

Research Project: The links between the recent inequality decline in Uruguay and the changes in the productive structure.

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### **Abstract**

The research here proposed, aims to bring a new look into inequality with emphasis on the primary distribution of income, which is generated by the productive structure of a country. In the context of the current discussions proposed by ECLAC, regarding structural change for equality, it is relevant to analyze the Uruguayan case in order to submit evidence for the Latin American discussion. Specifically, the recent reduction in inequality and its possible link with the productive transformation that has begun in Uruguay. The period of analysis is between 1998 and 2012 that means the latest economic cycle in Uruguay.

This research will be made within the framework of Latin American structuralism theory; income distribution will be used as a proxy of inequality, and its link with productive structure will be observed in the labor market, as the characteristics of labor demand impacts on wage inequality. Differences among primary income distribution between economic sectors will be studied through a parametric decomposition method.

It is expected to contribute to the discussion of structural change in Uruguay and its link with the recent drop in inequality through the generation of new empirical evidence, including an Economic History perspective.

**Key Words:** primary distribution of income, labor market, Latin American structuralism.