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**GENDER DIFFERENTIALS IN JUDICIAL PROCEEDINGS:  
FIELD EVIDENCE FROM HOUSING-RELATED CASES  
IN URUGUAY**

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## **Abstract\***

Using micro data on judicial proceedings in Uruguay, this paper presents evidence that female defendants receive more favorable treatment in courts than male defendants. This is due to longer foreclosure proceedings and higher probabilities of being granted extensions in evictions and dispossessions for female defendants.

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## 1. Introduction

It is widely accepted that the development of the housing market is related to the efficiency of the available legal remedies (the easier to have a person evicted or a mortgaged property executed, the lower probabilities of facing a breach by a debtor). Therefore, if it is more costly and difficult to take over the collateral of women debtors, the market might be less willing to provide them with the required long-term financing to acquire a house.

In this paper we present evidence that the presence of a woman grants the defendant party judicial benefits that translate into extensions and longer proceedings, and we do so by using micro data to test whether courts are indeed more lenient with women than with men. Therefore, this paper reports evidence of favorable treatment of women in the judiciary system.

Gender differences in court outcomes have been explained among others by paternalism, court chivalry, differences in male and female criminality and the practical problems of jailing women with children. Remaining agnostic about the true cause of gender disparities does not prevent us from concluding that the existence of legal or judicial differentiation in favor of women may induce creditors to offer them worse financing conditions since transactions with them could involve higher costs in case of a breach of the obligations assumed. That may induce worse housing outcomes for females and female-headed families. Thus, in addition to providing insights into the efficiency of the judicial system, this paper is relevant for housing and poverty alleviation policies.

There is a sizable literature on disparities in judicial decision-making, but most of it has focused on the socioeconomic characteristics of the judges or on the gender and ethnic origin of defendants. Peresie (2005) finds that the gender composition of the bench affected federal appellate court outcomes in sexual harassment and sex discrimination cases. In contrast, Schanzenbach (2005) concludes that judges' race and sex have little influence on prison sentences in general but affect racial and sex disparities. Manning, Carroll and Carp (2004) report that younger judges were less inclined to accept allegations of age discrimination. Mustard (2001) finds that Blacks, males and offenders with low education and income levels receive longer sentences in federal courts. Kleck (1981) summarizes the literature on sentencing differences in rape and murder death sentences.

Our paper is no doubt part of this tradition but departs from it in at least three dimensions. First, most of the research conducted so far reflects the situation in developed countries,

especially the United States. The efficiency of institutions in general and legal institutions in particular, however, is generally considered to be much worse in less developed countries, which makes Uruguay an interesting country case. Second, our paper focuses on housing market-related cases, an area that has been neglected both by this judicial disparities literature and also by the housing discrimination literature, which has focused on access to mortgage credit.<sup>1</sup> Finally, our paper focuses on disparities produced by the gender of the defendant in proceedings that are not related to sex issues (e.g., sexual harassment).

We found that, all else equal, the presence of women is associated with foreclosure proceedings that take between two to three months more than cases against male defendants. This represents a delay of more than 10 percent of the time taken by the average case. Also, in comparison with all-male defendants, the presence of women in the defendant party increases by 25 percent the probability of being granted an extension in evictions cases.

Gandelman (2006) presents evidence of lower probabilities of homeownership for female headed households in Latin American Countries. Although not specifically tested, the evidence presented in this paper may explain that result. Favorable legal treatment of women is a partial equilibrium result that may seem “positive” for women. This favorable treatment is likely to be transparent for all actors in the market, and therefore one could expect a general equilibrium result in which the market internalizes the favorable court’s treatment in the form of harsher conditions in the housing market.

## **2. Methodology and Legal Background**

Before 2002, there were no laws in Uruguay intended to address explicitly the situation of women in housing market-related issues. With the passing of Law 17.495 in the year 2002 the state of affairs changed. The law now addresses one specific situation: women who are pregnant during the wintertime.

This law complements an older one (Law 13.405) authorizing judges to extend the time for eviction up to 120 days in cases of *force majeure*. Interestingly, this new law requires judges to take into account if a pregnant woman, a child under 14 years old or a person above 70 years old lives in the house when granting extensions of terms during the winter time. The law establishes that the presence of a pregnant woman in the house has to be considered as a case of

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<sup>1</sup> See, for instance, Ladd (1998).

*force majeure*. Commenting on this law, parliamentarians have stated that all these are cases of especially vulnerable people.

Even before the law was passed, however, courts did take these facts into consideration. This case represents an instance when the law does not anticipate solutions in order to avoid problems but reproduces what has already been occurring in practice to ensure that every person in that situation will have the same treatment.

Despite the fact that there are no other laws that explicitly protect women, it is widely accepted that women are treated more favorably than men in housing market-related cases. It is more a matter of judicial practice than a matter of law: judges seem to take gender differentials into consideration, for example, when granting extensions of terms to evict or dispossess.

In that sense, establishing the specific determinants of a differential treatment in the judicial practice seems to be a necessary starting point. In other words, we need to start by determining what favorable treatment of women means in terms of judicial practice.

One possible approach would be to search for gender patterns in judges' final decisions, as in the literature cited in the previous section. However, this approach is not applicable to the cases studied in this paper because of the type of proceedings considered. The cited literature studies criminal cases where the content of the final decision can vary depending on the circumstances (the judge can either find the defendant innocent or guilty). In contrast, the content of the final decision in the cases studied for this paper (taking for final decision, the one that orders dispossession, eviction or the auction sale of the mortgage property) is always the same one. The relevant variable is the time (forgone income) that it takes for the claimant to achieve that decision. Therefore, instead of a *consequentialist* approach we will take a *procedural* approach to determine the differential treatment in the judicial practice.

One of the most important determinants is the duration of the proceedings, that is, the time that elapses from the moment a case is submitted to the Court to the end of the proceedings. For this reason we have analyzed, case by case, the duration of the proceedings and differentiated between those with female defendants and those with male defendants.

Five types of judicial proceedings are related to the housing market and are therefore part of this investigation:

- The *mortgage foreclosure process* is the legal action to force the sale of mortgaged property in order to obtain payment for the outstanding balance of

a loan, a debt generated upon the purchase of the said property, or a debt generated by condominium expenses. This action ends with the auction sale of the mortgaged property to a new landowner.

- The *annulment of promissory purchase agreement* and the *annulment of purchase agreement* are the proceedings initiated upon the breach of the obligation to pay the installments of a purchase or promissory purchase agreement. These proceedings seek to have the agreement annulled and the property restituted. The action is concluded when the Court orders the annulment of the agreement.
- *Eviction* is a legal proceeding that the owner has to initiate for the dispossession of the property in case it is occupied. For instance, when a person simply enters into a house without the owner's permission and there is no rental agreement, either verbal or written, an eviction process has to be initiated. This is concluded only when a Court orders the occupiers to evict.
- Should the former debtor occupy a property that has been auctioned, an *action in rem* is the legal proceeding that needs to be initiated for the dispossession of the property. In that case, the new landowner has to initiate this new legal proceeding in order to have access to his new property. The same happens in the case where the debtor of a purchase agreement that has already been annulled occupies the property. To obtain the dispossession of the property, the owner, after concluding the legal action to annul the purchase or promissory purchase agreement and recover the property, needs to initiate an *action in rem* in case the property is occupied. This action is concluded when the Court orders the dispossession of the property.

Before filing any of these claims plaintiffs are required to submit certain basic information before the Caseflow Coordination Office (“Oficina Distribuidora de Turnos”). This is the office that assigns the court and term that will be in charge of the case and provides a case number that will accompany the file through the process. Once the information is submitted there is no chance to change the court that was assigned, not even by resubmitting information, since this case will always appear as a “precedent” and all related cases will therefore be sent to the same court.

### 3. Data

With the support of the Supreme Court of Justice of Uruguay, we had access to the database of the Caseflow Coordination Office. The universe of cases for this investigation was defined upon our review of the following database: 1,337 foreclosure proceedings, 66 annulments of purchase agreements, 388 actions in rem, 56 annulments of promissory purchase agreements and 590 evictions were submitted to the Caseflow Coordination Office during the year 2002. Therefore, there is a potential set of 2,437 judicial proceedings.<sup>2</sup>

Once we identified all the case numbers, we went to the court offices involved to investigate the files, the Supreme Court of Justice having sent letters to each one of the offices to make the files available for our review. While reviewing the files we found out that 154 actions were not related to real estate but to other issues such as vehicles. Other files were not available for our review. Reasons for this included files' being at a judge's desk (ongoing cases) or being "lost" at the office (most of those were not ongoing cases); 215 files were unavailable. We also realized that, even though some cases appeared in the Case Flow Office's database, they were never submitted to the court. A possible explanation is that agreements were achieved in the time that elapsed between the submission to the Case Flow Office and the filing of the claims; there are 56 cases in that situation. Our suspicion is also based on the fact that many private transactions occur when legal proceedings have already begun. In fact, 19.5 percent of the investigated cases were closed because the parties entered into private transactions. For all these reasons, the total amount of cases that could be included in our database is 2,012. Finally, due to consistency problems in the judicial files we ended up with a database of 1,973 cases.<sup>3</sup>

The creation of the database with all the relevant information for this investigation was probably the most time-consuming stage of the research, since courts in Uruguay do not keep electronic but hard copies of the files. Each file has many pages with copious handwritten notes, which make it more difficult to process.

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<sup>2</sup> The most common eviction proceeding is when a former tenant stops paying his due rent and the landlord initiates the eviction process. In 2002, there were about 3,000 such cases. Although we acknowledge it would have been interesting to have them in our database, they were not included for two reasons: i) we were unable to collect a database of more than 5,000 cases and ii) we preferred to focus on the other types of proceedings that are more directly related to homeownership.

<sup>3</sup> For instance, although the universe was defined with the cases that were initiated in 2002, we found files corresponding to cases that started before that date. These cases were dropped from the final database. We also found cases that started after 2002. These cases were included in the database since they were the continuation of judicial cases initiated in 2002; examples of such cases include actions in rem after a foreclosure mortgage.



Two different types of courts were involved in our investigation: The “Juzgados de Paz Departamentales de la Capital” and the “Juzgados Letrados de 1<sup>a</sup> Instancia en lo Civil.” The former are in charge of the eviction processes and other types of legal actions involving small amounts of money. Cases involving larger amounts are assigned to the latter courts, which are specialized by subject and where judges have more experience because they are more advanced in their careers. Since there is one office per term, we had to review files in 38 different offices of the Juzgados de Paz and 20 Juzgados Letrados Civiles:

- 829 of the cases investigated were submitted to the Juzgados de Paz. Interestingly, a female judge was in charge of about 90 percent of these cases.
- 1,144 cases were submitted to the Juzgados Letrados. Since the number of male judges in the Juzgados Letrados is greater than in the Juzgados de Paz, so is the number of cases investigated where a male judge is in charge (30 percent).

With respect to the presence of women defendants, in 24 percent (450 cases) of the cases investigated (450 cases) the defendant party consisted only of men, while in 30 percent of the proceedings (562 cases) all the defendants were women. In the rest of the cases, the defendant party included both men and women.

Although the cases investigated were submitted to the Court during the year 2002, not all of them are closed. In fact, 18.8 percent of total cases are still ongoing: three evictions, 14 actions in rem, 347 foreclosures (246 ongoing and 101 cases in which the property has already been auctioned but the title deed is still pending) and seven annulments are in that situation. Only 26 percent of cases have completed all the legal stages of the judicial proceeding.

The following chart determines the amount of ongoing and closed cases and the reason for the closure. While some plaintiffs obtained the desired result by completing all the legal steps required, others entered into private transaction with the defendant party. The table shows that private transactions are more common in the foreclosure process than in other proceedings, representing 27 percent of foreclosure cases. Only 11 percent of the foreclosure proceedings have completed all the legal stages until the transfer of title deeds, but 9 percent of cases reached the auction stage.

In some cases, the plaintiff simply decides not to continue with the proceeding and gives notice of that decision to the Court (2 percent of cases). In other instances the plaintiff does not communicate with the Court but fails to continue with the proceeding (for example, by not submitting the required briefs). Files found to be inactive for a long time are sent to the Court’s archives, and such cases are considered closed unless the plaintiff files a brief requesting that the case be continued; 18 percent of the cases investigated are in that situation.

<b>Table 1. Basic Statistics by Status of Case</b>						
	<b>Annulment of:</b>					<b>Total</b>
	<b>Eviction</b>	<b>Action in Rem</b>	<b>Foreclosure</b>	<b>Purchase Agreement</b>	<b>Promised Purchase Agreement</b>	
<b>Ongoing cases</b>	3	14	246	1	6	<b>270</b>
<b>Between auction and title deeds</b>	-	-	101	-	-	<b>101</b>
<b>Cases closed (completed all stages)</b>	224	144	123	6	23	<b>520</b>
<b>Cases closed because of transaction</b>	46	21	298	4	9	<b>379</b>
<b>Cases closed because plaintiff desisted</b>	25	2	14	1	2	<b>44</b>
<b>Cases closed because of inactivity of plaintiff</b>	177	44	129	1	1	<b>352</b>
<b>Cases closed for other reasons</b>	69	38	190	3	7	<b>307</b>
<b>Total</b>	<b>544</b>	<b>263</b>	<b>1,101</b>	<b>16</b>	<b>48</b>	<b>1,972</b>

Source: Authors’ compilation.

## **4. Results**

### **4.1 Basic statistics**

As noted before, one of the most important determinants of differential treatment in the judicial practice is the duration of proceedings. Table 2 corroborates that the duration of the proceedings varies in some cases when women are defendants. From the beginning of the foreclosure proceedings until the auction sale of the properties, when there is a female in the defendant party proceedings last from 50 to 70 more days than in cases against all male defendants (the variation

depends on whether the comparison is made with mixed male and female or only female cases). With respect to evictions and actions in rem, we respectively considered the time that elapses from the beginning of the litigation until the case comes to an end with the court's order to evict or dispossess the property. Again looking at the means there seems to be a positive correlation between the duration of eviction cases and the presence of female defendants. Cases against all female defendants take longer than cases with both male and female defendants that, in turn, take longer than cases against only male defendants. In any case, the average differences reported are small and a t-test of mean difference cannot reject the null hypothesis of equal means.

<b>Table 2. Basic Statistics by Presence of Women</b>				
		<b>Foreclosures</b>	<b>Evictions</b>	<b>Actions in rem</b>
		<b>Time from beginning of case until:</b>		
		<b>Auction</b>	<b>Eviction</b>	<b>Dispossession</b>
<b>Only men</b>	Mean	571	299	346
	St. Dev.	335	205	281
	Cases	62	99	25
<b>Men and women</b>	Mean	642	306	372
	St. Dev.	321	218	260
	Cases	205	43	80
<b>Only women</b>	Mean	618	309	381
	St. Dev.	332	226	335
	Cases	85	76	39
<b>Total</b>	Mean	624	304	370
	St. Dev.	326	214	284
	Cases	352	218	144

*Source:* Authors' compilation.

Another important determinant is the extensions of deadlines for eviction or dispossession. In cases of both evictions and actions in rem, defendants are allowed to request more than one extension of the deadline for being evicted or dispossessed, and the judge decides whether to grant such extensions and, if so, for how many days. (This is the typical case of the previously mentioned Law N° 17,495). If judges take into consideration the presence of women, either when they make the decision to grant an extension or when they decide the length of the extension, then women are indeed treated more favorably than men and the proceedings where women are involved will probably last longer than the merits of the case would have predicted.

Table 3 therefore reports that in evictions and actions in rem there were extensions of terms in 268 cases, and in 72 percent of those cases (194 cases) the defendant party included a

woman (either by herself or with a man). In 37 percent of cases (97 cases) where an extension occurred, defendant parities were made up only of women, and in 28 percent of cases (74 cases) the defendant party was made up only of men. That is to say, of the 252 evictions and action in rem against only male defendants, the judge granted an extension in 74 cases (29 percent). In the 265 cases involving only female defendants, the judge granted an extension in 97 instances (37 percent).

<b>Table 3. Extensions of terms by presence of women</b>			
	<b>NO</b>	<b>YES</b>	<b>Total</b>
<b>Only men</b>	178	74	252
<b>Men and women</b>	162	97	259
<b>Only women</b>	168	97	265
<b>Total</b>	<b>508</b>	<b>268</b>	<b>776</b>

*Source:* Authors' compilation.

When women are defendants the amount of days granted as an extension increases. Table 4 shows that the average extension in cases where women are the only defendant is 15 days, which decreases on average by three days when men are the only defendants. It should be noted that these averages include many cases in which the extensions were not granted (either because the defendant never requested them or because the court denied them). Only considering those cases where extensions were granted, the average extension time is 50 days.

<b>Table 4. Amount of Days of Extension by Presence of Woman</b>			
	<b>Average</b>	<b>St. Dev</b>	<b>Cases</b>
<b>Only men</b>	12.3	27.9	252
<b>Men and women</b>	13.9	28.9	257
<b>Only women</b>	15.0	30.3	265
<b>Total</b>	<b>13.8</b>	<b>29.1</b>	<b>774</b>

*Source:* Authors' compilation.

## 4.2 Econometric Results

The evidence presented so far is unable to control for joint interactions of relevant variables. In order to do so we ran several multivariate regressions, and in order to check the robustness of our results we consider three subsets of the sample. The results with respect to gender are summarized in Table 5. The first row refers to the whole database, in the second row we restrict to cases located in Montevideo and in the third row we consider only cases of all male or all female defendants (i.e. we drop the cases of both male and female defendants). Tables 5, 6 and 7 of the Appendix present a more detailed report of the regressions.

With respect to foreclosures, in column A we consider the time elapsed from the beginning of the case until the auction takes place. As for evictions and actions in rem, in columns B and C, respectively, we considered the total amount of time from the beginning of the litigation until the case comes to an end with a court's order to evict or dispossess, respectively. In these two types of cases it is possible and relatively common to ask for one or more extensions. Therefore in column D, using a probit model, we estimate the probability of such an event. To estimate the determinants of the total extended time we need to consider that this variable is truncated at 0, and therefore we proceed estimating a Tobit model in column E. Finally, we consider all type of cases together. Column F reports the determinants of the total time elapsed from the beginning until the end of the case, and in column G we estimate the probability that the case is still ongoing (taking more than four years).

The main interest of this paper is in gender-based differential treatment. As stated in the previous section, our perception is that the mere presence of female in the defendant party (either solely or together with male defendant, as opposed to proceedings against all male defendants) changes the duration of the proceedings. Therefore, we defined a dummy variable *Women* that takes a value of 1 if at least one of the defendants is female. Exploding the information available in our database, we defined several control variables. *Woman Judge* is a dummy variable taking the value 1 in the presence of a female judge and 0 if the judge in charge is male (79 percent of all cases are under a female judges). As noted above, the Juzgados Letrados deal with more complex cases than the Juzgados de Paz. We therefore define a dummy *Type of court* that takes a value of 1 for the Juzgados de Paz (42 percent of cases) to control for this complexity. The type of lawyer hired by the defendant may also affect the outcome. *Private defense* takes a value of 1 when the defendant hires a private lawyer (18 percent of all cases).

Although we considered only cases in courts in the capital city, the property in question may not necessarily be located in Montevideo. For those cases in which the property is located in Montevideo, using the address of the house in dispute, we were able to locate the neighborhood. Using information from the Household Survey conducted by the National Institute of Statistics, we then divided the sample according to the implied socioeconomic level of the neighborhood in which the property was located: low, middle-low, middle-high and high (9 percent, 27 percent, 41 percent, and 22 percent, respectively, of the 1,616 properties located in the capital city).

Using this same strategy we could also infer average household income and average home value. Uruguay has a population of about 3.3 million people divided in approximately equal shares between Montevideo, the capital city and the rest of the country. The household survey divides Montevideo into 62 neighborhoods, and all other urban areas are divided into 37 zones. In our database we have cases corresponding to 61 of Montevideo's neighborhoods and 30 zones for the rest of the country. Using this division we calculated the average household income, the average rent and a comfort index, taking values from 1 to 9 depending on the number of appliances available at the household, and merged them with our database. We found the three measures to be very highly correlated and therefore in our estimation we used only one (*Household Income* measured in US dollars) to avoid colinearity problems.

In foreclosure proceedings we controlled for the size of the debt lead to the legal dispute; in foreclosure cases the value of the original mortgage is available as well. Even though it is probable that the credits related to the cases in our database were not intended for purchasing a house, creditors are nonetheless willing to lend more to individuals with larger collateral. Therefore, the original mortgage can be used as a proxy for the value of the house in the foreclosure regressions.

For the other proceedings in which we do not have a proxy for the value of the house we use our data on foreclosures to estimate a proxy of it. Using the 1,101 foreclosure cases we calculated the average house value (mortgage) by neighborhoods in Montevideo and by zones in the rest of the country and imputed this average to annulments of promissory purchase agreements, annulments of purchase agreements, evictions and actions in rem.

Finally, in order not to report spurious results the standard errors of all regressions were adjusted for the cluster structure of the income and house value variables. We found that, after controlling for other variables, the presence of women is associated with longer foreclosure

proceedings. In particular it takes between 70 to 95 extra days (Column A of Table 5) to the actual auction when women are present. Considering the average time to get to auctions, according to our estimates using the whole sample, this represents an 11 percent increase in time. When the sample is restricted to Montevideo, the duration of judicial proceedings increases by 13 percent. Finally, when restricting the comparison to cases with only male and only female defendants, cases against women take 16 percent longer than cases against man.

Although the point estimates suggest that evicting female defendants or recovering a property from females through an action in rem takes about 20 extra days (column B of Table 5), these estimates are not statistically different from 0. But, when all eviction and action in rem cases are considered together, we find that the presence of women is associated with a greater probability of being granted an extension (column D). The unconditional probability of obtaining an extension is 33 percent, and the marginal effect of *Woman* is 9 percent according to the estimation using the whole sample or restricting it to Montevideo. The marginal effect when comparing only female and only male defendants is 7 percent. Thus, the average defendant party with a female presence has an approximately 25 percent greater likelihood of obtaining an extension than in the case of all-male defendants. According to column E, using the whole sample, female defendants are granted 16 extra days of extension with respect to male defendants. This result is robust in the database restricted to Montevideo but is only significant at the 15 percent level using only male and only female defendants.

Finally, columns F and G use information of all cases. The result on the extension of the proceeding in the woman row of column F could be seen as a weighted average of columns A, B and C, whereby female presence translates into proceedings that take between 50 to 60 more days. Finally, column G reports that female presence is associated with a greater probability that the case is still not finished, but with differences between types of judicial proceedings. If these still ongoing cases were to finish today we would have to include in our estimation many proceedings that have been in court for four years. Therefore the estimations of column A, B, C and G should be taken as the minimum effect of female presence.

The rest of the variables included in the regressions presented reasonable results (see the Appendix). The lower the income of the household and the lower the value of the house, the longer it takes to auction the property in foreclosure proceeding. In the same regard our results suggest that the lower the value of the house, the longer it take to evict someone from it. As for

dispossessions and extensions of time, we found no statistically significant evidence of an effect for household income or the value of the property. The result in foreclosure proceedings is in line with the perceptions of paternalistic judges benefiting women and lower income households.

Likewise, the larger the debt, the longer the extension of the foreclosure proceedings. The dummies for debt quartiles suggest that the relation is non-linear. Although we found no statistically significant effect for the second and third debt quartiles, the proceedings corresponding to the largest debts (fourth quartile) last about 40 percent longer (from 260 to 300 extra days).

More complex cases in which the defendant hires a private lawyer to defend himself take longer for all types of proceedings and increase the probability of extensions being granted. In foreclosure proceedings the extension of time (valued at the mean duration) is on the order of 25 percent, in evictions it is about 40 percent, and in dispossessions about 60 percent.

Table 5. Summary Regression Results							
	Foreclosures	Evictions	Actions in rem	Evictions and Actions in rem		All Cases	
	Time from beginning of case until:			Probability of Extension	Total extended time	Total case duration	Probability case is still ongoing
	Auction	Eviction	Dispossession				
	A	B	C	D	E	F	G
Estimation method:	OLS	OLS	OLS	Probit (mg effect)	Tobit	OLS	Probit (mg effect)
<b>Complete Database</b>							
Woman	69.3 (35.3)*	23.8 (34.9)	27.1 (38.6)	8.9% (0.03)***	16.16 (7.60)**	55.0 (25.3)**	29.2% (0.04)***
<b>Only houses located in Montevideo</b>							
Woman	81.2 (40.8)*	19.8 (32.9)	26.1 (45.6)	8.6% (0.03)***	16.80 (7.67)**	59.7 (26.7)**	19.7% (0.04)***
<b>Only cases against all male and all females</b>							
Woman	95.7 (52.2)*	23.5 (42.1)	8.4 (54.9)	6.8% (0.03)*	12.69 (8.65)*	49.8* (30.9)	0.0% (0.25)

Cluster standard errors in parentheses.

\* significant at 15%; \*\* significant at 10%; \*\*\* significant at 5%



## 5. Conclusions

Before 2002, there were no laws in Uruguay intended to address explicitly the situation of women in housing market-related issues. As of today, there is only one law that specifically takes the situation of women into consideration. This paper confirms the perception that even though there is no legal tradition of explicitly addressing the situation of women, in practice courts do treat woman more leniently. In that context, this paper presents field evidence from judicial proceedings that the gender of the defendant affects the duration of the case. All else equal, proceedings against female defendants take longer and women are more likely to be granted extensions than men. Given that there is evidence that female headed-households have a lower probability of attaining homeownership in Uruguay, our results are a possible explanation for the worse female outcomes in the housing market.

The reported favorable treatment of women by the courts is a partial equilibrium result that may seem “positive” for women in the sense that, even when they do not have the right to stay there, they manage to remain in their current home longer than men.

A necessary condition for the development of the housing market (e.g., mortgage financing) is the efficiency of the available legal remedies in case of facing a breach by a debtor. Therefore, if it is more difficult to take over the collateral of women debtors the market might be stricter in contract conditions with women.

In this sense, it is possible to conjecture that the general equilibrium result of the favorable court’s treatment is more difficult access to long-term financing for acquiring a house and ultimately a lower probability of attaining homeownership. Similarly, if females and female-headed families are more likely granted extensions in eviction cases, landlords may reasonably request harsher guaranties in order to rent their properties to them.

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## Appendix

Table 6. Regression analysis							
	Foreclosures	Evictions	Actions in rem	Evictions and Actions in rem		All Cases	
	Time from beginning of case until:			Probability of Extension	Total extended time	Total case duration	Probability case is still ongoing
	Auction	Eviction	Dispossession				
	A	B	C	D	E	F	G
Estimation method:	OLS	OLS	OLS	Probit	Tobit	OLS	Probit
Woman	69.3 (35.3)*	23.8 (34.9)	27.1 (38.6)	0.25 (0.09)***	16.16 (7.60)**	55.0 (25.3)**	4.08 (0.37)***
Woman*(Prom. Purch. Agreem.)							-3.78 (0.52)***
Woman*(Purchase Agreement)							1.48 (0.35)***
Woman*(Foreclosure)							-4.04 (0.41)***
Woman*(Action in rem)							-4.05 (0.26)***
Household Income	-0.2 (0.1)***	-0.0 (0.1)	-0.0 (0.2)	-0.00 (0.00)	-0.00 (0.02)	-0.0 (0.0)	-0.00 (0.00)***
House Value	-0.6 (0.2)***	-0.5 (0.2)**	0.9 (1.3)	0.00 (0.00)	0.01 (0.14)	-0.2 (0.2)	0.00 (0.00)
Debt (2nd. quartile)	66.3 (44.8)						
Debt (3th. quartile)	7.0 (41.6)						
Debt (4th. quartile)	264.9 (46.8)***						
Woman Judge	-110.0 (40.2)***	28.1 (47.7)	-15.2 (39.6)	0.12 (0.11)	5.71 (10.83)	-85.7 (27.6)***	0.12 (0.08)
Private defense	160.2 (51.1)***	123.8 (30.5)***	221.4 (60.8)***	0.43 (0.09)***	27.81 (7.60)***	119.1 (28.2)***	0.46 (0.11)***
Type of court (de Paz)	180.8 (76.9)**	138.8 (66.7)**	6.7 (63.4)	-0.20 (0.13)	11.22 (8.36)	-200.2 (25.2)***	-0.76 (0.11)***
Control for Type of case							Included
Constant	617.6 (55.6)***	113.5 (89.8)	261.3 (104.7)**	-0.67 (0.19)***	-77.32 (16.08)***	573.7 (40.3)***	-5.67 (0.27)***
Observations	364	222	146	789	787	731	1912
R-squared	0.22	0.08	0.13			0.13	
Mean Dependent Variable	621.9	305.2	364.2	0.336	13.5	474.9	0.188

Cluster standard errors in parentheses

\* significant at 15%; \*\* significant at 10%; \*\*\* significant at 5%

Table 7. Regression Analysis (Montevideo)							
	Foreclosures	Evictions	Actions in rem	Evictions and Actions in rem		All Cases	
	Time from beginning of case until:			Probability of Extension	Total extended time	Total case duration	Probability case is still ongoing
	Auction	Eviction	Dispossession				
	A	B	C	D	E	F	G
Estimation method:	OLS	OLS	OLS	Probit (coeff.)	Tobit	OLS	Probit (coeff.)
Woman	81.2 (40.8)*	19.8 (32.9)	26.1 (45.6)	0.24 (0.09)***	16.80 (7.67)**	59.7 (26.7)**	4.00 (0.43)***
Woman*(Prom. Purch. Agreem.)							-3.31 (0.68)***
Woman*(Purchase Agreement)							
Woman*(Foreclosure)							-3.95 (0.49)***
Woman*(Action in rem)							-4.13 (0.40)***
Household Income	-0.1 (0.1)**	-0.0 (0.1)	-0.1 (0.2)	-0.00 (0.00)	-0.01 (0.02)	0.0 (0.1)	-0.00 (0.00)***
House Value	-0.8 (0.3)***	-0.4 (0.2)*	1.8 (1.1)	0.00 (0.00)	0.02 (0.14)	-0.3 (0.2)	0.00 (0.00)
Debt (2nd. quartile)	113.3 (50.6)**						
Debt (3th. quartile)	21.2 (49.2)						
Debt (4th. quartile)	301.5 (59.2)***						
Woman Judge	-142.8 (49.4)***	22.3 (46.7)	-26.6 (41.5)	0.12 (0.12)	4.74 (10.93)	-103.1 (29.9)***	0.05 (0.11)
Private defense	173.1 (54.4)***	131.2 (28.5)***	233.8 (65.4)***	0.39 (0.09)***	26.28 (7.63)***	132.2 (28.9)***	0.50 (0.14)***
Type of court (de Paz)	185.9 (84.1)**	43.5 (24.2)*	-0.5 (72.3)	-0.21 (0.13)	9.48 (8.54)	-176.8 (26.1)***	-0.65 (0.11)***
Control for Type of case							Included
Constant	589.7 (54.6)***	203.9 (72.8)***	285.8 (112.5)**	-0.61 (0.19)***	-72.43 (16.22)***	527.2 (44.3)***	-5.79 (0.31)***
Observations	256	218	137	764	762	610	1578
R-squared	0.28	0.08	0.14			0.14	
Mean Dependent Variable	605.9	300.9	374.7	0.340	13.8	445.8	0.155

Cluster standard errors in parentheses.

\* significant at 15%; \*\* significant at 10%; \*\*\* significant at 5%

**Table 8. Regression Analysis (All Male vs. All Female)**

	Foreclosures	Evictions	Actions in rem	Evictions and Actions in rem		All Cases	
	Time from beginning of case until:			Probability of Extension	Total extended time	Total case duration	Probability case is still ongoing
	Auction	Eviction	Dispossession				
	A	B	C	D	E	F	G
Estimation method:	OLS	OLS	OLS	Probit	Tobit	OLS	Probit
Woman	95.7 (52.2)*	23.5 (42.1)	8.4 (54.9)	0.19 (0.10)*	12.69 (8.65)*	49.8* (30.9)	0.00 (0.25)
Woman*(Prom. Purch. Agreem.)							0.06 (0.82)
Woman*(Purchase Agreement)							
Woman*(Foreclosure)							0.01 (0.29)
Woman*(Action in rem)							-0.15 (0.00)
Household Income	-0.0 (0.1)	-0.0 (0.1)	0.2 (0.2)	-0.00 (0.00)	-0.02 (0.02)	0.0 (0.1)	-0.00 (0.00)***
House Value	-0.6 (0.3)*	-0.3 (0.3)	-0.6 (2.2)	0.00 (0.00)	-0.04 (0.16)	-0.4 (0.2)	0.00 (0.00)
Debt (2nd. quartile)	121.0 (76.0)						
Debt (3th. quartile)	-24.7 (53.3)						
Debt (4th. quartile)	263.3 (66.5)***						
Woman Judge	-158.3 (57.9)***	17.5 (51.3)	10.2 (101.6)	0.11 (0.17)	6.62 (14.14)	-72.9 (40.2)*	0.10 (0.15)
Private defense	264.0 (86.1)***	111.5 (38.3)***	240.2 (153.2)	0.26 (0.11)**	22.34 (9.34)**	112.6 (37.3)***	0.39 (0.17)**
Type of court (de Paz)	349.6 (92.9)***	49.2 (34.2)	-55.9 (55.5)	-0.10 (0.18)	20.11 (12.57)	-177.4 (33.5)***	-0.67 (0.17)***
Control for Type of case							Included
Constant	539.1 (61.6)***	215.7 (101.2)**	268.2 (163.1)	-0.50 (0.23)**	-69.78 (19.89)***	532.2 (55.3)***	-5.76 (0.00)
Observations	136	172	59	503	503	366	945
R-squared	0.30	0.06	0.12			0.13	
Mean Dependent Variable	595.1	305.7	377.5	0.332	13.9	425.3	0.134

Cluster standard errors in parentheses.

\* significant at 15%; \*\* significant at 10%; \*\*\* significant at 5%