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## Hardly a Dent in Guatemalan Poverty

by Mike Leffert

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The region's largest economy has made very little progress in reducing the overwhelming, crushing poverty in which so many of its people live. This is the finding of Guatemala's annual Encuesta de Condiciones de Vida (Encovi). This year's Instituto Nacional de Estadística (INE) Survey on Living Standards covers the data for 2006. Based on interviews with 70,000 Guatemalans throughout the country, the survey concludes that the number of people living below the poverty line, which means people earning less than US\$2.30 a day, has dropped only 5% since 2000.

Today, extreme poverty describes the conditions of life of most Guatemalans, 51%. Most of those, however, are not the poorest of the poor. 15.2% of Guatemalans live below the extreme poverty line, pegged at less than US\$1.17 a day. Their numbers have decreased by only .5% over the years. In order to qualify at this level, one must have insufficient income to feed oneself. For some, this is progress of a sort.

Said Jaime Diez of the Centro de Investigaciones Economicas Nacionales (CIEN), "At this rate we'll have to wait over 50 years for poverty to be eradicated." That timetable won't get the UN's Millennium Goals job done, however. That calls for halving poverty by the year 2020. The problem according to economist Edgar Balsells is that "the government simply lacks any coherent social policies whatsoever and social spending is woefully insufficient." The government finds the numbers acceptable.

Jorge Calvo of the Secretaria de Planificacion y Programacion de la Presidencia (SEGEPLAN) saw the 5% decline in poverty numbers since the turn of the century as a virtual cascade, and called fighting poverty one of the Oscar Berger administration's highest priorities. But economic tweaking and trade-oriented attempts to lift all boats will not end poverty, say social scientists; it will just drown the people who don't have boats. Oscar Lopez of the Facultad Latinoamericana de Ciencias Sociales (FLACSO) says the fundamental problem is social inequality, and poverty will not decrease until that changes. He points out that Guatemala has surpassed Brazil as the most unequal country in Latin America, while at the same time the country has seen 3.4% average growth since 2000. Lopez uses figures from the Inter-American Development Bank (IDB) to argue that wealth just accrues to those who already have piles of it.

Those buried in poverty haven't felt any palpable relief in at least 15 years. Income doesn't distribute across class lines in Guatemala. Wealth is also reluctant to leave the city. According to the survey, 72% of the poor live in rural communities, mostly in the western and northern regions. Only 5% of urban Guatemalans live below the US\$2.30 poverty line, while 30% of those who live in Jutiapa, Santa Rosa, and Jalapa do. In Huehuetenango, poverty has actually increased; 55%, or 4% above the national average, live below the line here.

Extreme poverty in this region has shot up from 8% to 20% since 2000. The central zone of the country has also seen increases in extreme poverty, from 8% to 11% since the dawn of the new century. It is the northernmost reaches of the country where the most with the least live. There, in the Peten, beyond the reach of Central America's largest economy (US\$18.215 billion GDP), 40% are extremely poor, without sufficient food, where their children die of malnutrition in their thousands.

Most of these impoverished people are indigenous and campesinos. The incidence of poverty is higher for indigenous, at 56.25%, than for Ladinos, at 43.75%. The distribution of wealth they continue to demand is in fact their due as a result of the commitments of the state in the Peace Accords of December 1996. The succession of governments since the signing have ignored much of this responsibility, and the people have gone without the subsistence lands, the access to medical services, to education, to housing and infrastructure, and to the coordinated rural development that would provide them a path out of misery.

Broken out across other demographic dimensions, two-thirds of Guatemala's children, 2,700,000 of them, live in poverty, a poverty that will follow them all their lives in the form of decreased life expectancy and health outlook. It is a poverty that manifests also in infant mortality of 46 per 1000 live births, and later as a 20% probability of illiteracy.

Guatemala has the worst index of undernourishment in the region, and one of the worst in the world, with 49% of children suffering chronic malnutrition. At present, 37.88% of the economically active population (EAP), or 4,100,000 are young people between 15 and 29 years of age. Fifty-two per cent of these young people are unemployed, according to the Encovi survey.

Like the six presidents before them since the country's 1986 return to civilian democratic government, both candidates in the November presidential runoff have promised to reduce poverty. One, Alvaro Colom, promises jobs. The other, Otto Perez Molina, promises foreign investment and competitiveness (see NotiCen, 2007-09-13).

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