

## Suman Bery: Mexican Surprises

A stay in a poor Mexican household proves to be an uplifting experience

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Mexico tends to be in the news for all the wrong reasons: financial crisis, illegal immigration, drug-lords, and most recently as the apparent origin of the H1N1 virus.

A recent visit there allowed me the privilege of seeing a very different side of Mexican life. It also stimulated reflection as to what lies ahead for India as it gets richer and urbanises further.

Mexico's population of 105 million makes it the second most populous nation in Latin America after Brazil. Its per capita national income in 2007 of \$8,340 causes it to be classified as an upper middle-income country by the World Bank, and it is two-thirds of the way to being classified as a high-income country. It is a member of the OECD; indeed the present Secretary-General of the OECD is a Mexican.

By contrast, India, with gross national income of \$950 billion has only just crossed into the lower middle-income category. Indeed, in developing Asia, only Malaysia approximates Mexico's level of income. With a population one-tenth the size of India's, but a per capita income level just a little less than ten times India's, the overall size of the Mexican economy is just slightly smaller than ours. As would be expected in a much richer country, Mexico is considerably more urbanised than India. According to the World Bank's recent World Development Report, 76% of Mexico's population in 2005 lived in urban areas, whereas the estimate for India is around 29%.

My visit to Mexico was to the city of Oaxaca, the capital of a state with the same name. Oaxaca has a large indigenous population, and is a major artistic centre in Mexico, somewhat like Santa Fe, New Mexico in the United States.

I was part of a group of academics and activists who are concerned with the condition of workers (particularly female workers) engaged in informal employment in the developing world. Over the last few years the group has participated in something called an Exposure and Dialogue Programme, which involves a two-day home-stay in the household of a woman worker in informal employment, and then an opportunity to reflect on the experience both emotionally and analytically.

The visit to Oaxaca was my second EDP experience; the first was with the family of an itinerant vegetable seller in Ahmedabad in 2003. Oaxaca was chosen for a specific reason: the social protection and social security system has recently been analysed in great detail by a noted Mexican economist, Santiago Levy (a recent guest of NCAER in Delhi). His controversial thesis is that Mexico's system of social security is in part responsible for the continued pervasiveness of informal unemployment (what in India is somewhat inaccurately called the unorganised sector). Oaxaca's relative poverty as a state, and its widespread indigenous crafts sector, were two reasons why the city was selected for this EDP.

Two of us participants from the core group (assisted by two volunteers to help with translation and local facilitation) spent two nights in the home of a self-employed woman working in informal employment. We were assigned to the household of Guadalupe (or Lupita), a fifty-two year-old lady engaged, so we thought, primarily in baking and confectionery. The experience of living and working alongside her and her family for two-and-a-half days was altogether richer and more complex than this bald description conveys.

My colleague and I found ourselves swept into a household of six children (four boys, two girls) spanning ages from the mid-thirties to fifteen, with wives, girlfriends, grandchildren all swirling through. Apart from baking, members of the household practiced: gallery-level artistic painting; carpentry; meat packing and butchering; electrical poultry-raising; and raising of potted plants, all contributing to the household budget.

We were treated with the utmost cordiality and affection. The barriers imposed by language and nationality were quickly replaced by admiration, bordering on awe, on the achievements of the family in the face of adversity. Space does not permit a full description of the whole experience in this column, so I will focus on some aspects that an Indian audience might find particularly noteworthy.

The first, most obvious, point is that even in a country with ten times India's per capita income, urban deprivation remains widespread. But the texture of that poverty, and the aspirations associated with exiting from it, were significantly different in that setting.

One important dimension of this difference was the level of assets in the household. Quite apart from owning their home, members of the household possessed an Apple laptop computer, two mountain bicycles, two bread ovens (as well as a traditional wood-fired oven for making bread and pizza in the traditional way), a refrigerated pastry display case for the frosted cakes and jellies produced by the daughters of the house, and a beat-up car used by the carpenter son to visit clients in the city. As we are now seeing with China, and presumably will see increasingly in India, there is truly spending power at the bottom of the pyramid.

A second dimension was the importance of skill development, and the crucial role that state support played in this process even outside formal education. The artist in the household had benefited from a state scholarship; indeed, that had been the motive for the family's move from the Pacific coast to Oaxaca two decades earlier. As a result the eldest son had become a recognised local artist. A younger son was being helped to study electrical engineering through a tuition subsidy. The daughters were taking short courses in baking. These are all courses taught in the US through community colleges, a part of the educational support system only weakly furnished by the ITIs in India.

A third surprise was the relative absence of physical insecurity in the lives of the family. This was due to the strong social interactions in the neighbourhood, even though to an outsider it would have been considered a dangerous slum.

Yet for all these positives, one still got a sense of people being forced to operate at a level below their true potential because of interlocking constraints of markets, skills and capital. Putting a human face to that potential helped me to appreciate the importance and enormity of the task, one that India will face with growing urgency in the years to come.

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