

---

# New trends in the financialization of welfare?

Social debtfare policies and the rise of the creditor-State in Argentina.

---

12th Young Economists Conference  
October 7, 2023, Linz.

Dr. Tomás Nougés  
UNSAM/CONICET







# Introduction

---

- ▶ New welfare infrastructure in South America.
- ▶ Public policies, financial markets and mass consumption.
- ▶ New trends of welfare financialization.
- ▶ Social debtfare policies.



# Revisiting financialization



Bankization



Collateralization



Creditization

Channels & waves  
of financialization



Financial Inclusion agenda

# Towards a comprehensive understanding of financialization

---



## Academic consensus

- ✓ New infrastructure.
- ✓ Public policy, financial markets and mass consumption.
- ✓ Domestic demand, bankization and financial services.

## Analytical shortcomings

- ✗ Over-focus on private finance > guarantor state.
- ✗ Uncritical conceptualisation of credit > debt relation.
- ✗ External approach > Third order changes.

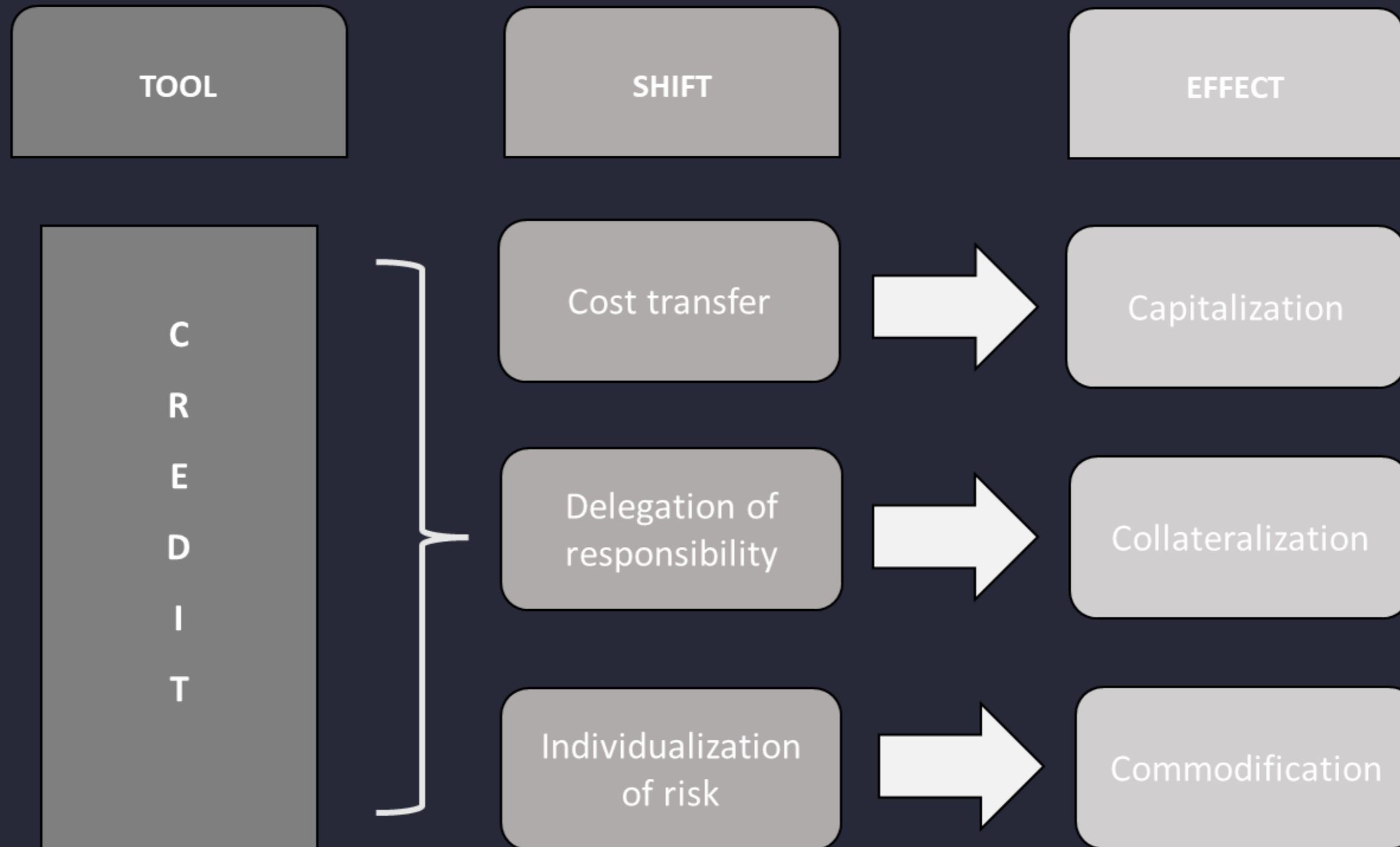
# Social debtfare policies

- ✓ Various social programs.
- ✓ Financial instruments.
- ✓ Social rights demands.
- ✓ Debt relationship: creditor/State - debtor/user
- ✓ Shifts and delegations.
- ✓ Inversion of social protection.



# Analytical Matrix

## SOCIAL DEBTFARE POLICIES





# The Argentine Case



Effect	Program		
	<i>National Microcredit Program</i>	<i>ANSES Credits</i>	<i>Better Home</i>
Capitalization	<b>LOW:</b> non-refundable contributions and subsidies.	<b>HIGH:</b> lucrative secondary financial exploitation based on social security funds.	<b>MEDIUM:</b> rentability of utilities enterprises and banks.
Collateralization	<b>LOW:</b> credit technologies, moral commitment and controlling money use.	<b>HIGH:</b> automatic debit of installments from social benefits.	<b>MEDIUM:</b> link between loans installments and the gas bill.
Commodification	<b>MEDIUM:</b> loans to promote micro-businesses via microcredit sector.	<b>HIGH:</b> commodified provision of basic goods and services via financial markets.	<b>HIGH:</b> Funding of housing solutions via public loans.

# Conclusion

---

The path that this new trend of financialization will follow in South America remains an open question. The trade-off between universal protection systems and *social debtfare policies* is a challenge that Latin American governments must assume in order to design effective social inclusion strategies in a scenario of dizzying financialization and increasing precariousness.

---





# Thanks

---

**Do you have any  
questions?**

[tominougues@gmail.com](mailto:tominougues@gmail.com)