

Salvadorean Refugee Women and Employment Creation Programmes in Costa Rica

by Tanya Basok

As decades of political repression had by 1980 culminated in a full-scale civil war in El Salvador, thousands of its victims fled the country in search of haven. Costa Rica was viewed as one of the most politically stable and non-repressive countries of Central America and therefore many Salvadoreans asked this country for asylum. At the end of 1980, there were more than 2,000 refugees in Costa Rica and by March 1981, the figure had risen to over four thousand. Between 1980 and 1983 an average of 9,000 refugees per year arrived in Costa Rica.

As early as the end of 1980, the Costa Rican government realized that the alarming flow of refugees was not going to stop and that new measures had to be adopted to attempt to integrate refugees into the economic structure of the country. In order to protect national labour, it was decided not to allow refugees to compete for wage labour jobs. Instead, a program designed to create small and medium-size urban and agricultural businesses for refugees was introduced. The Costa Rican Red Cross was put in charge of programme implementation. The funds for this programme were to come from the United Nations High Commissioner for Refugees (UNHCR). Later on, a number of other voluntary and government agencies assumed the responsibility for refugee resettlement and started implementing refugee projects.

More than half of the implemented projects for refugees have failed. In 1986, during seven months of research, the author was able to locate and interview members of sixty-seven small urban projects for Salvadorean refugees. When the average income earned by women in projects is compared to that of men, some significant differences are noted. While men earned on average 7,284 colones per month, women were earning only 5,438 (1 Can.\$ = 27 colones in 1982, 40 in 1986). How can this be explained?

The answer can be found in the difference between two employment creation programmes and the sex distribution within them. At the end of 1980, the Costa Rican government, in cooperation with the UNHCR, adopted a "durable solution" model of refugee resettlement. Under this programme, small and medium-size businesses of a predominantly collective nature were established. Apart from contributions for machinery, tools, furniture, etc., agencies used

to pay the salary and rent for the first few months until a project reached self-sufficiency. Refinancing and technical expertise were offered along with some short training and business administration courses. The initial investment per capita was 63,723 colones. When refinancing is taken into account, the total investment per capita becomes 73,208 colones. At the same time, more than half of these projects failed. Those businesses which survived, lost about half of their members. Therefore, it was decided that the programme was very cost inefficient and had to be replaced.

The new programme to replace the "durable solution" projects was called "local settlement" and was to be administered by a government agency funded by the UNHCR. Under this programme, some refugees received small domestic sewing machines and ovens as well as raw materials, some received tools and raw materials and others just raw materials. The average investment per beneficiary was 13,855 colones. No assistance with initial salary or rent was provided; nor were technical assistance or refinancing schemes made available. The beneficiaries of the "local settlement" programme were expected to work at home.

Sex distribution of the projects for Salvadorean refugees is the following: there are thirty-seven projects which include only men, twenty-three which include only women and seven which are mixed. Out of the thirty-seven projects for men, twenty-three are "durable solution" projects and fourteen are "local settlement" ones. For women's projects, the reverse is true. The majority (sixteen out of twenty-three) of the projects are "local settlement" ones and only seven businesses were established through the "durable solution" programme. All seven "mixed" projects were implemented through the "durable solution" programme.

Few women joined the "durable solution" projects because most of these projects were of a collective nature. Project members were expected to rent a place where all of them could work together. Women who had small children could not accept this arrangement. Day-care facilities were scarce in Costa Rica and, when available, it was so expensive that a woman's salary generated in a project at times was not sufficient to pay for it. For this reason, many women with small children preferred staying at home while receiving the UNHCR emergency aid.

In 1985, the UNHCR assistance was discontinued for Salvadorean refugees in Costa Rica and, as a consequence, all refugees who were still receiving aid were expected to integrate themselves into the labour force. The "local settlement" programme enabled women to engage in some productive activity while taking care of their children.

Most of the women in the programme were given a sewing machine or a stove. Some major problems arose. First, it was assumed that all women could sew or bake. However, it turned out that their domestic skills were not sufficient to make their businesses work well. Second, the machinery was inadequate. The average investment in machinery per "durable solution" project was 38,650 colones, while in the "local settlement" programme it was only 11,300 colones. The sewing machines and stoves given to Salvadorean women were suitable for poor quality domestic production, which made it difficult for the beneficiaries to compete in the market.

Third, when "durable solution" projects were implemented, the first few months of rent were paid for them. That gave participants an opportunity to find a location in a relatively good neighbourhood. When the assistance was cut off, they had already had a chance to establish a clientele and could then continue paying the rent on their own. The "local settlement" recipients, on the other hand, who had mainly survived on the UNHCR assistance and some occasional jobs, lived in low-income houses in poor neighbourhoods. The "local settlement" programme did not offer them any opportunity to move out of their neighbourhoods as no assistance with rent was offered. Although these small producers saw their location as an impediment to the survival of their business, they nevertheless did not want to take the risk of moving out of an inexpensive house. Their clients therefore were mainly low-income people who did not generate a sufficient demand for custom-made goods and paid little on credit.

While all this may not create a problem for refugee women whose husbands also earn an income, the situation of single mothers is truly desperate, as they cannot support their families on what they earn from the "local settlement" programme. It is these women who need more institutional support.

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