The Key to Unlocking Argentina’s Economic Potential? Women’s Inclusion in the Labor Force

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Female participation in the Argentinian workforce is limited, as men comprise 75% of labor force participation, compared to just 41% of women, according to a 2016 study. While women represent a majority of Argentina’s highly educated population, various influences such as religion and traditional expectations of women and men, as well as limited options for childcare have pushed women out of the workforce to the detriment of the Argentine economy. To improve women’s access to employment and increase workforce productivity, the Argentine government must design and adopt inclusive gender-sensitive public policies, address social unrest, and measure the impact of such policies in addressing gender equality.

Reasons for Gender Inequality in the Labor Force

This section argues that embedded norms, segregation of gender participation in economic activities, and lack of government efforts, are the underlying motives for the persistent gender inequality in the labor market.

Embedded Gender Norms

Society and cultures in general reproduce, and often enforce, traditional patterns of gender roles, whose principal characteristics are inequality and power asymmetry. These characteristics tend to limit opportunities for women. Gender-role patterns are embedded by patriarchal attitudes and assimilated by individuals as models and principles. The workforce in Argentina is a social place that reproduces these traditional patterns, and as a result, the vulnerability of working women increases because this structure is confined within hierarchical parameters of gender-distributed activities, which restrict women’s possibilities of participating in the economy. The inequality and asymmetry of power that women face in the workforce is also reflective of the hierarchical composition of the Argentine family and domestic work. Argentinians perceive women to be homemakers: 59% of Argentine men and 36.9% of Argentine women suggest that women should take care of household chores, the children, or elderly.

Women continue to play a key role in reproductive labor work as caregivers and engaged in domestic roles such as cleaning, cooking, and washing. More men are engaged in income-generating work and regarded by society as “breadwinners.” It was estimated in 2014 that 89% of women, compared to 58% of men, engaged in domestic unpaid work, and that
women spent on average three more hours a day in unpaid domestic activities. This pattern has been repeated throughout Argentina’s history, impacting labor participation for both sexes.

There is a notable gap between female and male labor force participation. Women are also underrepresented in all sectors of the economy. Female labor-force participation accounts for approximately 19% of the industry sector, 35% of the commercial sector, and 43% of the service sector. Moreover, on average, women earn 25% less than men, hold 42% fewer executive positions, and hold 63% fewer seats in parliament than men.

**Embedded Religious Norms**

Roman Catholicism has historically been imbued in the culture, politics, and society of Argentina. Religion, however, has generally created conservative and patriarchal attitudes toward women and their role in society. As argued by scholar Kamila Klingorová in her report *Religion and Gender Inequality*, “the status of women in society is an outcome of the interpretation of religious texts and of the cultural and institutional set-up of religious communities.” Therefore, religious norms and its presence in the politics, education, and laws of Argentina have, arguably, has contributed to limiting women’s participation in the labor force.

**Horizontal and Vertical Segregation**

Horizontal segregation refers to the division of gender participation in the sectors of economic activity. There are significant differences between the gender composition of occupations. Women tend to be overrepresented in low-paying jobs. In Argentina, 70% of women are concentrated in the commerce and services sectors, such as in nursing (71.2% are women) or in teaching (73.6% are women), while men predominantly dominate positions in industry (81% are men) or in construction (94% are men), which are positions that tend to be better remunerated. In general, “wages in female dominated sectors and occupations are lower than those in male-dominated sectors and occupations”.

Vertical segregation refers to the difficulty for women in accessing managerial positions that demand greater responsibility and are better remunerated. A statistical study conducted by Neuman and Oaxaca (2004) show that Argentine women, generally, have a lower probability to be promoted to higher paying positions than men. Barriers such as in the hiring process, prevent Argentine women from reaching managerial positions. Even if women have the same characteristics as men, women are “negatively selected”, meaning that they have a lower chance of being hired than men for the same position. Eliminating
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barriers that prevent women from entering certain sectors of employment or from reaching managerial positions, is key to address the gender disparity in the Argentine workforce.

**Gender Wage Gaps and Workforce Discrimination**

Argentine women are paid approximately 25% less than men for doing the same job or a job of equal value. This is disproportionate given that Argentine women who participate in the workforce are often more qualified than their male counterparts. As shown in a United Nations report, “In Argentina, women with between 0 and 3 years’ schooling earn 64 percent of the incomes earned by men of the same education level; with 4 to 6 years’ schooling, women earn 82 percent of men’s earnings, but those with university studies earn only half.” Even after taking into account a number of observable differences between the jobs performed by both sexes, a large percentage of the gender wage gap remains unexplained.

**Lack of Governmental Efforts: Legislative Deficiencies and A Shortage of Care Services**

There are deficiencies in Argentina’s legal frameworks and a lack of governmental efforts in addressing the gap between female educational attainment and labor force participation. Existing legislation only applies to employees of the formal sector, which means that those who work in the informal sector (most of whom are women) are unprotected by governmental legislation. In addition, the Argentine government does not investigate the compliance of companies with labor legislation. Indeed, labor legislation is regularly evaded due to lack of supervision and low compliance of labor market regulations. Legislation specifically related to the care of small children by women during pregnancy, childbirth, and puerperium stages also exists, though there is a shortage of provisions for care services for children, the elderly, and individuals with disabilities. Since the responsibility for the care of these groups is often stereotypically assigned to women, this lack of social provisions limits women’s participation in the economy and further reinforces gender divides within the household. Existing social policies, such as three-month maternity leave, have been designed on the basis of the traditional model of the family, in which the mother takes on the role of the housewife and the father that of the worker untethered to family responsibilities.

**Why is Gender Reform in Argentina Important?**

There is growing evidence that increasing women’s participation in the workforce is
essential to accomplish a more sustainable economy and to improve national well-being. In fact, many Argentine citizens recognize that gender inequality in the labor force continues to be an issue in the twenty-first century. A 2012 study of attitudes and perceptions on equality between women and men found that 95.3% of interviewees acknowledged the existence of gender inequalities in the workforce. In fact, the workforce was perceived as the most unequal sector in the country for women’s participation.

Gender inequity in the labor force is a result of machismo and the adherence to those traditional family structures that are no longer appropriate for family or social life in Argentina. For instance, the increase in single-parent families has left many households unable to engage full-time in carrying out domestic activities. The country’s increasing life expectancy has also placed new demands on care. As people live longer, the demand for elderly care has risen.

Given the case of Argentina, where there is a large number of educated women, this presents an untapped pool of resources that can serve to boost the country’s productivity. As the 2012 World Development Report suggests, “per capita GDPs is positively correlated with the share of female workers in wage employment”. In addition, economic opportunities give women greater control over household income and decisions, which can be particularly beneficial for children living in the household.

**Unlocking Argentina’s Economic Potential: Improving Women’s Access to Employment**

Women make up 51% of the Argentine population, but their contributions measured in economic activity and growth is drastically below its potential. However, when women are incorporated to the labor market and able to develop their potential, there can be important macroeconomic gains. Figures gathered by the McKinsey Global Institute suggest that eliminating gender inequality in the labor market could, on average, boost a country’s GDP by 34%. Loko and Diouf (2009) provide evidence that increasing women’s participation in the workforce has a positive impact on a country’s total factor productivity growth. In addition, because Argentine women are well-educated and capable of joining the country’s economy, its in the government’s interest to increase female labor force participation. As Loko and Diouf point out, “In development economics, it is now fully acknowledged that educated women allocate a higher share of households’ resources to education and healthcare—two factors that are expected to boost productivity and growth in the long-run. Also, given Argentina’s growing ageing population,” higher female labor force participation can improve growth by diminishing the impact of its shrinking workforce. Therefore,
policies that help integrate women into the labor force do not only benefit women and increase their families’ economic well-being, but also benefits Argentina’s overall growth and productivity.

Recent studies by the World Economic Forum and other organizations indicate that a reduction in the employment gender gap has brought large improvements in the economic growth of European countries over the last decade, and suggest that the potential for further growth remains. Conversely, limiting women’s access to labor markets can hamper a country’s economic growth. The World Economic Forum reported that, as a region, East Asia and the Pacific incurred “losses ranging between US$42 billion to US$47 billion annually due to women’s limited access to employment opportunities.” Improving women’s access to employment can therefore bring important gains to the Argentine economy.

**How Can the Government Promote Gender Reform?**

The Argentine government can promote gender reform by introducing gender mainstreaming and by learning from the Swedish model.

**Introducing Gender Mainstreaming in Argentina**

Gender mainstreaming has been globally accepted as a strategy towards achieving the goals of gender equality. As defined by the European Institute for Gender Equality, “mainstreaming involves the integration of a gender perspective into the preparation, design, implementation, monitoring and evaluation of policies, regulatory measures and spending programmes, with a view to promoting equality between women and men, and combating discrimination.” Gender mainstreaming is important because it recognizes the value of women’s inclusion in all sectors of the labor market, and implements federal policies that remove existing distortions. Also, it allows for public intervention for the purpose of investigating, redressing, and preventing inequalities from being perpetrated. The responsibility of implementing gender mainstreaming lies in the hands of governments, where at a national level, specific structures such as oversight bodies have to be created and staff trained. Strong political commitment is also required along with an action plan and compatible legal framework.

In line with the 2015 OECD Recommendation Report, there are a series of strategies, mechanisms, and tools that the Argentine government can adopt to introduce gender mainstreaming. These include, setting specific action plans to increase women’s representation in the workforce, setting employment hiring objectives, and creating
targeted outcomes across public institutions. Strategies also include investing in awareness campaigns and engaging different stakeholders to ensure there is an inclusive approach to the coverage of gender equality issues. By engaging with diverse stakeholders, the Government of Argentina can promote collaborative approaches with local civil society organizations, academics, and other governmental and non-governmental stakeholders, such as the UN Women Country Team. In addition, leadership and commitment can be secured at a national level by identifying gender equality focal points that act as gender experts across governmental institutions.

It is in the interest of the Ministry of Treasury of Argentina to strengthen the capacity and resources allocated to INDEC, Argentina’s National Institute of Statistics and Census Data. Incorporating gender-disaggregated statistics, indicators, and a new sets of gender measures to its existing database can be a strategic tool for the design of adequate public policies. This is because gender-disaggregated data allows the government to create evidence-based assessments on gender impacts and integrate results into public governance activities. INDEC’s capacity can be strengthened through close consultations with the United Nations Statistical Commission where it can receive advice on how to produce and compile gender statistics at a national level. Investing in INDEC’s gender statistics can help ensure workforce policies address the needs of all Argentine citizens.

Learning from Sweden’s Governmental Policies: Gender Mainstreaming and Gender-Focused Agencies

Sweden ranks as the most gender-equal country in the world. Its governmental policies are based on four basic goals: the equal division of power and influence between men and women, economic equality, equal distribution of unpaid house and care work within families, and ending men’s violence against women.

Sweden is distinguished for its political focus on matters of gender. The country has specific agencies dedicated to addressing gender issues in its governmental policy. The Ministry for Gender Equality is responsible for all gender equality issues. The Equality Ombudsman Agency is responsible for combating discrimination and protecting citizens rights and opportunities. The Discrimination Act (2008), deals with gender equality in the workforce. This Act does not only prohibit discrimination on the basis of gender, but also obliges investigation to ensure employment opportunities are granted to individuals based on their qualifications.

By focusing on the reconciliation of family and professional life as an objective, the Swedish
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government has been able to make reforms that promote equality between men and women. Important gender equality milestones include the abolishment of joint taxation of spouses, the replacement of maternity leave with parental leave, and the introduction of the Act on Violence against Women Bill into the penal code. Recent efforts include updating past laws to guarantee they are in line with modern needs. The replacement of maternal with paternal leave has entitled both parents to share 480 days of paid leave when a child is born or adopted. In addition, the government provides subsidized child day-care facilities and general child allowances, allowing both parents to remain in the workforce. Public intervention has made childcare an individual right and not a supplemental right.

The introduction of independent income taxation has been crucial for women’s labor market integration. Unlike in Argentina, income taxation and social entitlements are not based on marital status, but on an individual’s work performance, residency, and citizenship. The Swedish welfare state has recognized the unequal distribution between paid labor and domestic work carried by both sexes. Therefore, through an independent income taxation system it has “promoted the reconciliation of paid work and family life in a dual-earner family”. As a result of the individual tax obligations, married women in Sweden have increased their economic autonomy. Equalizing the burden of caring, principally in the form of parenting, and unpaid work between both sexes has contributed to progress in achieving gender equity in the Swedish workforce.

Gender mainstreaming is a central strategy of Sweden’s gender politics. The Swedish government has ensured that a gender equality perspective be mainstreamed into all areas of the public and private sectors, as well as followed and respected by its citizens. From an early age, teaching methods that counteract traditional gender patterns and gender roles are used to ensure women are giving the same opportunities in life as men. These efforts have been made possible through decisive government actions and important legislature that has gradually worked to establish gender equality.

Despite the differences between Sweden and Argentina, in terms of the economy, principles, and the governing structure of the two countries, the Argentine government could strive to emulate and promote similar reforms. Reforms Argentina can incorporate include, increasing women’s financial independence through tax reform, establishing an education law that make gender equal teaching-methods compulsory, addressing workforce discrimination through gender-sensitive labor policies, equalizing the burden of parenting through maternal reform, and making childcare affordable such as through creation of subsidized child day-care facilities.
Although reforms can be challenging, especially considering that machismo culture and embedded social norms in the Argentine life, reforms are necessary to create a gender-inclusive society. In fact, the Argentine government has already recognized the importance of women’s participation in the labor force and has created a list of objectives aimed at addressing them. This list includes, closing the wage gap and generating employment opportunities for women. The Argentine government has also pledged to break cultural barriers that hamper women’s participation in several sectors of society. It is now the government’s duty to act upon its pledges and implement a gender-focused agenda in all sectors of the country.

Conclusion

Argentine women are at a disadvantage in participating in the labor market in comparison to their male counterparts. The traditional structure, wherein women are responsible for domestic work and men for earning money, no longer suits modern-day Argentina. The present collision between traditional women’s roles and modern roles in Argentina paves the way for new social and political reforms that endorse policies that promote gender equity. It is critical that the Argentine government does not only see women rights as an obligation under conventions or international treaties, but also recognizes women’s needs and updates Argentina’s laws accordingly. The government must review its current priorities to make sure gender discrimination in the workforce is not ignored and any action taken remains monitored. Introducing gender mainstreaming and implementing similar reforms as Sweden are two ways the Argentine government can address this issue. Reform is necessary because it is unsustainable for the Argentine economy to have its most educated, qualified, and productive population outside of its labor force. By supporting women, Argentina will experience increased economic growth and prosperity that benefits all.

Endnotes


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26. The formal sector, also referred to the formal economy, is the part of the economy that is taxed and monitored under the government. Activities of the formal sector are included in the gross national product and gross domestic product of a country. Employees of the formal sector work regular hours and receive regular wages. The opposite is true for the informal sector, it is not monitored by the government and often referred to as the grey economy.

https://repositorio.unisc.br/jspui/bitstream/11624/415/1/JosireneLondero.pdf


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