

ARGENTINA

1. Socio-economic and perceived impacts of the coronavirus (COVID-19) pandemic

Argentina has been hard hit by the COVID-19 pandemic. In 2020, gross domestic product (GDP) contracted annually by 9.9%. Despite considerable policy efforts put in place, the COVID-19 crisis has decreased the income of the most disadvantaged people, increasing poverty by almost ten percentage points and extreme poverty by more than one percentage point, based on latest international comparable estimations. Between March 2020 and May 2021 schools were fully closed for 22 weeks, compared to 26 weeks in LAC and 15 weeks across Organisation for Economic Co-operation and Development (OECD) countries. Public expenditures on health increased by 0.5 percentage points in the last decade. Some 57.3% of people were satisfied with the public provision of health care in 2020, almost 2.5 percentage points less than in 2009. This figure is higher than the LAC average (48.2%) but lower than the OECD average (70.7%). People's perceptions of government have improved in the last decade. The share of people who think that the government is corrupt decreased by almost ten percentage points in the last decade, reaching 76.0% in 2020. This result is slightly higher than in LAC (72.4%) and above the OECD (58.8%).

2. National and international co-operation initiatives aimed to build forward better

Argentina has taken meaningful actions to support the most affected households, workers and enterprises throughout the crisis. Regarding households, Argentina adopted emergency cash transfers (*Ingreso Familiar de Emergencia*) to protect informal workers, the self-employed, domestic workers and the unemployed. Furthermore, Argentina granted additional cash transfers to families receiving the Universal Child Allowance, beneficiaries of the Universal Pregnancy Allowance, holders of Family Allowances and self-employed workers earning lower incomes. These measures incorporated a specific gender approach. Moreover, the coverage of existing income transfer programmes, such as: *Tarjeta Alimentar*, *Progresar* and *Potenciar Trabajo*, was extended. For workers, Argentina extended unemployment benefits for those who lost their jobs during the crisis, as well as emergency assistance programmes for workers in the food industry (*Programa de Asistencia de Emergencia al Sector Gastronómico*), tourism (*Programa Promover Turismo Federal y Sostenible*) and the health sector, granting exemptions on social security contributions. Last, to support the most affected enterprises, Argentina implemented the *Programa de Asistencia de Emergencia al Trabajo y la Producción*, which aimed to protect jobs and guarantee production during the COVID-19 crisis.

Going forward, Argentina has established the *Programa de Recuperación Productiva 2* to accelerate the economic recovery. It is intended to maintain employment by assigning an individual, fixed amount of money to be paid to workers belonging to the most affected sectors, particularly tourism and culture. Regarding education, the Federal Plan “Juana Manzo” was launched in August 2020, an e-learning platform available to all primary schools and secondary schools across the country.

Argentina's co-operation initiatives *within* and *beyond* the region are focused on immediate responses to the COVID-19 crisis and have medium- and long-term perspectives. *Within* LAC, Argentina engaged in non-financial co-operation schemes with Mexico to speed up the administrative processes and the production of the vaccine. With Chile, it supported small and medium-sized enterprises in the digitalisation process so they can access the public procurement market. Similarly, with the Southern Common Market, MERCOSUR, it created a network of biomedical research institutes to address health problems. Chile has also been active *beyond* LAC. Within the framework of the exchange of experiences on vaccination strategies with the United Kingdom, the Argentinian Ministry of Health is holding regular meetings with scientists in Oxford to learn about the progress of production strategies, new variants, reinforcements, and clinical trials in children and adolescents. With the European Union, they created the Economic and Social Council solidarity economy as an advisory forum to help formulate public policies backed by consensus that foster social cohesion and promote gender equality.

	Key indicators – Argentina ¹					
	Argentina		LAC ²		OECD ³	
	2019	2020	2019	2020	N/A	N/A
Socio-environmental						
Extreme poverty ⁴	4.2	5.4	8.1	10.0	N/A	N/A
Poverty ⁵	2019	2020	2019	2020	N/A	N/A
	27.2	37	26.8	30.9	N/A	N/A
Gini index ⁶	2009	2019	2009	2019	2009	2018
	0.41	0.40	0.50	0.46	0.31	0.31
Total population in informal households by quintile, 2018 ⁷	Bottom 20%	Top 20%	Bottom 20%	Top 20%	Bottom 20%	Top 20%
	N/A	N/A	78.0	19.1	N/A	N/A
Health expenditures ⁸	2010	2017	2010	2017	2010	2017
	8.6	9.1	6.5	6.8	8.1	8.8
Out-of-pocket health expenditures ⁹	2010	2017	2010	2017	2010	2017
	19.7	15.0	35.6	34.1	20.2	20.6
Weeks of full school closure ¹⁰	03/2020-05/2021					
	22		26		15	
Effective online learning ¹¹	18.9		32.5		54.1	
			2018			
Effective online learning in disadvantaged schools ¹¹	5.1		21.5		48.8	
			2018			
Share of Internet users ¹²	2009	2019	2009	2019	2009	2019
	34.0	74.3	29.3	67.8	68.3	85.8
Number of students per computer ¹³	-	2018	2015	2018	2015	2018
	-	2.1	2.4	1.6	1.8	1.1
Exposure to PM 2.5 ¹⁴	2010	2019	2010	2019	2010	2019
	14.1	13.8	18.1	18.0	15.7	13.9
% change in intact forest landscape ¹⁵	2000-16					
	-2.9		-8.8		-6.3	
Competitiveness and innovation						
	Argentina		LAC ²		OECD ³	
Labour productivity ¹⁶	2009	2019	2009	2019	2009	2019
	42.2	36.9	29.3	26.7	72.2	70.7
High-tech exports ¹⁷	2009	2019	2009	2019	2009	2019
	9.1	5.2	8.7	8.3	19.5	17.9
R&D expenditures ¹⁸	2009	2017	2009	2017	2009	2017
	0.6	0.5	0.4	0.4	2.4	2.5
ICT patents ¹⁹	2009	2017	2009	2017	2009	2017
	69	43	726	521	173 440	141 358
Citizens' perceptions and institutions						
	Argentina		LAC ²		OECD ³	
Citizens' perceptions of corruption in government ²⁰	2009	2020	2009	2020	2009	2020
	85.8	76.0	72.0	72.4	67.5	58.8
Citizens' perceptions of country governed in the interests of few ²¹	2009	2018	2009	2018	-	-
	92.8	84.9	64.8	82.0	-	-
Satisfaction with health care ²²	2009	2020	2009	2020	2009	2020
	59.8	57.3	56.9	48.2	69.2	70.7
Satisfaction with water quality ²³	2009	2020	2009	2020	2009	2020
	72.7	77.9	74.8	76.0	77.9	79.4
% of people victim of criminality ²⁴	2010	2016	2010	2016	N/A	N/A
	26.2	25.6	19.6	23.8	N/A	N/A
Rank in the Press Freedom Index ²⁵	2021					
	69		82		36	
Change in political polarisation ²⁶	2009-18					
	4.1		9.6		N/A	
SIGI index ²⁷	2019					
	N/A		25.6		16.3	
Fiscal position						
	Argentina		LAC ²		OECD ³	
Total tax revenues ²⁸	2009	2019	2009	2019	2009	2019
	28.9	28.6	20.6	22.9	31.6	33.8
Share of VAT in total revenues ²⁹	2009	2019	2009	2019	2009	2019
	24.2	24.9	25.3	27.7	19.8	20.7
Social expenditures ³⁰	2009	2018	2009	2018	2009	2018
	11.2	13.5	11.3	11.4	21.0	19.7

Sources, footnotes and technical details can be found at the end of the country notes.

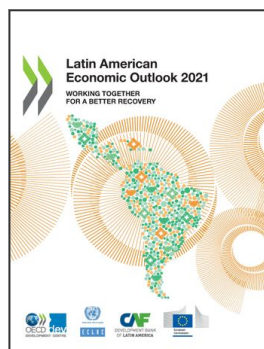
Technical notes

1. As best as possible, the table follows the key areas identified in *Latin American Economic Outlook 2021*: i) socio-environmental aspects; ii) economic competitiveness and innovation; iii) citizens' perceptions and institutions; and iv) fiscal position.
2. Latin America and the Caribbean (LAC) average is a simple average of the largest set of LAC countries for which data are available in the latest year.
3. Organisation for Economic Co-operation and Development (OECD) average is a simple average that includes all OECD member countries as of May 2021.
4. Data refer to the definition of extreme poverty as specified by the United Nations Economic Commission for Latin America and the Caribbean (ECLAC, 2021^[1]), *Social Panorama of Latin America 2020*. www.cepal.org/sites/default/files/publication/files/46688/S2100149_en.pdf. Data for 2020 refer to an estimate based on 2019 data, as specified in Annex I.A2 of (ECLAC, 2021). Projections are based on 2017 data for Chile, 2014 for Guatemala and 2018 for Mexico. Applying the same criteria as in previous LEO editions, data selection prioritizes comparability across LAC countries and shows the latest comparable data available at the report's publication date.
5. Data refer to the definition of poverty as specified by (ECLAC, 2021^[1]), *Social Panorama of Latin America 2020*, www.cepal.org/sites/default/files/publication/files/46688/S2100149_en.pdf. Data for 2020 refer to an estimate based on 2019 data, as specified in Annex I.A2 of ECLAC (2021). Projections are based on 2017 data for Chile, 2014 for Guatemala and 2018 for Mexico. Applying the same criteria as in previous LEO editions, data selection prioritizes comparability across LAC countries and shows the latest comparable data available at the report's publication date.
6. Data for LAC from ECLAC, CEPALSTAT | Databases and Statistical Publications, <https://cepalstat-prod.cepal.org/cepalstat/tabulador/ConsultaIntegrada.asp?idIndicador=3289&idioma=i>. Data for Chile refer to 2017, instead of 2019, data for Guatemala refers to 2014.
7. Data for the OECD from OECD Income Distribution Database, www.oecd.org/social/income-distribution-database.htm.
8. Indicator provides the distribution of the total population living in informal households by quintile. An informal household has all of its workers in informal work. Quintiles are based on monthly total household consumption or income. The source of this indicator is the OECD Key Indicators of Informality based on Individuals and their Households database, https://stats.oecd.org/Index.aspx?DataSetCode=KIIBIH_B5.
9. Health expenditures as % of gross domestic product (GDP). Data from OECD (2020), *Health at a Glance: Latin America and the Caribbean*. Share of current expenditure on health. Data are from OECD (2020), *Health at a Glance: Latin America and the Caribbean*.
10. Data from UNESCO, <https://en.unesco.org/covid19/educationresponse#schoolclosures>.
11. Data from OECD et al. (2020), *Latin American Economic Outlook 2020*, www.oecd.org/publications/latin-american-economic-outlook-20725140.htm.
12. Data from International Telecommunication Union (2020), www.itu.int/en/ITU-D/Statistics/Pages/stat/default.aspx.
13. Data from OECD et al. (2020), *Latin American Economic Outlook 2020*, www.oecd.org/publications/latin-american-economic-outlook-20725140.htm.
14. $\mu\text{g}/\text{m}^3$. Data refer to population exposure to more than 10 micrograms/ m^3 and are expressed as annual averages. Data from OECD, <https://data.oecd.org/air/air-pollution-exposure.htm>.
15. Data from OECD, https://stats.oecd.org/Index.aspx?DataSetCode=INTACT_FOREST_LANDSCAPES.
16. Output per employed person as % of United States 2019 output per person employed. Data from the Conference Board, <https://conference-board.org/data/economydatabase/total-economy-database-productivity>.
17. High-technology exports as % of manufactured exports. Data from The World Bank, <https://data.worldbank.org/indicator/TX.VAL.TECH.MF.ZS>.
18. Research and development expenditure as % of GDP. Data from The World Bank, <https://data.worldbank.org/indicator/GB.XPD.RSDV.GD.ZS>.
19. IP5 Patent families. Data from OECD, https://stats.oecd.org/Index.aspx?DataSetCode=PATS_IPC.
20. Percentage of people who think that the government is corrupt. "Is corruption widespread throughout the government in (this country), or not?" Data from Gallup 2021.
21. Percentage of people who think that the country is governed in the interests of few. "En términos generales ¿diría usted que (país) está gobernado por unos cuantos grupos poderosos en su propio beneficio, o que está gobernado para el bien de todo el pueblo?" Data from Latinobarómetro, 2020.
22. Percentage of people who think that the health care is of good quality. "In your city of area where you live, are you satisfied or dissatisfied with the availability of quality health care?" Data from Gallup 2021.

23. Percentage of people who think that the water is of good quality. “In your city or area where you live, are you satisfied or dissatisfied with the quality of water?” Data from Gallup 2021.
24. Percentage of people who are victim of criminality, “have you been a victim of any type of crime in the past 12 months?” Data from Latin American Public Opinion Project, www.vanderbilt.edu/lapop/data-access.php.
25. Data from RFS, Reporters without Borders, https://rsf.org/en/ranking_table.
26. Percentage of people who declare being left or right on a 1-10 scale (1=left, 10 = right). “In politics, it is normal to refer to left and right. On a scale where 0 is the left and 10 is the right, where would you place yourself?” Data from Latinobarómetro, 2020.
27. Data from OECD, www.genderindex.org/ranking/.
28. Revenues as % of GDP. Data from OECD et al. (2021), *Revenue Statistics in Latin America and the Caribbean* (2021).
29. Value added taxes as % of total revenues. Data from OECD et al. (2021), *Revenue Statistics in Latin America and the Caribbean* (2021).
30. Social protection expenditures as % of GDP. Data from OECD and ECLAC.

References

- Conference Board (2015), *The Conference Board's Alternative China GDP*, http://www.conference-board.org/retrievefile.cfm?filename=FAQ-for-China-GDP_9nov1511.pdf&type=subsite.
- ECLAC (2020), *Social Panorama of Latin America*, United Nations Publication, http://www.cepal.org/sites/default/files/publication/files/46688/S2100149_en.pdf.
- Eurosocial (2021), *The roadmap for EU Cooperation on social cohesion*, <https://eurosocial.eu/en/>.
- Gallup (2021), Gallup World Poll (database), www.gallup.com/analytics/232838/world-poll.aspx.
- ITU (2020), *World Telecommunication/ICT Indicators Database 2020*, <https://www.itu.int/en/ITU-D/Statistics/Pages/stat/default.aspx>.
- Latinobarómetro (2020), Vanderbilt (database), Latin American Public Opinion Project, <http://www.vanderbilt.edu/lapop/data-access.php>.
- OECD (2021), OECD.Stat (database), Social and Economical Indicators, <https://stats.oecd.org/Index.aspx>.
- OECD et al. (2020), *Latin American Economic Outlook 2020: Digital Transformation for Building Back Better*, OECD Publishing, <https://doi.org/10.1787/e6e864fb-en>.
- OECD/The World Bank (2020), *Health at a Glance: Latin America and the Caribbean 2020*, OECD Publishing, <https://doi.org/10.1787/6089164f-en>.
- Reporters without Borders (2021), *World Press Freedom Index* (database), https://rsf.org/en/ranking_table.
- SIGI (2019), OECD.Stat (database), Social Institutions & Gender Index (SIGI), <http://www.genderindex.org/ranking/>.
- UNESCO (2020), *COVID-19 impact on education school closure*, <https://en.unesco.org/covid19/educationresponse#schoolclosures>.
- World Bank (2020), “Research and development expenditure (% of GDP)”, <https://data.worldbank.org/indicator/GB.XPD.RSDV.GD.ZS>.
- World Bank (2019), “High-technology exports”, <https://data.worldbank.org/indicator/TX.VAL.TECH.MF.ZS>.



From:

Latin American Economic Outlook 2021

Working Together for a Better Recovery

Access the complete publication at:

<https://doi.org/10.1787/5fedabe5-en>

Please cite this chapter as:

OECD, *et al.* (2021), “Argentina”, in *Latin American Economic Outlook 2021: Working Together for a Better Recovery*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/3e1d5996-en>

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document, as well as any data and map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area. Extracts from publications may be subject to additional disclaimers, which are set out in the complete version of the publication, available at the link provided.

The use of this work, whether digital or print, is governed by the Terms and Conditions to be found at <http://www.oecd.org/termsandconditions>.