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Between Sticky Floors and Glass Ceilings: The Effect of Trade Liberalization on Double
Discrimination in Brazil

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A large body of evidence shows how trade liberalization can affect gender equality in the labor market. However, its consequences from an intersectional perspective remain relatively overlooked. Particularly in the context of Brazil, a society marked by deeply rooted racial and gender inequalities, understanding the consequences of reforms and policies along these dimensions is relevant. In this paper, we exploit a natural experiment, namely the trade liberalization process that happened in Brazil between 1988 and 1995, to assess whether it contributed to a reduction in gender and race discrimination in the labor market. Our results show that nonwhite women living in states more exposed to liberalization experienced increases in wages relative to white women. However, this average effect masks substantial heterogeneity. When we decompose wage gaps between gender-race groups at several quantiles of the wage distribution, we find a clear pattern: liberalization reinforced existing 'glass ceilings' by race, mitigated preexisting 'sticky floors' by gender among nonwhites, and had no effect on gender-based discrimination among whites.