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# **UNIVERSIDADES DE ANDALUCÍA**

# **Empowerment and female entrepreneurship, a rural-urban comparison, Canton Latacunga, Cotopaxi Province**

**Empoderamiento y emprendimiento femenino, una comparación rural y urbana, Cantón Latacunga, Provincia de Cotopaxi** 

# Patricia Hernández Medina Gabriel Ramírez Torres Sandra Peñaherrera Acurio Universidad Técnica de Cotopaxi. Ecuador

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KEYWORDS: Female empowerment, Female entrepreneurship, Female entrepreneur profile.

PALABRAS CLAVE: Empoderamiento femenino, Emprendimiento femenino, Perfil emprendedor femenino, Perfil emprendedor, Empoderamiento rural, Empoderamiento urbano.

Clasificacion JEL: J16, C13.

#### ABSTRACT

This research focused on determining the possible influence of entrepreneurship on women's empowerment in Canton Latacunga, identifying differences between behavior in rural and urban zones; to this purpose, an instrument was applied to a sample of 384 women, of whom 151 reside in rural parishes and 233 in urban parishes. The instrument was structured in three sections, the first relating to demographic and socio-economic characteristics, the second to the approaches proposed for estimating the level of empowerment and the third to family and personal entrepreneurship, the reasons behind it and the reactions that made it possible to measure the entrepreneurial profile of the women. A comparison was made by contrasting hypotheses of differences in means or proportions, as the case may be, as a first approximation to the identification of a possible relationship between empowerment and entrepreneurship, to then estimate a model of generalized least squares; The result is that the entrepreneurial experience and the entrepreneurial profile are significant in explaining empowerment for the entire sample and for the urban area, but not for the rural area. In this case, entrepreneurial initiatives could be considered a source of income for the household, without significant improvements in decision-making, independence or the social and family value of women, due to the cultural characteristics of the Ecuadorian Andes.

#### RESUMEN

La investigación pretendió determinar la influencia del emprendimiento sobre el empoderamiento de las mujeres en el Cantón Latacunga, identificando diferencias en el comportamiento en las zonas rurales y urbanas; para ello se aplicó un instrumento estructurado en tres secciones: características demográficas y socioeconómicas, empoderamiento y emprendimiento. Mediante la estimación de un modelo de mínimos cuadrados generalizados se determinó que la experiencia emprendedora y el perfil emprendedor son significativos en la explicación del empoderamiento para la totalidad de la muestra y para la zona urbana, no así para la zona rural.

# 1. INTRODUCTION

Although gender equality is one of the objectives of sustainable development and the fundamental axis of Agenda 2030, its importance places it as a cross-cutting issue in the achievement of the rest of the objectives, and it is not only associated with the eradication of violence or discrimination, but also includes the generation of equal opportunities, access to resources, technology, and even the recognition and social value of women.

In order to consolidate gender equality, it is therefore necessary to achieve equality in conditions of treatment and opportunities by adjusting gender roles that assign predominantly reproductive responsibilities to women and productive responsibilities to men. These adjustments can be derived from strengthening women's economic empowerment in order to gain more control over decision-making, independence, security and self-esteem, contributing to economic development and poverty alleviation.

Empowerment is conceived as the possibility that women have to have "control of their lives, achieve the ability to do things and define their own agendas" (León, 1997, p. 7). It is a multidimensional collective process that involves developing psychological aspects of self- esteem and personal value; relational aspects, overcoming patriarchal structures, politicians participating in community management and decision-making, and economic aspects, consolidating independence through the generation of resources.

This is what Schuler (1997) indicates when he mentions that "the concept of empowerment uses individual psychology, anthropology, political science and economics" (p. 30), and prioritizes two factors in the consolidation of this process, the first linked to the inclusion of mainly community groups or associations in which they develop networks that make it possible to recognize their value within society, and the second to the generation of income that contributes to the possibility of participating in family decisions.

On the other hand, Camberos (2011) when defining empowerment places emphasis on achievements, considering that it seeks "not only an improvement in the condition of women

through the satisfaction of their practical interests; but also, an improvement in their position in gender relations through the satisfaction of their strategic interests" (p. 42).

This is how empowerment therefore requires two necessary conditions, on the one hand, that women can have the same capabilities, and on the other, access to resources and opportunities in equal conditions, in the first instance of services such as health and education and in the second, similar working and development conditions, both in urban and rural areas.

In the first case, Stromquist (1997) highlights the differences in terms of education associated with gender and ethnicity, and their impact on empowerment, since this emancipatory process requires literacy and tools to take advantage of opportunities, generate change and improve living conditions.

In the second case, as established by the United Nations Women's Organization (UN Women, 2015) it seems that the creation of employment opportunities to satisfy the job offer has not been achieved; "this is particularly true in the case of women, whose representation among people in precarious, informal and poorly paid jobs is very high" (p. 9).

Thus, the insertion of women into the labor market as a mechanism for economic independence or income generation requires the design of public gender policies that contribute to equal opportunities, with the objective of "vindicating women socially, economically and politically in order to include them in the labor market, since in Latin America the gaps between justice and poverty, inequality, social and labor exclusion have increased" (Camberos, 2011, p. 50).

Although there is evidence that working conditions by gender are different, the situation becomes more acute if we consider the area of residence, women in rural areas have more precarious employment opportunities than those living in urban areas, therefore, entrepreneurial initiatives also differ between the two areas, the former could undertake out of necessity while in the latter could be thought of undertakings derived from innovative ideas, with a component of significant added value, or failing that, employment relationships of dependence given the existence of more employment options.

In this context, an individual or collective undertaking is conceived as "the development of a project that pursues a certain economic, political or social end, among others, and that has certain characteristics, mainly that it has a quota of uncertainty and innovation" (Velásquez and Portocarreño, 2019, p. 90). This so-called innovation quota is usually present in urban women, where strategic interests take precedence over practical interests, which constitute the generation of income in rural areas.

It is therefore necessary to expand employment opportunities especially in the latter, since "women living in rural areas are key to the sustainable development of their towns, cities and society in general. To ensure such sustainability, the inequalities that still suffer must be addressed" (Chong, 2018, p. 2).

But since these opportunities are scarce, the alternatives have been oriented to promote self- employment through undertakings generally related to agricultural activities, with little transformation, which translates into low prices and reduced profits, although artisan and pottery activities have also been incorporated as part of the cultural tradition.

Chong (2018) explains these changes in the rural milieu not only in activities but also in the characteristics of the workforce, indicating that the population "has increased its economic activities as part of its strategies to combat poverty, however, this is only reflected in an increase in its income, but not in its working conditions" (p. 3).

This precariousness of the work generates, as it has been proposed, that the entrepreneurship is considered as an alternative motivated from a need and not as an opportunity, then:

Women are often denied access to paid employment because of family responsibilities, lack of skills, social and cultural barriers or lack of jobs. In this context, the exercise of an independent activity or the creation of a business - usually a microenterprise - are often the only means available to women to earn an income that allows them to guarantee their subsistence and that of their children (Chong, 2018, p. 4).

Authors such as Mora, Fernández and Ortega (2016) show that this relationship is not clear, in the sense that productive initiatives improve economic empowerment and with it the modification of gender roles and equity is achieved, since economic empowerment is only one aspect of

empowerment that requires the improvement of personal, social and management capacities.

Unlike these authors, Espín (2013) proposes that self-employment, regardless of the area of residence, can contribute to the consolidation of empowerment, as long as the associative enterprise is considered, not the individual one. In this sense, Espín (2013) indicates that "self-employment, in itself, does not solve problems, ... The choice of the vehicle to collectively generate one's own employment helps to achieve empowerment" (p. 4).

Thus he proposes that social economy organizations, in the case of Ecuador the Popular and Solidarity Economy, are those that could generate entrepreneurship that positively impact empowerment as opposed to microenterprises, because "in the cooperative experience, it is easy to find the implementation of emancipatory projects by women, ..., contributes to conducting a cooperative project, under conditions of equality and democracy, which in turn contributes to the empowerment of those who choose this path" (Espín, 2013, p. 17).

Hernández, Sánchez, Díaz and Ramos (2017) agree that "the social importance of cooperatives is considerable because they provide full-time or part-time jobs to a significant number of local women who have no other employment opportunities" (p. 172); this is due to two reasons, the absence of seed capital to start their activity and the lack of knowledge, tools and preparation to access a job that is even more scarce in the rural milieu, as previously stated.

The grouping of women in cooperatives also for Hernández et al. (2017) generates the formation of a fabric that allows to elevate the levels of confidence, of personal valuation and social recognition of the work, the mutual support and the possibilities of improving the decision making, elements that result positively in the empowerment.

This relationship between empowerment and entrepreneurship is described by Al-Dajani and Marlow (2013) through what they call the cycle of empowerment that comprises participation, control, wealth, access to resources and awareness, which are related to entrepreneurship through economic and non-economic benefits derived from it; in the first case they provide stability and reduce poverty, while in the second they foster responsibility, knowledge, leadership, decision-making and self-confidence, which is corroborated by Hoinle, Rothfuss and Gotto (2013) and Upadhye and Madan (2012). All these benefits contribute to the access to resources, the organization of the community, the economic independence, the resistance, the increase of the wealth (education and health), allowing to improve the empowerment and with it to strengthen the entrepreneurship. In this way the relationship is bidirectional, a higher level of empowerment generates greater entrepreneurial activity and this in turn promotes higher levels of empowerment that result in greater rural development (Buendía and Carrasco, 2013).

Thus, in rural areas "entrepreneurial activity plays a central role, as it represents the vehicle for improving the quality of life of the population, and can make the economy and the environment of rural communities sustainable" (Buendía and Carrasco, 2013, p. 24).

Entrepreneurship could then improve women's levels of empowerment, but it will depend, according to the literature, on the motivation to undertake, innovation, individual or collective development of the initiative, women's own characteristics such as level of preparation, access to resources and experience.

Therefore, the relationship between empowerment and entrepreneurship does not seem to be clear, which is why this research aims to answer questions associated with possible differences in levels of empowerment, entrepreneurial initiatives, the reasons that motivate it and the entrepreneurial profile of women in rural and urban areas, and whether these variables associated with entrepreneurial initiatives contribute to improving levels of empowerment in both areas.

This relationship was studied in the Canton Latacunga, located in the Ecuadorian Andes, since, although it is the canton's capital, its social and economic dynamics are not similar to those of the country's main cities, such as Quito or Guayaquil. This dynamic is characterized by a strong indigenous component and by a consideration of agricultural activity as the main source of income, resulting in what is called the "feminization of agriculture" (Mosquera, 2018).

Thus, women in the province are called to maintain their traditional gender roles, to attend to the farm, to preserve the culture, to take care of the family and reproduction; in spite of this, the migratory dynamics of men to the big cities, has demanded that women can consider other forms of income to respond to the needs of their families.

These forms of income tend to be non-innovative entrepreneurs who can carry out activities from their homes or in the proximity of their homes, without abandoning the care of the family, which is reflected in general terms in the statistics on entrepreneurship (Lasio, Ordeñana, Caicedo, Samaniego and Izquierdo, 2018), which, although it places Ecuador in the first positions of entrepreneurial initiatives, also in those of failures, associated with the type of non-innovative entrepreneurship that is generated.

In this context, it was analyzed whether there are significant differences in entrepreneurial behavior and economic empowerment between rural and urban zones of the canton, and whether the initiatives generated could in some way impact on the empowerment of women, so that they obtain greater autonomy, independence and self-confidence, to achieve the transformation of roles from reproductive roles defined by cultural traditions to productive roles.

# 2. MATERIALS AND METHODS

In order to develop the research objective, information was collected through an instrument that considered variables related to empowerment and entrepreneurship, applied to a sample of women from Canton Latacunga, both in rural and urban parishes, considering the population estimates of the National Statistics and Census Institute of Ecuador (INEC) for the year 2018.

Based on these population estimates for Canton Latacunga, located in the Ecuadorian Andes, it is known that women represent 51,76%, of which more than 50% are under 29 years of age, and about 40% are in rural zones. With respect to the indigenous population, it represents approximately 25% and is associated with the Quichua nationality, which lives in the Ecuadorian Andes (Mosquera, 2018).

Based on a population of 62.231 women over the age of 15 in Canton Latacunga, a sample size was estimated<sup>1</sup> for finite populations and non-

1 For the calculation of sample size for finite populations and sampling without replacement, the following expression was used:

$$n = \frac{N \times K^2 \times p \times q}{h^2 \times (N-1) + p \times q \times k_{a/2}^2}$$

Where:

N = population size

k = value with a confidence level

- p = probability of success, or expected ratio q = probability of failure
- h = precision of the interval

replacement sampling with 95% confidence, resulting in 384 women, of whom 151 reside in rural parishes and 233 in urban parishes.

Thus, the instrument used to collect information was structured in three sections, the first associated with the demographic characteristics of the sample, in which we consulted about age, marital status, years of education, children and the couple, specifically their age, the activity developed and the difference in terms of education and age.

The second, linked to the perception of empowerment, was structured following the work of Hernández and García (2008), who studied empowerment in Mexico and propose an instrument made up of 34 reagents that allow a series of key elements to be considered in order to understand this phenomenon. The authors analyze the results according to a scale made up of three ranges, low, medium and high, the first if the estimates are less than 89 points, the second between 90 and 104 points, and the third greater than 105.

This empowerment estimate considers as key factors the component of community management or political participation, external influences and pressure exerted by the environment, equality in terms of opportunities, security or self-confidence, social valuation of women's contribution, independence in decision-making and recklessness.

In the third part of the instrument, the questions were related to the labor situation or self- employment, family or own enterprises, reasons or motives of those enterprises and 20 approaches to build the entrepreneurial profile answered through a scale (Likert type) from 0 to 5, where 0 implies that this behavior is not present, 1 isolated, 2 occasionally and with external support, 3 occasionally without external support, 4 frequently and 5 always.

These approaches were proposed by Flores (2003) in his study on the entrepreneur profile, who grouped them into five dimensions defined as: selfknowledge and self-confidence, vision of the future, motivation to achieve, planning and persuasion. Considering the valuation of these factors, in order to determine the level of the entrepreneurial profile, the author establishes four ranges to qualify the entrepreneurial skills, presented in the following table.

Average Range	Characteristic
4 a 5	High profile. Structured habits that allow the consolidation of an enterprise without external support.
3 a 4	Medium profile. It presents entrepreneurial characteristics that can be improved with external support to strengthen those in which it has weaknesses. Has entrepreneurial potential
2 a 3	Low profile. Only presents some characteristics to undertake, requires support to raise some entrepreneurial initiative
1a2	Very low profile. It does not allow you to consolidate the achievement of your entrepre- neurial initiatives, you must reinforce your habits

# TABLE 1 ENTREPRENEUR PROFILE EVALUATION RANGES

Source: Flores (2003)

As observed, an individual who reports average values between 4 and 5 points presents a high entrepreneurial profile, with consolidated skills that favor entrepreneurial initiatives, between 3 and 4 points the profile is considered medium and requires external support, between 2 and 3 low, which indicates the need to consolidate a series of skills to be able to undertake, and finally between 1 and 2 points, is very low, with which entrepreneurial success is difficult.

Starting from the data obtained in each of the sections of the instrument, firstly, the general characteristics of the sample were analyzed, comparing the results obtained in rural and urban areas by means of contrasts of hypotheses<sup>2</sup> of differences in means or proportions, as the case may be, in order to

2 Starting from the null hypothesis of equality of means, so:

Ho:  $\mu_x = \mu_y$ Where:

Ho: Null hypothesis

u: Average of a sample

 $\mu_{\rm M}$  Mean of other sample

The critical values were calculated in each case according to what is stated in the following expression:

$$h_1 = -k_{\frac{\alpha}{2}} \sqrt{\frac{\sigma_x^2}{n_x} + \frac{\sigma_y^2}{n_y}} \quad y \quad h_2 = k_{\frac{\alpha}{2}} \sqrt{\frac{\sigma_x^2}{n_x} + \frac{\sigma_y^2}{n_y}}$$

Where:

 $h_{1}$  and  $h_{2}$ : are the critical values to accept or reject the null hypothesis

carry out a first approach to the research problem, identifying the significant differences in women's behavior.

Secondly, the level of empowerment and the entrepreneurial profile with the proposed factors were estimated for the entire sample as well as by zones (rural and urban), which also allowed identifying the existing differences in relation to both variables, exploring a possible relationship between entrepreneurship and empowerment.

Finally, starting from the results obtained on the one hand from the level of empowerment of women and on the other from their profile or entrepreneurial capacity, considering the variables associated with age, educational level, marital status, as reported in the literature, an econometric model was estimated to identify the explanatory variables of empowerment in order to answer the question of whether entrepreneurship, whether considered as family experiences of entrepreneurial initiatives, own experiences or the profile of women, improves the level of empowerment as part of gender equality strategies.

The proposed model is the estimation of a linear regression by ordinary least squares, in which empowerment is a function of socio-demographic variables  $(x_n)$  and those related to entrepreneurship  $(z_n)$  in such a way that the proposed equation would be structured as:

Empowerment = 
$$\beta_0 + \beta_1 x_1 + \dots + \beta_n x_n + \alpha_1 z_1 + \dots + \alpha_n z_n + \mu$$
 (1)

Where the  $x_n$  variables are associated with age, marital status, years of education, area of residence (rural or urban), the existence of children and whether the woman works or not; while the  $z_n$  variables correspond to the entrepreneurial profile, the existence of family entrepreneurships, previous experiences of own entrepreneurships and current own entrepreneurships.

In order for the estimated coefficients to be unbiased and consistent, the conditions of non-existence of heteroscedasticity and autocorrelation

In a similar way, the hypothesis test is carried out for the difference in proportions, making the required adjustments.

 $k_{a/2}$ : The values in the table of the normal distribution with the respective degrees of freedom and the given level of significance

 $<sup>\</sup>sigma_{_{x}}^{_{z}}$  and  $\sigma_{_{v}}^{_{z}}$ : The variance of both samples

n<sub>x</sub> and n<sub>y</sub>: The sizes of each sample

were validated, which, in case of violation of the assumptions, requires the estimation of generalized least squares.

The data obtained from the proposed instrument relating to demographic variables made it possible to characterize the sample initially without distinguishing the area of residence. As shown in table 2, the majority of women are married (49,22%) and unmarried (31,25%).

DEMOGRAPHIC CHARACTERISTICS OF THE SAMPLE			
	Proportion	N° of women in the sample	Standard error
Marital status			
Single	0,3125	120	0,0237
Free union	0,1432	55	0,0179
Married	0,4922	189	0,0255
Separated	0,0385	15	0,0092
Widow	0,0182	7	0,0068
Education			
No schooling	0,0417	16	0,0102
From 1 to 6 years of schooling	0,1667	64	0,0190
From 7 to 12 years of schooling	0,2604	100	0,0224
13 years of schooling or more	0,5313	204	0,0255
Children			
Yes	0,6901	265	0,0236
No	0,3099	119	0,0236

TABLE 2 DEMOGRAPHIC CHARACTERISTICS OF THE SAMPLE

Source: Own elaboration.

With regard to educational level, 53,13 per cent of women indicate that they have 13 or more years of schooling, which means that they are

at least high school graduates, followed by the group between 7 and 12 years of age, to a lesser extent those between 1 and 6 years of age, and finally those who have no schooling, which represents 4,17 per cent of the sample. Additionally, when asked about the existence of children, 69,01% answered in the affirmative.

In order to complete the preliminary analysis of the sample in relation to socioeconomic characteristics, Table 3 shows that the majority of women work (62,24%), and in relation to entrepreneurial experiences, it was consulted on those developed by the family and personal experiences; in the first case, 45,05% indicate that there have been entrepreneurships in their family, while in the second case, only 35,68% responded positively.

	Proportion	N° of women in the sample	Standard error
Work			
Yes	0,6224	239	0,0248
No	0,3776	145	0,0248
Business in the family			
Yes	0,4505	173	0,0254
No	0,5495	211	0,0254
She's had ventures			
Yes	0,3568	137	0,0245
No	0,6432	247	0,0245
Do you o	currently have an entre	epreneurship	
Yes	0,4036	155	0,0251
No	0,5964	229	0,0251
Who you formed the business with			
Alone	0,4065	63	0,0396
Accompanied	0,5935	92	0,0396

### TABLE 3 SOCIO-ECONOMIC CHARACTERISTICS OF THE SAMPLE

Source: Own elaboration.

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The results change when asked about the personal ventures that are currently maintained, there the proportion of women who claim to have ventures rises to 40,36%, initiatives that mostly have the support of family or friends for their formation (59,35%).

As stated, once the general characteristics of the sample had been analyzed, both the level of empowerment and the entrepreneurial profile were estimated at a second stage. In the first case, as can be seen in table 4, women on average perceive their level of empowerment in a medium range with a value of 95,59 points, but significant differences are observed at 1% between the areas of residence, in rural parishes the level is lower (93,46) while in urban parishes it is higher (96,97).

	Level of empowerment			
	Rural Zone	Urban Zone	Both zones	Difference
Ν	151	233	384	
Average	93,46	96,97	95,59	3,52***
	(6,4112)	(7,0826)	(7,0316)	(0,7132)
Maximun	115	125	125	
Minimum	76	83	76	

# TABLE 4 LEVEL OF EMPOWERMENT AMONG WOMEN IN CANTON LATACUNGA

Significant at: 1% (\*\*\*), 5% (\*\*), 10% (\*) Values in parentheses represent standard errors.

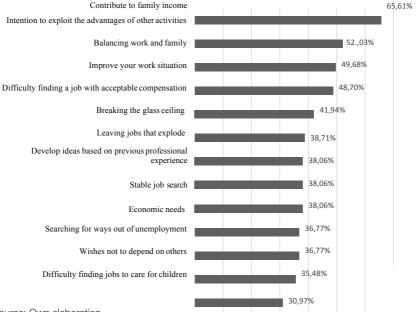
Source: Own elaboration.

Thus, as might be expected, although in both areas the estimates are in the middle range, women in rural areas have a lower perception of their empowerment, as they observe more noticeably the existence of limitations in equal opportunities, in decision-making, in community management and participation and in the social valuation of their work.

In the second case, when analyzing the results linked to the ventures, several components are considered, the reasons to undertake and the en-

trepreneurial profile as such. With regard to the reasons, the one considered the main one is related to the generation of income to contribute to the household (65,61%), secondly, to explore other activities different from those traditionally carried out (52,03%), the third and fourth place, show little difference, seek a balance between work and family in order to have more time for household work (49,68%) and improve their work situation (48,70%), as can be seen in the following figure.





Source: Own elaboration

Less factors include difficulty in finding childcare jobs, not depending on others, getting out of unemployment or generating stable work, economic needs, and leaving exploitative jobs. The second component of the analysis, entrepreneurship in both types of parishes, was related to the estimation of the entrepreneurial profile, as presented in the following table, is located in the middle range (3,44), so that there is entrepreneurial potential, but requires external support to consolidate the initiative or business idea.

LATACUNGA		
	Average	
Entrepreneur profile	3,4424	
Entrepreneur Profile Factors		
Self-awareness and self-confidence	3,4866	
Vision of the future	3,4654	
Motivation for achievement	3,5449	
Planning	3,4908	
Persuasion	3,2317	

TABLE 5 ENTREPRENEURIAL PROFILE OF THE WOMEN OF CANTON LATACUNGA

Source: Own elaboration.

When observing the detail of each of the factors, the results show a similar behavior, in terms of its location in a middle range, although the best valued is the motivation to achieve and the desire to improve (3,5449), followed by planning skills (3,4908), self-knowledge and personal confidence (3,4866), vision of the future (3,4654) and finally the ability to convince or persuade that it has (3,2317).

Although this analysis presented so far shows the results in general terms of the sample, a comparison by zone allows an initial approximation of the possible differences that exist and if these are significant, in such a way that, as is observed in table 6, the proportion of women with children and age are reported with higher values in the urban zone, while the rest are registered in the rural zone, but despite showing differences in the results of all the variables, only some are statistically significant.

DIFFERENCES IN SAMPLE CHARACTERISTICS BY ZONE				
Differences in proportions	Urban	Rural	Difference	
Ν	233	151		
Children	0,7253	0,6357	0,0895*	
	(0,0292)	(0,0392)	(0,0489)	
Work	0,5965	0,6622	-0,0656	
	(0,0321)	(0,0385)	(0,0501)	
Family business	0,3733	0,5695	-0,1961***	
	(0,0317)	(0,0403)	(0,0513)	
She's had a venture	0,3245	0,3770	-0,0531	
	(0,0381)	(0,0318)	(0,0496)	
She's got business	0,2746	0,6026	-0,3279***	
	(0,0292)	(0.0398)	(0.0494)	
Differences in averages				
Age	31,2446	30,7086	0,5360	
	(0,7256)	(0,8824)	(1,1476)	
Educational level	3,2575	3,3178	-0,0603	
	(0,0565)	(0,0754)	(0,0928)	
Marital status	2,2875	2,3245	-0,0369	
	(0,0879)	(0,0629)	(0,1054)	

TABLE 6 DIFFERENCES IN SAMPLE CHARACTERISTICS BY ZONE

Significant at: 1% (\*\*\*), 5% (\*\*), 10% (\*) Values in parentheses represent standard errors.

Source: Own elaboration.

Significant differences are evident in the proportion of women with children, family businesses and personal entrepreneurship. In rural areas, the proportion of women in the first case is 63,57%, while the urban area is 72,53%, resulting in a statistically significant difference of 10 per cent. Family business ownership is higher in the rural area (56,95%) leveraged by the need to generate income for the household, and its difference with the urban area is also statistically significant at 1%.

In rural areas the proportion is 60,26%, while in urban areas it is 27,46%, which could be the result of the scarce number of job opportunities in the first case, which demands seeking other sources of income and economic independence.

This is corroborated when analyzing the differences in the reasons or motivations to undertake in both areas, since these differences are significant and their values greater in the rural area, in those associated with alternatives to get out of unemployment, improve the labor situation, balance work and family, search for stable work, leave jobs that exploit their capacities and explore other market niches, as shown in the following table.

	Urban	Rural	Difference
Difficulty finding a job with acceptable compensation	0,3906	0,4395	-0,0489
	(0,0609)	(0,0520)	(0,0801)
Searching for ways out of unemployment	0,2812	0,4285	-0,1473 *
	(0,0562)	(0,0518)	(0,0764)
Contribute to family income	0,6562	0,6483	0,0078
	(0,0593)	(0,0500)	(0,0776)
Improve your work situation	0,3492	0,5824	-0,2332***
	(0,0600)	(0,0516)	(0,0792)
Balancing work and family	0,4062	0,5604	-0,1541*
	(0,0613)	(0,0520)	(0,0520)
Stable job search	0,2812	0,4505	-0,1692**
	(0,0562)	(0,0521)	(0,0766)
Develop ideas based on previous professional experience	0,3125	0,4285	-0,1160
	(0,0579)	(0,0518)	(0,0777)
Leaving jobs that exploit their skills. studies and qualifications	0,2187	0,4505	-0,2317***
	(0,0516)	(0,0521)	(0,0734)
Wishes not to depend on others	0,5468	0,5164	0,0303
	(0,0622)	(0,0523)	(0,0813)

# TABLE 7 RURAL AND URBAN DIFFERENCES IN MOTIVATIONS FOR ENTREPRENEURSHIP

continues...

# TABLE 7 RURAL AND URBAN DIFFERENCES IN MOTIVATIONS FOR ENTREPRENEURSHIP (CONCLUSION)

	Urban	Rural	Difference
Intention to exploit the advantages of niche market discovery	0,2656	0,4725	-0,2069***
	(0,0552)	(0,0523)	(0,0760)
Breaking the glass roof of previous works	0,3281	0,3956	-0,0674
	(0,0586)	(0,0512)	(0,0779)
Economic needs arising from breaks in economic dependency relations	0,3125	0,3076	0,0048
	(0,0579)	(0,0483)	(0,0754)
Difficulty finding jobs that impede the professional develop- ment or care of children	0,3281	0,3956	-0,0674
	(0,0586)	(0,0512)	(0,0779)

Significant at: 1% (\*\*\*). 5% (\*\*). 10% (\*) Values in parentheses represent standard errors.

Source: Own elaboration

These differences are in line with expectations, in the sense that entrepreneurial initiatives in the rural sector respond to the presence of inequalities in employment opportunities and. in particular, to the shortage of jobs for women that allow them to devote time to caring for the family and children, generate a stable income and improve the quality of life in the home.

This need for entrepreneurship as a mechanism to address the lack of opportunities could influence the entrepreneurial profile among areas in favor of a higher level of skills in the rural environment. In fact, this level of entrepreneurial profile, although it is in the middle range in both areas, is more highly valued by women in rural parishes (3,58) and this difference is significant at 5% (table 8).

In detailing the four factors that make up this profile, we observe that. although the valuation of the totality is higher in rural areas, only differences in future vision, motivation for achievement and persuasion are statistically significant.

# TABLE 8 RURAL AND URBAN DIFFERENCES IN THE ENTREPRENEURIAL PROFILE OF WOMEN IN CANTON LATACUNGA

	Rural	Urban	Difference
Ν	151	233	-0,2296**
Entrepreneur profile	3,5817	3,3521	
	(0,073337)	(0,07238)	(2,14849)
Entrepreneur Profile Factors			
Self-awareness and self-confidence	3,5496	3,4334	-0,02324
	(0,097909)	(0,073051)	(0,46477)
Vision of the future	3,6539	3,3433	-0,06213
	(0,079764)	(0,0783)	(0,46624)
Motivation for achievement	3,6879	3,4538	-0,04681
	(0,085753)	(0,083782)	(0,499601)
Planning	3,6043	3,4173	-0,03738
	(0,088878)	(0,07977)	(0,488915)
Persuasion	3,4155	3,1126	-0,06058
	(0,089882)	(0,086399)	(0,518171)

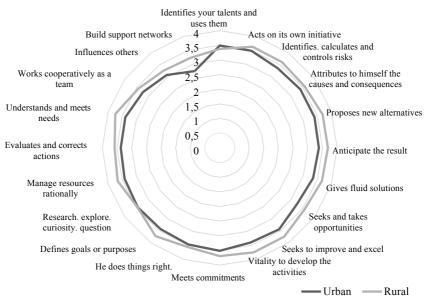
Significant at: 1% (\*\*\*). 5% (\*\*). 10% (\*) Values in parentheses represent standard errors.

Source Own elaboration

Each of these factors is made up of four approaches that make it possible to evaluate the average level associated with a series of skills and abilities required for entrepreneurship. The differences present in these valuations for each zone are shown in Figure 2, which allows us to appreciate that the values are higher in the rural zone for most of them, except for the one associated with the identification and use of talents that is higher in the urban zone, although their difference is not statistically significant, and the one of research and exploration that the valuations are similar in both zones.

The most notable differences are. in favor of the rural area, in the capacity to understand the needs of the market or of potential clients, the construction of support networks in favor of the development and consolidation of the entrepreneurial idea. the definition of purposes or goals that can be achieved, vitality for the development of activities. seeks and knows how to take advantage of opportunities. provides flexible and fluid solutions and can anticipate results.

## FIGURE 2 RURAL AND URBAN DIFFERENCES IN THE APPROACHES THAT MAKE UP THE FACTORS OF THE ENTREPRENEURIAL PROFILE OF WOMEN



Source: Own Elaboration

In this way, the question that remains to be answered is associated with determining whether the venture, whether through the profile, or previous family or personal experiences determine in some way the perception of empowerment in women both at the level of the entire sample and for each of the study areas, taking as a north that the level of empowerment is higher in the urban area, but the profile and entrepreneurial initiatives are in the rural area.

Table 9 shows the results of the generalized least squares estimation, which was necessary to correct the heteroscedasticity problem detected in the ordinary least squares regression (OLS); in which the model coefficients are considered for the entire sample, and in each, rural and urban area.

## TABLE 9 GENERALIZED MINIMUM SQUARE ESTIMATE FOR EMPOWERMENT

Coefficient	Both zones	Urban area	Rural area
Residence area	4,411581***		
		(0,792854)	
Age	0,087342**	0,0981171*	0,0369233
	(0,040674)		(0,0657954)
Marital status	-0,48724	-0,5080549	-0,593536
	(0,512049)	(0,6416495)	(0,8082201)
Education	1,002918**	1,010126*	1,045563*
	(0,400787)		(0,5716576)
Work	-1,90621**	-0,3990228	-4,577697***
	(0,784080)		(1,282852)
Family business	2,73270***	4,872794***	-0,658045
	(0,898324)		(1,381607)
Previous ventures	-2,18279**	-3,59914*	-0,635150
	(1,011378)		(1,420909)
Current venture	0,777362	1,190155	0,8694171
	(1,051458)	(1,4198)	(1,559704)
Entrepreneur profile	0,046056**	0,0614836**	-0,022850
	(0,018653)		(0,030134)
Children	1,058503	0,8693002	3,382068*
	(1,089611)	(1,333142)	(1,840595)
Constant	84,55348***	86,47877***	9,80894***
	(2,300858)	(2,856947)	(3,568452)

Significant at: 1% (\*\*\*), 5% (\*\*), 10% (\*) Values in parentheses represent standard errors.

Source Own elaboration.

For the model that includes the entire sample, it is evident that the coefficients that were found to be significant in the estimate are associated with the variables of zone of residence, age, years of schooling (education), work, business or family enterprise, previous personal enterprises and the assessment of the entrepreneur profile. The signs seem to be those expected in the sense that residing in the urban area raises the level of empowerment,

as well as the positive relationships with age, education, the existence of family enterprises and the entrepreneurial profile.

The negative signs of the coefficients are presented in the variables of work, and previous undertakings, so that having work reduces the perception of empowerment, as well as having previous experiences of undertakings. Estimates for the urban area differ slightly from the entire sample, the statistically significant coefficients are age, education, the existence of family businesses, previous ventures, and profile, whose signs are similar to the entire sample.

The results for the rural zone, if they present differences with the previous ones, the variables that are only significant in the explanation of the empowerment in this zone are the education, the work and the presence of children, ceasing to be the variables related to the enterprise.

#### 4. CONCLUSION

Understanding the possible relationship between empowerment and entrepreneurship, and their differences in rural and urban environments, allows us to have inputs for the generation of local public policies that encourage gender equality; even more so in Ecuador, where traditional gender roles determine social dynamics, hence the importance of the findings of this research, since the mechanism for promoting rural or urban entrepreneurship could be different, considering whether the interest is practical or strategic.

Particularly in the Province of Cotopaxi, the differences are more noticeable, since it is confirmed by an important proportion of indigenous population, where women have dedicated themselves to agricultural work, what Mosquera (2018) called the "feminization of agriculture", generating both gender and ethnic differences in the workload and roles.

Indeed, Mosquera (2018) states that "Cotopaxi is one of the provinces where there is a heavy global workload especially for rural women, with a difference of 10:03 hours between rural and urban women" (p, 107).

This reality makes the analysis of the results obtained consider the elements of ethnicity, in addition to the rural-urban component. Thus, to speak of the rural milieu has implicitly the indigenous element, in which empowerment as a strategy for the achievement of gender equality, involves strengthening political participation, not community management, which has an important development, and economic independence. Overcoming both is a complex goal when, as stated above, the workload in the rural environment is extremely heavy and significantly different from that in the urban environment, which leads one to consider the precarization of work and what Saldaña, Echerry, Madrigal and Madrigal (2019) propose as unpaid work that increases social vulnerability.

The reflection of all these considerations is evident in the results of the levels of empowerment, although in both cases the results reveal an average level, in rural parishes it is lower than in urban parishes, which is corroborated in the literature.

Furthermore, it is necessary to understand that when we compare the rural and urban communities of the Province of Cotopaxi, we are not talking specifically about urban means associated with large cities, but rather with what is proposed by the "new rurality", which as proposed by Martínez (2017), explains a structure in which "small and medium cities manage to intermediate between the countryside and the city, thus building the vertebrate axes of the urban system in Ecuador" (p, 19).

Thus, the urban communities of the Province of Cotopaxi are the intermediate structure of small or medium cities, while the rural communities, as proposed, are mostly indigenous settlements dedicated to agriculture. This could explain why the levels of empowerment are average, with values close to 93,46 in rural areas and 96,97 in urban areas.

In this context, entrepreneurship could appear as a mechanism to compensate for the differences in labor opportunities between both zones, being considered as an option to unemployment as proposed by Espín (2013), with the risk of becoming the precariousness of women, of which there is already evidence in the Province of Cotopaxi with the workload reported in rural areas, since gender roles do not seem to change, but rather increase the responsibilities of women.

But what the results tell us regarding entrepreneurship, in the first place, it seems that motivation in both cases is linked to need, such as obtaining more income (practical interest), as corroborated by studies such as those of Orlandini (2018), fitting then into the typology of women of Espín (2013) who undertake by force.

In the rural environment, there are also significantly more reasons associated with routes out of unemployment and leaving jobs in which they feel exploited, which would be explained by what has already been said in relation to the workload in the rural environment. Secondly, the five factors that constitute the entrepreneurial profile are more valued in the rural milieu, so that the women in these communities seem to have more capacity to start ventures, which would be justified by the need and lack of employment.

Finally, the econometric estimation seems to indicate that at least in general terms the entrepreneurial profile, and the entrepreneurial experience positively impact empowerment, in the sense, as the literature proposes (Al-Dajani and Marlow, 2013; Hoinle et al., 2013), generates economic independence and this contribution of resources to the household allows influencing decision making, improves self-esteem and security.

For the whole sample, the negative signs of the work coefficients and previous undertakings attract attention. The explanation could be linked to the fact that jobs are precarious and therefore do not generate economic independence or decision-making power, but rather time limitations for the family and children, which makes it even more difficult to have relationships at home and to value that effort.

In the second case, the failures in previous undertakings also reduce the perception of the empowerment that women can have, in the sense that they cease to trust in themselves, in the opportunities for growth that they can count on and elevates the belief that their work and effort is little valued by their family and their environment.

If we consider the results for the estimation of the rural milieu, the entrepreneurial profile ceases to be as significant as the experience in previous entrepreneurships, the reason for this may be that entrepreneurship is seen as a way of solving the needs of the home, income generation and the possibility of attending the home and children simultaneously to their entrepreneurial activity, and not as an alternative to improve their empowerment,

This may be due, as the literature reports (Buendía and Carrasco, 2013; Hoinle et al., 2013; Espín, 2013; Hernández et al., 2017), to the fact that these undertakings are not of a collective nature, developed through associations or cooperatives, but individual or in any casefamily, which does not allow obtaining the advantages of teamwork, leadership, joint decisions, management of work groups, which would positively result in empowerment.

In the light of these results, local government programs framed within the achievement of gender equality, through the strengthening of empowerment and the reduction of differences in employment opportunities, are based on the idea that the ventures generated are part of a need and not an opportu-

nity, and of an individual rather than a collective nature, which hinders their long-term sustainability.

If the objective is empowerment in all its aspects and in particular economic empowerment and the generation of more opportunities mainly in the rural milieu, it is necessary to create mechanisms to take advantage of previous experiences and the entrepreneurial profile of women in rural communities to favor innovative and collective entrepreneurship.

Considering the promotion of empowerment is a complex process, which demands the promotion of programs with objectives based on both need and strategic aspects. Therefore, these programs could consider not only entrepreneurship as a transformer of gender roles, since it responds to factors such as independence or decision-making, but also cultural and social, rural and urban elements, and additionally the ethnic implications, which in the case of the Andean region play an important role in the socioeconomic dynamics.

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