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WOMEN IN THE ARGENTINE LABOR FORCE

Amy Marx

Introduction

The Argentine economy is currently in the process of a major transformation that many hope will lead to its improved economic growth and competitiveness in the global market. As Argentina tries to increase its productivity and become a more attractive investment opportunity to foreigners, the female role in the labor force will become increasingly important. It would be impossible for any economic plan to work that ignores over half of the population. A report on Latin America revealed that “social development and economic development are inseparable and neglect of one will inevitably be detrimental to the other.” (Economic and Social Progress..., p. 11)

One method of economic expansion is through increased productivity. But how does a nation increase its productivity? One means is through the more efficient use of its resources, such as the labor force. Although fifty-three percent of the Argentine population is female, women make up only one-third of the labor force. To some, this ratio may seem to imply that women do not have as much to offer in the marketplace as males or that their skills are less valuable. However, women and men are born with equivalent gifts and capabilities, and ideally these should be more equally represented in the marketplace. The fact that they are not suggests that much female talent is not reaching the market.

In order for any economic plan to be successful in Argentina, this valuable resource — women — must be used to its fullest potential. This is one reason why the country needs to develop and utilize the skills of both men and women alike. A trained, educated, and diverse work force is a major element in the success of Argentina’s recovery.

However, a greater focus on women in the work force will not only benefit production. As more and more women are becoming heads of households, more and more families are falling into poverty. With the recent legalization of divorce in Argentina, greater numbers of women are being left to provide for their families. However, these women are finding it much harder to earn a living than their male counterparts, and are often left with no choice but to accept low wages and poor working condi-
tions. If Argentina addresses this problem now, the country may avoid more widespread poverty in the future.

In this paper I begin with a short discussion of the role of women in Argentina and a description of the current status of women in the labor force. I then apply the theory of occupational segregation to the situation and discuss the current policies pertaining to women and what further measures need to be undertaken. I conclude with the implications that these measures will have for the economy of Argentina.

The Changing Role of Women in Argentina

As early as 1550, Argentines recognized the importance of women in society. At that time, when only ten percent of the Spanish population was female, government policy encouraged men to send to Europe for their wives. As Carlson has said, "Everyone recognized that Spanish women were needed as a stabilizing, civilizing force in society." (Carlson, p. 5) The attitude of valuing the "traditional woman" has governed women's role in society since then, and remains a strong influence today. The traditional female role in Spanish society was very similar to the role that was expected of women throughout the world. A woman was seen as passive and considered the property of a man, whether that man was her husband or her father. Her work was limited to within the home, and a woman was not considered to have much economic value.

In the 1900s, Latin America became universally recognized as one of the best examples of "collective action in support of women's domestic or maternal roles." (Kahne, p. 12) Since that time, Argentine women have played a large role in the women's movement. Their strength and unity have been seen in many endeavors, including a National Housewives' Movement and the world's first Housewives' Trade Union. The Housewives' Trade Union has accomplished such major feats as creating nationwide health insurance and obtaining pensions and wages for housewives. During hard times, such as periods of war and depression, Argentine women have organized community projects such as community dining and child care. The most impressive movement by far, however, has been orchestrated by Las Madres del Plaza de Mayo. Since April of 1977, these women have gathered weekly in protest of the government. In the beginning, their intentions in this silent vigil were to find out what had happened to their missing children, who had been kidnapped during the period of military dictatorship. Because they were women, they were dismissed as harmless, giving their movement time to grow and strengthen. But when the military rule ended in 1983, they were instrumental in the election of the new government. The mothers were also effective in demanding that political parties support both the return of the disappeared and the prosecution of those playing a part in their children's disappearance. Though their efforts have not been one-hundred-percent successful, their struggle did make a considerable difference.

In the past, Argentine women have shown strength, courage, and unity in their struggles to gain equality and fairness. Beginning with the first law (passed in 1924) which protected maternity leave and health rights, Argentine women have made great strides concerning their domestic position, the most notable being the payment of wages for housework by the government and their more recent victory of divorce legalization in 1987. However, Argentine women have accomplished much more in terms of challenging subordination in the home than they have in the workplace. As women have shown their capabilities, it is now time that their focus turn to the labor market, to gain the same recognition they have achieved in the home. Though their advances in the home are important, it is well noted that the "receipt of direct dollar earnings marks improvement in status."(Kahne, p. 29)

The Current Economic Status of Women

The situation for women in the Argentine labor force is far from ideal. Women, for the most part, make less money, have poorer working conditions, receive less respect, and have fewer opportunities than males. While women's participation in the labor force grew from 1980 to 1988 by fifteen percent, due mainly to the
growing need for two income families, they still face many forms of discrimination. As mentioned previously, women comprise more than one half of the population, yet only a little over one-third of the labor force. For instance, in Buenos Aires there are 53 women for every 100 people, yet only 36 women for every hundred workers. (Consejo Nacional de la Mujer, 1993, p. 2) In comparison, women comprise 57.5 percent of the work force in the United States. (Taub and Lindgren, p. 224) However, the discrepancy of these figures cannot be solely attributed to discrimination, as personal choice is also a factor.

Salaries are one area in which women face discrimination. On average, for every dollar that a man earns, a woman earns between fifty and seventy-five cents in Argentina. This is slightly above the average for other Latin American countries. For instance, the corresponding ratios for Bolivia, Brazil, and Chile are approximately .60, .61, and .47, respectively. (Yearbook of Labour Statistics, p. 201) As in the United States, where a woman makes about seventy cents for each dollar a man makes, it is hard to differentiate how much is due to inferior jobs, different job skills and experience of men and women, underemployment, or lower wages for the same job. Not only do women face lower pay levels, but also greater uncertainty as to future income. An interesting study in 1991 found that 10 percent more Argentine women than men are in unstable jobs earning unstable salaries. (La Consejo Nacional de la Mujer, 1994, p. 9)

Unemployment is also a major problem for all Argentines, especially women. For example, the unemployment rate for women grew from 2.3 percent in 1980 to 5.9 percent in 1991, while for males it grew from 1.8 percent to 4.9 percent. In comparison, according to the International Labour Office, the unemployment rates in the U.S in 1989 were 5.1 percent for men and 5.3 percent for women. That same year the rates in Argentina were 7.0 percent and 7.7 percent for males and females, respectively. Not only are unemployment rates higher for women, but the duration of unemployment for women is also longer than that for men. (Consejo Nacional de la Mujer, 1994, p. 8)

However, the most significant problem for women in Argentina is underemployment (sub-ocupacion), which refers to workers who desire full-time work but who nevertheless work fewer than thirty-five hours per week. A study in 1991 by the National Council of Women in Argentina found that underemployment characterizes only 4 percent of the male labor force, but 12 percent of the female labor force. As men grow older, their likelihood of being underemployed decreases. However, age has the opposite effect on female workers.

Underemployment is found primarily among service workers, such as child care workers and health aides, where there is a greater concentration of women. One occupation that is plagued with a chronically high level of underemployment is teaching, which is comprised almost totally of females. There is such an overabundance of teachers that they must work in shifts. In order for everybody to have an opportunity to work, educators are usually sent home after working only four hours a day.

As previously mentioned, those women who do have jobs are mainly located in the service sector. In Argentina 78.7 percent of women work in the service sector, 18.3 percent in industry, and 3.1 percent in agriculture. The average percentage of women working in the service sector for all of Latin America is 61.5 percent, which is similar to rates all over the world. Males are more evenly distributed across occupations, with 16.7 percent in agriculture, 39.6 percent in industry, and 43.8 percent in services. (Wilkie, 1993) This overcrowding in the service sector is one factor causing the male-female wage gap, because the majority of non-salaried jobs are service-oriented. Most jobs within the service sector do not offer stable work, so the more women found in these types of jobs, the larger the wage gap. The fact that the majority of working women are found in service-oriented jobs is germane to the notion of occupational segregation, which will be explained later in this paper. The idea behind occupational segregation is that women are highly concentrated in certain occupations, thereby increasing the supply of workers in these occupations and depressing wages. This is one possible explanation for the wage differential between the sexes in Argentina.
The Educational System

Overall, women workers in Argentina have a higher level of education than men. For instance, one half of women, but only one third of males, have at least a secondary education. Regardless, women with low levels of education have more difficulty finding jobs than men at the same level, and the majority of unemployed professionals are women. Though women do have equal or higher levels of schooling on average, it is clear that their "advancement within the educational system has not been accompanied by an equivalent advancement in economic participation," which brings into question the strength of the educational system and its impact on societal attitudes. (Braslavsky, p. 49)

Rather than fostering independence, achievement, and advancement for women, the educational environment in Argentina seems to foster an acceptance of domesticity. According to Braslavsky, there are two reasons for this: (1) educational systems convey a sexist message, and (2) the educational process encourages students to accept discrimination, such as restricting women to domestic roles. (Braslavsky, p. 52)

The sexist message can be seen in textbooks, class discussions, and the curricula of schools. The school system teaches that hard work will lead to success, because everyone starts out with the same equal opportunities. When teachers ignore the fact that discrimination does indeed exist and that a female will face problems through no fault of her own, the student is led to believe that she is the only one to blame for not achieving as much as her male peers. Whereas women and men both begin with the same educational opportunities, women do not achieve the same returns from education that males do. Their earnings, achievements, and status in the workforce are all lower than those of men. This leads to the conclusion that societal forces, such as the market and sexual discrimination, may also be responsible.

The Theory of Occupational Segregation

Economic theory suggests many reasons for male-female wage differentials. One attributes differences in pay to factors outside the market. According to this "pre-market" theory, women bring a different and less valued set of personal characteristics than men to the workplace, such as skills, education, and work experience, which causes the differences in pay. However, why is it that even when women start out with the same education as men, they fail to achieve the same earning power?

A second school of thought attributes the wage differences to factors occurring after entrance into the market. This theory argues that different payment rules exist for men and women that are unrelated to their productivity. Factors that can affect wages include employer and customer discrimination, labor laws limiting women's work, and overcrowding in certain jobs. According to Terrell, about 78 percent of the difference between male and female pay in Argentina is caused by market discrimination. In more industrialized countries, usually less than half of the wage difference is attributed to discrimination. (Terrell, p. 393)

Many studies have shown that differences in the distribution of women across occupations can explain much of the female-male earnings differential. (Terrell, p. 394) A study by Ronald Oaxaca, for example, found that if the sexes were distributed more evenly across occupations in the United States, the male-female earnings gap would be reduced by 22.5 percent. Similarly, it has been shown that in Latin America, when studies omit domestic servants from the population, the male-female wage gap is greatly reduced, though still not eliminated. (Gindling and Tenjo, 1991)

As discussed earlier, women in Argentina make up a large part of the service industry. A simple supply and demand analysis reveals that an overcrowding of women in a sector will cause wages to be lower. It therefore seems that one solution to wage inequality would be to distribute the jobs more evenly among males and females. A more even distribution of jobs could result through affirmative action programs, for example. Also, the government could offer incentives to employers for hiring women in typically male occupations, or offer training programs to women who pursue nontraditional jobs. If this were done, the supply of labor within all sectors could become more balanced, causing wage differentials between sexes to decrease substantially.
In order to combat occupational segregation, its causes must first be determined. One set of causes is certain paternalistic labor laws that ban women from some jobs, such as those which require working at night or working in dangerous environments. These laws, which are very common in Latin America, effectively keep women out of many occupations and give males more opportunities and less competition. Also, the additional risk that comes with these types of jobs usually causes pay to be higher. These laws in effect operate to keep women from certain job opportunities and crowd them into other occupations.

The strongest argument explaining and (in the opinion of some) justifying occupational segregation stems from women's reproductive role in society. As Terrell says, "The argument is essentially that women, realizing that they will be bearing and raising children, will invest less in education and select occupations that are compatible with these roles." (Terrell, p. 400) This is doubly detrimental to women's earning power, because many employers look at female employees as a "bad investment." Not only do some employers think that the training of women will not have as high returns as the training of males (because women are expected to be more likely to leave the work force, or at least not make work as high a priority as men do), but some employers also think that in hiring women they will incur extra costs due to child care and maternity leaves.

To combat the impact of occupational segregation on women, two policies have been commonly proposed. The first is the controversial policy of affirmative action, which attempts to achieve a more equal gender distribution in the workforce and bring women out of the "pink collar ghetto." As Taub and Lindgren state, "In general, affirmative action consists of extra steps taken to ensure that a legally required result is produced." (Taub and Lindgren, p. 245) The controversy results from the fact that when an employer takes special care to contact, recruit, train, or hire one group, another group is considered to be left out.

The second policy commonly proposed is that of comparable worth, which is based on the idea of increasing the pay for workers in positions that are mainly held by women. The policy originates from the explanation that jobs in which women are concentrated pay less because these jobs are typically undervalued by employers. In other words, because women typically hold these positions, employers usually pay less. Whereas affirmative action supports mobility from the pink collar ghetto and a more equal distribution of the sexes across occupations, comparable worth policy aims to leave women in jobs that they may prefer, but to increase the wages based upon the jobs' "value" as determined by fair and well-designed job evaluation plans.

However, before either affirmative action or comparable worth policies can be successful in achieving wage equality, the attitudes of both society and employers need to be changed. If child care and domestic duties were considered to be the equal responsibility of both males and females, women would not be seen as a less attractive investment than men. If child care were not considered to be exclusively a "woman's problem," employers would not assume that a woman's job would not be a top priority in her life when she searched for employment. If children were instead considered to be more of a national responsibility than merely a woman's responsibility, costs of child care would be distributed more evenly, and women could afford to hold out for better jobs, rather than "taking what they can get." Legislation such as national child care, mandatory parental leave, and flextime programs for both mothers and fathers would all be beneficial in lowering the "extra costs" of employing women.

It is evident from various studies that occupational segregation has a major effect on women in the Argentine workforce. The government of Argentina has begun to combat such segregation in several ways. For example, in 1991 a law was passed which made it mandatory for political parties to include a minimum of 30 percent female candidates on their tickets. And in the Plan de Igualdad de Oportunidades para las Mujeres (Plan of Equality for Women), La Consejo Nacional de la Mujer (The National Council of Women) announced its drive to offer more technical training for women, which would move women away from typically female positions. Furthermore, the government has recently proposed to regulate the domestic sector along the lines of comparable worth.
Current Policies Addressing Women

There are many in Argentina who recognize the need for social reform in the area of discrimination based on sex. On March 3, 1993, The International Day of the Woman, President Carlos Menem called the Argentine nation together to fight against such discrimination. As Menem stated, “We are in a cultural battle to promote, for both men and women, a life more free, more just, and more equal.” (La Consejo Nacional de la Mujer, p. 5)

As unemployment has continued to rise in Argentina (from 6.6 percent to 9.9 percent between October 1992 and May 1993, for example), the government has taken action. Early 1994 saw the announcement of several new job plans. First, the government has proposed to pay for the salaries of young workers for the first three months after they are hired, as long as they have contracted for a full year of employment. The government has also proposed a plan to simplify hiring practices, and a promise for housing for the poor. Critics claim, however, that the proposed remedies are too small and only short-term, and that still more needs to be done to combat unemployment, especially for women, who constitute the largest percentage of those unemployed.

La Asamblea Permanente por los Derechos Humanos (The Human Rights Assembly) was born in 1975. Out of this grew a commission for the rights of women, called La Mujer y Sus Derechos (The Woman and Her Rights). The commission’s investigations have revealed a serious lack of job opportunities, an absence of job security, a worsening of labor conditions, underpayment, and the absence of adequate legislation. (Asamblea Permanente por los Derechos, 1988) As a result, the commission has proposed the following reforms: the investigation of obstacles present in working conditions; the discussion of possible strategies to overcome the difficulties to which women are subjected; a reflection on the identity of women; and the organization of community action.

The already-mentioned El Consejo Nacional de la Mujer — a governmental organization created in 1991 — has as its overall mission the elimination of all forms of discrimination against women. Together with the labor ministry, the council works towards five objectives:

• to get more women into the labor force,
• to give more professional and technical training to women, especially in non-traditional subjects,
• to support research on the status of women in the country,
• to pass legislative reforms, such as mandatory child care,
• to publicize the women’s problems through national bulletins, pamphlets, and campaigns.

As mentioned previously, in 1991 President Menem showed his support for encouraging more women to enter politics by requiring political parties to designate women for at least 30 percent of their national positions. Two years later, el Gabinete de Consejeras Presidenciales (Cabinet of Presidential Advisors) was created to work with the President and the ministries to take measures to advance equality in society.

The programs and actions of the National Woman’s Council and the Cabinet of Presidential Advisors combined to create the comprehensive Plan de Igualdad de Oportunidades Para Las Mujeres (Plan of Equality of Opportunities for Women). This program, aimed at advancing the status of women, is broken down into seven areas: employment, education, political participation, equal justice, health, social promotion, and the quality of life. Their first effort, The Program of Equality of Opportunities for Women in Employment (PIOME), was created in collaboration with the Ministry of Work and Social Security towards the general objective of eliminating all forms of discrimination based on sex. Other specific objectives include reducing unemployment, bettering employment conditions, sensitizing the society to the needs and rights of female workers, and implementing the plan at the municipal, provincial, and regional levels.

The program also defines means of achieving these objectives over the near future. First, the Consejo Nacional de la Mujer will study labor markets in industrialized countries in the hope of applying successful policies and practices to Argentina. To encourage more women to enter the workforce, legislation along the
lines of affirmative action will be suggested, emergency employment programs will be proposed, and more information and assistance in job searches will be offered to women. In addition, rights of women workers will be broadcast. Communities will also be sensitized to the benefits of a fairer allocation of family responsibilities, and social security plans will be made more accessible.

This plan is a start at improving the situation for women in Argentina, but it is more of a short-term remedy. Employers can be encouraged, offered incentives, or even forced into hiring women and paying equal wages for equal work; but if social conditions and attitudes do not change, it is of little consequence. Women need to be accepted and welcomed into the workforce as capable and productive individuals that are able to command respect. This begins not with the assignment of jobs, but with the educational system and the social conscience of the people.

Implications for the Argentine Economy

The unemployment problem is a wide-ranging one and certainly needs immediate attention, but the problems of women are of special importance. Women, who have the potential to be major players in the new economy, are being neglected. They are not being offered the same opportunities as men, and because of this their talents are being wasted. Furthermore, the fact that increasing numbers of women are becoming heads of their households is a growing concern, because women are less able to support their families. Women must be utilized much more effectively if Argentina plans to have continued economic growth.

Privatization, controlled inflation, and investment dollars will certainly improve the economy; but if Argentina does not prove itself to be productive and competitive on the world markets, both foreign investment and economic growth will come to a halt. It is for this reason that Argentina must address the effective use of all of its human resources, particularly its female human resources. If this resource is not realized to its full potential, Argentina will almost certainly also not realize its full potential as a global player.

Conclusion

Argentina has begun to show her face on the world market. Her economic plan seems to be working, but it is now time to initiate the social reforms needed for both long-term economic and social growth. Further, investment in human resources is a sure way to improve productivity rates and the standard of living. The government has been very successful at initiating economic reform, but now it is time to turn its attention to social reform if it wants continued success in the future. A good place to start would be with policies concerning women, such as providing more opportunity for technical and professional training. Additional investment in women will have not only a positive effect on the economy, but also on health, nutrition, and fertility. Obviously the health and well-being of women is extremely important to reproduction, which is the future of a country. The women's movement in Argentina must be admired for its domestic gains and for obtaining recognition in the reproductive role. But it is now time to take the appreciation out of the home and into the workforce.
REFERENCES


