

# From the pandemic to spiraling inflation: Moral superiority over the Argentine state in times of crisis

Ariel Wilkis

## Introduction

Between 2020 and 2022, two major events shook society, the economy, and the daily lives of people across the world.<sup>1</sup> The first of these events, the Covid-19 pandemic, set off a new cycle of inflation after several decades in which prices had been at a virtual standstill for most countries worldwide. In order to understand these two processes, their interactions, and their conditioning factors, this article focuses on the emerging sense among Argentines of their moral superiority to the state since the outbreak of the pandemic. The working hypothesis is that the pandemic, followed by spiraling inflation, fueled this attitude. Paradoxically, when the government intervened more actively at both social and economic levels, people focused on the state's weakness and limitations and relied more on interpersonal ties than government relief to weather the crisis (pandemic, high inflation). This article focuses on economic relief for households, people's daily responses to economic crisis, and finally the social and political experiences of inflation. A detailed analysis of these processes will provide some insight into how a

society develops a sense of moral superiority over the state during times of extraordinary crisis.

In her work on financial markets and how they rate states rather than everyday people, Marion Fourcade has pointed out the need for a moral sociology of the state that would focus on "the constant ebb and flow of state claims upon society, and society's claims upon the state" (Fourcade 2017, 120). In this article, taking an approach based on the moral sociology of money, I show how society made demands on the state for relief measures during the pandemic, but also blamed the state for its contribution to inflation.

For several years, my work has focused on showing how a moral sociology of money can contribute to a sociology of the state (Wilkis 2017, 2018). Charles Tilly (1999) noted that Viviana Zelizer's sociology of money is particularly useful when criticizing a monolithic conception of state power. *The Social Meaning of Money* showed how in everyday life people rework the standardized concept of money imposed by the state. The sociology of money does not present the state as monolithic or as "all-encompassing and regulative," a view that John Dewey (quoted by Linhardt 2012) criticized. The moral sociology of money explores the complexities of these representations of state power (Wilkis 2017). While a sociological analysis of the state underscores the principles of the social order and state actors' attempts to monopolize them (Bourdieu, 2012), the moral sociology of money requires a different approach.

While focusing mainly on the legitimacy of power, Bourdieu's sociology gradually homed in on the concept of symbolic capital. One of the tenets of the moral sociology of money is that as money circulates, it tests moral capital, which could be considered a particular type of symbolic capital (Wilkis 2017, 2018). Money enables us to judge the virtues and

**Ariel Wilkis** received a PhD from EHESS (Paris). He is a professor at Universidad de San Martín, dean in its School of Interdisciplinary Advanced Social Studies, and a researcher at CONICET. His research interests include money and morality, social and cultural history of global currencies, relations between sovereign and ordinary debts, and the social and political experience of inflation. He is the author of *Las Sospechas Del Dinero* (Paidós, 2013), *The Moral Power Of Money* (Stanford UP, 2017) and *¿Por qué importan las deudas?* (Siglo XXI, 2023) and coauthor of *The Dollar: How the US Dollar Became a Popular Currency in Argentina* (University of New Mexico Press, 2023). His book *Moral Power of Money* won the Honorable Mention in the best book award of the Economic Sociology Section, American Sociological Association (2018). [ariel.wilkis@gmail.com](mailto:ariel.wilkis@gmail.com)

shortcomings of ourselves, others, and institutions (even the state), establishing classifications and hierarchies. Therefore, the concept of moral capital may be a source of disruption in an analysis of the role that symbolic capital plays within a sociological analysis of the state. Returning to Bourdieu, his approach to state

monopolies focused more on symbolic than on physical violence (2012). Working from the notion of symbolic capital, he discussed how the official recognition states grant is both the predominant and the accepted form. The concept of moral capital opens up yet another perspective. The types of recognition that can be identified through this lens exceed all government-approved, predominant, and accepted forms. This article sets out to show how, during times of crisis, money creates special insight into the frequent conflicts between the state and the practices of actors who produce social and moral order.

In the crisis analyzed herein—that of the pandemic and skyrocketing inflation—this culminated in a sense of moral superiority over the state on the part of society. The ideas and beliefs associated with this process instilled moral capital (Wilkis 2017), convincing society that it was better able than the state to handle and resolve the urgent problems to which the crisis gave rise. Social life involves taking (or assigning) credit and blame, as Charles Tilly has masterfully argued (2008). In this vein, Argentine society's sense of moral superiority over the state depended on refusing to give the state credit for the assistance it provided during the pandemic, while blaming it for inflation.

This article draws on quantitative and qualitative data (surveys and interviews, respectively) gathered from 2020 to 2022 as part of several research projects I headed on the dynamics of debt in Argentine households during the pandemic and the social and political experiences of the (new) inflationary environment. The first section explores how the dynamics of debt hindered appreciation of state policies during the pandemic; the second reveals how people's experience of inflation led them to blame the state for rising prices. The conclusions note how both of these trends forged a sense of moral superiority over the state and fueled the growth of the extreme right.

## Public and private debt during the pandemic

Following the outbreak of Covid-19, governments worldwide borrowed heavily, increasing their foreign debt to ensure the survival of families, companies, and, more broadly, the economic system. This relief, however, proved less controversial than the public safety measures. National administrations that took a strong anti-lockdown stance, including the Donald Trump administration in the United States and that of Jair Bolsonaro in Brazil, spent heavily to offset the economic crisis. In that sense, the government intervention was as intense as that of countries that opted in-

stead for more restrictive public health measures. Anti-government arguments were thus leveraged selectively, against health-related measures, on one hand, and economic ones, on the other. International organizations such as the International Monetary Fund extended loans to help countries during the Covid-19 crisis. Latin America borrowed heavily and, according to ECLAC, was the region with the highest national debts worldwide by the end of 2020 (Barcena 2021).

In Argentina, the government's slogan during the pandemic was *el estado te cuida* [the state looks after you]. The dimensions included under this concept went beyond public health aspects to include the economic fallout from the Covid-19 crisis. In this regard, the national government introduced a series of measures that included family income assistance, payroll relief for companies, supplementary food stamps, loans at zero interest, and moratoriums on credit card payments, loans, and utility bills. However, the state's existing foreign debt made it difficult to obtain new loans, limiting its relief efforts. While the national government looked to Washington to strike agreements with private creditors and the IMF, Argentine households increased their borrowing. This type of debt went largely unnoticed by government statisticians, who rely on information from the banking and financial system, especially the delinquency rate published by the Central Bank.

Consumer purchases fell during the pandemic, as did bank loans and credit card spending. The drop was larger among lower income sectors than among higher earners, however. The poor were unable to leverage the banking and financial system to their benefit in the face of declining income and thus "burned" through savings and assets right from the start. The higher income sectors had more access to bank loans but were also more successful at preserving their savings, further exacerbating the gap between rich and poor.

Greater access to loans and the preservation of savings among the well-to-do not only led to more dissaving, but also sparked a rise in the debt associated with late or defaulted payments. After the global financial crisis of 2008, analysts began speaking of "financial vulnerability" (Del Rio and Young 2008; Lusardi Tufano and Schneider 2011) in discussing the effects of economic shocks on family and individual wellbeing. The idea was to underscore how personal economic hardships were connected to the performance of the financial system. While social vulnerability could be traced to the job market and the dismantling of Argentina's welfare state in the 1990s, financial vulnerability shed light on a system that played an important but often obscure role in both inequalities and precarious employment. The lessons from the

global financial crisis of 2008 proved relevant when public health measures that aimed to limit the spread of the Covid-19 virus impacted employment and production. When the economy came to a standstill in March 2020, Argentine households became even more financially vulnerable. Unlike in the global 2008 crisis or the Argentine crisis of 2001, the breakdown of the payment value chain greatly exacerbated financial vulnerability during the pandemic. Beyond the financial and banking systems, neither of which was particularly hard hit, the credit and loan circuits that mainly service the poor faltered.

In August 2020, the Argentine government secured a deal to restructure its foreign debt with three groups of private creditors. Once this hurdle was overcome, the country was supposedly on a better footing for a second round of negotiations, this time with the IMF. In the meantime, the suffering of Argentines forced to go into debt during the pandemic had both social and political ramifications. The economic relief provided “from above” did not produce results “down below.”

Lockdown brought not only income decline but also an increase in the daily costs of complying with public health measures. For household economies, it was a perfect storm that rapidly led to an increase in non-bank debt: late payments on taxes, utilities, internet and cell phone services, condo maintenance fees, rent, private school tuition, and private health insurance. In September and October 2020, I was part of a research group that conducted surveys with 800 families from Greater Buenos Aires on how the pandemic had affected their finances (Wilkis 2021). Since March of that year, 76% of those surveyed had experienced income decline, while 67% had noted their own downward mobility. When forced to tighten their belts during the pandemic, the first payments people opted to postpone were loans from relatives and friends (53%), following by taxes and utility bills (50%), including cell phone service and internet. Other expenses put off by those surveyed included private school tuition (27%) and health insurance (30%). Nearly one-third (32%) reported falling behind on rent. Finally, others reported falling behind on bank loans (29%), credit cards (34.4%), and purchases on credit (28%).

During the pandemic, households relied on those closest to them to make it through, with 79% of those surveyed saying they had asked relatives, friends, and acquaintances for loans. Nearly three-quarters (73.62%) used these loans to pay for food and health-care expenses. The money borrowed was also used to pay existing debts (formal or informal), utility bills, and rent. A few months later, the ECLAC conducted another larger survey, this one nationwide (Tumini

and Wilkis 2022). Over a year after the Covid outbreak, the numbers were strikingly similar across Argentina: people were late with their utility bills and loan payments, while relying on family loans to make it to their next paycheck, go food shopping, or purchase medicine. As expected, the percentages were even higher in Argentina’s northwest and northeast regions.

While support for the president and administration was as high as 70% during the first months of the public health measures, the social experience of incurring debt during the pandemic increased political discontent. According to the study conducted in September and October 2020, those most in debt were the people who self-reported downward mobility. Like the majority of those surveyed, these individuals saw the lockdown and pandemic as the primary reasons for the rise in their household debt. Yet the higher the household debt, the more likely people were to blame the administration: dissatisfaction with the administration stood at 10% among those with the least debt and 24% among those with the highest. At the same time, those with the most debt were also most uncertain about the future, and more likely to perceive their debt as insurmountable. They also most identified with feelings such as fury, anger, anguish, and a sense of unfairness.

## Voting during the pandemic

The perfect storm described here and the ways in which it affected people’s perceptions of government are particularly compelling. Political trends can be difficult to grasp without an understanding that the social meanings of money exceed norms, official discourses, and memories of state (Wilkis 2023). As in many other countries, elections were held during the pandemic and the party in power suffered severe losses as a result of the public’s perception of how it had handled the crisis.<sup>2</sup> Among other factors, election choices depended on the economic relief government had provided households. When the ruling party suffered significant losses in the primaries of September 2021, sectors closest to the administration began demanding higher public expenditure to try to win voters back before the general election. Although the economy had shown some recovery, it was largely uneven and wage workers had seen a drop in their earnings, while the administration continued negotiating with foreign creditors such as the IMF. In the papers, representatives from certain sectors put pressure on the government for “more money in the pockets of Argentines.”

The belief was that expanded economic relief would favor the ruling party at the ballot box. Howev-

er, there were three factors the administration did not consider. The first was that many households used the economic relief to pay off debts incurred during the lockdown. In other words, though money was coming into their bank accounts, people had little time to form a lasting memory of it. Thus, when the time came to vote, the economic relief provided by the state did little to instill a positive perception of the administration. The moratoriums on existing debt—for example, the government-ordered moratorium on credit card payments—had contradictory effects. Some households did need to refinance their monthly balance in installments. Once they did, however, doubt set in: Would they be able to make these monthly payments? Though this moratorium brought some temporary relief, then, it later dogged them. Uncertainty eventually morphed into the awareness of having to pay these installments on incomes still affected by the pandemic and, increasingly, by inflation. For voters, then, the economic relief from the past was tied to heavy debt. The first reality that this process unveiled, then, is that memory of state cash transfers does not always match the government's expectations of how these transfers will be remembered.

The second reality the administration overlooked is that for many beneficiaries of Covid economic relief, accepting welfare negatively impacted their social identity. Between the economic fallout, a job market increasingly characterized by informal and precarious work, income decline, and deteriorating living conditions in cities, receiving Covid relief shook lower middle-class pride in not being on welfare. In the view of many well-heeled progressives, this money was a symbol of *el estado que cuida*; for those receiving the money, it was evidence of a social downturn. When poor households received cash transfers, then, there was no rejoicing, perhaps because relief money was immediately used to pay debts or because of the nagging feeling that it meant a step down the social ladder. Hence, the funds produced no warm memories that could lead to public recognition of that money (in the form of a vote for the party, for example). When predicting the positive effects the cash transfers would have on people's satisfaction with the government, the Alberto Fernández administration did not stop to consider how this particular context diverged from the usual rituals and meanings of state money in domestic life and the public sphere.

The third reality is that state money did not lead to a show of support for the government. During the pandemic, having enough money to keep the household running was a challenge. For families, and especially women, applying for state aid was one but not the only solution (Wilkis and Partenio 2023). The debts that increased the most during the pandemic

were loans from relatives and acquaintances. The lowest income sectors relied on their families as lenders; sectors that earned more relied on opportunities selectively offered by banks for those with high salaries.

Monica was one of the women interviewed as part of the EIDAES project on the pandemic and economic crisis. In her view, the state bore much of the responsibility for her household's economic situation, precarious work, and recovery opportunities (or lack thereof). Beyond economics, the pandemic also had an emotional impact on her; during the lockdown, Monica was unable to visit her mother, who lived just three blocks away. Building debt also contributed to the despair. The state's "responsibility" was largely tied to lockdown restrictions. Because the vast majority of jobs require mobility, the lockdown severely limited the possibilities of these lower income households, even considering the welfare provided at the start. In Monica's mind, these troubles could not be addressed with a "bag" of food products provided by the government. Being unable to work meant

... rationing out the items in the food packages [...] dropped off at schools. But how far does that get you? Not too far ... sure, you can cook up some noodles, buy some eggs, but we didn't have money for meat or vegetables. Every day at noon, I'd start worrying because I didn't know what we would eat. And I'd say, well, my kids are older, they can drink *mate* ... But that's not right. I'm used to serving everyone a plate of food.<sup>3</sup> And I felt miserable and tried to tell myself, OK, this too will pass ...

Monica felt that her husband and children were all doing their best to get through this dire situation. Her husband, for example, sold many of the work tools he had accumulated over the years to ensure they could put food on the table.

In families like Monica's, the joint efforts to keep the household running and ensure the wellbeing of all members created a sense of moral superiority over the state. Far from consolidating an awareness of the critical support the state was providing, the cash transfers made families acutely aware of the efforts and sacrifices they themselves were making to weather the economic and public health crisis.

While the state expected it would get credit for its pandemic efforts, people were far too preoccupied with paying down debts, surviving from paycheck to paycheck, and avoiding downward social mobility to sing the state's praises. Far from questioning the usefulness of cash transfers, this points to the fact that cash distribution does not always bring gratitude. In this case, as in many others, society's reactions to policy can greatly diverge from policymakers' expectations. At the same time that it refused to give the state

credit for its actions in the pandemic, society blamed the state for its failure to contain inflation. Not giving the state *credit* while assigning *blame* produced a sense of moral superiority as the pandemic dragged on and inflation spiraled.

## High inflation and the day-to-day economy

Around the world, the pandemic triggered inflation in countries that had experienced price stability for decades. In 2022, the war in Ukraine drove inflation even higher (Parasecoli and Varga 2022). The case of Argentina was unique as the country had been suffering from spiraling inflation for over a decade. After a relative drop in 2020, in which annual inflation reached 36.1%, Argentina suffered another year of high inflation (50.9%) in 2021 (INDEC 2021). In 2022, inflation spiked yet again, reaching 94.8% for the year, leaving Argentina fifth in the ranking of countries with the highest inflation worldwide, behind Venezuela (305.7%), Zimbabwe (244%), Lebanon (142%), and Sudan (102%) (Infobae 2023). Local factors exacerbated the situation: A shortage of dollars (a historical problem magnified by the pandemic), IMF pressure to address the fiscal deficit eliminating subsidies to public services, and a monetary culture shaped by inflationary inertia contributed as well.

Besides hitting people's wallets, inflation affects daily living, the time people have to spend with those closest to them, and emotional bonds. The inability to budget due to monthly changes in what people earn and spend wreaks havoc: 78.6% of the Argentines surveyed said it is very difficult to organize their daily spending and 70.7% reported spending more time than before checking prices (Wilkie and Foulkes 2023). Inflation even seeps into domestic life: 82.6% of those participating in the EIDAES survey said that price hikes were a frequent topic in their household and seven out of ten admitted that the lack of money sparked family conflicts. The question of what would happen with prices worried 83.8% of those surveyed. The outlook appeared bleak, given that the only certainty expressed by most of those surveyed was downward mobility. Reading the statement "I am unable to think about the future," 62% agreed and 69% said they expected to drop down the social ladder within the next few months. This shows how the inflationary environment produces a rise in "status anxiety" (Gonzales, 2020). Whatever their political affiliation, people inevitably mention inflation as a government priority, above even insecurity, the top issue just a few years earlier. Inflation has forced 83% of the popula-

tion to make some cutbacks in their household spending, negatively impacting their quality of life. Some 48% of those interviewed had no choice but to leave some bills unpaid and 46% had to ask others for loans.

Informal sectors and those who rely on cash transfers from the state have been particularly affected by price hikes as their purchasing power has been especially eroded. As the only assured income was a fixed amount not adjusted for inflation—especially during the lockdown—the gap between the money available and the amounts needed to cover basic expenses only grew. This led people to cut back on spending, go into more debt, or both. As a result, debts continued to spiral, making it increasingly difficult for people to see a way out.

In November 2021, I visited families with members of the EIDAES research team and asked them to keep track of all money earned and spent in their household. In order to grasp the experience of inflation, it is necessary to examine how money circulates, how quickly it disappears due to its diminishing value, and how it more frequently reappears as debt.

Viviana lives with her husband and 12-year-old son. Her husband works for a soda distribution company and she is part of a government work-for-welfare program. In order to receive her benefits, she cleans at a social organization. As the pandemic was winding down, Viviana's family income increased. First, her monthly salary reached 16,000 pesos. Around that time, her husband was able to return to work after an injury, making him eligible for his full salary, 52,000 pesos. In November 2021, besides the welfare benefit she received for her one son, Viviana got a temporary job hanging political posters in the lead-up to the elections (Table 1). However, she had accumulated a good amount of debt. She owed a local loan shark after borrowing the money she needed to repair her home's roof. Plus, she had an unpaid balance on a credit card she had used to buy food and a department store balance after buying a cell phone and sneakers.

Viviana explained the rapid price changes as follows:

Yup, prices have gone up across the board. This month, my husband and I went shopping and spent 20,000 pesos to get everything on our list. The last time we did a big shopping trip like this was in September and I remember spending 10,000.

Since Viviana used her credit card for these large supermarket purchases and bought in installments, she is gradually accumulating debt. That explains why she spent 20,000 on day four of the month (Table 1). She explains it as follows:

Table 1. Viviana's income/expense chart, interviewed in San Martin, Buenos Aires Province first two weeks

Day	Income	Amount ARS	Expenses	Amount ARS
1	Billboard installing (work)	750	Bread	100
			Meat	690
			Food	400
			Bus pass	160
2	My husband borrowed	3000	Ravioli	200
			Soda	100
			Hot dogs	650
			Cleaning supplies	500
3	Billboard installing (work)	600	Stew	350
			Meat	550
			Vegetables	200
			Son's sports club	360
4	Husband's salary	52,000	Credit card payment	20,000
5	Welfare-to-work payment	16,000	Utilities payment to local lender, other miscellaneous	33,000
				5,000
6			Sports club	1,500
			Food	2,000
7			Sports club	3,000
			Food	670
8			Son's school graduation	450
			Supermarket (credit card purchase)	20,000
9			Breakfast food	1,500
10			Breakfast	560
			Lunch	1,000
11	Billboard installing (work)	750	Breakfast	130
			Lunch and dinner	1,630
12	Odd job/husband	1,500	Bakery	70
			Taxi	250
			Dinner	300
13	Child welfare stipend	5,000	Bread	70
			Sports club	2,000
14			Bakery	300
			Green grocer	100; 300
15			Bakery	70
			Pizza	850

There's one thing we know: if we're coming up short, then only our son eats. But that's at the end of the month. Sure, we'll drink *mate* and have some lunch or a snack but only the kid eats a real dinner. And generally if things are tight, my husband can ask for an advance on his next month's salary.

On the sheet for the second half of the month (Table 2), Viviana noted that her husband requested an advance on the 19th, that is, just two weeks after receiving his salary for the previous month. Also, Viviana was forced to borrow 4,000 pesos on the 21st. When analyzing the two periods together, it can be seen that during the first half of the month, more money came into the household (i.e. income) but there were also more debt-related expenses. At the same time, during the second half of the month, the expenses decreased, including food expenses.

Julia (age 39) lives on the western side of Quilmes (Buenos Aires Province) with her partner and three daughters (ages 15, seven, and three). She receives a per-child welfare benefit for each of her daughters and an EBT card for food purchases. Both

she and her husband are part of a government employment program. During the pandemic, he had been fired, and though he sometimes did some upholstery work, such work had been harder to come by more recently. Therefore, Julia is the main breadwinner. Julia threw a *quinceñera* when her daughter turned 15, borrowing 30,000 pesos from a loan shark, agreeing to pay him back in ten monthly installments of 7,000 pesos each. The payment made in November was the third of these installments.

As can be seen for the first 17 days of the month (Table 3), on the days of more income, more money was spent. This is especially the case on the days in which welfare payments arrived, as most of these payments go to paying debts: the welfare-to-work payment was used to pay a debt with a local loan shark, return 2,000 pesos a sister had lent the previous day to buy food, and pay the light bill. The same occurred with the monthly cash assistance per child and the EBT card (day 13). Yet in this case, the money was set aside to cover the payment of the credit card (day 17) used to buy food.

Table 2. Viviana's income/expense chart, interviewed in San Martin, Buenos Aires Province, second half of month

Day	Income	Amount ARS	Expenses	Amount ARS
15			Bread	70
			Pizza	80
16			Bread	70
			Vegetables	100
			Mayonnaise	10
17			Bread	70
			Sports club	600
18			Pastries	150
			Bread	690
			Lunch	
19	Advance on salary (husband)	25,000	Vegetables	180
			Sports club	500
20			Lunch, fruit	570
				600
21	Borrowed	4,000	Breakfast	550
			Food	1,000
			Outing	3,000
22			Breakfast	500
			Sports club	600
			Taxi	350
23			Breakfast	150
			Orange	100
			School transport	600
24			Bus pass	500
			Sports club	600
			food	440
25				
26	Market	2,300	Food	1,500
27			Food	1,000
28			Breakfast	450
			Bus pass	200
			Dinner	700
29			Lunch	1,030
			Dinner	800
30			Food	700

I pay the card too because that's what I use to buy what I need when I run out of money. I use the credit card to buy food but I have a limit of 14,000 on there. It's almost better that way. Keeps me from drowning in debt.

On the sheet corresponding to the last 13 days of the month (Table 4), as seen on the first monthly sheet, little income came in during the second half of the month. The only income, in fact, were two loans from a sister, each for 1,000 pesos (days 18 and 30) and money from an odd job done by the husband (day 23) for 1,000 pesos. As little money came in, expenses were kept to a minimum and food for the daughters was prioritized. But the situation grew so critical that it became necessary to keep food spending to a minimum. This is the point at which family loans became absolutely essential to cover basic needs.

This last week was catastrophic because, well, I didn't have enough money and again, I had to ask someone to lend

me money. Plus, my husband didn't get any work, just one odd job. I always have a little bit tucked away and I try to do the cooking. I think I mentioned that when there is enough to go around, my husband and I both eat well. But if not, I only eat at lunchtime and then drink *mate* at dinner time. When that happens, I buy hot dogs for the girls. My sister lives downstairs from me and we drink *mate* together at lunch time. Then I cook at night: I make a stew or enough sauce to last until the next evening. Because the girls are in school and they have breakfast there at 10am so they can skip dinner.

On around the 20th of each month, we're still OK on food but by the 25th, well, that one purchase doesn't last us a month, even if you divvy it up carefully. You can't empty your freezer all at once. So at lunchtime, it's a hot dog and done. If I see a sale on frozen hamburgers, that's for dinner. I bought 12 frozen hamburgers on sale and they came with buns and all. So I froze those but not too long because the buns don't do too well in the freezer.

**Table 3.** Julia's income/expense chart, interviewed in Quilmes, Buenos Aires Province, first two weeks

Day	Income	Amount ARS	Expenses	Amount ARS
1	Cleaning supplies and miscellaneous (donation)		Meat and vegetables for lunch/dinner	600
2	No income		Chicken cutlets lunch, dinner	500
3	No income		Potatoes (lunch) Hot dogs (dinner)	500
4	Loan	2,000		
5	Welfare-to-work payment	16,000	Electric bill - 2,000 Loan - 7,000 Payback of loan - 2,000	11,000
6	No income		Personal hygiene - 2,000 Diapers - 600 Food - 700	3,300
7	No income		Bus pass - 800 Food + vegetables - 800	1,600
8	No income		No expenses	
9	Extra government payment	10,000	Purchase gas - 600 Miscellaneous - 3,000 Butcher - 4,000	7,600
10	No income		Candy	300
11	Extras	6,500	Soap, bleach and detergent (1.5 liters each)	750
12	No income		Candy for school	300
13	Cash assistance per child + EBT card	10,000	Money set aside to pay the credit card	10,000
14	No income		No expenses	
15	Child welfare stipend	6,200	Miscellaneous	700
16	No income		Green grocer	1,000
17	No income		Paid credit card	14,000

**Table 4.** Julia's income/expense chart, interviewed in Quilmes, Buenos Aires Province, second two weeks

Day	Income	Amount ARS	Expenses	Amount ARS
18	Income	1,000	Hamburger promo	600
19	No income		Eggs, hot dogs	270
20	No income		No expenses	
21	No income		No expenses	
22	No income		No expenses	
23	Odd job/husband	1,000	Greengrocer, cooking oil	700
24	No income		School expenses	300
25	No income		No expenses	
26	No income		No expenses	
27	No income		Lunch - 500/bus pass - 200	700
28	No income		No expenses	
29	No income		No expenses	
30	Loan	1,000	Chicken	1,000

## Who's to blame for high inflation

With the exception of the decade of the currency board (1991–2001), inflation has been a constant in Argentine society since the 1950s. In certain periods, such as the end of the 1980s, it even spiraled into hyperinflation (Heredia and Daniel 2019). After years of largely ineffective economic policies, the cycle of inflation that started in 2007 began picking up pace in 2021.

The experience of inflation cuts across social classes, but is there a consensus on inflation or on how

to combat it? Whatever their political party, Argentines tend to name inflation as a priority for whatever administration is in power (Wilkis and Foulkes 2022). However, this survey revealed two separate consensus on the causes of inflation: excessive government spending and corporate greed.

Political leanings factor into which consensus a person favors: Those who believe that government spending and money printing are to blame for inflation support the center-right opposition party. These people tend to have a negative outlook regarding the future and argue that the government must prioritize



the fight against inflation over its other agendas. Those who believe that corporate greed is the primary reason for inflation remain loyal to the center-left administration. They are generally less negative about the country's future and believe that worker salaries and employment should be prioritized alongside the fight against inflation.

Both those who opposed the administration and those who had voted for it, but no longer supported it felt similarly about inflation. They agreed that the fight against inflation should top the list of government priorities. In the view of those who remained loyal to the administration—who concurred that corporate greed was to blame—inflation also topped the list, and defending real wages took a close second.

Voters who often favor smaller leftist parties thus supported “anti-inflationary” policies targeting business and commerce, while those who backed libertarian candidates formed a consensus around the need for government cutbacks to end inflation. For those on the left, defending employment and real wages should be the government's priority; those leaning right, in contrast, were more pessimistic about the future and about how state spending continued to drive inflation.

Analysts have noted a lurch to the right in the political options available to Argentine voters in recent years. In the analysis, however, little attention is given to the impact of high inflation: The constant tightening of belts, growing household debt, an inability to budget, a political tunnel vision focused exclusively on inflation, and the impact on future outlooks, which are increasingly negative.

In a society in which people did the impossible to get through the long months of lockdown while weathering inflation, the pandemic left people feeling that the state was coming up short. In the face of the pandemic and spiraling inflation sacrifice became commonplace. Argentine society emerged from the pandemic with an outlook that was family-oriented,

anti-state, and anti-politics. High inflation combined with the pandemic negatively affected society's relationship to politics. People blamed the state for rising inflation. More people became convinced that government spending was the primary source of inflation, demanding moderate or in some cases extreme state cutbacks. The rise of right-leaning or extreme right options, the lack of interest in politics, and a growing dissatisfaction with the political class all predate the pandemic and the high inflation, though these have exacerbated existing trends.

Lockdown measures, rising costs, and the complications they represent for household management have left Argentine society with a sense of burnout. Debts and high inflation were by no means secondary to this administration. They were a central part of a social experience with severe political consequences. This experience led society to refuse to give the state credit for its actions in the pandemic, while blaming the state for its inability to curb inflation. When combined, these two trends produced a sense of moral superiority in society or a solid conviction among people that they were better able than the state to resolve the urgent needs brought into being by the crisis.

## Conclusion

This article seeks to show how, during a crisis, money is a particularly apt lens for identifying the fierce conflict between a state's goals and the practices of actors who shape the social and moral order. In the specific context of the pandemic and spiraling inflation in Argentina, the reconstruction of this process reveals how it shaped a sense of moral superiority over the state and how this conditioned political expectations. The rise of the far right is rooted in this fierce conflict between society and state, a conflict exacerbated by Covid-19 and rising inflation that has shaken the very pillars of democratic rule.

## Endnotes

- 1 I would like to thank Marcin Serafin for his insightful, enriching comments on a draft of this article. All errors, of course, are my own.
- 2 The center-left coalition won the presidential elections of 2019. Though quite similar to other progressive governments across the region (such as Lula da Silva's Workers' Party in Brazil), the Alberto Fernandez administration owed much to its vice-president, Cristina Fernandez de Kirchner, who herself has served

- two terms as president (2007–2011 and 2011–2015). It followed the center-right coalition that governed from 2015 to 2019, inheriting an enormous foreign debt and an annual inflation rate of 54%. In 2021, midterm elections were held for 50% of all congressional posts.
- 3 *Yerba mate* or simply *mate* is an herbal tea served hot or cold in a gourd. It is a popular and traditional beverage in Argentina, Paraguay, and the south of Brazil.

## References

- Bárcena, Alicia. 2021. "Financing for Development in the Era of COVID-19 and Beyond." Presentation. Launch of Special COVID-19 Report No. 10 by the ECLAC (Economic Commission for Latin America and the Caribbean), Santiago, Chile, March 11.
- Bourdieu, Pierre. 2012 *Sur l'État: Cours au Collège de France (1989–1992)*. Seuil: Paris.
- Del Rio, Ana, and Gary Young. 2008. "The Impact of Unsecured Debt on Financial Pressure among British Households." *Applied Financial Economics* 18 (15): 1209–20.
- Fourcade, Marion. 2017. "State Metrology: The Ratings of Sovereigns and the Judgment of Nation." In *The Many Hands of the State. Theorizing Political Authority and Social Control*, edited by Kimberly Morgan and Ann Shola Orloff, 103–30. Cambridge University Press.
- Gonzales, Felipe. 2020. "Micro-credit and the Financialization of Low-income Households." In *The Routledge International Handbook of Financialization*, edited by Philip Mader, Daniel Mertens, and Natascha Van der Zwan, 301–11. London: Routledge.
- Heredía, Mariana, and Claudia Daniel. 2019. "The Taming of Prices: Framing and Fighting Inflation in the Second Half of the Twentieth Century in Argentina." In *Economic Sociology: The European Electronic Newsletter* 20 (2): 6–14.
- INDEC (National Institute of Statistics and Censuses). 2021. "Índice Precio al Consumidor." Vol. 6, No 1, December 2021
- Infobae. 2023. "La Argentina termino cuarta inflación del mundo." *Infobae*, January 23. <https://www.infobae.com/economia/2023/01/13/la-argentina-termino-con-la-cuarta-inflacion-mas-alta-del-mundo-en-2022-detras-de-venezuela-zimbabue-y-libano/>
- Linhardt, Dominique. 2012. "Avant-propos: Épreuves d'État: Une variation sur la définition wébérienne de l'État." *Quaderni* 2 (78): 5–22.
- Lusardi, Annamaria, Peter Tufano, and Daniel Schneider. 2011. "Financially Fragile Households: Evidence and Implications." NBER Working Paper No. 17072. <https://www.nber.org/papers/w17072>.
- Parasecoli, Fabio, and Mihai Varga. 2023. "War in the Ukrainian Fields: The Weaponization of International Wheat Trade." *Economic Sociology: Perspectives and Conversations* 24 (2): 4–12
- Tilly, Charles. 1999. "Power: Top Down and Bottom Up." *Journal of Political Philosophy* 7 (3): 330–52.
- Tilly, Charles. 2008. *Credit and Blame*. Princeton: Princeton University Press.
- Tumini, Lucia, and Ariel Wilkis. 2022. "Cuidados y Vulnerabilidad financiera. Un análisis a partir de la Encuesta Nacional de Endeudamientos y Cuidados (ENEC) en la Argentina." Documentos de Proyectores, ECLAC (Economic Commission for Latin America and the Caribbean). [https://repository.eclac.org/bitstream/handle/11362/47937/S2200223\\_es.pdf?sequence=1&isAllowed=y](https://repository.eclac.org/bitstream/handle/11362/47937/S2200223_es.pdf?sequence=1&isAllowed=y).
- Wilkis, Ariel. 2017. *The Moral Power of Money. Morality and Economy in the Life of the Poor*. Stanford: Stanford University Press.
- Wilkis, Ariel. 2018. "Quand l'argent vient de l'État: Hiérarchies monétaires et antagonismes moraux dans la politique d'assistance aux classes populaires argentines." In *État et société politique*, edited by Bruno Karsenti und Dominique Linhardt, 258–310. Paris: École des hautes études en sciences sociales (EHESS).
- Wilkis, Ariel. 2021. "Vulnerabilidad financiera de los hogares en contexto de pandemia. Región AMBA." Panel cualitativo sobre endeudamiento de hogares en contexto de pandemia (Región AMBA y Santa Fé, 2020–2021), Informe técnico, Consejo Nacional de Investigaciones Científicas y Técnicas (CONICET), Buenos Aires, Argentina.
- Wilkis, Ariel. 2023. "Viviana Zelizer's work as inspiration for a public sociology of money." *Journal of Cultural Economy* (3/16). <https://doi.org/10.1080/17530350.2023.2189148>.
- Wilkis, Ariel, and Florencia Partenio. 2023. "Care, Money and Gender." *Canadian Review of Sociology*: forthcoming.
- Wilkis, Ariel, and Esteban Foulkes. 2022. "Política y humor social cuando los precios vuelan." *Revista Anfibia* (8/11). <https://www.revistaanfibia.com/inflacion-record-politica-y-humor-social-cuando-los-precios-vuelan/>.