



GEM-IWG

Knowledge Networking Program on
Engendering Macroeconomics and International Economics

**PERSPECTIVE FROM LATIN AMERICA ON
GENDER AND CRISIS “INTENDED THE CASE OF
MEXICO AND ARGENTINA”**

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Argentinean Context

- 2001-2002 crisis + 90's heritage
- Economic recovery + employment recovery though less social recovery
 - Wages recovered but then inflation
 - Poverty still high (15/20%)
 - Inequality remains unchanged (little improvement in gender equality)
- More Public intervention in the Economy
 - Subsidies to private sector
 - Public investment
 - Labour market (collective bargaining)
- But:
 - Insufficient / Incomplete manufacturing development
 - No taxation reform
 - No countercyclical fund creation
 - No improvement in social security net (though changes in pension system)

Channels of Transmission of the Crisis

- Less vulnerable than in previous crisis
 - More solid position in terms of reserve
 - More capital flow regulation
 - No debt with IMF
- But
 - Dependant on exports $\Rightarrow$ vulnerable to international trade flows and commodities prices
 - In need of FDI, though not so dependant as rest of LA
 - In need of financial resources (both to fund public and private spending)
 - Fiscal constraint (less revenue due to exports and demand contraction)

Evidences

- Lack of information
- Foreign companies to leave the country (some impact on employment but more on expectations)
- Decreased demand
- Jobs lost
- Decreased income (reported greater for informal jobs)
- Decreased fiscal surplus
- Inflation (¿?)

Responses

- Denial of the vulnerability to the global context
- Elections context
- Main goal: to protect jobs
- No gender implications into account
- Strategy:
 - Sustaining of “competitive” exchange rate
 - Subsidies to support credit supply ➡ not challenging uncertainty
 - Subsidies to support consumption ➡ focused on medium income hhs
 - Public Infrastructure Package
 - Barriers to imports
 - Partial adquisition of private bankrupted enterprises

Space for alternatives?

- Coherence policy strategy
- Improve public intervention
 - More transparency needed
 - Monitoring system
- Redirecting social spending
 - Social infraestructure
 - Income maintenance policies
- Private sector commitment
 - Employment / wages / gender equity in labour market
- Foster social security net
 - More inclusive and universal benefits
 - Redistribution!
 - Work (paid and unpaid)
 - Resources (income and assests)
 - Power (democratization)