



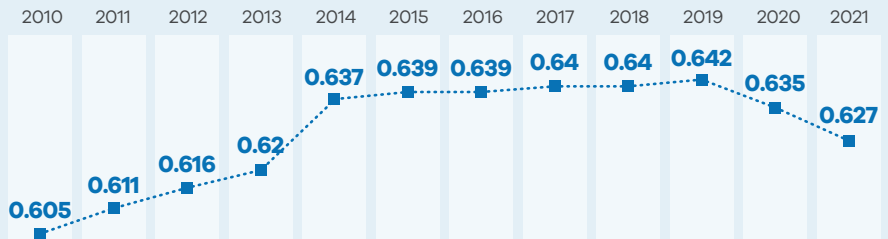
# Socioeconomic inequality in Guatemala

## Guatemala is in a precarious state reflected in several social and economic indicators.

The Human Development Index (HDI) went from a value of 0.605 to 0.627 for Guatemala between 2010 and 2021, an increase of only 0.022 points in over a decade. Furthermore, the Gini index was 48.3 in 2014 (latest available data), and the poverty incidence rate reached 59.3 % of the population (World Bank, 2023b).

This illustrates the fact that there are gaps that generate two economic and social development realities within the same society. In other words, as in other countries in the region and the Global South, well-being and quality of life levels are determined by people's socioeconomic level, and the most vulnerable groups are the most affected.

Graph 1  
Human Development Index of Guatemala



Source: UNDP (2023).

## 1. Inequality in several societal spheres



### 1.1. Employment inequality

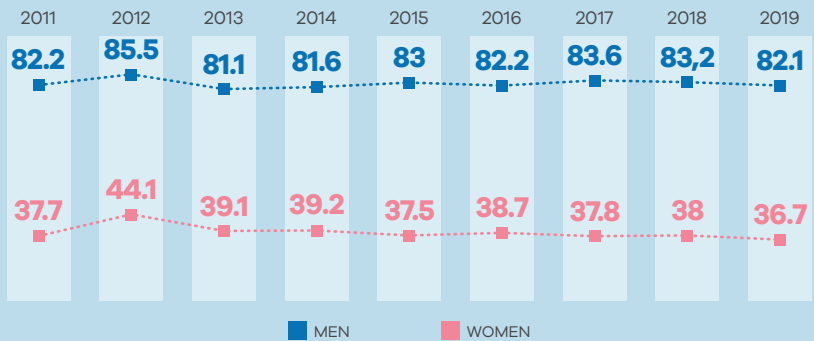
Moreover, some inequalities appear to be conditioned by gender within these two realities.



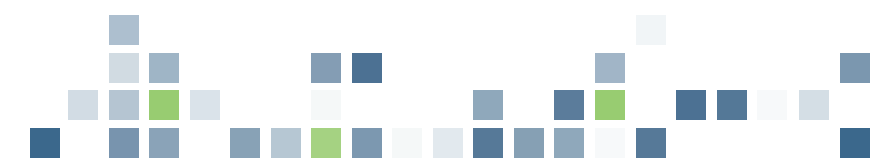
The proportion of working-age women in paid employment in Guatemala decreased from 37.7 % in 2011 to 36.7 % in 2019; while the employment rate for men was 82.2 % in 2011 and 82.1 % in the same year

(ILO, 2021). The data reflects that men have a greater participation in the labor market, while development in the work environment of Guatemalan women has lagged behind.

Graph 2  
Labor force participation rate by sex in Guatemala (%)



Source: ILO (2021).



1.2.  
Health inequality

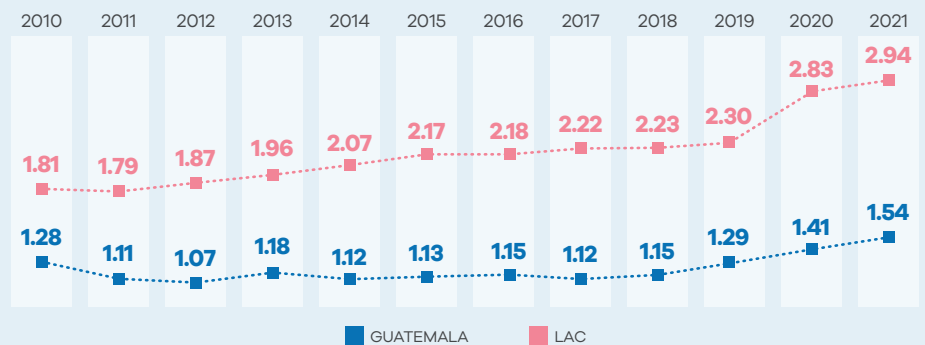
Health is another fundamental service granted by the State with alarming indicators in the country. The prevalence of stunted growth in children under age 5 in 2020 stood at 42.8 %, the highest rate in Latin America and the Caribbean

(WHO, 2021). Meanwhile, health spending in 2021 represented 1.54 % of Guatemala's GDP and this proportion has been increasing since 2019, yet it is still well below the regional average of 2.94 %.

Low public investment and the lack of access to quality health care undoubtedly have a negative impact on health outcomes in children, which in turn affect their cognitive development permanently and perpetuate inequality gaps.

**Graph 3**  
Public social spending on health as a percentage of GDP

Source: ECLAC (2023).



1.3.  
Inequality and climate change

Guatemala is a low carbon dioxide emitter, but still suffers the effects of climate change. The country emitted only 0.76 tons of carbon dioxide per capita in 2010 and 1.01 tons per capita in 2020; while the world average was 4.7 tons for the same year. Despite low levels of CO<sub>2</sub> emissions, Guatemala ranks in tenth place for countries with highest risk of disasters worldwide<sup>1</sup>.

This means there are large and visible inequalities between countries regarding the impact of climate change. But also, climate has a direct impact on the lives of people living below the poverty line, as they are severely affected by natural disasters, with limited resources, preventing them from being resilient in such situations.

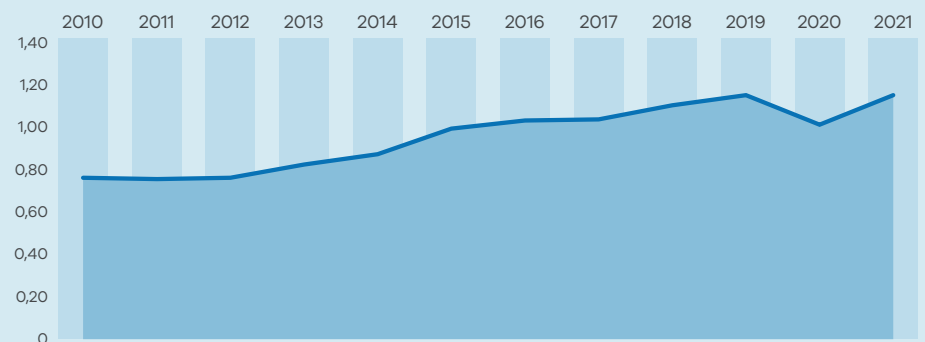
**Table 1**  
Global Disaster Risk Index

Source: IFHV (2021).

RANKING	COUNTRY	RISK
1	Vanuatu	47.73
2	Solomon Islands	31.16
3	Tonga	30.51
4	Dominica	27.42
5	Antigua and Barbuda	27.28
6	Brunei Darussalam	22.77
7	Guyana	21.83
8	Philippines	21.39
9	Papua New Guinea	20.9
10	Guatemala	20.23
11	Cape Verde	17.72
12	Costa Rica	17.06
13	Bangladesh	16.23
14	Fiji	16.06
15	Cambodia	15.8

**Graph 4**  
CO<sub>2</sub> emissions per capita (tons) in Guatemala

Source: Our World in Data (2023).



<sup>1</sup>This index, developed by Bündnis Entwicklung Hilft in cooperation with the United Nations University in Bonn, takes natural hazard exposure variables into account, such as earthquakes, cyclones, floods, droughts and sea level rise, as well as vulnerability indicators related to the country's susceptibility, response capacity and adaptability.

## 2. Civil society's contributions to equity

In view of the situation of inequality in Guatemala, there are innovative initiatives arising from civil society for inequality reduction and construction of equity. Some of these initiatives are:

### COCULTURA



Through its

#### FINANCIAL INCLUSION MODEL

over 400 people have graduated

It is an Integral Savings and Credit Cooperative, created in 2013. Unlike traditional cooperatives, it places Community Culture as the center of its action, enhancing artistic skills of people living in marginalized territories, so they can be trained in financial education and access financing.

Through its financial inclusion model, over 400 people have graduated with ventures related to dance, body art, graphic design, among others. This initiative has also strengthened public programs related to labor and education in Guatemala to develop ways to generate opportunities for the population.

### PUENTE INSTITUTE



Model looking to close educational and economic gaps that suppress the

#### YOUTH'S HUMAN TALENT

in rural areas.

It emerged in 2015 from the Punta Brava Community Council for Urban and Rural Development (COCODE) in collaboration with social organizations looking to provide personalized education through a theoretical-practical teaching methodology with scientific and technical education that promotes analytical and problem-solving skills.

It also works in literacy training with local adults, promotes and supports social and community enterprises. In the public sphere, the project became relevant by achieving a departmental resolution to be recognized as a public institute with access to state benefits (books, food and teachers).

### ESPANTACACOS



#### INITIATIVE OF JÓVENES CONTRA LA VIOLENCIA / GUATEMALA PROGRAM

from the Association for a Decent Life aiming to prevent violence by promoting a culture of reporting criminal acts in Guatemala City.

Citizens report cases of violence or criminal acts through a mobile application that shares information with the National Civil Police to develop prevention plans and generate interactive maps with hot spots.

In 2015 and 2016, the information was used to place scarecrows dressed as police officers in areas with the most criminal acts to draw attention and warn citizens. The project yielded 1 200 citizen complaints during implementation, and a Cooperation Agreement was signed with the Ministry of the Interior.

To learn more about these and other initiatives, review the full research here.



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