

Impact of the economic and social crisis on older people in Argentina



Key messages

- **Argentina has experienced a major economic and social crisis triggered by the COVID-19 pandemic and exacerbated by the war in Ukraine.**
- **Although the majority of older people in Argentina have a pension, many have to manage on a low income. Constantly rising prices have affected older people's access to goods and services.**
- **Government measures implemented to alleviate the crisis have not adequately addressed the rights of older people.**
- **Adequate policies and programmes are urgently needed to promote older people's wellbeing.**
- **Interventions should focus on increasing the value of pensions, reforming the health care system to better address older people's physical and mental health needs, improving housing conditions, reducing the digital gap, and introducing age-friendly spaces.**

The effects of the COVID-19 pandemic were devastating across the Latin American region, both economically and socially. Older people were at particular risk of ill health and forced to comply with strict lockdown measures. As a result, their livelihoods and mental health were hit particularly hard.

When the pandemic began to subside, the global food, fuel and finance crisis, partly triggered by the war in Ukraine, exacerbated the crisis further. Challenges with food supplies, increasing prices of agricultural commodities, fuels, minerals and fertilisers, higher costs of international transport and the rise in global inflation rates affected both developing and developed countries. Argentina was severely affected by all these converging factors.¹

In the context of continuously rising prices, older people are facing particular challenges as they struggle to survive on a low income.

Argentina has significant social inequalities that vary depending on where you live. Its demographic transition is in an advanced stage, but there are profound differences related to the epidemiological transition, in which preventable diseases of poverty coexist with chronic diseases generally associated with increasing longevity.

To better understand the impacts of the crisis on older people, HelpAge International undertook a qualitative study combined with a review of existing secondary data. The secondary sources reviewed included statistical data from public institutions such as the National Institute of Statistics and Census (INDEC), National Administration of Social Security (ANSES), System for the Evaluation and Monitoring of Social Programs (SIEMPRO) and the Ministry of Health. This data was triangulated with information collected in interviews with six key informants from some of these institutions. The experiences of older people themselves were also studied based on six in-depth interviews and four focus group discussions (FGD) with a total of 27 participants. The geographical areas covered included Buenos Aires, La Plata, and Northwestern provinces (Tucumán, La Rioja and Catamarca).

The study participants attributed the main causes of the crisis to internal factors, particularly the political and economic context. Asked about Argentina's political context, participants identified the following causes: lack of planning, deficient governmental management, excessive power and corruption. The study participants considered that the international context of both the COVID-19 pandemic and the war in Ukraine have exacerbated problems that already existed in Argentina. The details of the study findings are presented in the sections below.

THE IMPACT OF THE CRISIS ON OLDER PEOPLE

Food and energy consumption

Argentina has a relatively high pension coverage rate of 89.3 per cent.² This includes "moratoria," a benefit that people can access under certain conditions, that is if they at least 30 years of pension contributions before reaching the minimum retirement age. The state pension is the main source of income for older adults in Argentina - both for women (68.6 per cent) and for men (86.7 per cent).³ However, older people's incomes, in particular in relation to their purchasing power, have

decreased due to inflation and rising prices. Some study participants mentioned that the reduction in their pension income was not necessarily attributed to the crisis since many were already weakened by inflation: *"Beyond the low income, what really affect us is the high inflation"* (FGD2, Participant 2, La Rioja, 21 September 2022).

The study found that older people were struggling to maintain the consumption levels which they had been accustomed to prior to the crisis, mainly because of the high cost of food and energy services. All study participants said they had to restrict their consumption of goods and/or services and reduce expenses and many had to rely on others, such as family members, for support. One respondent said: *"Although there is extensive pension coverage, most of the income streams are minimal and it is not enough to make ends meet. In general, we depend on other income source or financial aid from family or community environments, which are not much better off either"* (KI2, San Martín, 6 October 2022). A focus group participant reported: *"I thought that when I retired, I was going to have a more fruitful life, not only because of the money, but that I was going to enjoy life more. And now I am worried about making ends meet, when I will receive the pension, about paying taxes, about the increase of this and that. And that hurts me because we have three daughters and five grandchildren. And I think about the future of our daughters and, of course, our grandchildren"* (FGD1, Participant 4, Buenos Aires city, 19 September 2022).



In relation to food consumption, many older people had to cut down the amount of basic food they consume, such as meat and vegetables, and turn to cheaper products of low nutritional quality, even risking possible consequences for their health. Some were forced to replace meals with a snack. The following testimonials attest to this: *"We used to fill the fridge, now only half. And we used to cook meat at noon and at night, now once a day because the butcher's prices are impossible to pay"* (FGD3, Participant 1, La Plata, 26 September 2022); *"We currently eat pasta with tomato sauce or a stew at lunch and boiled mate (tea) with milk at dinner"* (FGD3, Participant 3, La Plata, 26 September 2022).

Regarding energy consumption, the reduction in energy use by older people is very apparent. In particular, less frequent use of gas bottles as there is no natural gas network, and more use of alternative sources, such as wood. One study participant commented: *"Living in the countryside, I use gas cylinders as little as possible. Same as electricity. I use wood fire instead. Suddenly, I find myself doing things that I didn't do before, like going to look for firewood ..."* (FGD2, Participant 3, Catamarca, 21 September 2022). Another study participant stated: *"I live with a lamp... in the dining room, I have just a lamp to save energy because the cost is twice as much"* (FGD3, Participant 1, La Plata, 26 September 2022).

Many older people have had challenges in getting assistance with energy payments when they apply for government subsidies. Even if they received the subsidies, they did not always notice a significant reduction in their bills. The study found that older people prioritised paying bills over other expenses.

In addition to reducing their costs, most older people have also restricted the consumption of non-essential goods such as clothing, leisure activities and outings. One study participant mentioned: *"Except for health care and food, the rest became secondary. This is how we have been living for these last two years, almost three now"* (FGD2, Participant 4, La Rioja, 21 September 2022).

Access to health system and mental health impacts

In Argentina, everyone who has a pension also has access to the Comprehensive Medical Care Programme. During the pandemic and global crisis, most people were able to continue accessing health services, either in virtually or in person at health facilities. Older people were also able to access vaccines and medicines. However, some older people surveyed mentioned difficulties with delays in making appointments in particular, linking this to the low staffing capacity of some public hospitals during the pandemic.

Many study participants mentioned that their mental health was affected, especially during the isolation period, referring to feelings of loneliness, sadness and/or depression. Feelings of great loneliness emerged more strongly in those who lived alone or whose socialisation is limited or totally interrupted (especially those not familiar with technologies or digital platforms) or who have lost face-to-face contact with their loved ones. One study participant recalled: *"When I still worked, I was a much happier person, more optimistic and hopeful. Today I am totally apathetic. Living in a place just by myself. Reluctant, without encouragement, without incentives"* (FGD2, Participant 3, Catamarca, 21 September 2022).

The increase and severity of mental health problems in older people is not only related to isolation, but also to the deepening of the economic crisis. As one study participant mentioned: *"It really did affect us. It affected us in a psychological level because of the hardships that we already have, the false promises, the unfulfilled promises, the impossibility of indulging ourselves "* (FGD1, Participant 7, Buenos Aires city, 19 September 2022). Another study participant said: *"...inflation, rising prices are eating away our pockets as well as our spirit. The older people have resilience but they do not have time"* (KI5, Buenos Aires city, 5 October 2022).

It should be noted that for some older people the past few years had some positive aspects, if they had strategies to overcome the pandemic and crisis, with some displaying an amazing capacity for resilience in the face of adverse situations. Some highlighted that the extended period of isolation gave them the opportunity to finish their studies and/or participate in workshops, virtual courses and also use digital platforms to watch movies. One respondent said: *"I received a Diploma in Education remotely that allows me to have access to another sort of communication"* (FGD2, Participant 1, La Rioja, 21 September 2022).

Support from government and civil society organisations

The government implemented a series of measures to reduce the economic and social impacts of the crisis on the most vulnerable groups, including older people. A set of social, economic and fiscal initiatives were implemented to alleviate the breach of fundamental rights caused by the lockdowns and the consequences of the subsequent food, fuel and finance crisis. These measures were mainly income transfers, so called 'extraordinary bonuses' implemented by the National Social Security Administration (ANSES) that began in the context of the pandemic, but were extended due to the global crisis. In addition, extra funding was allocated to increase pensions and food aid. In 2020, during March, April, and May, an extraordinary payment of ARS 1600 (USD 25) replaced the usual food package that was distributed directly to PAMI affiliates (PAMI is a public health insurance agency). As part of this social benefit scheme, a Christmas bonus was also granted in 2020 and 2021.

However, access to government schemes to mitigate the impacts of the crisis on older people were not always seen as equitable in the way they were distributed. While survey participants in Buenos Aires city and La Plata mentioned having access to these schemes, few older people in the Northwest region had access to new benefits or schemes except in the health care sector. According to the older peoples' accounts, civil society organisations have played a critical role in providing assistance during the crisis. The main organisations involved in providing assistance include AMIA, which offers food aid and medication support, Mutual de Asociación Familiar, and CARITAS in La Plata. This support included food assistance, personal care or workshops and activities providing new spaces for learning and socialisation.

RECOMMENDATIONS

The evidence generated by this study allows us to identify some key themes for public policy development to protect the rights of older people in Argentina. Below we make a few recommendations based on this research.

Protecting income security

Argentina has an extensive pension system and receiving a monthly income is considered a right for older people. However, the amount the pension provides does not cover the basic needs of many older people. As a priority, a new poverty measurement should be calculated for older people, since some essential expenses such as medicines, transport, adaptation or maintenance of homes, among others, are not included in current measurements. Access to these essential expenditure items is a human right, and should be strictly ensured.

Strengthening and reforming health care system

The health system must urgently be reformed in response to the so-called "longevity revolution". This calls for strengthening primary health care systems as well as developing policies and services for chronic disease care, especially those typical of older people, which are long lasting, incurable, often bring disability or

dependency and tend to be more expensive to treat. This would require the following broad approaches:

- **Long-term healthcare and services for older people:** community-based, people-centred, integrated and comprehensive. These should be based on norms and quality standards that regulate and supervise their performance.
- **Decentralisation of the socio-sanitary system:** to bring services closer to older people and make them age appropriate and age-friendly, ensuring proximity, barrier-free spaces and respectful treatment. This must overcome the existing fragmentation and move towards a single system that offers similar responses to people with similar needs, regardless of where they live.
- **Improving the working conditions of healthcare professionals:** as a result of the ageing population, it is essential that healthcare staff, and professionals from other fields are supported to expand their knowledge about the characteristics of "normal" ageing and the consequences of the ageing population on society. This must be accompanied by improvements in organisational structure of the healthcare system, clear division of roles and responsibilities and better recognition for socio-health professionals to ensure better access and quality of care.

Understanding hidden health challenges

Some health topics are currently relatively hidden and ignored in programmes aimed at older people. In some cases information and data about their impact on this group is not even available. These need to be a policy priority for the government. For example:

- **Prevention programmes for sexually transmitted infections such as HIV/AIDS and syphilis** are hardly considered in older people's prevention programmes. However, in recent years, for the first time, the National Ministry of Health has included information about HIV/AIDS disaggregated by age group for those over 60 years.
- **Violence, abuse and mental health problems in older people:** reports of ill-treatment or financial abuse related to older people increased during isolation brought about by the pandemic. There were also reports of an increase in cognitive impairment, dementia, and other mental health problems. Research and knowledge about the current and future impact of the pandemic and the global crisis on the mental health of older people should be a priority.

Improving housing conditions

- Many properties owned by older people are in poor condition or physically unsuitable. They may require repair and maintenance, but also adaptation to ensure they are suitable for older people to live in. The government needs to initiate adaptation programmes, and consider having specific quotas for those groups not included in current national housing programmes.

Reducing the digital gap

- Recent years have demonstrated how a crisis will impact different groups in different ways, depending on their knowledge, skills and access to technology. This can affect their ability to stay in touch with others, as well as to what extent they can access available social programmes and services. Developing digitalisation programmes for older people is essential to help them become better connected and informed, at the same time reducing the loneliness and isolation which often leaves older people more vulnerable.

Providing age-friendly physical environments

- Cities and rural communities must adapt and make changes in their structures and services to be more age friendly. This would enable such spaces to be fully inhabited and enjoyed by all citizens. The “Age-Friendly Cities and Communities” programme developed by the Pan American Health Organization (PAHO) and the World Health Organization (WHO) with the support of PAMI and Isalud in Argentina, is a starting point. In addition, the guide *Let’s Go* developed by HelpAge International and the American Association of Retired Persons (AARP) about innovative and low-cost projects is a useful tool for planners and local government to improve their design of public spaces.⁴

Endnotes

¹ Centre for International Economics (Centro de Economía Internacional del Ministerio de Relaciones Exteriores). (2022). *Report Impact of the Russia-Ukraine War (Impacto de la Guerra Rusia-Ucrania)*. Available at: https://cancilleria.gob.ar/userfiles/ut/2022-05_impacto_de_la_guerra_rusia-ucrania.pdf

² National Council for the Coordination of Social Policies (2023). *Summary of Indicators and Social Programmes (Resumen de Indicadores y Programas Sociales)*. Available at: https://www.argentina.gob.ar/sites/default/files/resumen_indicadores_y_programas_sociales_al_19_de_enero.pdf

³ ANSES-INDEC, June 2022, Available at: https://www.indec.gob.ar/ftp/cuadros/poblacion/dosier_personas_edad_2022.pdf

⁴ HelpAge International, AARP & OPS. (2022). *Lets’ go. Steps for engaging older people and improving communities for all ages*. Available at : www.helpagela.org/noticias/construyendo-comunidades-amigables-con-el-envejecimiento-y-la-vejez

HelpAge International is a global network of organisations promoting the right of all older people to lead dignified, healthy and secure lives.

Written by Silvia Gascón and Magdalena Saieg, HelpAge International – Argentina, based on research conducted by Natalia Lucsole and Silvina López.

Published by HelpAge International PO Box 78840, London SE1 7RL, UK Tel +44 20 7278 7778

info@hepage.org

hepage.org

Registered charity no. 288180



@HelpAge



Help Age International

Copyright © HelpAge International 2023 This work is licensed under a Creative Commons Attribution-NonCommercial 4.0 International License, <https://creativecommons.org/licenses/by-nc/4.0>

Any parts of this publication may be reproduced without permission for non-profit and educational purposes. Please clearly credit HelpAge International and send us a copy or link.