

DEPENDENCE OR WORK

The Work World
and Its Alternative
SUMMER

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by Art Simon"

DEPENDENCE

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Culture of Dependency: Does it Hold People Up, Or Hold Them Down?

By Armine Ghukasyan
Sevan Newspaper

The eight people in 70-year-old Rosa Gevorgyan's family have been collecting family benefits for so long, they can't remember when they were last able to support themselves.

"We have been getting "Paros" from the state for many years, and are hardly able to make both ends meet," she says. "There's one disabled person in my family, another member of my family is mentally impaired, there are pensioners too and one of my grandchildren already serves in the army. None of us works. Speaking of jobs: where are these jobs? Its good that at least the state gives us the benefit."

Armenia's social benefit system, started in 1999, aimed to improve the living standards of the country's poorest families, particularly those with many children, pensioners or disabled family members, as well as families with few economic opportunities.

But is this benefit keeping people impoverished, rather than helping them out of poverty?

Some of those registered in the program strive to get benefits even when the payments are only at the subsistence level. While some of these families are legitimately collecting benefits, others avoid work or hold jobs they don't report to keep their benefits as a supplement to their income. There are families who have property, vehicles, and even businesses, but these are registered using other people's names, so the "legitimacy" of the system is preserved.

"Even those living in good conditions think that the social benefits equal a pension and why shouldn't they collect them. Some people prefer to settle for the social benefit, rather than rely on a job," says Armenuhi Nadaryan, a social worker from the Sevan social service department.

Next to Yerevan, Shirak and Lori regions, which have the largest populations in the country and include the 1988 earthquake-damaged areas, the Gegharkunik region that includes Sevan has the largest number of families collecting benefits, as well as one of the country's highest unemployment rates.

In Sevan and the surrounding villages, since June of last year, the number of families who registered for benefits is 2,700, of

which 1,896 receive social benefits - or about 8,500 people. Of those families collecting benefits, 42 percent have been collecting assistance for more than five years. Sevan social service department officials say that these families have been able to survive with the monthly family benefit as their only stable income.

The rest of the families, though they have an income like a salary or a pension, are still poor enough to qualify to collect benefits. Those families generally stay on social assistance for a shorter period, around one or two years.

"When the program was first started, the number of people in Sevan seeking benefits was much larger but since then the number has declined over time and stabilized in 2004 and 2005," said Artak Vardanyan, head of the social services Sevan branch.

"First people would apply expecting to get "what they deserve" from the state," he explained. "Later the clarification of the criteria helped people see it's not up to the social service or social workers to set the minimum income level for becoming a beneficiary. Families with several teenagers, people belonging to different vulnerable groups and where the family members are only pensioners are included in the list of those poor enough to qualify for the benefit."

Unemployment and low wages are one way for families to qualify for social benefits. Yet many families, particularly those with teenage children who can collect their own benefit for being unemployed, use the benefit to supplement wages earned by working family members, particularly in low-paid state professions such as education and health.

"People seek the most convenient option," says Lyuba Bareghamyan, another Sevan social worker. "The mother of teenage children who is a teacher by profession and her salary is 43,000 AMD (\$142) per month preferred to leave her job and be included in the list of social beneficiaries thus receiving 40,000 AMD (\$132), she can then work in a private company where she doesn't report her income to the tax authorities, thus becoming a shadow employee."

The issue of shadow employment complicates the situation,

and is a problem not only in Armenia but in most welfare states in the world. Because of the large number of people not reporting their income to the state tax authority, the real poverty line becomes distorted, marring the accuracy of defining who is truly poor. According to statistics, the accuracy of Armenia's poverty line is about 67-70 percent, which is considered to be a positive indicator. It doesn't surpass 80 percent anywhere in the world.

By narrowing the income criteria, the state has become more successful at identifying who is truly poor and has removed some people from the list of beneficiaries. But this leads to confusion about who is actually eligible for the benefit.

"It's difficult to define the poverty line when the true indicators are hidden," says social worker Nadaryan. "At first sight the applicants meet the criteria but sometimes it's tricky. The lack of information about who really should participate in the program also plays a big role."

There's a certain group of people who are accustomed to being identified as poor and do everything they can to maintain their status as beneficiaries, social workers say.

"I don't think it's humiliating to be a beneficiary. Today rich and poor people try to do everything they can to stay in the system," confesses one such beneficiary, who asked to remain anonymous.

"There are five of us in the family," she says. "There was a time when the only source of income for our family was the benefit. Three years ago my husband left to work abroad, because there was no other way to survive. It's already been two years and my family's income has increased. I have two teenage children and one student, and I am not employed."

Attitudes to social assistance have changed over the years, says Vardanyan, but some people who collect assistance over a long time period still feel entitled to the benefit, regardless of their income.

"At first, people would say, "give us a job so we don't have to apply to the program." Later, a group of people developed a different approach: if the state gives money, we should take advantage of it. Pensions and salaries rise, children become adults in families with many members,

people find jobs, i.e. they maintain their participation in the program for rational reasons. And yet, even in the abovementioned cases they don't recognize the fact that they can no longer be beneficiaries. They have had the status of social beneficiaries for 7-8 years and it has had psychological consequences" he contends.

Marine Avetisyan, a psychologist by profession, says the roots of the culture of the dependence on social benefits stems from a lack of opportunity in the marketplace for families to truly earn enough money to support themselves. She says that maybe the loopholes in the benefit management might also be the reason for the dependence.

Strategic programs for fighting poverty have been and are being worked out in Armenia. In 2004 6.4 percent of the popula-

tion were among the poorest people in Armenia, while in 2005 it dropped to 4.6 percent, and during the same years the number of poor people dropped from 34.6 percent to 30 percent, respectively. This improving trend should have a direct impact on the system of family benefits by unburdening it and making it more accurately targeted, say those who work in the system.

"A very interesting process has started. We have supporters who want to clean up the lists, including those who really need benefits," Nadaryan says. "People themselves have taken up the role of informing. The function of social workers is also of importance. We are determined to target families that meet the existing criteria and to strengthen the focus of social assistance on only the extremely poor households."

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Ignored Majority

High Posts Are Still Unavailable to Women

By Gayane Abrahamyan
ArmeniaNow.com

"In my opinion, politics is for men."

This statement doesn't come from a man. The words are uttered by Hasmik Poghosyan, who as culture minister is one of the few women to ever hold a minister-level position in Armenia. As such, they highlight the depth of the gender divide in Armenia - most particularly, the glass ceiling that prevents women from advancing to higher-level management positions both in government and business.

Women may make up 52 percent of the population in Armenia, but the public and private sectors suggest a gender inequality pyramid, the higher you move up the fewer women are present. In parliament, women constitute a mere nine percent of parliamentarians (Iraq and Nigeria boast higher percentages).

During the 16 years following independence only three women have held positions as ministers and for rather short periods, while today, out of 17 ministers only one is a woman. Only one woman, recently appointed, serves as a regional governor in Shirak, while the position of the mayor has never been held by a woman.

Only at the local level has there been some movement, and the gains are small: in 2006 only 16 women were entrusted to manage a village, nowadays out of 866 villages, 27 have female heads.

The public service system also takes the form of a gender pyramid - only eight percent of women fill the roll of highly positioned deputy ministers. Among the mid-level managers, such as staff or department heads, women represent only 21 percent, while the pyramid is based on female labor: in the lowest paid non-managerial posts, women represent 62 percent of the workers.

Business is also a male monopoly. Entry to that sector is as hard for women as big politics.

Despite the fact that the number of high-level female business executives in industry has grown by 22 percent, they still represent only three percent of the upper echelons of management. On the other hand, the representatives of the so-called "weaker sex" are more successful in small cottage industries and family businesses, where their involvement reaches 55 percent.

The biggest obstacle blocking women's involvement in managerial positions is the traditional division of women and men's roles,

"During the Soviet times women were encouraged, but nowadays what oligarch would ever want to see his wife or his daughter as the director of his company? No one."

Gohar Enoqyan,
Parliamentarian, Manager of
Spring Clothes Factory



"The fewer women there are, the more totalitarian rule in the country, while if women are more involved in the legislature and executive branch, the country becomes less force-controlled."

Larisa Alaverdyan,
Parliamentarian for Heritage
Party, former Ombudsman



"The insecurity of women accounts for the security of men. Women themselves study female leaders closely, and very often men's activities are forgiven, while one tiny mistake of a woman becomes fatal."

Hermine Nalghdalyan,
parliamentarian,
PhD in Economics



say women in business and in the NGO field.

"Family education, the vast difference between the roles of girls and boys doesn't let women go further than men later in life and very often even women themselves trust men more," says Lilit Avetisyan, director of the NGO Women's Forum, who is also the director of the AL Tandem Real Estate Agency.

The courage to break the double standards and break the "glass ceiling" isn't enough to allow success, eventually social and economic problems follow, according to the few women who have succeeded.

"Women have serious potential, but they don't have the financial means at their disposal, getting to the top in business or poli-

tics requires huge financial investments," says Parliamentarian Gohar Enoqyan, an experienced business woman both during soviet and modern times.

Enoqyan has managed the Spring Clothes Factory for more than 30 years, and she started her path to the director's position from a bottom managerial post: as a department product expert. Raising her son didn't stop her from having a successful career.

"During the soviet times women were encouraged, but nowadays what oligarch would ever want to see his wife or his daughter as the director of his company? No one," assures Enoqyan: "And those women who have the potential don't have economic capacity."

Though women enjoyed more equality during the soviet era due to policies requiring women be represented equally in politics and business, many historians and academics call these gains "artificial." The moment the Soviet Union collapsed, the policy of emancipation vanished, leaving women to face a backlash of conservatism in both their personal and professional lives.

The severe social problems generated during the post-Soviet period had two opposing effects on women. On the one hand, it created women who are more flexible, who find ways of supporting their families and surviving, one of the most common being retail trade. Today women are involved by 35 percent in that sector.

On the other hand, women are widely abused and mistreated in the workplace.

"Women are the first victims of economic changes. They not only face discrimination when being employed, but are also paid two times less," says Irina Arakelyan, senior expert of the National Academy of Sciences Institute of Philosophy, Sociology and Rights.

Perhaps it's consoling that Armenian women are not the only ones to face prejudice in the world. Globally, on average, only 17.7 percent of all parliamentary positions are held by women, while only five women are the head of a country. In the US, democratic voters recently chose a younger, less experienced man over a more experienced woman to run for president this November.

"Men create the myth that politics are not of interest to women and that being in politics is not a woman's business. This is a well accepted ideology," says Jemma Hasratyan, the founder and director of the Women with Higher Education Association (AWHE).

Though Armenians vary in how comfortable they are with female leaders, practically speaking, the country is far from ready to see specific women in leadership roles. A survey conducted by the International Republican Institute through Gallup in 2007 suggested that the vast majority of Armenians - 68 percent - believed that women shouldn't be involved in politics. But a social survey conducted in 2006 by Hasratyan's organization showed that 60 percent of men and 83 percent of women approve of women's involvement in politics and 64 percent of women and 43 percent of men expressed willingness to vote for a female presidential candidate. These numbers exceed those of three years ago.

But in that same survey, when asked if their sister or mother should run for office, more than half of the respondents - 55 percent - said "no."

According to those surveyed, among the obstacles in women's progress in the political sector, the biggest problem (30 percent) is credited to the traditional mentality.

The executive director of AWHE, Lilit Zaqaryan, says that male and female stereotypes are firmly rooted in society.

"A voter, seeing two unfamiliar names of a man and a woman on the ballot, automatically checks the man. Not because he is jealous or against a female candidate, but simply because in his sub consciousness he admits only males as politicians," says Zaqaryan, who also has a PhD in History.

Hermine Naghdalyan, doctor of economics, who has been an elected parliamentarian for 13 years without a break, came into politics from business and sees women themselves on the list of obstacles.

"The insecurity of women accounts for the security of men, women themselves study female leaders closely, and very often men's activities are forgiven, while one tiny mistake of a woman becomes fatal," says the mother of five children Nalghdalyan, stressing that her secret of success is support and encouragement from her family.

Among the obstacles surveyed people mention corruption in politics in the second place (15.5 percent), suggesting the oft-heard refrain that women are too "good" to be playing in the corrupt political and business fields.

Member of Parliament Larisa Alaverdyan stresses that it is not national stereotypes that drive women out, but a non-democratic government.

"That is understandable: the fewer women there are, the more totalitarian rule in the country, while if women are more involved in the legislature and executive branch, the country becomes less force-controlled," says Alaverdyan, the former Ombudsman.

The political patriarchic tradition was broken by the 'most feminist' fraction of parliament, the 'Heritage' party, where three of seven parliamentarians are women, while the largest ruling Republican party has only two women out of 64 people serving in parliament.

"It is impossible to achieve democracy without giving a voice to half of the population," says Heritage leader Raffi Hovhannisyan.

Big Families, Poor Families

"If we had the money, we would buy bread..."

By Naira Bulghadaryan
Civil Initiative newspaper
ArmeniaNow.com
Vanadzor Correspondent

The ten members of Styopa Khachatryan's family live and sleep in a one-bedroom container, the temporary homes used in Vanadzor during the 1988 earthquake that now are home to the country's poorest people.

The devastated, half ruined containers (shelters), in the so-called front yards of which the inhabitants dry their laundry, speak volumes about the abject poverty of the owners themselves.

"My wife and I sleep in this one, and my son and daughter-in-law sleep in the other one," says 50-year old Khachatryan, describing the commodities of his house.

Their daughter with her little son take up the corner that is separated from main the room by a curtain.

His wife, Lena Shestakova is 43 years old. She has delivered 10 children - five boys, and five girls.

The pension and the family benefit are the only sources of income for the family, which total at 50,000 AMD monthly (\$161). "The money doesn't even make it home, by the time we pay the debts at the post office and continue adding up the list of debts there is nothing left," says Khachatryan.

The husband doesn't have a permanent job. Last year he quit his guard's job, justifying the decision with the statement that 16,000 AMD (\$52) is too low of a monthly salary. He says that the job was not suitable for him; it would take up the whole day, he wasn't able to spend time with his family, at the same time he had mental health issues and prefers to work with a more open schedule. In spite of health issues, his married son and he earn money by working temporary construction jobs.

To promote population growth, the government of Armenia supports families with many children, and in fact has designed benefits that primarily encourage poor families to have more children. Last year, the government began paying families a lump sum of 200,000 AMD (\$660) for the birth of a third child, which was increased to 300,000 AMD (\$990) this year.



Third-baby benefits designed by the government to boost population may be motivating poor families like the Khachatryans (pictured above) to have more children than they can afford.

Though the government ultimately plans to make this benefit available to all families, right now, only people collecting family benefits, and those that just barely missed qualifying for the monthly social assistance program are getting the money.

But that's not all. Having a teenage child, especially when there are many of them in a family, is the best precondition for the family to be included in the

family benefits program. The more teenage children a family has, the more points they get to be included into the list of beneficiaries. In the total sum of the benefit, the portion allocated for each child is 5,000-7,500 AMD (\$16-25) per month.

But is the government, by only supporting the poor to increase the birth rate, indirectly taking part in the process of pushing these families more

deeply into poverty?

Last year, out of the roughly 123,800 families who collected family benefits in Armenia, 80 percent of the beneficiaries are families with children between the ages of 2-18. Statistics also show that the larger the family, the poorer the family. Nearly half of the families with seven or more members are among the poorest in Armenia.

Vanadzor, where the Khachatryans live, is only part of the poverty picture of the country. In Vanadzor, 12,000 families are included in the program of family benefits, about ten percent of total number of beneficiaries nationwide.

"I have met few socially secure families that have had a third child," says Narek Sargsyan, head of the protection of children's rights in Lori Marz.

With every newly born child, the Khachatryan family's poverty has deepened.

"If I had a way to protect myself from getting pregnant, I wouldn't have this many children," confesses Shestakova, who has never had an abortion.

The couple says they never intended to have so many children, especially when they consider the challenge of affording bread.

"What condoms? If we had the money, we would buy bread," she says.

Their first four children, who are already adults and have their own families, are still supported by their parents. Two of the sons are married and live in Russia with their families.

With the fifth and sixth children's birth, the expenses grew and not being able to take care of them, the parents sent them to an orphanage.

Styopa and Lena's next school-aged sons (children seven and eight) don't have a place to sleep at home. Though their mental capacities are normal, not being able to take care of them either, their parents sent them to a school for children with mental disorders. "The children sleep at the school, and "they dress and feed them there too," explains Lena.

Two year old Mariamak (child number nine), who lived with the family in the container, fell into the river last summer and drowned.

The last time Lena delivered a baby was a year and a half ago. She gave birth to Marianna (child number ten), who has a blood disease. The Khachatryans need about 21,500 AMD (\$70) for her treatments, but they don't have it.

"The hemoglobin in her blood is very low; local doctors have asked me to take her to Yerevan, but there's no money for that either," says Lena.

Pension Increase Leaves Thousands Worse Off

By Gayane Mkrtchyan
ArmeniaNow.com

Every night, 50-year old Sonya Vardanyan wishes that the sun wouldn't rise the next day. Her reason for that wish: what will she cook to be able to feed the 11 members of her family?

So when she heard that her elderly mother in law and 64-year-old wheelchair-bound sister-in-law's monthly pensions would increase by four times in January she naturally anticipated some relief.

Instead, she now receives 3,000 AMD (\$10) less than before - this represents the cost of ten days worth of bread. That's because, when combined, the 8,000 AMD (\$26) per month raise each pensioner received pushed the family's income too high for them to continue to receive family benefits assistance - causing them to lose roughly 11,000 AMD (\$36) a month in family benefits.

"All of the members of my family are unemployed. I have three teenage grandchildren. Before, we were barely able to make both

ends meet. Now we don't receive any family benefit at all and I am completely without hope. I don't understand, what people like us are supposed to do? What; they think that because they raised the pensions a little bit that everything is fine now?" said Vardanyan, with not a single spark of hope in her tired pain soaked eyes. She doesn't believe that a time will come when, like others, their family will be able to lead a normal life.

The Vardanyan family is one of thousands of families who were cast out of the family benefits program by the new "pension increase" - what appears to be an unanticipated negative effect of a well-intentioned pension reform program. The social reforms carried out by Armenia's government this year were notable for their unprecedented quadruple increase in pensions.

For many, the increase was a blessing. A pensioner couple from Yerevan, 61-year old Anahit Harutyunyan and 70-year old Aramays Martirosyan, are doing better after the pension increase in spite of all the difficulties. Anahit

now receives 15,000 AMD (\$50) instead of 8,000 AMD (\$26), and Aramays gets 36,000 AMD (\$118), instead of the 26,000 AMD (\$86) that he got before the raise.

"Of course we feel the improvement in our everyday life. We live alone, without our children, and can take care of our expenses ourselves. Wouldn't it be better to simply have the state grant some advantages to the pensioners, such as discounts for public transportation or for communal expenses," Anahit says.

The head of the social security department of Armavir marz, Seyran Karapetyan, says that the pensioners complain mainly because of the increase of prices in the country.

"As a result of high prices, the pension that they used to get is equal to the pension they receive today. But one thing is a fact: the pensioners are content today as well," Karapetyan says.

According to the National Statistic Service of Armenia, in 2007 there were about 530,000 pensioners in the country, roughly one quarter of the population.

Today, the average pension is 21,200 AMD (\$70) compared to 12,700 AMD (\$42) in 2007, 10,900 AMD (\$36) in 2006, and 9,800 AMD (\$32) in 2005.

The head of the local social service agency in Echmiatsin, Hrach Avetisyan says that he has seen many of the families who lost their benefits as a result of the pension increase applying for urgent aid. However, the urgent aid fund which is only 8,000 AMD (\$26) every three months - is not even close to enough money to recover finances for the families who have lost their benefits.

According to the ministry of employment and social affairs, the government does not intend to create any support programs for families like the Vardanyans.

The Galstyan (not their real name) family from Sevan has taken an extreme step to be able to stay on the list of beneficiaries - by petitioning the court for a separation. The grandfather's pension has increased from 22,000 AMD (\$73) to 34,000 AMD (\$112), and the grandmother's pension has increased from 24,000 AMD (\$80)

to 36,000 AMD (\$119). As a result of the increase, the family lost about 17,000 AMD (\$56) per month in family benefits.

"The only option I had was to turn to the court with a request to be separated from my parents. Their pensions have increased but that doesn't mean that I got employment; how will I support my kids?" their son says.

In the end, the court obliged and divided the family. Today, the two families live "separately" in the very same four-bedroom apartment. In June, they not only recovered their benefit but they increased it up to 19,000 AMD (\$63).

But for most families, using the court is not an option and the benefit is simply lost to them.

"Ok, wasn't it possible to arrange the pension increase in a way that wouldn't hurt families like us? Is it easy to support an 11-member family, when no one in the family works? Wherever you turn, everyone claims to be a subordinate. Who will fix this mistake then?" questions Sonik Vardanyan.

Are "Lonely Mothers" Really Lonely?

By Armine Kocharyan
Erkir Media TV

In many ways, Suren and Hasmik and their son are a normal family.

The middle-class couple - he works in retail, she is a college professor - have been together since they started dating 20 years ago. They live with their 16-year-old son in Yerevan.

Yet their union is not registered by marriage documents, for one reason: Hasmik has found it easier to collect family benefits under a program designed to support the very poor as a so-called "lonely" or unwed mother. Registering their marriage would cause them to lose the 15,000 AMD (\$50) per month that she currently collects for raising her son "alone."

"This not only helps us with our income. It has the added benefit of helping to keep our son out of the army," says Hasmik.

This year, about 11,800 "lonely" mothers will collect benefits in Armenia, making up about nine percent of the total number of beneficiaries. These women, officially, earn the title "lonely" because they have children who have no fathers listed on their birth certificates.

These "lonely" mother beneficiaries are especially prevalent in the marzes, notably in, Armarvir Mars, which stands out as the area with the largest number of lonely mothers per capita. Not registering marriages has become a part of the local culture here and the advantage of being a lonely mother is spread with the "kind advice" of the neighbors, according to Astghik Avagyan, lead specialist in the benefits department of the employment and social affairs ministry."I

think that people have to take this path because of their social conditions," she says. "A psychological imperative has been established that they should do anything possible to get at least something from the state."

But the picture is not only true in the marzes. There are many cases like this in the capital too, but with one difference: while villagers will openly admit to a social worker that they intentionally haven't register marriages, in Yerevan people are more inclined to hide the practice.

"Social workers tell interesting stories," says Avagyan. "Once a social worker told me that she visited a single mother's apartment in Yerevan, and noticed men's clothes hung in the room. When she asked who those clothes belonged to, the so-called "lonely mother" answered that they were for the guests."

Though there may be a short-term advantage to collecting benefits as a lonely mother, Armine Tanashyan, head of the women's issues department at the ministry of social affairs, warns of several consequences - most of which affect only women negatively.

"For instance, if couples separate or split up, women don't have the right to demand anything from their husbands; they cannot even apply to the court," she says. "Without having documented proof about the marriage, the wife can't demand anything from her husband - not even her living space."

To address this problem, Avagyan suggested the ministry pay 200,000-300 000 (\$660-\$990) lump-sum as a motivation for couples to register their marriage. But this



"Some so-called "lonely mothers" won't register the father's name on their child's birth certificate to be able to collect monthly social assistance. But is this practice a destructive self-fulfilling prophecy, leaving mothers unprotected further on down the road?"

policy was rejected after some discussion, she said.

When informed of this offer, Suren and Hasmik the couple found the idea interesting and exciting, and said they would give up their monthly 15,000 AMD (\$50) if

the policy was adopted.

"We would be the first among those registering their marriages," says Hasmik. "Because what is the guarantee that the benefits system will work with the same principles in the coming years?"

Does Money Love Men More?

Women Still Don't Get Top Jobs, Top Pay

By Karine Asatryan
www.a1plus.am

Walk into any bank and you'll see mostly women working there.

But while educated women have made gains in the highly paid financial sector, with more than 53 percent of them now filling available jobs, they still don't get the top jobs or the highest wages, according to figures from the 2008 National Statistics Service.

In general, banking is one of the few professions in Armenia where higher education is commensurate to higher wages. Though Armenian women are more educated than men, holding more undergraduate and graduate degrees, higher education doesn't generally give them a competitive edge in the job market, nor does it increase their earning power.

"Our culture does not allow a woman to use her education and become a professional that earns more money or earns more than a man. According to statistics almost all upper-level positions are occupied by men because men are considered a family head and therefore should earn more," says gender expert Astghik Avetisyan, who formerly worked for the United Nations Women's Development Fund.

The highest paying sectors in Armenia are banking and other financial services with the average wage reported during the first three months of this year of about 240,300 AMD (\$800) per month, compared to a nationwide average of 85,700 AMD (\$285) per month.

Yet women are not advancing to positions higher than mid-level management. Women earn an average salary of 144,670 AMD (\$482) per month, compared to men, who earn an average of 282,170 AMD (\$943) per month.



In banking and finance, women have made some gains - but the top jobs and top salaries still go almost exclusively to men.

In the entire country, no senior position at the Central Bank or the other 22 commercial banks is held by a woman, while only two of 21 universal loan organization directors are female.

Armine Mkhitarian, 34, is an attractive woman who works as an assistant manager at a regional bank branch. After graduating from Yerevan State University, she began her career in the bank as an accountant and slowly reached her current position step by step. She feels that it is futile to even try to reach a higher position, though

she believes that her knowledge and experience would qualify her for a promotion.

"If there is a vacancy I need to carefully consider whether to put my candidacy forward or not," she says and explains with a smile. "I should take into account that I am a married woman living in a small town. While the new position carries with it more responsibility, additional working hours and (she laughs) a car with a driver it also means the presence of a strange man next to me all day long."

As odd as it may seem,

according to her, one cannot ignore the fact that this will cause a problem for a woman in the workplace especially when one is living in a small town outside of Yerevan.

According to Mkhitarian, she earns more than her husband. When her husband tried to get a job at the same office where she works he received the following answer: "Won't you feel bad knowing that your wife earns more than you?"

According to Mkhitarian, her husband has come to accept the fact that she earns more, though a

couple of years ago he would not have liked it.

While women involved in financial activities consider their wage to be more or less in line with their education, it's the exception to the rule elsewhere. In most sectors, such as healthcare and education, where people are required to have a high level of education women dominate the workforce but the pay is low. Women make up 87 percent and 83.5 percent of the workforce, respectively.

According to NSS data, those employed in these sectors receive the lowest average wages. In the first three months of 2008, those employed in the education sector received an average wage of 62,660 AMD (\$207) per month while those employed in the health care and social work sectors received even less, at about 50,000 AMD (\$165) per month.

Biologist Gayane Grigoryan, 32, is an assistant scientist at Yerevan State University. This fall after four years of hard work she is finally going to defend her candidate of science dissertation and receive her full degree. Currently, Grigoryan receives 20,000 AMD (\$66) per month and finds it laughable to consider that Armenia will offer her the opportunity to earn a salary commensurate with her education and efforts. Her colleagues, she says, earn no more than 50,000 AMD (\$165) per month. Few employers in Armenia require scientific research, so her options are limited.

"Biology is a science for rich countries. Unfortunately, Armenia is not the one and I feel that I must seek prospects abroad. Abroad you can earn money with your knowledge and live normally so after receiving my scientific degree I might go out of country because I like my profession and want to continue with that," she says.

Shadow Employment: Short-Term Gains, Long-Term Risk

By Karine Petrosyan
Pro Media Gender NGO
Women and Politics newspaper

Narine runs a hair salon out of her apartment and Anik routinely puts in 15-hour days baking bread, in a cramped, windowless room with 35 other women.

According to the Armenia's national employment statistics, neither of these women is considered employed. The data shows that women hold only 32 percent

of the officially recorded jobs in the country today. Yet take a stroll down the street, enter malls, shops, cafes and other service jobs. While you will mostly see women working, many of these "workers" - belong to a group categorized statistically as "informally employed," also known as the "shadow economy."

Because they are not registered anywhere, it's hard to know exactly how many people are working informally. Employment

statistics, which are collected similarly worldwide, are always accompanied by a "shadow economy" of workers who don't register their businesses or pay taxes on some earned income. But in transitional economies like Armenia, the number of people who work informally is much higher.

For women who have special vocational skills or training, working informally can be an advantage: they earn more because they don't have to pay taxes and their skills

are in demand. But for women who don't have higher education or particular job skills, they are more vulnerable to economic exploitation. These women often do hard, labor-intensive work, work long hours and earn low wages.

"Skilled people will never stay hungry," asserts Anna, who has worked out of her home as a tailor for the past 20 years. She is well known and has steady clients. A widow, Anna has managed to support two children, including paying

college tuition for one of them, on her salary.

"If I register my business, I will have to pay very high taxes," says Anna. "Why should I do that? What do I get from it?"

Both the experienced and the inexperienced benefit from working informally. Narine and Varduhi are young. Both in their twenties, they offer beauty services out of their homes - Narine cuts hair and Varduhi does nails.

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Divorced Women: The High Price of Freedom

By Tatevik Sargsyan
www.amnewsservice.org
Dependence or Work

45-year-old Shushanik (not her real name) said her marriage to a philandering doctor was so bad, even her neighbors said they would testify on her behalf when she finally divorced him after 20 years.

"All of a sudden the course of things made me realize that I am a woman, I am worth something and that I have to regain my self-esteem" she said. "But most importantly I felt confident about my choice only after I realized that I am financially independent and that I can afford to live alone and take care of my two kids."

It took her a long time to take the plunge, because Shushanik knew that as she captured some kind of freedom, she also agreed to carry the burden of supporting herself and her two children all on her own. And in Armenia, there is little support for women like Shushanik, who make up a small but growing portion of Armenia's labor force.

As the economy of Armenia has grown in the last few years, the divorce rate has also slowly inched up. If in 2002, 0.5 percent of marriages ended in divorce, by 2006, that number had doubled, leaving more and more single women to survive in the labor market. Experience shows countries that are better off economically have higher divorce rates, such as Sweden, who has among the world's lowest unemployment rates (about five percent) coupled with the highest divorce rate (nearly 55 percent). Does the increasing number of divorces in Armenia allow more opportunities for women, too?

Since the day of her divorce

Shushanik has worked in several places at a time in order to make ends meet. Currently, she teaches English as a college professor, works as a translator in the Constitutional court, freelances for NGOs, and also has a contract with OSCE as an international election observer. But that's not all: Shushanik also conducts private English lessons on week-ends.

She is not the only one: 67 percent of divorced Armenians who work more than a full day are women, while 87 percent of divorced people who work full time are again women, according to the Armenian National Statistics Service (NSS). The statistics show that many divorced women in Armenia like Shushanik have agreed to pay for their "freedom" with more and more work.

"It's really hard even though both of my children are grown up now, I have to pay tuition, I have to buy clothes and take care of all the household expenses. It's even hard for a husband and a wife to support a family together, leave alone a single mother," she says, yet adds, "I am thankful for the opportunities that I have now, I know a lot of women out there don't."

That may be true even for women with professional training, leaving them with few choices outside of the marriage, however unhappy. Anahit Sargsyan (not her real name), 54, the mother of three children cannot remember one happy day out of a lifetime spent with her husband, who has cheated on her and treated her very badly during their 31 years of marriage. But she has consciously chosen to endure what she openly calls "hell" because she can't afford to support her children on her own salary.



Divorced women in Armenia work longer hours than any other group, statistics show

A Yerevan high school chemistry teacher, Anahit works long hours at school and even has private lessons at home, but her total monthly income doesn't exceed 90,000 AMD (about \$300).

"The money that I earn wouldn't even be enough for me to rent a house and pay utility bills, leave alone to buy food and take care of other household expenses," says Anahit. "I love my children a lot and I realize that being a single mother I won't be able to provide the minimum for them. I love working, I am not lazy, but in our reality it's even harder for women of my age to find well paid jobs. Maybe if I knew English, I could have a better chance, but I am a chemistry teacher."

The trouble is that Armenia reports that only 1.09 million people - less than 50 percent of the population - are actively employed. Less than half of those, only 41 percent are women. Those who are employed are most actively engaged in the education (83.5 percent) and health sectors (87 percent), among the country's low-

est paid professions at 35,000-44,000 AMD (\$115-\$145), according to the NSS statistics.

But the official employment figures, which register only those people who are reporting to the tax office, are only part of the story. An immeasurable number of people are informally employed, many of them women in the service and trade industries. Women with no specific job skills are often exploited, working long hours for low wages: minding stalls or shops, serving in cafes or cleaning office buildings, for example (See "Shadow Economy" story on Page 6 for more details).

For some women, divorce means not only losing a spouse, but also losing their living space if they've moved into their husband's apartment. With housing prices and inflation soaring, the monthly rental cost of a one-bedroom flat is about 65,000 -120,000 AMD (\$214-\$396) per month in Yerevan, or up to 25,000 AMD (\$82) per month in Vanadzor or Gyumri. That's an extra expense for an already tight budget.

In Armenia, where the divorce rate is lower compared to 39 other countries in the world, statistics show that nearly a quarter of all divorces happen after 20 or more years of marriage. This also corresponds to the employment rate, where women in their forties are more likely to be employed than women in younger age groups.

For pioneers like Shushanik who do decide to divorce, there are few places to turn to for financial support. Many of these women may earn little enough income to qualify for family benefits monthly assistance, but even if they are eligible and do become beneficiaries, the 5,000-7,000 AMD (\$16-\$23) allocated per child and the basic amount is not enough to even cover the rent of a flat or buy food for kids.

If there are hardly any organizations that support divorced women financially, there are a few that support women psychologically. "Ayg" Psychological Association reports that 40 percent of their visitors are either divorced women or women at the edge of divorce, while independent psychologist Lyusia Badiryan says 20 percent of her clients are divorced women.

"The vast majority of these women are the initiators of the divorce," says Badiryan. "One of the main causes of divorce is women trying to remain independent in the marriage, and men having problems with that."

But regardless of the support available to divorcing women, the challenges are immense.

"Once again I am thankful that I support my family, but the price I pay is too high," says Shushanik. "My mother went through the same and her health became so poor with years that she died at the age of fifty."

Young Women Left out of Job Market

By Tsaghik Grigoryan
H2 TV

When she interviewed for a job, the local tv station told 21-year-old Armine Hovhannisyanyan that she was not hired as a tv host because she had one crooked tooth.

But her rejection came, she says, only after Ms. Hovhannisyanyan revealed to the interviewers that she wasn't married and therefore had no children. On her way out of the studio, she noticed a 35-year old female tv host who had not one but two rather noticeably crooked teeth.

"We look for young, good-looking girls (20-30 years)...", one can see this kind of announcement more often in print and on TV, and it leads to the perception that the

job market is hungering for young women. However, the statistics show that these "offers" either stay unanswered, or that these are not decent jobs.

In fact, national employment data shows that young women between the ages of 20-29 hold just seven percent of the country's officially recorded jobs, compared to the 16 percent held by young men of the same age. While the number of women in the official job market never exceeds that of men, the group of women most employed is older, between the ages of 45-49.

Why are young women being turned away from the office? Though Armenian women as a group are better educated, with more women than men having a

graduate level education, this doesn't give young female graduates an edge when they enter the job market. The real reason is that young women of childbearing age can be expensive to employers because they must pay for maternity leave.

This is what Hovhannisyanyan thinks happened to her at the television station, as she was rejected from the job only after answering a series of questions about her marital status and personal life. The trick is that it is difficult to prove because most potential employers will not admit that they do not want to pay maternity benefits. Twenty-one year-old Alvard Mkrtchyan says she recently applied for the vacant position of kindergarten head in her village. But when the

village mayor found out that she had just gotten married, he suddenly revoked the job offer.

"All the documents were already ready to register and begin work and I presented those. However for some unknown reason I was refused at the last moment," said Mkrtchyan

Other employers are more honest. When one car parts importer and trading company hired a male over a 24-year-old woman to be a computer operator, he admitted it was not that she lacked the skills but the decision came down to her potential cost to the company if she got married and had children.

"Well, she is a young girl, she can suddenly get married, have a kid, run the home, can-I-go-home-

earlier, and stuff like that. And I do not even mention that my budget cannot allow for maternity leave, that is not a good deal for me. That is the reason," said the employer, who asked that he not be identified.

The maternity benefit, say some young women, actually hurts their chances more than it helps in the job market.

"Putting the responsibility on the employer's shoulders means decreasing women's compatibility in the job market," says 22-year-old Hasmik Rafaelyan who graduated this year with an honors diploma, and who is still searching for a good job. "For making young and married women more compatible in the job market, we need a new, well-balanced state approach."

Working in the Shadow

Working informally and not reporting income to the state may have short term gains for some employers and self-employed people, but the long-term risks leave many employees vulnerable. Read more on page 6.



The term "shadow economy" doesn't just refer to the illegal ways oligarchs earn their fortunes. Those people in Armenia whose employers don't report their income are also working "in the shadow," with much less lucrative results. These workers - many of them women - are often abused, working long hours for low pay.

Shadow Employment: Short-Term Gains, Long-Term Risk

Continued from page 6

Both say they can earn between 200,000-300,000 AMD (\$660-\$990) per month. Because they don't pay taxes, they say, they can offer lower prices, which helps attract more clients.

State officials admit there is little to motivate such small business owners to register their businesses, except that it will affect their pensions later in life.

"These women working in the shadow are deprived of the possibility to receive pensions based on their official work experience and in the future will get only social pensions," says Roza Mkrtchyan, the head of the insurance and pension guarantee department of the ministry of labor and social issues.

Unfortunately, for women with few job skills, the only informal work available is hard labor.

Anik has been shaping bread dough for two years in a bakery on the outskirts of Yerevan. The 55-year-old woman works with many other bakers in a low-ceilinged room. There are seven lavash gas baking ovens running at the same time, and because the building isn't ventilated, all the heat and fumes hang inside. The poor conditions often cause the bakers, including Anik, to have dizzy fits, fluctuating blood pressure and loss of consciousness. Anik recently lost two months of work due to illness. Now she has to work from 8 am to 11 pm an average of 5-7 days per week. Anik shapes 12,500 loaves of bread made from two and a half

50-kilogram sacks of flour each day. And for all that work she receives 3,000 AMD (about \$10) per day in exchange for the terrible pain in her arms and her legs. Sometimes it's a poor trade when the pay is lower or, instead of money, workers take home burned bread that the bakery can't sell. "It's a stable source of income, and I don't have to buy bread," says Anik, who helps support and feed a family of six.

Unbelievably, Anik is one of the lucky ones. Her pay is comparatively high and she gets bread, an increasingly expensive commodity. No such benefits exist for employees in shops and malls. Twenty-year-old Liana works as a salesperson in a Yerevan department store at the glass products department for 12 hours a day six

days a week, standing on her feet, being polite to clients and cleaning all the products. Unfortunately the informal nature of her employment allows for a great deal of abuse by the shop owner.

If anything is broken, no matter who is to blame, Lianna has to pay for it. As her director says with irony, "We will deduct the money from your 'poor payment' (Editor's Note: in Armenian the word poor payment has only one letter difference from the word salary)", which is only 1,500 AMD (about \$5) per day. On top of all this there is the tradition of bad treatment from management, who verbally abuse employees for every possible reason. They promise bonuses for various holidays but the employee's informal status allows the management to

avoid payment, claiming that the shops make no profit.

"I don't have enough money to go to school," says Liana, who reports that she is currently looking for a better job, but that it will probably be in retail. "I don't have any other skills, what else can I do?"

Many NGOs want to protect women's unemployment and rights issues, but say that it's difficult when so many women work informally.

"Without documentation, it's nearly impossible to protect these women," says Lilit Avetisyan, director of the Women's Forum, which organizes trainings in Yerevan and the regions, trying to inform people about the importance of employer employee rights and responsibilities, job contracts and conditions.



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Այս թողարկումը հնարավոր է դարձել ԱՄՆ ժողովրդի՝ ԱՄՆ միջազգային զարգացման գործակալության միջնորդության շնորհիվ: Պարտադիր չէ, որ թողարկման բովանդակությունը արտացոլի «ԱՅՈՒՆԵՔՄ»-ի, ԱՄՆ ՄԶԳ-ի կամ ԱՄՆ կառավարության տեսակետները:

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