

Social Protection Systems in Latin America and the Caribbean: **Argentina**

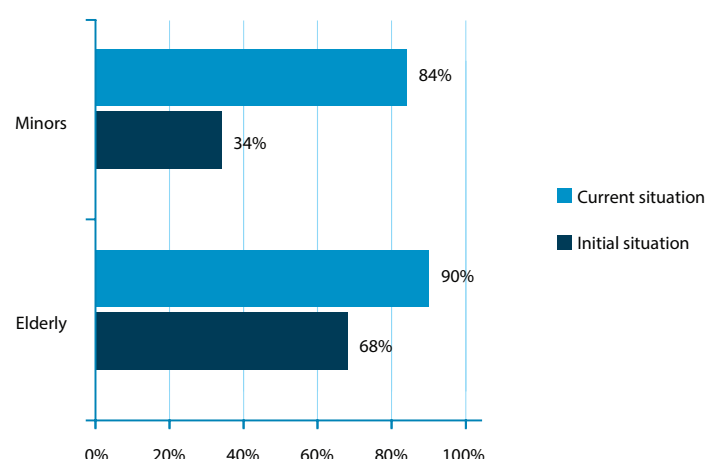
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The social protection regime in Argentina has undergone changes over the past two decades. From the early 1990s until the 2001/02 crisis, privatisation of social security and decentralisation of health care and education in favour of provincial governments prevailed, while actions aimed at reducing poverty proliferated and successive (and failed) attempts were made to form a 'social authority'. Finally, starting in 2001, a new regime began to take shape, whose central features included strengthening the role of the State as the driver of decentralised health care and education systems and unifying initiatives aimed at reducing poverty. In addition, the State has regained control of retirement funds and made advances in the progressive universalisation of social security by linking the contributory and non-contributory pillars. However, Argentina has not managed to strengthen social institutionality to promote integration based on measures that would be both relevant and necessary, like those described.

The social security system has seen the most substantial changes in recent years. Argentina has implemented its *Plan de Inclusión Previsional* (Pension Inclusion Plan), the result of which is that the country now has the highest rate of retirement coverage in Latin America: nine out of ten people of retirement age now receive some type of pension benefit, as compared to around only seven out of ten in the mid-1990s (UNDP and Consejo Nacional de Coordinación de Políticas Sociales, 2010). In addition, the State has taken control of privately managed pension funds, ending the individual capitalisation system (Law No. 26.425). Periodic updates (twice a year) to pension and retirement funds (Law No. 26.417) have been instated, although they are still far from meeting the minimum needs of the elderly population. The number of non-contributory pensions increased significantly as a result of improved management to speed up procedures, but also because granting these pensions fulfills a right that was under threat (see Figure 1). Finally, by creating the *Asignación Universal por Hijo* (Universal Allocation per Child — AUH), progress was made in linking the pillars of social security. The AUH was included as the third pillar of the Family Allocations Regime (Decree No. 1602), meant to meet the needs of minors in family groups that were previously unprotected. In 2012, contributory and non-contributory social security coverage for children and teenagers was approximately 84 per cent (Danani and Hintze, 2013), and 51 per cent of the children and teenagers now covered by the AUH had never received social assistance in the form of a money transfer prior to its implementation (Ministerio de Trabajo, Empleo y Seguridad Social, 2009).

Although these changes are heading in the right (and necessary) direction, they have lacked a precise economic and political strategy to back them up, which could help strengthen each reform, especially once a new social policy regime has been consolidated. This lack of strategy leaves behind structural deficits in terms of state capacities to prioritise fundamental problems, choose substantive courses of action and ensure that reforms are implemented successfully to broaden rights and reduce inequalities. In light of the territorial inequalities that still persist in the country, this is a task left not only to the national State but also to other levels of government.

Figure 1: Proportion of Adults above Age 65 and Youth Under the Age of 18 Covered by the Social Security System (Select Years)



Source: Danani and Hintze (2013)

Note: The data for adults were taken from 2003 and 2012, while the data for minors were taken from 2005 and 2012.

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