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Coping with Job Insecurity:
The Experience of Unemployment in Contemporary Argentina

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Coping with Job Insecurity:
The Experience of Unemployment in Contemporary Argentina

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Dedication

For my husband Gonzalo, for our shared projects.

For my adored son Felipe, with whom I learnt that difficult does not mean impossible.

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Coping with Job Insecurity:
The Experience of Unemployment in Contemporary Argentina

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This dissertation analyzes the experience of unemployment in contemporary Argentina, emphasizing its multidimensional, heterogeneous, and dynamic character. It examines the perceptions, impacts and responses to unemployment on different dimensions of individual and social life in a context characterized by a sharp worsening of the labor market, pervasive job insecurity and uncertainty regarding the future. Argentina, which used to have a privileged position in Latin America is going through the sharpest crisis in its history. Previous certainties, based on stable and formal employment and well-established channels of social mobility are no longer present. Its entire social and occupational structure is collapsing. It is precisely this background what constitutes the particularity of the Argentinean case.

The research strategy combines quantitative and qualitative analysis as a way to grasp the complexity and dynamic character of the unemployment experience. Quantitative analysis, based upon the Argentinean Permanent Household Survey for Greater Buenos Aires during the period 1990-2000. provides a broad picture of the worsening of the labor market during the 1990s, identifying the main changes experienced during this period, their nature and incidence, and the groups most affected by them. Qualitative analysis relies on 59 in-depth interviews to unemployed people of different ages, gender, social classes, and family status conducted in two contrasting locations of Greater Buenos Aires in terms of economic history and profile, social structure, and location in respect to Buenos Aires city.

The main findings of this research show that the disruptive impacts of unemployment at the individual and social levels acquire particular dimensions under the present Argentinean context because the basis of previous frames of reference of work, social belonging, and social mobility have vanished. The mounting constraints that households experience to cope with their present situation and the increasing depletion of the few resources available in a context of an unprecedented crisis result in an overwhelming sense of vulnerability and lack of future perspectives.

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Chapter 1: Introduction

1.1. Objectives and Significance of the Study

The general purpose of this dissertation is to analyze the experience of unemployment in contemporary Argentina, emphasizing its multidimensional, heterogeneous, and dynamic character. It examines the perceptions, impacts and responses to unemployment on different dimensions of individual and social life in a context characterized by a sharp worsening of the labor market, pervasive job insecurity and uncertainty regarding the future.

Argentina is currently experiencing the most severe crisis in its history. The new century is witnessing the collapse of its economic and social structure, which used to place the country in a privileged position in the Latin American context. Previous certainties, based on stable and formal employment and a dynamic social structure have been replaced by widespread labor precariousness and the impoverishment of vast segments of the population. Social mobility opportunities appear now to be just memories of a golden past. These processes, together with the dismantling of the social protections provided by an incomplete welfare state, have resulted in a marked erosion of the social fabric. Unemployment has emerged as a major social problem during the 1990s, showing a striking increase as a consequence of the long five years recession the country has experienced since 1998.

This study seeks to contribute to three main research questions. First, it explores the meaning and experience of unemployment when it occurs not as a

result of economic cycles or a gradual change in economic and social structure, but in the context of the disintegration of a well-established social and occupational structure. Among Latin American countries, Argentina has had the largest and most solidly established middle class and the largest and most solidly established working class. These social certainties and the mobility opportunities that they represented are no longer present. Nor are there clear alternatives. Secondly, it has the more general aim of exploring the relation of open unemployment to other forms of labor underutilization, such as underemployment and informal employment. It is these latter forms of labor underutilization that have received most research attention in Latin America.[1] The complexity and dimensions of the 'unemployment problem' has been underestimated not only by official statistics, but also by studies on Latin America, which have tended to subsume unemployment under poverty. Finally, it aims to qualify the dominant, mainly European, literature on unemployment by exploring the experience of unemployment in a societal context characterized by an almost complete absence of social protection against misfortunes in the labor market.

While in other Latin American countries during the 1990s total employment rose at a pace somewhat slower than, but close to that of the labor supply, partially due to informal employment, in Argentina there was a striking

[1] There was, at least until the late 1970s, a widespread tendency to dismiss open unemployment as a relatively unimportant issue. Underemployment was considered as the main form of labor underutilization among the poor in Latin America, while unemployment tended to be conceptualized as a "luxury" of secondary wage earners –mainly young people- in relatively affluent households waiting to find a suitable job (PREALC, 1976, 1981). However, some studies showed that recession in Latin America in the 1980s presented a different picture of unemployment: the largest rises in open unemployment were found among the poor male-heads of households with low skills and educational levels who had previously been in work (Rodgers, 1989; PREALC, 1987, 1991; Infante, 1993; Humphrey,1994)

increase of open unemployment. This was a singular development within Latin America. In fact, only in Argentina was unemployment much higher, on average in the 1990s as compared with the 1980s. Parallel to an economic restructuring that reduced the capacity to generate stable employment, consecutive reforms introduced in the labor legislation since 1991 weakened the protection provided by previous labor codes. The most affected group were low-income populations with low levels of education. Middle class sectors that had previously enjoyed a stable and formal insertion into the labor market also began to be hard hit by the changes in the labor market, experiencing a marked decline in their living conditions. (Minujin, 1992; Beccaria and Lopez, 1997b; Roffman, 1997; Godio et al., 1998; Marshall, 2000).

In contrast with other Latin American countries, in Argentina unemployment is a clear and recognizable category. The Buenos Aires labor market has been traditionally more formal than that of other Latin American cities. This more formalized environment affects the ways in which work and unemployment are experienced and defined, and creates particular problems for the unemployed.

This dissertation focuses on two main issues. First, it analyzes the experience, meanings, and perceptions of work and unemployment in a context where a work culture traditionally centered on formal work contrasts with a generalized process of job insecurity. Secondly, it explores the impacts of the spatial organization of the city, and particularly of local labor markets, on the way in which people perceive and cope with unemployment and job insecurity. It

involves issues such as the cost of seeking jobs and the institutional barriers to getting informal jobs.

Two crucial characteristics of unemployment are emphasized in this research: its dynamic nature and the variable character of the unemployment experience. On the one side, unemployment represents a dynamic process rather than a static, stultifying, limbo-like state (Howe, 1990; Gallie and Paugam, 2000b). On the other, far from being a homogeneous group or an 'underclass' sharing similar experiences, values and attitudes, the unemployed are a rather heterogeneous group.[2] Sources of variation are related to different social backgrounds, work experiences, skill levels, age, gender and household characteristics, as well as the structures of opportunity and constraint provided by the local areas where they live.

1.2. THE PARTICULARITY OF THE EXPERIENCE OF UNEMPLOYMENT IN ARGENTINA

The particularity of the Argentinean experience is probably the extension of unemployment and job insecurity in a context where formal and stable employment, even after a decade of sharp deterioration of labor conditions, is still perceived as "normal". Far from being concentrated in particular 'depressed' regions, insecurity is spread throughout the entire social and economic structure,

[2] Focusing in particular on the long-term employed in six British local labor markets, Gallie (1994) examines the relevance of the concept of an 'underclass' for understanding the situation and experiences of the unemployed. He argues that past work history experiences and the current work and sociopolitical attitudes of the unemployed failed to fit both the conservative and radical versions of the 'underclass thesis', concluding that it veils the close interconnection between unemployment and the employment structure.

being particularly harsh in those urban areas that used to be the most dynamic in terms of employment and social mobility opportunities. Moreover, job insecurity is experienced under a situation of structural crisis where future prospects do not appear to be particularly promising.

Some studies have argued that in contexts of highly generalized insecurity, the unemployed show lower levels of dissatisfaction, altering the way in which unemployment is viewed because of the reliance on the informal economy as a means of coping with poverty and providing protection against cumulative disadvantage (Gallie, Jacobs, and Paugam, 2000). Thus, one could easily conclude that precisely where the "problem" of unemployment and insecurity is more extensive it is not perceived and experienced as a problem. The underlying assumption is, then, that in these contexts people are habituated to insecurity because it is their "normal" situation.

However, this is not the case of Argentina and it is precisely this 'exceptionality' that constitutes the point of departure of my dissertation research. In fact, many of the people I interviewed –even those living in contexts of widespread poverty- defined themselves as unemployed even when they were doing some kind of odd job or *changa*, the Argentinean concept to express what a job is not. They defined their current employment status in reference to their last "stable job", even when they had lost it several years ago. Moreover, the opportunities for self-employment generation have shrunk during the last years, and those who attempted to run their own small business experienced dramatic failures. Thus, the unemployed do not seem to have many 'alternatives' to cope

with joblessness. They do not seem to be habituated to unemployment or more 'satisfied' than their European counterparts, and the symptoms of depression are as extensive as job insecurity.

A recent study on Argentina (Isla, Lacarrieu, and Selby, 1999) concludes that the striking rise in unemployment since the mid-1990s has resulted in the re-emergence of work, tied to 'dignity', as an essential value in the constitution of subjectivities, families, social relations and social identity of the popular and middle classes. Kessler (2000) points out, also in reference to the present Argentinean situation, that a redefinition of the external world is needed in a period of individual and social disorganization if any kind of strategic practice or arrangement is to be implemented. This redefinition is a way of establishing a new kind of relationship to the external world, some kind of certainty of what can be and what cannot be done to cope with daily urgencies.

It is against this background that I analyze the experience of unemployment in contemporary Argentina, which represents a profound challenge not only for people trying to cope with it, but also for the researcher trying to explain it.

1.3. METHODS AND DATA

The heterogeneity and multiple dimensions of unemployment require the combination of different methodological strategies as a way to grasp its inherent complexity. To that end, I decided to combine quantitative and qualitative techniques. Quantitative analysis provides a broad picture of the worsening of the

labor market during the 1990s, identifying the main changes experienced during this period, their nature and incidence, and the groups most affected by them. However, while giving a representative account of the characteristics associated with general trends, statistics do not provide information on a crucial issue, which is the experience of unemployment, or in other words, how people think, feel, and cope with job loss. Qualitative analysis facilitates the understanding of longer-term processes as well as meanings, attitudes, perceptions and the impacts of unemployment on different aspects of individual and social life.

1.3.1. Quantitative analysis

Quantitative analysis is based upon a representative employment survey, the Argentinean Permanent Household Survey (Encuesta Permanente de Hogares, EPH) for Greater Buenos Aires during the period 1990-2000. The EPH is a representative household sample gathered in 28 metropolitan areas. In the Greater Buenos Aires the sample includes 4,300 private households. The survey contains information on demographic, occupational, migration, housing, educational and income characteristics of private households. It is a continuous survey collected two times every year, with one fourth of the respondents replaced every six months.

My quantitative analysis relies upon cross-sectional data and short-term longitudinal data. Two main issues have been analyzed through cross sectional data. First is the worsening of the labor market during the 1990s in terms of the evolution of labor supply, the quantity and quality of employment generation, and

income deterioration. Secondly, is the issue of the main expressions of labor market adjustment (unemployment, unprotected employment, and self-employment) and of the groups affected by them. Together with descriptive statistics (cross-tabulations), inferential statistics (binomial logistic regressions) were used to provide a comparison of the characteristics associated with vulnerability to unemployment and unprotected employment.

Short-term longitudinal analysis aimed at identifying four main issues: changes in employment status and the direction of such changes; the most vulnerable groups; the kinds of jobs leading to and obtained after unemployment; and the impacts of unemployment of the head on household poverty and income levels. I constructed one panel that included 50% of the original sample interviewed on October 1999, and re-interviewed in the following two waves, May 2000 and October 2000.

1.3.2. Qualitative analysis

Qualitative analysis is based on a comparative standpoint provided by choosing fieldwork sites in Greater Buenos Aires that contrasted in terms of economic history and profile, social structure, and location in respect to the capital[3]: Florencio Varela and Lanús.

Florencio Varela is homogeneously poor –in fact, one of the poorest municipalities of Greater Buenos Aires- with little industrial tradition, very

[3] In Argentina, 'capital' refers to the municipality of Buenos Aires, which is the federal capital. I will use 'the capital' to distinguish this area of almost 3 million from the other municipalities of the metropolitan area.

limited employment opportunities at the local level and is relatively spatially isolated. In contrast, Lanús is a municipality neighboring the capital, which is more heterogeneous in terms of its social structure and with industries that used to provide an important source of employment for local residents.[4]

During an eight-month period of fieldwork (from June 2000 to January 2001) I made a total of 59 tape-recorded in-depth interviews, all of which were conducted by me and none of them were paid. The sample was selected analytically based on the following criteria: age, gender, social class, family status, and being out of work at the time of the interview or having experienced unemployment during the recent past. People who have recently experienced an unemployment spell and were employed at the time of the interview were included in order to obtain information on the conditions and characteristics of labor re-insertion. The sample was limited to those with previous labor experience, excluding first time job seekers.

In a context of widespread job insecurity a clear-cut distinction between open unemployment and the different forms of underemployment becomes extremely difficult. Thus, a broader definition of underemployment and a flexible strategy for identifying the unemployed was utilized. After I had provided an explanation on my research, interviewees were selected according to their self-perception of their employment status. Sampling was based on a snow ball technique that included the most varied range of strategies and social networks: from more 'formal' organizations such as the local university, municipalities,

[4] More detailed information on the socio-economic profile and general characteristics of both locations is provided in chapter 3.

political parties, NGO's involved in social programs, and community organizations, through more informal networks emerging from long walks through the neighborhoods, talks with taxi-drivers and neighbors, and off course, the references provided by the interviewees themselves. Interviews were conducted in different neighborhoods of Varela and Lanús and in the most varied settings, ranging from the interviewees' homes and community organizations to bars, remiserias (taxi agencies) and an office kindly provided by the University of Lanús, among others. The composition of the sample as well as a list of the names of the interviewees (which have being changed respecting their anonymity) and some relevant characteristics such as age, education, family status, number and age of children living at home and previous occupation are given in the appendix.

The method of data collection involved semi-structured in depth interviews framed in order to produce a life-history analysis, which concentrated on issues specifically related to employment. A topic guide was designed which formed the basis of each interview. The guide included topics such as family and job history; unemployment events, perceptions and impacts at the individual and household level; job search strategies and obstacles for getting a job; perceptions of socio-economic changes and social mobility; and future expectations. Questions were open-ended and adapted to individual circumstances. The length of the interviews was varied, ranging from 45 minutes to two hours.

All interviews were tape-recorded and electronically transcribed. For the analysis of the interviews I used the qualitative computing software package QSR NUD*IST4, which allows not only a detailed coding and the possibility of

reviewing the categories created during the process of analysis, but also of grouping and linking coded categories. The Index System was made up of 14 nodes and 156 sub-nodes, and the index search (linked categories) included 164 combinations.

1.4. ORGANIZATION OF THE DISSERTATION

This analysis of the unemployment experience in contemporary Argentina is organized in two parts. The first part of the dissertation includes four chapters and provides a general picture of the problem highlighting new and old issues in the unemployment debate. It identifies the main changes experienced in the Argentinean labor market during the 1990s, the nature, direction and incidence of such changes and the most vulnerable groups affected by them.

Chapter 2 reviews the existing literature on unemployment, emphasizing their contributions to the understanding of the Argentinean experience. This chapter is concerned with both the similarities and differences that the experience of unemployment in contemporary Argentina presents with respect to the way in which unemployment is perceived and experienced in different societal contexts. It discusses the dominant, mainly European literature on unemployment, highlighting its contributions, insights, and limitations for the understanding of the Argentinean experience. Finally, it identifies the emergence of new issues resulting from changes in the nature of labor markets, the family, and the State.

Chapter 3 analyzes the main trends in labor market dynamics before the 1990s, as well as the profound imprints of the economic policies applied during

the last decade on the Argentinean social and economic structure. The analysis of the characteristics of the labor market previous to the 1990s, distinguishes two main periods. The first, from 1950 to 1975, highlights the particularities of Argentina that placed it in a privileged position in the Latin American context, in terms of social inequality, labor protection and social mobility opportunities. The second period, from 1975 to 1990, marks the beginning of a process of a progressive deterioration of its social structure in terms of employment conditions, growth in social inequality and poverty levels. There was also a profound erosion of previous channels of social mobility, which resulted in a "Latin Americanization" of the Argentinean labor market. Finally, the 1990s saw not only a deepening of previous trends but the implementation of a new economic model that represented a definite break with the past and a radical transformation of the country's social and economic structure. Argentina became a paradigmatic case of economic failure and of the crudest experiment of economic orthodoxy in the contemporary Latin American context.

Chapter 4 examines the worsening of the labor market during the 1990s, focusing on the evolution and characteristics assumed by unemployment, job insecurity, and self-employment, arguing that the relationships among these phenomena lead to a process of cumulative disadvantages both for individuals and households. Three main issues are analyzed in this chapter. First, are the causes of unemployment, highlighting the evolution of the labor supply and employment generation both in the formal and informal sectors. Secondly, is the incidence of the main forms of the deterioration in employment conditions -unemployment,

unprotected jobs and self-employment- identifying the groups most affected by them. Thirdly, income decline is analyzed according to the capacity of employed individuals to support one or more members of their households.

Using panel analysis, Chapter 5 provides a more dynamic picture of job insecurity by showing changes over a one-year period. It focuses on changes in employment status -from employment to unemployment and vice-versa-, identifying the direction of such changes, the most vulnerable groups, and their impacts at the individual and household levels. Individual impacts are analyzed in terms of the kinds of jobs leading to unemployment and obtained after unemployment. At the household level the analysis focuses on the impacts of the unemployment of the head on household poverty and income levels, and on the employment strategies developed by the family to cope with financial hardship.

The second part of the dissertation, based on in depth-interviews, explores people's experience of unemployment. After identifying the general trends that characterized the worsening of the labor market during the 1990, this part assesses the real impacts of these macro-processes on ordinary people. It deals with the perceptions, attitudes, reactions, and impacts of unemployment on different aspects of individual and social life. In sum, this part tries to understand unemployment 'from within', or in other terms, how do people think, feel and cope with job loss.

Chapter 6 focuses on the labor trajectories of the unemployed, providing a longer-term perspective of the working lives of individuals and on the real impacts of unemployment on subsequent labor careers, which appears to vary

according to the type of jobs previously held, earnings levels, and job satisfaction attached to them. Labor trajectories are analyzed in terms of gender and social class as the most useful parameters for analyzing the labor trajectories of the unemployed.

Chapter 7 analyzes the different ways in which individuals and households cope with unemployment, affected by the opportunities and constraints provided in three main spheres: the market, the state, and the family. Two main issues are explored in terms of the labor market. First are the characteristics of local labor markets, and how they affect the perceptions of, and the responses to, unemployment. Secondly are the mechanisms for and the obstacles to finding a job. In terms of the state sphere, the chapter assesses the experiences of participants in public programs of direct employment creation targeted to the poorest sectors, and shows the profound lack of protection faced by the middle class unemployed. Finally, household responses are analyzed showing how resources coming from different sources are combined, as well as the obstacles households face in mobilizing the scarce resources available.

Chapter 8 focuses on the perceptions, meanings, and impacts of work loss both at the individual and the household level. It explores perceptions of work and unemployment and analyzes the impact of job loss on the private sphere, emphasizing its psychological effects as well its consequences for family relations and the domestic division of labor. Finally, this chapter assesses perspectives on the future, arguing that the deterioration in employment, economic recession, and

the profound erosion of previous mechanisms of social mobility blocks the possibility of thinking about the future beyond the immediate constraints.

Chapter 9 contains the conclusions, which highlight the main findings of the dissertation, as well as its implications for policy and future research.

PART I: THE WORSENING OF THE LABOR MARKET: BASIC ISSUES, CONTEXT AND TRENDS

Chapter 2: Understanding the Experience of Unemployment: Continuities and New Issues

Unemployment is by no means a universally applicable and unambiguous category. Born out of the objective conditions of modern capitalist development, it was understood, contested and defined subjectively, acquiring its present meaning through a process of ideological and institutional contingency and contestation. After its birth as a category, it continued to be the subject of a continuing gap between reality and representation, and a matter of contrasting political agendas, images, policies and struggles (Perry, 2000).

It is linked both to the idea of full employment and to the modern conception of paid work that emerged in industrial societies. Consequently, its meaning varies depending on the degree of industrialization and economic development. Besides, the conception of what unemployment is in a particular society will also depend on who the unemployed are, or in other terms, to what extent it affects those who are considered to have the responsibility of ensuring the protection and survival of their families (Gallie and Paugam, 2000b).

This chapter is concerned with both the similarities and differences that the experience of unemployment in contemporary Argentina present with respect to the way in which unemployment is perceived and experienced in different societal contexts. Through exploring similarities, the literature review attempts to

indicate which features of the Argentinean case are likely to be universal. Through pointing differences, I aim to show the particular form that unemployment takes under the current Argentinean situation.

Taking into account the previous considerations, this chapter discusses the dominant, mainly European literature on unemployment, highlighting its contributions, insights, and limitations for the understanding of the Argentinean experience. Four main points are analyzed here. First, the chapter briefly explores the emergence of unemployment as a problem in its own right, separated from that of poverty, and its political and conceptual implications. Secondly, going back in history I review the experience of unemployment and the forms taken by unemployment during the interwar years. The former appears as particularly relevant for the understanding of the disruptive impacts of unemployment in a context that, like contemporary Argentina, was characterized by almost inexistent mechanisms of social protection. Thirdly, the chapter highlights the main contributions and weaknesses of the interwar European and US literature for the understanding of the impacts of unemployment at the individual and household level. Finally, it identifies the emergence of new issues resulting from changes in the nature of labor markets, the family, and the State. The acknowledgement of the unequal distribution of the relative risks of unemployment between countries has resulted –basically in Europe- in an emphasis on comparative studies that highlight the importance of different forms of social regulation. These studies focus on how different approaches and policies on welfare provisions affect the

experience of unemployment (Clasen et al, 1998; Lawless et al. 1998; Lind and Horneman Moller, 1999; Gallie and Paugam, 2000a).

The way in which social risks are managed between the state, the market, and the families makes a huge difference because of the variable capacity of the three institutions to manage and pool social risks (Esping Andersen, 1999). Moreover, the more social risks are generalized, the more likely it is that market and family will 'fail', rendered incapable of adequately absorbing risks (Ibid). The emergence of new issues has shown the increasing complexity of the unemployment problem, whose understanding requires to build upon the perspectives of the 1930s.

2.1. REVISITING THE 'UNEMPLOYMENT PROBLEM': OLD AND NEW QUESTIONS

The acceptance of unemployment as a social problem coincided with the emergence of mass socialist parties in a number of European countries in the nineteenth century and with the political threat that they represented. In the last quarter of the nineteenth century, the political demand for the 'right to work' in Europe, as well as demonstrations by the unemployed, protest and riots in the US were crucial to the development of unemployment as an idea (Perry, 2000).

By the closing decades of the nineteenth century unemployment was becoming both more widespread and more recognized as a problem in its own right, distinct from that of poverty (Burnett, 1994). The features of industrial capitalism, its structural changes (including the periodic devastation of older sectors), its dynamism, its business cycles, all distinguish unemployment from

earlier forms of poverty (Perry, 2000). In Europe, social legislation replaced the Poor law provisions; unemployment became a new source of poverty requiring novel measures. Beveridge's view of unemployment as a 'problem of industry' (1909) by the early twentieth century marked this shifting in thinking that gradually began to recognize the social origins of unemployment. Britain pioneered the first unemployment insurance scheme in 1911; by 1925 there were 15 national insurance schemes in Europe (Whiteside, 1991; Burnett, 1994; Perry, 2000).

Whiteside (1991) emphasizes that an historical perspective helps demolish some myths still attached to the unemployment question, mainly those related to economic growth and labor market deregulation. First, high rates of economic growth do not provide an automatic solution to the problem. Beyond the impacts of new industries on labor demand, a vast segment of the unemployed is unlikely to benefit from this process: they tend to live in the 'wrong places' and cannot afford to move to more prosperous areas; moreover, they may not posses the required skills. Hence, it is possible to generate new jobs without reducing the numbers of out of work (Ibid). Secondly, it is certainly highly questionable that a free labor market provides the best solution to the unemployment problem. The first attempts to increase state regulation in Britain by the end of the nineteenth century were the result of the recognition of 'the problem of the unemployed', of unemployment as 'the fundamental problem of modern society' (Whiteside, 1991; Burnett, 1994). The social crisis of this period therefore steered official opinion towards more interventionist policies in place of former beliefs in individualism,

self-help and personal responsibility. The demolishing effects of the myth of the "self-regulating market" on the social fabric, particularly when it is applied to labor, were presciently stated by Polanyi fifty years ago.

> In disposing of a man's labor power the system would, incidentally, dispose of the physical, psychological, and moral entity "man" attached to that tag. Robbed of the protecting covering of cultural institutions, human beings would perish from the effects of social exposure; they would die as the victims of acute social dislocation through vice, perversion, crime, and starvation […] No society could stand the effects of such a system of crudest fictions even for the shortest stretch of time unless its human and natural substance as well as its business organization was protected against the ravages of this satanic mill (1957:73).

In the same direction Rubery (1996) points out that current trends toward flexibility, fragmentation, precariousness and individualization are not the inevitable concomitants of the late 1990s. They are the likely outcome if there are no serious political attempts to rethink and replace labor market institutions, which have either outlived their usefulness or have been destroyed by recent political struggles within the labor market.

Much of the labor market reforms of the 1980s and 1990s, more than innovations, seems to be a regression to the situation pre-1945, a revival of old assumptions and principles. The means testing of benefits, the rhetoric of the impossible growth in the cost of social services, the scare stories of abuse, the virtues of the market are repeated now as then (Whiteside, 1991; Perry, 2000). Moreover, the extension of precarious forms of employment during the last decades does not represent a completely "new" phenomenon but, at least in a great part, a return to older practices. Thus, it is worth briefly exploring some of

those practices to understand the changes and continuities in the ways in which work and unemployment are experienced nowadays.

2.1.1. The Interwar Period

Unemployment during the Great Depression was experienced in the context of economic turmoil and political instability. Across most of continental Europe and the US there was a generalized collapse of middle class savings, banking collapses, decimation of small and medium businesses and millions of farmers and peasants faced ruin (Perry, 2000).

Fluctuations in the trade cycle were still a major cause of the exceptionally high rates of unemployment between the two world wars.[5] But what was new in the 1930s was that even in the best years there remained a hard core of the 'out-of-work' of around 10%, and much more in the old staple industries centered in the 'distressed areas'. By then long-term employment of more than a year had emerged as a new phenomenon, affecting around a quarter of the jobless total, consigning tens of thousands of men in middle life to lengthy, even permanent unemployment (Burnett, 1994).

In contrast with the Argentinean case, where unemployment and job insecurity permeates the whole economic and social structure, the unprecedented levels of unemployment during the Depression years were mainly concentrated in certain areas where declining industries were localized. However, other areas -

[5] Between 1921 and 1939 the average unemployment rate in Great Britain was 14%, and at the worst it reached 22%, but it was never less than 10%. Cyclical movements were violent but relatively short term, and most of the unemployed were likely to be out of work for less than six months at a time, though that might be a recurrent disaster (Burnett, 1994).

especially where the newer industries based on electrical power and prosperous home demands were located- were highly dynamic. People who stayed in work experienced a substantial rise in wages and improvement in living standards. The impacts of the Great Depression, then, were clearly related to where people were located geographically, occupationally and socially. As Burnett points out, "for the eight or nine million people who depended on an ungenerous dole in the early thirties, these were unquestionably the worst of the times; for the burgeoning middle classes buying their new semi-detached house on mortgage, running a Ford or Baby Austin car and enjoying the radio, the cinema and paid holidays, they were probably the best to date" (1994: 202).

In trying to account for the unprecedented levels of unemployment it was evident that the automatic match between labor supply and demand assumed by classic economics had broken down, and most economists of the period -from Beveridge to Keynes, and Pigau- stressed the centrality of long-term structural factors such as an overvalued currency, excessive development of staple industries and too high levels of wages, as against the traditional cyclical, seasonal, frictional, and personal explanations of unemployment.

Although governments responded in a number of ways, unemployment policy acquired two basic forms: unemployment relief (assistance or insurance) and public works. In the former case, while the value of benefits and coverage varied nationally and regionally, states in general failed to foresee the sharp increases in the numbers of the jobless and the length of unemployment spells. Problems arose when a large part of the unemployed had exhausted their right to

benefits.[6] Public works, with the exception of the program of the Swedish Social democratic government in 1933, did not follow a Keynesian approach. They did not seek to increase aggregate demand through government budget deficits, but to maintain balanced government finances and provide earnings to the needy. This continued the tradition of the European Poor Law, which required paupers to perform work tasks in order to discourage malingering (Perry, 2000). In the United States, there was no state or federal assistance for the unemployed, so help was based on charity, the workhouse and local poor relief that varied from place to place. Given the scale of hardship –there were 15 million unemployed by the spring of 1933- these measures, together with self-help networks of family and neighbors, were clearly insufficient and fell short of reaching all those impacted by the crisis. American business viewed the British model of unemployment insurance as an unnecessary intrusion and a socialist menace. The unemployed suffered hunger and humiliation, and relief carried a host of petty indignities: from the bread-line and relief queue to the home visit of the social workers and the use of food vouchers instead of cash. Those in public assistance were deemed 'loafers' or chisellers' and those in public works were labeled as 'work-shy' or 'shovel-leaners' wasting taxpayers 'money on meaningless tasks (Ibid). In fact, the ideas of deservingness are –now and then-a fundamental part of individualistic explanations since they furnish an interpretative framework for the evaluation and labeling of the behavior of unemployed people (Howe, 1990).

[6] Benefits levels were far from generous, and important groups were excluded from the insurance scheme –such as agricultural workers, domestic servants, teachers, nurses, civil servants, the police, armed forces and the railways (Burnett, 1994).

The stigmatization of the unemployed during this period, was accompanied by abusive practices from employers toward young workers through the use of apprentices as cheap labor, providing little or no training and dismissing them as soon as they qualified for skilled wages (Burnett, 1994). Even at their most employable age in their twenties or thirties men and women might be told that their years were against them, particularly for semi-skilled factory work where cheap juvenile labor was preferred and readily available. Age also operated against getting a job among those skilled whose trade had been made redundant by mechanization –such as woodworking, tailoring, boot and shoemaking, etc.

Male unemployment in the inter-war period was much higher than female unemployment.[7] However, these differences in terms of the gender composition of the unemployed have to be set against the fact of lower levels of female participation in the labor force and against their under-representation in official statistics of unemployment, especially among married women. This attitude toward working women was not simply the result of traditional perspectives on gender roles, but mainly the result of a family-centered approach that prevailed during this period. As Perry points out:

> The reassertion of the family at the time of the depression reflected the fact that the family unit constituted the cheapest way of housing, feeding and clothing the depression-hit working class. In this light, the household means test and the campaign against women workers were two sides of the same strategy, which sought to place the upkeep of the unemployed on

[7] In 1934, women made up only 18% of the registered jobless in eight European countries - Austria, Czechoslovakia, France, Great Britain, Italy, Poland and Switzerland (Perry, 2000). In Britain, after legislation in 1931 women ceased to qualify for unemployment benefit unless they could show a 'reasonable expectation" of obtaining insurable work, and that their chances were not impaired by the fact of marriage, which probably operated as disincentive to register as unemployed (Burnett, 1994).

> other members of the family –be that their husbands, their parents or even their adult children. By this route, the working class were kept alive at the lowest possible cost to the state (2000:178).

2.1.2. The Experience of Unemployment

Long-term unemployment and its concentration in declining industrial towns inspired a number of pioneer and classic studies on unemployment. Much of the literature on the unemployed condition during the interwar period focused on male unemployment within the skilled and unskilled working class experiencing joblessness for more than one year.

Despite their valuable insights on the experience of unemployment in the private sphere, these studies tend to remove the individual from his or her context of changing political and economical events. Moreover, most of these studies are based upon a conception of regular, formal, and stable employment, assumed to be the "normal" form of work. At the same time, they have tended to disregard the question of gender. Female unemployment has not only tended to be underestimated in official statistics, but women's time outside paid employment has also tended to be seen as "voluntary", and family roles as alternative sources of identity and fulfillment. In fact, female unemployment as a phenomenon with its own characteristics has only been recently acknowledged and incorporated in social research on unemployment (Morris, 1990; Gershuny and Marsh, 1994; Gallie and Alm, 2000; Russell and Barbieri, 2000).

Focusing on how the attitudes of the unemployed changed with time out of work, Jahoda, Lazarsfeld and Zeisel (1972 [1933]) studied the small Austrian

textile factory village of Marienthal, devastated by unemployment, where three quarters of the families depended on relief payments. They discovered a systematic change in orientations to life as a result of being out of work (shock, optimism, resignation, despair, apathy) linked to increasing lengths of unemployment and decreasing levels of income. Searching for work was an increasingly dispiriting occupation as days, weeks and even months passed without result, whether for skilled workers who anxiously waited for the postman to bring a reply to a letter or for the unskilled who retraced well–trodden routes in widening circles from home (Burnett, 1994).

Some years later, with the appearance of Eisenberg and Lazarsfeld's (1938) work on the psychological effects of unemployment the "stage model" acquired the status of a general law in subsequent studies. The model mostly ignored the extreme circumstances of the Marienthal case and the varieties of reactions unemployment can generate. According to this perspective, the unemployed pass through a series of psychological stages, forming a pattern or model. Shock is the initial reaction to job loss; this is followed by optimism while the person is looking for work; pessimism supplants optimism when no job is found. Finally the individual becomes fatalistic and adapt himself to this new state but with a narrower scope, until, for some a final stage of apathy and despair results in a total lack of initiative, self-confidence and hope, which is called the 'broken' stage (Ibid). In her latter work, Jahoda (1982) developed the "deprivation theory" to explain the socio-psychological consequences of unemployment. She highlights the importance of the latent functions of "modern

forms of employment" beyond its manifest function of producing income. These functions are related to life-structure and ties with the community. Employment, Jahoda argues, provides an enforced pattern of activity and gives people a clear time structure for the day. It is a source of social contacts outside the household. It gives people a sense of participating in a wider collective purpose and it is a source of social status and identity (Ibid).

Without ignoring the importance of the latent functions of employment, we have to be aware of the risks of overestimating and generalizing about what work really means or provides. The impacts of unemployment cannot be fully understood without reference to previous employment experiences when at work; work does not necessarily represent a universally rewarding and structured activity. In his research on Algeria in the early 1960s, Bourdieu describes the experience of employment among unskilled workers on precarious jobs, which clearly contrasts with Jahoda's description.

> The daily routine divided between searching for work and improvising work, the week or the month broken up into working days and idle days by chance hirings and lay-offs –everything is stamped with precariousness. No regular timetable, no fixed place of work; the same discontinuity in time and space (Bourdieu, 1972:66).

In his study The Unemployed Man (1933), E. Wight Bakke reported data from a six-month stay in the London borough of Greenwich, which was not a depressed area. The extent of unemployment was average for the country as a whole and was mainly intermittent not long term. Among other issues he examined the effect of unemployment insurance on the willingness and ability of workers to support themselves. He found little evidence supporting the

‘dependence culture’ thesis, pointing out that “hunting a job is the “job” of the unemployed worker. It is the most important part of his self-maintenance efforts” (1933:129). His work also provides interesting insights on the different reactions to unemployment and in the adjustment to unemployment among different categories of workers, on family circumstances and material resources, on dominant work-based ideas of gender roles and on the source of personal identity. In his further work (1940) in the American town of New Haven, Bakke reaffirms his previous findings on the impact of unemployment on male breadwinners, for whom the experience of being out of work not only represents a challenge to their masculine identity, but also an erosion of their status in the family and the community.[8] The wife’s role as keeper of the household income and her capacity of stretching resources through changes in consumption patterns is another important finding of his study. The importance of older children’s contribution is also noted, as well as the possibility of a wife’s employment, which tends to present important variations according to ethnic identity and appears to be a source of marital tension (Bakke, 1940).

At around the same time as Bakke’s research, following the social psychological tradition of most studies of the period, Komarovsky (1940) focuses on a homogeneous group of 59 men (long-term unemployed native-born Protestants, skilled manual or white collar workers in nuclear family households)

[8] In fact, the dual aspect of the breadwinner role –working and providing- contains a potential conflict of values and standards. As Jordan et al (1992) points out being a worker involves the development of certain work and social skills in a men’s world of reputation and competition; it can also be intrinsically enjoyable or at least satisfying in retrospect. Being a provider involves delivering income to a family; a man’s earnings are seen in terms of a ‘family wage’, even though actual rates of pay and conditions of employment do not easily correspond with a notion of an income sufficient to meet weekly household needs (Ibid).

located in a large industrial city outside of New York. As in Bakke's case, the study of Komarovsky (1940) emphasizes the relationship between the man's role as economic provider and his authority within the family, particularly how a work-based gender identity is disrupted by male unemployment. In terms of the disruptive effects on family relations, he points out that unemployment brings out existing strengths and weaknesses in the family (Ibid). In these studies, for which the parameters of "normality" were the nuclear family and the male breadwinner role, wife's employment is mainly analyzed in terms of its impact on the husband's self-esteem. Later research, in the context of the profound changes experienced during recent decades in family structure, present a more complex picture, in which the impacts of unemployment on family dynamics tend to vary according to the economic situation of the household, the family stage in which unemployment is experienced, the preexisting domestic division of labor and family conceptions, among other factors. (Morris, 1990; Roberts, 1991; Jordan et al., 1992; Gallie, Marsh and Vogler, 1994; Pedersen et al., 2000; Gallie and Paugam, 2000; Russel and Barbieri, 2000).

The Pilgrim Trust survey of unemployment in six British towns in 1938 reaffirms Bakke's findings regarding the importance of the worker's former status in his attitude and ability to adjust to joblessness. The adjustment was found to be more difficult for the skilled worker, who had pride in his work, and often in his firm, than for the unskilled who had little interest in the job and no regular time routine. In its unusual inclusion of a section on women's unemployment, the study points out that unemployment affects women not just directly but in their

position as wives of unemployed men. Moreover, the variability of the experience of unemployment when considering local labor market conditions, categories of workers, and household stages, among other factors, appear as one of the most important issues highlighted by this study.

2.2. THE RE-EMERGENCE OF THE 'UNEMPLOYMENT PROBLEM': THE 1980S AND 1990S

In contrast with the 1930s, unemployment was not a major source of sociological research during the period of economic prosperity that followed the war. From 1945 to the early 1970s, the OECD countries enjoyed a 'golden age' in terms of their labor market performance, an era of full employment job security, rising real incomes and increasing social equality in economic welfare and opportunity (Martin, 1998). Up to the 1970s, research was mainly focused on the effects of technical, social and cultural change on the social structure of Western societies. Since the late 1970s, after the second 'oil shock', unemployment rose to levels that were unprecedented since the great inter-war recession. Most employment certainties were undermined, and the labor market became characterized by increasing uncertainty, insecurity, risk and inequality. In the US massive job losses in the manufacturing sector in the 1980s coincided with the Reagan administration's reductions in federal domestic spending, with the tightening of eligibility for public assistance, and the rise of the philosophy of laissez-fare and community self-help (Zippay, 1991).

This context of crisis marked a new phase of research on unemployment. During the 1980s a vast number of studies were conducted in Europe and the

United States focusing on changes and continuities in the unemployment experience, generating an important debate on the strengths and weaknesses of categories and explanations generated five decades ago.

Most European studies have suggested that conditions in the 1980s were different from those of the inter-war years particularly as a result of the improvements in the welfare system, which has removed much of the risk of total economic destitution. In fact, the system of welfare provision for the unemployed is central not only in the definition of unemployment [9] but also in most research generated since then. Moreover, most of the studies on the effects of unemployment continued to be focused on long-term unemployment.

In countries, such as Argentina, where the existence of social rights was tied to employment, and specifically to formal employment, the use or misuse of almost inexistent unemployment benefits is certainly not the case. Moreover, long-term unemployment in face of very weak social protections is a phenomenon that, while important among certain groups, is much less extensive than in Europe. Downward mobility and community dislocation as a consequence of unemployment has been highlighted in some studies focused on blue-collar towns experiencing plant closings.[10] However, the particularity of the current scenario in Argentina is that these processes are not localized in particular depressed areas

[9] The conventional definition of unemployment in most European countries is to deem unemployed anyone whom the social security system recognized as unemployed for the purpose of obtaining benefits (Gallie and Marsh, 1994).

[10] In Argentina, Roffman and Peñalva (1995) analyze the impacts of the closing of SOMISA, the former state-owned steel company -which employed 12,000 workers- on the locality of San Nicolas in Buenos Aires province. In the US, Zippay (1991) focuses her study in the Shenango Valley in Pennsylvania, once a center for steel and manufacturing and fabrication, where an estimated 6,700 mill workers lost their jobs as a consequence of a series of plant closings in the early 1980s.

but in a context where the whole social and occupational structure seems to be collapsing.

2.2.1. Job Insecurity and Unemployment

The extension of job insecurity during the last decades has eroded the clear-cut difference between employment and unemployment. It is argued that most people need a certain amount of security in order to be able to maintain a psychologically meaningful existence. In fact, labor market insecurity –where unemployment is an extreme case- appears to be a major mechanism generating psychological distress (Burchell, 1994). It has been found that there is no significant difference between the levels of stress among the unemployed and those in precarious employment. For the unemployed, it is not just the fact of getting a job but getting a secure job that appears to improve their psychological well-being (Ibid). Moreover, the frequent combination of unemployment and precarious employment raises a number of problems, especially as to its consequences for the shaping of occupational and social identity, which requires extensive qualitative social research (Yepez del Castillo, 1994).

Work and employment remain as the most important determinants of life-chances for the majority of the population. However, as work and employment change, so will the manner in which these life chances are constructed (Crompton et al., 1996). Rubbery (1996) suggests that the major change that is taking place in the labor market is that previously advantaged groups are sharing in the risks of

instability, unemployment and low income previously faced only by secondary sector workers.

In Europe, wage employment represented the stepping stone of social integration. In this context, occupational precariousness –insecure jobs and unemployment- is viewed as an accumulation of disadvantages –in terms of education, training, employment, housing, and financial resources- that can lead from a zone of integration to a zone of precariousness, vulnerability, and finally to social exclusion (Castel, 1992; Paugam, 1995; Rodgers, 1995; Paugam, 1995; Bhalla and Lapeyre, 1999). Two main processes contributing to exclusion have been differentiated in the European literature: on the one hand, unemployment and job precariousness for groups of people who were fully integrated before, and on the other hand, the difficulties in entering the labor market to enjoy the social bonds associated with it (Castel, 1997; Berghman, 1995).[11]

Persistent unemployment in Europe has made employment the dominant social policy issue. The protection afforded by the state against destitution, which has led –with a wide range of variation among countries- to the decommodification of labor (Esping-Andersen, 1990), has reduced the dependence on the labor market. Recently, the importance of state provisions in contributing to a process of de-familialization has also been recognized (Esping Andersen, 1999; Gallie and Paugam, 2000). State provision implies a commitment to collectivizing the weight of family responsibilities or in other

[11] Manual and unskilled workers together with young labor force entrants, the less educated, ethnic minorities and older workers, are among the most affected by long-term unemployment (one year or more), which in 1994 affected 5 out of ten unemployed in the European Union (Martin, 1998).

words, lessens individual reliance on the family, thus facilitating the participation of household members -especially women- in paid employment. The nature and forms of intervention of the state to protect individuals from misfortunes in the labor market is related to the system of employment benefits, the extent of development of active employment policies and the availability of specific policies to assist women's employment –such as the provision of childcare (Gallie and Paugam, 2000). According to these criteria it is possible to distinguish at least four 'unemployment welfare regimes' in Europe: the sub-protective regime, the liberal/minimal regime, the employment centered regime, and the universalistic regime (Ibid).[12]

Where neither market, nor welfare state offer an affordable or adequate alternative, households are compelled to produce their own personal and social welfare, which does not guarantee that welfare will actually be provided (Esping-

[12] A sub-protective regime -predominant in Southern European countries- is a system that offers the unemployed less than the minimum level of protection needed for subsistence. Few of the unemployed receive benefits, and when they do the amount is low. Active employment policies are virtually non-existent. In this type of regime, it could be expected that the unemployed will experience severe financial difficulty and live under the poverty threshold. It reveals a chronic absence of organized and planned intervention by the state. The liberal/minimal regime (UK and Ireland) provides a higher level of protection than the sub-protective, but provides a low level of financial compensation and there is a little development of active employment policies. It reflects an explicit political will not to intervene too heavily in the protection of the unemployed so as not to undermined the laws of the market, and there is a strong risk that the unemployed will suffer from poverty. Given the emphasis on mean-tested household income unemployed married women is the group least protected. The employment centered- regime (France, Germany, The Netherlands, and Belgium) provides a much higher level of protection than the previous one, but the coverage remains far from complete, given that the principles of eligibility for compensation are primarily defined in terms of previous employment experience. Vulnerability to poverty tends to vary depending on the status of the unemployment and length of time they have been employed. Women and young people could be expected to have lower levels of protection given that they are less likely to have either lengthy or continuous employment experience. Finally, the univeralistic regime (Denmark and Sweden) offers a comprehensive coverage of the unemployed, a much higher level of financial compensation and a more ambitious active employment policies. It is the regime that discriminate the least between unemployed people in terms of either sex or age. (Ibid)

Andersen, 1999). In weak welfare systems the lack of safety nets implies that individuals are forced to look for survival through precarious jobs because they cannot afford to remain unemployed for long periods (Rodgers, 1989; Bhalla and Lapeyre, 1999).

Different studies point out a growing spatial patterning of poverty (Morris, 1987; Massey, 1996; Wilson, 1987, 1996). Concentrated poverty, which tend to be associated with joblessness, follows from any process that gathers poor people together in space and then impedes their socioeconomic and residential mobility (Massey, 1996). Morris (1987) highlights the spatially related nature of socioeconomic polarization in deprived local labor markets. In the Latin American context, processes of residential segregation experienced since the 1980s appear as a result of the expulsion of the poor toward the outskirts of the city as a consequence of their limited opportunities of achieving a relatively stable insertion in the labor market (Katzman, 2000). Roberts (1989) points out that the increasing importance of precarious forms of employment is likely to make people more dependent on community ties for meeting economic needs. Social isolation for these workers (either unemployment, self-employed, or unprotected wage workers) is likely to be more costly than for those in full-time formal work who can draw on workplace relations. An increasing social heterogeneity and sense of localism are likely to reinforce the spatial factor in the class relations of the working class. I such contexts it is expected that issues of housing, social infrastructure, and communal welfare, and the solidarities and divisions generated by these become the bases of action of these segment of workers (Ibid). However,

in situations of extended job insecurity such as the one that characterizes Argentina today, it is also expected an erosion of community ties. Tensions both between and within households may increase as people compete, as well as cooperate, to obtain scarce resources.

2.2.2. The Household and the Labor Market

The household has increasingly become a key unit of analysis for the study of the impacts of unemployment, emphasizing the relationship between the household and the labor market. The rise in job insecurity and income decline mean that both low and middle-income households are finding it increasingly difficult to make ends meet, making more imperative for households to place more than one wage earner on the market (Roberts, 1991).

The household, however, is not necessarily a consensual unit, and power relations certainly influence decisions concerning employment (Morris, 1990; Jordan et al., 1992; Selby et al., 1990; Moen and Wethington, 1992) Moreover, labor market decisions are based upon the expected roles of men and women (as husbands and wives), and the norms that are attached to these roles. Some studies suggest that together with a decrease in the proportion of employed heads of households and the increasing importance of women's work in order to offset low male earnings, there has been a decline of households with multi-earners (Smith, 1997). Special emphasis has been given to the consequences of unemployment for household relations, basically with respect gender roles, in terms of financial decision-making and domestic work as well as the consequences of job insecurity

on the stability of marital relationships (Morris, 1990; Jordan et al. 1992; Gallie Gershuny and Vogler, 1994; Lampard, 1994).

2.2.3. Gender and Unemployment

Most of the available research on unemployment focuses on males, while joblessness among women has been neglected. Moreover, women's unemployment appears as a sharply contested terrain. It has been assumed that for women unemployment is a less problematic experience than for men because of the availability of both an alternative source of identity rooted in their domestic role and alternative means of support –through the male breadwinner. These arguments have been applied in a universalistic way, ignoring its validity in different cultural contexts and considering women's unemployment as a homogeneous experience. In contrast with the argument outlined above, recent studies have found no evidence that unemployment was any less harsh in its effects on unemployed women than on unemployed men (Gallie and Vogler, 1994). Research on unemployment is increasingly taking into account the gender issue (Morris, 1990; Gallie and Vogler, 1994; Smith, 1997; Gallie and Alm, 2000; Russell and Barbieri, 2000)

Given that women still retain the primary responsibility for childcare and housework, the decision to obtain employment and related factors (i.e. hours of work, type of job and location of employment) cannot be examined without further reference to the structuring effect of the domestic division of labor and gender relations within the household. This effect is structured by an

interrelationship of economic, social, ideological and political constructs (Smith, 1997). Some studies reveal that while very few men of working age ever describe themselves as inactive, periods outside employment tend to be classified, in women's accounts, largely into periods of inactivity rather than unemployment (Gershuny and Marsh, 1994). However, women's perceptions on their employment status varied in different social contexts. Cerrutti (1997) found that that in contrast with Mexico City, where most women who are not working tend to consider themselves out of the labor force, in Buenos Aires women from poor households who are not working are more likely to be looking for a job.

Women's domestic role in the home can operate both as an incentive and a constraint for work. Dissatisfaction with the domestic role may motivate women to gain employment (Yeandle, 1994). However, the negative attitude of husbands toward wife's employment, based in the traditional conception that a woman's place is the family and not the labor market, may result in a disincentive to participate in paid work (Yeandle, 1984; Smith, 1997). Moreover, limited childcare provision reinforces women's perceptions that their role should be in the home. There are, thus, a variety of tensions in the attitudes towards domestic duties and employment. Various factors associated with gender relations in the home may structure the employment/unemployment of married women and may contribute towards economic deprivation (Smith, 1997).

While the importance of women's earnings appear to be a fundamental source of income for keeping the household out of poverty, some studies provide evidence of that the husband's ego and breadwinner status is not diminished by

women's employment. In her work on married, unemployed blue collar women, Rosen (1987) found that even when women were providing half of the household income they continued to define their work as "helping" husbands, defining their earnings as supplementary.

2.2.4. Social Class and Unemployment

Most research on unemployment has focused on working-class occupations, where work of itself is unlikely to be fulfilling or to become the focal point of life, and where more traditional conceptions of gender roles are more likely to be found (Morris, 1990). However, it is also worth noting that across classes, male gender identity is strongly bound up with paid work. Non-financial motives such as personal fulfillment and career commitment as well as less traditional household arrangements are, however, more likely to be found among middle-class women (Hertz, 1986). In general terms, Morris (1990) suggests that middle class unemployment is more likely to represent a greater challenge to identity and more social stigma than among the working classes, but possibly more material support and access to savings, even when it can result in a strong disruption of previous life-styles.[13] While little research has been conducted on unemployment among both working and middle classes, studies show that class may affect perceptions of unemployment, and that social classes

[13] Ethnographic research conducted by Preloran (1995) in La Matanza -the biggest municipality of Great Buenos Aires- during 1991 points out the lack of upward mobility perspectives among middle-class unemployed men. Regarding their reinsertion in the labor market, most of them became self-employed in services and commerce after losing their stable jobs, getting lower incomes than in their previous employment.

may differ both materially and culturally in their ability to deal with the unemployment experience.

2.2.5. Social Networks and Unemployment

The impacts of unemployment on patterns of sociability have been revisited. Studies have found that, in contrast to the picture provided by the interwar literature of virtually complete social withdrawal, there is no general tendency of the unemployed to withdraw into inactivity. Moreover, unemployment appears to affect the structure of social networks, which become segregated (i.e. a high proportion of a person's friends who are also unemployed), more than their extensiveness (Gallie Gershuny and Vogler, 1994; Gallie, 1994). The strength and nature of social links are different from country to country. In societies where unemployment and precarious wage employment has persisted for many years, and is linked to weak economic development, as is the case in several countries and regions in Southern Europe , unemployment is unlikely to deeply affect social relations (Paugam and Russel, 2000). Because precarious wage earners and the unemployed form a broad social class, rather than a strictly defined underclass, they are not heavily stigmatized. Their standard of living is low but they remain part of social networks, which stem from family and the immediate neighborhood. In contrast, in countries such as Germany and France, which have seen a big increase in unemployment after a period of full employment, the unemployed are more likely to experience social disqualification, developing an overriding sense of failure accompanied by the

belief that everyday behavior will be interpreted as an indication of social ineptness or inferiority, and in extreme cases as a social handicap (Ibid).

In contexts of extended insecurity and deep economic crisis -such as the Argentinean case- social networks become less effective and solidarity and reciprocity become seriously eroded. Focusing on impoverished middle classes, some studies analyze how the profound deterioration in the standards of living of these sectors has resulted in the progressive exhaustion of the social capital accumulated in the past (Kessler, 1998; 2000).

2.3. SUMMARY

This literature review has showed the complexity and variability of the unemployment experience. Work histories, gender, class, household structure and dynamics as well as spatial factors -among others- appear as fundamental issues that contribute to explain the heterogeneity of the problem. The extension of job insecurity during the last decades has eroded previous clear-cut differences between work and unemployment. Work can be as disruptive as joblessness. The emergence of new uncertainties in the face of profound transformations in the structure of the labor market and their implications for household dynamics require a new emphasis on the analysis on how social risks are managed and distributed between the state, the market, and the family. This latter issue is particularly relevant in contexts where the stagnation of the market and the retreat of the state from the social arena are exerting an excessive pressure on the

household, resulting in a profound deterioration of living standards and in a marked erosion of the social fabric.

Chapter 3: The Context of Unemployment: The New Economic Model and the Deterioration of the Socio-Economic Structure in Contemporary Argentina

Argentina is currently going through the deepest crisis in its whole history, affecting not only its social and economic structure, but also its political stability. The long and profound recession that began in 1998 has resulted in new increases in unemployment, poverty and inequality. The new administration – the Alianza- took office in the midst of a recession, maintained the existing system of convertibility, and focused its economic policy on the reduction of a growing fiscal deficit, which reached $7,000 million (2.4% of the GNP) in 2000, in the face of the withdrawal of external financing (ECLAC, 2000). Unable to halt a four year recession, in the midst of a financial crisis, with a unemployment rate almost reaching 20% and the freezing of bank deposits, President Fernando de la Rua stepped down in December 2001 after two years in office in the midst of a political turmoil and popular mobilization – from supermarket lootings and road blockages demanding food and work, to "cacerolazos" (pot-banging demonstrations) of middle classes claiming their savings. The provisional government that took office declared the default of most of the $148 billion foreign debt, and devalued the peso, ending a long decade of convertibility.[14]

The dimensions and causes of the present crisis cannot be understood without a longer-term perspective that takes account of the old Argentinean socio-

[14] During the first trimester of 2002, GNP dropped around 11%. Between February 2001 and February 2002 industrial activity fell 15.9%, construction 42.8%, consumption of public services 14.1%, and sales in shopping centers 29.6% (INDEC, Sintesis de Coyuntura, 4/9/002).

economic structure and the processes and policies that led to its present profound erosion. The emergence of unemployment as the main employment problem during the 1990s, as well as the ways in which it is experienced by different social groups can only be fully grasped in reference to Argentine labor traditions. These, while sharply undermined in the present, constitute the reference framework through which people perceive and experience work and unemployment.

This chapter analyzes the main trends in labor market dynamics before the 1990s, as well as the profound imprints of the economic policies of the last decade on the Argentinean social and economic structure. The analysis of the characteristics of the labor market previous to the 1990s, distinguishes two main periods. The first, from 1950 to 1975, highlights the particularities of Argentina in the Latin American context, characterized by its relatively low levels of social inequality and of un- and under-employment, an extended system of public education, and a labor tradition based on formal work. In terms of social stratification, the emergence of a strong middle class in this period and the consolidation of a urban proletariat further contribute to understanding the privileged position that the country used to occupy in the region. The second period, from 1975 to 1990, shows a process of increasing worsening of employment conditions, growth in social inequality and poverty levels, as well as a profound erosion of previous channels of social mobility, making the Argentinean labor market more akin to the rest of Latin America. Finally, the 1990s witnessed not only a deepening of previous trends but the implementation of a new economic model that radically changed the basic rules of the game of the

ISI model, representing a definite break with the past. Convertibility, deregulation, and privatization became the axis of the new economic strategy, which alongside its success in terms of inflation control, resulted in unprecedented levels of unemployment, job insecurity, poverty and inequality. The new century found Argentina with a radically transformed social and economic structure that, in contrast to the privileged position it used to enjoy until the mid 1970s, became a paradigmatic case of economic failure and of the crudest experiment of economic orthodoxy in the contemporary Latin American context during the 1990s.

3.1. LABOR MARKET DYNAMICS BEFORE THE 1990S

3.1.1. The 1950-1975 period

Until the mid-1970s, Argentina was one of the few Latin American countries –together with Chile and Uruguay- that did not experience serious employment problems in terms of labor underutilization (PREALC, 1981; Beccaria and Orsatti, 1990; Beccaria, 1993; Llach and Llach, 1998; Altimir and Beccaria, 1999a). Because of its moderate levels of unemployment and underemployment, the expansion of wage labor, Argentina did not have high levels of redundant labor despite migration from border countries (see table 3.1). The lower levels of demographic growth[15], accompanied by higher levels of urbanization[16] and the early extension of public education contributed to explain

[15] Annual population growth in Argentina was 1.7% during the period 1950-1970, while the mean growth for Latin America was 2.7% (ECLAC, 1983).
[16] Latin America, apart from the southern cone, was still predominantly agricultural by the mid-century, contained a substantial peasant population, and had a weakly developed internal market

the particularity of Argentina in the Latin American context[17] (Beccaria and Orsatti, 1990; Torrado, 1992; Beccaria, 1993; Tokman, 1997; Beccaria and Lopez, 1997a; Altimir and Beccaria, 1999a).

Between 1950 and 1975, real wages remained at an approximately constant level. Relatively strong unions had been generally able to preserve the purchasing power of wages (Marshall, 1992, 1998). Urban poverty was less extended than in the rest of Latin America: in 1970, 5% of urban households were considered poor, which contrasts with an average 22% in the rest of the region.[18] Until the mid-1970, Argentina had one of the least unequal patterns of income distribution in Latin America. The Gini coefficient of household income distribution was 0.41 both in 1953 and 1961, compared with 0.57, 0.54, and 0.52 in Brazil, Mexico, and Costa Rica respectively during the same period (Altimir and Beccaria, 1999a).

(Infante and Klein, 1991; Roberts, 1996; Roberts and Oliveira, 1998). Because of its high levels of urbanization and per capita income by the 1940s, Argentina, together with Chile and Uruguay, were "early developers" in the region (Roberts,1996). Population in localities with 100 thousand or more inhabitants increased from 41.7% in 1950 to 55.6% in 1970; by 1970 the Greater Buenos Aires concentrated 36.1% of the total population (ECLAC, 1983).

[17] While employment problems were less severe in relative terms, they were by no means absent. The levels of unemployment and underemployment responded to economic fluctuations, affecting mainly the demand side (Beccaria and Orsatti, 1990). In fact during the recession of 1962-1963 unemployment increased to 8%. In contrast during the expansive period of 1973-75 the levels of both unemployment and underemployment diminished.

[18] This information has been taken from ECLAC figures for ten countries: Argentina, Brazil, Colombia, Costa Rica, Chile, Honduras, Mexico, Peru, Uruguay, and Venezuela. Households in conditions of poverty are defined as the percentage of households having incomes of less than twice the cost of the basic foods shopping basket. (ECLAC, 1990:45)

Table 3.1. Labor Market Characteristics in Latin America. 1950-1980. Selected Countries (percentages of the EAP)

	Urban EAP	Wage [a] employment	Manufacturing Industry	Services [b]	Formal urban employment [c]	Underemployed [d]
Latin America						
1950	43.5	53.6	14.1	25.7	30.1	46.5
1980	64.0	58.9	18.3	38.2	44.6	42.2
Argentina						
1950	72.0	71.3	24.5	42.1	56.8	22.8
1980	84.4	72.2	21.0	54.6	65.0	25.7
Brazil						
1950	39.2	50.7	12.8	16.6	9.1	48.3
1980	62.1	54.6	19.3	32.0	17.9	44.5
Chile						
1950	62.9	42.1	13.1	17.7	40.8	31.0
1980	74.2	43.9	14.4	28.2	54.1	28.9
México						
1950	34.5	51.1	11.2	20.4	21.6	56.9
1980	61.5	63.4	19.0	36.1	39.5	40.4
Uruguay						
1950	77.8	73.7 (1960)	10.8	33.5	34.7	19.2
1980	82.3	72.9	18.8	49.0	62.6	27.1

[a] Wage employment data correspond to the period 1950-1970, except Uruguay 1960-1970
[b] Services include commerce, transportation, and services.
[c] Defined by PREALC as those categories of the urban EAP not included in the urban informal sector.
[d] Defined by PREALC as the sum of the informal urban sector (non-professional self-employed workers, unremunerated family workers, and domestic servants) and traditional rural workers.
Source: Mercado de Trabajo en Cifras. 1950-1980, PREALC, Santiago de Chile: OIT

The distinctiveness of Argentina in the Latin American context was based on several characteristics: the emergence of a strong and dynamic urban middle class -made up of professionals, white-collar workers, small-scale entrepreneurs, and independent craft workers; the consolidation of a urban proletariat employed in large and medium-size enterprises-; a middle class and a proletariat that were mostly of European origin (Torrado, 1992; Roberts and Oliveira 1998);

educational-linked mobility opportunities; a labor tradition centered on formal work; and the legally quite formal profile of self-employment.

3.1.1.1. Formal Labor Tradition

During the post second- world war period, formal employment became the axis around which membership and social rights were organized in Latin American societies (Bayon, Roberts, and Saravi, 1998). Employment was the basic criterion for inclusion in the social security system and wages were the main mechanism of financial contribution. During the Peronist governments of the 1940s and 1950s, the "urban industrial worker" was the paradigmatic image of full citizenship. With the exception of education and public health services, which formally were universal, most of the social security services were tied to being formally employed.[19] Social security benefits, such as health insurance, pension rights, or housing provision, were extended first to state employees, and mainly to white-collar workers.[20] Key manual worker groups, such as railroad or the energy sector workers, who often were state employees, received such benefits next. In the 1950s and 1960s benefits were extended to many sectors of the urban working class, especially those working in large-scale enterprises.[21] The access to social protection was accompanied by a growing regulation of the labor market, providing relatively established parameters in terms of employment security,

[19] In the Constitution of 1949 –approved during the first Peronist administration and derogated by the military dictatorship in 1955- the basic benefits of a social security system -social prevision, health insurance, etc.- were included and categorized as "worker rights".
[20] According to the 1980 National Census figures, the public sector employed 52% of non manual workers.
[21] See Mesa-Lago, 1997

minimum wages, and health and safety requirements. By the mid 1970s wage-workers protected by the labor code accounted for over 70% of the Argentinean labor force -a very high figure by Latin American and international standards (Marshall, 1998).

The centrality of occupational status, however, resulted in the exclusion of those involved in the informal labor market from access to social rights. Social policies (apart from education and health care) were linked to formal employment and ignored the informal and poor sectors.[22] In part this was a consequence of the low levels of unemployment during this period and the belief that continuous economic growth would increasingly "formalize" the labor market (Martinez Nogueira, 1995). As Grassi et al. (1994) point out, the until recently popular phrase *en este pais no trabaja el que no quiere* (in this country the one who doesn't work is because he doesn't want to) comes from this period.

This incomplete system of social provision, close to the Bismarckian welfare regime model, according to the classification proposed by Esping Andersen (1990), established a particular type of state-society relationship. Access to the benefits of the welfare state by the excluded sectors was also mainly obtained through clientelistic relationships. The complex set of patron-client networks with state bureaucrats or political leaders became one of the main sources of social capital for the marginalized and informal sectors (Bayon, Roberts and Saravi, 1998). Although the rules may say that benefits are rights of citizenship, de-facto decision-making structures ensured that many if not most

[22] Social programs were generally oriented to "the mother and the child", the disabled, etc. and even when the access to them was many times conditioned to the "unemployment of the head", their implementation was highly selective (Grassi et al.1994)

low-income people were enrolled as clients of some intermediate-level patron; therefore, the relationship of popular sectors with the state was expressed more in terms of clientelism or paternalism than in terms of citizenship, rights and duties (Malloy and Parodi, 1993; Jelin, 1996).

3.1.1.2. The Importance of Self-employment

A significant part of what PREALC classifies as the informal sector[23] was traditionally a relatively prosperous activity in Argentina and did not have the typical characteristics of a "refuge" activity. It provided stability, moderate levels of productivity, and relatively adequate levels of income (Beccaria,1993; Marshall, 1992; Gallart et al., 1990, 1991; Torrado, 1992; Cimillo, 2000). The marked increase in self-employment during this period was accompanied by a proportional decline in the participation of wage-workers in total employment. [24]

Torrado (1992) clearly illustrates the kind of self-employment activities that grew under the ISI model [25], in the context of a dynamic internal market and the growth of the middle classes. Between the mid-1940s and 1970 almost half of the increase in self-employment activities was due to small commercial businesses that provided a middle class income and status. In fact, the growth of

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[23] Defined as owners and workers of enterprises of five or less employees and the non-professional self-employed.

[24] According to Census data, while the former grew from 7.9% to 17.8% between 1947 and 1980, the latter decreased from 46% to 32.8% during the same period (Monza,1993; Roberts and Oliveira, 1998).

[25] From the 1940s to the 1950s industrial growth was the result of import substitution of basic consumer goods –such as textiles, food and drink, and shoes, which made an intensive use of labor. However, by the 1960s, the phase began to exhaust itself, leading to the production of consumer durables, intermediate and capital goods, that, in contrast with the previous period, was based upon a more intensive use of capital, leading to linkages with multinational companies.

small commercial businesses accounted for four fifths of middle class growth during this period.[26] In 1970, 47.5% of the self-employed were middle-class, and 52,5% working class (Torrado, 1992). Among the latter, employment in manufacturing declined substantially, while construction and personal services – especially repair activities in mechanics, electricity, and electrical appliances- acquired greater weight.[27]

Some authors have emphasized the "over-tertiarization" of the Argentinean economy -experienced with more intensity during the 1960s- and its consequences in terms of under-employment. According to Monza (1993) tertiarization was closely linked to the expansion of self-employment. He suggests that the increase of the informal component in the service sector represented an important mechanism of labor market adjustment during this period (Ibid). Likewise, Llach and Llach (1998) argue that an important part of the increase in activities related to non-tradable goods and services -such as construction, commerce, restaurants, and social and personal services- during this period was due to labor supply, resulting in low levels of productivity.

The informal sector, however, is more than the simple translation of surplus labor into survival activities (Portes and Schauffler, 1991). Torrado (1992) argues that in the Argentina situation non-wage employment did not imply the exclusion of the self-employed from the standards of living shared by analogous

[26] Urban density, the extension of the city, transportation facilities and costs, the established systems of distribution as well as the high popularity of small grocery stores among the population were some of the factors that contribute to explain the low presence of supermarkets during this period (Marshall, 1978).

[27] The higher costs of industrial goods compared with its repair costs explain the increase of this kind of activities during this period, when the automobile industry as well as electrical appliances were the leading industries (Marshall, 1978)

groups in the large and medium-scale sectors of the economy.[28] A study conducted by the Ministry of Labor in 1980 [29] in the metropolitan area showed a high level of labor satisfaction among the self-employed. These workers perceived their activities as well-paid, demanded by the market, as well as an upward mobility step; only a very low proportion of these workers had began in self-employment because of the lack of opportunities in the formal sector.

According to Cimillo (2000), the greater segmentation of income among the self-employed in 1974 was due to the low incomes obtained by those workers placed in the lowest-income decile of this sector. She asserts that by the end of the ISI period, marginal, self-generated employment of low–productivity among secondary workers was a small proportion of self-employment. In contrast, wage workers employed in micro-firms (five workers or less) were the most unstable segment of the labor market, receiving wages 28% below those of formal workers and 25% less than the self-employed (Ibid). The heterogeneity of the informal sector during this period was due mainly to differences between incomes received by the self-employed and wage-workers on the one side, and between formal and informal wage employment on the other. In terms of skills, while the self-employed –basically those in manufacturing or repair activities- were relatively high skilled, micro-firms concentrated a greater proportion of low-skilled and non-unionized workers, who received little protection in terms of social benefits (Cimillo, 2000).

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[28] According to Census data, in 1980, living standards indicators –in terms of housing, health, and other basic needs- of the self-employed -both middle and working classes- were higher than those of their peers in wage employment (Ibid).
[29] Cited in Cimillo (2000)

3.1.2. The 1975-1990 period

The 1980s were by and large years of economic crisis in Latin America, during which most of the region's economy had either negative rates of growth or lower than 1% annually.[30] The economic crisis, and the consequent adjustment, sharply impacted the labor market in terms of employment generation, deterioration in the quality of jobs created, and fall in real wages. Open unemployment became an issue to an extent that it had not been previously.[31] Unemployment, labor instability, and the reduction in wages resulted in an increase in the proportion of poor households during the decade from 25% in 1980 to 31% in 1989 (PREALC, 1991; ILO, 1992).

The privileged position of Argentina in the region experienced radical changes from the mid 1970s, when the growth of income inequality and labor instability generated a much more "Latin-Americanized" social and economic structure. As table 3.2. shows there has being an increasing process of concentration of income opportunities since the 1980s in the highest levels of the

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[30] One economic indicator after another registers the decline during the so-called "lost decade": GDP per capita in 1990 was 10% lower than in 1980; consumption fell by 6%; the rate of investment fell from 21.2% of GDP in 1975-80 to 17.8% in the 1980s; inflation reached an average of 1,500% in 1990, and the countries of the region became net exporters of capital to the industrialized countries (ILO, 1992).

[31] Between 1980 and 1985 unemployment in the region increased more than 8% annually, which means an expansion of almost 50% during this period, when urban unemployment increased from 6,9% to 11.1% (PREALC, 1987). While the sharp increases in open unemployment were experienced during the period of recession (1980-1983), its downward trend during the phase of economic expansion was relatively slow; indeed from 1983 onward it took six years to reach 5%, a rate similar to the historical level.

distribution, as well as a marked growth in the gap between the lowest and richest households.

The 1975-1990 period presents two main characteristics. On the one side, with the progressive exhaustion of the ISI model the industrial expansion experienced in previous decades came to an end; on the other, the ending of ISI marked the beginning of a long period of decline accompanied by pervasive inflation. The neoliberal economic policy of the military government (1976-1984) was an attempt to overcome the constraints faced by inward oriented industrialization (market size, external restrictions, high levels of protection) in the context of the new international order. The economic program was based on financial reform, trade, market liberalization, and control of wages as the means to foster growth, modernize the economy, increase external competitiveness, and bring inflation under control. Wage policy was the means to control the labor force, and was accompanied by breaking-up the trade union structure.

The highly negative impacts of these policies left a longer-term mark on the socio-economic structure. Firstly, trade liberalization lead, together with the overvaluation of the Argentinean currency and high interest rates, to a very deep crisis in manufacturing, resulting in the dismantling of local manufacturing industries (Kosacoff, 1993). Secondly, easy international credit contributed to an unprecedented growth of external indebtedness that was matched by capital flight rather than by increased domestic investment (Marshall, 1998). Mounting external indebtedness has operated as a major conditioner of subsequent economic policy. Finally, the wage freeze decreed in 1976 resulted in a decline of about 30% in real

wages that was not to be recovered (Ibid). The sharp drop in real wages contributed to an extended process of impoverishment that particularly affected the middle classes, which began to experience a sharp decline in its conditions of life. Furthermore, previous channels of social mobility were eroded.

Table 3.2. Income Inequality Indicators, Greater Buenos Aires, 1974-1997

	1974	1980	1991	1997
Gini Coefficient				
Total Household Income	0.356	0.411	0.430	0.446
Per Capita Household Income	0.342	0.382	0.447	0.475
Total Household Income Distribution				
Deciles 1-3	11.4	9.4	8.6	8.2
Deciles 4-6	22.9	20.3	19.9	19.0
Deciles 7-9	38.9	39.6	38.9	38.9
Decile 10	26.9	30.6	32.6	32.1
Per Capita Household Income Distribution				
Deciles 1-3	15.0	13.2	13.6	10.9
Deciles 4-6	25.0	22.0	21.2	21.0
Deciles 7-9	38.3	38.7	36.6	38.8
Decile 10	21.7	26.0	28.4	28.4

Note: Figures are based on the EPH, Greater Buenos Aires (October).
Source: Altimir and Beccaria (1999b , on the basis of Tables 1, C-1, and C-2

Following the military government, the Radical Party administration (1984-1989) was faced with the double challenge of shoring up the economy and meeting urgent social demands. Neither of these problems was resolved. A series of stabilization plans, characterized by a high degree of policy inconsistency (Lloyd-Sherlock, 1997) proved unable to control the acceleration of the rate of price increases; investment continued to fall, and capital flight could not be

deterred. The Radical administration suffered from a weak political base, fear of military intervention, and mounting resistance from the Peronist party. The government's term concluded in the midst of political turmoil, with the deepening of the crisis and hyperinflation, which peaked at 4923.8% in 1989.

Between 1976 and 1989 the GNP decreased at an annual rate of 1.4%. From 1974 to 1990 the industrial GNP fell 25%, industrial employment dropped 40%, and labor's share in the GNP dropped from 45% to 32% as a result of the erosion of real wages (Marshall, 1998; Katz et al., 1995; Beccaria, 1993). Figures from Greater Buenos Aires show that the minimum salary experienced a decline of 48% in real terms between 1974 and 1991, and the mean wage fell 34.5% during the same period (Altimir and Beccaria, 1999b).

The transformation of the industrial structure during the period post-1976 resulted in a regressive restructuring that has not yet been reversed (Notcheff, 1994). Restructuring consisted in the growth and consolidation of capital intensive industries, producing goods that had low levels of differentiation, which were either mature or in decline at the international level –assembly activities or ones based upon a relatively simple use of natural resources. There was also a simultaneous process of decline in the skill-intensive industries. In this context, issues related to technological and industrial innovation, which were never top priorities in previous periods, disappeared from the political agenda (Ibid).

Numerous studies have pointed out the effects of these processes on the social structure and on the living conditions of vast segments of the population by the early 1990s (Minujin, 1992; Minujin and Lopez, 1994; Minujin and Kessler,

1995). They clearly show the impacts of adjustment policies on income distribution, which resulted in a process of increasing polarization and diversification of poverty situations (Minujin, 1992). In 1980 11.1% of households in the Greater Buenos Aires received earnings below the poverty line. This percentage reached unprecedented levels as a consequence of hyperinflation: 38.2% of households and almost half of the population (47.3%) in the Greater Buenos Aires were poor in 1989 (SIEMPRO, 1999). An important proportion of the extension of poverty during the 1980s resulted from the impoverishment of the middle class sectors, which experienced a progressive decline in their income levels (Minujin, 1992; Minujin and Kessler, 1995). Simultaneously poverty became more heterogeneous with the emergence of the so-called "new poor" and the deepening of poverty among those sectors who were already poor. While in 1980 the mean income of poor sectors was 28% under the poverty line, in 1989 it was 45% (Beccaria and Lopez, 1997b).

3.1.2.1. The "Latin Americanization" of the Argentinean Labor Market

In spite of economic crisis, unemployment rates remained comparatively low during the 1980s (see table 3.3), despite a substantial fall in output. In fact, labor market adjustment was concentrated in a sectoral re-composition that, together with an absolute reduction in industrial employment, resulted in a sharp worsening of labor conditions.

Most studies of the Argentinean labor market during this period emphasize the worsening of labor conditions as the main employment problem of the decade.

According to some scholars the "fragility" of the jobs generated is basically explained by the decline in wage labor and the increase in self-employment and domestic service (Llach and Llach, 1998). Most authors emphasize the low quality of the wage employment that was created, given that the bulk of it was in small enterprises -both formal and informal- and not registered in the social security system (Beccaria and Orsatti, 1990; Gallart et al. 1990; Marshall, 1992; Altimir and Beccaria, 1999a). Unprotected employment was the most extended form of precarious employment, which in the GREATER BUENOS AIRES increased from 19% in 1974 to 29% in 1990 (see table 3.5). The growth in wage employment was exclusively accounted for by the service sector –basically social and personal services, where wage employment increased from 28.9% to 36.7% between 1980 and 1990 (INDEC- EPH, 2000) Deindustrialization intensified the tertiarization of the occupational structure that had begun in the 1960s. In Buenos Aires, the main industrial center of the country, the share of manufacturing in wage employment plummeted from 41% in 1974 to 35% in 1984; and 28% in 1990 (INDEC- EPH, 2000).

The positive evolution of employment was accompanied by a decrease in the productivity rate[32], which fell 25% between 1980 and 1990. The latter was associated with the increase of informal employment and the deepening of the tertiarization of the economy (Llach and Lach, 1998; Altimir and Beccaria, 1999a; Cimillo, 2000). In the metropolitan area, employment increased 11%

[32] During the 1980s, non-agricultural GNP decreased 1.4% annually, while the employment rate grew 1.4%. Employment increase during this period was similar to the rate experienced between 1960 and 1970, when GNP experienced an annual rate increase of 5% (Altimir and Beccaria, 1999a).

between 1980 and 1990, mainly explained by the growth in low-productivity activities (17%) –informal sector and domestic service-, contrasting with formal employment, which increased only 6% (Cimillo, 2000).

Table 3.3. Urban Unemployment in Latin America. Selected Countries, 1970-1989 (Average annual rates)

	1970	1975	1980	1985	1989
Argentina	4.9	3.7	2.6	6.1	7.8
Brazil	6.5	-	6.2	5.3	3.3
Chile	4.1	15.0	11.7	17.0	7.2
Mexico	7.0	7.2	4.5	4.4	2.9
Uruguay	7.5	-	7.4	13.1	8.6

Source: ECLAC, 1990, Statistical Yearbook for Latin America and the Caribbean.

While part-time work did not show significant changes during the decade[33], the proportion of involuntary part-timers among the employed population more than doubled between 1974 and 1990 from 3.8% to 8% (table 3.4). In contrast with European countries, the weight of the merely occasional work in part-time (as opposed to regular part-time employment) is larger, and the shares of both men and involuntary part-time work are greater, and strongly associated with lack of social protection (Marshall, 1992). [34]

Low levels of open unemployment during this period can be attributed to two main factors: a decrease in the rates of labor force participation and the rise in

[33] Among wage earners in the GREATER BUENOS AIRES, the percentage of those working less than 35 hours a week increased from 16.8% in 1980 to 17.6% in 1987 (Marshall, 1992: Table 1).
[34] According to 1987 figures, among wage-earners in the GREATER BUENOS AIRES, 47.5% of the underemployed did not receive any of the legal social benefits, against 30.5% of voluntary part-timers and 16.8% of the those in full-time employment (Ibid)

self-employment. During the 1970's and early 1980s labor-force participation rates tended to decline (see table 3.4). In the first part of the decade this decline has been attributed both to an "income effect" –in a context of growth of employment and wages- as well as the extension of pension benefits, reducing the participation of the oldest segments of the EAP (Altimir and Beccaria, 1999a).[35] In contrast, since 1976, the withdrawal of certain groups from the labor market was partly due to a "discouraged worker effect"[36] in a situation of slowdown in labor demand and a fall in real wages (Beccaria and Orsatti, 1990; Lach and Lach, 1998; Marshall, 1998; Altimir and Beccaria, 1999).

The rechanneling of labor demand from manufacturing to services, affected mainly the employment opportunities of low educated male heads of households but also slashed female employment in manufacturing.[37] The stagnation of the overall female participation rate was the result of offsetting trends between a drop in the participation of the youngest and oldest segments and the increase of adult women aged 25-54, mainly spouses, as a result both of the job hardships of male heads and continued demand in female-oriented service occupations, such as domestic service (Cortés, 1997; Marshall, 1998).[38] At the

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[35] Between 1974 and 1980 the activity rate of males older than 60 years dropped from 30% to 24.6%, while female participation in the same age group increased from 6% to 6.6% (Altimir and Beccaria, 1999a: Table 2). In the late 1970s pension benefits had deteriorated somewhat less than wages (Marshall, 1998).

[36] "Discouraged workers" are those who say they want to work, are ready to work, but do not expect to find work, and are not looking for it in a context of job scarcity. This category is not categorized as "unemployed" by official statistics, but as "inactive" or "out of the labor force".

[37] The share of employed women with principal jobs in manufacturing dropped from 24.8% in 1980 to 18.9% in 1991; for men this share decreased from 35.3% to 29.3% during the same period (Cortés, 1997).

[38] In the Greater Buenos Aires the labor force participation of heads of households decreased 6.3% while spouses slightly increased their participation by 0.6% between 1976 and 1983. From

same time, the fall in employment and wages resulted in a reduction in the flow of migrant workers to industrial centers (Orsatti and Beccaria, 1990; Marshall, 1992, 1998; Cortés, 1997).

As table 3.4 shows, since the mid-1980s labor supply began to increase, mainly due to the growth in female participation and of the oldest segments of the population as a result of a sharp fall in the real value of pension earnings.[39]

The rise in self-employment was the result of both a reduction of formal employment opportunities and increasing deterioration of wage income. In Greater Buenos Aires, self-employment increased from 18.5% in 1974 to 25% in 1989 (INDEC, EPH). In contrast with the previous decades, the informal sector operated as an alternative to unemployment, resembling in this way the mode of operation of labor markets in most Latin American countries (Beccaria and Orsatti,1990; Torrado, 1992; Marshall, 1992; 1998; Cimillo, 2000). In Greater Buenos Aires informal employment grew 2.8% annually between 1980 and 1990 (compared with a 2.4% increase in non-waged workers), while the formal sector experienced an annual increase of 0.2% during the same period –compared with a 1.4% increase in wage labor (Altimir and Beccaria, 1999a).

1984 to 1989 the increase in spouses' participation more than doubled that of heads -7.0% and 3.1% respectively (Cortés, 1997: Tables 1 and 2).

[39] In Buenos Aires, the labor force participation rate of persons aged 60-69 increased from 23.4% in 1984 to 28.7% in 1990 (Marshall, 1998).

Table 3.4. Labor Force Participation, Employment, Unemployment, and Underemployment Rates by Gender, Greater Buenos Aires, 1974-1989 (Percentage)

	1974	1976	1980	1983	1986	1989
Participation rates[1]						
Total	40.5	39.5	39.3	37.5	40.0	40.8
Female	24.8	23.7	24.7	23.0	27.5	27.9
Male	58.0	56.5	54.4	53.2	53.7	54.2
Employment [2]						
Total	39.5	37.5	38.4	36.3	38.2	37.9
Female	-	-	23.8	22.1	26.1	26.1
Men	-	-	54.2	51.7	51.4	50.8
Unemployment[3]						
Total	2.4	4.0	2.3	3.1	4.5	7.0
Female	4.1	7.3	3.4	4.0	5.0	7.2
Male	1.6	2.5	1.8	2.7	4.2	6.9
Visible Underemployment[4]						
Total	3.8	5.0	4.5	4.9	6.1	8.0

[1] Rate of participation relative to the total population
[2] Rate of employment relative to the total population
[3] Unemployment rate relative to EAP
[4] Employed population who work less than 35 hours a week and wish to work longer relative to EAP.
Source: INDEC-EPH, Información de Prensa, 12/21/00 (October waves).

In contrast to what happened in the 1990s, during the initial stages of economic liberalization –from 1976 to the early 1980s- the greater capacity of the informal sector to operate as a "buffer" can be explained, according to Cimillo (2000), by two main factors. First, given the financial character of most the capital flows during this period, the spaces where the self-employed developed most of their activities –such as commerce and repairing- were not contested by the formal sector. Secondly, the elimination of price controls and the inefficiency of the anti-inflationary policy in controlling the prices of non-tradable goods, made self-employment income more attractive than wage labor (Ibid).

Changes in the informal sector, however, were not just related to its size, but to its composition. Self-employment, traditionally a relatively prosperous sector, now incorporated a sizable segment with characteristics much more similar to the precarious, low-income activities widespread in other Latin American countries.[40] The generation of precarious employment not only operated as the main mechanism of adjustment in the labor market, but also contributed to the increase in income inequality during this period. Both the productive structure of the formal sector and activities in the informal became increasingly heterogeneous in terms of productivity and earnings. On the one side, one of the main components in income differences among wageworkers was based on differences between similar occupations in different types of firms, even within the same sector (Beccaria, 1992). On the other, the informal sector also increased its internal income inequality due to the growth in refuge-type or subsistence activities, characterized by low productivity and income levels -see table 3.6.

In contrast with the previous decade, the recession and the inflation at the end of the 1980s, had a sharp impact on informal workers -in part due to the inclusion of formal workers in collective bargaining agreements reinitiated in 1988 and due to wage increases in big firms (Cimillo, 2000).

[40] A study conducted in 1985 (Gallart et al.,1990) concluded that in Greater Buenos Aires around 40% of the self-employed would be performing informal activities (e.g. domestic service, peddling, construction labor, and garment homework) characterized by low levels of income, low skills and educational levels, labor instability, and lack of social security protection.

Table 3.5. Labor deterioration among the employed population, Greater Buenos Aires, 1974-1990

	1974	1980	1990
Informal Sector [1]	37.6	42.1	44.4
Formal Sector	62.4	57.9	55.6
Wage employment	75.7	70.3	69.7
Unprotected employment [2]	18.8	17.1	28.9

[1] Includes employers and wage workers in firms of no more than five employees, non-professional self-employed, family workers and domestic service.
[2] Wage workers without pension benefits
Source: Cimillo, 2000: Table 2; Altimir and Beccaria, 1999a.

The strong decline in the minimum wage, which dropped 47.8% in real terms between 1980 and 1991 (Altimir and Beccaria, 1999b) as well as the higher levels of unemployment among wage workers in micro-firms seriously affected their capacity to maintain their income levels. Fall in income among the self-employed -basically in the lowest levels of the distribution- resulted in a greater inequality within this group (table 3.6). The fall in the self-employed levels of income, as well as the increase of unemployment among them increased their vulnerability to poverty and began to show the limits of this segment in absorbing surplus labor.[41]

[41] In the Greater Buenos Aires the percentage of self-employed workers living in poor households increased from 2.6% in 1980 to 15% in 1990 (Cimillo, 2000:187).

Table 3.6. Gini Coefficients by Occupational Category. Greater Buenos Aires, 1974-1990

	1974	1980	1990
Formal wage workers	0.279	0.356	0.365
Self-employed	0.312	0.348	0.388
Informal wage workers	0.295	0.328	0.328
Total	0.325	0.387	0.406

Source: Cimillo (2000) on the basis of the EPH (October).

In a context of wage repression, high inflation, and increasing unemployment, income evolution during the 1980s was highly negative for all workers -wage earners and self-employed- resulting in an average lost of one third in real terms by the early 1990s. The fall in real income was accompanied by an increasing inequality in income distribution, due to falling wages, the growth of income from profits, and a greater dispersion in the distributions of both wage earnings and the income of the self-employed. Wage differentials between workers with different levels of schooling increased between 1974 and 1990.[42] It was accompanied by a widening in the wage gap between manual workers and low skilled employees and professional and highly skilled non-manual personnel, managers and executive. (Marshall, 1998; Altimir and Beccaria, 1999 a, b).

The balance of the decade was highly negative for vast segments of the working-population, which became increasingly vulnerable: income inequality had risen, open unemployment and underemployment had continued to grow,

[42] Relative wages increased among those with the highest educational levels (tertiary or more), did not experience changes among those with secondary complete, and decreased among the lowest educational levels (Altimir and Beccaria, 1999a)

wages and living standards had increasingly deteriorated, and social security and labor standards benefited fewer workers and were under assault.

3.2. THE 1990-2000 PERIOD

The 1990s found Argentina with a social structure characterized by growing inequality and higher poverty levels.[43] During this decade there was not only a deepening of previous trends but the implementation of a new economic model that resulted in an increasing vulnerability for vast segments of the population. Transformations experienced during the previous decades, while resulting in a sharp worsening of the economic and social structure, had not radically changed the basic rules of the game of the ISI model. In fact, until the 1990s, none of the main state-owned enterprises had been privatized and labor market regulation had not experienced major changes; the new economic strategy assigned a new role to the state and represented a real break with the past (Beccaria, 1993; Marshall, 1998).

3.2.1. The Axis of the New Economic Model: Convertibility, Deregulation, and Privatization

The new economic measures were implemented during the two successive terms of President Carlos Menem (Justicialist Party) from 1989 to 1999, and were consistent with the general tenets of the new right-wing orthodoxy (Lloyd-Sherlock, 1997).

[43] The latter were particularly high in during 1989-1990 because of the hyperinflation experienced during this period.

After several failed attempts at reducing inflation, a new economic program was applied beginning in 1991.[44] The stabilization program had two central elements. The first was the convertibility of the Argentinean currency. It included the use of the nominal exchange rate to anchor domestic prices. The nominal exchange rate was fixed and Congress quickly made the measure a law. The new parity between the dollar and the peso was established at one peso to the dollar. The second element was a new legal framework regulating the process of money creation, greatly narrowing the Central's Bank autonomy to conduct monetary policy and to supply credit to the government. Congress barred the Central Bank from printing money to cover budget deficits unless new issues were completely backed by gold or foreign currency. In this way, the monetization of the fiscal deficit was prohibited and the evolution of money supply was closely tied to the evolution of the private sector's demand for domestic assets (Lloyd-Sherlock, 1997; Fanelli and Frenkel, 1998).

Together with convertibility, reduction of the fiscal deficit -both by cutting expenditure and by increasing tax revenues- and the deregulation of markets constituted the pillars of the new economic model. Although wages were not controlled directly by the state, wage policy encouraged decentralization of wage bargaining and subordinated wage increases to productivity increases.

The Convertibility Plan proved to be a powerful anti-inflationary policy: between December 1992 and December 1993 consumer prices rose by only 7.4%

[44] There had been two hyperinflationary surges (in mid-1989 and in late 1980-early 1990). A program based on a floating exchange rate coupled with a tight monetary anti-inflationary policy (between April 1990 and March 1991) had failed. Its breakdown was reflected in a 287% rise in consumer prices, high real interest rates, the appreciation of the exchange rate, and a recessive trend (Fanelli and Frenkel, 1998).

although certain prices, such as private services[45], continued to rise visibly. During the rest of the decade Argentina had the lowest rates of inflation in Latin America.[46] Although convertibility reduced price increases, inflation differentials between the U.S.A. and Argentina led to a steady overvaluation of the domestic currency[47], undermining Argentina's export potential. The radical transformation in the functioning of the economy was accompanied by changes in the international context.[48]

In contrast with the stagnation of the economy during the previous decade, between 1991 and 1999 the GNP grew 4.7% annually against the negative rates of -0.3% during the period 1982-1990. In per capita terms the GNP variation was -2% during the 1980s and 3.4% during the 1990s (Heymann, 2000). The evolution of the Argentinean economy during the 1990s can be divided in two phases: a first phase of expansion from 1991 and 1994, and a second long phase of contraction, which began in early 1995, and has sharply deepened from 1998 until now. While the end of the expansionary phase is usually attributed to the Mexican crisis, some authors (Fanelli and Frenkel, 1998) suggest that the relevant recessive trends were already present in 1994.[49]

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[45] Private services include renting, private education and health, tourism, domestic services, and personal care.

[46] The rate of variation in consumer prices kept low after 1994, achieving deflation between 1998 and 2000. From 1996 this variation was below 1% and in 1999, in the context of a profound recession the CPI experienced a negative variation of -1.8% (ECLAC, 2000).

[47] Between April 1991 and late 1994 the domestic currency had lost 40% of its real value against the U.S. dollar (Lloyd-Sherlock, 1997)

[48] Particularly Argentina was affected by the increase in the interest rates in the U.S. during the first part of 1994, and by the financial effects of the Mexican devaluation by the end of that year. Moreover, the financial instability and slowdown of the Brazilian economy at the beginning of 1999 also had important effects on the local economy (Heymann, 2000).

[49] When interest rates started to increase in the U.S. in 1994, changes in the trends of some key financial and real variables occurred. On the financial side, capital inflows dropped approximately

From 1991 to 1994 domestic demand grew by 38% and the GNP by 32% (table 3.7).[50] A key point in understanding the nature of the phase of expansion is the expansion of credit as the major factor behind the huge increase in demand. Generalized reductions in import duties facilitated a massive entry of imports stimulated by the access to international financing. Low inflation rates, expectations of a long-term stability, and the access to credit for consumer durable goods encouraged a sudden surge in domestic demand. The most important consequence of the simultaneous financial and trade deregulation in the context of a ready supply of foreign funds and currency appreciation was the marked increase in the trade deficit (Marshall, 1998). This deficit was propelled by a booming demand for imports which multiplied imports six-fold between 1990 and 1994. In sum, the phase of expansion during the first part of the decade was based on international financing. Actually, the external debt, that represented 32.3% of the GNP in 1991 increased to 51.8% in 2000 (table 3.7), becoming a permanent source of instability and a major limitation on economic policy. The rapid increase in open unemployment, despite impressive economic growth and large inflows of capital, was a clear sign that, whatever was happening elsewhere

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30% in 1994 compared to 1993, while the current account deficit, which had began growing since 1991, continued to increase in 1994. The joint effect of lower capital flows and a larger account deficit determined a decline in reserves in 1994 for the first time in the decade. At the same time, the price of long-term Argentine bonds fell more than the American's, implying a rise in the country-risk factor. On the real side of the economy, some sectors exhibited incipient recessive trends in the second half of the year. The chances of observing the effects of a gradual contraction in reserves, money and bank deposits under the new convertibility regime, however, were aborted by the Mexican crisis which induced a marked "discontinuity" in the evolution of the economy at the end of the year. (Ibid)

[50] Remember, however, that the economy had been experiencing a recessive trend since 1988 and in 1990 the activity level was extremely low.

in the economy, the bulk of the Argentina's productive sector continued to wither (Loyd-Sherlock ,1997).

The increasing vulnerability of the country to international financial crisis was the combined result of the kind of policies applied, their timing, and the complete absence of "protective" mechanisms to limit the impacts of external crisis on the domestic economy[51].

From 1989 successive changes in tariff structure sharply reduced import duties.[52] Foreign trade, and, in the framework of MERCOSUR, particularly with Brazil[53], acquired a rising weight in the Argentine economy. As table 3.7 shows, exports, and mainly imports, grew during most of the decade until the beginning of the long recession that began in 1998. While during the 1982-1990 period the exchange of goods and services (average of imports and imports at constant prices) represented less than 8% of the GNP (9.3% exports, and 6.3% imports), these figures for the 1991-98 period were 14.5% (12.5% exports, 16.2% imports) and in 1998 they were around 19%. Since then, both imports and exports have shown negative trends.[54] Although exports grew from 1991 to 1998 the increase

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[51] Non-restrictive policies regarding capital movements –including financial flows and direct foreign direct investment- were maintained independent of the changes in the international and domestic markets. In contrast to other experiences, such as Chile and Colombia, the government did not resort to either capital controls or sterilization to smooth the fluctuations in real exchange rate, the money supply, and domestic absorption generated by variations in the magnitude of capital flows. Thus, the changes in the international capital and real markets were fully reflected in the domestic economy. (Fanelli and Frenkel, 1998)

[52] In 1989 the maximum duty on imports was reduced from 40% to 30%; in 1992 duties were further reduced to 22%, and in 1997 the nominal average duty on imports coming from outside the MERCOSUR (Southern Cone Common Market) were below 14% (Heymann, 2000).

[53] In 1998, 30% of exports and 22.6 % of imports were destined to and came from Brazil respectively.

[54] In 1999 the value of merchandise exports fell by around 12% for the first time since 1991as a result of lower unit values, since the total volume of exports remained virtually unchanged. The reduction in the value of exports was reflected in all major categories of goods except for fuel,

in imports was far greater. The main increase in the volume of exports is related more to the integration process with Brazil than to the liberalization of trade in general. Besides, while those exports, which tended to increase after the opening, were natural-resource intensive, the exports to the MERCOSUR tended to have a higher labor content and to be more sophisticated technologically (Fanelli and Frenkel, 1998).

The aim of policy was to tackle the fiscal deficit by curtailing expenditure and increasing tax revenues. To both reduce government expenditure and increase revenues a vast privatization program was implemented, and measures were taken -with the "help" of ad-hoc international loans- to reorganize and modernize the state structure and reduce public employment (Marshall, 1998). Under the framework of the *Ley de Reforma del Estado* (State Reform Law), a wide and diversified process of privatization of state-owned enterprises began from 1989 that ranged from airlines, telephones, oil, gas, water and sewage, electricity, railways and the underground transit system, roads, steel works, provincial banks, airports, nuclear programs, etc. Between 1990 and 1999 the amount of privatization revenues reached 24 billion dollars, one of the highest in Latin America after Brazil and Mexico (ECLAC, 2000). In spite off these revenues, external indebtedness continued to grow during the whole decade.

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whose price trends diverge from the rest. Commodity exports fell further than the average. Grain sales took heavy looses, as well as exports of fruits, oil, cotton fiber, fishery, and meat. One of the main reasons for the decrease of non-traditional manufacturing exports was the strong downturn in sales of transport equipment, although there were also appreciable declines in metal manufacturers, electrical machinery, chemicals, textile, and paper. The decrease in imports (19%) was also across the board: consumer goods fell by close to 8%, which was less than intermediate goods (21%), and capital goods (17%). (ECLAC, 2000)

Table 3.7. Argentina: Main Economic Indicators, 1990-2000

1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
				GDP (Annual growth rate)						
-1.8	10.6	9.6	5.9	5.8	-2.9	5.5	8.0	3.9	-3.0	-0.5
				Per capita GDP (Annual growth rate)						
-3.2	9.2	8.2	4.5	4.4	-4.1	4.1	6.6	2.6	-4.2	-1.7
				Total Consumption (Annual growth rate)						
	14.8	13.2	5.3	5.0	-3.6	5.9	7.9	2.1	-2.1	-0.1
				Consumer Prices (Annual growth rate)						
1,344	84.0	17.5	7.4	3.9	1.6	0.1	0.3	0.7	-1.8	-0.7
				External trade						
				Exports (Annual growth rate)						
	-3.6	-1.0	4.7	15.1	22.6	7.8	12.0	10.1	-1.1	1.8
				Imports (Annual growth rate)						
	80.1	65.7	14.9	21.1	-10	17.4	26.6	8.4	-11.2	0.2
				Trade Balance						
		-3.86	-5.58	-7.83	-0.97	-1.77	-6.54	-7.58	-4.87	-1.77
				External debt (%GDP)						
	32.3	27.4	28.0	30.4	35.2	36.9	42.6	47.1	51.2	51.8
				External debt (Billion U$S)						
	61.3	62.8	72.2	85.7	98.5	109.8	125.1	141.9	145.9	147.7
				Fiscal deficit (GDP%)						
		-0.1	1.5	-0.3	-0.6	-1.9	-1.5	-1.4	-1.7	-2.4

Source: ECLAC, Economic Survey of Latin American and the Caribbean (various years)

Tax reforms were based on changes in the structure of taxation, a reorganization of the system so as to foster registration, and a vast campaign among the population against widespread tax evasion.[55] While changes in the tax

[55] The VAT (value-added tax) constituted the main source of revenue at the national level. It was extended to most goods and services previously exempted, and after an initial reduction (from 15% to 13%) in 1989, it increased to 21% in 1995 (Heymann, 2000). A simplified regime, called

system after 1991 and the tougher policy against evasion increased tax revenues, they intensified regressiveness as a result of the generalization of and increase in the value-added tax; the average tax pressure on household income increased, but the increase was highest for the lowest-income groups and lowest for high-income families (Marshall, 1998)

The new rules of the game had a strong impact on economic activity. Between 1991 and 1997, industrial activity increased 6.1% annually, in parallel with an important growth in productivity, which rose 7.9% annually during the same period (see table 3.8).

The responses of firms to the new economic environment were certainly heterogeneous, but in general terms can be grouped in two kinds of responses (Heymann, 2000; Bisang and Gomez, 1999). On the one side, a group of big firms adopted expansive strategies, based either on the availability of natural resources –such as the food industry- or in previous competitive advantages – such as the steel, paper, and chemical industry. These firms increased their export capacity and levels of investment, using the latter for technological modernization. On the other side, there was a large number of small and medium size-enterprises, as well as some big ones -in sectors such as electronics, textile, garments, toys- that were unable to face the intense competition –either in terms of prices or in technological levels- generated by the mounting entry of imports. These firms developed multiple responses that ranged from personnel reduction

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"monotributo" (single tax) was established for small taxpayers, including VAT, taxes on profits, and social security contributions in a single payment. The number of persons registered on tax files increased in 1989-1992 by 78% in the case of taxes on profits and by 327% in the case of the VAT (Marshall, 1998)

and subcontracting to changes in the kind of goods produced or the marketing of imported products and integration with other firms. In the worst (and frequent) situations, unable to compete, many firms had to closed down.[56]

State employment decreased after 1990 mainly because of employment losses in privatized enterprises. From 1989 to 1993, employment in public enterprises decreased from almost 350,000 to just 67,000 (Marshall, 1998). Even when privatized enterprises were particularly dynamic in terms of their activity levels, it was not accompanied by an increase in labor demand. In contrast, most of them sharply reduced their employment levels, and introduced profound changes in their recruitment policies in terms of age and skill requirements (Heymann, 2000).

As table 3.8 shows, increases in production and productivity levels did not result in increases in employment. In contrast, rises in the productivity levels were the combined result of investment in technology favored by the opening up of the economy and massive dismissals. Privatized enterprises represent paradigmatic examples of the latter strategy.[57] In fact the economic program was characterized by an "anti-employment bias" (Fanelli and Frenkel, 1997) from the very beginning. This was clearly expressed in the quality and quantity of employment generation.[58]

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[56] Textile and garment industries lost approximately 150,000 jobs between 1991 and 1995. (Marshall 1998).

[57] In the case of infrastructure services (electricity, gas, running water, transportation, storage, and communications) its product increase (7% annually between 1990 and 1998) was greater than the GNP (Heymann, 2000).

[58] The worsening of the labor market during the 1990s is the focus of the following chapter.

Table 3.8. Product, Employment and Productivity by Sector, 1991-1997

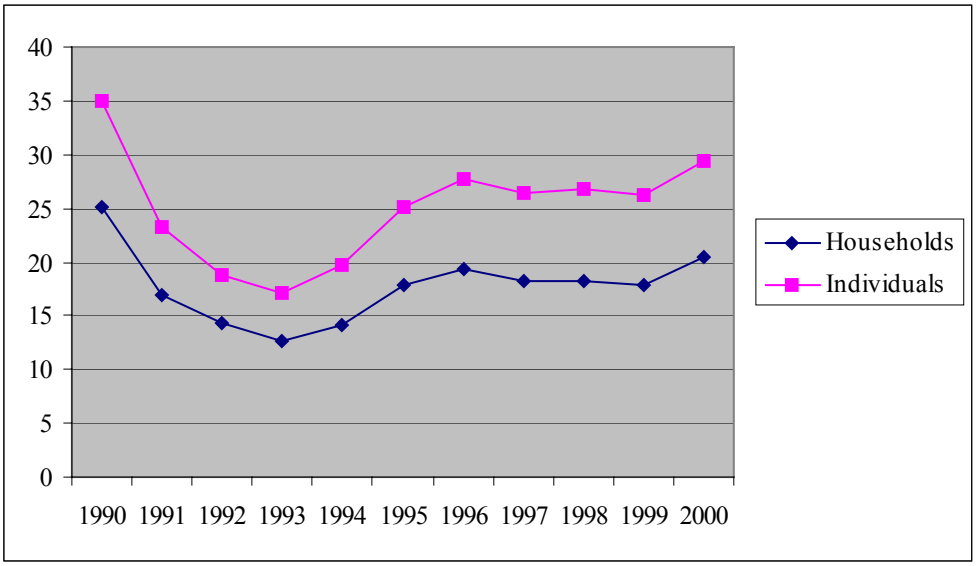
	Rate of change in contribution to Gross Domestic Product (GDP)	Rate of change in Employment (E)	Rate of Change in Productivity (P/E)
Total	6.2	1.5	4.7
Subtotal Industries	6.1	-1.6	7.9
Food, Beverages, and Tobacco	4.3	0.2	4.1
Textile and Garment	0.0	-6.1	6.5
Wood, furniture, and other related industries	9.6	-0.6	10.2
Paper	7.8	1.3	6.5
Oil and Chemicals	5.7	0.2	5.5
Mining	7.2	0.1	7.0
Metallurgical	10.0	-1.0	11.2
Construction	11.1	3.1	7.8
Commerce	6.5	-0.6	7.1
Hotel and Restaurants	7.6	3.4	4.1
Ground Transportation	4.3	4.6	-0.3
Other types of Transportation	5.9	-3.8	10.1
Transportation Auxiliaries	2.5	19.5	-14.2
Financial Services	13.1	3.7	9.0
Privatized public services	9.4	2.8	6.5
Professional Services	8.8	5.6	3.1
Private Education and Health	1.3	3.1	-1.7
Government	1.0	2.6	-1.6
Other Services	4.2	0.4	3.7
Domestic Service	2.1	2.4	-0.3

Source: Altimir and Beccaria (1999a), on the basis of table 9.

In spite of a strong expansion of economic activity, which followed stabilization, the unemployment rate increased from 1991, for structural reasons. In manufacturing, the expansion of domestic demand between 1991 and 1994 could have led to an increase in employment creation. However, the combination of trade liberalization and exchange rate appreciation negatively affected the labor demand of tradable sectors. Firms responded to an increasing demand by investing in technology, dismissing workers even during the expansion phase..

Manufacturing restructuring was triggered by the combination of trade liberalization and the appreciation of the domestic currency. Restructuring, among those firms that survived, followed a path of increasing capital intensity, that is part of the explanation of the persistence of high levels of unemployment even during periods of increasing economic activity. (Bisang et al., 1995, 1996; Marshall, 1997; Fanelli and Frenkel, 1997; Szretter, 1997; Heymann, 2000)

Figure 3.1. Evolution of poverty, Greater Buenos Aires, 1990-2000



Source: EPH (October)

The balance of the decade in terms of poverty and inequality are the clearest expressions of the impacts of the Convertibility Plan on the Argentinean social structure. In 2000 poverty levels, which reached 20.4% of households and

29.4% of the population in Greater Buenos Aires, were the highest since 1991 (see figure 3.1). Besides, Argentina was among the Latin American countries, which experienced the fastest increases in the levels of inequality between 1997 and 1999: the Gini coefficient[59] in Greater Buenos Aires increased from 0.501 in 1990 to 0.530 in 1997 and to 0.542 in 1999 and the ratio between the richest and poorest 20% rose from 13.5 to 16.4 and 15.5 during the same period (CEPAL, 2001a)

3.2.1.1. Labor Reform

Employment protection reform was one cornerstone of post 1990 Argentine labor policy. Reductions in labor costs as well as the greater freedom to terminate employment were regarded and publicized by the government as potential incentives to employment generation (Marshall, 1997). Changes in labor legislation require special attention for three main reasons. Firstly, these changes had together with the social security reform a strategic role in the structural reforms applied during the 1990s that were viewed as fundamental for the success of the new economic strategy as well as highly profitable for the private sector (Cortes and Marshall, 1999). Secondly, in spite of its declared goal of reducing clandestine employment, the changes fostered and intensified the deterioration in the quality of employment that characterized the whole decade. Thirdly, as the

[59] Calculated on the basis of the per capita income of persons including those with income=0 (CEPAL, 2001a).

dramatic growth in unemployment clearly shows, labor reform failed to stimulate employment creation.

From 1991, the economic strategy relied upon a diagnosis according to which labor market problems derive both from the "rigidity" -i.e. labor protection- of the previous regulations in terms of hiring and dismissal procedures, and from "high labor costs", considered as major obstacles to employment generation.[60] Consequently, the changes in labor regulation since 1991 were mainly aimed at diminishing labor costs through reductions in employers contributions to the social security system[61], in dismissal costs, and amount paid for work injuries. The changes also introduced more flexibility in the use of working time and decentralization of collective bargaining (Golbert, 1997 and 2000; Marshall, 1998; Cortes and Marshall, 1999; Beccaria and Lopez, 1997a; Godio et. al., 1998; Altimir and Beccaria, 1999a; Heymann, 2000).

The National Employment Law approved in 1991 was the first of a series of transformations in labor regulation. It instituted a limited unemployment insurance scheme[62] and introduced new temporary contracts –subject to labor

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[60] In his study on labor costs and competitiveness of Argentinean industry, Szretter (1997) shows that wages and the rest of labor variables have not been the main determinants of the evolution of unit labor costs and of the competitive advantages of the industry. In contrast, he asserts that relative prices and the exchange rate have being the decisive factors affecting the increase of unit labor costs, with the exchange rate being one of the principal causes of the competitive disadvantage of the Argentinean industry (Ibid).

[61] The rebates on payroll taxes clearly conflicts with the aim of controlling fiscal deficit. Actually, as a result of the reduction in employers contributions as well as the high levels of evasion, the ANSES (National Administration of Social Security) collected in 1999 $46 billion less than in 1995 (Clarin, 12/12/2000)

[62] Inter alia, rural workers, domestic service, and public administration workers are not entitled to compensation; construction workers have their own separate scheme. To qualify workers have to have been dismissed unfairly or, due to force majeure, to have contributed to the National Employment Fund during twelve months in the last three years (with specific conditions for agency labor), and to have been registered by their employers in the social security system. Length

union approval in a collective-bargaining process- that included the reduction or total elimination of employers' contributions, mainly with respect severance pay and social security.[63] The law created a national employment fund to finance these measures.[64] Unemployment insurance, limited to formal wage workers, has a very low coverage, achieving just 6% of the unemployed (Altimir and Beccaria, 1999a; SIEMPRO, 2001d). [65]

In 1994 new measures were designed to heighten labor flexibility, resulting in the signing of the Framework Agreement on Employment, Production, and Social Equality (*Acuerdo Marco para el Empleo, la Producción y a Igualdad Social*) by union representatives, business people, and the executive branch. This agreement included a series of reforms: a statute for small and medium enterprises[66], a bankruptcy law that annulled collective bargaining, and an insurance system for work-related accidents administrated by work insurers (ART, *Aseguradoras de Riesgos de Trabajo*). Work-accident compensations

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of compensation is linked to the duration of contributions to the fund. It consists in a monthly payment that varies from a maximum of 300 pesos (originally 400 pesos) and a minimum of 200 pesos and cannot exceed a one- year period.

[63] Of the four contractual modalities, three were targeted to groups: "Employment Promotion"(*Fomento del Empleo*) was addressed to workers registered as unemployed; *Practica laboral para Jóvenes and Trabajo-Formación* were targeted to skilled and unskilled young workers respectively (up to 24 years old). The fourth, *Nueva Actividad*, was not targeted, and aimed to facilitate temporary contracts in the event of new activities. (Marshall, 1997)

[64] The funds primarily came from a proportion of the contributions that previously had been allocated for family allowances (equal to 1.5% of nominal income) and other wage taxes.

[65] In 1995 only some 17% of the unemployed in Buenos Aires were entitled to receive unemployment benefits, and only less than one half of those entitled were actually receiving the benefits (Marshall, 1997).

[66] According to the new legislation, small and medium enterprises (up to 40 workers) are exempted from the collective labor agreements and from the obligation to register contracts; the legislation introduced the possibility of making bonus payments (*aguinaldo*), modified the established norms on vacation time, and limited the amount of indemnity based on seniority (Goldbert, 2000).

ceased to be decided in court and were covered by an insurance system (Goldbert, 2000). The latter, besides benefiting private insurers, reduced the amount of the compensation, diminished the list of work-related illnesses, and discouraged investment in the prevention of work injuries (Cortés and Marshall, 1999; Heymann, 2000).

In 1995 the Law on Employment Promotion introduced higher levels of "flexibility" in the use temporary contracts since -in contrast with the law approved in 1991- these contracts were exempted from the collective agreements. It facilitated the hiring of workers under a trial period and/or apprentice period, exempting employers from paying indemnity to these workers.[67] Prior legislation had exempted the trial period from paying compensation at termination, but had no independent status. Labor codes (both the 1974 and 1976 laws) had simply stated that the threshold for being entitled to severance pay was three months of continuous employment in the firm (Marshall, 1997). Also part-time and apprenticeship contracts were established in 1995. Pre 1995 part-time contracts had implied pro-rated payroll taxes and social benefits, but the part-time status did not exist in legal terms (Marshall, 1992).[68]

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[67] In 1995 the trial period was extended from 3 to 6 months with previous agreement in collective bargaining processes. It involves the exemption of all employers and personal contributions except obra social (health insurance) and family allowances during the whole period. In 1998 a new reform reduced the trial period to one month and eliminated family allowances, so that the exemption from social contributions was almost total.

[68] According to a survey on labor indices by the Ministry of Labor a comparison of data from December 1995 to that from October 1996 shows a 6% decrease in the number of workers with stable contracts or contracts for an indeterminate period, while the number of those hired on probation grew 286% and those with contracts for a fixed period rose 79% (cited in Goldbert, 2000).

In face of a steady growth in unemployment since 1992 the government devised some programs of direct employment creation starting in 1993. From the passage of the Employment Law until 1996, thirty programs were initiated under the aegis of the Ministry of Labor and Social Security [69], characterized by their discontinuity, weak coverage, and limited resources. In 1996 benefits distributed on a monthly basis reached around 2.5% and 3% of the unemployed and represented less than 0.2% of the GNP (Goldbert, 1997, 2000; Marshall, 1997). By mid-1997 the *Trabajar* and *Servicios Comunitarios*, were the only surviving programs of direct employment creation.

In May 1997, with financial and technical support from the World Bank the national government introduced the *Trabajar II* program, and expanded and reformed version of the previous program, *Trabajar I*. In the words of the World Bank: "firstly, by providing short-term work at relatively low-wages, the program aimed to self-select unemployed workers from poor families. Secondly, the scheme tried to allocate socially useful projects in poor areas to help repair and develop local infrastructure" (Jalan and Rovallion, 1999:11-12). The national budget is allocated across provinces by the central government, leaving provincial governments "with considerable power to determine how the moneys are allocated within the province"(Ibid). The projects are proposed by local governmental and non-governmental organizations that must cover the non-wage costs. Payments do not surpass 200 pesos per month per person and the coverage period is less than six months.[70] This wage rate was chosen to be "low enough to

[69] For a more exhaustive analysis of these programs see Golbert (1997) and Marshall (1997).
[70] Since 2000 payments have been reduced from 200 to 160 pesos (SIEMPRO, 2001a).

assure good targeting performance, and *to help ensure that workers would take up regular work when it comes available* (emphasis added)" (Jalan and Rovallion, 1999:13).[71]

As Marshall (1997) points out, active labor market intervention in Argentina seems to have resulted from the compromise between constraints on expenditure and the need to manage social conflict that results from pervasive unemployment. In contrast to universal unemployment insurance schemes –that guarantee income support to all those who are entitled, and for whom it is a lawful right- program participation is a particularistic benefit granted by the federal or local governments, that could be withdrawn equally easily. The criteria for determining the potential number of beneficiaries are often obscure, giving governments the possibility of more discretionary manipulation of benefits (Ibid).

Considering together the coverage of the unemployment insurance and employment programs, the levels of vulnerability of the unemployed are dramatic: 9 out of 10 unemployed in Argentina do not receive any kind of social protection from the state.

3.2.1.2. Retirement Pension Reform

The reform of the retirement pension scheme, inspired by the Chilean model, was approved in 1993 and came into operation in 1994. It involved two main innovations. First, is the privatization of the system, which was intended not only to reduce public expenditure but to contribute to an increase in domestic

[71] Chapter 7 analyzes the actual implementation of these programs at the local level from the perspective of its beneficiaries.

savings, to develop the capital market and to foster investment (Marshall, 1998). Secondly, it transformed the "philosophical basis" of the system by moving from a shared (pay-as-you-go) system to one of individual capital formation managed by private insurers (AFJP, *Administradoras de Fondos de Jubilaciones y Pensiones*).[72] Minimum retirement ages went up from 55 to 60 years for women, and from 60 to 65 years for men. Besides age, the worker has to prove at least 30 years of service and duly paid contributions to obtain full pension benefits.

At the end of 2000, the *Alianza* administration introduced new modifications to the system through a "necessity and emergency decree" moving towards the elimination of the public component of the originally mixed Argentine pension model (Lo Vuolo, 2001). Among the main changes are the elimination of the universal basic benefit (PBU) and its substitution by a supplementary benefit[73]; a minimum universal mean test benefit of 100 pesos for people over 75 years not receiving benefits; the increase of the minimum retirement age for women from 60 to 65 years; and the possibility of receiving proportional benefits for of those contributing to the system for fewer years than required.[74]

The new pension scheme presents serious limitations in terms of financing, limited improvement for the sharply reduced pension earnings -the

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[72] Four types of benefits were established: the universal basic (PBU), which would pay the same amount to every beneficiary; the compensatory (PC), which would recognize the years of contribution to the old system; the "permanence" benefit for those who choose the public system; and the capitalization benefit (HC), which are the payments from individual accounts. The state is responsible of the payment of the first three benefits, and the AFJP for the capitalization benefit.
[73] This benefit is applied in pensions up to 800 pesos; over this amount the benefit is eliminated (Clarin, 12/29/2000).
[74] Clarin, 12/29/2000.

average retirement pay is slightly over half of the mean wage- and finally, as a result of the profound worsening of the labor market during the last decade, only 63% of the EAP is affiliated to the system. Among the latter, only 54% contributes regularly to the system. The numbers for the self-employed are even more dramatic, only 20% contributed to the system in 1996. (Katzman et al., 1999; Golbert, 2000). Thus, together with the meager pension earnings received by the currently retired, there is a mounting number of workers that, given their employment instability and/or low wages, are unable to contribute to the social security system. These are under serious risk of not having access to retirement benefits at all, a problem whose dimensions will become even more alarming during the next years.

3.2.1.3. The Deterioration and Segmentation of Health Services

The dismantling of the previous mechanisms of labor protection and the increasing vulnerability of the active and inactive population in terms of pension benefits have been accompanied by the progressive worsening in the quality of public health and educational services, as well as by an increasing segmentation in access to these services.

Health reform focused on the deregulation of the *obras sociales* health care system. This deregulation gave workers freedom to choose the scheme to which they would affiliate and otherwise promoted the competitive election of services. It also included the self-management of public hospitals.[75] Reforms were

[75] The Argentine health care system is divided into three segments: the public system, traditionally based on principles of universality and equity; the *obras sociales*, which is an

aimed at transferring workers protected by the *obras sociales* to the private system. They also sought to transform the public sector into a provider of services contracted by the private system and into a targeted service for the poor sectors. The administrative decentralization of public hospitals to the provincial or municipal levels occurred more than a decade earlier than economic reform.[76]

According to the results of the Social Development Survey (Encuesta de Desarrollo Social) in 1997, 50% of the population was covered by the public system, 38% by *obras sociales*, and just 12% by the private sector (SIEMPRO, 2001b). Moreover, there is a strong segmentation in the kind of coverage provided, with a clear overrepresentation of low-income sectors in the public system (more than half of the poorest 40% relies on public provision). However, there is a also an important percentage of middle income sectors (29.3% in the third quintile) that only has access to the public system[77]. In the private sector, it is the richest 20% which is overrepresented. In fact, 28% of the latter is covered by the private system and only 10% uses the public system (Ibid)

In face of increasing financial, difficulties, the quality of public health services experienced a continuing process of deterioration in terms of

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obligatory system of health protection for wage-workers, financed by employers and workers contributions and historically run by labor unions. They generally contract out to the private sector, even though those managed by the strongest labor unions used to provide services themselves. Finally, the private sector, whose services are financed both through the contracting by the obras sociales, and directly through their own pre-payment systems and medical plans.

[76] Public hospitals were transferred to the provinces in 1978, together with the decentralization of public elementary schools. Decentralization of institutions of secondary education was completed in 1992. Both in health and education, decentralization resulted in a greater segmentation in the quality and levels of coverage as a result of the lack of compensatory national policy and financial mechanisms oriented to diminish regional inequalities (Katzman et al., 1999).

[77] While more recent data are not available, it is very likely that this percentage has risen during the last years as a result of the increasing impoverishment and employment instability of middle classes.

infrastructure, scarcity of sanitary materials and medicines, wage decline for the professional and technical personnel, and the potential closure of some hospitals. In the context of rising unemployment and labor precariousness, the demand for public services experienced a sharp growth. However, it did not result in a rise in public expenditure. The worsening of the employment situation has had a strong impact on access to health care. The coverage of the system of *obras sociales* is limited to a shrinking number of formal workers. Also, given their low and unstable income levels, most workers cannot meet the costs of private insurance, resulting in mounting pressures on the public system.

The lack of preventive policies in face of an increasing impoverishment and deterioration of life conditions of vast segments of the population has resulted in the extension of social vulnerability throughout the social structure. According to Minujin and Kessler, "if during the last decade hundreds of thousands of people in our country could not avoid falling into the territory of poverty, it was not only the result of the kind of stabilization and adjustment policies applied, but also of the lack of preventive public policies as a resource on which to rely before being thrown to poverty and exclusion" (1995:47). As the analysis of labor policy has shown, and as the following chapters analyze more thoroughly, the unemployed are the clearest example of lack of social protection in contemporary Argentina.

3.3. THE SPATIAL LOCATION OF THE STUDY

3.3.1. Greater Buenos Aires

The research on unemployment in Argentina is focused on Greater Buenos Aires, the largest metropolitan area of the country, which with its 12,132,257 people concentrates one third of the Argentinean population (36 million inhabitants) and less than 0.2% of the national territory. Greater Buenos Aires, which includes Buenos Aires city and the *Conurbano Bonaerense* (Buenos Aires conurbation), is not only the most populated area of the country, but also the most important center of economic activity, both in the industry and service sectors. It is also the most heterogeneous urban space where the richest and most powerful sectors of the country coexist with vast social segments living in situations of poverty and extreme poverty.

Three main urban areas can be differentiated. First, Buenos Aires city, which is the capital of the country, concentrating 9.1% of the national population. Secondly, the *Conurbano Bonaerense*, currently made up of 26 municipalities -after recent divisions in three of them- which are part of Buenos Aires province, and concentrates 8.9 million people or one quarter of the national population. Thirdly, within the *Conurbano* two rings can be distinguished in terms of distance with respect to the capital city. The first ring borders Buenos Aires city while the second is made up by those locations more distant from the capital city. While having relatively good communications through an extended system of public transportation, the second ring has higher levels of poverty and much more disadvantageous living conditions than Buenos Aires city and the first ring.

The spatial configuration of the Buenos Aires conurbation resulted from the arrival of external and internal migrants attracted since the 1930s by the employment opportunities, services and infrastructure offered by the city. The expansion of the *Conurbano*, especially of the first ring, is closely linked to import substituting industrialization. The metropolitan area became the most important and dynamic industrial center of the country up until the 1970s, when a process of deindustrialization began. Greater Buenos Aires still concentrates almost 60% of the shrinking productive activity of the country. Deindustrialization and economic restructuring had a strong impact on the spatial distribution of the city and in the spatial manifestations of urban poverty. In the first ring, the worsening of employment conditions and opportunities resulted in a process of impoverishment of middle and working class sectors that had been formally integrated into the labor market. The second ring, with much lower levels of industrialization and less dynamic labor markets, experienced a strong deterioration of poor areas as well as increasing urban segregation. Segregation resulted from the lack of public investment in infrastructure and from the growing difficulties that its residents faced in moving out of the local area because of high transportation costs and less employment opportunities in the city. It is precisely this area, which has experienced the fastest population growth during the last decades as the result of migration from neighboring countries and the arrival of impoverished residents from Buenos Aires city and from the first ring of Greater Buenos Aires in search of cheaper housing.

The heterogeneity of Greater Buenos Aires in terms of poverty levels and their evolution are showed in table 3.9. While the research is focused on the period 1990-2000, data from 2001 have been included to show the sharp deterioration of living conditions experienced during the last year. The second ring is by far the most disadvantageous area in terms of the concentration of poverty during the whole decade: in October 2000, four out of ten residents in this area were poor. However, the fastest increase in poverty levels was experienced in the first ring, where poverty levels more than doubled during the decade.

Table 3.9. Poverty levels in the Greater Buenos Aires, 1991-2001

	1991	1994	1998	2000	2001
Greater Buenos Aires					
Households	16.2	14.2	18.2	20.8	25.5
Individuals	21.5	19.0	25.9	28.9	35.4
Buenos Aires City					
Households	6.8	5.4	4.4	6.1	6.3
Individuals	8.1	6.7	6.2	9.5	9.8
Conurbano					
Households	21.1	18.2	24.5	26.9	33.3
Individuals	26.4	23.0	32.4	35.0	43.1
First ring					
Households	17.0	13.0	18.2	19.0	24.5
Individuals	21.5	16.3	24.6	25.1	33.2
Second ring					
Households	25.2	23.7	30.6	34.7	41.7
Individuals	30.7	29.1	39.1	43.2	51.7

Note: The first ring includes the following counties: Avellaneda, General San Martin, Lanús, Lomas de Zamora, Moron (divided in Moron, Hurlingham, and Ituzaingo), Quilmes, San Isidro, Tres de Febrero and Vicente Lopez. The second ring includes: Almirante Brown, Berazategui, Esteban Echeverria (divided in Esteban Echeverria and Ezeiza), General Sarmiento (divided in Jose C. Paz, Malvinas Argentinas, and San Miguel). Florencio Varela, La Matanza, Merlo, Moreno, San Gabriel and Tigre.
Source: INDEC-EPH, Informacion de Prensa, 2/20/02

3.3.1.1.The selection of fieldwork locations: Lanús and Florencio Varela

Taking into account the characteristics of the Conurbano Bonaerense, the fieldwork sites were selected on the basis of their location with respect to the city of Buenos Aires , their economic history, local labor market opportunities and socio-economic structure. Fieldwork was conducted in two contrasting municipalities, Lanús and Florencio Varela, which clearly exemplify the inherent heterogeneity of Greater Buenos Aires -see map in illustration 3.1. Lanús is located in the first ring, and was, until recently, the third most industrialized area in Greater Buenos Aires in terms of number of firms and the fourth in terms of employment. It borders Buenos Aires city, and the system of public transportation –buses and electric trains- makes for a rapid connection with the capital city. It takes approximately 15 minutes by train commuting from Lanús to Buenos Aires. Florencio Varela, in contrast, is part of the second ring, and one of the poorest municipalities of the Conurbano. It is located 25-30 kilometers from Buenos Aires and connected to the capital city by a run-down system of public transportation, both in terms of buses and trains. In terms of quality, the contrast with Lanús is evident. Trains –significantly cheaper than buses- from Varela to Buenos Aires are usually overcrowded, characterized by poor maintenance, and are more time consuming. Moreover, the inadequate system of public transportation within the town and the lack of paving in many streets make it difficult to access to the local downtown, increasing the segregation of many areas.

Table 3.10. Socio-demographic Characteristics and Living Conditions in Florencio Varela and Lanús

	Florencio Varela	Lanús
Demographic characteristics		
Population	254,997 (336,085)*	468,561 (470,183)*
Population Density (inahb/km2)	1,237.80	10,412.50
Population by place of birth (%)		
Buenos Aires province	61.10	61.60
Other province	32.60	28.60
Border country	4.50	3.0
Non-border country	1.80	6.7
Social Indicators		
Population with UBI[1] (%)	31.0	14.50
Educational levels**		
Incomplete Primary or less	25.4	17.3
Complete Primary	64.1	60.2
Complete Secondary	9.7	20.1
Complete College	0.6	1.8
Infant Mortality Rate (1994-1996)	24.10	18.1
Population with high sanitary risk	17.40	4.1
Labor Protection Indicators		
Wage workers with pension benefits	58.4	69.1
Population with obra social (health insurance)	50.0	64.9

Note: [1] Unsatisfied Basic Needs. *Projected population for 2000. **Excludes those attending school.
Source: National Census of Population and Housing, INDEC, 1991; CEPA, INDEC, 1994; Informe de Desarrollo Humano de la Provincia de Buenos Aires, 1998; Estadistica Bonaerense 1998, DPEPG.

Lanús is the smallest municipality of Greater Buenos Aires in terms of its extension (45 square kilometers) but the highest in terms of population density

with more than 10 thousand inhabitants per square kilometer, which explains its low levels of population growth since the 1980s - 0.3% between 1980 and 1991. In contrast Varela is almost 5 times larger (206 square kilometers) than Lanús, and 10 times less densely populated. Forty percent of its territory is rural and the availability of cheap land has resulted in a rapid population growth since the 1980s. It grew 47% between 1980 and 1991, and approximately 37% during the last decade. Population growth has by no means been accompanied by a better provision of basic services and infrastructure: According to 1991 Census data, 72% of houses in Lanús had sewers and water lines against the 78% of houses in Varela that lacked those services. In 1997 Lanús had 18.7 telephone lines every 100 inhabitants and a total of 40 banks against 9.8 and 8 in Varela respectively.

Differences in the composition of the population by place of birth are clear indicators of differences in the timing and patterns of urbanization, and, in consequence, of the origins of migrants. Lanús shows more European-born migrants, who represent almost one fifth of the migrant population. According to the 1991 Census data, six out of four of those coming from non-neighboring countries are concentrated in the 50-74 age group, reflecting the European migrations to Argentina in the first half of the twentieth century. In contrast Florencio Varela's migrant population is basically made up of internal migrants and migrants from neighboring countries (see table 3.10).[78] Florencio Varela shows far more disadvantageous conditions than Lanús both in terms of basic social indicators and labor protection indicators. According to the 1991 figures,

[78] Most of the information on Florencio Varela and Lanús is based on the 1991 National Census. The last Census was conducted in 2001; however , disaggregated data by location were not available by the time this research was conducted.

three out of ten residents in Varela were unable to satisfy their basic needs; one in four adults did not complete primary education and less than one in ten had completed secondary school. More than 17% of the population were living under high sanitary risks. Forty percent of wage workers were not protected by pension benefits, and half had access to health insurance -obra social (table 3.10)

Table 3.11. Local Labor Market Characteristics in Florencio Varela and Lanús.

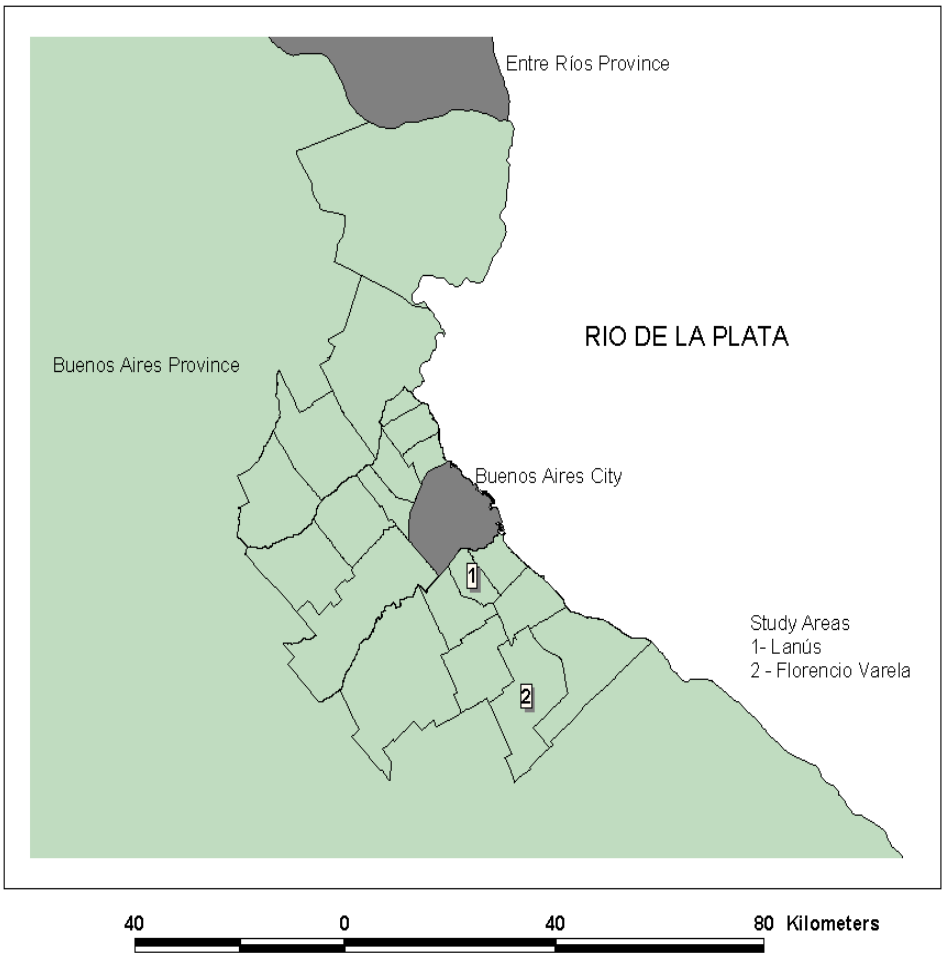
	Florencio Varela	Lanús
Occupational structure* (%)		
Employer	3.6	7.1
Wage worker	59.7	62.2
Self-employed	21.9	22.7
Domestic servants	12.3	5.5
Family worker	3.4	2.5
Employment by sector**		
Manufacturing		
Number of firms	313	2,521
Number of workers	6,595	24,498
Wage-workers (%)	91.9	83.0%
Non-wage workers (%)	8.1	17.0%
Commerce		
Number of firms	3,446	9,310
Number of workers	5,710	17,857
Wage-workers (%)	23.6	33.2
Non-wage workers(%)	76.4	66.8
Unemployment rates (%)***	18.0	15.9

Note: * Figures from 1991. **Figures from 1994 . ***Figures from October 2000
Source: National Census of Population and Housing, INDEC, 1991; Economic Census, INDEC, 1994; EPH, October 2000.

Contrasts in the local labor market are also apparent. In terms of occupational structure, Varela presents higher percentages of domestic and family workers than Lanús, as well as a lower presence of employers (see table 3.11). Lanús certainly has a greater concentration of manufacturing activities than Varela: the number of manufacturing firms in Lanús is 8 times higher, and the number of workers 4 times larger. The latter is a clear indicator of the greater presence of small and medium size firms in Lanús, and of few and larger size firms in Varela. Lanús used to be, until the 1980s, an important and diversified industrial center, which concentrated a large number of meat processing plants, tanneries, textile and metallurgical firms. Moreover, railways provided a significant source of local employment, given that the repair workshops of the once state-owned railway company were located in Lanús (Carnevale, 1996). Between 1991 and 2000, industrial employment in this area dropped from 24.6% of the employed population to 16.1%.

The sharp deterioration in the labor market has resulted in high levels of unemployment both in the once industrialized Lanús, as in the traditionally poor Florencio Varela (see table 3.11). However, high levels of unemployment in both areas should not obscure the differences in employment opportunities still offered by their local labor markets, as well as the contrasting ways in which the different local labor traditions affect the experience of unemployment among their residents.

Illustration 3.1. Location of Study Area



Chapter 4: The Worsening of the Labor Market during the 1990s: Unemployment and the Informalization of Labor Conditions

The worsening of the labor market -both in terms of the quantity and quality of employment generation- is a common feature across Latin America during the last decade. This common trend, however, should not obscure the different ways in which the adjustment of the labor market operated across the region. Factors such as the previous levels of labor formalization, changes in labor market participation, economic performance, and the role in the global economy – among others- contribute to explain such differences.

Argentina, specifically Greater Buenos Aires, was traditionally characterized by a more formal labor market and a stronger system of labor protection than was usual in Latin America. During the nineties, unemployment emerges as the most salient –but by no means the only- expression of poor labor market performance in Buenos Aires. Unemployment was accompanied by a significant rise in the levels of precarious employment, in terms of underemployment and unprotected labor. On the other hand, the informal sector [79] –especially self-employment- had a lower capacity to absorb labor than in the previous decade, increasing the vulnerability of vast segments of the population to labor market exclusion.

Labor market problems are by no means a new phenomenon in Argentina. In fact, the limitations of the economy in terms of job generation

[79] Includes employers and wage workers in firms of no more than five employees, non-professional self-employed, and unpaid family workers.

preceded the sharp deterioration of the labor market during the 1990s. However, during the last decade the magnitude of the employment problem reached unprecedented levels.

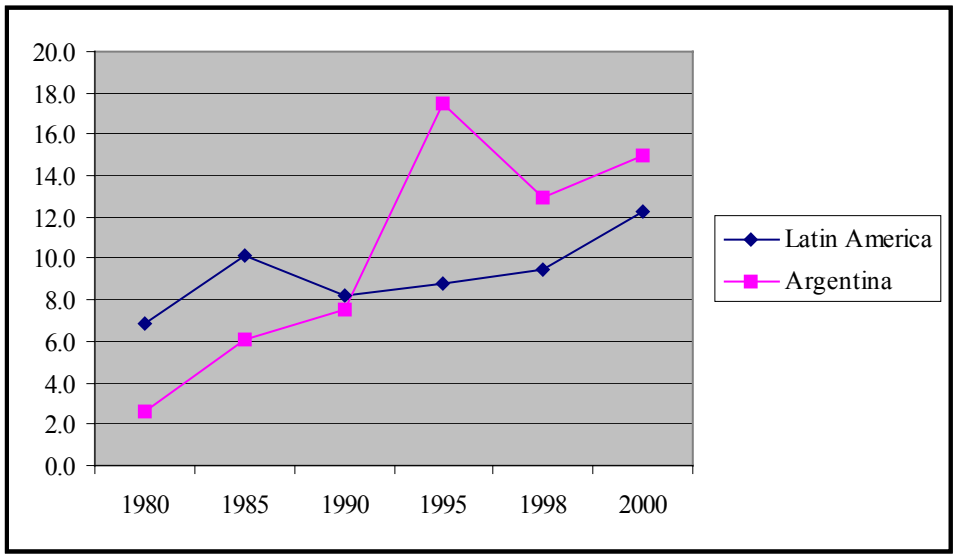
This chapter analyzes labor market dynamics during the 1990s, focusing on the evolution and characteristics assumed by unemployment, job insecurity, and self-employment, arguing that the relationships among these phenomena lead to a process of accumulative disadvantages both to individuals and the households. First, I analyze the causes of unemployment, focusing on the evolution of the labor supply and on employment generation both in the formal and informal sectors. Secondly, I concentrate on the main expressions assumed by the worsening of the labor market –unemployment, jobs lacking social benefits, and self-employment- identifying the groups most affected by them. Income deterioration is analyzed according to the capacity of employed individuals to support one or more members of their households. Finally, a regression analysis on both unemployment and jobs lacking social benefits allows a better understanding of the weight of the variables affecting each of these employment problems.

4.1. CAUSES OF UNEMPLOYMENT: LABOR SUPPLY, EMPLOYMENT CREATION, AND INFORMAL LABOR

During the 1990s unemployment not only increased faster than precarious employment, but also became a permanent characteristic of the new economic model. High levels of unemployment accompanied by a deepening deterioration

of labor conditions, sharply changed the picture of the Argentinean labor market. In contrast with the 1980s, in the 1990s unemployment clearly surpassed the rates of the rest of the region (see figure 4.1).

Figure 4.1. Urban Unemployment Rates in Latin America and Argentina, 1980-2000 (Percentage)



Sources: PREALC, 1987; ILO, 2000; EPH, 2000 (October).

While most Latin American countries experienced an increase in unemployment during the decade, as a consequence of declining job creation and increasing labor supply, labor market adjustment has primarily taken the form of growth in underemployment and low productivity jobs rather than open unemployment.[80] Economic growth in the region has been accompanied by the

[80] In periods of economic contraction- basically after the Mexican and Asian crisis- employment fell faster than labor supply, significantly increasing unemployment rates. During periods of expansion, however, unemployment has tended to decrease at a slower rate than the recovering of the GNP. Thus, the falling behind of unemployment recovery, more than to the intensity of

concentration of new jobs in the lowest productivity levels, and in general, in activities related to non-tradable goods -services, commerce, and construction (ECLAC, 1997; 1998).[81] The growth of temporary employment, as well as jobs lacking labor contracts and social benefits has deepened and extended labor insecurity throughout the region.

Higher levels of open unemployment in Argentina were the result of three main factors: fall in labor demand, increase in labor supply, and loss of dynamism in the informal sector, which, in contrast with the previous decade, did not operate as a "refuge" for unemployment (Beccaria and Lopez,1996; Altimir and Beccaria, 1999a; Cortes, 2000; Cimillo,2000).

The unemployment rate was around 6% until 1993, when it sharply increased, even though the economy was growing at a fast pace. In a period of two years, from October 1992 to October 1994, unemployment increased from 7% to 12.2%, and the number of unemployed people grew from 800,000 to 1,400,000 (SIEMPRO, 2000d). The impact of the Mexican crisis deepened the adjustment in the labor market, and unemployment achieved a peak in May 1995, affecting 18.4% of the total urban labor force, and 20.2% in the metropolitan area. Since then, while unemployment followed the fluctuations of the economic cycle, it maintained high levels, becoming a permanent characteristic and the most

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economic growth, seems to be related to the evolution of labor supply and job creation (see ILO, 2000).

[81] Between 1990 and 2000, 60 out of 100 new jobs in Latin America were generated in the informal sector, which increased its participation in the total urban employment from 42.8% to 46.4%; 83 out of 100 new jobs were created in the service sector, led by those sectors concentrating low-skilled jobs: by the end of the decade personal and community services employed 1 out of 3 workers, followed by commerce that employed one out of four (OIT, 2000).

visible sign of the worsening in the labor market. Between mid-1996 and mid 1998 the growth in employment resulted in a reduction of the unemployment rate, which decreased to 12.4% on October 1998. Since then, however, in the context of economic recession, unemployment has experienced a continuing increasing trend. (see table 4.1).

Table 4.1. Evolution of the Gross Domestic Product and Total Urban Unemployment Rate, 1990-2000

	Gross Domestic Product (Annual rate of change)	Unemployment rate
1990	-1.8	6.3
1991	10.6	6.0
1992	9.6	7.0
1993	5.9	9.3
1994	5.6	12.2
1995	-2.9	16.6
1996	5.5	17.3
1997	8.0	13.7
1998	3.8	12.4
1999	-3.4	13.8
2000	-0.5	14.7

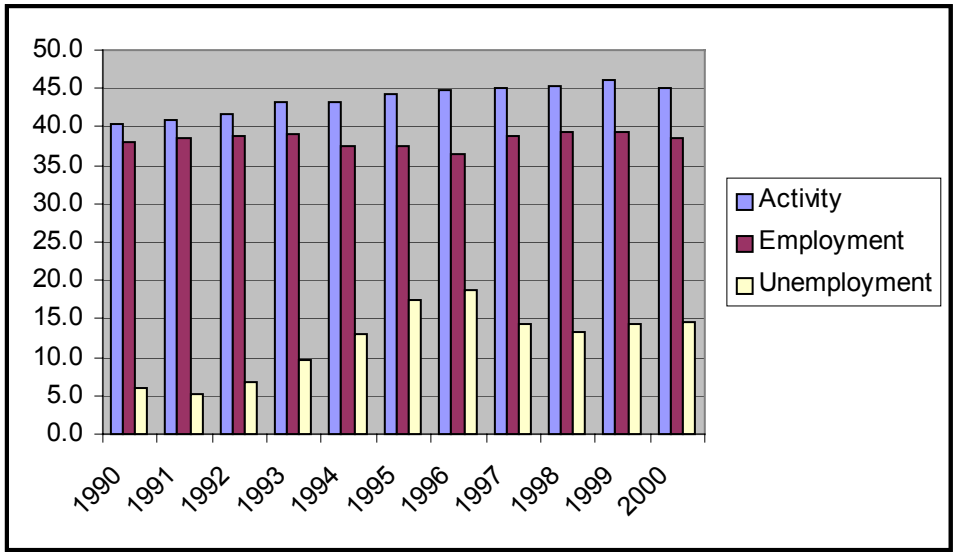
Sources: ECLAC (2001); Heymann (2000); EPH (October).

4.1.1. Employment Creation and Labor Supply

Employment in Greater Buenos Aires increased 11.5% between 1990 and 2000, similar to population growth, but clearly insufficient to absorb the increasing activity rate, which grew 23% during the decade. In contrast with the 1980s, when unemployment levels in the metropolitan area were lower than in the rest of the country, they have surpassed unemployment rates in the interior cities

since 1993. The opening up and deregulation of the economy had a sharp impact on the Buenos Aires labor market (SIEMPRO, 2000a).

Figure 4.2. Activity, Employment, and Unemployment Rates, Greater Buenos Aires, 1990-2000 (Percentage)



Source: EPH (October).

The increase of unemployment until 1993, in a context of employment expansion was mainly due to the increase in labor supply.[82] Two thirds of this increase was experienced between 1991 and 1993 (see figure 4.2). Since then, the growth of open unemployment has been the result of both the evolution of the activity rate and the decline in labor demand.

[82] Employment in the Greater Buenos Aires increased 10.8% between May 1990 and May 1993 (Altimir and Beccaria, 1999a:Table 1).

During the last part of the decade, however, in a context of economic recession, unemployment seems to be more the result of insufficient employment generation and job destruction than growth in labor supply. Household Survey data support this hypothesis. First, the activity rate has been growing at a slow rate since 1996 (see figure 4.2), principally since the recession that began in 1998. This is probably associated with an increasing discouragement among the labor force regarding their possibilities of finding a job. Secondly, the employment rate remained stagnant between 1998 and 1999, with a declining trend since October 2000. In fact, between October 1998 and October 2001 the employment rate decreased from 39.4% to 35.1%, and unemployment achieved 19% (more than one million people) in the Greater Buenos Aires, the highest level since May 1995. [83]

The growth in labor supply has been mainly due to an increase in the female activity rate. The latter increased 39% in absolute terms during the decade, while female employment grew 23%. Six out of ten new workers looking for a job and not finding it in 1990 were women, increasing to seven out of ten in 2000 -see table 4.3. The increasing pressure to enter the labor market, in a context of insufficient employment generation resulted in the overrepresentation of women among the unemployed -Table 4.2.

[83] EPH, Indec, Informacion de Prensa, December 13, 2001

Table 4.2. Activity, Employment and Unemployment Rates by Gender, Greater Buenos Aires, 1990-2000.

	1990	1994	1996	2000
Total activity rate[1]	40.3	43.1	44.9	44.9
Female activity rate	28.1	31.2	34.1	35.2
Male activity rate	53.7	56.3	56.6	55.7
Total employment rate[2]	37.9	37.4	36.5	38.5
Female employment rate	26.3	26.3	26.7	29.4
Male employment rate	50.7	49.7	47.1	48.5
Total unemployment rate[3]	6.0	13.1	18.8	14.7
Female unemployment rate	6.5	15.7	21.9	16.8
Male unemployment rate	5.7	11.6	16.7	13.2

Notes: EAP includes the employed and unemployed population aged 15 or over.
[1] EAP relative to total population
[2] Employed population aged 15 or over, relative to total population.
[3] Relative to EAP
Source: EPH (October)

Among men, while the increase in the activity rate (14%) was considerably less than for women, employment growth was minimal during the decade, achieving only 5%. Thus, while among females unemployment was mainly the result of the rise in labor force participation, among males it was basically explained by declining employment.

The activity rate experienced a strong decline among the youngest age group (15-19) from 35.1% in 1990 to 23.6% in 2000 as a result of a longer stay in the school system, increasing in the rest of the groups. The faster rate of growth was among those aged 40 years or more, who increased their participation among new workers. Employment rate among women –with the exception of the

youngest group- increased during the whole decade, while for men the trend was negative for all age groups.

Table 4.3. Composition of unemployment by gender, Greater Buenos Aires, 1990-2000 (percentage)

	1990		1994		1996		2000	
	Out of work	New workers[1]	Out of work	New workers	Out of work	New workers	Out of work	New workers
Total	85.1	14.9	86.3	13.7	85.0	15.0	92.0	8.0
Male	64.9	36.9	57.2	38.4	56.1	41.6	54.8	28.4
Female	35.1	63.1	42.8	61.5	43.9	58.4	45.2	71.6

Note: [1] The category "new workers" makes reference to first time job seekers.
Source: EPH, October

Growth in the activity rate among spouses –from 34.4% to 43.5%- and children –from 23.4% to 27.7%- during the decade appears as the reverse side of a process of increasing labor insecurity and unemployment among heads of households.[84] The unemployment of heads increased almost 3 times during the decade, from 4.4% in 1990 to 11.8% in 2000. Different studies support the hypothesis that the increase in labor supply during the decade was mainly due to an "additional worker effect" (Altimir and Beccaria, 1999a, Cortes, 1997, 2000; Marshall, 1997). According to Altimir and Beccaria (1999a) 61% of the increase in the participation rate between 1991 and 1997 was due to the increase in the number of households with one or more members unemployed. [85]

[84] Cortés (2000) found that between 1990 and 1996 in Greater Buenos Aires among nuclear families (with male head and female spouse) there was a decrease in the proportion of households where only the head or both were employed against an increase in the proportion of households where only the spouse was employed, and the head unemployed.
[85] Using panel analysis, in the next chapter I analyze the impacts of labor insecurity and unemployment on the labor participation of household members.

Table 4.4. Employed Population by Sector, Greater Buenos Aires, 1990-2000 (Percentage)

	1990	1994	1996	2000
Traditional industries	10.5	7.5	7.9	6.6
Modern industries	14.0	13.6	11.4	9.9
Producer Services	8.1	9.6	11.3	11.7
Social& Community Services	21.5	20.7	21.5	22.3
Personal Services	16.2	15.0	15.1	15.6
Commerce	16.5	17.5	17.0	17.4
Construction	6.4	6.9	6.8	7.2
Transportation	6.8	9.2	9.1	9.2
Total	100.0	100.0	100.0	100.0

Note: Traditional industries include food, drink, tobacco, textile, garment, and shoe industries. Modern industries include chemical and oil products, metallic products, machinery and equipment, and other manufacturing industries Producer services include financial services, real state, and professional and technical services. Social & Community services include social, health, and educational services, public administration and defense, electricity, gas, and water supply. Personal services include hotels and restaurants, repair services, domestic service, and other personal services. Commerce includes wholesaling and retail sales.
Source: EPH (October)

Table 4.4. clearly shows a deepening of the de-industrialization process that began in the previous decade.[86] Employment in manufacturing dropped 25% during the 1990s, resulting in the loss of approximately 260,000 jobs.[87] At the same time, as it has already being pointed in chapter 3 (table 3.8) the incorporation of new technologies in the most dynamic sectors exacerbated the reduction of employment. In fact, between 1990 and 1996, 70% of industries

[86] Restructuring in the manufacturing sector resulted in the closure of 11.5% of firms between 1985 and 1994, affecting mainly those employing more than 300 workers, which fell by 35%, and lost 37.5% of employment (Cortés, 2000).
[87] Own calculations based on EPH data

experienced an increase in productivity and fall in employment, while only 20% increased their productivity without employment reduction (Katz, 1999).

Employment generation was concentrated exclusively in the service sector, leaded by wage-labor. Producer services appear as the sector with the fastest employment growth during the decade. Its dynamism, however, has been slowing since 1996 - Table 4.4. In contrast with the 1980s, employment growth in the service sector has being clearly insufficient to absorb both jobs lost in manufacturing as well as the pressure of new workers trying to enter the labor market. Wage employment increased from 69.2% to 73.5% between 1990 and 2000, contrasting with self-employment, whose participation in total employment decreased from 24.2% to 20.6% during the same period. Wage-labor growth was basically explained by the dynamism of employment in micro-sized firms (Altimir and Beccaria, 1999a; Cimillo, 2000).

As table 4.5. shows female employment was highly concentrated in personal and social services by the end of the decade, displacing male employment both in personal services and commerce. The increase of male employment in some sectors, such as producer services and transportation, has being clearly meager when compared with job loses in other sectors, such as manufacturing and construction, where levels of unemployment reached 14.6% and 28.8% respectively in October 2000.

Table 4.5. Employed Population by Sector and Gender, Greater Buenos Aires, 1990-2000 (%)

	1990			2000		
	Total	Female	Male	Total	Female	Male
Traditional Industries	10.5	11.1	10.3	6.6	6.2	6.9
Modern Industries	14.0	6.4	18.3	9.9	5.6	12.8
Producer Services	8.1	8.6	7.9	11.7	10.7	12.4
Social Services	21.5	32.1	15.4	22.3	31.6	16.2
Personal Services	16.2	24.8	11.2	15.6	25.1	9.4
Commerce	16.5	14.4	17.8	17.4	17.1	17.6
Construction	6.4	0.2	9.9	7.2	0.6	11.6
Transportation	6.8	2.4	9.3	9.2	3.1	13.2
Total	100.0	100.0	100.0	100.0	100.0	100.0

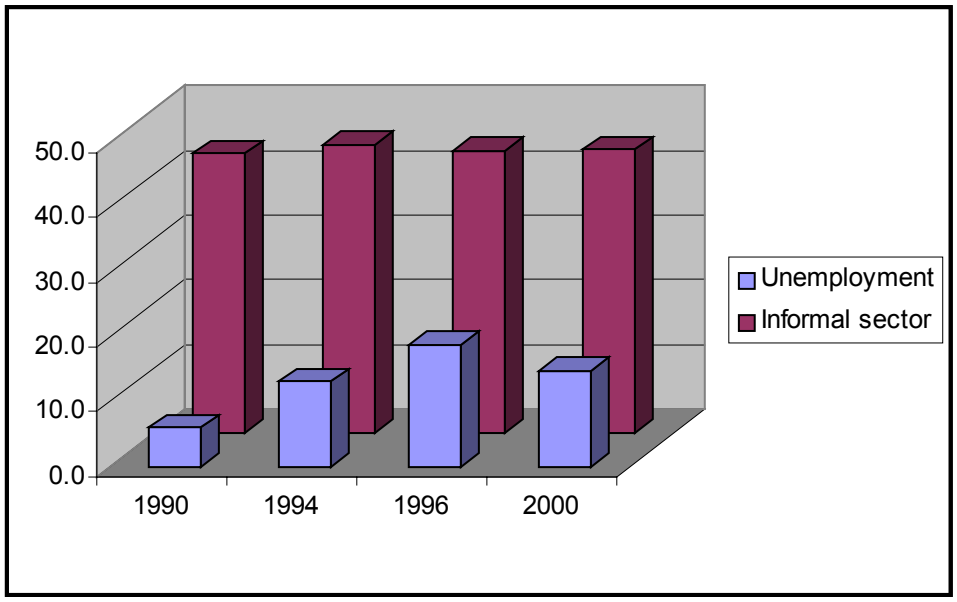
Source: EPH (October)

4.1.2. Employment in the Informal Sector

Parallel to the low capacity of employment generation in the so-called modern sector, the informal sector during the 1990a did not operate as a "buffer" to unemployment. In fact, since 1994, while unemployment began to experience an increase, job creation in the informal sector began to shrink.

The loss of dynamism was mainly due to a decline in self-employment, whose participation in total informal employment decreased from 40.2% to 35.5% between 1990 and 2000, while domestic service dropped from 20.9% to 17.7% during the same period (see table 4.6). As a result, wage-employment in micro-firms increased its relative weight from 27.8% to 37.7%, becoming the category with the highest concentration of informal employment after 1996, representing one third of total wage-employment by the end of the decade.

Figure 4.3. Evolution of total unemployment and employment in the informal sector, Greater Buenos Aires, 1990-2000 (Percentage)



Source: EPH (October)

This transformation in the composition of the informal sector contributed to neutralize its capacity to counterbalance the decline of employment in the modern sector. Given that micro-firms adjusted to the economic cycle in similar ways to large-scale enterprises (i.e. laying-off labor) instead of creating employment) the contributed to exacerbate the process of job destruction Moreover, The greater weight of employment in micro-firms, characterized by high levels of flexibility over the entry and exit of workers, had the opposite

effect, deepening the cyclical movement of employment (Cimillo, 2000; SIEMPRO, 2000c).[88]

Table 4.6. Employment in the Informal Sector by Category, Greater Buenos Aires, 1990-2000 (Percentage)

Informal sector	1990	1994	1996	2000
Total	100.0 (43.1)	100.0 (44.1)	100.0 (43.5)	100.0 (43.7)
Employers	8.8	7.6	8.0	7.7
Wage workers	27.8	33.2	37.5	37.2
Self-employed	40.2	39.0	34.0	35.5
Non-wage family workers	2.3	3.5	3.6	2.2
Domestic service	20.9	16.7	16.9	17.7

Source: EPH, October

Commerce appears as an exception to this trend. In fact, while wage employment decreased from 54.7% to 47.2% in firms with five or less workers, larger firms increased their participation in the sector from 6.8% to 12.4% in those sized 26-100 and from 4.5% to 6.2% in firms employing 101-500 employees. The expansion of large retail trade stores during the 1990s, led by supermarket chains, had a profound negative impact on the traditional small commerce that had flourished in previous decades. Both the decrease of small commerce and the decline in employment opportunities for certain services, such as repair activities -given the greater access to credit for consumer goods at the

[88] In fact, since 1994, when unemployment began to increase, unemployment among wage earners in firms with 5 or less workers increased at a faster pace than the total unemployment rate. Unemployment in micro-firms achieved 19.5% in October 2000, surpassing total unemployment by 5 points.

beginning of the decade- showed the lower tolerance of the new economic model to low-productivity activities. Self-employment generation became more difficult (Cimillo, 2000). Moreover, the increase in imports sharply impacted self-employment in manufacturing, basically craft activities in the textile and garment industry, which traditionally represented an important alternative of self-employment generation among women (Gallart et al., 1990).

The consolidation of the new economic model resulted in an increasing deterioration of labor conditions among the self-employed and a sharp decline in their income.[89] For the first time in the last 25 years, average incomes from the self-employed were lower than their equivalent in formal employment. Those self-employed in the lowest levels of the distribution became the worst paid segment of the labor force (Cimillo, 20000).

Among females, formal employment grew at a faster rate than informal jobs, whereas exactly the opposite occurred with males (Table 4.7).[90] Among men, informal employment was concentrated in micro-firms, with the participation of young workers (20-29), children, and those with less than secondary school increasing. The rise in women's participation in the formal sector was concentrated in low skilled jobs in the service sector.

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[89] In 1974, 38% of the self-employed were placed in the richest 25% of the income distribution, and only 12% were in the poorest 25%. In contrast, in 1997, 36% of the self-employed were among the lowest 25%, while their participation in the richest 25% had decreased to 21% (Cimillo, 2000).

[90] Informal employment rose among men from 40.3% to 42.1%, diminishing from 48.3% to 46.1% among women.

Table 4.7. Total Increase of Formal and Informal Employment by Gender, Greater Buenos Aires, 1990-2000 (Percentage)

	1990-2000		
	Total	Female	Male
Total Employment	11.5	23.0	5.0
Formal Sector	10.0	27.0	1.9
Informal Sector	13.0	18.0	9.5

Source: EPH (October)

The faster increase of informal employment among men had been occurring since the mid-1970s (Cortés, 1997). However, during the 1990s this trend took place within a much more limited structure of employment opportunities, since poor employment generation in the formal sector was accompanied by a decline in self-employment. The latter mainly affected male heads of households, mostly older than 40 years, and with low educational levels. In fact, unemployment among the self-employed rose from 6.4% to 15.8% between 1990 and 2000, increasing their vulnerability to exclusion from the labor market.[91] The accumulation of disadvantages among this group in terms of age, education, and skills, strongly limit their possibilities of re-insertion in the labor market once becoming unemployed.

[91] In Greater Buenos Aires the loss of 154,000 self-generated jobs between 1993 and 1997 clearly exceeded the 95,000 jobs generated during the 1980s (Cimillo, 2000).

4.2. THE WORSENING OF THE LABOR MARKET: UNEMPLOYMENT, JOB INSECURITY AND SELF-EMPLOYMENT

4.2.1. The Extension of Job Insecurity

While unemployment has been the predominant employment problem during the 1990s, it has by no means been the only one. In fact, unemployment has been accompanied by a deep process of deterioration in labor conditions, especially in the form of underemployment -or involuntary part-time-, temporary employment and jobs lacking social benefits.

As table 4.8 shows, the sharp increase in unemployment has been accompanied by the growth in underemployment. By the end of the decade almost one third of the economically active population was either jobless or underemployed. At the same time, there was a decrease in the participation of those in full-time and voluntary part-time jobs. The rates of increase of each of these categories are a clear evidence of the rising precariousness of the labor market. While full-time employment increased less than 2% and voluntary-part time grew just 5% during the decade, underemployment rose 126% during the same period. Seven out of ten part-time workers in 2000 were involuntary, and among the latter, 71.4% lacked social benefits. While part-time employment – both voluntary and involuntary- is higher among women, underemployment increased at a faster pace among males.[92] According to Altimir and Beccaria (1999a), visible underemployment explains 90% of employment growth between

[92] Underemployment among employed males increased from 5% to 13.2% between 1990 and 2000, while among women it grew from 15% to 25%. Underemployment achieved almost parity between genders by the end of the decade (44.5% males, 55.4% females), while voluntary part-time work maintained the same proportion during the whole decade, 70% of voluntary part-timer were women.

1991 and 1997. The whole picture of the economic active population shows that the fastest increase was experienced by unemployment, which grew 208% between 1990 and 2000.

Table 4.8. Unemployment, underemployment, and social benefits, Greater Buenos Aires, 1990-2000 (Percentage)

	1990	1994	1996	2000
EAP by employment status				
Full-time workers[1]	76.1	67.9	60.2	62.4
Voluntary part-time workers[2]	9.5	8.4	6.4	7.3
Underemployed [3]	8.3	10.3	14.2	15.1
Unemployed [4]	6.1	13.4	19.2	15.2
Total	100.0	100.0	100.0	100.0
Waged workers				
With social benefits[5]	71.1	70.8	63.6	62.0
Without social benefits	27.3	29.2	36.4	38.0
Total	100.0	100.0	100.0	100.0

Note: [1] Includes the employed population working 35 or more hours a week. [2] Includes the employed population working less than 35 hours a week and do not wish to work longer. [3] Includes the employed population working less than 35 hours and wish to work longer. The EPH refers to this category as visible underemployment, which includes those "involuntarily working less than 35 hours a week". [4] Includes those persons that, not having a job, have been actively seeking for it in the week of reference.[5] Includes pension benefits.
Source: EPH (October).

The deterioration of labor conditions among wage earners is apparent in the loss of social benefits, which increased 56% from 1990 to 2000. The lack of social protection was a characteristic shared by almost 40% of wage earners by the end of the decade (see table 4.8). Unprotected jobs increased faster since

1994, when the process of deterioration of labor conditions was sharper. The growth of jobs lacking social benefits is not only explained by the increased participation of small firms in total employment -traditionally characterized by lower levels of social protection - but also by a higher incidence of non-registered employment in medium and larger size firms (more than 25 employees) which grew from 10.6% to 14% between 1990 and 2000. The growth in non-registered employment was experienced in all economic sectors, independently of their dynamism in terms of employment generation or productivity, is a clear indicator of increasing informalization of labor conditions.

Together with the rise in unemployment, underemployment, and lack of social benefits, the flexibilization of labor regulation since 1991 -analyzed in chapter 3- exacerbated job insecurity by promoting temporary employment through a generalized reduction on social security payroll taxes and indemnity payments. The growth in temporary employment was mainly experienced since 1995 -when labor legislation relaxed the restrictions on its use. By the end of 1997, according to the Ministry of Labor Survey on Labor Indicators –Encuesta de Indicadores Laborales [93]- based on firms with more than ten workers, temporary contracts have increased to 11.4%, workers under trial period 4.9%, while permanent contracts have decreased from 91.8% to 83.2% of total wage employment in the Greater Buenos Aires between 1991 and 1997. In December 1997, "flexible" forms of employment promoted by the new legislation represented 78.5% of the new contracts of the Greater Buenos Aires, while 47.3%

[93] Cited on Perelman (2000)

of layoffs affected workers with permanent contracts. Moreover, temporary contracts explain 60% of the increase in registered employment between 1991 and 1997 (Altimir and Beccaria, 1999a). According to the EPH, which tends to underestimate its incidence in total employment, temporary employment increased from 3% to 6% of total wage-employment between 1995 and 1998, mostly concentrated in firms with more than five employees.[94] Micro-firms continued to rely mainly on employment of unknown duration non registered in the social security system (Perelman, 2000). As different studies point out, the new legislation resulted not only in the substitution of longer-term by temporary employment, but also of protected by non-protected employment (Altimir and Beccaria, 1999a; Cortés, 1997, 2000; Marshall, 1997; Perelman, 2000; Hopenhayn, 2001). [95]

Unemployment and job insecurity have represented mutually reinforcing processes during the decade. In 1997, according to national figures, among those unemployed who have previously been in wage-labor, 58% did not perceive any social benefits in their previous occupation, 70% was not unionized, 47% had temporary or occasional jobs, and 16% received atypical forms of payment (SIEMPRO, 2000d). These processes have been accompanied by a shrinking in the opportunities of self-employment generation as well as a deep deterioration of labor conditions in this segment of workers.

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[94] Since May 1995 the EPH incorporated a question on the duration of the employment relationship. The underestimation of temporary employment is given by the wide definition used for permanent employment, which is understood as an explicit agreement of continuity, independently of its degree of formalization.

[95] Remember that, as it has been pointed in the previous chapter, the new legislation was based on the assumption that reduction on labor costs would promote registered employment.

4.2.2. Unemployment, Unprotected Jobs and Self-employment

The overall picture of the worsening of the labor market allows us a better understanding of the real dimensions of the employment problem during the 1990s as well as the identification of the most affected groups and where they are they concentrated.

Table 4.9. Precarious Labor, Self-employment and Unemployment, Greater Buenos Aires, 1990-2000 (percentage)

	1990	1994	1996	2000	% Change 1990-2000
Non-precarious workers[1]	49.9	45.9	39.8	41.2	4.4
Precarious workers [2]	21.7	20.8	24.5	26.2	53.0
Self-employed [3]	21.8	19.0	15.2	16.4	- 4.5
Unemployed [4]	6.6	14.3	20.5	16.2	210.0
Total	100.0	100.0	100.0	100.0	

Note: [1] Includes underemployed, voluntary part-time, and full-time wage-workers with social benefits.
[2] Includes underemployed, voluntary part-time, and full-time wage-workers without social benefits, and unpaid family workers.
[3] Non-professional self-employed, both full-time and underemployed.
[4] Employers have been excluded
Source: EPH (October)

As table 4.9 shows the main mechanism of adjustment of the labor market during the 1990s has been unemployment, which increased faster than precarious employment. The incidence of the latter, however, should not be underestimated, especially when considering the high degree of formalization that historically characterized the Argentinean labor market. In fact, in 1990, it was still

characterized by relatively low levels of unemployment and an important extension of social protection. Insufficient employment generation, accompanied by an increasing deterioration of the quality of the newly created jobs and rampant unemployment profoundly changed the picture of the Argentinean labor market. By the end of the decade, if we combine the meager coverage of unemployment insurance, with the increasing deterioration of labor conditions - both among wage-workers and the self-employed- the result is that almost 60% of the economically active population was affected by the lack of social protection.

Table 4.10. Precarious Labor, Self-employment, and Unemployment by Gender, Greater Buenos Aires, 1990-2000 (percentage)

	1990			2000		
	Female	Male	Total	Female	Male	Total
Non-Precarious	45.7	52.4	49.9	38.6	43.0	41.2
Precarious	25.9	19.4	21.7	29.4	24.0	26.2
Self-employed	21.3	22.1	21.8	13.7	18.4	16.5
Unemployed	7.1	6.3	6.6	18.4	14.6	16.2
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: EPH (October)

Labor market deterioration had differential impacts in terms of gender. While unemployment increased faster among females, labor insecurity had a higher incidence among males. In fact, the gap between males and females in both protected and unprotected jobs diminished during the decade (Table 4.10). The reduction in the differences in the quality of jobs held by men and women was

due to the worsening of the quality of jobs among males more than to an improvement in women's labor conditions. Unemployment grew 268% in absolute terms among females and 172% among males, while unprotected jobs increased 62% and 45% respectively. The loss of protected jobs was concentrated among males, who experienced a decline of 4%. Among women, in contrast protected jobs increased 20.8%. Male workers –basically those older than 40 years- have been greatly affected by the narrowing of self-employment opportunities. Older workers, once expelled from wage-labor, are in a highly disadvantageous position to exit from unemployment.[96]

The deterioration of employment has been accompanied by an increase in the educational levels of the economically active population.[97] In face of an ample supply of higher skills and formal education, labor demand has responded very poorly. In fact, the educational level of the unemployed increased at a faster pace than the employed population (Gómez, 2000). In a context of shrinking employment opportunities, the devaluation of credentials and labor conditions

[96] Results from the Survey on Social Development conducted in 1997 show that the likelihood of becoming unemployed for older workers is lower than for the younger segments of the labor force; however, once unemployed their probability of re-employment is lower than the average, and if finding a job they are very likely to be excluded from social protection (SIEMPRO, 2001d).

[97] In the GREATER BUENOS AIRES, the percentage of the EAP that had completed secondary education increased from 26.5% to 32.1% between 1990 and 2000, while those with university complete grew from 11.5 to 14.8% during the same period. According to 1996 figures, the mean years of schooling in the population older than 25 years in Argentina, 9.44 years, was the highest in Latin America (IDB, 1998). However, as Filmus and Miranda (1999) point out, this mean hides profound social inequalities: while the poorest 40% has a mean of 7.5 years of schooling, the richest 10% achieves 13.6 years; among the population aged 20-25 only 14% has finished secondary school in the poorest 10% against 92% in the richest decile.

among those highly educated, was accompanied by an increasing exclusion of the least educated, whose employment opportunities were sharply reduced. [98]

Table 4.11. Educational Attainment by Labor Precariousness, Self-employment, and Unemployment, Greater Buenos Aires, 1990-2000 (percentage)

	1990				2000			
	NA/ IP[1]	CP/ IS[2]	CS/ IU[3]	CU[4]	NA/ IP	CP/ SI	CS/ IU	CU
Non-Precarious	33.3	42.6	62.5	86.0	21.6	30.9	48.6	76.8
Precarious	25.3	25.5	15.4	12.4	34.5	29.9	22.9	16.8
Self-employed	33.1	24.7	15.7	-	25.4	20.8	12.3	-
Unemployed	8.3	7.2	6.3	1.7	18.8	18.5	16.2	6.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Note: [1] Never atended school and Incomplete Primary Education. [2] Complete Primary and Incomplete Secondary Education. [3] Complete Secondary and Incomplete University Education. [4] Complete University Education.
Source: EPH(October)

Both the lack of social benefits and unemployment are negatively associated with education: their incidence increase with the decline in the level of education attained. Actually, those with the lowest educational levels experienced a sharp worsening in their already precarious situation at the beginning of the decade. As table 4.11 shows the least educated have been the most impacted by job insecurity: on October 2000, 5 out of 10 workers with primary education or

[98] A recent study focused on Greater Buenos Aires asserts that the devaluation of educational credentials that resulted from the generalized increase in educational levels has been fostered by the stagnation or even decline in the structure of skills of jobs demanded, specially in manufacturing, where restructuring resulted in the destruction of almost 36% of highly skilled jobs (Gómez, 2000).

less were either unprotected by social security or unemployed. Moreover, this segment has been the most affected by the decline in self-employment.

Those with the lowest educational levels, however, were by no means the only segments impacted by this process. Those groups with middle education (complete secondary) became particularly vulnerable to the loss of social benefits and to unemployment, which affected almost 4 in 10 workers in October 2000 (Table 4.11). In fact, the marked devaluation of the comparative advantage of secondary school as a means of entry into the labor market, resulted in unemployment rates much closer to those with primary or less education than to those with university level (Fimus and Miranda; 1999; Gómez, 2000). Those with the highest educational level, while impacted by increasing job insecurity, were mainly affected by unemployment, which increased 5 times between 1990 and 2000 (table 4.11.). Thus, while access to protected jobs shows an increasing polarization in terms of education, unemployment emerges as a horizontal phenomenon that goes through the different educational levels.

Household income distribution reinforces polarization in access to the increasingly scarce number of protected jobs. As table 4.12 shows, households placed in the poorest 40% have been the most vulnerable to the loss of protected jobs: less than two out of ten wage-workers in the poorest 20% had access to social benefits in 2000 -almost half the proportion of ten years ago. In contrast, the proportion of protected workers in the fifth quintile remained almost unchanged during the decade. There is a growing concentration of protected jobs among those households placed in the middle and higher levels of the distribution

(third, fourth and fifth quintiles), which increased from 70% to 75% during the decade.

Table 4.12. Household Income[1] by Labor Precariousness, Self-employment, and Unemployment

	1990					2000				
	Q-1	Q-2	Q-3	Q-4	Q-5	Q-1	Q-2	Q-3	Q-4	Q-5
Non-Precarious	33.7	49.5	55.1	61.1	69.7	16.9	35.8	43.3	51.4	68.0
Precarious	28.4	25.3	22.1	16.5	15.8	31.9	27.9	28.0	25.0	16.8
Self-employed	23.6	15.6	17.7	19.5	12.4	21.3	17.5	14.7	14.9	10.2
Unemployed	14.3	9.6	5.1	2.9	2.2	29.8	18.7	14.0	8.7	5.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

[1] Per capita household income quintiles
Source: EPH (October)

Table 4.12 shows that the already precarious situation of the poorest 40% in 1990 deepened during the rest of the decade: in 2000 more than half of this segment were either unprotected by social security or unemployed. Together with the worsening of labor conditions among low-income households, those placed in the middle of the distribution (third quintile), experienced the fastest increase both in unprotected jobs and unemployment - 136% and 405% respectively.

Therefore, while access to protected jobs has been increasingly polarized, jobs lacking social benefits have increased in the whole distribution, reducing the distances in the proportion of unprotected jobs held by low-middle and middle income households -second, third and fourth quintiles respectively (see table 4.12). Unemployment, while still concentrated in the lower levels of the

distribution –65% of the unemployed belonged to the poorest 40% of households in 2000- has increasingly affected the middle-classes.

Self-employment diminished its participation in the whole distribution with the exception of the second quintile. The decline, however, has been sharper in middle-income households. In contrast to what happened in the previous decades, self-employment is increasingly becoming the last resort of poor households in trying to cope with unemployment. However, it is clearly insufficient when we observe the disproportion between the increase in self-employment and unemployment in poor households. In fact, while in the poorest 20%, unemployment increased 328% in absolute terms during the decade, self-employment growth was just 85%.

Table 4.13. Family Status by Labor Precariousness, Self-employment, and Unemployment

	1990			2000		
	Head	Spouse	Child	Head	Spouse	Child
Non-Precarious	55.5	45.7	43.6	46.9	39.2	36.1
Precarious	14.6	24.0	31.9	21.3	25.9	32.3
Self-employed	25.5	26.5	12.5	20.7	19.6	7.8
Unemployed	4.4	3.8	12.0	11.8	15.3	23.8
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: EPH (October)

The worsening of the employment situation of heads of households is probably one of the most severe signs of labor market deterioration during the last

decade. While in 1990 only 4.4% of the heads were unemployed, by the end of the decade almost 12% were out of work, due both to job losses in formal employment and the diminution of self-employment -Table 4.13.

The consequent pressure on other members of the households to enter the labor market resulted in sharp increases of unemployment among secondary workers, especially among spouses, where unemployment grew 4 times between 1990 and 2000. On the other hand, the labor insertion of those able to enter the labor market was characterized by its precariousness: non-protected jobs increased 40% among spouses and 35% among children. While the impact of unemployment was higher among spouses, unprotected jobs increased fastest among heads - 74% between 1990 and 2000.

4.2.3. Income Precariousness

The analysis of the worsening in labor market would not be complete without considering the sharp income deterioration experienced during the decade. Given the lack of an official minimum wage, income evolution will be analyzed according to the poverty line, trying to assess the capacity of employed individuals to support one or more members of their households.

As table 4.14 shows, the situation in 1990 was one of deep deterioration of income. As a result of hyperinflation and the consequent fall in income, poverty achieved a peak in 1989, affecting 38.2% of households and almost half (47.3%) of the population of the Greater Buenos Aires (SIEMPRO, 1999). At the beginning of the decade, relatively low unemployment rates and a considerable

extension of labor protection was accompanied by a great increase in the incidence of poverty.

Table 4.14. Income Deterioration among the Employed Population, Greater Buenos Aires, 1990-2000

	1990	1994	1996	2000
Able to support:				
Less than 1 person	0.1	2.2	5.2	6.8
1 person	15.2	7.4	9.9	10.9
2 persons	20.4	11.6	13.1	12.4
3 persons	20.1	15.4	21.8	14.1
4 or more persons	44.2	63.4	49.9	55.9
Total	100.0	100.0	100.0	100.0

Note: Incomes have been calculated according to an individual poverty line, which includes a basic basket of goods and services (total basic basket, TBB).
Income= TBB*Engels coefficient*Adult equivalent coefficient
One person is an adult (male or female) aged 30-59 years
Two persons: two adults (male and female)
Three persons: two adults and one child in school age (7-9 years)
Four persons: two adults and two children in school age (7-9 and 10-13 years)
In 2000 income required to support one person =$151,10; two persons =$262.92;
three persons=$371.72; four persons=$487.13. Until the devaluation of the peso at the beginning of 2002, 1 peso=1dollar.
Source: EPH (October)

According to my own calculations, in 1990, 55% of the employed population, and 47% of the heads of households were unable to support a family with spouse and two children (see tables 4.14 and 4.15). Since the beginning of the decade a single earner was clearly insufficient to satisfy the basic needs of the household. In fact, the activity rate of other family members (specially spouses) experienced a sharp increase during the whole decade.

The temporary improvement in income levels between 1991 and 1994 was due to price stabilization achieved as a consequence of the Convertibility Plan implemented in 1991. Since 1994, however, successive economic crises –the Mexican crisis on 1996 and the recession experienced since 1998- resulted in a deep process of income deterioration. In October 2000 poverty achieved its highest level since 1991, affecting 20.8% of households and 28.9% of the population in the Greater Buenos Aires.[99]

In contrast with 1990, however, high levels of unemployment and a great expansion of labor insecurity now accompanied the extension of poverty. The percentage of workers earning the basic income needed to maintain a four member family decreased from 66.4% to 55.9% between 1994 and 2000. This means that 44.1% of those employed in October 2000 earned less than $500. At the same time, there was an increase in those making just enough to support two persons or even less, representing almost one third of the employed population in 2000. In terms of gender, income deterioration was sharper among men. The percentage of those earning enough to support a family decreased from 71% to 61.8% among males and from 50.1% to 47.2% among females between 1994 and 2000.

The most impacted by income deterioration have been the self-employed. On October 1994, 6 out of 10 self-employed earned enough to maintain a four family member; by the end of the decade this proportion had diminished to 4 out of ten. The percentage of unprotected wage-earners able to support a family

[99] INDEC-EPH, Información de Prensa, October 2000.

decreased from 41.2% to 35.3% during the same period, and from 71.7% to 70.3% among those with social benefits. Thus, those mainly affected by income deterioration have been precisely the most vulnerable segments of the labor market.

Table 4.15. Family Status by Income Deterioration, Greater Buenos Aires, 1990-2000

	1990			1994			2000		
	Head	Spouse	Child	Head	Spouse	Child	Head	Spouse	Child
Able to Support:									
Less than 1 person	0.1	0.2	-	0.6	5.8	2.9	4.1	8.6	9.6
1 person	9.0	23.8	22.2	4.1	13.6	9.4	7.2	16.1	14.5
2 persons	17.2	20.7	16.5	8.2	15.9	16.1	9.9	11.9	18.4
3 persons	21.0	16.5	21.4	11.5	16.1	22.3	11.3	12.6	20.1
4 or more persons	52.7	38.8	29.9	75.6	48.6	49.3	67.5	50.8	37.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: EPH (October)

The percentage of heads unable to support a four member family decreased between 1990 and 1994 -from 47.3% to 24.4%- increasing again to 32.5% in 2000 (Table 4.15). In contrast, those heads earning just to maintain two people (he/she and another person) or less increased from 13% in 1994 to 21% in 2000.

Among spouses, there was a slight improvement between 1994 and 2000; those making enough to maintain a family, increased from 48.6% to 50.8% during this period. However, there was growth in the percentage of those earning just to maintain themselves –equivalent to $151 in 2000- or less, which increased from

19.4% to 24.7%. While the former trend is showing an increasing importance of spouses income for the support of the family; the latter shows that in a context of high unemployment spouses are compelled to accept very low wages to compensate the loss or fall in the incomes of the main provider.

Children making just to maintain themselves or less increased from 12.4% to 24% during the decade, while the percentage of those earning enough to maintain at least a three member family decreased from 22.3% to 20.1%. The profound difficulties of children in the labor market can be interpreted in terms of a delay in youth transition, given the increasing difficulties of young people to acquire autonomy from their parents and live separately.

4.2.4. Unemployment and Unprotected-Wage Employment: A Regression Analysis

Logistic regression analysis on both unemployment and unprotected-wage employment confirms the differential impact of both employment problems on different categories of workers. Two models were constructed for each dependent variable (unemployment and unprotected wage-employment), including the same explanatory variables (Table 4.16 and Table 4.17). The first model (1A and 1B respectively) regresses "unemployment" and "unprotected employment" (both dichotomous variables: unemployed/non unemployed, protected by social benefits/non protected) on individual, household, and employment structure characteristics including a control variable for gender. The second model (2A and 2B) includes interaction terms between gender and individual and household characteristics. The individual variables included are gender, age, and education.

Household variables are family status and household poverty. Employment structure variables (economic sector and firm size) refer to previous occupation in the case of unemployment and to current occupation in the regression on unprotected jobs.

In terms of the vulnerability to each of the employment problems analyzed, regression analysis results show the following results. First, as previously stated, women are more likely than men both to become unemployed and to hold unprotected jobs if employed. Women are more vulnerable to unemployment than to job insecurity, with exactly the opposite occurring among males.

Secondly, children and spouses show the highest probabilities both for unemployment and lack of social benefits respectively. For heads, the likelihood of having precarious jobs is twice the probability of being unemployed. There is differential effect of family status by gender: the probability of heads to be unemployed is higher among males than among females. In contrast, the likelihood of being unprotected if employed is higher for female heads. Other household variables -not included in the model- such as the possible entry of other members into the labor market as well as family stage (age of children) are probably affecting the different results for male and female heads.

Thirdly, as expected, the youngest (15-19) and oldest (50-65) groups show the highest probability to be unemployed, the later being the most vulnerable group. Unprotected jobs, in contrast, appear to be less polarized in terms of age and concentrated in the youngest groups (15-19 and 20-29). The

probability tends to decrease in central ages, increasing again in those aged 50-65. The latter group, however, is more likely to be out of work than to be precariously employed. The effect of age on unemployment and lack of social benefits clearly differs by gender. Among the youngest (15-19 years), women have a higher probability than men of being unemployed. Exactly the opposite occurs with lack of social benefits, where the probability of having a precarious job is higher among men. The effect on unemployment of being 40 years or more is higher among men, showing that -as it has been previously mentioned- older men are among the most vulnerable groups to labor market exclusion. In contrast, with respect the lack of social benefits, the effect of being 40-49 is higher among women, while the opposite occurs among those older than 49 years, where the probability of being in a precarious job is higher among men.

Fourthly, those who have completed secondary school are the most likely to be unemployed, and those with university level the least likely. The coefficients for the lowest and highest levels of education may be indicating the already mentioned process of polarization of the employment structure that increasingly excludes those in the middle educational levels. In contrast, once in the labor market the probability of being excluded from social security is clearly higher among the least educated. Education also has a differential effect for men and women. Among females, the lowest and highest educational levels -primary incomplete and university respectively- decrease the probability of being unemployed with respect to secondary school. The effect on men, however, is exactly the opposite: having incomplete primary or a college degree increases the

probability of being unemployed. These results could be associated, on the one side, with the reduction of self-employment, and the high levels of unemployment in sectors such as construction, where the least educated segments of the male labor force are concentrated. On the other hand, the effect of having a college degree is probably related to the previously mentioned labor instability in the most advanced sectors, such as producer services and modern industries, where professional males tend to be concentrated. With respect to the probability of lacking social benefits, the effect of education on females follows the general pattern, that is, it decreases with the increase in educational attainment. In contrast, among men, college education increases the probability of being unprotected. These results may be indicating that the effect of education on the quality of jobs held by men is mediated by other variables, such as sector and size of the firm, among others.

Fifthly, as expected, poverty increases both the probability of being unemployed and excluded from social benefits. It is worth pointing out, however, that the causal relation here is not a simple one; that is, if poverty is explained by unemployment and precariousness or vice-versa. Other factors, such as the composition and size of the household, education, social capital, spatial segregation, and previous labor trajectories, among other factors, should be taken into account when explaining this relationship. The probability of being unemployed is slightly higher among poor males, while the opposite occurs with the likelihood of having a precarious job, which is higher for females (see Model 2A and 2B, tables 4.16 and 4.17).

Finally, the employment structure by sector show that the most advanced sectors, both in manufacturing and services –modern industries and producer services respectively- with the lowest coefficients for unprotected jobs, are also among the highest with respect to unemployment, after construction. Thus, labor protection and job stability do not seem to be necessarily related. Labor instability in these sectors -at least for the highest skilled- is probably associated with higher wages, which by no means is the reality among those workers employed in construction or personal services, where instability is associated with lack of protection and low wages. As expected, there is a negative relationship between firm size and probability of lacking social protection. In fact, the effect of size is higher in small-size firms. The probability of being unemployed, however, is higher in medium-size firms, and the differences in the coefficients between small and big firms are not as important as for labor protection.

Table 4.16. Logistic Regression on Unemployment, Greater Buenos Aires, October 2000

	Model 1A		Model 2A	
Variables	Coefficients	S.E	Coefficients	S.E
Intercept	-2.3522	0.00711	-2.1006	0.00803
Individual variables				
Male	-0.5118	0.00393	-1.2455	0.0161
Age: 15-19	0.3306	0.00740	0.4987	0.0107
Male*15-19			-0.3129	0.0149
Age: 20-29	0.19927	0.00488	0.1154	0.00686
Male*20-29			0.1579	0.00988
Age: 40-49	0.1877	0.00473	-0.0422	0.00665
Male*40-49			0.4635	0.00955
Age: 50 + years	0.4185	0.00482	-0.3021	0.00756
Male-50+			1.2771	0.0100
Primary incomplete	-0.1065	0.00618	-0.2652	0.0101
Male*Primary Incomplete			0.2718	0.0128
Primary Complete	-0.0531	0.00379	0.1189	0.00543
Male*Primary Complete			-0.2668	0.00742
University Complete	-0.9398	0.00715	-1.1138	0.00922
Male*University Complete			0.4871	0.0143
Household variables				
Household Head	-03559	0.00474	-0.2828	0.00596
Male*Head			0.1472	0.0151
Child	0.4643	0.00527	0.2084	0.00643
Male*Child			0.7838	0.0157
Poor.	1.1783	0.00337	1.1199	0.00512
Male*Poor			0.0783	0.00681
Employment structure Variables				
Traditional industries	0.5120	0.00696	0.4947	0.00699
Modern industries	0.6466	0.00641	0.6256	0.00644
Producer services	0.5232	0.00640	0.5116	0.00644
Personal services	0.4374	0.00581	0.4421	0.00590
Commerce	0.1307	0.00604	0.1118	0.00607
Construction	1.3002	0.00650	1.3265	0.00658
Transportation	0.1058	0.00745	0.0998	0.00747
Firms 1-25 Employees	-0.0281	0.00492	-0472	0.00493
Firms 101+ employees	-0.3559	0.00631	-0.1594	0.00635

Reference group: female, 30-39 years, secondary complete, spouse, non-poor, social services, firms sized 26-100 employees. All variables are significant at 1%.

Table 4.17. Logistic Regression on Unprotected Jobs, Greater Buenos Aires, October 2000

	Model 1B		Model 2B	
Variables	Coefficients	S.E	Coefficients	S.E
Intercept	-2.2420	0.0685	-2.1379	0.00829
Individual variables				
Male	-0.2450	0.00396	-0.3899	0.0151
Age: 15-19	1.9166	0.0103	1.5309	0.0157
Male/ 15-19			0.5869	0.0208
Age: 20-29	0.4208	0.00458	0.2065	0.00737
Male/20-29			0.3669	0.00944
Age: 40-49	-0.0626	0.00464	0.0381	0.00764
Male 40-49			-0.1919	0.0097
Age: 50 + years	0.1053	0.00490	-0.2697	0.00810
Male-50+			0.5571	0.0102
Primary incomplete	0.8552	0.00718	0.8893	0.0115
Male-Primary Incomplete			-0.0493	0.0148
Primary Complete	0.4266	0.00374	0.5122	0.00600
Male-Primary Complete			-0.0946	0.00764
University Complete	-0.00337	0.00538	-0.4168	0.00725
Male-University Complete			1.0294	0.0104
Household variables				
Household Head	-0.1693	0.00492	0.0886	0.00612
Male-Head			-0.3757	0.0142
Child	-0.0666	0.00548	-0.2081	0.00700
Male-Child			0.1892	0.0151
Poor.	0.8120	0.00430	1.3263	0.00828
Male-Poor			-0.6659	0.00980
Employment structure Variables				
Traditional industries	0.4172	0.00649	0.4205	0.00659
Modern industries	-0.3012	0.00617	-0.2583	0.00623
Producer services	-0.0625	0.00586	-0.0347	0.00593
Personal services	1.3393	0.00570	1.2851	0.00589
Commerce	0.4301	0.00524	0.4470	0.00532
Construction	0.9517	0.00742	1.0536	0.00750
Transportation	0.8687	0.00569	0.9132	0.00575
Firms 1-25 Employees	1.5823	0.00462	1.5869	0.00465
Firms 101+ employees	-0.1609	0.00594	-0.1977	0.00600

Reference group: female, 30-39 years, secondary complete, spouse, non-poor, social services, firms sized 26-100 employees. All variables are significant at 1%, except university complete in Model 1B, which is not statistically significant.

4.3. SUMMARY

During the 1990s the growth of unemployment was accompanied by widespread job insecurity expressed both in the rise of visible underemployment and in the increasing weight of unprotected jobs in wage-employment. The sharp increase in the levels of open unemployment were the result of combination of three main factors: fall in labor demand, increase in labor supply, and loss of dynamism in the informal sector as a result of shrinking opportunities for self-employment generation. Until 1993 the increase of unemployment was basically explained by the increase in labor supply. Since then, the growth of open unemployment was the result of both the evolution of the activity rate and the decline in labor demand. During the last part of the decade, however, in a context of economic recession and a stable labor supply, unemployment continued to increase, but now as a consequence of low employment generation and job destruction. The fall in labor demand was the result of the loss of manufacturing jobs due to the deepening of a de-industrialization process that began to decades ago and a strategy of productive restructuring based upon the incorporation of technology and employment reduction. While employment generation was concentrated in the service sector, it was clearly insufficient to offset job losses on manufacturing. In this context, the informal sector –as a consequence of the decline in self-employment- instead of operating as a "buffer' exacerbated the problem. These processes had strong and heterogeneous impacts on different categories of workers.

The deterioration of the employment situation of the heads of households resulted in a strong pressure of married women and daughters to compensate the decline of household income. Women, in increasing numbers tried unsuccessfully to enter the labor market, resulting in a sharp growth of female unemployment. In contrast, the deterioration of employment conditions grew faster among males, with an increasing incidence of unemployment among those in their middle ages. In general terms, unemployment among women was the result of their impossibility to enter the labor market, while among male was basically the result of massive layoffs and job destruction. Less and more precarious jobs were accompanied by higher educational requirements. Higher educational levels increasingly became indispensable for accessing to a scarce numbers of protected jobs, but by no means guaranteed getting a job, resulting in the rise of unemployment among the highly educated.

Chapter 5: Changes in Employment Status, Vulnerable Groups and Impacts at the Individual and Household Levels: A Panel Analysis

Changes experienced in the Argentinean labor market deeply impacted the structure of employment opportunities during the 1990s. High unemployment and the extension of job insecurity were the most visible expressions of the worsening of the labor market. On the one hand, for a vast segment of first time job seekers – especially women and young people- it resulted either in the impossibility of entry or in a precarious insertion once a job was obtained. On the other, those already in the labor force, experienced massive job losses and a sharp deterioration of labor conditions. The main attributes of those experiencing unemployment and labor insecurity, using cross-sectional data, have been described in the previous chapter.

A better understanding of the processes of becoming, remaining, or ceasing to be unemployed, however, requires a more dynamic analysis, able to show changes over time. Changes in employment status -from employment to unemployment and vice-versa- have an impact both at the individual and household levels.[100] At the individual level different studies have pointed out that the experience of unemployment has a long-term impact on job careers (Gershuny and Marsh, 1994; Layte et al., 2000). Two main issues deserve deeper exploration. The first one refers to the identification of those groups most vulnerable to changes in their employment status. The second question relates to the kinds of jobs leading to and obtained after unemployment. At the household

[100] Given that this chapter focuses on the unemployment of those already in the labor market, movements from and out of inactivity have been excluded.

level, the permanent or temporary exclusion of one or more members from the labor market, particularly when it affects the principal earner, has a strong impact on household well-being and on decisions about labor market participation of other family members. The main points to be explored here refer first to the impact of the unemployment of the head on household poverty and income levels, and secondly, to the employment strategies developed by the family to cope with financial hardship taking into account that social security for the unemployed is almost non existent.

Using panel analysis, this chapter focuses on changes in and out of employment during a one year-period, identifying the most vulnerable groups as well as the impact of these changes on subsequent jobs, household well-being and labor strategies.[101]

5.1. VULNERABILITY TO UNEMPLOYMENT AND LABOR INSTABILITY

During the 1990s, the growth of unemployment was accompanied by a sharp increase in labor instability. Between October 1999 and October 2000, 20% of the EAP experienced one movement in or out of employment, or more than one change (Table 5.1). If we add to this segment those who were unemployed during the whole year, during this period almost one fourth of the EAP (23.4%) of Greater Buenos Aires experienced unemployment, which is much higher than the mean unemployment rate for the whole period- 15.3%. By the end of the decade 3.1% of the EAP, and 10.7% of the unemployed had been out of work for more

[101] Longer-term changes, as well as impacts, perceptions and meanings attached to them, based on in-depth interviews with unemployed, are the focus of the following chapters.

than one year, a proportion that is certainly lower than in European countries, but particularly high in a context characterized by a very weak system of social protection for the unemployed.

Table 5.1. Changes in Employment Status, Greater Buenos Aires, 1999-2000 (Percentage)

Changes in employment status	
Always employed	76.6
From employment to unemployment	7.5
From unemployment to employment	6.6
More than one change	6.2
Always unemployed	3.1
Total	100.0

Source: EPH (October).

Men are more impacted by labor instability than women. As table 5.2 shows, 75.2% of males were employed during the whole period, against 79.2% of female. Moreover, the percentages of those moving out of employment and experiencing more than one change are higher for males. In contrast, women are slightly more affected by long-term unemployment than men. Thus, while over represented among the unemployed, once in the labor market women appear to be more stable than men.

Table 5.2. Gender by Changes in Employment status, Greater Buenos Aires, 1999-2000 (%)

Changes in employment status	Female	Male
Always employed	79.2	75.2
From employment to unemployment	6.6	8.1
From unemployment to employment	6.3	6.8
More than one change	4.7	7.0
Always unemployed	3.3	2.9
Total	100.0	100

Source: EPH (October)

Labor instability seems to be inversely related to age. Among the youngest group (15-19) only 40.5% remained employed during the whole year, while 15% experienced more than one change (Table 5.3). Among adult workers, those aged 40-49 are particularly vulnerable to becoming unemployed and less likely to re-enter the labor force. In fact, long-term unemployment, while concentrated in the younger groups, tends to increase for those aged 40 or more.

As table 5.4 shows, educational attainment is positively related to labor stability. Nine out of ten workers who had finished college education remained employed during the whole year. In contrast, those with the lowest educational levels (complete primary or less) were the most vulnerable to losing their jobs and to experience more than one change in their employment status. In contrast, long-term unemployment –while higher among the least educated- does not consistently decline with higher levels of education, the least affected being those who have completed primary education.

Table 5.3. Age by Changes in Employment Status, Greater Buenos Aires, 1999-2000 (%)

Changes in employment status	Age groups				
	15-19	20-29	30-39	40-49	50-64
Always employed	40.5	71.3	80.8	79.6	80.0
From employment to unemployment	14.6	8.6	6.4	8.1	6.0
From unemployment to employment	20.0	7.8	4.9	5.0	6.7
More than one change	14.9	8.3	5.9	4.8	4.5
Always unemployed	10.0	4.0	2.0	2.5	2.8
Total	100.0	100.0	100.0	100.0	100.0

Source: EPH (October)

Table 5.4. Educational Attainment by Changes in Employment Status, Greater Buenos Aires, 1999-2000 (%)

Changes in employment status	Educational Attainment			
	Incomplete primary	Complete primary	Complete secondary	Complete university
Always employed	72.3	71.7	79.0	87.8
From employment to unemployment	7.6	10.0	6.2	3.3
From unemployment to employment	5.9	8.2	5.9	4.0
More than one change	9.7	8.0	5.1	1.6
Always unemployed	4.5	2.1	3.8	3.3
Total	100.0	100.0	100.0	100.0

Source: EPH (October)

Poverty is clearly associated with labor instability and long-term unemployment. Among poor households, only 55.6% of workers remained

employed during the whole year, and 7.5% were always unemployed. In contrast, in households above the poverty line, 81.1% were always employed and 2.1% were long-term unemployed. Labor instability, while higher among the poor, is by no means limited to them. Middle-low and middle-income sectors are also prone to labor instability. On average, one fourth of those placed in the second and third quintiles of the income distribution did not remain employed during the whole year.

Table 5.5 reaffirms the profound labor deterioration experienced by heads of households that was pointed out in the previous chapter. When compared to spouses, heads are less likely to remain employed during the whole year, and more likely to experience more than one change in employment status. Long-term unemployment is also higher among heads. Children show the lowest levels of employment stability and the highest levels of long-term unemployment.

Table 5.5. Family status by changes in employment status, Greater Buenos Aires, 1999-2000 (%)

Changes in employment status	Family status		
	Head	Spouse	Child
Always employed	80.7	85.0	63.1
From employment to unemployment	6.5	6.1	11.4
From unemployment to employment	4.6	4.0	11.3
More than one change	6.1	3.4	8.0
Always unemployed	2.0	1.4	6.2
Total	100.0	100.0	100.0

Source: EPH (October)

High and middle service workers have higher levels of job stability. In fact, nine out of ten high and middle service workers remained employed during the whole year (Table 5.6). In contrast, job instability is concentrated in low skilled occupations both in services and manufacturing -i.e. unskilled manual workers, low services, and the non-professional self-employed. Those categories in the middle of the occupational structure –i.e. routine non-manual and skilled manual workers- are particularly vulnerable to changes in employment status. In fact, after the most unstable class –unskilled manual workers- these two categories show the highest percentages of those experiencing more than one change during the year under analysis. Routine non-manual workers are also the most affected by long-term unemployment, indicating their few possibilities of re-employment once losing their jobs -Table 5.6.

While secular trends contribute to explaining the increasing instability and unemployment of manual workers, in the case of Argentina sectoral re-composition has been clearly insufficient to absorb those expelled from manual occupations. In fact, industrial restructuring and sectoral change have meant that skilled and unskilled manual occupations have become both less numerous and more unstable (Layte et al., 2000). Social and producer services are the sectors most associated with job stability; 88.2% and 80.0% of workers respectively remained employed during the whole year. In contrast, construction, traditional industries and personal services, show the highest levels of employment instability. In construction only 51.6% were employed during the whole year

(Table 5.7).[102] Construction, producer services, and commerce show the highest concentration of workers in long-term unemployment (see table 5.7). Construction, in fact, is the sector with the highest percentage of overall unemployment.

Table 5.6. Occupational Class* by Changes in Employment Status, Greater Buenos Aires, 1999-2000 (Percentage)

Occupational Class	Changes in employment status					
	Always employed	From employment to unemployment	From unemployment to employment	More than one change	Always unempl.	Total
High service	88.8	4.5	3.0	1.6	2.1	100.0 (8.4)
Middle service	86.8	4.6	4.0	2.7	1.9	100.0 (30.8)
Routine non-manual	67.3	8.3	7.4	9.7	7.3	100.0 (10.5)
Small Employers	96.1	3.9	-	-	-	100.0 (4.4)
Skilled manual	72.8	8.1	7.3	9.4	2.4	100.0 (14.8)
Unskilled manual	50.9	17.4	10.7	16.8	4.3	100.0 (2.7)
Low service	68.5	12.6	6.6	8.3	4.0	100.0 (11.5)
Self-employed	68.5	9.9	10.0	8.5	3.1	100.0 (17.1)

Note: The category "occupational class" has being constructed on the basis of the schema of Erikson and Goldthorpe (1992), which combines position in the labor market and in the work place.
Source: EPH, October

[102] A recent study on non-permanent employment in the Greater Buenos Aires (Perelman, 2000) points out that the highest increases in the use of temporary contracts between 1995 and 1997 were experienced in manufacturing and commerce, restaurants and hotels, where they grew from 16.8% to 25.4% and from 7.4% to 15.2% respectively. In contrast, producer services was the only sector that maintained the same level of temporary contracts – 17% during the same period (Ibid).

Long-term unemployment in the case of producer services, whose overall levels of unemployment are lower, could be attributed to two main factors. First is the lack of dynamism in this sector in recent years. Secondly, are the increasing difficulties in returning to the labor market for relatively high skilled workers coming from better-paid jobs.

Table 5.7. Sector by changes in employment status, Greater Buenos Aires, 1999-2000 (%)

Sector	Changes in employment status					
	Always employed	From employment to unemployment	From unemployment to employment	More than one change	Always unemployed	Total
Traditional Industries	68.4	11.6	6.3	10.6	3.2	100.0 (5.4)
Modern industries	77.6	6.0	8.0	6.4	2.0	100.0 (11.9)
Producer Services	80.0	5.8	5.5	4.4	4.3	100.0 (12.3)
Social services	88.2	5.4	2.1	2.6	1.8	100.0 (22.5)
Personal services	74.0	9.0	7.2	7.1	2.7	100.0 (12.9)
Commerce	78.9	5.8	6.6	4.7	4.0	100.0 (13.7)
Construction	51.6	13.9	12.6	16.8	5.1	100.0 (10.3)
Transport.	78.4	9.0	5.9	4.7	2.0	100.0 (11.1)

Source: EPH, October

In sum, the panel analysis highlights the extent of vulnerability to unemployment, as well as the most affected groups. In the Argentinean context, characterized by high unemployment and adverse economic conditions, job

insecurity is generalized. Men, heads of households, adults older than 40, the less educated and low skilled workers, as well as those employed in construction, manufacturing and personal services are particularly vulnerable to unemployment.

5.2. MOVING OUT OF UNEMPLOYMENT: PREVIOUS AND SUBSEQUENT JOBS

The previous analysis has allowed us to identify individual and household characteristics associated with job instability and vulnerability to unemployment. This section, focusing on those individuals that during the period of one year have combined movements into and out of unemployment, explores the kind of jobs held before and after a period of unemployment.[103] The panel data for Greater Buenos Aires are clear evidence of worsening of labor conditions when comparing jobs held before and after experiencing a period of unemployment. In fact, the likelihood to improve labor conditions in subsequent jobs appears to be very low for the vast majority of workers.

When focusing on firm size we found a negative relationship between the size of the firm of the previous job and the possibilities of entering employment under equal or better conditions. As the size of the firm of the previous occupation increases, so too the opportunities of obtaining a job in a firm of the same size clearly decreases. In fact, only 5.2% of those who lost their jobs in firms larger than 100 workers returned to a firm of equal size when finding a job,

[103] Movements into and out of employment include four possible combinations: 1) unemployed in the first interview and employed in the two subsequent; 2) unemployed in the first, employed in the second and unemployed again in the third; 3) unemployed in the first and second interviews and employed in the third; and 4) employed in the first, unemployed in the second, and employed again in the third interview.

and 73% were employed in small or micro-size firms (see Table 5.8). Thus, we can assume –given the higher levels of precariousness in small firms- that at least seven out of ten workers who lost their jobs in large firms experienced a sharp worsening of labor conditions when regaining employment. The likelihood of finding a job in a bigger firm is clearly low for those previously employed in micro-enterprises (1-5): almost nine in ten workers returned to this kind of firm after a period of unemployment.

Table 5.8. Previous and Subsequent Job after Unemployment by Firm Size, Greater Buenos Aires, 1999-2000 (percentage)

Firm size of previous job	Firm size of job obtained after unemployment				
	1-5	6-25	26-100	101 +	Total
1-5	86.0	8.7	3.5	1.8	100.0 (54.8)
6-25	43.6	37.1	12.5	6.8	100.0 (23.4)
26-100	30.5	30.7	25.9	13.0	100.0 (11.8)
101 +	57.2	15.8	21.8	5.2	100.0 (10.0)

Source: EPH (October).

As different studies have shown, unemployment decreases the probability that one will change class categories into a more secure position (Gershuny and Marsh, 1994; Layte et al., 2000). There is a trend toward downward occupational mobility after a period of unemployment. Own calculations show that the process is clearer in the middle service class as well as among skilled manual workers.

Among the latter, 4 out of ten were either re-employed in lower-skilled occupations or became self-employed. Self-employment appears as the main destination for almost 40% of the unskilled manual working class, and for one fifth of those coming from the low services. In the current situation, self-employment could hardly be considered as an improvement in terms of occupational position. The deterioration of labor conditions and increasingly scarce opportunities in self-employment have resulted in a significant growth of labor insecurity and unemployment among the self-employed. Actually, more than one third of the self-employed became wage-workers when leaving unemployment. In contrast, less than 20% of wage-workers who lost their jobs became self-employed when moving back into employment.

Table 5.9. Previous and subsequent job after unemployment by social benefits, Greater Buenos Aires, 1999-2000 (percentage)

Previous job	Job obtained after unemployment		
	Without social benefits	With social benefits	Total
Without social benefits	55.5	44.5	100.0 (49.9)
With social benefits	74.6	25.4	100.0 (50.1)

Source: EPH (October)

The most evident sign of the downgrading in labor conditions after a period of unemployment is the loss of social benefits: 3 out of four wage workers who were protected by social security lost their benefits when moving back into employment (Tables 5.9). These figures, however, can be underestimating the

phenomenon, given that they exclude those wage-workers hat became self-employed after losing their jobs (18.3%) and they are not covered by the social security system.

Thus, in a context characterized by the low quality and insufficient amount of jobs generated, once losing a relatively secure job is very unlikely to maintain -and even more difficult to improve- previous labor conditions when moving into employment.

5.3. THE IMPACTS OF UNEMPLOYMENT ON THE HOUSEHOLD: POVERTY, INCOME, AND EMPLOYMENT STATUS OF FAMILY MEMBERS

Unemployment is not limited to an individual experience. Household well-being is usually a matter of resource pooling, and household characteristics are accordingly critical. The impacts of unemployment, however, will vary depending on the family status of the unemployed and on how important his/her income is for the support of the family. In Argentina, vulnerability to unemployment and the job insecurity of heads of household dramatically increased during the 1990s. This section is focused on the impacts of the head's unemployment on household poverty, income levels, and simultaneous or subsequent changes in the employment status of other family members.[104]

[104] With this aim I have considered those cases where the initial state of the head was employed, which includes two possible situations. First, the head was employed in the first interview and unemployed in the subsequent interviews. Second, the head was employed in the first interview, unemployed in the second, and employed in the third.

5.3.1. Unemployment and Vulnerability to Poverty

As some studies have shown the weaker the welfare state, the more likely it is that the unemployed will be income-poor (Bison and Esping-Andersen, (2000). In fact, panel analysis clearly illustrates how the near inexistent social safety nets for the unemployed strongly increase their vulnerability to poverty. As table 5.10 shows, less than one third of those households where the head became unemployed were not vulnerable to poverty during the period of one year. This clearly contrasts with those households where the head was always employed, 68.5% of which remained above the poverty line. At the opposite extreme, while 13.1% of households where the head was always employed remained in poverty, the percentage increases to 42.9% when the head had been unemployed. The percentage of households with head unemployed that fell in poverty was 20.7%, against 6.9% where the head remained employed.

Table 5.10. Vulnerability to Household Poverty by Employment Status of Head, Greater Buenos Aires, 1999-2000

Changes in household poverty	Employment status of the head	
	Always employed	Becomes unemployed
Never in poverty	68.5	31.8
Fall in poverty	6.9	20.7
Exit poverty	6.8	4.5
Always in poverty	13.1	42.9
Total	100.0	100.0

Source: EPH (October)

Table 5.11 focuses on those households that were either out of or in poverty in the first interview. Among those households that were not poor when the head was employed –first interview- 4 out of 10 fell in poverty after the head entered unemployment, against 1 in 10 where the head was always employed.[105] In those households already in poverty when first interviewed, 9 out of 10 of those where the head moved to unemployment remained in poverty during the whole year. Thus, while among non-poor households unemployment of the head sharply increases their vulnerability to fall in poverty, among the poor it reduces their likelihood of escaping from poverty. As table 5.11 shows, employment stability of the head clearly decreases household vulnerability to poverty.

Table 5.11. Impacts of Head's Unemployment on Poor and Non-Poor Households, Greater Buenos Aires, 1999-2000

Changes in household poverty	Employment status of the head	
	Always employed	Becomes unemployed
Initially non-poor		
Remains non-poor	91.0	60.6
Falls in poverty	9.0	39.4
Total	100.0	100.0
Initially poor		
Remains poor	66.0	90.5
Exit poverty	34.0	9.5
Total	100.0	100.0

Source: EPH (October)

[105] Spouse's unemployment seems to have a lesser impact on the vulnerability to household poverty: 76% of households that were initially non-poor remained out of poverty in spite of the spouse's spell from employment.

5.3.2. Head's Unemployment: Impacts on Household Income and Labor Participation of Other Household Members

While head's unemployment increases vulnerability to poverty, income deterioration appears as a generalized process regardless of the employment status of the main earner (see table 5.12). Fall in income levels is obviously deeper when the head is out of work; however, his/her permanence in employment, does not guarantee income stability.[106] Income levels decreased in 7 out of 10 households where the head experienced an unemployment spell and in 5 out of 10 where the head remained at work during the whole year (Table 5.12). The percentage of households that in spite off the unemployment of the head experienced an increase in their income levels (26.5%) could be reflecting, among other factors, that those heads currently unemployed were previously in low paid jobs and that other households members obtained a better paid job after his/her unemployment spell.

Table 5.12. Employment status of the head by changes in per capita household income, Greater Buenos Aires, 1999-2000 (%)

Changes in per capita household income	Employment status of the head	
	Always employed	Becomes unemployed
Income decreased	46.8	68.7
Income did not change	8.4	4.8
Income increased	44.8	26.5
Total	100.0	100.0

Source: EPH (October)

[106] It is worth pointing out, however, that we are just considering changes in household income, not the intensity of these changes.

In face of financial difficulties, household responses to "make ends meet" present differences depending on the employment status of the head. Sending more members to the labor market appears as a much more usual strategy among those households where the main earner is out of work: 76.2% of the latter against 18.4% where the head remained employed, increased the number of employed members (Table 5.13). As other studies (Altimir and Beccaria, 1999a) have pointed out, there is a strong association between the unemployment of heads and the increases in the activity rate of secondary workers.

Table 5.13. Employment status of head by changes in the number of employed members in the household, Greater Buenos Aires, 1999-2000 (%)

Number of employed members in the household [1]	Employment status of the head	
	Always employed	Becomes unemployed
Decreased	14.3	6.8
Remained constant	67.3	17.1
Increased	18.4	76.2
Total	100.0	100.0

Note: [1] Excluding the head of the household
Source: EPH (October)

Among those households where the head lost his job, 19.1% of the spouses became economically active –movements from inactivity either to employment or unemployment- against 9.4% when the head remained employed (table 5.14). The same trend, while less marked, is found in the number of children employed: in the former it increased 14.3% against 10.0% in the latter (Table 5.15). Among those spouses that were always employed, 33.7% increased

the number of hours worked. These trends support the hypothesis of an "additional worker" effect on labor supply, especially in female participation.[107]

Table 5.14. Employment Status of Head by Changes in the Employment Status of Spouse, Greater Buenos Aires, 1999-2000 (%)

Changes in employment status of the spouse	Employment status of the head	
	Always employed	Becomes unemployed
Always employed	27.1	31.7
Employed to unemployed	1.7	0.9
Unemployed to employed	1.3	2.9
Employed to inactive	5.9	1.7
Inactive to employed	7.1	15.6
Unemployed to inactive	2.9	2.2
Inactive to unemployed	2.3	3.6
More than one change	7.9	4.7
Always unemployed	1.0	-
Always inactive	42.9	36.7
Total	100.0	100.0

Source: EPH (October)

Household characteristics can operate either facilitating or limiting the possibilities of sending more members to the labor market. Having children below five years appears as an important limitation for spouse's entry to the labor market.[108] In fact, among these households, 7 out of 10 mothers remained always inactive and only 5% moved from inactivity to employment when the head

[107] In fact, as Davies et al. (1994) points out, the "additional worker" effect would arise if the reduction in household living standards associated with a rise in male unemployment led to an increase in the labor force participation of women or to an increase in the hours worked by working women, in an attempt to maintain household living standards.

[108] Age of children refers to the average age of children members living in the household. This variable includes three groups: 1) younger than five years; 2) 5-12 years; and 3) older than 12 years.

entered unemployment. In contrast, only 17.6% of mothers with children between five and twelve years old remained always inactive and 27% moved to employment. When focusing on households with children older than twelve we observe that in face of the lost of the head's job, children are more likely than spouses to enter the labor market. Actually, 27.4% of households increased the number of employed children against 11% where the spouse moved from inactivity to employment. Interestingly, there were no cases combining both alternatives (increase in the number of employed children and spouse moving out of inactivity), which may indicate internal household decisions, limited employment opportunities, or a combination of both.[109]

The increase in the number of family members, while more common among those households where the head became unemployed, does not appear to be a common strategy: family size remained unchanged in 77.2% of households, increased in 17.5% and decreased in 5%. Among households where the head remained at work the percentages were 83.7%, 9.8%, and 6.4% respectively.[110]

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[109] In fact, both women and young people are overrepresented among those unemployed that are first time job seekers.

[110] In fact, Isla et al. (1999) point out that complex households in Argentina are the result of economic pressure, given that, in contrast with other Latin American countries such as Mexico, they do not represent a desirable form of household organization.

Table 5.15. Employment Status of Head by Changes in the Number of Employed Children, Greater Buenos Aires, 1999-2000 (%)

Number of employed children in the household	Employment status of the head	
	Always employed	Becomes unemployed
Decreased	7.6	8.5
Remained constant	82.4	77.2
Increased	10.0	14.3
Total	100.0	100.0

Source: EPH (October)

Among those households that were initially out of poverty, the increase in the number of employed members appears to be an effective strategy to avoid falling into poverty when the head becomes unemployed. In fact, 63% of the households that put more members in the labor market remained out of poverty.[111] In contrast, where the number of employed members remained unchanged, 3 out of 4 of households with an unemployed head fell in poverty. When the household is already in poverty, sending more members to the labor market does not appear to change the initial situation. In spite of increasing the members in work, 8 out 10 poor households remained in poverty.[112]

The employment status of the spouse appears to be particularly important in reducing household vulnerability to poverty. Dual –or multiple- earner units are

[111] Bison and Esping-Andersen (2000) assert that the best edge against poverty for the unemployed is to have employed relatives, or to be blessed by a strong welfare state. The latter, obviously, is not the case of Argentina.

[112] The increase in the number of employed children follows the same trend: among those households that were initially out of poverty, 8 out of 10 augmented the number of children in work. In spite of sending more children to the labor market, 7 out of ten poor households remained poor.

less at risk of poverty than single earner families, particularly when the head becomes unemployed. Actually, spouse's job stability has a strong impact on maintaining the household out of poverty. When the spouse is always employed, 75% of households that were initially non-poor did not fall in poverty in spite of the head moving out of employment. Moreover, 7 out of 10 spouses that remained always employed in non-poor households increased the number of working hours.

Change in the employment status of the spouse from inactivity to employment, while important, is less significant than employment stability for maintaining the household out of poverty. Among those households initially non-poor half of them remained out of poverty, while the other half fell in poverty. In those households that were already poor in the initial situation, 8 out of 10 remained below the poverty line in spite of the spouse's insertion in the labor market. The inactivity of the spouse, however, seems to have a stronger impact on the vulnerability to poverty: 7 out of 10 households where the spouse remained inactive fell in poverty, and almost 9 out of 10 remained poor.

The increase in the number of employed members does not seem to be enough to avoid a fall in income when the main earner moves out of employment. Income dropped in 55% of households in spite of sending more members to the labor market. Interestingly, the entry of children into the labor market seems to have a stronger effect than spouses for improving income levels, what occurred in 44% of households increasing the number of employed members: while income levels increased in 38.5% of household where spouses moved to employment, they grew in 61% of households that increased the number

of employed children. It is worth pointing out, however, that labor market participation does not constitute the only possible source of changes in household income.

5.4. SUMMARY

The previous analysis has shown the importance of employment stability for household well-being. In fact, the unemployment of the head sharply increases the vulnerability to poverty and leaves poor households trapped in their initial situation. The most effective strategy to avoid poverty –but not to exit from it- seems to be the increase in the number of employed members in the family, where the spouse's employment becomes particularly important. Putting more members in the labor market as a device to cope with financial hardship however, is not is not an easy one in the Argentinean context. The smaller family size in relation to other Latin American countries and high widespread unemployment seems to impose important limitations on this kind of responses. Moreover, even when households are able to increase the number of members at work, this by no means guarantee the household well-being, given that the kind of available jobs are mostly insecure and bad paid. Panel analysis has also shown a marked process of downward mobility after an unemployment spell: once losing a relatively secure job is very unlikely to maintain –and even more difficult to improve- previous labor conditions in subsequent jobs. These processes, however, require a longer-term perspective able to show the impacts of unemployment, and in general terms of the worsening of the labor market on people with different kinds of labor

trajectories. Moreover, it is expected that the previous labor history will affect the way in which people perceived, experience and cope with unemployment. Labor trajectories, perceptions, impacts and household responses to unemployment are the focus of the following chapters.

PART II: THE EXPERIENCE OF UNEMPLOYMENT IN A CONTEXT OF UNCERTAINTY

Chapter 6: Labor Trajectories of the Unemployed: Gender and Class Patterns

The analysis of labor trajectories enables us to understand the present employment situation not as an isolated event, but placed in a particular history where individual, historical, and social processes converge.

The extension of vulnerability to unemployment and job insecurity among vast segments of the working population makes it difficult to identify the types of labor trajectories more prone to unemployment. In contrast with other studies, which demonstrate a causal chain linking origin to occupation and occupation to unemployment (Gershuny and Marsh, 1994), the labor and life histories of the people interviewed indicate that the second link of the chain –which relates occupation to unemployment- appears to be weaker in the Argentinean case.

The exploration of job histories represents a necessary step in showing both the variation in the unemployment experience and the dynamic character of unemployment. The argument here is that previous work experience will impact the way in which unemployment is experienced and perceived, as well as the availability of resources and strategies to cope with unemployment. Moreover, a longer-term perspective of the working lives of individuals provides a broader picture of the real impacts of unemployment on subsequent labor careers. While it is widely recognized that unemployment tends to result in a process of downward

mobility, the intensity of the decline will vary according to the type of jobs previously held, earnings levels, and job satisfaction attached to them. At the same time, labor histories appear to be the most accurate research strategy for assessing the real impacts of macro processes on ordinary people, which, as the interviews clearly show, are by no means homogeneous for different social groups.

I focus on broad categories such as class and gender as the most useful parameters for analyzing the labor trajectories of the unemployed.[113] They allow flexibility in the analysis, diminishing the potential bias of forcing complex labor and life histories into more limited analytical categories.

6.1. INITIAL STATE: HOUSEHOLD OF ORIGIN, EDUCATION, AND FIRST JOB EXPERIENCE

A first step in analyzing labor trajectories is related to the initiation of work careers. A complex combination and intermeshing of factors, such as class and family background as well as education affect the first job experience. Household of origin can operate either as initial advantage or disadvantage in the first entry into the labor market. Entering the labor market is a crucial step in individual's life history, affecting the work history and consequently his or her

[113] I will concentrate on the two classes most impacted by unemployment, the working class and the middle class. Working class, refers to a heterogeneus group, also called popular sectors in the Latin American literature, which is basically made up by manual occupations, including blue-collar workers, self-employed (both craft and low skilled workers), unskilled workers such as laborers, street vendors, service workers, and domestic servants; in general characterized by low educational levels (less than secondary school) and craft skills. Middle-class is basically a cultural category, based on self-identification, mostly made up of non-manual occupations with educational qualifications such as professionals and semi-profesionals, small-scale enterpreneurs, owners of small stores, and white-collar workers.

overall life opportunities (Barbieri et al., 2000). In general, it marks the rest of the working life –either as the first step in a stable and upward labor career or as the beginning of a trajectory characterized by job insecurity.

6.1.1. Entering the labor market: The working class experience

Interviews show that, in general, those coming from poor households grew up in large-size families. Many of them lived in one-parent families or were raised by another family member –mostly grandparents. Internal migration –with or without their parents' family – appears as another shared characteristic of this group.

Most of their parents had very low educational levels (primary or less) and worked in low-skilled manual occupations, both in rural and urban activities. Blue-collar jobs among fathers were mainly concentrated in metallurgical activities, meat-processing plants, and railways[114]. The self-employed fathers worked basically in construction, and craft manual jobs such as carpenters or polishers. Mothers, in general, were either housekeepers or worked in domestic service, cleaning, and garment housework.

Those coming from somewhat better-off households come from smaller families and internal migration, while present, is not as important as among the poor. In general, parents' educational levels are low, but especially the fathers tended to be higher skilled and with more stable labor careers, both among blue-

[114] In Lanús, the repair garages of the railway used to be a very important source of employment in the local labor market.

collar workers and self-employed. Mothers' employment, in general, showed the same pattern as in the previous group.

Among working class interviewees, early entrance in the labor market –around 14 years old- results in general from the pressures to contribute to the family pot while still single, making them leave the school system. In the case of women, family responsibilities –such as looking after younger siblings or early pregnancy- represent a crucial factor for leaving school.

> When I was 16 I started [working] at the Capital, I used to work as a live-in maid …I attended [Primary School] up to 7th grade.[…] No, I didn't go on…No, I didn't go on studying…because my dad didn't…he didn't…he would lose his job and I had to work, I was the only one who worked and the only one who brought some money…I had to start working and help them[…] From 12 to 16 years I used to stay at home, I helped my mom…to take care of my siblings." (Ana, 28, I 6, Varela)

Most of them left school after finishing primary education or dropped out of high school after two or three years [115]. School and work appear as mutually exclusive activities, either because of long working hours, distance –in terms of time and costs of transportation- and/or lack of family support for remaining at school. Work appears as having a clear priority over education.[116] Together with

[115] Before the reform of education implemented in the mid 1990s primary school was seven years and secondary school five years.

[116] Various studies show that the value attributed to education differs by social class. In the case of Argentina, Urresti (2000) emphasizes that among popular sectors school never was as decisive as work, and when decisions have to be taken the balance tips in favor of work. This clearly contrasts with the high pressures for remaining at school that middle class households exert on their children. Focusing on Britain during the 1950s and 1960s , Furtlong and Cartmel (1997) assert that in contrast to the perception of education among working-class youth as irrelevant to their future as manual workers, those coming from middle-class backgrounds tend to develop an awareness that the maintenance of their social and economic advantages was partly dependent on their educational attainment.

the economic pressure to enter the labor market because of household needs, school does not appear to be relevant for their future labor careers. In fact, many of them entered the labor market during a period in which low-skill jobs were still in demand and school credentials were unnecessary for obtaining them.

> […] I didn't go on [studying] High School because I had this problem that my dad couldn't support me financially and if I studied I could not work, do you understand? […]After you are 14 or 15 years old you have to be eight, nine hours at your job"…(Ricardo, 43, I 5, Lanús)
>
> When I arrived here in Buenos Aires, I attended school one year more and then my mom sent me to work at a family home [as a domestic servant]…when I was 14 because I was a grown up and… it was like that, my brothers used to work at factories… But the fact is...I didn't like [school] , you start going out with boys and I don't know... to play hooky, and there was more playing hooky than going to school…at my home school was important... that is, it was important, but if we didn't want to study we had to work. Jobs were very easy to get then…(Norma, 50, I 24, Varela)
>
> I didn't go on [studying] High School because I used to work, I don't know, I guess it was like I didn't feel or see as I see and feel now, I didn't feel I needed to study in order to survive, because I thought I would manage just with the job I had."(Santiago, 29, I 25, Lanús)

Among males the occupation of the father or of other family members not only plays a decisive role in the first work experience, but also marks their whole working lives. In fact, a common trajectory is to enter the labor market as assistants of their fathers or other family member in self-employment activities or as apprentices in small firms or workshops, becoming independent after learning the craft.

> I used to attend [Primary] school and I used to go to learn [how to knit], I was finishing 6th grade, I think, at the time, I finished when I was almost 14 years old, and I went to Berazategui, to one of my cousins', to learn machine-knitting… I learned machine-knitting, my dad bought me a machine when I was 15. And…I went on [working] with it. I took the knitting machine there [to my cousin's], the industrial machine, a Nº 8 machine...we used to knit for wholesalers…there I talked to my cousin's wholesaler and I came to work to my home. I brought the machine and I started working on my own; I didn't know much but…I started making sweaters…[as a] manufacturer for a wholesaler. (Damián, 54, I 15, Varela)

> When I was about 16 years old I gave up studying and I began to work as a furniture polisher, I gave up studying then and I got down to work to the full. Through one of my relatives I began to work at a furniture factory, I became a furniture polisher, I learnt the craft and then I set up on my own, when I was 18 I set up on my own as a furniture polisher." (Raúl, 48, I 17, Lanús)

> I used to live in Rafael Calzada, when I was 14 years old I came here and here I started to work with my brothers, who worked in construction ...I was still working with my brother... I was 18 years old when I went to live together [with my girl friend] and I was paid as a laborer, you see. It wasn't enough, obviously it wasn't enough to support my family...Later on, after several years I set up to work on my own. Sure, to work on my own, you see, and then, more or less"…(Agustín, 39, I 36, Varela)

Together with domestic service garment factories used to be an important point of entry into the labor market for young women with low educational levels, especially among those entering during the 1970s and early 1980s and living closer to the capital city.

6.1.2. Entering the labor market: The middle class experience

Middle-class households of origin in my sample were, as expected, smaller than in the working class. Many of their parents were European migrants and/or lived in Buenos Aires city or on the outskirts of the city. While parents'

educational levels are higher than in the previous group, the main difference refers to their occupational stability and mobility. In fact, most of those in wage-employment –especially fathers- worked during their whole life for the same employer and in the same firm, many times experiencing upward mobility during their labor careers. Self-employment appears to be more formalized than in the previous group and concentrated in small businesses –commerce, textiles, transportation, etc. Dual earner families, while not generalized, were more common than among those coming from working class households. Working mothers were mostly employed in white-collar jobs or developed their own small businesses.

Those coming from middle class households - especially women - tend to enter later into the labor market in general after finishing high school. Among those leaving school during adolescence, most of them studied in private vocational schools –where they acquired administrative skills, such as accounting and typing- and/or finished their studies during adulthood. In contrast with working class households, school appears both as a previous and necessary step for entering the labor market and as a main channel of social mobility. In fact, those who dropped out clearly remember their parents' attitude toward education:

> I was, I guess, 14 or 15 years old, I wasn't doing well [at school] either, because I didn't pay much attention to it…and *all right*, I gave up studying and my dad, I always remember what he said to me 'It is a great anguish what you are causing me, a great sorrow, but, all right, if you want to quit studying the only thing I tell you is that here I don't want anyone idle, in the sense that I don't want you to stay at home and clean the house, because I don't need you, we don't need you to clean up. I want you to go out to work, not for me but for you, to see the world and to see life [as it

> is]. It is not that easy to enter the labor market without degree studies of some kind, as I couldn't manage to do it'. (Violeta, 41, I 15, Lanús)

> I dropped out of High School in third year and I went to study to the great schools Pitman […] It is not that I didn't like it [school], the problem was that, for example, my dad was one of those Italian immigrants that hadn't been able to finish their studies themselves and so his idea was that I had to finish some kind of degree studies. And then I couldn't understand that saturdays and sundays, after I had studied and worked I couldn't go out, because he wouldn't let me, and I wouldn't see any friends. So I got sick and tired and felt I had had enough of him.(Marcelo, 50, I 16, Lanús)

In contrast with low-income sectors, the first job experience neither results from the necessity of contributing to their parents household income nor from school drop out. In general, the entry into the labor market appears a matter of choice than of constraint. Most of the middle-class interviewees began working because they *wanted to have their own money*, using their income either for personal expenses or for their own family projects. Parents' marital break-up accelerates entry into the labor market.

> Oh no, I didn't used to contribute any money at home, oh no, not before getting married. No, no, I used to buy the stuff that was for our married-life-to-be because we got married with our little appartment all settled. We were engaged two years before we got married. (Marisa, 41, I 13, Lanús)

> I started to work when I was 16 years old, a little before my parents got separated. I got a job at a perfume store in Lanús…serving the customers…At home we had a lot of family problems and financial problems then, so it was like trying to become independent instead of quarreling with my parents […] Look, practically, I tell you, I didn't contribute but I didn't cause any expenses, either.[…] We used to make a living on my mom's incomes.[…] No, no, it was my own decision [to start working], yes, yes…"(Graciela, 39, I 14, Lanús)

For middle class males who entered the labor market at an early age – before 16- their first job experience did not have a strong impact on their subsequent labor careers. As many of those coming from poor households, these interviewees began their trajectories as laborers or apprentices in small neighborhood businesses –such as bakeries, grocery stores, or small workshops. However, in contrast to those from poor households, most of those from middle class households moved to formal and stable jobs after finishing their secondary or post-secondary studies.

Middle class origin women tend to enter the labor market in formal jobs such as salesclerks in small retail stores or as clerical workers. Among young women –below 30 years- casual jobs (such as sales promotions in supermarket chains or shopping centers) or working in a family business appear as the most common first job experiences. Subsequent trajectories among married women – both among low-income and middle-income sectors- are strongly intermeshed with their family stage and husband's employment situation.

6.2. CHANGING JOBS [117]

After describing the "initial state conditions" there are two main questions that deserve special attention in the analysis of labor trajectories. Firstly, the point is to explore to what extent certain labor careers anticipate present unemployment. Secondly, given that all the interviewees have experienced at least one

[117] Changes in employment status include movements into and out of employment, as well as movements into and out of the labor market, change of employer or change in job description while remaining with the same employer.

unemployment spell during the last 10 years, the question is to identify previous unemployment experiences and the differential impacts of adverse economic circumstances on employment status according to gender and social class.

Changes in employment status during the working lives of the interviewees appear to be the result of several factors. While changes in the structure of employment opportunities certainly play a key role, they are not the only factors intervening in job changes. Actually, the kind of jobs performed - formal/informal, stable/temporary, skilled/unskilled, internal labor markets, etc.- social networks, the stage of the domestic cycle, marriage break-up, and migration, among other factors help to better understand the changes experienced in an individual's employment history.

Previous chapters show that women's participation in the labor market is strongly related to the family cycle and characterized by an intermittent presence in the labor force.[118] Changes in women's employment status are less clearly defined than among men. While men rarely define themselves as non-employed, in women's accounts non-employment and unemployment are more likely to be considered as non-exclusive categories. Married women's movement in and out of employment is quite complex, and while strongly influenced by their child-care responsibilities, their trajectories are far from being homogeneous. The generalized conception of women as "secondary" workers tends to hide the complexity of their working lives. Consistent with other research studies, female

[118] In general terms, women with children tend to present a U-shaped employment pattern: full-time employment until the start of the family cycle, then withdrawal and gradual re-entry (Yeandle, 1984; Dex and Shaw, 1986; Gershuny and Marsh, 1994).

interviewees show important differences according to their social background. [119] However, even when the latter helps us to identify general trends, it should not obscure intra-group differences.

6.2.1. Working class males

Working class male interviewees, in general, spent most of their working lives in the labor force either as self-employed or alternating self-employment and wage-work -both formal and informal. Their trajectories tend to show higher levels of instability than their middle class counterparts and are mostly concentrated in middle to low-skilled jobs.

Together with these common characteristics, job histories show important nuances among them. In fact, the self-employed craftspeople that maintained the same occupation during most of their labor careers, accumulating considerable skill levels and developing a good reputation in their crafts, appear to be better prepared to cope with shrinking employment opportunities than those that did not develop specific skills due to multiple employment changes –basically in easy entry jobs.

Agustín and Oscar, respectively, are paradigmatic cases of both types of trajectories. Agustín (39) has primary education. He is a skilled construction worker who has been in the same activity since he was 14.

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[119] Regarding women's labor participation in Buenos Aires, Cerrutti (1997) points out that in contrast to middle class married women, who are more likely to have a long-term participation in the labor market, women coming from low-income sectors tend to change employers more frequently, and to spend less time in the labor force.

> [...] I like working in construction, I like it, I like it in my heart. I am an *oficial albañil* [skilled construction worker] and… this is something I did all my life and at home, for example, I have made everything by myself, and I like doing this, I watch how something is done and then I come home and I do the same, you see, I keep on […] I have always worked..let's say...in *changas* [odd jobs]…always, building, repairing houses, whatever…Specifically no [never looked for another kind of job], because so it happens to be that people say I work well, so I always get my little jobs.[…] I won't tell you I earn loads of money but, say, I get my 100 or 150 pesos a week. And in one way or another I have always managed, all my life, like this…More or less, always this or that little job, always like that, all my life…" (Agustín, 39, I 6, Lanús)

Oscar (33) in contrast, completed secondary education but has changed jobs almost every year since he entered the labor market when he was 18, from packing, painting, construction, to blacksmith, among other activities.

> Now I am getting ready to look for a job, but what I lack are references…because let's say…I don't have any receipts as a proof given by former employers [..] what I lack is, let's say, some kind of labor record, that is the problem I have, […] so I don't know how I'm going to do, I'll have to get myself a little job, any kind of job, where I am not asked for labor records or experience, either […] I don't know where to make for […] the only thing left for me is to look for a job where I am not asked to fulfill so many requirements, let'say […] I don't know, a job where much experience is not required, and nothing like that, because I have no specific experience in any…I have had many different jobs, do you understand? Now the problem is I never remained steadily at any…[…] Actually, I have always been unstable, I do not remain long […] let's say...I go wherever...I've got no problem, *me doy maña para todo tipo de trabajos* [I manage any sort of jobs]. (Oscar, 33, I 23, Varela)

For unskilled workers, informality certainly does not represent a break point or a step downward in their labor careers, but the only available employment opportunity during their working lives.

> After the newspaper and magazine market…I started working in construction …must be because it was the only kind of job there was available, I don't know, or the only kind of work where…if you don't know anything...well... you'll end up accepting whatever there is available, like construction, or may be another thing...I would have done the same, you know? *you don't choose*"…(Antonio, 42, I 3, Varela)

For others, however, self-employment appears as a preferred "option" as compared with low paid jobs in the formal sector. In some cases, the value given to independence and autonomy and the possibilities of earning higher incomes than in wage-employment contributes to explain changes in employment status. Nevertheless, the stage of the family cycle appears to erode the value attached to self-employment. In fact, interviews show that during the first stages of the household cycle, income stability and social benefits provided by formal jobs – even when low-paid- are more valued than independence and autonomy.

Esteban (27) began working with his father after finishing primary school.

> I have always worked in sanding floors. Well, I worked in Coto [a supermarket chain] a couple of months, cleaning up…three months, more or less…That was in 1992, eight years ago, more or less, and I left, because... I had long hair and I didn't want to have it cut, and at the time, there were many jobs, you could more or less chose then, so I left and I got down to work in sanding, which was what I liked and what best suited me.

Soon after, he married and had two children, now aged 7 and 4. In 1997, he worked for one year at the Municipality of Florencio Varela as a maintenance worker, pruning trees and assembling canopy frameworks to be used in official ceremonies, earning a monthly income of 240 pesos.

> Actually, they came looking for my father to work for them, and he didn't want to, because as I say to you, he is used to, all his life, he is used to work on his own and earn his own money, I don't know, they told him 'you will earn this much', and he didn't want to hear about that , least of all having a boss. So they asked me and as I had the children, I don't know, then I said 'I'm going to try, anyway, it is not much [money], but it is secure.(Esteban, 27, I12, Varela)

Moreover, many workers used to combine formal jobs and self-employment to make ends meet.

> I have always worked in painting... whenever I have an opportunity...Even when I used to work *efectivo* [stable and formal]. When I was on vacation in my [stable] job, I would take a little job, just not to stop, it is always an extra income"…(Ricardo, 43, 7 children, I 5, Lanús)

While in general most of working class interviewees did not experience upward mobility in terms of their social class status, their accounts show that income stability and/or better earnings in a context of a more dynamic labor market allowed them some improvements in their living standards, basically related to housing conditions and an increase in their consumption of household-related goods.

> Some twenty years ago, say, there was plenty of work [in construction], the ones who wanted to work got a job, there was plenty of work and the wages were high, although in that job you've got to work your butt off, as in everything else, you see, because there are no easy jobs. […] Yes, yes, [I could build my own house], I won't tell you it is a great house, but I have my own house, I have 3 rooms, the kitchen, and I have all the comforts that I can have, that is, a fridge, a TV set, a large stove." (Agustín, 39, I 6, Lanús)

> When I got a good job, I worked at the Club Ferrocarril Oeste [a football club]. I worked during six years at the Club Ferrocarril Oeste. Before that, until 1990, when I got this permanent job, I had been doing *changas* in painting. There [at Ferrocarril Oeste] I started as a maintenance worker…to cut the grass of the football field, to clean up. Afterwards,

> when I had been working there for almost a year, I was appointed to the job and was put in charge of the club laundry room [...]working twelve hours a day from Monday to Saturday. Twelve hours, but I had a salary that…And at the time, look, I am talking about no less than 1,500 pesos [monthly]. Yes, that way I could…oh well, actually, we had already bought a house with my wife, and thanks to that job I changed it for a better one, to make some progress, you see, to have something bigger…Selling the one I had, I made a down payment and then I had to pay the difference through monthly installments." […] (Ricardo, 43, I 5, Lanús)

Among unskilled workers their permanence in the labor force was the result of their "flexibility" about the types of jobs they were willing to take. Multiple factors appear to intervene in their job changes: dismissals, resignations, better income, end of a temporary job, migration, work accidents due to unsafe conditions, mistreatment, etc. The social networks developed during their work careers are dispersed, and, while helping to cope with instability do not allow them to obtain better jobs. In times of shrinking employment opportunities, however, even the most "flexible" employment attitudes do not help to get a job

This is clearly the case of Luis (45), who worked in a vast variety of low skilled jobs (from canning factories, construction, bakeries, trash collection, and toilet cleaning) accompanied by multiple experiences of internal migration. For the last three years, since he moved to Florencio Varela, he has been a beneficiary of a public employment program (Plan Barrios Bonaerenses) with scant prospects of moving into work

> A *changa*, say, you are going to take this *changa*, cutting the grass…and you are charging them 10 pesos for that...No, then comes someone else who will cut the whole field for 2 pesos; so, no, they knock you down that way, do you understand?…Besides, watch it, if you go and look around you'll see that there are people thumping each other for 2 pesos, to mow

> the lawn at somebody's house….Me too, I have a gasoline lawnmower, but no, it doesn't pay off. Before, last year, I used to mow the lawn regularly for several customers, not now though, there's nothing ... Right here , at family homes, and now I have lost…I don't know how this year is going to turn up, there are too many people mowing the lawn…You see there's no work to do, may be you go to the Capital …Cleaning firms yes, I looked around several of them, but you may retire, you may die and they won't call you up…" (Luis, 45, I2, Varela)

Short-lived and low-paid jobs have been increasingly accompanied by longer spells of unemployment. Among those with higher levels of participation in formal (or quasi-formal) wage-employment, job changes during the last decade far from being "voluntary" were in general the result of bankruptcies, massive layoffs, the end of temporary contracts or of agency jobs. Economic recession since 1998 has worsened even more the employment situation of these workers, who have entered in a spiral of precariousness in which jobs obtained –when obtaining one- do not guarantee even basic levels of survival.

Orlando (44) is an internal migrant from Santiago del Estero, who arrived in Buenos Aires when he was 14. He did not finish primary school. He worked for two years in a small metallurgical firm, first cleaning and then as a welder assistant. After this, he worked for six years in a depot of soda doing delivery, and for two years doing the same activity in a depot of salt. In 1984, when he was 28, he began as an operative in a big ceramic-coverings factory of 1,300 employees in Lanús, where he worked for 12 years, until it went bankrupt in 1996.

> Nothing, nothing, they gave us no severance pay at all, nothing, nothing…, that was it…they said they were in debt with the bank and everything [the firm's assets] everything was sold by auction…After the factory went bankrupt I was a whole year without getting a job, absolutely idle… And afterwrads, *changas*, and more *changas*, only, *changas* in

> construction …In 1998 I had signed up at an [employment] agency, here in Lanús, as there was not a better way. Through this agency I was taken on out there in Ezeiza…at a plastics factory, the powder to make plastics was produced there and I stayed one year there…We were 12 [operatives] and there happened the same that had happened here. It was one Friday, the supervisor came at 8.00 and said 'Guys, I've got some news for you...Take all your belongings'... everything, everything, don't leave anything, because the factory closes down.' The [plastics] factory shut down, too…No, I was not paid severance, as I had been hired through the agency they didn't…We were all out of work again…and then, from 1999 on... there we didn't…And we stayed that way, I am that way now, looking for a job, there's no work, you can't get a job. […] The last job I had, some twenty days ago, was a job in construction at a family house, as a bricklayer laborer…And now no, I don't have... am idle…Nothing, no, so far, nothing…it is a very difficult [situation]. (Orlando, 44, I 4, Lanús)

Anselmo (43) began working at 12, after finishing Primary School. His first job was as a street neswspaper boy. After this he had several jobs (ice-cream delivery boy, dishwasher, and operative in a small factory of septic tanks). When he was 22 he began as a trash collector for the Municipalty of Lanús where he worked for 5 years, until 1985 when he was fired.

> Because the tender term was over…I lost my job…it was around 1985…And there I went to…I got a job in a builder's yard… I loaded the trucks, I did all the loading, I stayed one year there…They went bankrupt…Then I went to work in another depot of building materials…in the Capital …and there I stayed 4 years…Well, then...during the times of inflation …as we were the new ones and they had to get rid of some people because nobody knew for certain what was going to happen […] Then I got a job in a supermarket, a self-service grocer's in Lanús…I must have been there a little more than three years…they had problems so they they began to fire people because they were about to close down, so they fired me…Twenty days later I got a job at another supermarket, self-service, too, next to the one that had shut down. They [the owners] knew me…Must have been there more than 5 years, because afterwards they shut down, too…I worked unloading [goods]…also supplying goods on the gondolas and even making errands as an office boy…That way I must have worked until 1998…I lost my job and I am unemployed since then

> up to the present…[…] Since 1998 I am here, at this Lanús subsidiary branch…football subsidiary branch of Lanús…I am in charge of the physical training, and [they pay me]…as much as they can…because there are kids that can't afford the monthly fees and I don't know…And 160 pesos a month, at least…apart from that if I do *changas* …For example, to go to a depot to unload stuff, or anything…bricklayer laborer, laborer worker, no, not as a bricklayer laborer, only as a laborer worker may be…once or twice a week sometimes…Around 20 pesos, 20 pesos a day…There's no other…(Anselmo, 43, I9, Lanús)

Parallel to the destruction of formal jobs, economic restructuring and adjustment seriously limited the possibilities and conditions of self-employment.[120] Interviews show that the difficulties for developing self-employment activities come from different sources. On the one hand, paradoxically, increasing deregulation or "informalization" of formal employment due to reforms in labor legislation, was accompanied by mounting pressures on the self-employed to "formalize" their activities, pushing many of them either to subsistence activities or out of the labor market. The obstacles for developing informal activities were sharper for those working in the capital city, where the possibilities of evading tax obligations, at least for micro-businesses, became increasingly difficult.

> Yes, yes, I used to work in the Capital and I got a number of jobs in the Capital, but what happened? The time came when you had to have…because there was coming… how do you call it?, the IVA [Added Value Tax], all that, you had to have receipts and invoices to hand in if you were working. You weren't allowed to work, if they got you working without all the requirements you were fined, because payments and

[120] The previous chapters show that employment opportunities in the informal sector shrink in parallel with the increase in unemployment in the formal sector.

> documents had to be up to date... and I am not contributing for my retirement, I am not contributing for anything […] We were always three or four working. […] Sure, a little firm, say, but we couldn't afford the payments required, you see, it was impossible. […] Now, if you want to work in the Capital you've got to have everything up to date, you've got to have an employment notebook, you've got to have IVA receipts and printed invoices, everything. Yes, yes, so much so [this "killed" me] that I couldn't work any more in the Capital …I started working around here in Lanús, you see, I came to the province. Yes…sure, that meant a decrease in working [opportunities]." (Agustín, 39, construction worker, Interview 6, Lanús)

On the other hand, the opening up of the economy had devastating effects on those working in small-scale activities for the internal market. The indiscriminate entry of imports resulted in the disappearance or profound deterioration of certain occupations, whose skills became "obsolete" in the new economic context. Those who remained in their crafts descended to the lowest levels of the subcontracting chain, with the consequent impacts on the quality and quantity of jobs available to them.

Damián (54) is a knitter. He has a small workshop at home. In the older times – and when younger –he used to alternate self-employment with formal blue-collar jobs and employment agency work as a way to cope with temporary slowdowns in textile activity.

> I have been a knitter since I was 14 years old…When I didn't have work to do and I had some money…at older times, years ago I used to have some money… and I used to buy the material and I would go and sell [the goods] from house to house, I did a self-employment job, right? And with that [I made a living] the whole season, I didn't even work for the manufacturers, but for myself and I did well, I did much better…but not now, because importing is open and what happens to all these little workshops? They are finished, they disappear…people…it is not profitable to manufacture the garment but to buy it already manufactured

> and sell it instead, it is much cheaper that way …so you don't… you're discouraged to manufacture and to sell of course […] Nowaday with the knitting machine... may be 3, 4 months [I survive by means of] a few *changas,* like now, until some time ago I have been making sweaters for the security guards, but the season is over, so I have no job anymore. For [supermarket] Disco, but through third parties, I didn't work directly, like I used to, directly for the manufacturer, but I worked for someone else and I made the cloth only, now I've got no job, you see, I'm unemployed.(Damián, 54, I 15, Varela)

Younger workers with low-educational levels and outdated skills, where retraining policies are almost inexistent, tend to be confined to the most insecure and lowest paid jobs.

Santiago (29), worked during 9 years in a small workshop of toy-parts, until 1994.

> They opened the imports and I lost my job.[…] Yes, it closed down. These machines were hand operated, now everything is computerized already, it has nothing to do […] Imports entered and so we couldn't get along…

After this, he has been doing *changas*", first as a construction laborer, and now delivering pizza.

> […] Since I lost my job, in 1994 [I have been going] from bad to worse […] I had never handled a spade nor anything like that before, my life was…concentrated there, there wasn't any outside activity, I didn't know how to handle a spade…anything, I couldn't do anything else. […]Since I lost my job I never had a salary again, that is to say, at the end of each month I have an *x* amount [of money], I've been always doing *changas*...(Santiago, 29, I 25, Lanús)

Income deterioration, regardless of occupational category and previous jobs is a common trend, basically since the mid-1990s. On the one hand, in face of a strong decline in the demand for their services –mostly coming from an

impoverished middle class - self-employed workers had to sharply reduce their expected earnings to gain potential clients, becoming extremely "flexible" about the levels of pay they would be willing to accept. On the other hand, wage earners were constrained to accept wage cuts –for the same or more working hours- to keep their jobs or to take much lower pay than in their previous employment when finding a job. Each change in employment status has become a step downward, both in the quality of labor conditions and of life.

> You don't earn enough... what has changed is the fact that you can't fix the price, you fix the price but they [the customers] finally pay what they want, and if you refuse, you lose the job and you have to accept […]That is what is happening now, the people at their homes, they paint by themselves and that's it. They won't mind if it is [done] "pi-pi cu-cu" [perfectly] as it used to be, because [to paint] a room, for example, you have to apply some smoothing-down material, and that makes one room [painting] cost about 100 or 150 pesos, and now you have to do it for 20 or 30 pesos, and what is your profit? Sometimes we are working for 10 pesos a day…Before, when I worked, I used to make 50 pesos a day, that is 300 pesos a week, and now we don't even make 100 pesos a week and you have to work your butt off […] yes, you have to accept it now, but it was not like that before, before, when you gave an estimate they would say yes or no and that was it […] They would not haggle, or if they didn't accept the price you asked then you could go and get it [that price]somewhere else…That's why I tell you, we are making 10 pesos a day…we can't work for less than that, to work 8, 10 hours for 10 pesos, it is too little!!!what do they want? Do they want to give us 5 pesos? What do we do with 5 pesos? If I give you 10 pesos each day you survive somehow, it's enough for food, but it is not only food you need, how can you dress the children? How can you dress yourself?" (Ricardo, I 5, Lanús)

> "That is, he [my husband] used to work in soda delivering, with a man of our acquaintance, right?The man, who was the owner, and two other employees and my husband.... What happened? Sales began to decrease, so their wages began to be cut down…You see, he used to get…he started with 150 pesos a week, that was an excellent wage, then it was cut down

> to 100 pesos, then from 100 to 80 pesos, then from 80 to 60 pesos…he ended up getting 40 pesos a week, that was so...(Lidia, 29, I 20, Lanús)
>
> Monthly [with bricklayer work] I used to make an average amount of 1,500 pesos more or less, 1,500 pesos a month…After 1995…Yes, yes, yes, I use to earn much less than that, it decreased a lot, about a 50 % of what I earned before, it was not because…it was not so much for the money I could earn, but for the lack of jobs, the lack of jobs […] I would take intermittent jobs, little jobs, more or less, I don't know, one *changa* a week may be, and that was an average of 500 pesos a month, if I got that amount! […] So, then, one day [here at school] they needed a doorman and they decided to call me, to see if I wanted to work, and when they told me what the wage amounted to... I felt almost like crying, you know, but…what could I do, there wasn't anything else at that moment, so here I am…and now [I get] 390 pesos, that is my pocket wage (Raúl, 48, I 17, Lanús)
>
> [Now]…there is less work and…you must charge smaller amounts, too, you have to charge less to be able to work, isn't it?" (Esteban, 27, I 12, Varela)

6.2.2. Working class females

Labor trajectories of low-income women respond to a complex intermeshing of limited employment opportunities, family responsibilities, and household economic needs. The initial disadvantages that characterize their entry into the labor market tend to deepen during their working lives, further limiting the range of labor market "options" open to them. Pressured by the necessity of contributing to their parents' household income, they leave school when very young and begin working either as low-skilled factory workers or domestic servants. Their first job experience tends to be soon interrupted by pregnancy and marriage. Most of them fell pregnant without planning, and the decision of marriage or cohabitation is usually a consequence of pregnancy.

The difficulties of combining paid and domestic work come from multiple sources: number and age of children, child-care difficulties, opportunity costs[121], and/or traditional perspectives on the gender division of labor. The latter involve basically a husband's negative attitudes toward his wife working out of the home as well as conceptions of the domestic division of labor, particularly related to child care, which is usually perceived as a mother's responsibility.

> I quit working because…he wouldn't…he wouldn't let me. Since I got married, 12 years ago, I never went to work, never, would we do well or badly, as it were, I never went to work. "(Elisa, 33, separated, 4 children I 19, Varela)

Conceptions on gender roles, however, far from being static and monolithic, tend to vary according to the economic situation of the household, especially the husband employment status. In face of the employment instability of male heads, women earnings become an essential contribution to the family income –if not the only one- resulting in longer stays in the labor force or in movements to employment when out of it. Nevertheless, and consistent with other research studies on low-income sectors (Jordan et al., 1992) women tend to define themselves primarily in terms of their care-giving role and only conditionally as earners, even when they become the main economic providers of the household.

Marcela (46) is mother of three, aged 21, 18, and 10. After eight years of working in a small garment textile workshop in Florencio Varela, she moved to work at home independently as a knitter when she got married, at age 22.

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[121] Given that the kinds of jobs these women can access are in general very low paid, sometimes the costs of working outside home (i.e. transportation costs, child-care, etc.) are higher than the potential earnings the could obtain.

> Sure, because I was educating myself, like, I didn't want to have a quarrel with my partner, so…

She explains the "advantages" of working at home in the following terms:

> Sure, it was more profitable, it was more productive, more profitable…while the children sleep, I get down to work, while the children are at school, 4 hours, 5 hours, I get down to work, so it is about the 8 hours time, instead of being outside I am at home, and when my children come back I put my knitting away and I become the mother and the wife…

However, five years ago her husband had a work accident and lost his job. Since then, they live with the earnings she obtains from working "out" of home – as a baby-sitter or doing casual work in a steak house. At the same time she continues knitting while at home.

> Why that change? Because, say, because I have more chances. In what sense? Why did I change things? Because I've got more chances to work than my son can have, because being 18, he has no experience. Where can he go?…So, it is easier for me if my son stays [at home] with his sister and I get the money to support the family. When will that stop? When he gets his job.[…] My husband…First, he is 50 years old, you see? Second, he has this physical problem. So, this encouraged me […] And it has been 5 years since I maintain my home, since the accident, before that I did it if I wanted to, otherwise I didn't, working was different, not now. (Marcela, 46, I 29, Varela)

Labor participation of married women does not necessarily result in dual-earner households. In some cases husband and wife tend to alternate the role of main providers. Many women move into the labor force when their husbands are out of work, and quit again when they find a job. In these situations women's

earnings do not appear as a way to complement husband's low levels of income, but to guarantee at least one source of income in the household.

Rosa (28) lives in Florencio Varela and has two children aged 5 and 3. Since she was 15, she has worked intermittently in domestic service.She quit her job when she got married, six years ago.

> "[…] I quit because I already, I don't know, he told me to quit…because he was working and doing well, I don't know, I quit […] I must have gave up for a year or so, and then I continued […] because afterwards he didn't do well at work, money was never enough and […] the fact is that it there's always something you need […] I used to work at different houses, although it was not something permanent...that always... […] And that job my husband had, it was by contract, and the contract term was over, so I began to work again…And that time I must have been working about 3 months, more or less, because after that it was difficult for me, because of the child…as he started kindergarden it was difficult for me to bring him up here, it was too hard a task to come up here, because kindergarden begins at 9 am and that was the time when I had to be at work…And so I quit, not long ago. […]And now, [as I am not working], it's been…let's see…It's been 4 months since he got a job, so it is more or less […] No, no, he doesn't tell me [that I should go out to work], I, directly…no, I don't want to…you see, I know we need [money] because we have to pay for this or that, the taxes, and the kids, you see, we don't want to be hard-up, and I don't know, I try to stand by him, we must help each other, and… because we are all by ourselves, the two of us. (Rosa, 28, I 20, Varela)

After childbearing, and especially when children are below 6, employment "choices" tend to be limited to easy entry and exit jobs in the informal sector, due to the difficulties to deal with more rigid and longer working hours- such as factory work. In parallel, economic restructuring, has further reduced the employment opportunities for low-educated women, and factory work –one of their few job opportunities in the formal sector- is increasingly

disappearing as an alternative, even for young and single women. Domestic service and cleaning jobs, street commerce, and assembly work at home –from textile and clothing activities to paper bags- appear then as the only kind of jobs these women can obtain. The possibility of working out of home, basically when children are in pre-school age, is highly dependent on familial care, usually their mothers and sisters. When children grow older –especially daughters- they become responsible of looking after their younger siblings while their mother is working. Paid care is completely out of their economic possibilities and public child-care facilities are so scarce that it is almost impossible to rely on them. Transportation costs and the time needed to commute if working in the capital city, tend to limit women's employment alternatives to the local labor market, which is a major disadvantage for those living in more isolated and poor neighborhoods.

Changes in marital status also represent an important factor affecting women's trajectories. Labor participation tends to be longer because of widowhood or separation, when women's earnings become the main (and mostly the only) source of household income –either because their children are still too young to enter the labor market or because they cannot find a job.

Margarita is a paradigmatic case of the complexity that characterizes the labor careers of many of these women. She combined different types of jobs during her working life: from factory work to unpaid family work, from self-employment to domestic service. Family responsibilities and conflicts, conceptions of the gender division of labor, the impacts of economic restructuring

and recession, and a process of cumulative disadvantages in a context of high unemployment constitute convergent factors in the explanation of her present employment status. She is now 41 years old and entered the labor force when she was 15. She worked for five years as a manual worker in the garment industry, first in a factory and then in a small workshop, until she got married. She had two daughters, now aged 20 and 18.

> I used to work checking the garments and …then I got engaged, then I got married…when I was 20 years old…and then I gave up working…After I got married I stopped working… I began to work with my husband, as he had his workshop at home, I worked with him…I used to make leather bags and as he had the workshop he used to take in work, too, and we worked together and there was no need for me to go out to work […] No, no, he didn't want me to go out to work, although there was some need for it, yes, but he didn't…and …you know how they are. To avoid problems you better stay and... but…no, since I was married I never went out to work.

After 15 years of marriage, she decided to separate.

> "[…] Because he drank, we were not doing well then…When I separated, I tried to go on working according to my skills, leather goods workshop, to make bags, to go out and sell them and, somehow I got along doing that…I made the bags at home […] what happened was that my uncle helped me, lending me the money to buy an industrial machine for this kind of job, and then I started to manufacture the bags by myself: bags, handbags, purses, all that kind of things that I could make, and [I had my] customers, whom I visited and I made a living on that…I used to move around this zone, not the Capital, but this zone [Lanús]…I used to visit the stores [to sell my goods], I made my goods and I sold them, and so I …[…] No, I stopped doing that…No, because everything collapsed, there are no sales, there are no sales, this is getting worse all the time, from bad to worse; now they bring imported merchandise and you have to sell cheaper. And then you can't, you simply can't compete with someone who is bigger and comes from outside…And…I was for, say, 3 years I must have been with [this job of] the bags, , and then I didn't…"

Since then she works in domestic service three days a week in the Capital city. She lives with her two daughters, and her mother (74), who has no pension benefits.

> About looking for a job, yes, yes I do it, that is, I would like to have another job for the other two days of the week, you understand? Because you find it difficult to make ends meet, with two girls and all that, you see? No, no…[…] The youngest is attending High School, and the oldest finished High School, and is looking for a job but she doesn't get one […] had she found a job things would be different. (Margarita, 41, I 8, Lanús)

Re-marriage sometimes means new exits from the labor force. The movement from working "out" to working "at" home tends to result in a deterioration of the already precarious previous employment conditions, both in terms of earnings and kind of jobs performed, in general highly monotonous and meagerly paid. Moreover, it seems to have a strong impact on the way women define their own employment status.

The following case is a clear example of how the intermeshing of structural and family constraints result in highly unstable labor trajectories. Family breaks, age of children, work accidents, transportation costs, and sexual harassment appear as some of factors intervening in job changes.

María is 36 and mother of three (14, 3, and 6 months). She dropped out of High School when she got married, at the age of 15. She moved with her husband, who was 18, to Buenos Aires city where he worked as a building caretaker. She began working when she was 18 as a domestic servant. She had her first child when she was 22, and she separated 6 months later.

I found him with another woman, and I brought my daughter, my stuff, and I came, and I stayed 3 months more with my baby girl, here in Varela […] I was 23 years old. After that I stayed at home with my mom until the girl was 9 months, and then I went to work as a live-in domestic servant. I worked at the Capital for 2 years as a live-in domestic servant, because my parents had no other income…At the beginning I separated without any legal procedures, so the [girl's] father would send her [some money], or he wouldn't, because he did as he pleased […] Then I left, because Romina was about to start kindergarden, and all that, and I wanted to be…at least a little more time with her, and I went to work for a cleaning firm…I stayed with them one year and a half, then I quit, and I went to work for another cleaning firm […] And this…was about 1990 or 1991, when you could still change jobs easily. And then, when I was working for this other firm I fell down one day, when I was working…waxing the floor, I slipped and fell down so badly that I hit my spine and had to stay at home 6 months without working […] All right, then the firm's social security service [or work-accidents insurance] paid my salary during those 6 months, and then they waited for me one month more, but afterwards they said that, unfortunately, if I couldn't get back to work I would have to be fired, and finally they fired me […] [Actually I got back to work] but they would send me [to work] to far-away places each time […] I had to pay for my bus tickets and I didn't finish until 10 PM […] All right, I continued for some time, but it turned to be too difficult because they didn't want to give me a closer place to work at […] All right, then, and I quit that job…I was already 30 years old. Afterwards I used to do hour-working […] in Buenos Aires, always there, because here they paid too little. And that was, say, about 1992 or 1993, because after that, in 1993, I got a job and started working for the security firm of the Zoo, in Buenos Aires, and I stayed there 6 months, that is 2 contracts of 3 months each […] Watchwoman, I had to watch the entrance, so that the people wouldn't get inside with plastic things, that type of…contracts were for 3 months only, they wouldn't take on anyone through permanent appointment, only by temporary contracts. After that I went to work to another cleaning firm […] Well, there I had a problem with a man caretaker, I slapped him in the face and I was fired immediately […] Because I was cleaning up and he came and …touched me…you know […] That was in 1994, and then I met my partner and I didn't work any more…Because we went to live together and we used to do well with the money he earned, and so he would say to me 'Why should you work if we manage all right.' […] Let's say, these were not the kind of jobs you had

> to go out, but the kind of jobs you could do at home: to make little bags, stuff more…I…all right…an income, a job outside…say, you see? That kind of job: to make plastic garbage bags, or cardboard bags…[…] Yes, 20 cents, or 10 cents each bag, depending on the size, because… if they were envelopes there were envelopes, too they paid 1 cent of peso each…and Mario [her husband] used to make some *changa* that would come up. (María, 36, I 1, Varela)

In contrast with men, whose work lives appear to be more affected by occupational characteristics, women's trajectories show permanent and conflicting pressures towards paid jobs and family care. While labor instability appears in general as a shared feature among men and women coming from low-income sectors, the factors intervening either in their permanence or exit from the labor force clearly acquire different forms and meanings during their trajectories.

6.2.3. Middle-class males

Certainly, initial advantages, basically in terms of social and human capital appear both to facilitate the access to better jobs and to smooth subsequent labor careers. In fact, labor trajectories of middle class males interviewee are in general stable and in the formal sector of the economy. Many of them also experienced important levels of occupational upward mobility in terms of pay, autonomy, variety of tasks, and levels of responsibility. In contrast with the labor trajectories of their working class counterparts, in general characterized by multiple break points, among middle class males, it is possible to identify a decisive break point, which tends to coincide with the loss of their formal and stable job. In most cases their histories have a clear *before* and *after*. The loss of a

stable job tends to be the consequence of massive layoffs due to the privatization of state owned companies and bankruptcies and plant closures in the private sector the early 1990s. Re-employment resulted in general in an increasing process of deteriorating labor conditions, where each change in employment status results in a new downward step in the occupational structure.

In face of the impossibility to find a job according to the skills levels and experience accumulated during their labor careers, most of the interviewees had to completely change their previous occupation after becoming unemployed. Their age at the moment of moving out of work, the availability of different kinds of capital, and the employment status of other family members –mainly of spouses- appear as key factors in the explanation of their re-employment experiences.[122] The latter, far from showing an optimistic panorama, are like snapshots of the deterioration and decline of the middle classes in Argentina.

Self-employment appears as the most common "alternative" followed by those who lose their jobs in their middle ages. However, far from becoming relatively "successful", the experiences of those following this road resulted in a chain of successive failures.

> It happened to a guy, swell, he was delighted, he bought himself two cars and put them down to work […] In two years time he lost everything. Another guy in Morón… he bought a plot of land at a corner, he built premises to let, but he couldn't manage to rent them. He set up a kiosk in one of the premises, the one at the cross-streets and he was robbed 15 times, until they finally ransacked the kiosk completely: they lifted the metal shutter, they cleaned out the place, taking everything, and so he said 'That's it.'"(Gabriel, 50, I 26, Lanús)

[122] The importance of the different kinds of capital (social, financial and physical capital) as well as the employment status of other household members is analyzed in the following chapter, which focuses on the strategies developed to cope with unemployment.

The 1990s contrast with previous decades, when small-scale commerce represented an alternative path of upward mobility among the middle classes -or at least a way of maintaining their standards of living- during. In a context of almost permanent economic crisis, these kind of activities had in general an ephemeral life, resulting in the progressive exhaustion of savings and other sources of capital. Many of those that failed in previous attempts finished as taxi-drivers or *remiseros*. Today one can easily find at least one *remiseria* per block when walking in the Greater Buenos Aires neighborhoods.

Marcelo (52) is an Italian immigrant who arrived in Argentina with his family when he was two years old. His first job was at 11, in a bakery shop, where he worked for 6 years. He dropped out of High School but obtained a diploma in accounting and typing.

> "[…] When I went to sit for the examination, which was to be done downtown, I passed it with excellent marks and they got me…they had an employment agency…And all right, I asked for a job and I started working at this firm.

He began working for a grain export firm, where he developed a long and upward labor career.

> It was an Italian firm, dealing with grain exports. When I started, the firm was initiating its activities […] First I worked with the files; then I began to control the invoices; then, slowly, I began to…when they began with the first grain purchases, I used to deal with the applications in the contract records. […] And that way, I went slowly upwards, step by step, […] up to the time when I used to deal with the whole merchandising system, that is, from the purchase [of cereals] to the final settlement of the business operation…I don't know which was the precise moment when they decided to computerize the whole system […] I was put in charge of that computerized system, I was promoted, I was raised hierarchically and they raised my salary…

His ascendant career was interrupted when the firm went into bankruptcy and he was fired, in 1993, after 32 years working for the company. By the time the firm closed down he was 45 and was earning 4,500 pesos a month. Soon after that, with the money he had received as severance pay, he and two other co-workers decided to open a "maxi-kiosk" in a prime location in Buenos Aires downtown.

> Sure, *to start again from the beginning*, we didn't know the first thing about the cost of sweets and candies, or cigarette purchase and delivery, not even the brands of cigarettes were familiar to us…"

After four years, with no business partners and the impossibility of meeting outstanding expenses, he had to close down.

> […]With the maxi-kiosk we started swell, because there were no other kiosks nearby, so we did well…but afterwards, as time went by, other similar stores opened, until there were four [kiosks] on the same block, so…[…] I couldn't make the numbers fit, I had to pay the 2000-pesos rent plus the energy, gas and telephone bills […] the moment came when …I didn't do well, at all, besides I was robbed, and…well… I sold it.

Then he opened a poultry store, which lasted just one year.

> […] All right, I learned how to prepare *milanesas*, I learned how to cook and how to bone chicken, everything related to chicken […] we didn't do well at all, besides we were robbed.

Since then he works as a taxi-driver with a rented car.

> Then I started to look for a job again, I said to myself 'What should I do, what shouldn't I do?', so I decided to get the professional driver's license and…I started to look for a job as a taxi-driver or driver of any kind, but I couldn't find anything, because the top age required was 35 Now I rent a car and…but the car is under my charge 24 hours, although I only work 21 […] Some days I bring 20 pesos, some days I bring 10, or 30 pesos […] and before I didn't used to work on Sundays, since I was doing fine, more

> or less, but now I have to go out on Sundays, too, because during the week…(Marcelo, 52, I 16, Lanús)

Conscious of the risks of losing everything in a highly unstable economic environment, others were inclined to take more "conservative" decisions. Frustrated in their search for a suitable job according to their previous experience and skills, some "opted" for working as self-employed craft-people. Retraining, in general, was the result of their individual initiative and effort. Their fate, however, was not much different than those taking more risky decisions. The excess of labor supply in these activities and the increasing legal and tax requirements for independent workers highly reduce the potential returns coming from self-employment.

Gabriel (50) began working at 22, immediately after graduating as a merchant navy officer. He worked for 19 years in the former state-owned navigation company. He enjoyed advantageous labor conditions and experienced an upward occupational career.

> […] I served aboard for seven years […] and I said enough, enough of shipping at least, because I stayed at the same company […] They were very good wages […] after the top position of general manager, there were the managers, then the assistant-managers, the department heads…I came to be a department head, that is, four levels [down] from the top…

The "good times", however, were about to cease and the company shared the fate of most state-owned firms.

> In theory, the person that had been appointed auditor of the company had this goal: to make the company "stay afloat"; but what he actually did was "sinking" the company – a maritime expression -, in fact the firm was disintegrated, gradually disintegrated […] On the one hand they demanded more efficiency, but…when we were working efficiently, there was

> always something that didn't work all right, so, there was a lack of coherence in all that, and there came the voluntary retirements and I left […]

However, finding a new job was much harder than expected. The first year after his "voluntary retirement" he tried unsuccessfully to get a job that matched his skill-level and previous experience.

> I felt lost for about one year, because really after 20 years at the same place, even when I am known, and I visited many places trying to find a job within the same field…but in 1992 I was 42 already, 41 years old, and at that time a drastic decrease in the top-age was beginning.

He began working as a self-employed electrician and plumber, experiencing multiple difficulties and frustrations in face of an increasingly adverse economic context. His initial expectations, in a context of narrowing employment opportunities, clearly began to slow down.

> […]I started dealing with a different type of activity, having in mind a builders' firm; I had some experience, having worked here at home, where I managed to make many things by myself and…all right I got myself down to work in construction. […] I started working with the women architects who had directed the building of my house…I did some electricity and I took courses on plastic piping, and other courses in order to open up the range of possibilities and I was hired to fit the plastic piping in some big constructions […] Afterwards that was over, too, that is, at the present I work as an electrician but…there's not much to do[…] from 1993 to 1998 I would take whatever was offered to me […] until that was over, about 1997 and 1998…when there began to appear the "multiple-firms", that is, someone who could make a small capital investment would set up a firm [dealing with electricity, plumbing, gas fitting, etc.], paying awfully low wages to their employees […] so, for example, I would give a customer an estimate and may be a builder's firm would give an estimate three times lower than mine [for the same job] and that kills you, that kills self-employment.

Moreover, when employment opportunities are so scarce, the costs of formalization are clearly higher than the potential benefits.

> […] The problem is that all the people working in the trades involved in construction, like the electrician, the plumber, the gas fitter…all of them, have got to be registered now, have to have a registration; to work in some constructions, according to their size, these people are required to have a registration…[…] No, no, I am not registered, because you have to pay for the registration and… if there's no work to do…what will you pay the registration with?…And…lately I must be making 300, 400 or 500 pesos a month. (Gabriel, 50, I 26, Lanús)

In contrast to the previous two cases, Omar (36) continued as a wage worker after losing his formal and stable job at 28 years. His difficulties for finding a job, the kind of jobs obtained, and the increasing length of unemployment spells show the real dimensions of the deterioration in wage-employment and of the contraction of work opportunities during the last decade. After 14 years working as a railways employee he lost his job before the company was privatized. Since 1993, when he had to accept "voluntary retirement" he has experienced a continuous process of downward mobility and labor instability, even though most of the jobs he obtained were in the so-called "formal sector". After working in the most diverse kind of jobs, from operative in a drugs company, cook's assistant, toll road cashier, painter, security guard, and cinema extra, he has been out of work during the last two years. He is now a "discouraged" worker.

> […] First I used to be a ticket-seller, after that I worked as a help-assistant and then as an assistant at the ticket-office, and then [finally] I became a caretaker of the same railway company office […] *When I got my voluntary retirement there began the martyrdom.* Why? Because I had been working for the railway company for 14 years and I had lost contact

with the outside world; I didn't see the problems I would face. The problems had just started then, now we are right in the middle of it […] So, what happens? At the beginning I used to choose 'This I won't do, nor that', and then, when I saw that I wouldn't get any job at all, I accepted whatever was available […] All right, after [my job at] the railway company the first job I had was at a pharmaceutical products laboratory. As everywhere else…contract over and [I was] out. […] After that it was a bit more difficult to get a job. I got a job in an activity I enjoy, I don't know if I am naturally bound to it or not, which is cooking. I like cooking and I started to work at Catering Buenos Aires, where they cook the meals for airliners […] When I started they told me that it was only for 3 months, they said 'high season term, and that's it, OK?' […] So, after those 3 months, everybody was dismissed. [Between jobs] I must have been [unemployed]…several months, little more than before, not quite as much as one year; may be 4 or 5 months […] Then I used to do *changas* jobs…but the fact is *changas* …there are fewer and fewer. I used to do some painting,…I used to fit tongue-and-groove-board wooden floors, but that…once in a while. *We used to charge low prices to retired people, so that they would hire us, but now they say 'No, my grandchildren will do it.', and so not even that*...[…] After that, it got harder […] it was in1994, I guess. Harder and harder. I was jobless for about 8 months, and I was desperate…and then I got this job at the Highway Buenos Aires-La Plata […] I worked there as a cashier, a toll cashier… I stayed there 1 year and 2 months […] I had a tough row with the supervisor…and the following night I was fired […] I was making 950 or 1,000 pesos there, I was earning good money […] Much more than in previous jobs, I had been earning less than 500 pesos.[…] Very soon after that, I got a job as a security guard, which is something I'll never do again, mind you!, because you have to cope with any kind of bullshit […] You find all kinds of people there, Armed Forces retirees, security forces retirees, nuts and little nuts of all sorts […] and all right, I resigned. I stayed [working for that firm] 6 or 8 months…I earned 600 pesos monthly, more or less.[…] All right, and then the last job I had, you will laugh at it: did you watch that film La Furia, starring Diego Torres? If you watch that film you'll see me there, working as an extra, as a movies extra […] And that was 1998, I guess. [How come I got that?] Desperation. […] All right, since then I have been unemployed, it's been 2 years or 2 years and a half now […] Nothing, afterwards. *Afterwards it has been harder and harder, all the time*..." (Omar, 36, I 29)

6.2.4 Middle class women

The trajectories of middle class women present particularities that make them different both from middle class males and from their counterparts in low-income sectors. On the one hand, given that women's trajectories tend to be more unstable than those of men the identification of breakpoints tend to be less visible and affected by a complex intermeshing of factors, in general related to the length of their periods in and out of work, the kind of jobs performed, the stage of the life cycle, and changes in marital status. At the same time, even among those with more stable trajectories their possibilities of upward occupational mobility appear to be much more restricted than among their male counterparts. On the other hand, in contrast with low-income women, middle-class female participation in the labor market tends to be less intermittent and in more rewarding jobs, either as wage workers in the formal sector or as self-employed. While they are more likely to have access to paid child-care, they also usually depend on family care. Husbands' attitude toward women's paid work is in general more positive than among low-income sectors.

Most of middle class women interviewees were middle-aged, with secondary or tertiary education. In contrast with low-income women they tend to marry later and have less children. Like many of their counterparts in more disadvantaged sectors, most of them were working when they married and have experienced some time out of the labor force when having children. The length of the latter however, is highly variable, ranging from a few months to long periods of inactivity.

Moving out of employment when having children has a strong impact on subsequent labor careers. Among women that held relatively good jobs before leaving the labor market, re-entry into the labor force becomes particularly difficult. Age, outdated skills, the erosion of previous social networks, a profound deterioration in employment conditions, accompanied by high unemployment, represent convergent factors that sharply restricts their re-employment opportunities. Moreover, when the husband still holds a relatively stable and well-paid job, middle-class women tend to be less flexible regarding the types of jobs and levels of pay that they are willing to accept.

Structural limitations in terms of employment opportunities, while playing a key role, are by no means the only constraints women face when deciding to re-enter the labor market. Family obligations and conceptions of work and gender roles, labor expectations and previous experiences, the economic situation of the household, all are intermeshed in complex and sometimes contradictory ways, whose understanding brings out the importance of employment in women's lives.

Among those previously employed as clerical workers in relatively well-paid jobs the period out of the labor force results in the rapid obsolescence of their previous skill levels. In fact, those leaving the labor market during the 1980s and trying to re-enter during the 1990s had to face a radically changed labor market in terms of employment opportunities, skills and age requirements, and labor conditions. In these cases discouragement plays a key role in delaying their movement to employment, especially when labor decisions are not constrained by the economic situation of the household.

Estela (40), lives in Lanús, is married and the mother of three (15, 12, 9 years old). Her husband is employed in an oil company, where he has worked for 20 years. She entered the labor market when she was 18. Her first job was as a receptionist in a paper mill. Soon after that she found a temporary job as a bank clerk. Since the age of 20 she worked for 4 years as an administrative secretary in a grain and mineral trade multinational company. She was fired because of "personnel restructuring". Immediately after that she found a job as a manager's secretary in a metallurgical firm, where she was employed for another term of four years, until the firm decided to move to another province. Then she had some temporary jobs, as secretary, which she got through employment agencies. When she was pregnant with her third child, she was fired since the air-conditioning firm where she was employed went into bankruptcy. She remained out of the labor market for nine years, and returned to work recently, when she got a job through a friend, as an administrative employee at the state University of Buenos Aires.

> […] I lived the '70s and…I remember that, while attending High School, I also attended courses on executive secretarial skills, obtaining my diploma. [On the other hand] by then I had dropped out of High School…you were willing to look for a job then…[…] First, that was a different period of time, when it was easy to find a job […] *You are young, you are nice, you have your skills, you feel like learning and you start working; that was the usual way, right?* Because all the girls in our group of friends were… all of us used to work […] Yes, afterwards I got my High School diploma but it is like I didn't need it, [although] I knew I would finish High School some time or other, but as I always had had good jobs, getting very good wages, then it is like […] I remember when I worked at this multinational company, I remember that sometimes, with one of the girls, just to have fun, we used to pretend we were looking for a job, you see?…and actually, the funny thing was that they would call us…[…] After Raquel, my third daughter, was born…I stopped looking

> for a job, they were three kids to leave, so…but well, I used to earn a lot […] the problem was that I knew the situation was not easy, I didn't want my mom to look after one more child and the fact was that […] *No, no, in Argentina, if I was working…to pay for a child care, for three kids, I would spend the same amount of money I was earning; OK, you were exchanging money for work, isn't it?*, but…I don't know, no, no […] I always thought I could get back to work […] there was something I was missing…but *when you have children you don't have much time to stop and think* […] The fact is that the years were going by, and then what happens?, I kept on thinking that whenever I went to look for a job I would get it, and then there were some of my friends, who had always worked, single girls, with high educational levels, you see? And I used to say 'What is this?', they are going to shit on me…[…] I suddenly felt it would be tough, but I knew I would start working again some time or other, I would start doing something…it is like… you drift apart from the conditions……It is difficult to explain, it is contradictory […] I like working […] *The fact is that I didn't give up working because I wanted to*...(Estela, 40, I 12, Lanús)

Conflicting cross-pressures with respect paid and family work during the early stages of the family cycle can result in the interruption of potentially upward labor careers. These are very difficult to take up again after a period out of the labor force. Nevertheless there are cases in which women are able to overcome previous frustrations, and generate their own employment alternatives. In periods of recession, however, even the most creative become vulnerable to unemployment.

Graciela (39) is a mother of three (20, 18, and 14 years old) who began working at 17 as a pharmacy employee. Then she worked as a secretary in a tourism and money exchange agency for 2 years. She found a better-paid job as a customs officer's secretary immediately after having her first child. Even when

she was earning more than her husband then, she had to quit her job after some time.

> I used to get up at five - or a little after - in the morning, I used to leave the baby at his nanny's home, then I had to take the bus to get to the railway station, from the railway station I had to go by train to Constitución [railway station at the capital city], and then I had to take another bus from Constitución…after work, I used to arrive back at home at 8.30 or 9.00 pm, and besides the baby would cry at night […] I used to leave the baby with a nanny, a woman who would take care of him […] Yes, yes, I paid her, [yet] I had my benefit, because I earned a good salary…but I suffered from hemorrhages all the time, hemorrhages and anemia; I had long hair, and locks of my hair would come out because of my being anemic. So I said no, I have to take my decision now, and no, [I realized] I had had enough of that.

She stopped working, and after having her second child, at 21, she returned to work, but now informally, as a hairdresser at home. Then she got pregnant of her third child - a daughter - and left her job as a hairdresser. Six years had passed since she worked as a customs officer's secretary.

> Yes, I kept on looking for a job but the fact was that it wouldn't be profitable, because I had to pay somebody to come and take care of the children, do you understand? All right, besides that there wasn't much offered, what they offered was so little that it was not profitable […] In the old times, when I used to work with the customs officer, the use of computers was not as usual as it is today […]..at the time when I had to stop working there came all that innovation of computer work …So, what had happened?, I had been left out of the system… I didn't…If I wanted to start studying - it has happened to me - to start learning computing skills, I wouldn't have… I couldn't afford it, I didn't have anyone with whom I could leave the kids, because I had to pay someone to do that…do you understand? So it is like you are limited, enclosed [by your own problems].

However, she did not give up, and began studying to become a teacher of yoga, an occupation in which she has been working for five years.

> […] The period of time when we did really well was 1997, between 1996 and 1997, we did fine, really fine, but in 1998 it began to slow down, and we didn't do well at all […] It happened frequently that many teachers, women [Primary School] teachers who attend yoga classes… it is very common for them to have two different posts and so their time is shortened, and so they quit. And then there are others who have to take two different posts because… someone has to help her daughter who is married and has lost her job and has to pay for college fees. That way they have to "cover up the holes" … so, economic crisis began, and the crisis became increasingly evident…(Graciela, 39, I 14, Lanús)

The increasing labor participation of married women as a result of the husband's employment instability is by no means limited to working class households. Raquel (49) represents a paradigmatic case of a middle class woman who after a long period out of the labor market had to return to employment due to her husband's employment problems. Moreover, she became the head of the household after her husband's death. While her case clearly illustrates the tenacity and creativity of middle classes to resist a process of continuous decline, it also shows how the availability of certain resources –such as human capital, children of working age, and housing- contributes to better cope with economic adversity. She was widowed in 1995, and lives with two of her four daughters (27, 25, 23, 16 years old). She graduated as a Primary School teacher and began working as a secretary at her uncle's metallurgical firm, where she met her husband, a salesman and debt collector of the same firm until it went into bankruptcy.

> I got engaged when I was 19 and I got married at 21 years old, and I stopped working. I stopped working until…1986 or 1987, when work began to go badly…When my husband lost his job [due to the firm's bankruptcy], he was 42, 43 […] and there was no way…so we decided to set up a pizzería here…we did that in 1991 […] Between 1987 and 1991…we managed, we survived…I used to work in insurance policies, which I still do, and…I have been working in insurance policies for 15

> years… and then I used to sell Mary Kay products…I've done a bit of everything […] Both of us used to work, he would do some work as a salesman…he would sell cars, when there was an opportunity to do it, but…he got ill, he suffered with his nerves…he began to be depressive, to be depressive… […] and well… he asked for loans, he mortgaged the house, ah…we were hard-up as the whole [Argentine] society was at the time, right? [After my husband died] I continued with the pizzería, at the beginning I…now it's been 3 years since I closed it down because I went to look for a job, I signed up to get a job as a Primary School teacher, as a tutor [at High School]…anything… and was taken on in 1996 at a private school, a parochial school. So, there I began as a tutor first, and, being a tutor, I was also taken on [at the same school] as a substitute teacher, in another shift, and after that…the following term I was appointed as a teacher of 1st grade and as a tutor of the intermediate shift.[…] At that time, I used to have first the school and then the pizzería, after the school I would come to the pizzería and then I still worked some in insurance policies…The girls used to help me at the pizzería […] but then I closed it down because I grew tired, and anyways the three of us could manage all right with what I earned at the school. […] But it so happened that in 1999, during the first week of the school term, the school headmistress comes and tells me that she can't have any more employees by contract and so I cannot continue working there. […] I was 48 at that time…And so, I started to figure out what could I do with my house, with the premises where I had had the pizzería, which I had closed down […]And so, as we always manage to get along, with my daughters, because we do everything by ourselves, so we took the old stuff apart, we painted, I sold some of the old stuff, I set up the facilities for the new store […] and all right, it began to work…little by little.

She rented a copier machine and set up a small copier store at home, located in front of the University of Lanús, where she currently works with three of her daughters.

> I have never thought of living without working, I guess I would never get used to it. (Raquel, 49, I 3, Lanús)

Some women have spent most of their working lives as self-employed, either developing their own businesses or in partnership with other family members. Marisa is a paradigmatic case of self-employment among middle class women. Initially developed as a way to conciliate family responsibilities and personal fulfillment, self-employment, or specifically small family businesses, soon became a means to cope with her husband's employment insecurity. However, an enterprising, flexible, and creative attitude, social networks, and the availability of the capital needed to initiate new activities were not enough to remain in the labor market in an economic environment particularly adverse to self-employment. Marisa (41) is married and mother of two (aged 22 and 20). After finishing High School she began degree studies as a teacher in Mathematics and Physics, but she dropped out of college at 19, when she got married and had her first child. At that time she was working as a Secondary School teacher and giving private classes at home.

> […] I used to get up at 5 AM on [my private students'] examination day, but I had students that had average mark "1" [in Math or Physics] and they ended up with "10" and they didn't fail the term examinations again…so, you see, I had this type of satisfaction. My husband told me that I was mad if I thought that I would keep on doing the same after we got married, so, I stopped doing it, that is why afterwards I went to look for a job […] Not because we had a strong need for a better income, it's just that you always want to make a little progress, or to have some more…And all right, I didn't want to be idle, I had always been used to…[…] After my son was born I got crazy about going out to work, I simply didn't want to stay enclosed at home.

Almost immediately she found a job as an accountant assistant in a metallurgical firm, where she worked for one year and a half, until she had her second child and decided to quit her job, in 1980.

> […] There were two kids for my mom to take care of, it was too much [for her], so I couldn't…so I stayed.

Since then, when she was 21, she began working as self-employed in commerce. Her first experience was a short-lived ice-cream store, which failed after three months. She began selling clothes for a fashion clothes store. After a short period she became independent and set up her own clothing business at home.

> […] I used to sell a lot, a terrific lot !!!! […] I had many acquaintances…you see, I was teaching at school, so I had many [customers among] school teachers, both from Primary and Secondary school, and my private students' mothers, and many women in the neighborhood, there was a bunch of them […] at that time you could sell…they would pay …and you could sell to be paid in the term of 2 or 3 months.

However, as to many other small business owners, her success was short-lived. Unable to compete with cheaper imported clothes, she had to close down her business in 1994.

> […] until the Korean businessmen appeared and then the profit became too small. You would buy a t-shirt [from the wholesaler] at 5.00 pesos and it was a joke trying to sell it at 10 pesos […] because at the Korean stores they would sell it [and people could buy it] at 5.50 […] then the business wasn't worth while anymore.

Soon after that, she and her husband in partnership with her brother, opened a small supermarket, which failed due to family conflicts when her

brother divorced. Therefore, the store was closed after one year. Two consecutive family-business failures - first a *remiseria* and then a small firm of repair services- accompanied the increasing employment instability of her husband, a technician who was working as a bus driver.

> […] After that, I wanted to start again selling clothes but…from having a very well supplied boutique, full of garments [like the one I used to have]…to having just 10 t-shirts to sell, it was like I didn't like it, you see? Then, it was like too hard… going out and trying to sell…(Marisa, 41, I 13, Lanús)

6.3. SUMMARY

Labor trajectories not only show clearly that unemployment in Argentina affects a wide range of workers with the most diverse labor trajectories but also help us to assess the real dimensions and impacts of longer term processes such as economic restructuring and adjustment policies on different categories of workers.

Even when the trajectories of working class males tend to show higher levels of instability than their middle class counterparts, two different types of trajectories can be identified. Among the less skilled, unemployment has sharply deepened their already precarious insertion in the labor market. In face of the increasing deterioration in and reduction of employment opportunities, unemployment, though present in previous stages of their working lives, has become longer and re-employment possibilities progressively more difficult. Previous forms of coping with labor instability have become increasingly ineffective such as low -paid jobs in the formal sector and self-employment . For those in their middle ages, the accumulation of disadvantages puts them under

serious risk of becoming permanently excluded from the labor market. Younger workers with low skill levels and the lack of educational credentials, are being confined to the most precarious jobs in the service sector – either as wage-workers or as self-employed. In contrast with older generations, factory work is nowadays so limited that it does not represent a possible source of employment for them. The self-employed with craft skills, who in previous decades had improved their standard of living, face a sharp decline in their employment and living conditions. Their occupational limitations come from two different sources. One is the impoverishment of the middle class, which has sharply reduced their potential clientele. The other is the tax pressures on independent workers that have further restricted their job chances, now limited to subsistence activities.

Middle class males, with higher educational levels, are characterized by a prior history of steady, well-paid employment, and upward occupational mobility. Unemployment –mostly the consequence of plant closings, bankruptcies and the privatization of former state-owned enterprises- represents a break point in their trajectories, resulting in an accelerated process of downward occupational mobility and a sharp decline in their income. Most of them lost their jobs in their middle age and could not find a job -if they found one- in accordance with their skill levels and previous labor experience. Severance and voluntary retirement payments buffered and delayed at first the drop in income. Consecutive failures in the attempts to develop small businesses resulted in the draining of savings, and many ended as taxi drivers or *remiseros*, clearly illustrated by the over-supply of this kind of services in Buenos Aires city and in Greater Buenos Aires.

Women's labor trajectories are strongly affected by the household cycle, and characterized by intermittent labor participation. Labor trajectories of low-income women show the effects of limited employment opportunities, family responsibilities, and household economic needs. Their job histories are mostly characterized by instability in low paid jobs, and their participation in the labor market, especially during the last years, has been pushed by the precarious employment status of their husbands, and by the difficulties that children of working age have in entering the labor market. At the same time, as the interviews show, moving from paid work *outside* home to working *at* home –usually doing some kind of assembly work- results not only in a profound deterioration of income , but in a process of progressive isolation.

Middle-class women show lower levels of intermittency in their employment, and the greater availability of social and human capital resulted, in the past, in more rewarding jobs –either in self-employment or as wage workers. They easily become discouraged workers. The higher levels of skills required for the jobs they used to have in the past and the time spent out of work appear to have greater impacts on their careers than among their counterparts in the lower classes.

Chapter 7: Coping with Unemployment: The Market, the State, and the Family

> If the immediate effect of a change is deleterious, then, until proof the contrary, the final effect is deleterious.
>
> Karl Polanyi, 1957

Labor trajectories have shown that neither employment nor unemployment are homogeneous experiences. Different initial conditions certainly affect the life chances of individuals. Subsequent employment experiences can result for some in opportunities of upward social mobility, while for the more disadvantaged, these experiences appear as part of their permanent struggle for survival, or as Selby et al. (1990) suggest, for looking after themselves.

Even when strongly limited by a structure of constraints, responses to unemployment appear to differ between and within social groups according to the kind of resources available and the different ways in which individuals and households make use of them.[123] Individuals and households are faced with alternative courses of action over which they have to take decisions. Actually, these alternatives may vary considerably in the degree of choice they offer.[124]

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[123] Household refers to the unit of co-residence whose members may or may not be kin. Coping strategies, which involve organizing the household to get by in the short and medium term, are likely to be a source of differentiation between and within households because of disparities in aspirations resulting from different stages in the household cycle and divergencies in the life chances of household members (Roberts , 1991).

[124] It is not the intention here to repeat what has already been an exhaustive debate on household strategies. Some of its main contributions in the Latin American context can be found in Selby et al. (1990, 1994); Gonzalez de la Rocha (1988); Roberts (1991); and Cuellarr (1996), among others. .

Household decisions are always context bound, where the characteristics of the labor market, state intervention in welfare provision and previous standards of living play a key role.

The Argentinean case is characterized *both* by weak or inexistent form of public social provision for the unemployed *and* the lack of employment opportunities offered in the labor market. In this context, the household appears as the main space where individuals and families cope with unemployment and employment insecurity. Interviews show that even in an overwhelmingly adverse context, households use different kinds of resources to cope with unemployment. However, the growing pressure on the household is resulting in a progressive exhaustion of resources.

This chapter analyzes the different ways in which individuals and households cope with the unemployment experience, affected by the opportunities and constraints provided by three main spheres: the market, the state, and the family. Two main issues are analyzed regarding the "opportunities" offered by the labor market: the first one refers to the characteristics of local labor markets, showing how spatial factors, such as the employment opportunities at the local level and spatial segregation affects the experience of unemployment. The second issue refers to the mechanisms and obstacles for finding a job, highlighting that job search represent the harshest expression of present labor market conditions. The analysis focuses on two main questions with respect to state provision. Firstly, it assesses the experiences of participants in public programs of direct employment creation targeted to the poorest sectors. Secondly, it shows the

profound lack of protection faced by the middle class unemployed, as a result of increasingly difficult access to social services and benefits that were traditionally attached to formal employment. Finally, household responses are analyzed showing how resources coming from different sources are combined, as well as the obstacles households face in mobilizing the scarce resources available.

7.1. THE MARKET

7.1.1. Local labor market

Spatial factors, particularly the characteristics of local labor markets are important factors in the experience of unemployment. The sharply reduced employment opportunities in a context of widespread job insecurity should not obscure the nuances and differential impacts on the experience of unemployment that result from the characteristics of local space, particularly physical access to what can broadly be termed as 'urban satisfiers' (Ward, 1990).

Proximity to the capital city acquires particular relevance in terms of the possibilities of access –although increasingly limited- to low-skilled service jobs, especially when the once traditional industrial belts sourranding the city –which suffered the heaviest employment losses- are now offering meager employment opportunities. This is the case of Lanús, where, in face of the declining availability of jobs in the local labor market, its closeness to Buenos Aires city becomes an advantage because of the lower costs of transportation. This by no means guarantees re-entry to employment, but at least increases the possibilities of *rebusque* (jobs on the side). At the same time, when compared to the more

homogeneously poor situation of Florencio Varela, the greater social heterogeneity of Lanús appears to diversify the range of employment opportunities.

> Yes, [it has been convenient to live in Lanús to get a job]…because I have everything handy…I live just one step from the Capital […] If I lived in Ezeiza, which is all open ground… when you have to come up here, how do you manage to come in this direction?…[I wonder] how those people live out there !!! because sometimes one thinks of oneself, right?, but there are people out there who maybe are worse […] because here, at the Capital, with the minimum bus ticket you can go around the whole city, but when you are within the province no, then.. how do you manage?… (Ricardo, 43, I 5, Lanús)

> […] Here, for example, the advantage is that you are close to the Capital and close to every place, to begin with…you see, and then here you can manage better than in other places, *that is* […] here, you always manage to get by … (Agustín, 39, I 6, Lanús)

In contrast, for those living in more distant locations from the capital city characterized by scarce local employment opportunities, distance becomes a main limitation on getting a job, basically because of the lack of money for transportation. Urban zones, such as Florencio Varela, commonly characterized as "dormitory towns" (ciudades dormitorio) become increasingly segregated, not only due to the concentration of poverty, but because of the high levels of concentration of poverty *and* unemployment.

> […] It was always called like that, 'dormitory city', the city from which the people goes out looking for a job somewhere else, no…because here, no…because here, never, never…I don't know if there used to be any industrial activity, some time in the past, but…here, the only activity they can work at [now] is vegetable farming…but no, in general, a big industry, a big…a big supermarket…I don't think that there has ever been here. (Ruben, 28, I 8, Varela)

> […] Here, you live with your money in your hand… *if you have money you are poor, if you don't have money you are a bag of garbage*, let's say… because you can't move, you understand? I have 5 pesos right now... I don't know…you have to go to the Capital …and you spend these 5 pesos to go to the capital because you know may be there you can find something to do […] *If you don't have any money you can't go anywhere*. (Luis, 45, I 2, Varela)

Moreover, transportation costs do not only represent a main obstacle for job search, but also a desincentive when getting a job given the evident imbalance between them and wages.

> They summoned me from a cleaning firm in Caballito to work at Hospital Durán, cleaning up… it was an 8-hour job and they would give us 235 pesos plus benefits allowances for family, children, all that and the other benefits, right?… But the was 235 pesos a month and they didn't pay transport expenses, and so I didn't like the idea, it wasn't profitable, actually…to go from here to Hospital Durán the bus ticket costs 4 pesos and so, how much would I get, really? and so I didn't go.(Esteban, 27, I 12, Varela)

The main "advantage" of living in Florencio Varela is the housing market, given the "opportunities" it offers in terms of the access to 'private informal systems of supply' (Ward, 1990) such as cheap plots and invasion of land.

> The fact is, the problem is, actually, financial… always financial, isn't it?, because one thing is to have a plot of land in Varela, and a different thing is to have it in Bernal, in Quilmes or in some other zone, right?, or if you go upwards it becomes yet more expensive, so …well, we decided to come to Varela (Andrés, I 14, Varela)

> [The plot of land]… we occupied it, yes. It had no wire fence, it had nothing, so…we had had no problems so far […] We always watched this place because nobody ever appeared…we asked the neighbor out there …

> and she said 'It is 12 years since I am here, more or less, and nobody ever appeared '…This used to be a scrubland!!! Even the neighbors told us to get in here, because it was full of rats, sheer rats… Besides, as I tell you, we didn't usurp, because this ground didn't have any wire fence, nothing, it was a waste ground…and we didn't break into it…we didn't break anything to enter here. (Ana, Interview 6, Varela)

> I occupied it, yes…afterwards they came to take down my particulars …and when we were about to start with the monthly payments I lost my job…that was when I used to work at the wax-candle factory…And so we couldn't pay anything…and we are still there, we still live there . (Pablo, I 16, Varela)

Employment opportunities and labor traditions are clearly different in both locations: formal industrial employment and dynamic small businesses in Lanús clearly contrast with informal and casual jobs for those living in Varela. For Varela's residents *less jobs* are in general equivalent to *less changas*, and generally speaking, less informal jobs.

> Years ago there were a lot of jobs [available], right there, immediately…For example, I used to take the Río [bus firm] to Quilmes…and as the bus was passing by, may be I would see a sign somewhere, for example 'Auto bodyworker needed', and so, instead of going on to Quilmes [on the bus] I would get off right there, I would go into the workshop and say 'You need…? And so I would go back [home], I would just pick up my working-clothes and go to work, that easy…(Ignacio, 53, I 4, Varela)

> […] I sell stockings and dish towels [in the streets] and sometimes I have no sales at all…[…] There were stands at the side of the road…selling vegetables and all that…[…] I was working at one of those fruit stands…selling water-melons…always, always doing something […] but now it is hard…last year there were no more stands already…because the police took them away and as they were taken away many people lost their jobs…(Ernestina, 34, I 7, Varela)

> […] There are many [garment] workshops here in Varela, but at the time when I was working, when I had my house built…there was a lot of work to be done…I used to earn 300 or 400 pesos monthly…[…] Lately, they

> paid nothing. They would pay you every 2 weeks, but most of the time you were idle […] No, there is no work [now] and they pay you worthless wages […] Recently, I used to be sitting 8 or 9 hours a day, and I got 5 or 4 pesos a day […] (Norma, 50, I 24, Varela)
>
> […] Sometimes I go out looking for *changa*, but now there aren't any, not even *changas* are there any…not even for sweeping side-walks. (Mario, 50 I 11, Varela)

In contrast for those living in Lanús, the "good times" are associated with a dynamic labor market, where industrial factories and small businesses –from commerce to workshops of different kinds- used to be important sources of employment for local residents. Many of the interviewees commented, as does Violeta, on the local industrial employment that used to exist in Lanús

> This used to be an industrial belt, there used to be industries, there were smokestacks…and smoke coming out constantly…and you would see all the people working at 8.00 in the morning…Here, where we are standing now [University of Lanús' building], at the railway company, here…a lot of people used to work…and where I live, more people yet…that's why they called it 'Villa de los Industriales' …Precisely, going back to history, because there were all kinds of industries here… textile industries, metallurgical industries, glass industries, there were such a great number of them…[…] This used to be an industrial belt…[Now] *everything is closed down…there is nothing left, absolutely nothing, and there are entire families out of work*…(Violeta, 41, I 15, Lanús)

In fact, the once industrial center of Lanús is today among the locations hardest hit by unemployment in the Greater Buenos Aires.

7.1.2. Job search

Seeking a job, when there are *no jobs*, is probably one of the most frustrating experiences that the unemployed have to face. It is one of the crudest – and many times humillating- market experiences, where individuals experience a daily confrontation with labor market hardships.

In a context of high unemployment the traditional mechanisms of job search, such as newspaper advertisements and social networks become increasingly ineffective.[125] The Buenos Aires labor market not only generates few vacant jobs but has no publicly provided job centers for finding jobs. Thus, job search represents an entirely individual experience.

> […] I have many acquaintances that own or have owned business firms…My cousin, for example, he owned a workshop in lathe-worked metal products…I have a friend who owns a builder's yard…I have my uncle who manufactures matrices…he is a matrix-maker […] No, no I didn't get [a job]…My uncle, now, he wants to blow his head off, he is ruined because the bank has…and my cousin, too, he is working as a welder at the shipyard docks, so…from that side…I couldn't expect anything…(Raúl, 48, I 17, Lanús)

> I have many friends who are teachers…my uncle is a lawyer, he works at the bank…I have a friend who is a psychologist, that is… I also have friends who are professionals….and…nothing. (Graciela, 39, I 14, Lanús)

> […] Because it's all lies, I refused to believe even *Clarín* [Buenos Aires newspaper], they were all government's lies inventing non-existing

[125] Social capital is important not only in finding jobs but also in determining the type and quality of employment to which they gain access (Granovetter, 1973, 1974; Coleman, 1991). The effectiveness of social resources is strongly influenced by the context in which they have to be mobilized. Among other factors, the extent of job creation and the degree of public labor market regulation – that is, the role of the state in managing the match between job seekers and vacancies- represent crucial factors affecting the role and importance of social capital (Barbieri, Paugam, and Russell, 2000).

> jobs…I got busy making contacts through my acquaintances, to see if someone knew, but everybody said the same: 'Look, they are dismissing people where I am, they are dismissing people here…' And, I said 'enough'!!! I quit looking for a job, because the only thing I am doing is spoil my brains, my health… and *I know I won't get any job, there are no opportunities here*...(Nora, 52, Interview 28, Lanús)

The multiple mechanisms of job search tried out by the unemployed and the length of time spent on it calls into question a key aspect in the definition of unemployment, which assumes that the unemployed are those *actively looking for a job.* This is also related to the different forms that the category of *discouraged worker* can take. As the interviews show, discouragement is expressed in different ways: while sometimes it results from the perception that there are no jobs available and that in a highly competitive environment job search is just a waste of time and money, in other cases it emerges after long periods of *active* job search.

> I can't go out looking for a job because although I have had a good education…from the times when I attended school …I haven't acquired any computing skills, and I have learned very little English, and so…what am I going to get out there? (Marisa, 41, I 13, Lanús)

> I used to buy the newspapers, through the newpapers…I used to go to some offices…To clean-up, usually to clean-up […] and they used to make me fill in application forms all the time, to fill in application forms and wait, wait for them to call me up, but they never called me up […] Yes, I got tired…I must have gone twice a week, during one year. (Juan, 30, I 5, Varela)

> […] I used to look for [jobs] through the papers…through my acqaintances, through… *tiré el gancho de todas maneras* [all ways and means] […] And during these last two years…look, what I have got, the only thing I got was frustration and to get worked up into a state... because every time I went out …I got badly worked up… they drived me mad for one reason or the other […] I don't want to go through that again, I don't

> want to get depressive again. I got over that situation already and I don't want to go back to it, you see, to do the same I used to do. Then, as I already know that…so, you will probably say: 'Such a negative guy!'…You read the papers and it says 'not older than 32 ', what am I going to [bother and] spend my money for?… If I get there I know they'll say to me: 'Hey, man, you are 36, not 32, what do you come here for?'OK, you're right, then…(Omar, 36, I 29, Lanús)

In low-income sectors, the chances of getting a job for married women with young children are even more restricted. Their household responsibilities sharply reduce the amount of time they can devote to job search, generally limited to "passive" mechanisms through their more immediate social networks. Their low educational levels and the nature of their contacts increase their vulnerability and contribute to locking them into the most disadvantageous positions in the labor market. Moreover, together with the difficulties in combining work and family duties, working mothers have to face employers' discriminatory practices when looking for a job.[126]

> I used to go to the work agency to get a job in a cleaning firm […]… and they always ask you your particulars and when you state that you have a 3-year-old child and a baby, they say 'No mum, not with little kids, because then you have to stay at home and…' [It is OK] if the children are older than 6, in which case if they've got a fever they can stay alone, but not when they are so young'.(María, 36, I 1, Varela)

Employment search does not finish when finding a job. When labor insecurity is so generalized, job-hunting becomes an almost permanent practice.

> I must have been…at least 9 months looking for a job…when I was looking for a job…and I couldn't get one…Actually I would get a job, but it wasn't what I was expecting […] [I would get jobs as] As a sales

[126] Esping Andersen (1999) points out that when the state provides little provisions to alleviate the double burden of employment and famiy responsibilities the concept of de-commodification is inoperable for women unless welfare states help them become commodified.

> promoter or selling [goods] on a commission basis, that is to say, the amount of my wages would vary according to the amount of sales I had…And…no, I say 'What if I spend my money travelling [to get there] and I have no sales?'…(Lorena, 27, I 21, Lanús)

> […] I was walking up and down the *9 de Julio* [main street, downtown Lanús] …and there are a lot of ads…but the jobs offered are temporary, for 1 month, for Christmas and New Year time…at stores […] In factories, [jobs offered] are generally for 3 months or may be they take you on for several months, only until production is over and no more than that. (Laura, 24, I 22, Lanús)

While increasingly ineffective for finding a job, social contacts still represent the main mechanism of job search, particularly for the access to casual and low-paid jobs. Kinship and friendship as well as length of residence in the same neighborhood facilitate word-of-mouth from friends, relatives and neighbors about the availability of *changas.*

> I have many acquaintances, many family homes where I have worked and sometimes they tell me 'Call up that week or other.. that day or other… or pass by… or look on [some other time]…Sure, I look around, you see? I go somewhere, then I go somewhere else and I always get something, you see?, may be by sheer chance…someone comes up and says '*Che*, they called you up because they have some work to do, why don't you go and see what's up?' (Agustín, I 6, Lanús, 39)

> […] A guy from [a house] out there at the back came and…he is a painter, he came and said to me 'Look, they told me you are out of work…I've got a job of at least one week.'…And so I went to work with him, he paid me 30 pesos a day […] I used to get by in that way, like that…May be there would come a guy to my home and say 'That one wants us to lay some bricks…and he asked me how much he should give us…and I said 20 or 15 pesos to each one of us…' And so we went there, we laid the bricks, or we carried inside a load of sand, or whatever there was to be done […] Afterwards, my dad's brother called me up and… as they are truck drivers… I told him 'See if they need someone to wash the trucks, up there, at the garage…I can wash the trucks for them.'And so we went there one day, it was Saturday…I talked to them, to his mates… they all

> know me, I talked to them…'give me a hand, I can wash the trucks'…'25 pesos…it's OK'…and I used to wash 7 or 8 trucks […] Sure, I can work wherever […] But I always had someone to offer me a job […] because always, the people who I worked for…I made a good impression on them…(Humberto, 25, I 17, Varela)
> .

In contrast, those networks coming from higher and stable occupational positions during previous labor trajectories do not seem to facilitate re-employment, especially for those entering unemployment in their middle ages. In fact, the effectiveness of social networks is related to the structure of employment opportunities. The decline of formal job opportunities in a context of economic crisis certainly erodes the efficacy of this kind of social resource.

> I started looking for a job, to work in a grain export firm again […] and so one day I put on my suit, my tie, I picked up a bunch of copies of my *CV* and I went to the [grain] Exchange…I go in there, I go into the meeting room, I ask for someone, I don't know…Sure, I know some [people there]… 'Is such and such here?', 'Yes, he is right here', I beckon to him and he comes … 'Hey!!'…*all right*, he comes and then when another one passes by he says '*Che,* look who is here!!'…It was…to tell you the truth, I left [the Exchange] feeling self-confident […] because I had entered the place a little afraid of not being welcome after four years […] No, that was swell, I felt great because suddenly, there I was…there were about 20 firms represented there, with all the people I knew…all of the [grain] exporters were there and all of the agents [grain salesmen] and all of them asked me to leave [a copy of] my *CV*…[…] And so I said to myself 'By the end of the month I am working in cereals again'[…] and… no, it has been 2 years since then…(Marcelo, 52, I 16, Lanús)
>
> In 1997 there appeared a newspaper ad, offering a post at the port as a cargo operative inspector, which was a job I had worked at. They were the same group of guys who had been one or two classes after mine at the school of navigation and had worked with me at the port. That is, [I knew this guy] who had taken my place when I left that job…we knew each other quite well…[…] I call him up directly and I say '*Che*, how are you doing'- and this and that – 'I'm calling you up about the ad…'[on the

> paper] '*All right*, look'- he says – 'you are fully qualified for that post, but there is a requirement that the applicant must be 35 or under…' (Gabriel, 50, I 26, Lanús)

7.1.2.1. Obstacles for getting a job

Most interviewees coincide on the over-selectiveness and over-demanding criteria of current employers' recruitment policies, which do not appear to match with the kind of jobs offered. The most evident –and discouraging- of these criteria is age. In describing their job searches, many workers, both males and females, said they faced age discrimination. While various studies on unemployment point to the negative relationship between age and the chances of finding a job, basically when job seekers are close to retirement [127], the unemployed in Argentina seem to experience a process of "premature aging": they are considered "old" if they are over 30.

> *A person who is 30 years old or older than 30 is considered disposable in this country*… you are given the lowest, the worst…and then when you reach the 40s, I don't know, then...(Violeta, 41, I 15, Lanús)

> Yes, yes, *I feel I am out of the system because of my age* […] Nowadays you don't see older people in any company or firm, I am speaking about 45 or 50-year-olders…unless they are working at high posts, with high salaries, who are the very fewest…that is to say, normally, very few people in *normal* work are older than 40. (Gabriel, 50, I 26, Lanús)

> Employment agencies at the Capital ...I've been to all of them […] If there are 500 applicants for a job, all of them with a university degree, all of them in their 20s…and they can't get it ...*being 41, a decrepit woman…what can I get?…I'm a good-for-nothing, already*…(Celina, 41, I 23, Lanús)

[127] See Gallie and Vogler (1994); Barbieri, Paugam, and Russell (2000); Bernardi et al. (2000).

> Impotent, impotent…I felt really bad, awfully bad, because you are 30 years old…*yes, you are 30 or 31 years old and they tell you that you are no good any more or that you are exceeding the age-limit*, but…with 14 years of experience behind a cash register, you understand?…they tell me I exceed the age-limit!!…(Omar, 36, I 29, Lanús)

> No matter how much of [work] experience you have, *after 35 you are old in Argentina* […] Up to 30 or 35 years old [you can work]…*after 35 you lose your job and you are a young retiree…you are too young to retire and too old to work*…What can you do, then? What are your options? None […] it is the same as if you got shot right in the middle of your head… because you go there "with your batteries recharged" [con todas las pilas] and a 25-year-old boy says to you '*You are no good for this job, because you are old'...and they kill you* . (Luis, 49, I 27, Lanús)

While hiring practices appear to privilege young workers, the experiences of employment search among younger job seekers do not appear to be particularly satisfying. They have the required age, but not the required experience.

> […] They ask you experience, at least one year of experience…to be 21 years old or younger than 25, you understand?…and *may be you have never worked before because they never allowed you to get a job, so you have no work experience, and so they won't hire you*…(Laura, 24, I 24, Lanús)

While higher educational levels certainly do not guarantee getting a job, the lack of the required credentials blocks access even for dead-end-jobs.

> […] Lately, you are required degree studies up to third grade of Secondary School for cleaning jobs … what for ? to clean-up urinals?… I can't understand them, *I don't think you need a third grade diploma to clean-up urinals*. (Ricardo, 43, I 5, Lanús)

> […] Why do they discriminate? Why so many fastidious requirements to get a job?…because it wasn't like that before, years ago they didn't used to pay attention to your age…and if you had no degree studies and they

> needed you they would hire you right away…now there are so many requirements. (Orlando, 44, I 4, Lanús)
>
> […] If you don't have a High School diploma or a profession, there's no place to go and look for a job, because factories…there are no more, and if you work for a cleaners firm they'll take you on for short terms…(Flavia, 25, I 26, Varela)

Even personal appearance can become an obstacle for finding a job -or an advantage when a person satisfies the expected requirements. Marisa's and Martín's comments illustrate what various interviewees stressed.

> […] Besides I am fat, you see?… Now, to be able to get a job you have to be slim, you have to look terrific, you have to wear the best clothes, because they watch even the clothing trade-mark you are wearing, they measure everything. (Marisa, 41, I 13, Lanús)
>
> […] Lately, according to what I have heard from my mates-waiters they don't require references so much as they require young, slim guys …My mates, who are 40 or 45 years old…once, some time ago…they were quite angry because they had gone somewhere looking for a job and they had been told that at their age it was difficult to be taken on...40 years old, 39 or 40 years old… and because one of them is a little bit plump....(Martín, 27, I 21, Varela)

The results of job search are clearly expressed in the kinds of jobs obtained after unemployment. As the analysis of labor trajectories have shown there is a marked process of downward occupational mobility, a profound deterioration of labor conditions, and increasing risk among the least skilled of becoming permanently excluded from the labor market. The lack of employment opportunities, the low quality of the few jobs available, and the almost nonexistent forms of social protection, place the individual in such a

disadvantageous position that any kind of job becomes suitable, especially for those that do not have other sources of income than work to cope with unemployment.

7.2. THE STATE

The frustrating *experience of the market* is accompanied by limited public provision to guard against misfortunes in the labor market. Unemployment benefits are so restricted that they cannot even be characterized as providing a 'sub-protective welfare regime'. The lack of protection for the unemployed not only increases their vulnerability to income poverty, but leaves vast segments of the population unprotected in terms of their access to social services and benefits traditionally attached to formal employment.

> […] I knew I had my wage by the end of the month…I had my obra social [health care plan] when I was ill…I had a place where I could take my children when they needed a doctor, I knew I had pension contributions and all that. (Juana, 49, I 18, Varela)

7.2.1. Targeting the Poor: Public Employment Programs

The limited and weak safety nets provided by the state are limited or "targeted" to the poorest unemployed. The low levels of compensation clearly operate as a mechanism of "self-targeting". For many poor households, the participation of one (or more) of its members in a state work program such as the

Plan Trabajar (national) and *Plan Barrios Bonaerenses* (provincial)[128], become their only chances of obtaining some income, both in the most disadvantaged neighborhoods of Lanús and in locations such as Florencio Varela. Poor households are also participants of a food distribution program called Plan Vida[129].

The limited coverage of employment programs in terms of reaching an increasing number of jobless people is accompanied, as the interviews show, by the lack of transparency and a strong clientelism both in the recruitment of beneficiaries and in the administration of programs by local institutions –usually the municipalities. The distribution of program benefits are a major source of power for local political bosses. Contacts with the *punteros* or neighborhood agents of the political party in power at the local level (which both in Florencio Varela and Lanús is the Justicialist Party) become a key resource for coping with poverty and unemployment in poor neighborhoods.[130] These networks of the poor, which provide them with key information on how, where, and when social program benefits will be distributed, acquire particular significance in a context of what Auyero (2000) calls "organizational desertification", in reference to the

[128] The Plan Barrios Bonaerenses is an adaptation of the national government Plan Trabajar that began on 1997 financed by the provincial government of Buenos Aires and is coordinated by the Provincial Institute of Employment (Instituto Provincial del Empleo, IPE).
[129] Plan Vida is a provincial government plan that distributes a weekly ration of milk, eggs, cereal, and rice to pregnant women and children through age 6. Food is delivered by the *manzaneras* or block captains, women volunteers who also have had a key role in the recruitment of work program participants.
[130] This is consistent with other research studies. In his work on clientelism in the Greater Buenos Aires, Auyero (2000) points out that the contacts with the *punteros* or local agents of the Justicialist Party, who operate as mediators between the ward bosses (with direct access to state resources at the local level) and the clients, represent one of the main channels through which people living in poor neighborhoods satisfy their basic needs of food and health care.

weak functioning of community organizations and increasing isolation among local residents. This "organizational desertification", at least in Florencio Varela and Lanús, does not mean that there are no community organizations at all, but that most of them are coopted and tightly controlled by the official political party at the local level. In fact, most of the work program participants were interviewed in local community organizations –such as sociedades de fomento, soup kitchens, etc.

> I got [in the program] because of politics...as I am an *militante* [activist]...as, I used to be… *militante* …of the *PJ* [Partido Justicialista] … so I signed up and we started working, both of us [my husband and I]…Yes, I started working there through an acquaintance, a town councilman […] We have always worked for Pereyra [Mayor of Varela at the time] but I got it through a town councilman who was someone else's friend, and so he told him : 'Look, we have these vacancies, the people who were expected didn't come, and we have to fill them today, this number of vacancies' […] and he says 'OK, then, send me some *militantes*. And I was there because I had gone with Pepe [her husband]…yes, he is also a *militante* of the *PJ*, but he got in through the *manzaneras* ...Yes, yes, both of us got in together…because it was the same day when the survey took place [...] Moreover, the mayor and his wife are the *padrinos* [godparents] of my eldest son...so....(María, 36, former beneficiary of the *Plan Barrios Bonaerenses,* I 1 Varela)

> No, I signed up but I was always left out…And, you see…you have to suck up to them [the municipality's people]…Otherwise you don't get anything (Ignacio, 53, I 4, Varela)

> I got in through the *manzaneras* […] I am like a ...*puntera del barrio* [neighborhood agent] …I help my husband […] If we weren't agents in the neighborhood…..no, there are many people who worked for three years with me here in this plan and they are not any more […] We have the neighborhood agents' support…they are sort of the mayor's right-hand women…if it weren't for these women we would be already out of the plan (Luisa, 36, participant in the *Plan Trabajar*, I 9, Varela)

Participation in road blockages *(cortes de ruta)* aimed at demanding employment programs, a practice of collective action widespread throughout the country since 1997, represents another important channel of access to program benefits.

> We [my husband and I] got in because they used to have meetings at a house , then we started taking part in road blockages and all that…and this way, during these roads blockage, all of us got in, and my husband and I got in, too […] We used to go to the road blockages [at the road] with our children, we went there to participate, to be seen by those who were enrolling people …so that they saw we were supporting them […] I did that for the children, because we had nothing. (Ana, 28, former beneficiary of Plan Barrios Bonaerenses, I 6, Varela)

> The idea was to try and create genuine labor sources with the *Movimiento de Trabajadores Desocupados* [MTD, Unemployed Workers Movement], that is…not just sweeping streets and…how do you call this?…painting lamp posts or telephone poles, or painting the curb-stones of the side-walks and things like that […] Well, through that fissure the Movement for the Unemployed breaks apart […] and then, they end up running the *Plan Trabajar* […] so, they fixed a limit for dignity, didn't they? They put a limit to dignity…to go there and fight for those *Planes Trabajar*…it is sad, isn't it? (Andrés, 43, I 14, Varela)[131]

In a context of lack of job opportunities at the local level, employment programs have no real effects on job chances. As interviews show, the kind of activities performed by program participants –usually limited to cleaning and maintenance of public spaces- and the types of training courses when offered – such as gardening or knitting- do not appear to improve the "employability" of

[131] In spite of many attempts to interview some of the current leaders of the MTD during my fieldwork, I was unable to access them. Nobody seemed to know who the leaders were, or where to find them.

low skilled workers. Moreover, the conditions under which such activities are performed seem to lack even the most basic safety and sanitary conditions

> I used to walk the streets, cleaning up; I used to clean up the streets […] The entire day in the streets…First it was from 8.00 in the morning to 12.00, and then it was from 7.00 to 12.00, 5 hours […] We used to make street crossings, we had to dig through the very street…it didn't matter if you were a woman, anything…you had to work with a spade… to dig ditches, we were digging ditches all the time…cutting the grass […] you know what that means? They looked like those milking yards, you know?…all full of grass, and we had to clean up…to leave them all real tidy…it seemed that we had to work our butt off for 200 pesos [a month][…] No, no [we didn't learn anything]…We went there to get dirty and that was all, because sometimes, truly, we had to work on those rainy days, with mud all over […] and the same about…when we had a feminine period…you had to go to work, how can you go to work in the streets when you have a feminine period? […] There was no bathroom…you had to be 5 hours in the streets without a bathroom, without water […] Sometimes we were like dogs, because we had to pee on the streets, because sometimes the people wouldn't let you go inside their houses to go to the bathroom, and…trully…with so many awful things happening, who is going to let you in, nowadays? Nobody…(Ana, 28, I 6, Varela)
>
> Learn? …No I didn't! To clean other people's filth, nothing else.(Luisa, 36, I 9, Varela)
>
> […] I think, for example, they get me out of the *plan* now and I don't know how I am going to get by from now on…because you get 160 pesos and that money is to pay the grocer's bill, the electricity bill, for this…and that is all…I don't have any money left to buy a ticket, to get a newspaper and look for a job, no money left for that…(Ernestina, 34, I 7, Varela).

7.2.2. "When formal work disappears". The middle class unemployed

Among middle class interviewees, the feeling of defenseless in face of the lack of state protection is highly generalized. While some of those losing their

stable and formal jobs until the mid 1990s were temporarily entitled to unemployment benefits, in a context of extended job insecurity and shrinking formal employment opportunities, the access to these kinds of benefits has become even more restricted.

> […] The government says there comes the Plan Trabajar, plans such and such…but they believe the unemployed people are only from the lower classes…and I think this is done with the purpose of gaining votes, because *I do not belong to the lower class and I am also out of work* […] And so it is like…they have us right there, in the middle, and they abandon us to our fate […] *That's why I feel unprotected.* (Omar, 36, I 29, Lanús)

At the same time with the loss of formal jobs they lost most of the social benefits they were entitled to, such as health insurance and pension benefits, resulting in a longer-term drop in their living standards.

> Here, if you don't have a job you don't have a right to anything: no right to health care, no right to a pension, nothing. What I have got, I got it by myself, with my work… the state never gave me anything. (Nora, 52, I 28, Lanús)

The difficulties in meeting the expenses of private health care, accompanied by the resistance to attending the run down and overcrowded public health services, poses the middle classes with new dilemmas.[132]

> […] We lack everything, completely…we have the house, but we can't eat the bricks, we can't eat the range or the TV set…We don't have any health insurance, we are not contributing for our retirement […] I had a health care insurance plan and I had to drop out of it because I was paying

[132] For a recent analysis of the redefinition of the strategic practices of impoverished middle classes in Argentina, see Kessler (2000).

> a fee of 200 pesos a month […] and I said to my husband 'Don't worry, I'm going to the public hospital, but, of course, he becomes upset because I have to go to a public hospital, to wait in line, to bear the poor service, to bear all those inconveniences…because the personnel working at public hospitals, poor people, they also earn low salaries and have their own problems…(Violeta, 41, I 15, Lanús)

The access to pension benefits is probably one of the most dramatic losses, and under present circumstances, the most difficult to reverse. In fact, most of the interviewes stopped contributing to social security after losing their formal jobs as wage-earners, and those that embarked on some kind of small business, in general, could not afford the costs of contributing as independent workers. Social security requirements, based on the assumption of some kind of "life-time formal employment", do not reflect the changes in the labor market.[133]

> […] I don't want to think about my future …because the years of contribution to the social security …I have lost them all […] because I couldn't make any contributions during the last 10 years. And I have contributed, more or less, during 23 years …I'll lose these contributions…They are completely useless to me…it is money that the government has kept…or whoever, and it's completely useless to me [I have lost it]. (Armando, 56, electromechanics technician, sells take-away meals, I1, Lanús)

> The future? Awfully bad, dreadful…we are a group of people aged 40 to 45, who have no job and no social benefits for tomorrow. You need to contribute to the social security system at least 15 or 20 years more, and you know you won't be able to do that. You weren't contributing to your pension as autonomous worker …You know you will get the minimum pension payment, which will never be a decent one, but you don't have those 100 or 200 pesos…[that you need to contribute monthly for a private

[133] Under the present pension legislation minimum age for retirement is 65 both for men and women provided they can prove *at least* 30 years of service and having made the due contributions to perceive full benefits. Unemployed workers cannot contribute to social security and workers over 55 cannot be registered as independent workers.

> retirement fund]…(Marisa, 41, small commerce owner, unemployed, I 13, Lanús)
>
> […] I have 19 years of certified contributions... I have 15 years more to go before I reach the age of 65 and I have to contribute to my retirement fund for 11 years more. I will start making new contributions when I have 11 years more to go …if I can, I don't know […] Now, if you don't have a code number in the *Anses* or if you don't have your *c.u.i.t.* number [tributary identification code]…If you don't have your *c.u.i.t.* or your *Anses* number, you practically don't exist… that is to say you are out of the system…(Gabriel, 50, merchant seaman, unemployed, informal jobs as an electrician, I 26, Lanús)

7.3. THE FAMILY

Income loss due to unemployment increases the vulnerability or finantial hardship at the household level, especially in a context of very weak -and far from universal- welfare institutions. The extension of unemployment through different social segments shows that the financial vulnerability experienced by unemployed people varies with respect to their individual and household characteristics, and with the availability and kind of resources they are able to mobilize. Rather than establishing generalizations about the different types of household strategies developed to cope with unemploymentm this section explores some of decision-making "choices" that households face in a context of economic adversity and uncertainty. It also looks at the main coinstraints that adversity and uncertainty impose on the effectiveness of such choices. Situational imperatives, previous experiences, subjective definitions, and the social, psychological, and the available material resources shape the repertoires of responses that households are able to deploy.

When analyzing the responses to unemployment in households from different social backgrounds, we have to be aware of two phenomena that do not necessarily overlap: poverty and unemployment. While income loss resulting from unemployment clearly increases vulnerability to poverty, not all the unemployed are poor. The impact of the drop in household income due to job loss depends, among other factors, on the type of household, the family status of the unemployed, his/her previous earning power and employment stability, the presence of other income earners, as well as on the availability of other resources such as financial and physical capital. Many of the households of the interviewees, particularly those living in Varela, were in poverty even when the head was in work. In cases of a highly precarious insertion in the labor market, unemployment deepens the levels of financial hardship, further worsening material living conditions.[134] Among middle class interviewees, however, while unemployment usually resulted in a sharp decline in their previous living standards, they did not necessarily fall into income poverty. Thus, strategies to cope with unemployment do not necessarily coincide with strategies to cope with poverty, particularly when considering middle-class households.

Among poor households, where survival basically depends on selling one's own and/or one's family labor cheaply and under whatever conditions are offered in the labor market, the financial difficulties due to unemployment and employment instability of the head are particularly harsh during the first stages of

[134] The low level of household resources is likely to reflect the fact that the currently unemployed were previously in low-paid jobs and were not in a position to build up levels of savings, which could help cushion them against the sharp fall that accompanies unemployment (Gallie, Jacobs, and Paugam, 2000).

the household cycle, when the possibilities of increasing the number of working members are much more limited.

> I would want to get..I don't know... *a changa* ...to last, I don't know…2 months, 1 month, 15 days, and to get another job like that, I don't know… I don't want to stay idle…because I have no means of support…once my money is all gone I have nowhere to get some more to feed my children…(Pablo, 29, 3 children, I 16, Varela)

In face of the meager job opportunities and widespread employment instability, having at least one household member with a relatively stable job, even when low-paid, represents a highly valued resource because it contributes to reduce the uncertainty about making ends meet.

> Now I have three daughters and one son, I have 4 children; I have my wife and 4 children…and the only one who is working now, this year she started working…is my eldest daughter, who is 18 years old…and so we get by, more or less, with her help, you see, she gives us a hand […] It is the way to manage really, not just getting by temporarily, because she has got a steady job. Yes, she started working in a garment factory…they make swim suits and she has a steady job there […] Now she is making 200 *pesos* every two weeks […] …she spends 50 pesos in food and travelling [tickets] every two weeks…so she has 150 *pesos* left…she gives 100 to her ma and keeps 50 for herself, to buy clothes or to go out […] She is not the kind of girl who will tell you 'no, I'll keep my part '…[…] no, in that sense…she has been brought up right. (Agustín, 39, 4 children, I5, Lanús)

> My wife works for two firms that sell [leather clothing] and she assembles the leather garments…[…] Some time ago they used to give her, for example, 5 winter coats to fix, but now they call her for 2 […] The issue of our survival depends on our elder son, who helps us…He lives with us, he is single…He works in a metallurgical firm […] it's been 3…4 years…must have been, now […] he gives his wage to her ma, he helps her…He must be [earning] around 600 or 800 pesos, monthly[…] He helps us a lot. (Luis, 49, I 27, Lanús)

Dual earner households are better prepared to cope with income loss due to the unemployment of one of the partners. In fact, a stable labor insertion of professional and semi-professional women previous to their husband's unemployment, as well as their work intensification appear as crucial elements in lowering the impact of financial hardship among middle-classes.

> My wife is a biochemist and she used to work on duty, at a private clinic…From then on she has been lucky, she achieved so many things in such a short period, may be because she was trying so hard […] A woman who was at the same private hospital got a job [for my wife] at Hospital Evita in Lanús. She is still working there but then she was offered to teach classes at the school of nursing, in the same place …and later she was offered to work as a lecturer at the University of Lanús, and she stayed working there, too. That is, she always got jobs...besides, she deserves that because she is an excellent professional […] Well... she is working at the university and at the hospital, I think she is [earning] about 1,600, 1,700 or 1,500 pesos a month, it depends …her monthly pay is not always the same…(Gabriel, 50, I 26, Lanús)

> [My wife] kills herself, she is killing herself. Some days she leaves at 7 in the morning and returns at 7 in the evening. Because she is…as it is everywhere…she is a "taxi teacher", she has 3 [teaching] hours here, 4 hours there, 6 hours somewhere else, the same as every teacher, you see…she has 4 schools now […] and she is getting a total amount of about 1,000 pesos, more or less, more or less […] But, as I was telling you 1,000 *pesos*, with 2 kids and the taxes and…you can't manage…you can just get by …tightening up. (Omar, 36, I 29, Lanús)

Coping with unemployment sometimes involve the combination of multiple sources of income, both from the state and the market. The following case clearly illustrates that even when the degree of choice is certainly limited, household members face alternative courses of action over which they have to

take decisions, which as Selby et al (1990) point out, are "efficient enough" to survive.

> […] When they fired me [at a cookies factory] I received the unemployment insurance during one year […] With the last payment I bought the cart and now I make a living out of the cart…I go around the streets… and everywhere, *cirujeando* [garbage picking] …Lomas de Zamora, Lanús, Avellaneda, Wilde …Cardboard is what you get the largest amount of…but now even to work with the cart is hard…there are many, we are too many!!! We are more and more all the time…poverty is showing up more than before […] My wife signed up for the *Plan Barrios Bonaerenses* …She's been there for 2 or 3 years already…It is the first time she has a job […] Yes, I signed up, too…but it would take the whole morning…so, it wasn't enough 200 pesos a month, and so… as she saw that with the cart alone was not enough either, she signed up [for the Plan] and I go around with the cart […] Besides you can take the vegetables that are still good and you get by this way, practically living on garbage, right? (Ramón, 37, 5 children, I 11, Lanús)

Sending more members to the labor market present serious obstacles in contexts of high unemployment. Certainly, the availability of household members in working age by no means guarantees they will get a job. Moreover, the unemployment or job instability of the head, both among poor and middle-class households, usually results not in an increase in the numbers of earners, but in the increase in the number of unemployed household members.

> […] My youngest [daughter] is still attending High School and the eldest already finshed High school. She is looking for a job but she doesn't get one, that is, they make her fill in application forms and all that, but they have never called her up [so far] and…if she worked it would be different, you see?…[…] What I really want is that she can get a job, because she wants to get a job, she is already 20 years old and…if she were working my life would change, it would be a turning point in life… it would be different, to have another income, I would manage better at home. (Mary, 41, I 8, Lanús)

> […] Yes, my wife thought of going out to look for a job immediately…but...there was no way…there was this other matter, that they offer misery wages …and to be all day long out there for such low wages, no…Yes, she tried, she went out to look for a job, she sent letters, she sent her *vitae* […] no, she couldn't get anything […] My son is working in a saving-and-loans benefit society …he has been there for 2 years now…he takes charge of some home expenses…He is earning a little more than 700 *pesos* a month …And she , poor girl, [20-year-old daughter] can't get a job, either, because…they require young people with experience…(Marcelo, 52, Interview 16, Lanús)

Similar results where found in complex households. The so-called "Mexican solution" (Selby et al., 1990, 1994) to cope with economic crisis, which involves a large household made up by multiple small families developing economies of scale in consumption and income pooling, does not seem to work in the Greater Buenos Aires. Interviews show that those households that increased its size did not necessarily increased the number of earners able to contribute to "collective" expenses. On the contrary, in some cases taking in kin appeared to enlarge not just the size of the household, but also income uncertainty due to the growth in the number of unemployed within the family.

> […] We went to live at my ma's, which is where we are living at the present, at my ma's, at the back…So, there we live…my brother that lives in the front room, with his wife and 2 children…[then] my sister, her 3 children, my eldest daughter and my father, live in the middle room, in the same room, because the house is small […] My mother died last year…my sister did not work at the time, only my sister-in-law did…my sister-in-law used to work hourly in domestic service, and she has the 2 children with my brother and 5 children with her first husband…No, no, her children from her first marriage are with their father…because the father [of the 5 children] is out of work, and so what my sister-in-law earns…she has to divide it between the kids out there and the kids here and my

> brother, who doesn't have a job, because he suffers asthma…(María, 36, I1, Varela)
>
> […] They live all at my house…Also my married daughter lives there. Her husband, who lost his job, now, too […] and…we are twelve, thirteen […] Income, I can't tell you for sure, because there are days when there is no [income at all]…With 5 pesos we can get by: you buy a piece of beef, some bread for the kids, and with that you can cook something, already […] you have to learn how to keep your money, to use it and not just waste it. (Ricardo, 43, I 5, Lanús)

Reciprocity, in contexts of extended insecurity and hardship, is difficult to maintain, and networks of social exchange become increasingly eroded.[135] Exchange of material aid among kins and friends, *when all are in the same situation,* does not seem to operate as a buffer when the household's own resources are inadequate for survival.

> No… neither family nor friends, we try and manage on our own, you see, and this way we get by, that is, with the *changuitas* he gets…and so we gather the money to pay the electricity bill, to avoid a cut-off […] *because we are all in the same situation, my father is out of work, my father-in-law, my brothers-in-law…all of them are out of work, so*…I have nobody to whom I could ask some money. (Ana, 28, I 6, Varela)
>
> You can't count on your family…to ask for help, because nobody can help…there is no one who is doing well and so can say 'All right, here, take this 200 pesos, I can lend them to you and then you'll give them back to me next week or next month'… everybody has got only enough to eat and no more. (Agustín, 39, I 6, Lanús)

Among some middle class interviewees the variety and quality of resources available, helped them to cushion –at least initially- financial hardship resulting from unemployment. However, due the depletion of resources

[135] See Kessler (1998) and Gonzalez de la Rocha (2000)

accumulated when enjoying significant levels of social mobility, their responses soon became shorter- term, developed as a buffer against the continued decline in their living standards.

> At that time the amount was 45,000 pesos [severance payment]…which we made last as a reserve, until now, until the last month […] We made some investments like fixed term deposits, and government exchange bonds, and we managed to make it last almost 8 years. [We used to spend the money] to cover very special expenses, or things like that, otherwise we tried not to touch the fund, and not even think it existed…Afterwards, when there was no money left [at home] we had to use the money to cover other needs. (Gabriel, 50, I 26, Lanús)
>
> [The house is on sale] because it's huge, besides this [what you see] it continues at the back, I have a backyard, I have a thatched arbor, everything…I am sorry for them [the children]…they learned how to ride a bycycle here, how to roller-skate, at the back, on the yard,…the dogs I have…they have never gone out to the street, they live at the back […] Now the value of property has been adjusted and real estate taxes increased an awful lot…one payment of the estate tax [they are 3 or 4 in one year] amounts as much as *170 pesos*…[We have thought] of selling this one and buying a smaller house […] no, no, you can't afford maintaining…it's too expensive…we can't afford it…(Marcelo, 52, I16, Lanús)

Restrictive practices (Gonzalez de la Rocha, 1999) develop, aimed not to increase household resources, but to reduce expenses through changes in consumption patterns. These practices represent not just a way to cope with unemployment, but an extended and well-known strategy among the impoverished middle classes since the 1980s to cope with their increasingly sharper downward slide.[136]

[136] See Minujin and Kessler, 1995.

> Look, I don't like that much going to the movies , but I love going to the theatre…and we used to go to the theatre. We used to fight with my husband, because going to the theatre meant [for me] also going out for dinner, going to dance, everything the same night […] or to go shopping and buying gifts […] [Now, I'll tell you] only one thing…last Sunday we were going to buy [fresh] ravioli …we are seven in our family, at 2 pesos each box of ravioli it makes 14 pesos…with 14 pesos, how many [dry] pasta boxes can I buy? And how long will they last? At least it would be enough for 4 meals…and the ravioli are enough for only one meal…so we chose the [dry] spaghetti option. *It wasn't like that years before…when we wanted sandwiches we use to go and buy them, now we just look at them....* (Marisa, 41, I 13, Lanús)

> When we had a long week-end we used to go on vacations …we enjoyed.We used to belong to the well-to-do middle-class, more like an upper middle-class than a lower middle-class […] No, I don't go to the supermarket any more…We used to go to the supermarket and we used to buy what we needed and what we didn't actually need […] Now I only buy what is strictly necessary…we've changed our eating habits, we've changed everything…Well, sometimes I buy a pizza or some take-away food, of course, because I have no time…We are at the store all the time, but we have some places nearby, where the food [you buy] is cheaper than cooked at home. And then, right opposite the store I have a wholesale supermarket, so I can buy goods there [at good prices]….the food we eat now is the simplest kind. (Raquel, 49, I 3, Lanús)

7.4. SUMMARY

This chapter has provided evidence of the heterogeneity of responses developed by individuals and households coming from different social backgrounds, going through different family stages and living in different local contexts. The acknowledgement of this heterogeneity, however, by no means invalidates the possibility of identifying certain general trends. In fact, the various responses to unemployment show that lack of social protection from the state and

the meager employment opportunities provided by the market are exerting an overwhelming pressure at the household level. This pressure not only results in a progressive depletion of resourses, but also introduces new sources of conflict as previous conceptions of work, gender and family roles are challenged by the new and harsh realities of the market. From a wider perspective not only are previous social mobility strategies abandoned but shorter-term responses to cope with a sharply adverse context seem to be increasingly unable to buffer the decline or to ensure basic levels of survival.

Chapter 8: Work and Unemployment: Meanings, Perceptions and Impacts

The concept of unemployment is inseparable from that of work. People will tend to define their employment situation according to the kind of activity that they regard as having a true value. Therefore, the perception of employment is not only affected by the individual's previous labor experience but also by a work culture and labor traditions that permeate the way in which work is defined.

Argentina -and especially Buenos Aires- in contrast with other Latin American countries, was characterized by a strong tradition of formal work to which labor rights were tied. The later, in a context of a profound worsening of the labor market, appears nowadays as part of a collective memory that goes beyond the individual labor experience. In fact, interviews show that labor rights are attached to the meaning of work even among those workers who never fully enjoyed access to them.

This, however, does not imply a socially homogeneous definition of work and unemployment. The unemployed are not a homogeneous group enmeshed in the same set of restricting conditions. As previous chapters have shown, they differ by social background, labor trajectories, educational and skill levels, gender, family status, life cycle, etc. They find themselves living in local areas with different social and economic structures of opportunity and coinstraints.

This chapter attempts to provide a wider picture of the complexity of the unemployment experience focusing on perceptions, meanings, and impacts of work loss both at the individual and the household level. Firstly, it explores the

meaning of work and how it affects perceptions of unemployment. Secondly, it analyzes the impact of unemployment on the private sphere, emphasizing its psychological effects as well its consequences for family relations and the domestic division of labor. Finally, this chapter assesses the perspectives on the future, pointing out how the deterioration in employment, a context of economic recession, and the profound erosion of previous mechanisms of social mobility result in feelings of permanent uncertainity and lack of alternatives. This blocks the possibility of thinking about the future beyond the immediate coinstraints.

8.1. MEANINGS AND PERCEPTIONS: WORK AND UNEMPLOYMENT

Perceptions of work seem to be affected by several factors: conceptions of gender roles, family stage, previous labor experience, and a labor tradition centered on formal work. Definining unemployment *from within* reveals the complexity of the phenomenon, which goes beyond narrow "institutional" definitions. Actually, some authors assert that unemployment is like an elephant: easier to recognize than to define.[137] Another key issue to consider in the way in which unemployment is experienced is the social representations of its causes.[138] Thus, the ways in which work and unemployment are perceived and the meanings attached to them will affect the experience of being out of work.

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[137] Cited in Burnett (1994).

[138] Basically these representations can be grouped in two kinds of explanations: structural and behaviorist or individualistic (Howe, 1990). The first one conceives unemployment as a result of social, economic, and political forces that escape from individual control. The second kind of explanation places most of the responsibility on the individual due to his personal characteristics and behavior –such as work attitudes and general instability, and is predicated on the distinction between the deserving and the undeserving. Murray's (1990) essay on the underclass is probably one of the clearest expressions of the latter perspective.

8.1.1. The Meaning of Work: Gender, Class, and Labor Tradition

The way in which work is perceived is affected, among other factors, by how gender roles are conceived. The traditional *male breadwinner* conception is certainly stronger among working-class interviewees. On the one hand, a wife's paid labor that results from the husband's employment instability is felt by some males as a failure to meet their family responsibilities.

> I felt in debt with her…that she had to work 'cause I didn't get a job…I felt really bad, 'cause I wanted to be the one bringing in a meal, to say it someway, and when my kids need a pair of sneakers I want to be the one buying them…I don't know…I felt really bad, I wasn't used to that…(Santiago, 29, I 25 Lanús)

On the other hand, family responsibilities alter priorities and choices for workers, especially when they have young children. Work, mainly among the poor and less skilled, does not represent a matter of choice or self-fulfillment, but the only way of providing income to the household. Work and jobs among these workers are just means to an end, which is defending themselves and their families (Selby et al., 1990).

> […] I've no problem, I do anything, as many hours as I am asked to, but what I want is to be rewarded for my efforts […] If I am told to go and pick up some shit with a spade I'll do it […] but, I don't know (I want someone) to reward me for my efforts, to admit that not everybody, not anybody will do that […] I've no problem, but reward me…otherwise…don't crap on me. (Esteban, 27, 2 children, I12, Varela)

> […] Everybody asks me: what is your craft? And I always tell them the same, I am ready to work cleaning up… in all that…, whatever means work. (Pablo, 29, 3 children, I16, Varela)

In contrast, for middle class males work -besides income- appears as a source of identity and self-fulfillment. They tend to mark a clear division between what they consider suitable and unsuitable jobs; suitability usually responds to their professional qualifications and experience accumulated during their labor trajectories. *Esto no es lo mio* (this is not my thing) is a common phrase for referring to the jobs obtained after unemployment.

> Because to me it was always a matter of pride when someone asked me 'How long?' And …it's been twenty…when I reached twenty-eight: 'Twenty-eight years at the same company!' and they said that with an exclamation […] Sometimes, chatting with one of my passengers [in the taxi], when I get a long trip like that, so that we have time to chat….So I say 'Truly, I don't like this, but I've got to do it because I make a living from this'…and mind you, I don't treat people badly, you see? But I…if they ask me whether I like it…I don't like it, it is not my…[…]A good job is the one I used to have before […] it used to give me security, comfort, wellbeing…and a smile […] I am an expert in grains, that is, I have a profession but, I can't work in it, so…that is a good job, to work in my profession…and I always did it…(Marcelo, 52, I16, Lanús)

> I am looking for a job according to my skills, because I've acquired office skills, otherwise…as I tell you, I would accept whatever… within…certain, I'm not saying certain status, but … let'say, a certain level […] a certain level , that is to say, may be…I wouldn't work as a garbage collector, for example, or as a road sweeper, either, at least so far…(Luis, 49, I 27, Lanús)

Trust, reputation, and friendly treatment together with autonomy appear as the main sources of work satisfaction among self-employed males.

> […] Because, say… I come and do some job for you, and then comes a friend of yours and (he asks)…'Who did it?', and… someone recommends you to someone else and […]Besides …trust and respect, one also…places like that where I am working right now…places where I am working…and…we have the house's key…we go in, we've got the

> key…we have their complete trust that nothing will be missing …and today, that way of trusting and giving the key to anybody is not usual…So, we already have a number of clients, because there are no problems […] It is like a friendship we have with that people, isn't it? (Ricardo, 43, I 5, Lanús)

> […] The fact is I got used to…we are used to working as self-employed, without giving any explanations to anyone, without schedules... that is, we go to work early but may be we come back at midday, or may be we come back at…and we don't have to report ourselves to anybody […] Up to the present day I was used to that…and no, now it's hard for me to go to work to a place like that, under a boss. (Esteban, 27, I 12, Varela)

In the case of women, the range and complexity of their roles is clearly reflected in their conceptions of work. For women living in poor households, work tends to be the result of economic pressure, oriented to supplement domestic spending, basically to satisfy their children needs and reduce the demands on the man's wage. Even when the earnings they obtain from paid work is the only source of income of the household, they tend to perceive themselves as secondary workers.

> […] I am looking forward to working, at least to help my husband to…Besides, sometimes, it has happened to us…[the children] need sneakers or even food sometimes, and so it is like I am driven to despair […] As long as I have a job, so that I can give my children a treat, to dress them, to see that they don't lack of anything…I don't mind where it be. (Ana, 28, 6 children, I 6, Varela)

> Oh! [if I could choose] I would stay at home, but…if I have to go to work, I'll do it, to give my husband a hand…I'll do it. (Luisa, 36, 7 children, I 9, Varela)

Among middle-class households, mostly characterized by dual earner couples, women's paid work appear not just as a way to satisfy the immediate needs, but also to secure the long-term well-being of the household.

> […] I was earning good money, I could give myself the treat of buying a book – at that time- at 100 pesos, and not only the book, I am talking about those parameters…I used to go out, to dress, to buy stuff for the children, my capacity was that… I could go out with my friends… I used to go downtown, we used to go out for dinner, or to have a drink… I could dress, buy something for the kids and buy expensive books for a treat. (Graciela, 39, I 14, Lanús)

> I bought myself a little Fiat 600, I had my own house, my children…I didn't need to go out to work, you understand? And I used to say all right, by selling clothes I've changed the car…to me, a car…to have a little Fiat 600 at the time was like having a Mercedes now… Then I bought myself a coupe Fiat 125, which was bigger… with that coupe then I bought a plot of land that was 56 x 9 meters, just 5 blocks from my house, and that was all purchased by selling clothes. (Marisa, 41, I 13, Lanús)

Contributing to household income, while crucial for women's employment decisions is by no means the only reason for working. Certainly, women have their own needs. Many of them perceive full-time childcare and housekeeping as monotonous, isolating, and frustrating, and see paid work out of the home as providing a necessary break and the opportunity of social contact. At the same time, work represents a source of independence and autonomy, basically among lone mothers and married women in who have spent most of their working lives in the labor market.

> Those three years that I stayed home without working I felt badly, but… from all aspects: financially, due to the financial loss, due to the *loss of belonging to society*... because a woman remains secluded at home for the fact of having children… as I have to be with mine, who I adore … (Graciela , 39, I 14, Lanús)

> Sure, there's a need for…[…] Not only the need for money, but the need of being out , you know?…to feel well, to feel useful, or to say all right… here it is…or I bought this, you know? […] besides you feel fine when you work, because being at home all day long, also, it is like…you get fed up... You get sick and tired of it…I have three children, and I have worked out of home since I was a very young... I have always liked working, and now, to be secluded inside here… you know?…You feel impotent... (Carmen, 26, I 13, Varela)

> I like going out to work…because I don't like to be all the time secluded at home, no […] I know many people and I like, I like…to manage by myself, not to have to ask anybody…I like to get along…by myself. (Alejandra, 34, separated, I 19, Lanús)

> […] To me, separating was like a liberation, first because I could go out to work and second because… when I said no, it was no…and when I said yes, it was yes, and there were no undefined situations or insecurities […] Working gives you freedom, independence…it gives you…you become totally independent, you don't have to report yourself to anyone or to bear anything you don't like. (Celina, 41, I 23, Lanús)

Work is associated to the idea of stability and of minimum level of rights that have to be respected. There are certain formal obligations that every job has to or at least should follow. This does not affect just the perception of what a good job is –or should be- but also the definition of what can be considered as work.

> […]The fact is I don't know if it can be considered…I don't consider it a job, right?…I had once acquired hair-dressing skills…and so, sometimes there would come some neighbors... […] I do not consider that work, since I never paid the required contributions …I considered it a *changa* [odd job] what is commonly called *changa*, precarious work. (Graciela, 39, I 14, Lanús)

> No, I didn't work…No, I just did nonsense…Like selling cosmetics…that stuff…I used to sell cosmetics, and Tupperware, nonsense, so that…you see? […] Yes, it was work, but I mean…to me, to have a job… is having a monthly wage that you earn, and…all right, what you can do besides that you do it as extra…(Lucía, 56, I 7, Lanús)

> […] I want to have my own *obra social* [health insurance plan], I don't want them to seat me on a chair in the future... and I don't want them to become bothersome with me when I am an old woman. I want to be *on a par with the rest of society*…(Marcela, 46, I 29, Varela)

The threshold of rights, below which a worker's dignity begins to erode, becomes highly flexible in the context of shrinking employment opportunities. In fact, the interviews show that the conception of rights attached to work and the image of the once privileged position of Argentinean workers in the Latin American context, conflicts with the reality of a labor market that has sharply deteriorated and the urgency of obtaining some earnings.

> For the employers…it is more convenient to have one of those people …than having you, because they know that you will cause them trouble…because at work I'll cause them trouble, because *I have my rights* and a foreigner does not claim for rights, he will work anyway, he lowers his head and works…(Ricardo, I 5, Lanús)

> […] The Argentinian is used to to making his work worthy…an Argentinean won't work…he won't make three 3-metre deep wells for 10 pesos a day as they do… and they'll do it […] And you know how they get along?… Chewing coca leaves…(Lidia, 29, I 20, Lanús)

> Really, I don't know how they manage… because the Bolivians, for example, how can I say it?…sometimes they work for 15 pesos a day…It's all right, we also do that now, I now understand it, because if I have to work for 10 pesos a day now, I'll go, I have no problems to do that [now]…It wasn't like that before…years ago, if I didn't get at least 40 pesos a day I wouldn't work, because I have to earn 40 pesos a day, because I am a skilled construction worker. (Agustín, 39, I 6, Lanús)

The disciplinary effect of unemployment on the labor force result in feelings of defenselessness against employer demands and lead to adaptive

behaviors in face of unfair labor conditions. In this context, the respect for labor rights appears as part of a collective memory of a "golden past" now lost, especially among older generations.

> We used to go to the trade union, say…if you worked in a factory, or wherever you worked there was always a delegate [a representative] who spoke on behalf of the workers… but at the present there is no use in doing that…even if there is a delegate in the factory or in a commerce, or wherever…they will not respect you, there's no use, it won't do any good… (Anselmo, 43, I 9, Lanús)

> And…who are you going to complain to? There is nobody to complain to…they are the bosses, if you complain…if you make…if you want to make trouble, they fire you at once (Mario, 50, I 11, Varela)

> At the beginning I felt badly, afterwards I had to take it as an everyday fact […] If they tell you 'Come at 4 o'clock in the morning', you'll go at 4 o'clock in the morning…if you have to stay until 10 in the evening you'll stay until 10 in the evening, and you'll try to do it the best you can. (Luis, 49, I 27, Lanús)

Labor stability and the possibility of obtaining regular earnings appear as a top priority for the vast majority of the interviewees. The increasing difficulty of getting *changas* among the self-employed and the mounting job insecurity in wage employment explain the importance attributed to stability -usually associated with social benefits.

> […] I knew I got up every day, I went to work…it was a job that I thought would be life-long lasting, that I'd retire there…that my children would never lack of anything, that they would have, may be , what I had never had myself, that I could give them more than I was given by my parents. […] But now, when you have a job they ask you to work may be 12 hours, or 14 hours…and you earn misery wages and they pick on you all the time 'keep up, and keep up, and keep up', or they take you on for a 3-month trial period and then *bang!*, they fire you because they don't have

> to contribute to your pension, *which is the most important matter of all*. (Ricardo, 43, I 5, Lanús)

Uncertainty and the sensation of a permanent vulnerability to joblessness is probably one of the most significant and generalized perceptions that people have under the present economic conditions.

> When I got married, in 1968, it used to be like…once you were engaged and you got a job, mainly the man got a job, you could get married, because that job was life-long lasting…To start working in a company was…'OK, from now on I'll have all my problems solved, I am going to retire after 30 or 40 years working for this company'…Because many people used to get married once they had a job […] In those days you'd never have to worry about a job, you didn't need to worry…And nowadays you can't plan ahead… not only for the future of tomorrow, but for the future of tomorrow Friday [You can't plan ahead even for the following day]…*Because you don't know whether you'll still have a job, whether inflation is coming next …or devaluation*…(Nora, 52, I 28, Lanús)

8.1.2. Defining unemployment *from within*

People's definition of unemployment is much more complex and broader than the one conventionally used in official statistics. The unemployed are not just people without work and actively seeking a job. Other employment problems, such as discouragement, underemployment, short-term temporary jobs, changas, and in general terms, most labor situations generating labor and income precariousness are perceived as unemployment.

Certainly, underemployment includes more than "involuntary part-time" work. Firstly, not everybody is unemployed on a full-time basis. Secondly, having a precarious job is not necessarily perceived as synonymous of being employed.

> I consider myself a 'happy-medium' man, half unemployed and half employed, because…I work on Fridays, Saturdays, Sundays and sometimes mondays or Tuesdays, that is 4 days, only, and then what do I do?…And the rest of the time…I am looking around to see if I can get a job to work everyday. (Santiago, 29, I 25, Lanús)

> […]May be 3 or 4 months, a couple of *changuitas* [odd jobs], like now, some time ago, I have been making sweaters for the security guards…but the season is over, and now I have no job […] I don't have a job now, you see? I am unemployed […] Sure, I do *changas*, that's the word, I do *changas*, I don't know how you call this: 'underemployment'?…*I am underemployed, because I don't make any pension contributions, because I don't have obra social* …[and on these changas]…I survive. (Damián, 54, I 15, Varela)

Unemployment, as the analysis of labor trajectories has shown, does not inevitably represent a break point in the working lives of those experiencing it. Those with more unstable carrers, who have experienced repeated unemployment spells during their working lives, appear to be "better prepared" to deal with it. Most of them conceive unemployment as a "fall" that requires an immediate "recovery".

> Yes, I am used to it [to not having a job], yes…I don't know why, but no…I don't fear that. What I fear is seeing my children ill, that is what I fear, otherwise no…I don't know, I guess I have always been this way, if I am down [if I have fallen down] I have to stand up on my feet and get going if I can, keep going… getting through it the way I can…(Antonio, I 3, Varela)

> […] It is not that I feel immediately defeated because they fired me, and so I'm going to…I don't know, commit suicide…There are many of those[persons], but no [I am not like that]… I think, I adapt myself soon, I try to look for…to get through it, you understand?, not just staying there…without reacting. (Ramón, 37, I 11, Lanús, 37)

For others, however, losing a job after decades of continuous work represent not only a shock, but also the beginning of a process of cumulative losses in multiple aspects of their personal and social life.

> […] Right on the following Saturday there was this party…I wanted at least this *last party*…because there I began…'*this is going to be the last, this is going to be the last*'… Because now you've got to control [your expenses] in a different way […] and so, as we had this party the following saturday, I say all right, even if it is the last party I want my wife to enjoy it, without worrying…and, I told her on Sunday, it was no difference to say it on Friday or to say it on Sunday…the difference was that at least she could enjoy herself better on that Saturday…for if I had told her on Friday: 'Look, I lost my job', how would she have gone to the party? (Marcelo, I 16, Lanús)

Work, and specifically formal work, used to be the main mechanism of social integration. In fact, for those that enjoyed the "privilege" of formal and stable employment, unemployment is perceived as exclusion and degradation, sometimes accompanied by feelings of worthlessness and inferiority. Being out of work appears then as a synonymous of social destitution, of *being out of the system*. This is basically the case of those losing their stable jobs in their middle ages, for whom re-employment becomes extremely difficult.

> You feel like crap, the worst shit on earth [being unemployed]… it throws you out of your condition of human being, it makes you feel the dregs of society […] To know that you share the same fate with many people doesn't make you feel better, you still feel like a jerk [Mal de muchos

> consuelo de boludos]… I may feel sympathetic to you if your foot hurts, or if you have a toothache, but it is only you who knows how bad the pain is […] Nobody becomes conscious of the degradation it means for human beings, because beyond everything, [beyond] the psychological and physical harm it causes, there is the total unwillingness it produces…*they take the air, they take your breath out from you, they take your dignity, they steal your dignity, little by little*…(Celina, 41, I 23, Lanús)
>
> […] We can't blame globalization if a number of us, middle-agers [*jovatos]*, lose our jobs, or are left *outside the system*. (Gabriel, 50, I 26, Lanús)
>
> [..] To me…that they have taken my dignity out of me, because to me, in this country they take your dignity out of you when they fire you at work…you become nothing, nothing, nothing […] *you feel that you don't belong to society any more, that you are nothing, that you are no good for anything*…(Nora, 52, I 28, Lanús)

8.1.3. Causes of Unemployment: Social Representations

Certainly, a decisive factor affecting the way that unemployment is viewed refers to how generalized is labor insecurity. In contexts where the vulnerability to unemployment is extended to vast segments of the population, a discourse of blaming the victim looses legitimacy. Moreover, when welfare provisions for the unemployed are almost inexistent, the "state dependents" argument explaing why people do not work does not have credence. As expected, interviews show a clear predominance of structural over individual explanations.

Structural causes include a vast range of economic, political, and social processes and factors, which, in general have deepened during the last decade. First of all, unemployment is perceived as a collective problem. Most of the interviewees, regardless of social class and neighborhood, talk about friends,

neighbors, acquaintances, and other family members who have lost their jobs. *No hay trabajo* (There are no jobs*)*; the unemployed can be found everywhere.

> *It doesn't happen to everybody, but it happens to most of the people, I guess*...because I have my brother-in-law who…also…worked 16 years in the railway company and he got fired at once, suddenly, you understand?…OK, he got his severance pay, but how long can they live on that money they gave him? […] My sister's husband, the same…he was working in Costidial, in YPF [formerly state-owned oil company] and also lost his job […] Then, my neighbor, the man next to my house…18 years working in a bank, cleaning up at a bank, in maintenance, suddenly he got the letter of dismissal…18 years we are talking about! (Lidia, 29, I 20, Lanús)
>
> No, now is worse, much worse, much worse, so much [worse] that, for example, in yesterday's Clarín [Buenos Aires'newspaper]…I was watching…'on sale' ads: TV sets, computers, walkmans, CDs…and, for example, they sell a TV set plus a video player at 300 *pesos*…and they write down 'To sell out of stock'…but, who has those 300 *pesos* to go there and buy…? […] Years ago at least, I remember, in times of Alfonsín, for example, the prices of everything were increasing constantly, but you had money to buy things, people had money to buy things…if they couldn't afford 1 kg.[of any kind of food supplies], then they would buy ½ kg., or ¾ kg….*but they had money, because they had a job.* (Marcelo, 52, I 16, Lanús)
>
> […] All have decreased, that is to say…the locksmith used to sell, used to make 50 keys a day, and now he makes ten or eight, or whatever he makes, but it's that kind of relation…not only in that activity, but also in electricity, in construction, *everywhere the sales dropped … there are less jobs, it's amazing.* (Gabriel, Interview 26, Lanús)

Technological change is perceived as a major cause of unemployment among low-skilled manual workers who lost their formal factory jobs. As Seabrook (1982) points out, the idea of redundancy has a resonance now that goes far beyond the laying-off of workpeople in a given industry.

> They went into bankruptcy, the factory closed down…We were less workers then, we were less already…from 1,700 we used to be, there must have remained 450 of us left…because they fired many people, because they brought furnaces from Italy, automatic furnaces, and everything...The furnaces we had when I started used to be operated by 6 workers in each shift and the new furnaces they brought were operated by two men [instead], one at the entrance and one at the exit, and no more…they were computer-operated, completely. (Orlando, 44, I 4, Lanús)

> And I was lucky [at the brewery] I was doing the loading and unloading…they don't do that any more now, because they have brought in all robot machines, and so they do all the loading…robotized…[This way] they save labor force…not in those days, when the brewery was still at a period of transforming and development and they had…the loading was made manually and so, they used to hire a lot of people. (Damián, 54, I 15, Varela)

Among low-skilled informal workers, mainly those working in construction and domestic service, immigration from neighboring countries appears as an extended explanation of unemployment and a factor in depressing wages.

> Because you go there, say, you take a job and…you tell [the client] how much you are going to charge him… the Bolivians, all of them…they lower the price to a half of the amount […] Now, yes, it is becoming harder to get *changas* because there's too much competition…(Evaristo, 30, I 10, Lanús)

> The fact is that there used to be more opportunities, I don't know, nowadays even at Aguas Argentinas [privatized water supply company], now …you go there, looking for a job, and they will offer you pennies, because there are many foreigners all around…What we consider to be misery wages, just a couple of coins, is a fortune to them…Bolivians, Paraguayans, Peruvians […] they fill the work vacancies…and so…Argentina is running out of work jobs […] (Santiago, I 25, Lanús)

> Domestic service jobs, there are no more… because there are many foreigners working by the hour and sometimes you…In Varela and also at

> the Capital [city] a Paraguayan or a Bolivian citizen, who works as a live-in maid, as she hasn't got a house, or anything, she can work for 200 pesos a month […] An amount like that is worth while for them, but to us, who live here, it is not. (Ernestina, 34, I 7, Varela)

Rampant inflation, the indiscriminate entry of imports, the role of transnational companies and big supermarket chains, and tax policies are some of the factors that contribute to explain the exhaustion of domestic industries and of small and medium commerce, perceived as one of the main causes of unemployment.

> No, no, no… I think everybody is…unfortunately here, in this country everything is going wrong, I think there are many people like me…The truth is…I don't know how to explain this… but I guess this [situation] is due to the fact that many companies from abroad come to work here and nobody considers worthy what we have in Argentina …the industries and all that, the companies that used to work here, they all closed down…medium-size business […] mostly the firms that are still working are the hypermarkets and hypermarkets are run by people from abroad, most of them. (Anselmo, 43, I 9, Lanús)

> […] Many closed down, gradually…first at hyperinflation times, when the costs problem arouse […] Then, what did all that uncertainty cause? Many said: 'The hell with it! I am selling everything, I'll deposit my money in Zurich, at the Hoffman Bank there and…I'll never invest here!' And so they began to close down, and close down and close down…I don't know if investing abroad, living off interests …And then all this matter of the firms, the multinational firms, that come here, they make fortunes…and they hire you, they pay you couple of bucks…and when their companies cease to be profitable they simply leave…There are no jobs, there are no…(Nora, 52, I 28, Lanús)

> […] First of all there is no work, no market. I used to work years ago… in the times when I used to work people could build their own houses working on their sewing-machines…then all the imports entered...the policies...all the imports entered... they started bringing clothes from

> Korea, Brazil, wherever from, and our industry fell damned down. (Felicia, 36, I 28, Varela)

Corruption and the discrediting of politics and of "the politicians" in general are other pieces of the puzzle of the attitudes that unemployment generates.

> What can I say? The *crap* politics we are bearing…because it is not a matter of…the years before with the *peronistas* and now with the *radicales* …it is always more of the same shit, in so far as corruption goes on, in so far as stealing goes on, since the *peronistas* and the *radicales* and whoever comes next will go on stealing…(Celina, 41, I 23, Lanús)

> I blame the political leaders [for this situation]…who didn't have have the guts to say : 'No, stop, wait a minute, things have to change at once here… here, things have to be this way and that way…', no matter what we are demanded to do, from up there…from the Monetary Fund …There are things…if this country hasn't got a national project, there's no globalization that matters, I don't give a damn about globalization!!!… There are things, specific things that are to be made by the state itself. (Violeta, 41, I 15, Lanús)

Some interviewees, however, while recognizing unemployment as a collective problem, consider their current joblessness as the result of their "lack of commitment" to stable employment and to the work ethic.

> […]It has happened to me whenever I lost my job…you feel awful, like…you are no good, like…'what an ignorant guy!', I don't know… you insult yourself, you tell yourself 'what a stupid!'…'why didn't I stay at that job?' or 'why didn't I keep on…why didn't I insist on… more…?' The guilt is there...or 'what did I do wrong?, I must have done something wrong since they have fired me, since they have thrown me out'. (Joaquín, 28, I 8, Varela)

> It happens to me, more than it happens to others, I guess. Because no... I never had constancy in a job […] Yes, yes, unemployment there is a lot, yes.That, too…but I guess it is worse with me because of my instability… I am not the kind of materialistic guy that has thought of making money …no, no. (Oscar, 33, I 23, Varela)

8.2. IMPACTS OF UNEMPLOYMENT ON INDIVIDUAL AND HOUSEHOLD

Unemployment has profound implications both for the individual and for the quality of household relations. The understanding of the way in which unemployment affects an individual is closely related to the way in which unemployment is perceived by the individual. The household level needs to be looked at separately since the effects of unemployment seem to be affected by a complex mix of factors such as the family status of the unemployed, duration of unemployment, stage of household cycle, conceptions on gender roles, and employment status of other family members among others. Certainly, an unstable equilibrium characterizes most "strategies" developed at the household level to cope with unemployment. Their impact on household relations show that responses to economic adversity do not necessarily involve consensus and cooperation, and in many cases may end in family break-up. We begin by looking at individual perceptions of the impact of unemployment.

8.2.1. Psychological and Personal Impacts

The effects of unemployment are neither homogeneous, nor can they be equated with the direct economic consequences of the loss of income. While the

later represents a major source of distress, the implications of unemployment for personal stability are much wider ranging.

When unemployment affects the main provider, especially in working class sectors, where a male breadwinner culture remains strong, job loss can result in the erosion of masculine identity. Unemployment appears to be particularly disruptive during the first stages of the family cycle.

> When you have a family, it is worse, you feel worse. For example, something that was most touching, and that I won't forget as long as I live, is that my daughter's first baby food… it wasn't me who paid for it, but my parents; that is…I am eternally thankful for that matter, and I am in debt, personally, right? […] *That is*…the problem is that you feel unuseful, no good for anything. And so, strange ideas come to your mind, like…for someone so structured with this matter of work, so financially independent as I had been…ideas like blowing out my brains came to my mind, that you are no good for anything any more… You can't support your daughter, your wife, you should kill yourself, more or less […] Look, I always say that I am not *machista*, but there appears your *machismo*, isn't it? It is me who has to support my family...(Ernesto, 25, I.30, Lanús)

Among middle class males, the challenge to individual identity as a result of unemployment seems to be related to a strong personal identification with professional employment.

> It is a strange situation, somehow…a merchant seaman without merchant navy…he has got nothing, that is to say, Profession? What am I? 'What do I write down here, dad?' …I don't know, put down whatever you want, it's the same…No, it was a problem of identity that I could never, I could never get through it […] I still feel a little frustrated, that is to say, above all… the identity matter, I am not a merchant seaman any longer, and then… what am I now? That is to say, generally I put down electrician but…it is not what…it is not my greatest ambition to become an electrician…(Gabriel, I 26, Lanús)

The loss of work, usually experienced as a *fall*, leads to a marked rise in anxiety and depression.

> […] Recently my health collapsed seriously, and that happened twice…one was at a psychological level, I won't say I was mad, but I had bad headaches all the time... all worries, right?The second health break-down was cholesterol. I went to the doctor and he said to me 'The third one is your heart'. So, you see, now I take it easy, I don't worry… if I see that I am falling down I try to make myself comfortable in the air while I'm falling down, because I'm falling down anyway, you see? No, I can't avoid falling down, I can't avoid it…(Omar, 36, I 29, Lanús)

> At times you become depressive, because you feel badly, you feel like an old man… you feel like working but you don't get a job, and so you want to contribute [money] at home, but you know you can't and you feel badly…I am not used to being helped, to being supported... let's say. (Luis, 49, I 27, Lanús)

For many women, especially for those who have spent most of their working lives in paid employment and whose financial contribution to the household income has been crucial, the homemaker role does not seem to provide an alternative source of identity; unemployment appears to be as problematic and as disruptive as among males.

> When I lost my job, in 1995, I suffered from serious depression, I was deeply depressive because I thought: 'My God, we are going to starve now!!! What are we going to do?' I was so scared, so so scared…because up to that time we used to have two salaries [my husband's and mine] and the highest was mine […] I started to feel badly, from bad to worse…I ended up watching *Indiscreciones* on TV like a stupid, right…I even started changing my personality…because…you see, whenever Jorge [my husband] got home from work…I felt so thankful to him, because he was supporting me that I …you see…I felt like a sort of geisha that had to take

> his shoes off and put his slippers on […] because I started to feel thankful to him, because I was being fed by him…(Nora, 52, I 28, Lanús)

Among women with the most demanding domestic role, those with pre-school children, joblessness appears to be less problematic, reducing –but certainly not eliminating- women's employment deprivation.

> At the beginning I used to say 'Ah…' but actually I didn't realize…because it was like *all right*…going to school, coming from school, taking my daughter to kinder…I had one in Primary School and the other in kinder…and the baby-girl, and so it is like…all that coming and going, no great change…but, definitely, there was something missing …that was compensated by my husband compensated by my work to the kids, the house and all that […] and so I felt self-controlled from that point of view. (Estela, 40, I 12, Lanús)

> What has changed is that you don't have your own money to be able to say OK…I'll do this…you are free to spend your money... that is what really bugs me, but then the rest, I don't…because I don't get bored at home all day long, I have my daughters that…(Verónica, 30, I 18, Lanús)

Most male interviewees said that they have time on their hands, and characterized idleness as boring and destructive for identity and self-steem. They describe themselves as active, highlighting the differences between *being unemployed* and *being idle*.

> I always say that I am unemployed, but not idle, because I always have something to do. I am unemployed, I don't have a job… but I am occupied, always, I am always doing something, always something... (Omar, 36, I 29, Lanús)

Some ways of being active while unemployed are to make improvements and repairs to their houses and/or cultivate their own vegetable garden, experienced as *therapeutical* activities.

> Sometimes... for example, last week… I changed all the electric wiring…I had the wires, so I installed the new electric wiring, and that way, you see…[also] I removed the backyard floor and I made it again, the concrete floor, because I had to make a well in the bathroom …And then there were two trees out there…that week I didn't have a job…two trees, I am talking about the *ombú*…you know? […] As a way of getting rid of stress, of course…(Agustín, 39, I 6, Lanús)

> […] And…look, when there was some money I used to paint parts of the house, to do some repairing here and there, to tidy up the backyard. Once… this was some time ago, as a sort of therapy, I arranged a little vegetable garden, as a therapy I tell you… I had some peppers and tomatoes….all as a sort of therapy. (Omar, 36, I 29, Lanús)

Participation in community organizations, while less common, appears as another way of doing a "useful activity", especially among working class males.

> To belong to the *Sociedad de Fomento* is a relief, in the sense that…in the evening, about 6.30 or 7.00, I have football practice with the kids…And so you have an activity…you are doing something, and so you don't feel useless if you don't work …you are doing something.OK, you don't make any money out of it…You don't obtain any earnings, but you feel that you have responsibilities, you have something to do.(Agustín, 39, I 6, Lanús)

Continuing college education emerges as a substitute for employment among some middle-class males and females with employed partners. In contrast with other research findings on unemployment in Argentina (Valverde et al., 2000), those following this strategy are not the younger but those in their forties

and early fifties. Moreover, their main motivation for study does not seem to be investing in human capital as a way to improve their employability, but to enjoy having a time structure for the day, and to prove to themselves their capacity to face intellectual challenges, self-discipline, and responsibilities.

> It's been one year since I am studying…I don't know if it will be useful to me in any sense, but at least it keeps me busy. I want to have fun, I want to study having fun, not being distressed…I don't want to be under pressure to obtain a diploma…[…] at least this way I feel I am 'on the run'[…] Yes, yes, yes, it makes me feel good, so good that…I get nervous on the days I don't have to attend classes at college.(Gabriel, 50, I 26, Lanús)

> Look, to me it is gratifying, personally gratifying, basically…and besides, it is a hope of having access …my last hope. (Violeta, 41, I 15, Lanús)

> Go back to study…I took at it as some kind of therapy…The doctor says to me once: 'Do something, otherwise you'll get mad…keep your mind busy'[…] I started [college] as a kind of therapy, and I ended up taking it seriously, I like it, otherwise I would have dropped out of it. (Omar, 36, I 29, Lanús)

As this section has shown, anxiety and depression appear as the most evident and widespread signs of psychological distress resulting from unemployment and job insecurity in a context of generalized uncertainty. The intensity of the disruptive impacts, however, appears to vary according to previous employment experience, social class, gender, and stage of the family cycle. With the partial exception of women going through the first stages of the family cycle, unemployment do not appears as a less disruptive experience among women. Unemployment erodes previous sources of identity: being the main provider among working class males, personal identification with professional employment among the highly educated middle classes; self-reliancy among

women with a long-term labor participation. Different "therapeutical" practices are developed to cope with 'free time' and with feelings of worthlessness and aimlessness emerging from job loss: from simple improvements and repairs to their houses and cultivate their own vegetable garden, to more structured activities oriented to provide a longer-term course to their lives.

8.2.2. The domestic division of labor: role reversal, equity, or double burden?

Unemployment, and specifically male unemployment, appears to have important impacts on the domestic division of labor. Perceptions on the actual distribution of domestic tasks, however, tend to show important gender differences. While men's accounts show an increasing "democratization" within the household, women's description of the actual distribution of domestic chores seems to present a much more traditional scenario.

Initial resistance of males to perform housework seems to lessen when the period of unemployment becomes longer. Sometimes the apparent role swap is just a temporary arrangement. In other cases, however, it becomes more permanent, and males show a significant degree of adaptability.

> For example…to clean up, to take care of the kids, to see that they go to school, to look after them…At the beginning it bothered me…Because I guess I had the idea…that it was the kind of work a woman should do, isn't it? houseworking, but then I took it on, because I think…if I don't take her place when she is not here…it isn't fair…(Anselmo, 43, I 9, Lanús)

> Look at that washing-line out there…who did the washing?…I don't care if they are my grandaughter's panties, or my grandson's pants, or my daughter's panties – she is a teen-ager, the little one -, or my wife's… or

> whose clothes they are… I wash them all myself […] And…how can I say this?, I'm not ashamed of that, because it is most normal to me. When I didn't have a job?… I felt normal, like any housewife…I felt […] All right, let's hurry because I have to get the food ready. (Mario, 50, I 11, Varela)

Dual earner middle class households that used to pay for domestic service are forced to reorganize domestic tasks, especially when the wife becomes the main provider. New arrangements appear to result in a relatively equitable distribution of housework, especially when children are older.

> The one who is at home, the one who is at home does the cooking…Yes, yes, yes, me too. Also the cleaning-up, we take turns, and the one who is free…Some time ago, [when I used to work] we had someone to come and do the cleaning-up. Now…someone comes for a thorough clean-up every 20 days....and before…up to twice a week […] No, it doesn't bother me…it gets on my nerves to wash the dishes, but apart from that I do it, if I have to do it I do it […] At the present we have to see that Flavia [his wife] is not overloaded with work, …she gets back home, she must be served. That is to say, I won't let her do the dishes, because she is probably tired… in general her housework load must be lightened. (Gabriel, 50, I 26, Lanús)

Sometimes, in face of male's long-term unemployment and in spite of the resistance to accepting it, households experience a role reversal, where the man takes over the traditional woman's role.

> […] I think it is me who should be working instead of her; she should take care of the children, she should be here at home, but…Yes, [I get bored], I don't want to do anything, any more…to be with the kids, to do the washing, the cooking, nothing… I want to go out, I want to work, to clear my head, because everyday is the same routine […] I never leave this house, I am inside all day long (Juan, 30, I 5, Varela)

The female breadwinners in the sample appear as paradigmatic cases of the double burden of being both caregivers and providers.

> Because, let'say, I used to come back from work, I used to come tired, exhausted, you know?… And I had to do all the housework…he had gone into a depressive state…like…he used to cook the children's food and didn't…I used to come tired and I had to clean up…and our girl, he sent her to school just… not the way I used to send her, you see?… I like the kids to look good and neat, with the hair combed, with a nice hair-cut, that sort of thing […] I feel lonesome, I feel lonesome about these matters, because I feel so tired, by the end of the week I am so tired, so exhausted, to tell you the truth…[…] No, I can't count on my husband's support…I guess most women can't count on them…(Marcela, 46, I 29, Varela)

Women's accounts contrast with those of males. Instead of active men performing a wide range of household tasks, they describe their husbands when out of work as passive and reluctant to make a commitment to regularly performing particular domestic tasks.

> Nothing, when he's at home he doesn't do anything, he's worse than […] Nothing, he does nothing, he sits down, he lies in bed […] he watches the telly, he drinks some […] Sometimes he helps at home a little, when he feels like it, when he has a job, look… then he helps a little with the housework…he helps me bathe the girls…and things like that… But when he doesn't have a job he stays quiet there, numb, as if afraid of becoming bothersome…(Lidia, 29, I 20, Lanús)

Given the heterogeneity of domestic arrangements and the fact that many changes are still in process, we have to be very cautious about establishing quick generalizations. Nevertheless there are certain factors that allow us to identify some emergent trends, basically related to a greater involvement of males in domestic chores, which do not necessarily result in changes in their conceptions of gender roles. The temporary nature of many domestic arrangements tends to

reflect widespread labor instability. Labor insecurity and the increasing labor participation of married women seem to be transforming the parameters of of what could be considered as "normal gender roles", slowly eroding the traditional division of domestic work.

8.2.3. Impacts on family relations

Together with changes in the domestic division of labor, unemployment appears to have strong impacts on family relations. Again, research findings show important differences, which tend to vary according to the impact of job loss on household income, duration of unemployment, family status, stage of the family cycle, previous division of roles, and conceptions of gender roles among others. The intermeshing of these factors can result either in the erosion or the strengthening of family relations. The erosion of household relations due to employment problems cannot be limited to unemployment, given that job insecurity can be as stressful as joblessness.

When job instability affects the head of household during the first stages of the family cycle joblessness can result in marital dissolution, especially when unemployment spells tend to be longer.[139] However, even when unemployment spells are shorter income instability appears to have a strong impact on the stability of family relations.

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[139] Focusing on Great Britain Lampard (1994) finds that postmarital unemployment appears to cause a significant number of marital disolutions which would otherwise either not have occurred at all, or would have occurred on a later date; however, he also points out that the causal relationship between unemployment and divorce is not all one way.

> Now it's been a year and a half since we separated…and I went back with my ma, to my ma's [We separated] because of this matter, I guess…because I didn't have labor stability, we needed things... I don't know […] At the beginning we managed to cope with it because she had the guts, she had the will […] she couldn't understand me, she couldn't…back me up, I don't know…And…[we used to argue] because I didn't feel well, I was in a state of deep depression…Because I wasn't used to live a situation like the one we were living…She demanded from me something that didn't depend on me…To have a job…[…] She made me feel that I didn't try hard enough to get a job…however, I was trying beyond my capacity…She worked sometimes and sometimes she didn't […] The situation was tense , I don't know, everything bothered me and she didn't understand that I felt badly because I didn't have a job […] I felt badly because there were many things that we needed and we couldn't have, I feared it would happen what finally happened, I feared that…what actually happened: stop seeing my children everyday, [as before] when I had a job and came back home from my job and my children would be there with me…that's why I feel great sorrow now, because I come back from work and…they are not here, I see my dad and my ma, but not my children […] If I had had a stable job this wouldn't have happened, I am absolutely sure it wouldn't have happened…(Santiago, 29, I 25, Lanús)

> […] Now, for example, these days, when I don't have a job…for 1 week, 2 weeks, that drives me mad, I get mad against myself and…she asks me for something…and my reaction is upsetting because I'm nervous all the time […] We argue because we have no money […] She tells me to go and look for a job and I go out looking for a job and I can't get one…and she is not being realistic about the situation we are going through….it is not just me…there are millions of people who are like this […] We separated twice […] and then we got together…whenever I had a job, everything OK, we got on well with each other. Then I lost my job again and *chau* [bye, bye]…(Pablo, 29, I16, Varela)

In dual earner households, the employment stability of the other partner as well as the availability of savings clearly reduces the levels of family conflict. Moreover, in some cases, unemployment appears to result in a strengthening of family relations. This is basically the case of middle class families where wives,

in face of their husband's unemployment become the main providers of the household.

> […] At home we [my wife and I] always got on very well; Flavia always backed me up a great deal…She always stood by me, she used to say: 'Don't lower yourself to what…'[…]I have the guts to get through because of her, that is… we complement each other well […] When we had our first baby she didn't have her diploma as a drawing and painting teacher yet. She was about to give up studying and I said: 'No, you don't drop out…you have only one year more to go. Are you crazy, to give up for only one year?'…and so, with my help she could finish her degree studies. But now… if she hadn't finished studying we wouldn't be as we are, we would be worse…(Omar, 36, I 29)

8.3. THE FUTURE: PERCEPTIONS AND PERSPECTIVES

Certainly, a context of high unemployment and deep economic recession like the one experienced by Argentina during the last years, does not leave much space for optimistic perspectives regarding the future. The sharp worsening in the labor market has resulted in the erosion of the centrality of work as a key mechanism of social mobility. Perceptions on the future are particularly dramatic among impoverished middle class sectors who perceive their continuous decline and the lack of social mobility opportunities as an irreversible process.

> I think a great deal about the future, I have enough time for that while I am on the *tacho* [cab]…while I am driving around and nobody gets in, I think about the future…[…] Black, black, I see it black because I have no…I can't see any lights in my way ahead…Let's say it metaphorically, right? Imagine a tunnel…you can see the light ahead of you, so…that means the tunnel has an end…but I can't see any light out there, so.. that means that the tunnel will go on and go on, because there are no future prospects of any sort. (Marcelo, 52, I 16, Lanús)

> I would like to think that this [situation] is going to change…Let's accept the fact that nowadays the situation is more and more chaotic…You say: 'Now I am like this …I wasn't like this a couple of months ago…no, I am worse now. Then, what is happening to me? Will I have something to put on my table for Christmas and New Year time? What is going to happen next Christmas Eve? What is coming ahead for the new generations? What kind of life are my children going to have? What kind of life are my grandchildren going to have? What must be done?' […] *Because the idea of living in a 'rich country' is over…a country that generates wealth…with the little cows all over, producing milk…it's all over* (Marisa, 41, I 13, Lanús)

> […] the fact is that those who used to be hard up, those who were always hard up, now are doing worse…and the ones who were doing fairly well, now are doing awfully bad…(Estela, 40, I 12, Lanús)

The erosion of the traditional channels of social mobility and the reduction of time horizons to a continuous present emerge as a constant in most of the interviews. The perceptions on the future of Lucía, who recently lost her job as a domestic servant, and of Nora, a school teacher who used to work as a skilled secretary, are clear examples of how generalized is this perspective across different social sectors.

> I don't know, at this moment I can't think about the way I see it [my life, my situation, looking ahead in time]…I don't know about the way it will be, because if I can't get a job I don't know what I am going to do, I don't know… […] I think about the present, I think about the debts I have ...and I think about the time when I can't work any more…because…all right, may be I can work now, but the time will come when I can't work any more and… what will I do then? (Lucía, 56, I 7, Lanús)

> What do I think about my future? Look, I don't know, that is to say, now I avoid anticipating [the future], because when I look ahead I become so upset, when I begin thinking about it […] Look, I have always foreseen everything in life, I have always tried to anticipate the future, to make the future, to plan ahead, so that when the hard times would come I would be ready…Not today any more, though, not today any more…I live the

> present, I live for today and I hope nothing dreadful happens to us (Nora, 52, I 28, Lanús)

Among adults, the loss of previous achievements and the consequent feelings of defenseless –which increases when they get closer to retirement age- is accompanied by impotence about *offering a better future to their children*. Even when children's education still represents a high priority, it does not appear as a channel of social mobility, but as a buffer against the fall.

> In my opinion, it is fundamental [that my children can have degree studies]…*Because a lawyer can work as a street sweeper, but a street sweeper can't work as a lawyer, ever!*…(Celina, 41, I 23, Lanús)

> [I never thought about my daughters giving up studying]…because I knew they had to study. Even if I had to go out cleaning family houses so that they could go on studying… I would have done it […] No, I wouldn't have even thought about it …Moreover…when the youngest one failed her year examinations and she had to repeat the year course, she said: 'I'll quit'…and I told her: 'Look, yet with a walking stick …you will finish school…' *Maybe I won't leave them money, but I will leave them their degree studies.* (Raquel, 50, I 3, Lanús)

In low-income sectors parents fear that their children will never have jobs and the latter worry that they will not even be able to attain the minimum levels of well being achieved by their parents.

> I don't know, I don't think [that my children will have better prospects than I had], I think at their age…when I was their age I had more opportunities, better opportunities…which they don't have now […] Because whenever you have to leave a job you would find another job, right next to the first one, where they paid you a higher salary, and the following job was even better, and so on, but now it is not like that.(Ricardo, 43, I 5, Lanús)

> […] I believe I am doing worse than my parents…Because they worked hard and they could buy their own [place to live]…when we grew up we helped them to finish building their house…because we used to live at a ready-built timber house that my dad had made…and they have their own brick house now […] I guess now is harder. Because there are less jobs now, and I am alone, and they were always together [instead] […] A brick house [of my own]…I think about it, but I don't know if I'll be able to do that. (Alejandra, 34, I 19, Lanús)

Migration certainly has different meanings for older and younger generations. For the former, many of them children and grandchildren of European migrants, Argentina used to be a "land of hope", a dynamic society where hard work and formal education were rewarded by real opportunities of social mobility. For the latter, in contrast, migration appears as the result of the loss of hope of becoming an "insider" in a society with no prospects on social mobility.

> […] I regret the fact that anybody can have better prospects abroad than here, in our country… that is what bugs me[...]because my grandparents were Spanish, all four of them, and my father was Spanish […] My grandfather was a shoemaker, he was a painter, too… I don't know but I admire them, I admire them because thay came here to get on their feet. He had practically no education except Elementary School, which he could have…I don't know if he did really, I never asked my mother if my grandfather had finished Elementary School. But his children, all of them finished - at least – Elementary School. My mother finished Elementary School, High School and degree studies [at college] on High School teaching. Her sister had degree studies on music teaching, and one of her brothers started studying engineering, but he dropped out before finishing his studies. The other one ....I don't know…I don't know about him, but he did finish High School, that is, all moved upward . (Gabriel, 50, I 26, Lanús)

> Look…I have my hope, my prospects…in travelling abroad. I have my cousin who left 20 days ago…she went to Miami… just like that, also,

> just without thinking it twice…She is single, 21 years old, she saved some money and she went to Miami to test her luck… and in three days she got a job as a waitress […] I hate that, to know that I have to go somewhere else to get a job, to leave my country, to go so far away …To me…I would have liked that my children stayed here and on the other hand I would also like that my children were there, because they are going to be better off than here… I have my cousins, I have my relatives, who are doing well there…they work hard, but they are doing well…(Martín, 27, I 21, Varela)

8.4. SUMMARY

Impotence, pessimism, and a sensation of permanent instability is probably one of the most significant and generalized perceptions that people have under the present economic conditions. Moreover, a precarious equilibrium characterizes most "strategies" developed at the household level to cope with job insecurity. The impact of these processes on household relations show that responses to economic adversity do not necessarily involve consensus and cooperation, and in many cases may end in family break-up. The mounting constraints to cope with their present situation and the increasing depletion of the few resources available in a context of an unprecedented crisis certainly result in an overwhelming sense of vulnerability and uncertainity with regard to the future. The feeling of defenseless in a scenario where even the most basic mechanisms of social protection have been eroded is probably one of the most apparent signs of a society –once perceived as a land of promise- that appears to have lost its way.

Chapter 9: Conclusions

In contrast to the privileged position the Argentine society used to enjoy until the mid 1970s, during the 1990s it became a paradigmatic case of economic failure and of the crudest experiment of economic orthodoxy in the contemporary Latin American context. After a long decade of convertibility, Argentina is today a country devastated, where nothing seems to be left. Employment in the private sector declined 9.6% in the last year and the GNP is expected to drop between 10% and 15% by 2003.[140] Unemployment rates in Greater Buenos Aires increased from 14.7% to 19% between October 2000 and October 2001, and 1 in 4 households is today living in poverty.

Formal and stable employment and the social benefits tied to it were replaced by rampant unemployment, widespread job insecurity and the dismantling of the previous mechanisms of social protection, which imprints on the social structure will be hard to be reversed.[141] While the current situation is much worse than the one –already profoundly deteriorated- described in this work, the erosion of the Argentinean social and occupational structure is by no means a new phenomenon. As this dissertation has shown, Argentina's downfall began in the mid 1970, becoming particularly dramatic during the 1990s when the fiction of 'stability' radically broke with the past, dismantling of the entire

[140] Clarín, 4/18/02

[141] During the last year, almost 1.3 million people stopped paying their monthly contributions to the social security system. Currently, only 33% of those registered in the social security system are actually contributing, what means that in the future 2 out of 3 workers will not be entitled to pension benefits or will receive a minimum pension (Clarín, 4/15/02). These figures are just reflecting the situation of those registered. If we add to them those who are unregistered, future prospects are certainly dramatic.

economic and social structure. In this context, one of the main contributions this research provides is a better understanding of how do people react to social collapse.

9.1. COPING WITH UNCERTAINTY

The disruptive impacts of unemployment at the individual and social levels acquire particular dimensions under the present Argentinean context where previous certainties have disappeared. This dissertation has shown the differential impacts of unemployment according to gender, social class, household characteristics and stage of the family cycle, pointing out that different employment opportunities and labor traditions at the local level have an important role in molding the experiences of work and unemployment. Thus, while in poor and spatially segregated contexts unemployment means *less changas*, in others it means massive factory closings and layoffs and the disappearance of the once dynamic small businesses.

The analysis of previous employment experiences represents a necessary first step for understanding the impacts of unemployment. As the experience of both men and women in precarious jobs demonstrates, work does not necessarily represent a universally rewarding and structured activity. Labor trajectories also provides a clearly evidence that previous forms of coping with labor instability among working classes –such as low-paid jobs in the formal sector and self-employment- have become increasingly ineffective. Among middle classes, characterized by more stable labor careers, unemployment represent a break-point

in their working lives toward a process downward mobility that in most cases appears as irreversible. The job histories of working class females, especially during the last years, show that their participation in the labor market has been pushed both by the precarious employment status of their husbands and by the difficulties that children of working age have in entering the labor market. Discouragement appears to be particularly important among middle class women. The higher levels of skills required for the jobs they used to have in the past and the type of jobs offered under the present conditions operate as important disincentives for looking for jobs and as strong obstacles for getting them.

After analyzing the heterogeneity of responses developed by low-income and middle class households, some common trends were identified, the most important of which is the overwhelming pressure that households are experiencing as a consequence of the lack of social protection from the state and the meager employment opportunities provided by the market. This pressure does not only result in a progressive depletion of resources and deterioration of living conditions but also introduces new sources of conflict, as previous conceptions of work, gender and family roles are challenged by the new and harsh realities of the market. Labor insecurity and the increasing labor participation of married women seem to be transforming the parameters of what could be considered as "normal gender roles", slowly eroding the traditional division of domestic work.

Both panel analysis and interviews have shown that sending more members to the labor market present serious obstacles in a face of the lack of employment opportunities. The unemployment or job instability of the head,

instead of resulting in an increase in the numbers of earners, leads to more unemployment: more household members looking for jobs and not finding them, or getting highly precarious and low-paid jobs when finding one. In the same sense I found that those households that increased its size did not necessarily increased the number of earners able to contribute to "collective" expenses. On the contrary, this 'strategy' sometimes seems to lead to greater income uncertainty due to the growth in the number of unemployed within the family. In fact, uncertainty and the sensation of a permanent vulnerability to joblessness is appear as one of the most significant and generalized perceptions that people have under the present economic conditions.

Moreover, my research findings appear to challenge the image of the poor as socially active in their communities, in making contacts and doing whatever jobs they can find to survive. In contrast, I found that many unemployed – basically males- living in poor neighborhoods suffered from severe depression, with few or no relatives, friends or neighbors to rely upon.

The strong internalization of a conception of work tied to dignity and labor rights and the image of the once privileged position of Argentinean workers conflicts with the reality of a labor market that has sharply deteriorated and the urgency of obtaining some earnings, resulting in feelings of defenselessness and adaptive behaviors in face of unfair labor conditions. At the same the loss of formal jobs –especially among middle classes- together with financial hardship resulted in the lost of the social benefits they were entitled to, such as health

insurance and pension benefits, resulting in a longer-term drop in their living standards and increasing uncertainty regarding the future.

Seeking a job, when there are *no jobs*, is probably one of the most frustrating experiences that the unemployed have to face. It is in such situations when the feelings of worthlessness acquired their real significance. As interviews have shown, age discrimination is probably one of the most humiliating experiences that middle-aged job-hunters have to face: *too young to retire, too old to work.*

The experience of unemployment under the current process of disintegration of previous social and occupational structure appears as particularly disruptive because the basis of people's previous frames of reference to think about work, social belonging, and the possibility of moving ahead in the social ladder have vanished. It is against this background that the feelings of destitution, defenselessness and worthlessness expressed by those out of work have to be framed. The sensation of *being left out of the system* expressed by many middle class interviewees appears as one of the clearest signs of a society where previous mechanisms of social integration have collapsed. The lack of future perspectives and the sharp skepticism regarding the future appears as a perception shared both by middle and working classes but acquire different forms in generational terms. For older generations, skepticism and frustration comes from the downfall of their parameters of reality: a dynamic society where hard work and formal education were rewarded by real opportunities of social mobility. For younger generations,

in contrast, hopelessness arises from the uncertainty of what 'belonging' or 'being part of society really means.

9.2. POLICY IMPLICATIONS AND FUTURE RESEARCH

In terms of the policy implications of this research, it is clear that a public policy oriented to guaranteed minimum levels of well-being to those either temporarily or permanently excluded from the labor market cannot rely upon targeted policies. The latter do not appear to be particularly effective in a context of widespread vulnerability. An unemployment insurance scheme based on universal criteria is probably the most urgent protective measure to avoid the deepening in the already eroded social fabric. If, as some authors argue, the lack of unemployment insurance means that "to be unemployed is to starve unless help can be obtained from family and friends" (Roberts, 1989: 356) something have to be done to avoid starvation of vast segments of the population in a context where neither family nor friends (many of whom are also unemployed) appear as effective alternative sources of welfare provision. As Marshall (1997) points out, and as my own research reaffirms, active labor market programs offer just temporarily relief to a small segment of the unemployed, and generally end sending back the participants to unemployed. Besides, they are more effective in reproducing clientelistic practices than in providing relief to the unemployed.

Some emergent issues deserve deeper exploration in future research. First, job insecurity, its incidence, and the form it takes in particular contexts require further research. A better understanding of the forms taken by job insecurity and

its impacts at the individual and household level in the Latin American context requires comparative studies oriented to assess how certain aspects of social structure impinge on personality to the problem. Secondly, a deeper exploration of the local space, understood as social and economic structures of opportunity and constraint, is needed to assess the variability in employment practices and perceptions. In this direction, further research need to be done focusing on regional variations at the national level. Thirdly, more specific studies should be conducted to assess the real impacts of job insecurity on the domestic division of labor, examining to what extent gender roles are actually undergoing a process of change or if, on the contrary, such changes are just the result of temporary household arrangements.

Appendix. Sample Composition and Interviewees Characteristics

Sample composition by gender, age, education and family status

	Florencio Varela	Lanús	Total
Gender			
Male	15	16	31
Female	14	14	28
Total	29	30	59
Age groups			
25-30	10	8	18
31-40	8	7	15
41-50	8	11	19
51+	3	4	7
Total	29	30	59
Educational level			
Complete Primary or less	22	11	33
Incomplete Secondary	5	8	13
Complete Secondary	1	1	2
More than Secondary	1	10	11
Total			59
Family status			
Head	16	17	33
Spouse	12	10	22
Child	1	3	4
Total	29	30	59

Interviewees characteristics

Florencio Varela

Interview Number/ Name	Gender	Age	Education	Marital and Family Status	Social Class	Children at home and ages	Previous Occupation
1. María	F	36	Incompl. Secondary	Cohabit. Spouse	Working Class	3 (14, 3 and 4 months)	Cleaning
2. Luis	M	45	Complete Primary	Cohabit. Head	Working Class	3 (20,12, 19)	Changas (cleaning)
3. Antonio	M	42	Complete Primary	Cohabit. Head	Working Class	5 (15,12, 9, 6,2)	Construction Laborer
4. Ignacio	M	53	Incompl. Secondary	Cohabit. Head	Working Class	4 (8,5,3,1)	Driver (Gas delivery)
5. Juan	M	30	Complete Primary	Cohabit. Spouse	Working Class	2 (5,4)	Construction Laborer
6 .Ana	F	28	Complete Primary	Cohabit. Spouse	Working Class	6 (10,9,7,5, 3,1)	Domestic service
7. Ernestina	F	34	Complete Primary	Cohabit. Spouse	Working class	6 (3,4, 9,14,16, 1,7)	Street Vendor
8. Joaquín	M	28	Complete Primary	Cohabit. Head	Working Class	6 (10,9, 7,5,3,1)	Construction Laborer
9. Luisa	F	36	Complete Primary	Married Spouse	Working Class	7 (20, 14….,1)	Baby sitter
10. Esther	F	38	Complete Primary	Married Spouse	Working class	10 (21, 20, 18…, 4)	Domestic service
11. Mario	M	50	Complete Primary	Married Spouse	Working Class	2 (19,12)	Railways employee
12. Esteban	M	27	Complete Primary	Cohab. Head	Working Class	2 (7,4)	Self-employed

							(polisher)
13. Carmen	F	26	Complete Primary	Cohab. Spouse	Working Class	3 (8,7,2)	Domestic service
14. Andrés	M	43	Complete Primary	Cohab. Head	Working Class	1 (19)	Self-employed (construct.)
15. Damián	M	54	Complete Primary	Married Head	Working class	1 grandson (6)	Self-employed (Knitter)
16. Pablo	M	29	Complete Primary	Cohab. Head	Working class	3 (19,7,5)	Operative worker (candles factory)
17. Humberto	M	25	Complete Primary	Cohab. Head	Woking class	2 (4.2)	Changas (house painter)
18. Juana	F	49	Complete Primary	Married Spouse	Working class	3 (22,12,7)	School Cleaning
19. Elisa	F	33	Complete Primary	Separa-ted Head	Working class	4 (14,11, 5, 3)	Commerce Employee
20. Rosa	F	28	Complete Primary	Married Spouse	Working class	2 (5,3)	Domestic service
21. Martín	M	27	Incomp. Secondary	Cohab. Head	Working Class	3 (9,7,3)	Waiter
22. Francisco	M	65	Complete Primary	Cohab. Head	Working class		Construction laborer
23. Oscar	M	33	Complete Secondary	Single Head	Working Class		Changas
24. Norma	F	50	Complete Primary	Married Spouse	Working class	2 (20,26)	Garment workshop worker
25. Jorge	M	40	Complete Primary	Cohab. Head	Working Class	3 (8,4,1)	Self-employed (painter)
26. Flavia	F	25	Incompl. Secondary	Single mother	Working class	1 (3)	Operative worker

				Child			(cookies factory)
27. Nancy	F	50	Incompl. Primary	Cohab. Spouse	Working class	3 (15,11,9)	Cleaning
28. Felicia	F	36	University Incompl.	Separa-ted Head	Working Class	1 (18)	Garment workshop worker
29. Marcela	F	46	Incompl. Secondary	Married Head	Working class	3 (21, 18,10)	Self-employed (Knitter)

Lanús

Interview Number/ Name	Gender	Age	Education	Marital and Family Status	Social Class	Children at home and ages	Previous Occupation
1. Armando	M	56	Tertiary (Electronic technician)	Single Head	Middle Class		Technician
2. Pancho	M	38	Incomp. Secondary	Single Head	Working Class		Receptionist in a remiseria
3. Raquel	F	49	Tertiary (school teacher)	Widow Head	Middle Class	3 (25, 23, 16)	School teacher
4. Orlando	M	44	Incomp. Primary	Married Head	Working Class	3 (20, 19, 12)	Operative Worker (ceramic factory)
5. Ricardo	M	43	Complete Primary	Separa-ted Head	Working Class	7 (23, 20, 19, 17, 16, 10, 8)	Laundry employee (football club)
6. Agustín	M	39	Complete Primary	Cohabit. Head	Working Class	4 (18, 11, 7, 1)	Self-employed

							(construct.)
7. Lucía	F	56	Complete Primary	Cohabit. Spouse	Working Class		Domestic service
8. Margarita	F	41	Complete Primary	Separa-ted Head	Working Class	2 (20, 18)	Domestic service
9. Anselmo	M	43	Complete Primary	Married Head	Working Class	3 (15, 13, 10)	Changas
10. Evaristo	M	30	Incomp. Primary	Cohabit. Head	Working Class	4 (10, 8, 4, 3)	Dishwasher
11. Ramón	M	37	Complete Primary	Cohabit Head	Working Class	5 (12, 10, 8, 5, 1)	Operative worker (cookies factory)
12. Estela	F	40	Incomp. University	Married Spouse	Middle class	3 (15,12,9)	Secretary
13. Marisa	F	41	Incomp. University	Married Spouse	Middle class	2 (22,20)	Self-employed (small commerce)
14. Graciela	F	39	Incomp. University	Married Spouse	Middle class	3 (20,18,14)	Yoga teacher
15. Violeta	F	41	Incomp. University	Married Spouse	Middle class		Secretary (textile factory)
16. Marcelo	M	52	Incompl. Secondary	Married Head	Middle class	2 (23,20)	Cereal-Export company (systems manager)
17. Raúl	M	48	Incompl. Secondary	Married Head	Working class	1(7)	Self-employed (furniture's polisher)
18. Verónica	F	30	Incompl. Secondary	Married Spouse	Working class	2 (2 and 10	Operative worker

						months)	(textile factory)
19. Alejandra	F	34	Incompl. Secondary	Separa-ted Head	Working Class	2 (12,10)	Domestic service
20. Lidia	F	29	Complete Primary	Cohabit. Spouse	Working class	3 (12,4,1)	Assembly Housework
21. Lorena	F	27	Incompl University	Single Child	Middle class		Sales Promotion
22. Laura	F	24	Incompl. Secondary	Single mother Child	Working class	1 (3)	Operative worker (candies factory)
23. Celina	F	41	Incompl Secondary	Separa-ted Head	Middle class	2 (21,17)	Administra-tive employee
24. Enrique	M	29	Complete Primary	Single-Child	Working class		Pizza delivery boy
25. Santiago	M	29	Complete Primary	Separa-ted Head	Working class	2 (6,5)	Toys workshop worker
26. Gabriel	M	50	Tertiary Complete (merchant seaman)	Married Spouse	Middle class	2 (21, 17)	Merchant seaman (former state-owned company)
27. Luis	M	49	Complete Secondary	Married Head	Middle class	3 (27,18,10)	Administrati ve employee (Fabricacio-nes Militares, former state-owned company)
28. Nora	F	52	Complete Tertiary (school teacher)	Cohabit. Spouse	Middle class		Administrati ve secretary (petrochemi-cal company)
29. Omar	M	36	Incompl. University	Married Spouse	Middle class	2 (7, 6	Railways employee

						months)	(former state-owned company)
30. Ernesto	M	25	Incompl. Secondary	Married Head	Working class	1 (3)	Self-employed (Butcher's shop)

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