changed. Labor continued to maintain close ties to the parties, but it no longer collaborated with the government, forming instead part of the opposition” (Collier and Collier 1991:557). Moreover, the Communist Party was re-legalized. Later on, between 1964 and 1970, the government of Chile did seek to mobilize working class support but had a conflictual relationship with labor because of its economic policies of wage restraint and open international trade (Collier and Collier 1991:560).

State-labor relations changed dramatically with the election of Allende (Collier and Collier 1991:563). For instance, “the wage policy resulted in a redistribution that was favorable not only to blue-collar workers vis-à-vis white-collar workers, but also to labor vis-à-vis capital. In the same, year the share of national income that went to wages rose from 55% to 66%” (Collier and Collier 1991:564). As a result, the working class then became the main pillar

of support for the government of Chile. Nonetheless, in the end, neither the government nor the national labor leadership could control the mobilizations of factory workers or rural workers, leading to a hyper-polarization (Collier and Collier 1991:565).

In addition, in the 1970s, General Augusto Pinochet led a military coup that ended Chile's democratic socialist experiment (Pollack 1978:117). Under martial law, national and many local unions were banned. Also, in the violence that followed the coup, left parties and militants were targeted by the government. The Socialist Party and Communist Party were banned. The military repealed the previous labor law and put legal local unions under direct military supervision. These unions were banned from discussing things outside of work issues and were prohibited from any "political activity". The Military negotiated with the opposition political parties, which were re-legalized except for the Communist Party, which was leading the underground armed opposition. In the late 1970s, Pinochet's efforts to institutionalize the regime and replace Chile's constitution and laws became clearer. It was, many argued, a counterrevolution. Advised by the Chicago Boys, a group of economists influenced by Milton Friedman, the military government deregulated the national economy, privatized state companies and services, flexibilized the labor market, and eroded social protections such as social security and health care (Pollack 1978:130). These were the seven modernizations that made Chile the icon of neoliberalism around the globe. (Collier and Collier 1991:74).

Later on, during the time of neoliberalism, the large mass of marginalized people, women, children, and those who had problems with the judicial system had been ignored. According to one article, in the 1980s, women's organizations like Women for Life played an influential role in the struggle for democracy and human rights movement (Corrêa 1990). Within

the era, the experience of industrial workers, women's labor organizations, and their contributions to the nitrate economy had been explored (Corrêa 1990). Moreover, one study points out that there had been huge social and economic costs associated with neoliberalism, particularly for women. For example, the government failed to recognize the needs of the many women who did not participate in the paid economy, and who were not covered by the rights conferred on women workers who earned wages in the paid economy (Gideon 2006).

During the time of neoliberalism, some organizations such as The International Covenant on Economic, Social and Cultural Rights (ICESCR) stated that men and women should have equal right to the enjoyment of all the rights such as the right to just and favorable conditions of work, including fair and equal remuneration, safe and healthy working conditions and reasonable limitation of working hours (Gideon 2006). However, groups of women workers were still being denied access to many of the rights within the ICESCR, particularly the right of health (Gideon 2006).

In December 1989, democratic elections were held for a new, civilian President and Congress. "The Concertación" coalition of opposition parties, led by Christian Democrats and the Socialist Party, won the Presidency and the most seats in Congress. But, the military and the minority right wing in Congress still had a lot of power because of the negotiations for the free vote and transition. Labor movement had close ties with the opposition parties, Christian Democrats and Socialists were very close, CUT leaders were from these parties. However, the Concertación did not change the neoliberal policies from the dictatorship very much. There were small improvements in wages and social welfare policies, but not much. But, the close ties between the labor movement and the parties and the government, since those parties were in

government, held back this protest and strike trend to some degree. When conservative parties won the Presidential election in 2010 (and again in 2018) – the government became one the Labor Movement was very oppositional to. Neoliberal policies were still very similar to Military Regime and Concertación years. More, the Communist Party won control of many unions and the national CUT through union elections. The Party was legalized since 1989 but outside the Concertación, the Communist Party rejoined the opposition coalition.

In present day, there are still issues around gender inequality in the labor participation in Chile. To reduce this problem, the government of Chile has designed several policies which help increase women's labor force participation (Paz 2019). Over the last 30 years the female labor participation in Chile has been consistently increasing, but there is still a significant gender gap remaining (Paz 2019). One article points out that while Chile stands out as a middle-income country, within a strong path of development and constantly growing income, but still with a low level of female labor participation rate (Paz 2019). Additionally, the article also shows that usually women that have lower levels of education, are not single, and have higher levels of religiosity are more prone to have more conservative/ sexist views on women's work, while having children does not seem to have significant impact on cultural factors. For this reason, the government has actually done several efforts to progress towards a more equitable society, and have successfully reduced the existing labor gap between men and women.

To conclude, these historical backgrounds help with understanding the early Chilean labor history, and that women's roles in the context of a changing labor market and the rise of new economic activities from the dictatorship and the rise of neoliberalism and globalization to



the present day.

## STRUCTURAL CONTEXT

*The Contemporary Chilean Economic Structure and The Chilean Employment Structure, Demographic, and Geographic Characteristics Integrate with The Global Economy*

After the 1930s Depression, Chile embraced an import substitution strategy for development, erecting a large and cumbersome set of trade restrictions, including both tariff and non-tariff barriers and restrictions on access to foreign exchange (Estrada 2019). The banking system was subject to quantitative controls and interest rates were regulated. That crisis and the ensuing default meant that Chile remained excluded from external financial markets for more than 40 years, while various nationalization discouraged FDI (Estrada 2019). By the end of the decade, the economy had experienced a major transformation, with a larger participation of foreign trade in GDP, a significant diversification of exports and imports, in terms of both their composition and international partners (Estrada 2019). However, exports remained biased towards natural resources-based goods and there was very little integration into global value chains. As expected, imports displaced domestic manufactures, especially in durable goods, with a significant impact on employment.

In the late 1980s and early 1990s, some institutional changes took place. The new central bank law established the institution's independence, providing for a monetary policy with the sole objective of controlling inflation. Inflows of FDI were large during this era, especially in mining, for example, according to the Mining Council in the large-scale mining industry women represented 7.5% in 2015, a sustained increase from 2009 when women represented 5.2% of the workforce.

Finally, immigration from neighboring countries started to gain momentum in the 1990s, especially from Peru at the outset, followed by Argentina, and more recently from Colombia, Venezuela and the Caribbean (Estrada 2019). Some of these female immigrants have high levels of education and have joined Chilean companies in professional-level roles, but most are low-skilled workers who have helped sectors such as agriculture, construction and services to regain their competitiveness (Estrada 2019).

Currently, Chile is a very open economy, even though immigration is a relatively new phenomenon which is already having an impact at the macroeconomic level. During this period, there have been significant institutional developments, notably the establishment of the central bank's independence, with a clear mandate to control inflation and a ban on funding of the government (Index of Economic Freedom 2019). Chile's economic freedom score is 75.4, making its economy the 18th freest in the 2019 Index (Index of Economic Freedom 2019). Its overall score has increased by 0.2 point, with increase in labor freedom, business freedom, and monetary freedom offsetting a steep decline in judicial effectiveness (Index of Economic Freedom 2019). According to the Chilean Central Bank, GDP grew 4% in 2018 and is expected to grow 3.4% in 2019 and 3.2% in 2020 (IMF 2019). In addition, Chile's openness to global trade and investment and its transparent regulatory environment and strong rule of law continue to provide a solid basis for economic dynamism. As a result, Chile is now ranked 3rd among 32 countries in the Americas region, and its over score is above the regional and world averages (Index of Economic Freedom 2019). On the other hand, while Chile ranks 39 out of 144 countries for educational attainment and 47 for health, however, it ranks 117 for economic

participation and opportunity; the labor participation rate for men is 22% points higher than that for women (Index of Economic Freedom 2019).

Nowadays, Chilean women are almost half of the workforce. They are the sole or co-breadwinner in families with children. They receive more college and graduate degrees than men, both in rural and urban areas. Yet, on average, women continue to earn considerably less than men. According to the National Institute of Statistics, women workers in Chile earn on average 31.1% less than men. But among professional, the wage gap is as high as 49.8%, according to the Labour Directorate. In 2019, only 41.6% of women of working age are economically active (Estrada 2019). Moreover, according to one article, the GDP per person calculated for Chilean men is 28,809 dollars, compared to 15,137 dollars earned by a woman; the gender gap in Chile is 2.3 times the gap observed in the average of countries with very high human development (Unknown 2018). Besides, although single Chilean women have similar rates of participation to men in Chile, and married Chilean women have been joining the labor force at a higher rate, they are still behind their peers with a participation rate of 67% compared to an 84% of single women (Paz and Gianola 2019). The data shows that there are still pending challenges, among the access to economic resources. Women in Chile continue to participate less than men in the labor market and receive less income than men for the same work.

For these reasons, companies and the government of Chile should work together with the coordinator of the scheme, the Inter-American Development Bank (IADB) and World Economic Forum (WEF), to share experience and get ideas for how to make change quickly and effectively. So far, around 50 companies such as Microsoft Chile and L'Oréal Chile have already completed

the initial diagnostic of internal gender equality levels (Chalaby 2017).

On the other hand, actually, there is significant untapped potential for women in the workforce, and that would translate into significant GDP gains (Herrera 2017). To truly make a dent in the economic gender gap, nudging is needed on all fronts, from employers to individuals and the government.

## SOCIOLOGICAL ANALYSIS/ ARGUMENT

### *Theoretical Understanding of Gender Inequality in the Chilean Workforce and in the United States Workforce and Women's Social Status in Both Countries*

During the neoliberal era, the government of Chile adapted the “rigid” labor legislation which excluded women, distorted effects on the labor market contribute to widening inequality among different sectors of the population. Some organizations such as The International Covenant on Economic, Social and Cultural Rights (ICESCR) stated that men and women should have equal right to the enjoyment of all the rights such as the right to just and favorable conditions of work, including fair and equal remuneration, safe and healthy working conditions and reasonable limitation of working hours (Gideon 2006). Moreover, in the 1980s, women's organizations like Women for Life played an influential role in the struggle for democracy and human rights movement (Corrêa 1990). Within the era, the experience of industrial workers, women's labor organizations, and their contributions to the nitrate economy had been explored (Corrêa 1990). Perhaps, the Pinochet dictatorship had the most profound impact on gender relations and its legacy influences many of the tensions that define Chilean women's lives today; more and more women have entered the workforce and they are increasingly holding positions

in management. However, in present day, in Chile, the gender gaps in the workplace still seems to be a significant issue which require adequate solutions, when comparing to other developed countries such as the United States.

Traditionally, the man has been the breadwinner and as such the head of the household, and the woman's primary role has been to have his children although at times, especially in families that are less well off, she too has had to work to get the basic necessities (Nigam 2018). As women have entered social production, they have realized their particular exploitation. To free men for their role in social production, women have served as unpaid housekeepers — providing the meals, keeping the home clean, doing the washing and so on. This is seen as inferior work, lowering the dignity of man if he is called upon to do it. Her work is socially necessary, but is unpaid and has no value in capitalism (Nigam 2018). As a result, generally, there is a deeply ingrained idea in our society that men are the movers and shakers in the business world. They are the CEO's, the CFO's, and the ones who make things happen. This may have been true fifty years ago, but today we are seeing a new and very interesting trend developing. Women are making great strides in the business world and the ratio of men to women is beginning to even out. While the participation of women in the workforce and the level of their education are increasing, there seems to be still some major factors that are holding women back more than men.

Many studies point out to the fact that “gender inequality is embedded in the workplace” (McAllister 2016). For example, in *The Communist Manifesto*, Marx once states that capital finds female workers particularly valuable, since they are from an oppressed group that can be compelled to work for less (Marx 1996:10). Gender inequality in the workplace is

therefore ethically significant because it influences women's motivation to perform their tasks in a proper way. For instance, women's experiences regarding gender inequality in the working environment are based on lower job security, lower wages compared to men, lack of respect, lack of benefits or inadequate benefits, and vulnerability to sexual harassment and abuse. As a result, women have poor motivation to perform their duties as well as poor interpersonal relations with other employees (both men and women).

Moreover, nowadays, women are more educated than men, on average. However, one study shows that even working females in Chile have more schooling than males, both in rural and urban areas, the hourly wages of men are higher than the hourly wages received by women (Paz and Gianola 2019). Also, according to one article, the GDP per person calculated for Chilean men is 28,809 dollars, compared to 15,137 dollars earned by a woman; the gender gap in Chile is 2.3 times the gap observed in the average of countries with very high human development; in addition, Chile is ranked 117 out of 144 countries for economic participation and opportunity (Unknown 2018). In sum, women have attained more education, and this has resulted in big gains in job growth for this population. Despite all this advancement, women still have a long way to go to reach parity with men in the workplace.

Gender gaps in the workforce also persist in the United States. One study shows that in terms of women in leadership positions, in 2009 only 24% of CEOs in the United States were women, and they earned 74.5% as much as male CEOs (BLS 2010). Many men consider that women should not be in the leadership positions because they do not think that women can demonstrate their best skills, knowledge and experience.

Overtime, women have gone from being the "housewife", or the primary homemakers

and caretakers of the children, and now they have established themselves socially, politically and economically in almost every field, while men earn the money to sustain the family. Now women and men can both be the breadwinners. Additionally, women have also made gains in educational attainment, which has contributed to their progress in the workforce at large. Any male-dominated corporate culture is ineffective in today's business environment because international business encourage gender equality, without differential rules for men and women (McAllister 2016).

Despite these developments, there still seems to be a "glass ceiling," a level above which women do not rise, and because of traditional gender role beliefs, women are still seen to be less qualified and less competent than men. Slow process in women's labor force participation and wage equality, and the absence of women in leadership positions have also been the most pressing challenges facing in the Chilean workforce as well as in the U.S. workforce. The paradox of a gender gap fast disappearing in education but barely improving in the workforce does not only affect less developed countries. Take Chile, an emerging economy noted for its institutional stability, growth, and its high level of educational attainment by women. But Chile has a large economic gender gap, and has been making very slow progress in closing it, just as it does in the United States.

In sum, we cannot be so sure if women are now seen as being as competent as men, however, we can definitely see that gendered stereotypes of competence has changed dramatically over time. Women's participation in the labor force has increased and their work is concentrated in jobs that emphasize social skills, and despite some shifts in expectations for shared parenting, women spend much more time than men on child care and household duties.

Men still cluster in occupations requiring physical strength, competition, and technical analysis. These results provide additional support for the vital role of higher education as a pathway for economic equality, in this case for the advancement of women. It's a field where competence matters, and it's a field where women have excelled. That success has been associated in turn with significant social benefits and economic gains for women. Though, the continuing reality of a "glass ceiling" for women, especially with respect to traits commonly associated with leadership positions. As a result, the correlation between gender inequality in the workforce and women's social status does still exist in Chile, despite new laws and policies since the return of democracy, and in comparison to the U.S. in this same time period, however, it is also obvious that the relationship between these two variables is not as strong as it used to be and has been closing slowly by education, company policies, and government policies etc.



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