

The social costs of Argentina's crisis

By Rafael Azul
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The effect is not immediate; it takes a visitor to Buenos Aires a few hours to discern the devastating impact that Argentina's economic depression is having on that country's social fabric. In the evening, as the hustle and bustle common to any large metropolis dies down, the signs of the crisis emerge: parents begging with their children; hungry people eating restaurant refuse; the homeless settling down for the night. In the very center of town three- and four-year-old children play little musical instruments as they beg. In the wealthier neighborhoods, nine- and ten-year-olds offer to watch one's automobile parked on the street.

Every evening, an army of 100,000 "cartoneros"—literally, "cardboard collectors"—invades the main streets of Buenos Aires, salvaging cardboard, paper and glass to sell for a few coins to recyclers. A kilogram of the most sought after commodity—white office paper—sells for 15 centavos (about 4.5 US cents). After seven hours work, an average *cartonero* family collects 50 kilograms of paper, for a monthly income of 150 to 200 pesos (45 to 60 dollars), barely enough to put food on the table.

This activity has increasingly become the only source of income for thousands of families in every Argentine city. At first, only unemployed heads of households performed the job. Now, the competition is fierce, and the entire family is frequently drafted.

Five evenings a week, a special wooden "white train" of cars with no seats brings *cartoneros* from the impoverished town of José León Suarez, in the northern industrial suburbs of Buenos Aires, to the downtown districts of the city. The passengers pay 10.5 pesos for a 15-day ticket. Daily ridership has grown from 300 last December to more than 2,000.

Though their activities are mostly legal, to protect themselves from police harassment *cartoneros* are often forced to pay bribes of up to 20 pesos a week. More illegal forms of recycling are also taking place,

consisting of desperate people selling cast-iron storm drains, telephone cable and traffic lights ripped from the streets, as well as aluminum sunscreens from city trains—all of this to avoid hunger and homelessness.

With people no longer able to pay the 300 to 450 pesos rent for two-bedroom apartments in Buenos Aires, dozens of evictions take place daily. Even when evictions are avoided, hundreds of thousands of Argentines have their utilities shut off for nonpayment. A report on the largely middle-class Jewish community in Buenos Aires estimates that 10 percent (17,500) are not getting enough to eat; 1,700 are homeless and countless others are living with relatives; many have no lights, gas or phone service.

Mired in corruption and having long ago abandoned any responsibility for upholding minimum living standards for the poor, governments at the municipal, provincial and federal levels turn their backs on these social problems.

The industrial belt around Buenos Aires has been particularly hard hit by layoffs. Official unemployment in the area now exceeds 24 percent, but may, in fact, be 30 percent or higher. Nationally, only half of the labor force works full-time.

Among those counted as employed are: messengers—"cadetes"—who, in addition to having to provide their own motorcycles, work for no pay other than the tips they get from the clients they serve; an oversupply of cab drivers who aggressively compete for a dwindling demand for their services; public bathroom attendants who depend on tips from users; domestic servants who formerly worked as radio and TV announcers; parking lot attendants with anthropology degrees; and skilled electronics technicians making handicrafts to sell in the street.

Those who do work full-time face onerous conditions. At the giant *Acindar* Steel complex near Rosario, young workers have none of the health and

safety protections that previously existed. Their shifts are changed at management's whim and their wages have been cut by about 30 percent.

The length of the workday no longer bears any connection to the terms spelled out by existing labor laws. Particularly in smaller establishments, many workers are now required to work virtually around the clock—14 hours, six-and-a-half days a week. One Rosario supermarket worker said that with his 300 peso monthly wage, even though he now lives with his mother, he runs out of money by the third week of every month.

For the nation as a whole, living standards have dropped 70 percent and gross domestic product by 17 percent. At least 2.3 million children are malnourished and 60 percent of the population is under the official poverty line of 410 pesos (about 110 dollars) a month. A recent across-the-board wage increase for private-sector workers of 100 pesos a month (27 dollars!) is due to expire in December. Privatized public utilities are demanding rate increases of up to 70 percent. It is not unusual for workers to arrive at their plants and find them closed, with no explanation and no paycheck, severance pay, or unemployment benefits.

Current economic projections show no respite from the downward spiral. Compared to six months ago, food consumption has dropped 12 percent, and the consumption of medicine by 55 percent, reflecting an impoverished mass of 20 million (60 percent of the population) with 7 million in extreme poverty. One can only imagine the depths of misery that will be reached given the government's (under)estimate of 50 percent inflation by the end of 2002.

Experts say that the long-term effect on the 2.3 million children now suffering from malnutrition will be a stunted physical and intellectual capacity—30 percent below normal—that will be with them for the rest of their lives. Malnutrition in Argentina takes the form of a diet lacking in essential vitamins and iron. The result over time is stunted growth, listlessness, poor intellectual development, and obesity for those who manage to replace a balanced diet with one consisting of pasta and rice. According to one estimate, 40 percent of public school students failed to show up when classes began in March.

The recent kidnapping in a southwestern suburb of

Buenos Aires of a high school youth who was murdered after the ransom had been paid uncovered a kidnapping ring/death squad involving elements of the local police. Unable to make ends meet with their government salaries, police hire themselves out as security guards to businesses anxious to clear the area of homeless youth. Police criminal activity is suspected in the disappearance of two other youth in the same area.

Meanwhile, the government of President Eduardo Duhalde is attempting to secure yet another agreement with the International Monetary Fund that will deepen the austerity policies introduced in accordance with the neo-liberal economic doctrine—a euphemism for the wholesale transfer of wealth from the workers, the poor and the middle classes to the international banks, imposing permanent misery on the majority of Argentines.

Such policies are incompatible with democratic institutions. A dictatorship that will dutifully implement the demands of the IMF without the pretense of public debate and congressional action may only be around the corner. Argentina's military, always sensitive to the needs of the country's wealthy elite, has been quick to act whenever profits are threatened. Military coups in Argentina took place nearly every decade throughout the twentieth century, culminating in the bloody dictatorship of 1976-82 that resulted in the deaths of 30,000 workers and youth.

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