



# Socioeconomic inequality in Argentina

Since 2016, the percentage of the Argentinian population living in poverty has increased to 37.3% in 2021.

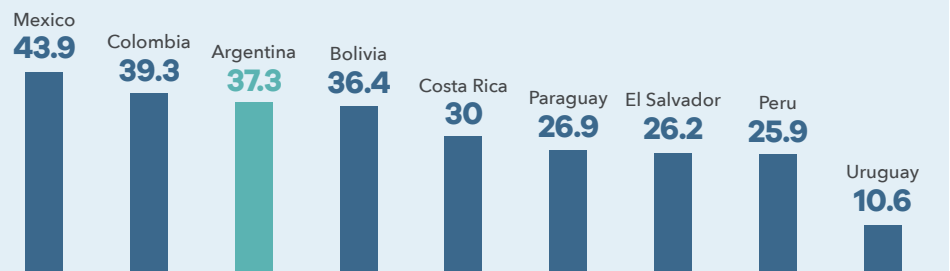
This situation is similar to that of other countries, such as Mexico (43.9%), Colombia (39%) and Bolivia (36.4%) (World Bank, 2023). Likewise, for more than a decade, income inequality, or the Gini Index, has remained at levels above 40 points in Argentina, compared to 43.6 in 2010, and 42.3 by 2020.

Broadly speaking, poverty reduction in Argentina has stagnated in recent years, partly due to high income volatility and other associated factors, such as uncertainty and institutional weakness. Together, these have not allowed Argentinian households to prepare for the recurrent crisis the country has suffered (Gasparini, Tornarolli, and Gluzmann, 2019).

**Graph 1**  
Poverty incidence rate for 2021, based on the national poverty line (% of the population)

\*For Mexico, Costa Rica, Paraguay and El Salvador, figures for the latest year available are presented (2020).

Source: World Bank.



## 1. Inequality in several societal spheres



### 1.1. Employment inequality

#### INFORMAL EMPLOYMENT

34.60%

#### FORMAL EMPLOYMENT

23.90%

#### AVERAGE

28.10%

**Graph 2**

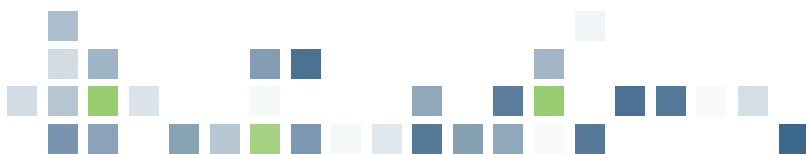
### Women's income gap by type of employment

Source: Gender Violence and Inequality Observatory and Ministry of Women, Gender and Diversity of Argentina (2022).

According to the Gender Violence and Inequality Observatory, women in Argentina received an average income 28.1% lower than their male counterparts as of 2021. This gap is even greater if we analyze income from informal employment, where women receive 34.6% less than men, while they receive 23.9% less than men in formal or registered employment. In addition, the Gasparini, Tornarolli, and Gluzmann study (2019) states that when comparing labor participation on the basis of poverty level and gender, there are no significant differences for men, while only half

(46.7%) of adult women in chronic poverty participate in the labor market compared to non-vulnerable women (90.4%). On the other hand, it was observed that there is substantial inequality between women and men on received income and labor participation, regardless of the type of employment. The national participation rate decreased from 47.2% in 2019 to 42.3% in 2020<sup>1</sup>. The unemployment rate rose from 9.7% to 11.7% during the same period. For women in particular, the unemployment rate rose from 10.8% to 13.1%.

<sup>1</sup>According to data from the Ministry of Labor, Employment and Social Security (2021).



## 1.2. Inequality in education

In Argentina, 58% of the population over age 25 in urban areas completed high school education, according to data from the Permanent Household Survey (EPH). The decision to pursue higher education is largely determined by income level and access. For example, less than 30% of youth in the two lowest income deciles choose to continue with some form of study.

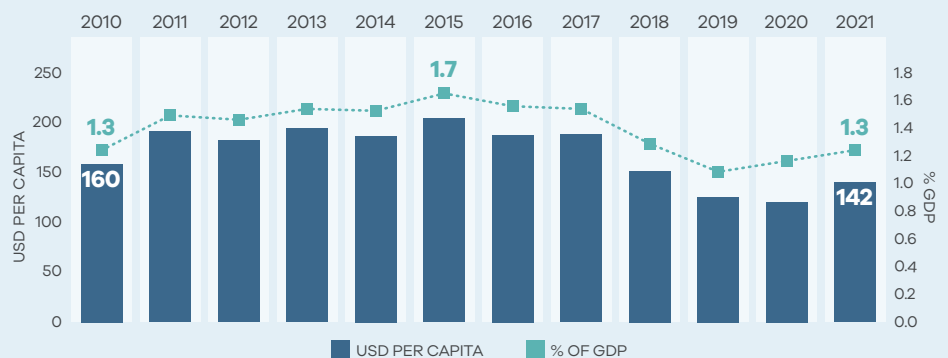
An analysis of the college-age population, i.e. between ages 19 and 25, shows that only 12.4% of youth in the poorest decile of the population attend college, compared to 46% of young people in the wealthiest decile. Moreover, inequality becomes more pronounced as the years of university education increase, since permanence is concentrated in the upper deciles (Argentini-ans for Education Observatory, 2022).

Meanwhile, public spending on education in Argentina has not exceeded **USD 190 PER CAPITA** or 1.5% of GDP in the last five years, a fraction that falls short of the LAC average of 4% in 2021.



**Graph 3**  
Public social spending on education, USD per capita and as a percentage of GDP

\* In U.S. dollars at constant 2010 prices.  
Source: ECLAC.



## 1.3. Inequality and the COVID-19 pandemic

The United Nations Report on the Effects of the Pandemic in Argentina (2020) states that the pandemic exacerbated pre-existing structural vulnerabilities and inequality, especially in informal settlements where poverty is highly concentrated. In fact, 89% of settlements did not have a medical

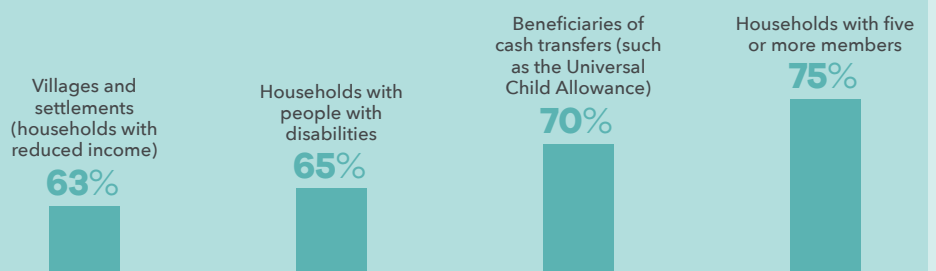
center (UNICEF, 2021) at the start of the pandemic and 11% of households in the slums did not have biosafety supplies such as alcohol and gel due to their high price.

In turn, since the implementation of isolation measures, 60% of surveyed households stated that they had

suffered a decrease in income. This means that 3.6 million households, or 15 million people, were affected by such measures. Also, this income loss unevenly affected vulnerable households with less coping capacity towards the pandemic's restrictive measures (Graph 4).

**Graph 4**  
Percentage of Households with Income Loss due to the COVID-19 Pandemic

Source: UN-Argentina (2020).



## 2. Civil society's contributions to equity

In view of the situation of inequality in Argentina, there are innovative initiatives arising from civil society for inequality reduction and construction of equity. Some of these initiatives are:

**NILUS**



**A TECHNOLOGY AND SOCIAL COMPANY**  
created at the Harvard Innovation Lab.

**REACHES OVER**  
**80,000**  
People on a monthly basis

A technology company created at the Harvard Innovation Lab that seeks to reduce the cost of living for low-income people by addressing intermediaries, rescuing food at risk of waste, and organizing community purchase groups.

Its actions are implemented in Argentina and Mexico, generating savings of 24% of expenses in families for food and basic necessities, and reaching over 80 thousand people on a monthly basis. The project has succeeded in rescuing more than 3.7 million meals, which equals to avoiding 3.7 tons of CO<sub>2</sub> emitted. Furthermore, this program is expected to start operating in Peru in 2023, together with the World Food Program's innovation accelerator.

**FUNDACIÓN LA BASE**



Financial support through a **SOLIDARITY FUND**

Technical assistance in areas such as management, production, marketing and communication with **gender perspective**.

It was created in 2004 after a period of economic crisis in Argentina. Its mission is to strengthen and provide financial support through a Solidarity Fund for cooperatives, companies and recovered factories<sup>2</sup> left out of the traditional financing system.

Support for these cooperatives also includes technical assistance in areas such as management, production, marketing and communication. A central and innovative aspect of their work is the incorporation of the gender perspective in finance to address inequalities that affect women and dissident groups. Over time, this initiative has expanded within Argentina in the Province of Buenos Aires, Santa Fe, Mendoza and in countries such as Nicaragua (2009) and the United States (2011).

**CHICAS EN TECNOLOGÍA (GIRLS IN TECHNOLOGY)**



**WORKS WITH YOUTHS IN**  
**18** Latin American countries

CSO seeking to expose and reduce gender gaps in disciplines related to science and technology in Argentina, the region and worldwide since 2015.

The Chicas en Tecnología initiative works with youths in 18 Latin American countries in comprehensive training, motivation and approaching technological areas. One of its training and awareness-raising proposals seeks to promote a work agenda that highlights the issues behind the lack of women's participation in these areas and the importance of motivation from an early age.

To learn more about these and other initiatives, review the full research here.



<sup>2</sup>Recovered enterprises or factories refers to a form of organizational management in which workers run the production process after a conflict with management or their withdrawal due to a crisis situation.

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