

**Gender and the Job Guarantee:
The impact of Argentina's *Jefes* program
on female heads of poor households**

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GENDER AND THE JOB GUARANTEE:

The impact of Argentina's *Jefes* program on female heads of poor households

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I. INTRODUCTION

For many years Argentina was proclaimed to be the success story of IMF austerity and market liberalization policies, until it experienced an economic meltdown in the winter of 2001-2002. To deal with the looming crisis and skyrocketing unemployment and poverty rates, the Argentinean government implemented a limited job guarantee program called *Plan Jefes y Jefas de Hogar Desocupados* (Program for the Unemployed Male and Female Heads of Households, or simply *Jefes*). Participation in the program grew quickly, to 2 million workers at its peak or about 5% of the population, and about 13% of the labor force. Much to the surprise of Labor Ministry officials, female heads of households initially accounted for some 60% of program participants and that has grown to a bit less than three-quarters today. Formal surveys indicate that the program is well-targeted to intended households (poor families with children) and is highly popular among participants. Studies by international researchers (including the World Bank) find

that projects are generally well-run, completed on time, and provide needed services to poor communities.

However, the program faces sustained criticism in the media, by some research institutions, and by policy-makers. Indeed, even economists at the Labor Ministry appear to be planning for the eventual replacement of *Jefes* with a more traditional combination of unemployment compensation for the “economically active” (largely male) population and “welfare” for women (who are considered to be largely “inactive”). In August 2005, C-FEPS conducted a series of interviews with government officials, project coordinators, and program participants. In this paper we will report on our evaluation of the benefits of the program—particularly for female participants, as *Jefes* participation has from the beginning been predominately female.

This is important because those contemplating program “reform” do not appear to recognize the extent to which gender matters in *Jefes* program evaluation. Indeed, the primary measures used by officials to evaluate the program (“market efficiency” criteria) ignore many, and perhaps most, of the benefits received by women. We find that female participants prefer work over welfare, because they feel that working has enriched their social life, allowing them to become involved in, and contribute to, their communities. Further, employment in some of the projects has also increased access to a range of social services that (anecdotally) help to reduce spousal abuse, school drop-out rates, drug abuse and related crimes, and so on. Most of the women—especially those who had not previously participated in formal labor markets—believed they are learning useful skills; many think they are improving their chances of obtaining other (non-*Jefes*) paid work, which some women desire. We conclude that government attempts to dismantle the program would not only meet with substantial opposition from program participants, but if successful could represent a huge step backward with respect to reduction of gender inequality. We conclude with a call for more detailed and larger studies of the gendered impacts of *Jefes*, and of the possible consequences of “reform” along traditional lines for women who would be dismissed from the program.

II. OVERVIEW OF *JEFES* PROGRAM AND EVALUATION OF AGGREGATE DATA

Through most of the 1990s, Argentina had been the poster child for the Washington Consensus, adopting a currency board, opening markets, downsizing government, and freeing capital. After its economy collapsed and unemployment and poverty skyrocketed, it implemented a limited employer of last resort program called *Plan Jefes de Hogar*, to provide jobs to poor heads of households.

The *Jefes* program provides a payment of 150 pesos per month to a head of household for a minimum of 4 hours of work daily. Participants work in community services and small construction or maintenance activities, or are directed to training programs (including finishing basic education). The household must contain children under age 18, persons with handicaps, or a pregnant woman. Households are generally limited to one participant in the *Jefes* program. The program was intended to be one of the government's primary programs to deal with the economic crisis that gripped Argentina with the collapse of the currency board. Most other safety net programs were eliminated or reduced in order to shift funding to *Jefes*. The Ministry of Labor also operates another employment program, *Programa de Emergencia Laboral (PEL)* with a design very similar to that of *Jefes*—monthly benefits are the same, but it includes some beneficiaries that do not qualify for *Jefes*.

Government's total spending on *Jefes* and *PEL* is currently equal to about 1% of GDP, with nearly 2 million participants (about 1.6 million in *Jefes* and 300,000 in *PEL*). This is out of a population of only 37 million, or more than 5% of the population. The size of the program was a concern, not only because of organizational demands but also because of the cost. However, it should be noted that the U.S. spends 1% of GDP on anti-poverty social assistance, while France and the UK spend 3-4% of GDP on such programs (Neubourg, et al 2005). Given a national poverty rate of 57.7% in 2002, and with 9.6 million indigents and a child poverty rate approaching 75%, Argentina's spending is small relative to needs.

According to the World Bank's reviews (see for example World Bank Report No: 23710-AR), the program has been successful in achieving a number of goals. First, program spending is well targeted to the intended population—poor households with children. Second, the program has provided needed services and small infrastructure projects in poor communities, with most projects successfully completed and operating. Third, the program has increased income of poor households, although it has not pulled them above the poverty line (this is not surprising, because of the low monthly income provided through the program). Hence, the poverty rate in Argentina continued to rise during the first months after the implementation of *Jefes*.

While beneficiaries report satisfaction with the program, there are reports of favoritism, and some home country researchers have criticized its design. One of the most surprising results of the program has been the large influx of women into *Jefes*—in the early days of the program, women accounted for over 60% of program participants and that has since risen to almost three-quarters. It is suspected that many households have chosen to designate the woman as the head so that she could participate in the program while the husband attempts to find private sector work, including work in the underground economy. Some consider this to be an undesirable outcome (more below), and it seems to be behind some efforts to “reform” the program. In any case, the program is overwhelmingly female, which makes a difference in terms of program design as well as measurement and perception of program success—as we will discuss.

The program is designed to limit entry to those who had qualified and signed-up by May 17, 2002, although some who did not meet that deadline have been added. This is said to have resulted in some cases of discrimination because other potential participants were denied access even though they appeared to meet program requirements—but had missed the deadline. More importantly, households have been forced to make a choice concerning who would participate in the program. Limited entry prevents the program from reducing unemployment and poverty rates further. If entry into the program were not restricted to one participant per family, it is probable that many poor families would send both husband and wife into the program. This would provide a minimum family income of 300 pesos monthly, lifting some families out of poverty. If the program were broadened further, extended beyond

heads of households with children, persons with disabilities, or pregnant women, participation would almost certainly grow well beyond 2 million. The unemployment rate would fall much further, as would the poverty rate. Further, by limiting the program to the equivalent of half-time work, workers are prevented from working the number of hours desired, and their incomes are reduced to the extent that they are unable to find another part-time job to make up the difference. Given that many participants—especially females—have no previous formal labor market experience, the likelihood that they will find work outside *Jefes* at anything approaching the minimum wage is quite low. Limiting entry appears to have been made a central feature of the program in an attempt to constrain federal government spending; however, it has led to much dissatisfaction and possibly to some instances of favoritism and corruption.

In the remainder of this section, we look at several of the more conventional (and objective) indicators of the effects of the program. In the next section we will examine more informal and anecdotal indicators.

1. Indigence and Poverty

Despite the program deficiencies outlined above, *Jefes* has been successful in reducing indigence rates among its participants. Indigence is extreme poverty measured in income necessary to purchase the minimum amount of food calories per day. Only four months after the implementation of *Jefes* in April 2002, the indigence rates among participating households had fallen by nearly 25% and among individuals by over 18% (Figure 1). As noted above, the reduction in poverty has been small, largely because the program restricts participation to heads of household and because the income it provides is below the official poverty line.

(All figures refer to data collected through a one-time supplement to the Ministry of Labor Permanent Household Survey Oct 2002: “Evaluación Plan Jefas y Jefes de Hogar Desocupadas/os”)

Table 1: Decline in Indigence and Poverty of Jefes Beneficiaries

Households	% of households below the line of indigence and poverty		percent change
	without <i>Jefes</i>	with <i>Jefes</i> (Aug 2002)	
indigence	86.4	61.8	-24.6
poverty	98.3	95.4	-2.9

Individuals	% of individuals below the line of indigence and poverty		percent change
	without <i>Jefes</i>	with <i>Jefes</i> (Aug 2002)	
indigence	87	68.6	-18.4
poverty	98.6	96.7	-1.8

Source: Ministry of Labor, Employment and Social Security, Argentina

2. Characteristics of Program Participants

Program participants come from households with at least one unmet basic need (Figure 2). These are people who live in overcrowded or otherwise inadequate housing conditions, with poor sanitation and very high dependency ratios, as measured by the number of family members per employed person in the household. As Figure 2 shows, the average dependency ratio in families with *Jefes* beneficiaries is 3.9 people per employed individual. Secondly, *Jefes* workers are individuals with low educational attainment and low income; the vast majority of *Jefes* beneficiaries have high school education or less (Figure 3) and fall primarily in the bottom two income quintiles (Figure 4). One surprising result, as we already noted, has been the significant influx of women into the program, who accounted for 64% of program participants in 2002, and that has been slowing rising, to something close to 75% today (Figure 5).

Figure 2: Beneficiaries According to Unmet Basic Needs

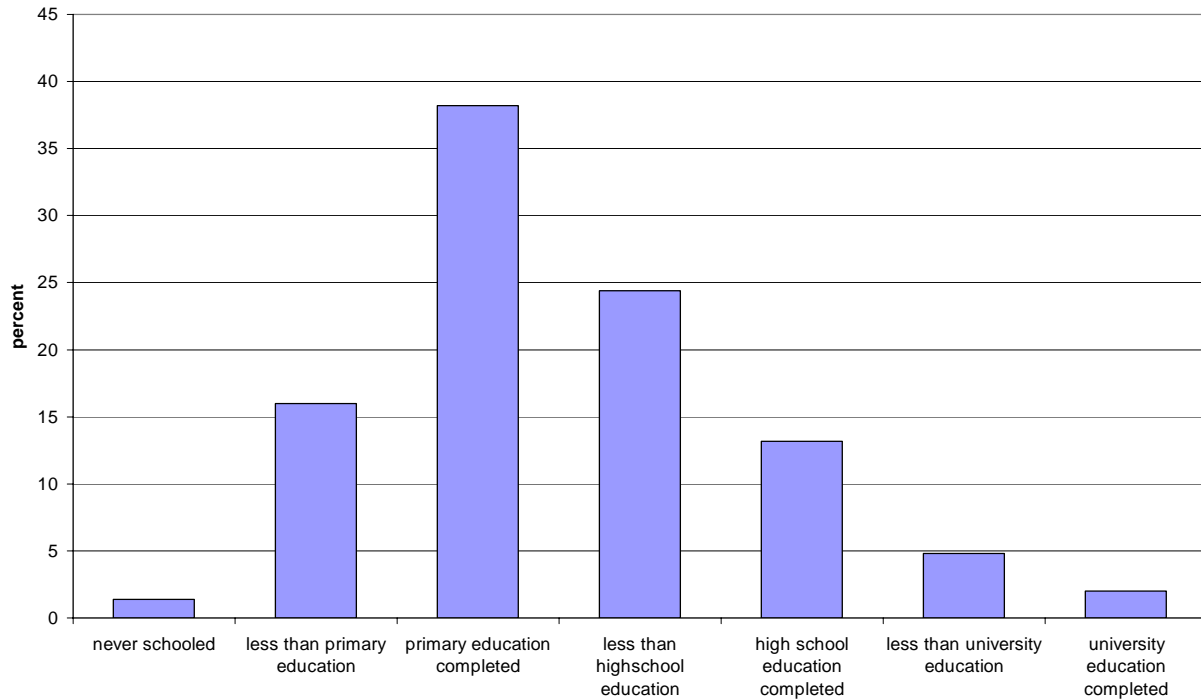
Beneficiaries According to Unmet Basic Needs

Poor sanitation	44.90%
More than 3 members per room	21.80%
Inadequate housing	8.60%
Kids that do not go to school	0.90%
Dependency rate (number of family members per employed individual in the household)	3.9
Household with at least with one unmet basic need	56.80%

Source: Ministry of Labor, Employment and Social Security, Argentina

Figure 3: Beneficiaries According to Educational Attainment

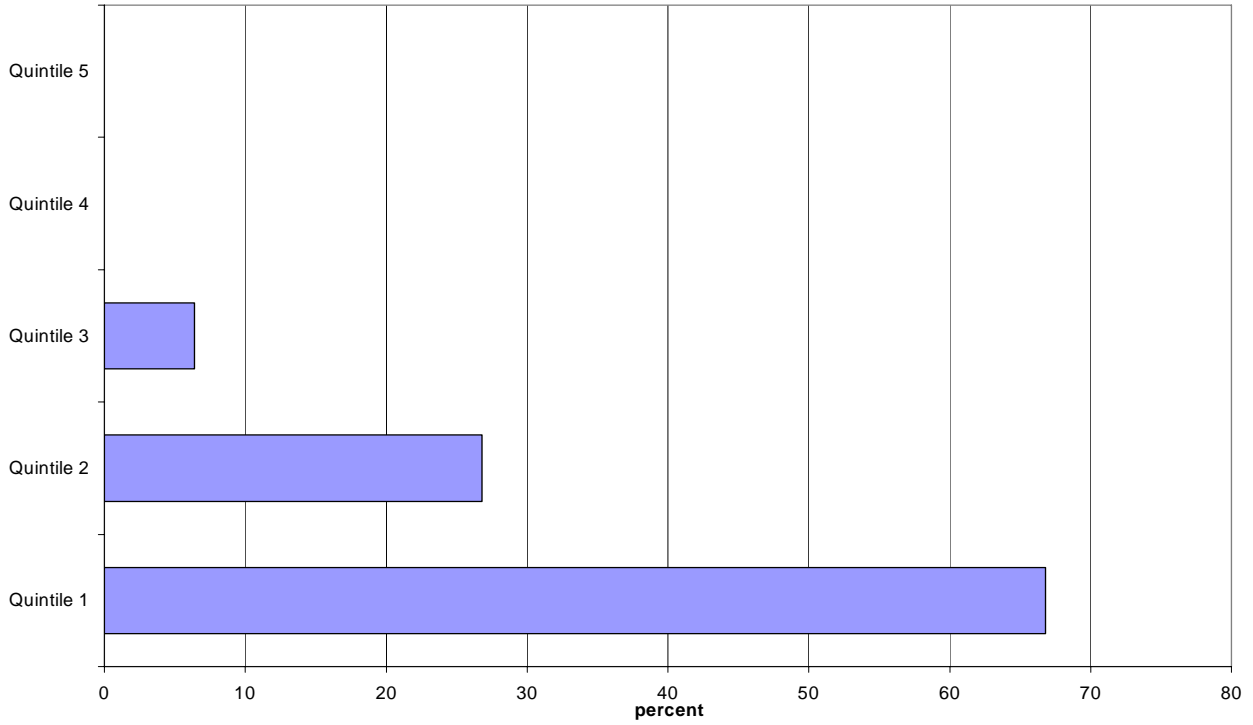
Jefes Beneficiaries According to Educational Attainment



SOURCE: Ministry of Labor, Employment and Social Security, Argentina

Figure 4: *Beneficiaries According to Distribution of Personal Income*

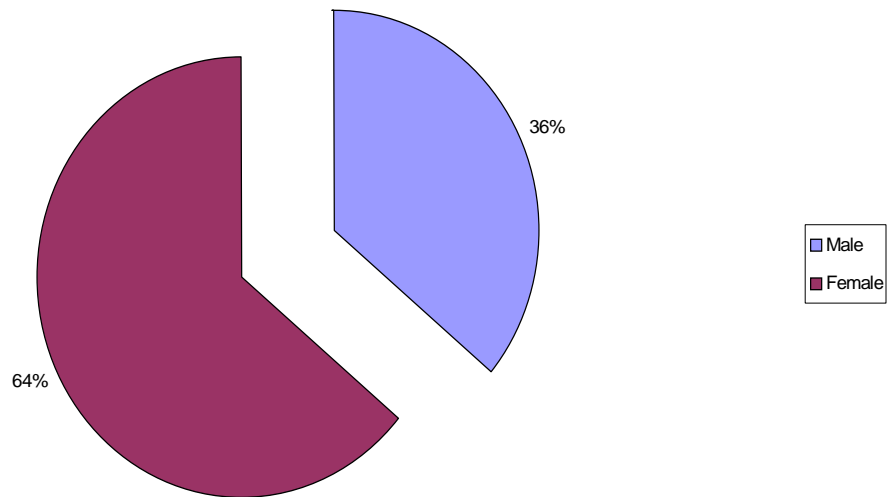
Jefes Beneficiaries According to Distribution of Personal Income



SOURCE: Ministry of Labor, Employment and Social Security, Argentina

Figure 5: *Beneficiaries by Gender*

Jefes Beneficiaries by Gender

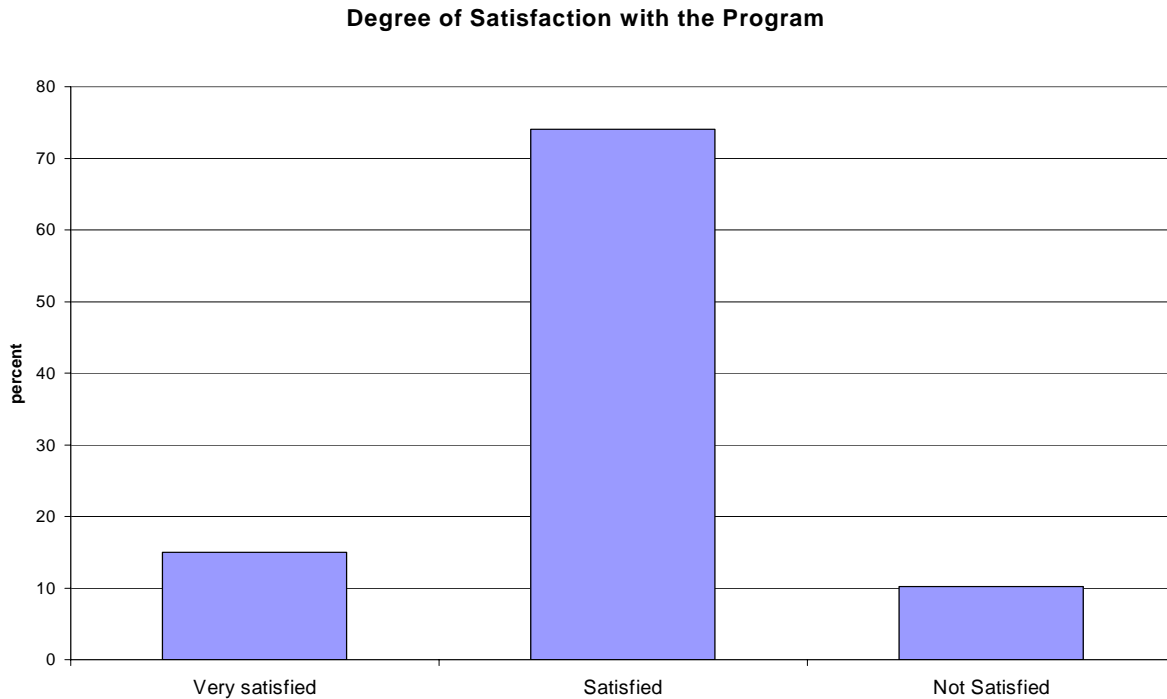


SOURCE: Ministry of Labor, Employment and Social Security, Argentina

3. Beneficiaries' Satisfaction with the Program

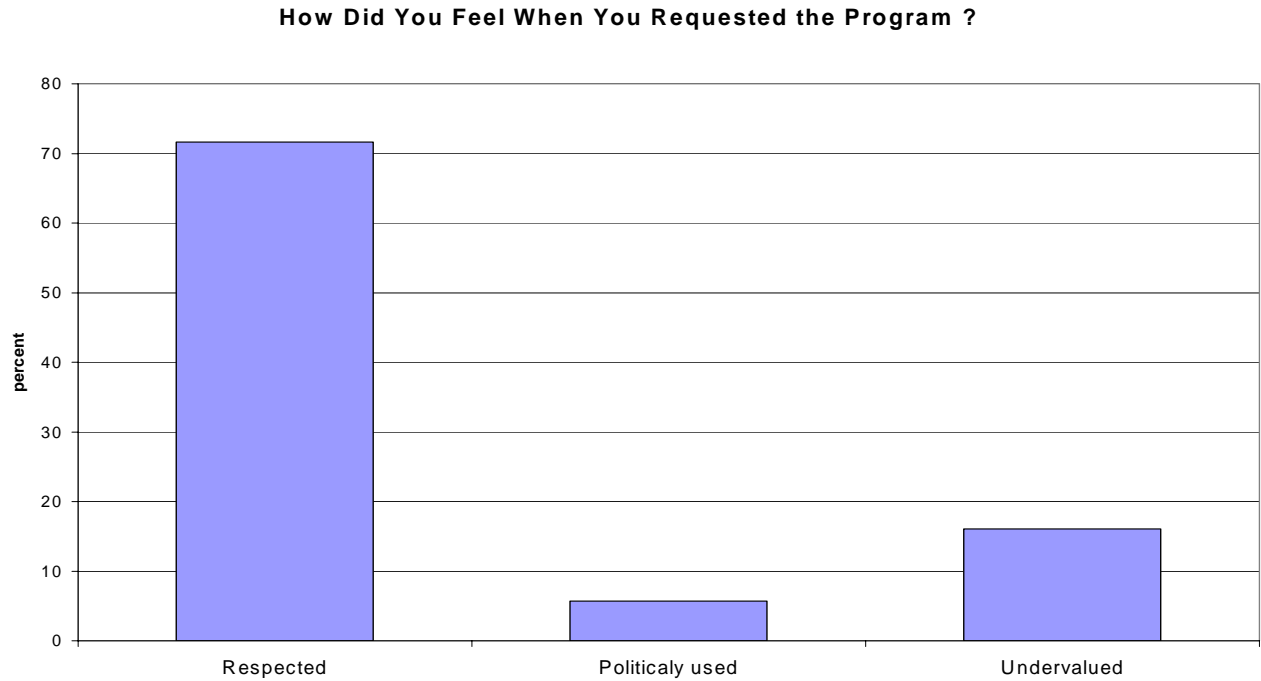
The response of the beneficiaries to the *Jefes* plan has also been positive. As Figure 6 shows, only a small fraction of *Jefes* workers have said that they are dissatisfied with the program, while 90% are either satisfied or very satisfied with it. When asked how they felt when requesting the program, most people (over 70%) reported “respected” as opposed to “undervalued” or “politically used” (Figure 7). Some of the reasons for this satisfaction include the opportunity “to do something” and “help the community,” but note that the second largest reason for satisfaction that people report is the good environment that *Jefes* jobs provide (Figure 8). It is especially significant that participants rate these reasons far above “I have an income”. When asked what they would prefer to do as part of *Jefes*, most people stated that they would like to be involved in training and community projects (Figure 9).

Figure 6: Degree of Satisfaction with the Program



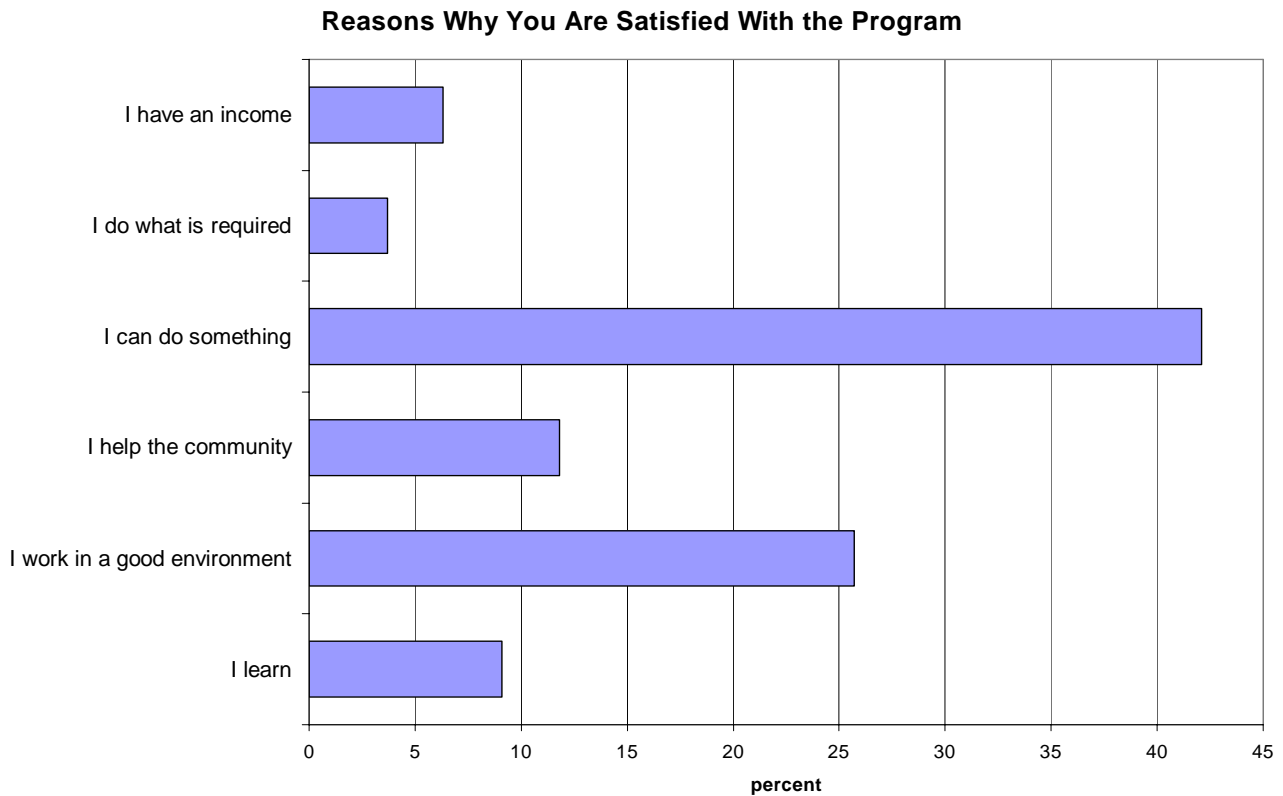
SOURCE: Ministry of Labor, Employment and Social Security, Argentina

Figure 7: *How Did You Feel When You Requested the Program?*



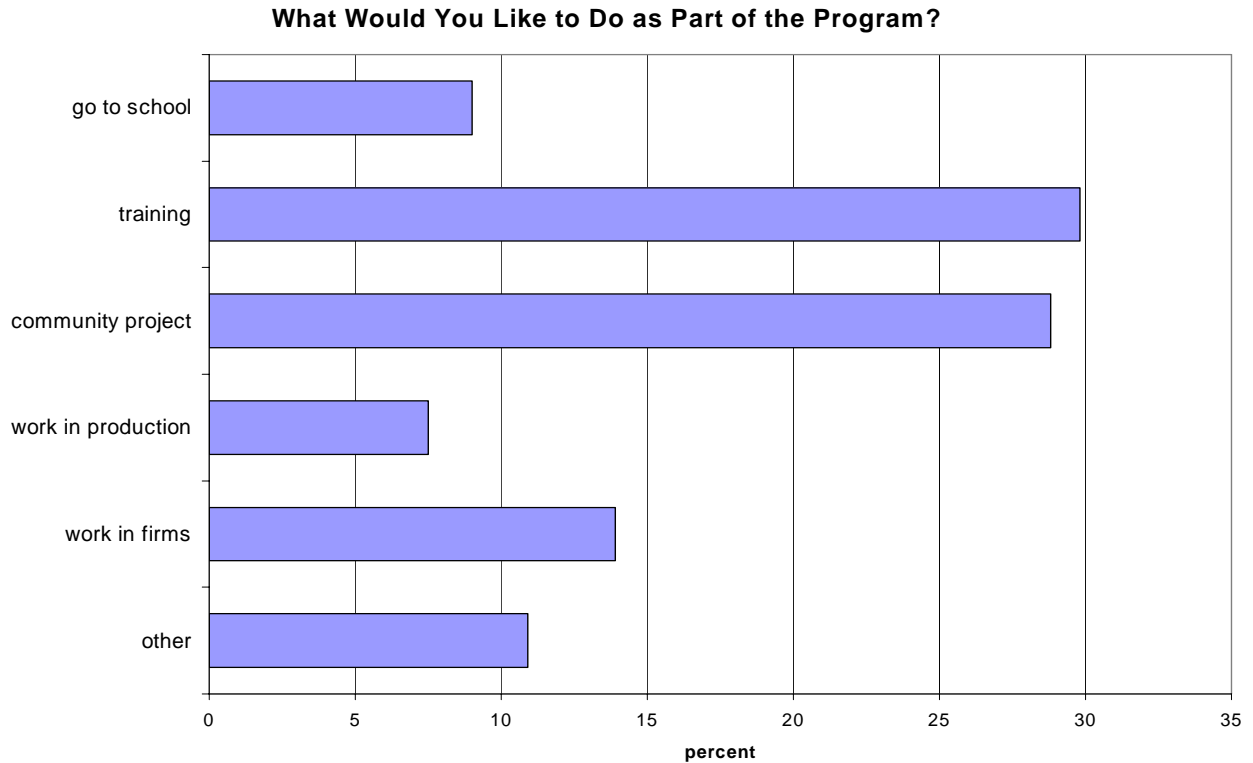
SOURCE: *Ministry of Labor, Employment and Social Security, Argentina*

Figure 8: *Reasons for Satisfaction*



SOURCE: *Ministry of Labor, Employment and Social Security, Argentina*

Figure 9: *What Would You Like to Do As Part of the Program?*



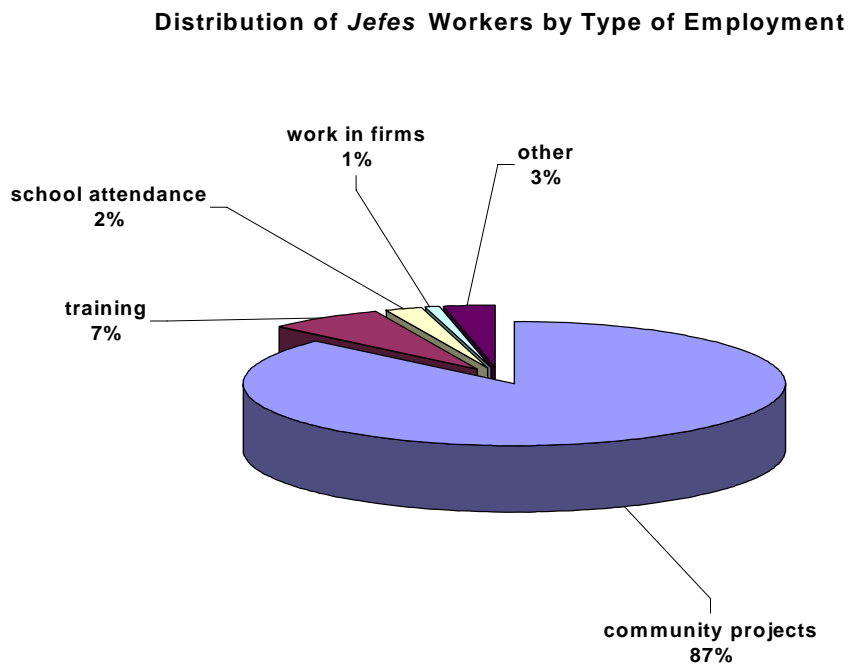
SOURCE: Ministry of Labor, Employment and Social Security, Argentina

4. Program Activities

And the program allows them to do just that—help the community. A large number of projects are designed specifically to cater to community needs by providing a wide range of goods and services. As Figure 10 shows 87% of *Jefes* beneficiaries work in community projects. These include primarily agricultural micro-enterprises and various social and community services (Figure 11). Some specific examples include cleaning and environmental support in the agricultural sector, improving the sewer systems and water-drainages. Much of the community work is performed in local community centers, thus renovation of existing centers or construction of new ones represent many small *Jefes* infrastructure projects. Examples of community services performed in these centers include food kitchens or family attention centers which address domestic violence issues or provide temporary shelter and

other services to abused women or children. Other projects include health promotion programs, which offer basic education on sanitary issues—how to boil water, for example, or how to handle food and avoid dysentery and other infections. Others deal with mending old clothes that have been donated to poor communities. A similar program exists for the public libraries, where scrapped books from wealthier regions are repaired and catalogued for public libraries in poorer communities. Large-scale infrastructure projects, primarily under the jurisdiction of the Ministry of Infrastructure, also hire *Jefes* workers for the repair of Argentina’s roads and bridges.

Figure 10: *Distribution of Jefes Workers by Type of Employment*



SOURCE: *Ministry of Labor, Employment and Social Security, Argentina*

Figure 11: *Types of Community Projects*

Types of Community Projects

Micro enterprises (mainly in agriculture)	26
Social and community services	17
Maintenance and cleaning of public spaces	14
Public lunchrooms	11
Educational activities	10
Construction and repair of homes and social infrastructure	8
Healthcare and sanitation	5
Administrative support	4
Child care	2
Elderly care	1
Other	2
Total	100%

Source: Ministry of Labor, Employment and Social Security, Argentina

5. *Other Positive impacts on Participants*

One of the most distinguishing features of the program's institutional design is its decentralized model of administration. The Argentinean federal government provides the funding, general guidelines for the execution of work projects, and some auxiliary services for managing the program. Such services include maintaining a national registry of program beneficiaries, as well as databases that track all projects that have been proposed, approved, denied and completed. Note that all these databases are publicly available, thereby increasing transparency and reducing corruption.¹ The actual administration of the program, however, is primarily executed by the municipal governments. The municipalities are responsible for assessing the pressing needs and available resources of their communities and for evaluating the projects proposed by the local non-profits or NGOs. For those projects that have been approved, the municipality contacts program beneficiaries informing them of the availability, time, and place of work. As we will discuss below, organization of projects by community

¹ For example, the Ministry of Labor collects data on *Jefes* beneficiaries, which is available monthly and lists all workers (by name and registry number) involved in the projects of each municipality.

activists has provided the opportunity to provide a range of additional services to participants, while enhancing social cohesion and participation in community life.

In addition, by remunerating activities that had previously been mostly unpaid work, *Jefes* has helped to broaden the meaning of work. For example, in the past, some people have delivered medicine or read newspapers to the elderly on purely voluntary basis; now the *Jefes* program allows for these to be paid activities. Other undertakings that may not be in the purview of profit-making enterprises (e.g., environmental cleanup, child care, soup kitchens) are also part of these government-funded jobs. The preliminary indication is that the projects provide needed service to the community. Furthermore the program has enhanced civic participation by involving many people across different social strata in the political process. Participants were also required to register their children in school and take the necessary vaccinations. These are two added benefits of the program design, made possible by simple eligibility criteria.

III. SITE VISITS AND INTERVIEWS WITH PARTICIPANTS AND SUPERVISORS

In August 2005 we conducted a series of site visits, interviewing program participants and supervisors. We make no claim that the projects we examined represent a random sample; however, we did visit a range of types of projects. We visited projects that were formulated and supervised by community activists as well as those run by municipal governments. We also were able to observe projects whose participants were mostly immigrants with little formal labor market experience, as well as projects with skilled workers who had lost jobs as a result of the economic crisis. One project employed mostly young and educated women from a “downwardly mobile” neighborhood that had aspired to middle class status before the crisis. Some of the projects sold output in markets, while others distributed their output or services free of charge to their communities. We visited projects in both urban and suburban areas surrounding Buenos Aires. A large majority of the participants we interviewed were female, as were many of the supervisors.

However, our sample of projects and participants was not representative of the program as a whole due to the following limitations: we did not visit projects outside the greater Buenos Aires area; there were no rural areas included (and only one quasi-agricultural project included); male participants were under-represented; and we were not able to visit any large scale enterprises (such as public hospitals) that employ *Jefes* workers. While we had a series of questions to help guide the interviews (see appendix), we allowed the discussion to develop naturally. In some cases, supervisors had gathered together a number of participants for the interview; in other cases, we interviewed participants as they worked at their usual workplace. Translation was done by Daniel Kostzer (Labor Ministry economist who is also a C-FEPS research associate) and Martha Tepepa (Columbia University). In addition, Jan Kregel, Chief of Policy Analysis and Development, Office of Financing for Development, United Nations, and Distinguished Research Professor, UMKC, attended the meetings with government officials. We videotaped all interviews. In what follows, we report on our findings, based on our notes and videotapes. Because these are open-ended, informal, interviews, the videotapes provide the only documentation for most of the claims made in the report that follows. We will make copies of this videotape available to researchers.

1) *Jefes* Projects in the Neighborhood of Mataderos

The first group of job creation projects we visited was in the neighborhood of Mataderos. It is perhaps among the most impoverished region in suburban Buenos Aires. The infrastructure was crumbling, many streets were not paved, there was

limited electrification, houses lacked proper windows and roofs (there were many shanty homes), manhole covers were missing, and piles of trash littered the streets. In fact this



The construction of this hospital in Mataderos was abandoned decades ago. Now police patrol it around the clock to prevent the homeless from sleeping in the empty floors. The poor instead live in the cardboard houses at the foot of the hospital.

particular area of Mataderos was called Ciudad Oculta—the Hidden City, a city whose destitution, according to the locals, nobody wants to see.

Our guide through the neighborhood was Gladis, a leader of one of the picatero political social movements, called “Barrios de Pie”. Picateros are generally members of political organizations that represent the workers and the poorest of the poor. The picateros were among the many individuals who took to the streets during the crisis in Dec 2001-Jan 2002 and who demanded that the government create jobs and deal with the massive poverty problem.² Most of these social movements today have official representation in the Ministry of Labor, so that the interests of the poorest segments of the population are directly conveyed to policy makers. In other words, these are political or grassroots movements whose representatives have a voice in government. Gladis was one such representative.³

The Butcher Shop

She first showed us the construction project of a very small two-story building, whose first floor was intended as a butcher shop for the unemployed men in the community, and whose second floor was to serve as a small training and education facility. This was a common model for



This butcher shop under construction was mostly funded by local individuals, who were also applying for some government funds in order to complete the project.

many projects: one room was allocated to the actual jobs being performed, while adjacent rooms were allocated for literacy training or basic education. It is worth noting that the initial stages of construction were self-financed. The organizers were planning to apply for funds from the government in order to complete the project and pay *Jefes* wages to those who would work there. Such job creation projects generally receive up to 60% to 80% of funds from the national government (see Tcherneva and Wray 2005a, 2005b and 2005c). The rest is financed through non-profits or NGOs.

² Picateros participating in the *Jefes* plan are said to be less than 10% of total participants.

³ The organization “Barrios de Pie” which Gladis headed is part of a bigger political movement called “Patria Libre”—one of the collaborative picatero movements in the country working closely with the government to create jobs. Some picatero groups continue to shun collaboration with the government.

The Mataderos Bakery

Our next stop was a local bakery. Once again this was a very small structure. There were three women at work, with one oven. The second floor here, too, had a training facility, where the women learned how to maintain cleanliness standards, make the dough and bake goods. Other men and women also came for literacy training at this facility. We were greeted by about 25 men and women, members of the “Barrios de Pie” organization, each of whom worked or studied at this facility. Almost all the participants were immigrants, from a number of South American countries (including Bolivia, Peru, Paraguay, and Uruguay)—although most had been in Argentina since the 1980s or 1990s. Most of the women had not previously worked outside the home for pay. We interviewed the supervisor and the workers. Each was allowed to work only four hours (as the program requirements stipulate) and all of the food that was produced there went to feed the community. The workers told us that the food they made was insufficient to feed the hungry and, in fact, the poor from neighboring boroughs also



came to get food at this location. We asked the workers if they would like to work more hours for more pay—for example 8 hours for double the pay. Each, without exception, said ‘yes.’ We also asked whether they would prefer to receive equivalent transfer (“welfare”) payments to stay home and each said ‘no’. When asked why they preferred to work, most mentioned that they wanted to contribute to their

community and that participation in the program had helped them to get to know their neighbors. A few thought that participation would enhance their employability, although several of the women mentioned that it would not be feasible for them to work outside their community due to family responsibilities.



The Mataderos sewing cooperative

There were other food kitchens scattered in the neighborhood. We were told that they experienced the same problems—they could not feed everyone who knocked on their door.

Some other services provided to the residents of these neighborhoods included shelters for battered women and abused children. Because those who work in the shelters also live in the communities they serve, they had a good idea of which women and children needed this service but were afraid to ask. Thus they were able to reach out and help them.

Sewing Cooperative

The next project we visited was a sewing facility. Again this facility was in a very small room that had three sewing machines purchased with government funds. The beneficiaries were unemployed heads of household who had lost their textile factory jobs during the crisis. They were ‘skilled labor’ although they were very poor and with little formal education (most had not finished secondary school). Two women and one man were working there when we visited. The clothes they made were primarily for the neighborhood children—mainly school uniforms and gym outfits. The government provided the materials and wages for four hours of work. However, the workers were allowed to use the machines additional hours if they wanted to produce more clothes. In that case, they had to buy the additional materials themselves and find a market for their products. This particular group had formed a cooperative (not an unusual arrangement), and they marketed the ‘extra’ output and used the proceeds to cover their costs and share the profits. Again, we asked them whether they would like to work more hours for more pay and all said ‘yes’. Indeed, these workers were already working far more than the required 4 hours (we arrived in late morning and the workers said they had worked all night). Furthermore, all preferred paid work over transfer payments—even at the same pay.



The sewing cooperative was another very small operation.

2) Jefes Projects in the Municipality of Almirante Brown



The other set of projects we visited were located in the Municipality of Almirante Brown. This neighborhood is an hour and a half by car from downtown Buenos Aires. It is also a somewhat

‘wealthier’ neighborhood by comparison. It still had many dirt roads and crumbling homes, but it was generally cleaner, there were some small shops and businesses in the area, and the neighborhood was a bit safer. The neighborhood was said to have been lower middle class before the crisis.

Our guide was Dr. Graciela Doldan—the General Director for Employment for this municipality. In contrast to the projects run by the picateros, these projects generally offered fewer social services for participants.

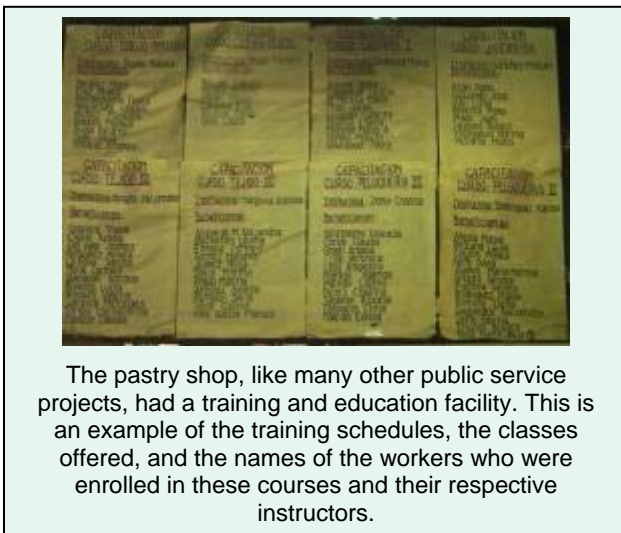
The Agro-Cooperative

The first project we visited was an interesting hybrid of activities. The project was located on a plot of land that previously had been abandoned and fallow. The plot was assigned to a group of unemployed heads of households to use for their own sustenance and provision.

The beneficiaries had uprooted the shrubs and the weeds and had divided the plot in two parts. One was used for



agriculture where men (for the most part) worked the land—they primarily planted vegetables to feed themselves and their families. The other half of the plot held a bakery. There was an outdoor oven where the women made bread and prepared the food (again mostly for their own consumption). All of these people had children and two women were assigned to their care. Thus, part of this half of the plot was a kindergarten of sorts. There were a total of 25 people at this agro-coop, the men and women working side by side to supply food to the group and to take care of the children. As in the case of the bakery in Mataderos, most women had previously been outside the formal labor market. Some of the men had lost jobs—in one case skilled work as a printer—in the crisis; one young man was a college student. All wanted more paid hours of work, and all said they preferred work over transfer payments.



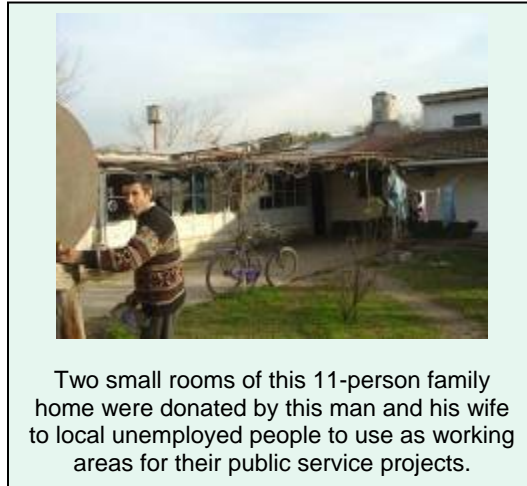
The Pastry Shop/Bakery

We next visited another bakery, which prepared various pastries. Most of the people working there were young women who had graduated from high school not too long ago and were unable to find any jobs to support themselves and their kids. This bakery made bread and pastries which they marketed to the neighbors on a door-

to-door basis. It also offered courses in various subjects from sewing and weaving to gardening and hairdressing. Again, all people we interviewed wanted full time work and preferred work over transfer payments. One young woman worked part-time in another job at a wage far below the minimum wage to supplement her *Jefes* wage; others worked as occasional domestic labor, but could not find sufficient work to patch together a full time equivalent job even with the *Jefes* work.

The Multi-project facility

The next facility was among the most interesting. A family with 9 children had offered some of the rooms in their small home as working areas for *Jefes* beneficiaries. This family was not paid anything (not even 'rent') in return.



a. The Sewing Micro-enterprise

Two of the daughters of the homeowner worked in these projects along with the other beneficiaries. One daughter was quite entrepreneurial. She and two other women had obtained funding for two sewing machines from the government, which they used to make baby clothes and blankets. She explained that she saved 10 percent of her first sale and bought additional materials to make more clothes. She did the same with her next earnings and so on. This was a micro-enterprise for which the government funds essentially served as 'start-up' money used by the beneficiaries to purchase the materials and set up their own shop. This young woman and the other two workers also made clothes for the neighborhood and sold them door-to-door. The room where they worked had educational posters announcing places where one could get basic education in the neighborhood or advice on contraception and family planning.



b. The Toyshop

Another room in this house contained a small workshop that produced handicrafts. It contained approximately twenty women (and a few children), who sat around a long table where they performed their respective jobs. They primarily produced toys. While many of

the women had never worked for pay previously, they either possessed the necessary

skills, or learned skills on-the-job. Many of these toys were made of recycled or other inexpensive material. As with the products of the other projects, many of these toys were distributed to the kids in the neighborhood. August 14th is the Day of the Child in Argentina. When we visited this toyshop, the workers were preparing special surprise gifts for the kids in the area for this holiday.

There was yet another oven in this toyshop. Some of the women prepared empanadas and various other baked goods for the people working there. Some of the women preferred part-time work, although others wanted full time jobs. All preferred work over transfer payments. When asked what they liked best about their job, several women spontaneously answered that they enjoyed the social interactions made possible by working together.



The Supermarket

Many of the products were delivered door to door, but some were sold in markets or even at stores. We visited a large supermarket that had a special section designated for *Jefes* products. This section was staffed by members of a small *Jefes* cooperative. They had



their own cash register and product displays. They sold products made not only by the members of their coop but by other *Jefes* workers as well. This particular location sold many knitted clothes, shoes, small crafts, toys and furniture, including chairs, desks, and beds. There was a picture catalogue of the many different products one could order that were produced by *Jefes* workers, including kitchen cabinets, wooden staircases, window frames—all of quality that did not seem in any way inferior to

similar but mass-produced products. A labor ministry official estimated that the products were offered at about 20% below comparable market prices.

We interviewed many of the immediate project supervisors and their beneficiaries. The next section will cover some of their responses and will elaborate on our observations. The last section concludes with the discussions we had with government officials at the Labor Ministry and the City Government of Buenos Aires.

IV. ADDITIONAL OBSERVATIONS AND NOTEWORTHY FINDINGS

1) Work vs. Leisure

It is commonly argued that government employment programs create a moral hazard problem. People take comfort in the guarantee of employment and do not put enough effort in their work or look for ways to slack on the job. Furthermore, the argument goes, people would much rather receive the monetary benefit of this safety-net while staying at home instead of being forced to go to work. Finally, a major critique of “job creation” is that it will be “make work”, producing nothing of genuine value. While we will discuss this in more detail, the relevant implication for our purposes here is that *Jefes* workers would not be proud of their output.

Was this the case with *Jefes*? During our site visits, we spoke with nearly 100 individuals who were *Jefes* workers. When asked “would you prefer to receive the benefit of the *Jefes* program but stay at home,” every single one, *without exception*, said that they would not want to sit at home and that they preferred to go to work. When asked “why”, the most common responses were that 1) they felt (or would feel) useless sitting at home, 2) they felt like they were helping the community when they were working, 3) there is dignity in working, 4) they were meeting their neighbors and 5) they were learning new skills. Note that our findings are consistent with the survey data presented above in Figures 5 and 6 (which show a high degree of satisfaction) and Figures 8, which indicate that participants are highly satisfied with the program because

they feel they “can do something”, they “help the community”, they “work in a good environment” and they “learn”.

It is also worth mentioning that while some of the visits were planned in advance, others were surprise visits. In all cases, those who were on duty kept working. As we interviewed them, we were under the distinct impression that there was work to be done, which we were possibly disrupting. We also were able to spend time with many people who were off-duty



but wanted to talk to us about their experience. In almost all cases, people took pride in the things they produced. They treated us to pastries and wanted to know how they tasted. They wanted us to see every type of baby outfit they made, touch the fabric, comment on the products. The people from the toyshop gave us two souvenirs—a Christmas tree ornament and a jewelry box, both of which were made with recycled plastic. It is true that there were a few instances in which a worker commented that he or she was capable of more “productive” work; in these cases, the worker had previously held a job in a skilled occupation (a male who had been a typesetter; a female who had been a professional white collar worker). These cases were few and far between, but provide some evidence that satisfaction with the program is inversely related to previous employment in formal labor markets in skilled occupations.

2) Auxiliary Services and Benefits

Some of the important advantages of the program that beneficiaries reported were their proximity to the jobs and to childcare. Beneficiaries’ kids attended daycare (some of which was also provided through the *Jefes* program) or attended school very close to home; in a few cases, young children were in the workplace with their mothers.

Furthermore, many people reported that before being laid off, many of the private sector jobs were in areas of Buenos Aires that required them to commute up to two hours in each direction. If their children needed to be picked up from school earlier, there was no

way to get to them due to the long distance. Thus many indicated that if they were to work, they had to work in the community due to childcare and transportation considerations. In some of the projects, organizers provided social services to participants—often in a room attached to the workplace. These services included tutoring and literacy programs for children and adults, reproductive health services, and information about intervention services for drug abuse and violence within the family.

3) Problems noted

One main problem with the program that the beneficiaries reported was the lack of a pension plan. An elderly male, who worked in the agro-coop discussed above, reported that he had been employed for 40 years in a private printing press before he lost his job due to automation. He reported that he only had 5 years to retirement, but after he was laid off, he lost both his job and the retirement benefits. He now works in *Jefes* to feed himself, but he was distressed about what to do when he becomes too frail to work the land.

Many workers reported that they would like to receive more training in *Jefes*, to prepare them for higher-paying private sector work. This finding is consistent with survey data reported above in Figure 9, in which nearly 30% of respondents listed “training” as their primary motivation for participation in the program—on par with the percent that ranked working in a community project as the primary motivation. When we asked what type of training they needed, the most common response was “computer training”. While we did not pursue this in any detail, this sort of training appeared to be unrealistic for many participants we observed—those with no formal sector experience and with only basic education and literacy skills. Yet, even some of the poorest immigrant women with the least education mentioned computer training. This might merely indicate the degree to which “new economy” hype has penetrated the global community. However, there is a real need for increasing the training component. Supervisors also conceded that many projects were not providing skills in demand by the private, formal, sector. Although many of the women we interviewed had no interest in moving to a private sector job, others wanted to make that transition.

4) The Meaning of Work

It was particularly interesting to note that whomever we asked “do you think the government can find enough jobs for all of the unemployed” interpreted the question to be asking about factory or other industry jobs. This led many people to answer with a ‘no.’ But when asked differently, “do you think that there are essential goods and services that your community needs, which can be performed by *Jefes* workers,” everyone, without exception, answered in the affirmative. People distinguished between factory work and community work, with many claiming that there are social services that are not considered ‘productive’ in the sense of profit-generating activities that, nonetheless, needed to be done—things like caring for the young, old and the frail, cleaning and fixing up the neighborhoods, running soup kitchens, and so on.

The director for the national advancement of employment at the Ministry of Labor, Dr. Luis Casillo Marin, argued for example that in Argentina there is abundant infrastructure for social services that sits underutilized, especially the infrastructure that was put in place by the Eva Peron Foundation to help the poor get housing, food and clothes. Scores of buildings, parks, recreation facilities were created; there are numerous residences that the Foundation built for elderly persons, abused persons, orphans, homeless people, poor and unemployed people, people with disabilities, and immigrants. The Eva Peron Foundation also built entire ‘student cities’, summer camp facilities, youth homes for the arts, and sports and recreational facilities. The physical and institutional infrastructure that was created by this foundation could be put to use today if there were workers. The problem, Dr. Marin insisted, is lack of paid workers to run them.

The Eva Peron foundation was in many ways set up to do exactly what *Jefes* is doing today. Many of these facilities were expropriated after the 1955 coup and were used for other (mainly military) purposes. But, according to Dr. Marin, many are largely underutilized, and it is a pity to leave these resources idle when they were already set up to cater precisely to the needs of the people *Jefes* also aimed to serve—especially since *Jefes* provides the needed paid labor to help to operate the facilities.

Jefes is helping to redefine the meaning of work, providing paid employment for activities that are generally thought to be “unproductive labor”. However, we found significant barriers, especially at the highest levels of government, to thinking about such types of work as deserving of remuneration. All of the government officials agreed that the kinds of services provided by *Jefes* projects were useful, but they were reluctant to view *Jefes* projects as “efficient”. There was a strong bias toward market evaluation of efficiency. For example, officials agreed that the bread provided by *Jefes* workers to poor neighbors was meeting a real need; however, they believed that modern private sector bakeries could meet this need much more “efficiently” with skilled labor. The *Jefes* projects that they viewed as “sustainable” were micro-enterprises that could compete in markets.

5) Desire for transition to formal sector work

An interesting observation that emerged from our visits was that education and skill level was highly linked to satisfaction with the program, and with desire to move out of *Jefes*



This man reflected on the poor conditions of his private sector factory job. By contrast, he was pleased with the flexible hours offered by *Jefes* and the proximity to his children. He preferred to work long hours in the *Jefes* job, since all proceeds from the sale of anything extra he produced were shared among the members of the sewing cooperative.

and into formal sector paid work. The poorest of the poor (generally those with very little education), were very happy to work in the community and hold *Jefes* jobs. Some of those with a bit more education wanted private sector jobs but had bitter experiences with the working conditions of factory jobs. Hence, they would move to the formal sector for paid work, but only if working conditions were acceptable. Others with more education, even if they liked *Jefes* and

the environment it provided, preferred to get back to the formal sector jobs they had lost. For example, in the Mataderos sewing cooperative, one of the men, complained about the conditions in his former factory job. Before the textile factory shut down, he was required to meet a daily quota of tailored clothes. If he was unable to do so in 8 hours, he

had to work overtime but with no pay, often till the wee hours of the morning. Now he works close to home and if necessary stays late (even all night) but only because he is remunerated for extra work—extra production is sold and the coop divides the proceeds. Furthermore, he said that he was much happier to be closer to his children. He wanted a private sector job but only if it offered better conditions than those he had previously experienced in private factories. He reported he was happy with the conditions in *Jefes*, and would remain until a better offer came along.

As we indicated, those with few skills and little formal education said they were very happy to work in the community food kitchens and agro-projects. This was often their first job and many reported that they liked meeting many of their neighbors and that they were no longer just sitting at home wondering what to do with themselves. They looked forward to going to the *Jefes* jobs. Some of those with more education reported that, while it was great to work side by side with their neighbors, they looked forward to the time when they could get back their factory or administrative or service jobs. The more education and skills they possessed, the more likely participants were to consider their private sector jobs ‘real work’ even if they performed similar tasks in their *Jefes* job (as was the case in the sewing facility). Those however who started up their own micro-enterprise were very happy to have their own business close to home.



All women we interviewed reported that they are happy to be working, to be involved in the community and to have jobs close to their children

6) Impact on Women

The differential impact of the program on women was

immediately apparent. Many were happy to work and preferred to be among people to staying at home as they had previously done. Many were happy that the daycare centers were close to their jobs and that they could see their kids during the day. Many said they

were surprised by the small things they learned which they did not know before—how to disinfect their working places/homes, how to prepare food (they learned new recipes), and how to mend clothes. All felt that they did useful work for the community and that this experience was good for them as well. Many of the elderly in good health were also happy to have the option to work if they wanted, and if they qualified.

The ‘reactivation of women’ (a rather misleading terminology indicating returning to the labor force—as many of the women we interviewed had never been in the labor force) was an unexpected result of *Jefes*—creators of the program had presumed that most *Jefes* workers would be male. Some consider it a bad thing that women are entering the labor market at all, or, at least, presume that women would rather stay at home and collect a family allowance. However, all women we interviewed said that they preferred to work and receive income rather than receive income while staying at home. In other words, while the monetary income was desired, women recognized other benefits from participation in *Jefes*. As mentioned above, the benefits included: increased probability of obtaining formal work in the private sector; working cooperatively with neighbors; contributing to and participating in their community; and learning life skills from their co-workers.

This is important because the *Jefes* program has recently started moving many women off its payrolls and into another government program called *Famillias*. This latter program is designed specifically for unemployed mothers and provides no work option. So while the *Jefes* program used to provide income *and* jobs to many women, they are now moved to a program which provides money but without the opportunity to work. Some politicians and program administrators spoke of this shift as a positive reform to the program, while the women we interviewed (we stress again—without exception) wanted to work. As we will discuss in more detail below, at least some government officials want to continue to reduce female participation in paid work by replacing *Jefes* with “welfare” for the economically “inactive” population and unemployment benefits for the economically “active” population. Women who want to work, but who will not find appropriate paid work in the formal sector, will be left behind.

The point is not to require women to work as is done in modern workfare programs with punitive means-tested measures, but to give women the opportunity to be employed in decent jobs if they want to work. In the US, one of the results of the 90s welfare-to-work reform is that many women are required to obtain jobs just to ‘prove’ they are deserving welfare recipients (even if these jobs require long commutes and offer meager wages). Workfare does not guarantee that there will be any jobs available. This means that the onus for obtaining and keeping a job falls on participants; if a woman is unsuccessful, there is a nearly automatic predilection to blame her for her inability to hold a job. On the other hand, the *Jefes* program in Argentina provides to women both the income and the job. As Hyman Minsky put it, jobs must be made available that “take workers as they are”—that is, that tailor-make jobs that suit the skills and availability of workers. Most of the women we interviewed did not (yet) have skills desired by the private sector; further, their geographic location, access to transportation, and family responsibilities all made it very difficult for them to find formal private sector employment. Finally, the private sector demand for labor remains depressed; while Argentina is recovering from its financial crisis, workers still face a very depressed labor market. Thus, the likelihood is



high that many or even most women in *Jefes* will not be able to find paid employment if *Jefes* is discontinued.

7. Formalizing the Informal Sector

One of the hopes of planners is that *Jefes* will

help to reduce the number of workers in the paid, informal sector, by bringing more of them into the formal sector. *Jefes* workers are registered with social security numbers. When they find private sector jobs in the formal sector, their employers are required to pay social security and other mandatory taxes and benefits. However, not many can find formal private sector jobs, first because the private sector is still in shambles and not

hiring in great numbers, second because *Jefes* workers are largely from the low-skilled low-education segments of the population, and third, (in many cases) also because of ethnic discrimination. For example, men in the neighborhood of Mataderos reported that many of the private sector jobs they applied for had a ‘height requirement.’ The Mataderos region is highly concentrated with immigrant or local indigenous population, which tends to be much shorter than their white Argentinean counterparts of European descent. The height requirement was clearly a method of ‘selecting out’ the indigenous and immigrant labor. Hence, while *Jefes* has offered a type of formal sector work, it is difficult for a large number of workers to make the transition to paid work in the formal private sector.

It should also be pointed out that many beneficiaries reported that because of the very low *Jefes* wage, they still had to work in the informal sector to support their families.⁴ Many women cleaned homes (this was now quite irregular work because the economic crisis had also affected incomes of the middle classes that had previously provided domestic work for these women), while some of the men worked in construction or ran small errands for wealthier people.

A few people—especially the administrators we spoke with—said that working in *Jefes* stigmatized participants, identifying them as low income and perhaps low skill and education workers. Thus, they did not believe that participation in *Jefes* would increase their chances of obtaining paid work in the formal sector. However, female participants in the program—especially those with little previous experience with paid work—believed that their *Jefes* work enhanced their employability. It is possible that both views are correct, with each applying to a different segment of the population, and to different occupations.

Stigmatization could be reduced, and transition to the formal sector employment enhanced, through three changes to the program. First, if *Jefes* employment were made available to all, rather than restricted to heads of poor families, potential employers could

⁴ The *Jefes* wage is below the poverty level.

not so easily, and correctly, surmise that participants were from poor families. Second, if the training component of *Jefes* were enhanced, participants could be provided with documentation of skills learned. In addition, if *Jefes* participants were allowed to work full-time (for commensurately higher income), this would reduce the necessity to work in the informal paid sector. This would almost certainly attract more men into the program. It would also improve pay and working conditions in both the formal and informal sectors—as employers would have to compete with the *Jefes* program.

These changes might have the result that some women would leave the program because the longer hours and higher income might allow some men to support their families with only one income. However, this could reduce some criticism of the program because participation would be somewhat more “voluntary”. On the other hand even full-time work (at 600 pesos per month at current pay) would leave a family with a very low living standard if only one member of the household worked in *Jefes*—so it is possible that many families would choose to have two (or more) *Jefes* workers.

V. DISCUSSIONS WITH GOVERNMENT OFFICIALS

Our meetings with Federal Government officials included interviews with:

1. Lic. Daniel Hernandez—Director for National Training, Employment and Professional Formation, Ministry of Labor
2. Lic. Jorge Costelo Maciel—Director of the National System of Employment, Ministry of Labor
3. Lic. Gustavo Svarzman—Undersecretary of Production, Tourism and Sustainable Development in the City Government of Buenos Aires
4. Dr. Luis Castillo Marin—Director for the National Promotion of Employment, Ministry of Labor

Several of the meetings also included some of these policy-makers’ staff members. All of these meetings were arranged and facilitated by Daniel Kostzer, Director of Research and Macroeconomic Coordination at the Ministry of Labor. Mr Kostzer, as mentioned

above, was instrumental in championing C-FEPS's ELR model for Argentina, and the *Jefes* program was created and implemented largely as a result of his efforts.

All administrators and their staff considered *Jefes* to be a temporary program and most believe it needs substantial reform. It should be pointed out that while many of the administrators and their staff members were critical of the program, they were nonetheless committed to it—as an important albeit temporary program. Although several officials mentioned that the program might be losing political support, Dr. Marin emphasized that it still employs a large number of people and therefore he did not foresee a program shutdown for at least 5 years. Other officials told us that the federal government is studying (and apparently considering) a major reform to its approach to dealing with poverty and unemployment.

This reform, which Lic. Hernandez and Lic. Maciel discussed in some detail, involves phasing out the job creation component of *Jefes* and replacing it with a universal child allowance and limited-term unemployment insurance. The child allowance is clearly a poverty-reducing measure, which in their opinion was not necessarily in conflict with the current *Jefes* arrangement. The unemployment insurance however was considered to be a more desirable labor market policy than direct job creation. They had estimated that if *Jefes* were phased out, approximately 600,000 people would apply for unemployment insurance (which is proposed to pay 300 pesos per month for 12 months of unemployment). They had also budgeted the total annual cost for this new program to be exactly what *Jefes* costs today. Today the *Jefes* plan covers twice as many people (about 1,200,000) who are employed at \$150 pesos for 4 hours of work. The reformers wanted to pay twice as much money to half the people for *not*-working. Furthermore, their proposed program would expel participants after 12 months of unemployment insurance, while *Jefes* is currently open-ended.

We questioned the political and economic justification for this reform. The government officials explained that *Jefes* was losing political support (we interpreted that to mean among the middle class and in the media) and they believed there would be support for

moving mothers out of *Jefes* while providing income to their families through a child allowance. They also believed there would be support for unemployment compensation for those who really wanted to work—and as the economy improved, jobs would be created. We pointed out that this proposed reform would leave behind many current *Jefes* participants who want to work, but who do not have a realistic chance at obtaining paid formal sector work. While they concurred, this did not change their views on the need to replace *Jefes*.

The Administrators we met reported the following problems with *Jefes*:

1. The most common objection government officials made concerned the issue of corruption or clientelism. Some of this corruption comes directly from government officials. The following example was given: someone runs for office by promising access to the *Jefes* program to his unemployed constituents. He is reelected, pockets the money and does not provide the jobs. Other forms of corruption involve offering *Jefes* jobs to people who are not unemployed (this is especially the case in the higher-income neighborhoods). For example a construction company would lay off its employees, re-hire them as *Jefes* workers, and subsidize their wage with the government funds. While these are isolated cases, they are favorites with the media. In some cases corruption is said to come from the political movements themselves. Some picateros are said to use the *Jefes* money to pay their members to take to the streets in demonstration for whatever cause the group favors. We were not able to observe any such cases of corruption, but such stories seem to be commonly invoked. Even if corruption is significant, it is not clear that the proposed reform would resolve such problems—as both the child allowance program as well as the unemployment benefits program could be manipulated for personal gain. If local politicians are able to skim money that is supposed to be paid as *Jefes* salaries, they may also be able to take money that is supposed to go to children or the unemployed. Payments could still be made to families conditional on political support, and favoritism would still be possible.

2. Another objection was that the training and retraining component of the program was far too small; the vast majority of the *Jefes* participants who manage to find private sector jobs are high-skilled, but less than 10% of the *Jefes* jobs require or provide education and training. Thus the component of the *Jefes* program that increases employability must be enlarged, if many *Jefes* workers are to transition into skilled jobs. As we noted above, many program participants agree with this view. However, neither a child allowance nor unemployment compensation would resolve problems of low skills or education—indeed, *Jefes* would have to be superior to either of these reforms in that respect.

3. Because the program is not universal, there are allocation problems—some qualifying families registered in time; others did not. Furthermore, women enter the *Jefes* program as the head of the household, while the men still (mostly) work in the informal sector. Hence, some believe that the women really do not want to work, while those who do want to work (men) are not drawn into the formal sector. Additionally there are said to be cases of favoritism—for example, someone who had not signed up for the program in time is still allowed to participate. Paradoxically, while the administrators agreed that universalization of the program would eliminate many of the allocation and corruption problems, some did *not* favor universalizing *Jefes*, making it accessible to all unemployed (not just to the heads of households). Program cost seemed to be the major objection. We have dealt with budgetary issues elsewhere, making the case that once Argentina abandoned the currency board, its federal government could “afford” a universal job guarantee. (See Tcherneva and Wray 2005a,b,c.)

4. There are also supposed to be poorly designed or mismanaged projects. The administrators pointed out some cases of wasteful use of government funds: for example, requesting electric ovens for food-kitchens in areas that lacked electrification. Note that the *Jefes* program generally provides only federal matching funds for capital and materials—which should help to reduce this kind of abuse. Still it is highly likely that given how fast the *Jefes* program was implemented, a lot of the

projects could have been poorly designed and managed. However, there is little doubt that at least some of the projects (according to the World Bank's studies, the majority of projects) accomplish what they set out to do, and are supplying real benefits to communities that go beyond the wages paid to *Jefes* participants. If this is true, *Jefes* is superior to the reforms, which will not require recipients to perform any services of use to the communities (aside from providing family allowances that allow parents to care for their children).

5. Some administrators expressed the concern that the *Jefes* workers may be stigmatized because they are associated with the militant picateros. But as noted above (see footnote 2), picateros organized only 10% of the *Jefes* jobs, so if there is indeed such a stigmatization, it is a most unfortunate development. Still, there are other kinds of stigmatization, as noted above. In comparison with the envisioned reforms, it is difficult to see how women with children who move from *Jefes* to a child allowance stipend will be any less stigmatized. It is conceivable that those who move from *Jefes* to unemployment compensation will be less stigmatized, because they might be seen as looking for a job. Further, because the unemployment compensation is limited to a year, this could be seen as more desirable than long-term participation in *Jefes*. However, it is not clear what the unemployed individuals will do if they do not find paid work before their benefits run out—at that point they could become more stigmatized than if they had remained in *Jefes*—and much poorer, also.
6. Another concern was that there aren't enough useful activities for people to do. Some officials also argued that it is harder to identify useful activities to be performed in the big city, while in rural areas the task is much easier. This was an interesting concern and wholly contrary to our observations in the field—certainly there was much to be done in the Mataderos neighborhood, and organizers seemed to be able to keep their *Jefes* workers busy doing useful things. Perhaps the perception was because administrators seemed to consider a project to be useful if it was 'productive' according to market efficiency criteria. They were more likely to think of the food kitchens, agro-coops and bakeries as 'make work'. By contrast, it was our distinct

impression that these projects provided much needed services that the community did not previously have and many people's lives depended on them. So again there was a bias regarding what is considered useful and productive—profit making enterprises are generally favored by officials over socially beneficial activities.

7. Time and time again, administrators questioned whether Argentina possesses the necessary institutions, resources, and infrastructure to create and manage these projects on the required scale. This again was in stark contrast with our observations. People donated their homes, so that productive activities would be set up and other people could work there. Others built new structures or used old ones to set up their job projects. The picateros were committed, resourceful, and competent organizers. Even the municipal projects seemed to have committed and skilled organizers who made use of donated land, buildings, or floor space in supermarkets. The complaint about insufficient resources was also in contrast with Dr. Marin's opinion that, in fact, there was abundant physical and institutional infrastructure, which was being underutilized. While some of the administrators argued that they had the money but not the capacity to create and supervise the jobs, Dr. Marin claimed that the capacity was there, but there wasn't enough political commitment to increase the budget of the program to the necessary level.

8. Because of the distinction between what is considered productive and unproductive, there is a big emphasis in *Jefes* is on creating micro-enterprises. All administrators favored the use of more micro-enterprises to provide jobs and marketed products. They offered some good examples of successful small start-ups (some of which we observed)—things like tailor-shops or cyber cafes required little money but proved to be market viable and provided income for the entrepreneurs. This offered to the administrators a ready measure of program success. The administrators seemed to be reluctant to use other criteria to evaluate program outcome. Dr. Marin was perhaps the only administrator who argued that we must reorient our thinking and recognize socially useful activities as deserving remuneration. Again, we question how a child allowance or unemployment compensation can be viewed as more “productive” than

Jefes, even on conventional criteria. More importantly, alternative measures of outcomes are needed to gauge program success.

9. Dr. Marin pointed out that administrators were increasingly coming to the opinion that government should no longer be driven only by the idea of downsizing the public sector, but that there was an important role for the government to play in providing jobs and social security. It was also being recognized that the government should absorb some of the labor by creating more public sector jobs, including those outside *Jefes*. Some administrators, on the other hand, reported that some of the *Jefes* workers have already replaced public sector workers, while others suggested that *Jefes* workers did not really replace but actually duplicated the public sector jobs.
10. Another concern was that there were no clear links between *Jefes* and industry. What was necessary was a vision of how *Jefes* activities can help the overall development and growth of Argentina. These needed to be clearly articulated.

VI. CONCLUSIONS

It should be emphasized again that all of the policy makers we met, despite their critiques of the program, seemed very committed to the problems of unemployment and poverty. And despite their preference for program reform, some were presently designing a *Jefes* program specifically targeted to youths who either finished high school or dropped out. This new program would help them stay in school while at the same time giving them an opportunity for vocational training on the job. We also note that many of the policy makers are committed to developing new training programs, or enhancing current programs, to help move people into formal paid work. Some administrators believe this will be more successful at moving the low skilled women into the formal sector than the *Jefes* program has been. All of this is probably true. What seems to be lacking is an appreciation of the contribution that *Jefes* makes by “taking workers as they are” and giving them a chance to work. No amount of training will ensure that everyone who wants paid formal sector work will be able to obtain and retain such work.

There also remains the problem of which activities should be considered as useful and productive. All jobs (private or public) are presently evaluated primarily according to private sector, free market efficiency criteria—even though most officials recognized that there are other benefits of *Jefes* projects. Argentina was the poster child of IMF free market policies that were largely responsible for the social dislocation we observe today. It is clear that free market ideology sometimes still clouds the mind and prevents new ways of thinking about how to begin rebuilding a country. There is also, perhaps, a gender bias that makes it difficult to see “women’s work” as “productive”. All officials we interviewed agreed that the women in *Jefes* were doing important, even necessary, things, however, they were less convinced that these activities should qualify for pay. If the women organized into micro-enterprises to sell products in markets, then the market would determine the proper remuneration. However, if products were distributed freely to neighbors, then the work was somehow undeserving of remuneration. Of course, these are widely held views all over the world.

There appears to be a strong force within government that would “evolve” *Jefes* toward a more traditional approach—unemployment compensation for the “economically active” (mostly male) and family allowances for others (mostly women and children). While Argentina probably does need to add both of these to its as-yet inadequate arsenal of programs to deal with poverty and unemployment, we believe that *Jefes* provides important benefits that will not be forthcoming from the traditional approach. Our impression is that government officials are particularly unaware of, or insensitive to, the needs and desires of poor mothers. We did not find a single woman who said she would prefer a family allowance over working in *Jefes*. Yet, most officials (and some researchers who are critical of the program) do not consider this to be an important issue—at least, they never brought it up in discussion and have made no plans to provide work to such women if *Jefes* is replaced by the more traditional approach—even though they recognize that many or even most women in *Jefes* will not be able to find private sector employment. There is a danger that “reform” will mean that many women will

return to relative isolation within their substandard houses, in communities that are themselves isolated from more prosperous society.

The officials appear to be reacting to what they believe to be public sentiment and political winds—and we have no reason to doubt that their reading is largely correct. What needs to be done is to publicize the success of *Jefes* projects, as measured by a much wider range of indicators than those used to date, such as numbers of families raised above poverty or indigency lines, numbers of projects started and completed, sales revenues of micro-enterprises, number of *Jefes* workers that have transitioned to formal labor markets, and so on. We also need studies that will show how the quality of life has improved for women in *Jefes*: enhanced social networking, improved school performance of children, reduction of drug abuse, improved reporting of domestic violence and reduction of its incidence, greater access to family planning, products and services delivered free of charge to communities, and so on. We do not want to sound overly alarmist as the observed popularity of the program among such a large proportion of the population will probably protect the program at least for several years. However, there seems to be a real danger that the program could be eroded because of a lack of understanding of the substantial benefits it provides. And, in any case, we think the program should be expanded to a universal job guarantee, rather than being cut or eliminated.

APPENDIX

Cuestionario para trabajadores y supervisores **Questionnaire for Jefes workers and supervisors**

- 1.- ¿Que es lo que mas le gusta y le disgusta de su trabajo?
What do you like and dislike the most about your job?
- 2.- ¿Esta usted conforme con su salario y le alcanza para cubrir sus necesidades básicas?
Are you happy with your salary and is it sufficient to cover your basic needs?
- 3.- ¿Cuáles con los gastos mas grandes que usted realiza con su salario?
What are the most important expenditures which you make with this money?
- 4.- ¿Cuanta gente mantiene usted con su sueldo?
How many people do you support?
- 5.- ¿Hay alguien mas en su familia a que contribuya al gasto familiar?
Are there other people in your family who work to support the family?
- 6.- ¿Cuántos hijos tiene usted y que estén estudiando? ¿ Han sido vacunados con todas las vacunas?
How many children do you have and are they enrolled in school? Do they have the necessary vaccinations?
- 7.- ¿Cómo llego a esta posición en su trabajo? ¿Como consiguió el trabajo?
How did you get hired in this position? How did you find this job?
- 8.- ¿Obtiene usted algún otro beneficio aparte del programa de compensación?
Do you get any benefits as part of the compensation package?
- 9.- ¿Existen otros programas del gobierno que usted pueda utilizar? ¿Cuáles?
Are there other government programs which you use? Which ones?
- 10.- ¿Que programas usted considera que el gobierno debiera aplicar y que no esta disponibles en la actualidad?
What programs do you think the government should implement that are not currently available?
- 11.- ¿Cuál es el problema mas difícil al que usted se enfrenta actualmente: 1) mantener a la familia, 2) acceso a la educación, 3) encontrar trabajo, 4) gastos de salud, 5) otro?
What are the most significant difficulties for you at this point: 1) supporting family, 2) getting education, 3) finding a job, 4) providing for your health, 5) other?
- 12.- ¿El programa Jefes le ayuda a solventar esos problemas?
Does Jefes help you deal with these?
- 13.- ¿Cuál es la mayor dificultad que enfrenta usted como supervisor (trabajador) del proyecto Jefes?
What are the biggest challenges you face as a supervisor (worker) of a Jefes project?

14.- ¿Considera que la gente que trabaja para o con usted tienen ética laboral? ¿Toman en serio su trabajo y los desarrollan adecuadamente?

Do you think the people who work for you (who work with you) have good work ethic? Do they take their job seriously and do they perform well?

15.- ¿Cómo considera se comparan con otros trabajadores que no pertenecen al proyecto Jefes?

How do you think they compare to non-Jefes workers?

16.- ¿Considera usted que el trabajo que ellos o usted realiza es útil, o solo genera mas trabajo?

Do you think the work that they do (that you do) is useful or do you consider it "make work"?

17.- ¿Se enfrenta usted a mucha burocracia o papeleo como supervisor o trabajador del programa Jefes? Cuantiosa o no mucha

Do you deal with a lot of bureaucracy or administration as a supervisor (as a worker)? Too much, not enough?

18.- ¿Tiene usted todo el apoyo gubernamental que requiere par supervisar o trabajar en este proyecto?

Do you have all the support in terms of governmental services that you need to oversee (to participate in) these projects?

19.- ¿Considera que el proyecto Jefes es eficientemente ejecutado o es necesario hacerlo mas eficaz?

Do you think the Jefes project is efficiently executed? Should it be made more efficient?

20.- ¿Le es asignado un tiempo limitado para terminar el proyecto o es un proyecto en proceso?

Are you given a certain time limit to complete this project or is this an on-going project?

21.- ¿Si le es asignado un tiempo limitado par terminar el proyecto, al finalizarlo se le asigna otro mas?

If there is a time limit, will you be assigned to another after it is finished?

22.- ¿Los supervisores obtienen su salario en función a una escala de capacitación? ¿Ganan lo suficiente o demasiado?

Do all Jefes supervisors get paid according to a skills-pay scale? Do they get paid enough? Too much?

23.- ¿Considera que este trabajo beneficia a los trabajadores? ¿en que sentido?

Do you think the job benefits the workers? In what ways?

24 ¿Si no tuviera el trabajo de Jefes, que es lo que usted haría? ¿Considera que si Jefes no existiera, los beneficiarios como usted podrían encontrar trabajo en algún otro lado?

If you didn't have the Jefes job what would you do? Do you think that if Jefes did not exist, the beneficiaries (you) would be able to find a job elsewhere?

25.- En caso de ser así, ¿Dónde sería más probable encontrar trabajo en el sector formal o informal?

If 'yes', where are they (you) more likely to get a job – in the formal or informal sector?

26.- En caso contrario, ¿Qué considera usted, harían los trabajadores beneficiarios de Jefes si cancelaran este proyecto?

If 'no', what do you think would the beneficiaries (you) do if *Jefes* is cancelled?

27.- ¿Considera que existe mucha corrupción en el programa de Jefes?

Do you personally see a lot of corruption in *Jefes*?

28.- ¿Qué tipo de corrupción básicamente? ¿Considera usted que este es un gran problema?

What kind of corruption primarily? Do you perceive this as a huge problem?

29.- ¿Cuáles son los principales problemas en el programa Jefes? ¿Y los principales beneficios?

What are the main problems with the *Jefes* program? The main benefits?

30.- ¿Esta usted de acuerdo con la actual política del gobierno de conducir a las mujeres hacia el programa de Familias? Anteriormente las mujeres que eran cabeza de familia tenían que trabajar para obtener los benéficos. ¿Considera que esto fue un mejor arreglo?

Do you agree with the government's current policy of moving women to the *Familias* program? Before women (who were heads of household) had to work in order to get the benefit. Do you think this was a better arrangement?

31.- ¿Considera que el programa Jefes fue una buena idea?

Do you think *Jefes* was a good idea?

32.- ¿Este programa contribuyo a aliviar la secesión?

Did it help to soften the recession?

33.- ¿Considera usted que el programa debería ser cancelado? ¿Considera que debería ser generalizado?

Do you think the program should be cancelled? Do you think it should be universalized?

34.- ¿Considera que fue una buena idea limitar la participación solamente a los cabezas de familia?

Do you think it was a good idea to limit participation to Heads of Household only?

35.- ¿Tiene dificultades para obtener el materia para su proyecto?

Do you have problem obtaining materials for your project?

36.- ¿Tiene dificultad para obtener financiamiento para su proyecto?

Do you have problem obtaining funding for your project?

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