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Guatemala, Factor 15: Human Rights

### **Is Living On One Dollar Humane?**

Guatemala is a country about the size of Tennessee in southern Central America. According to the Population Reference Bureau, Guatemala had a population of more than fourteen million people in 2010. This makes it one of the most populated countries in Central America. However, Guatemala has high levels of inequality and discrimination especially between the Maya and *Ladino* population. Maya make up 40% of the country, while *Ladinos* make up the majority 60%. In Guatemalan history, government policies excluded Maya from sharing the benefits of the country's economic growth. The Maya also endure the brutal legacy of a civil war that left more than 200,000 dead or missing ("Poverty and Education"). This war was known to Guatemalans as La Violencia, which translates to The Violence. La Violencia took place roughly between the years of 1978-1984; the Guatemalan army massacred about 626 villages, and displaced one and a half million people while 150,000 fled to seek refuge. Nobody knew who was to blame for the victimization of more than 83% of the Maya until the Comisión para el Esclarecimiento Histórico (Commission for Historical Clarification) determined that the Guatemalan army had committed acts of genocide against the Maya. (Sanford) To this day, natives remain targets of racism, exclusion (from land, labor, and education), and injustice. The Maya live in the rural, remote areas of Guatemala and they must fight to survive on low incomes and unstable jobs. Lack of human rights is affected by many factors and effects many people, especially in a country where 60% of the population lives in poverty (Avivara.org). These people not only live on wages as low as \$1 a day but they also do not qualify for many government and financial loans (also known as credit) because they meet little to none of the requirements that the banks desire, whether it be a birth certificate or a pay stub from a check. Many of the natives also work informal jobs (e.g working for farmers, selling handmade clothes, etc.) and they never know when they are going to get paid, thus leading to unstable financial lives. This leads to the decline of education because education is very expensive for people who have nothing especially when the average family has between 3-5 children. They sometimes can only afford to send one child to school if any at all. Many natives only get about a year and a half of education and then they have to drop out due to lack of money. Therefore, the cycle of poverty restarts itself. This cycle exists because many people, especially natives, do not have access to credit lines, means to secure property rights, and other human rights; this leads to not having land to plant crops to use as food, and leads to families having to live on incomes as low as \$1 a day.

According to the video "Extreme Budgeting" by Living on One Dollar, 9 out of 10 people in wealthy countries like the United States have savings accounts and credit cards to help manage their money. These things are normal in everyone's lives because Americans are so used to their efficient way of banking. However, among those living in poverty, only one in ten people have a bank account or means of a credit. That is 2.5 billion people all around the world who do not have access to something that Americans use every day. Those 2.5 billion people store their money in unsecure locations like under their bed. They also find unsecure methods of credit like asking friends or relatives for money, or finding some sort of unsafe loan service. Those three methods are not safe or adequate ways to store or receive money because by storing money in an unsecure place like under a bed, there is a high chance that it can and will be stolen. The video "Extreme Budgeting" gave an example of how storing money in an unsecure location could go wrong. They shared the story of Yonada, a Guatemalan native who lives in the remote village of Peña Blanca. She stored all the money that she earned for repairs to her house and for her children's education in a box under her bed. One day when she went to retrieve the box it was not there. Just like that, she had lost all of her savings. She no longer had money to repair her home and she could not continue with her children's education because she could not afford it. As for borrowing money from friends and family,

this puts stress on their financial situation and when they need money they're going to go to the person who they have always lent to. When it comes to taking out loans from unsafe places, they can charge up to 150% in interest and they will demand money from the borrower whether they have it or not, sometimes using violent or forceful tactics.

*Living on One Dollar*, is a documentary that follows four young college students, Chris, Zach, Sean, and Ryan as they try to survive in Peña Blanca on only one dollar a day each. Peña Blanca is a remote village in Guatemala where seven out of ten people live under the poverty line. In this remote village there are only 300 people, most of which are Maya who speak a dialect called Kaqchikel. Chris and his team try to live as close to poverty as possible in order to gain the full experience so they replicate many key aspects. Instead of each receiving one dollar per day, they make their income unpredictable. They do this by writing a number between 0 and 9 on to small pieces of paper that will signify how many dollars they will receive that day. By doing this they are replicating many people's lives who live in Peña Blanca because most of the villagers work as farmers or day laborers so they never know when they'll get paid, how much they'll get paid, or when they'll work.

The four young men also simulate the process of starting their own business by taking out a loan of \$125 to pay for somewhere to live and a plot of land to grow radishes. However, they do not get this loan from a bank because, similar to everyone else in Peña Blanca, they do not meet the bank's requirements to obtain an account. A standard Guatemalan bank requires a receipt for past electricity bills, a NIT number, a copy of the amount of money the applicant makes, bills from the last three months, two cosigners, and the printed and signed name of the applicant. Though these requirements may be easy for an American to obtain, these are almost impossible for a citizen of Peña Blanca because, firstly, most of the villagers do not have electricity because they cannot afford it. Secondly, an NIT number is very expensive to obtain; the villagers barely have enough to eat they cannot go wasting precious money on a number. Penultimately, most of the villagers can't get a copy of the money they make because they do not work formal jobs. To make it even harder on them, most villagers can't even read or write so signing their name and understanding the fundamentals of banking would be quite difficult to trust and understand.

So as Anthony Solaris, a native from the village said, "When you are struck by disaster or disease and you lose everything and you have no money, what should you do?" Well for many people, they just have to pray and hope that everything will be okay. However, for others there is an option known as Grameen; this option provides reliable savings accounts and loans designed to empower the poorest of the poor to improve their lives. Grameen was created and established in 1983 by Dr. Muhammad Yunus of Bangladesh. Yunus was the head of the economics department at Chittagong University; it was in this position where he began to study poverty more closely. Around the year of 1974, Bangladesh was struck by famine and death. Skeleton-like people roamed the streets and hundreds more lay dead at every turn. Religious organizations tried to retrieve bodies to give them proper burials but there grew to many for them to handle. In the days and years before the famine, Dr. Yunus found pleasure and pride in teaching his students the fundamentals of modern economics. However, he began to disapprove of his teachings. Muhammad felt that it was wrong to teach his students all these intricate theories that could solve society's economic predicaments when outside the university people lay dead and starving. It was because of this that Yunus decided to integrate himself into a small, poor village near the university called Jobra. By doing this he was giving up text book theories and giving in to real-life economics. He wanted his students to understand the life of a poor person by studying poverty very closely. thus understanding it more passionately. It was in these studies of Jobra where Muhammad Yunus gained knowledge that was imperative to the cause and effect cycle that led to the creation of Grameen. Due to the poverty of Jobra, Yunus began to study and look into how banking and credit worked and why the poor could not access these things that others found so simple. He learned that banks would not help people in poverty because the poor were too illiterate and could not offer collateral. One of the first bank workers that Yunus talked to even stated, "The bank is not going to waste its time on such pittance." It was here that Muhammad

became angry. What good is a bank if it only offers money to the rich? Yunus began to study how banks and other organization ran their loan operations and began to learn from their mistakes. He decided that he would give out small loans and instead of making borrowers pay back large sums at a time, he would also make them small. Then, Yunus would ask that the loan be paid back in one year. Thus a loan of 365 taka would be paid back at a rate of 1 taka a day. In doing so, the micro lending aspect of Grameen was born. He loaned poor people small amounts of money on agreements that were suitable for each individual without asking for any collateral. These micro-loans helped people break the cycle of poverty for good. Not only has Grameen Bank provided billions of dollars to over 2 million people in Bangladesh, but Grameen has spread to over 100 countries, including Guatemala. (Yunus)

Grameen has assisted thousands of people in Guatemala including Rosa Coj Bocel, a 23 year old Guatemalan villager of Peña Blanca. She shared her story in spanish to the 4 boys from *Living on One Dollar* and she was filled with emotion and tears when she said:

“I thought I would study and start a career as a nurse but I wasn’t able to do it. When I made it to the sixth grade, my parents weren’t able to keep me in school and instead I was working in the fields. I was sad, and also because of the other kids. I felt very sad because they wore nice dresses, they had shoes, they had everything, while I didn’t... I wasn’t able to continue with my studies. Now, sometimes I want to. I would study and achieve the career that I wanted. This is what I desire. I wish to have my degree and license as a nurse.”

Rosa is one of the millions of people around the world who couldn’t follow their dreams because they didn’t have the money. To improve her life and continue her studies, Rosa took out a \$200 USD loan from Grameen and she started her own weaving business. Rosa when asked why Grameen worked better for her and the natives, responded, “ It is easier to receive a loan from Grameen because they work with simple things. They don’t ask for too many things like others banks that ask for the deed of the house or land. Grameen only asks for a photocopy of your ID, simple things.” Banrural Grameen has impacted many people in Peña Blanca. This type of microfinance helps families and empowers women to bring prosperity to their families. For example, Doña Maria took out a loan for \$120 USD and she now runs the village store. Luisa also took out a loan for \$120 USD and used the money to buy a chainsaw to start her firewood business. Rosita took out a loan for \$300 USD and now owns an onion farm. Maria also took out a loan for \$300 USD and used her money to repair her house. Not only does Banrural Grameen allow the villagers to take out loans but by taking out a loan, it commits them to opening up a long term savings account with Grameen. So, now the villagers have a safe place to keep their money. Zach, Sean, Ryan, and Chris personally took out the loan for \$125 USD to grow their radishes. By being able to sell those radishes they are increasing their income to almost \$2 a day. This is may not seem like much but to them and to poor villagers, it could mean survival. This is why it’s very important for everyone in rural villages to have a connection to credit lines and savings accounts.

According to Principal Juan Carlos of the Official School of Peña Blanca, 40% of students do not finish school because they are not able to pay for it so they must go work instead. Chino, a twelve year old boy, was also not able to go to school because his family could not provide the \$25 dollar expense for him to go. When Chris asked, “If could do anything, what would you be?” Chino responded, “Oh, I’m going to be a farmer.” At age twelve, he had already accepted his fate as nothing more than a farmer. How does one choose between feeding their child and keeping them in school to follow their dreams? Grameen exists so families don’t have to choose.

Lack of money and credit not only affects the education and prosperity of the people but it also affects their health. Chris, Zach, Sean, and Ryan were eating better than many people in the village under their budget but they were still very malnourished. After only two weeks they were already showing signs of being worn down and dejected. They were consuming about 500 calories per day from small portions of beans or rice. They were getting water from an irrigation system that came from the mountains. It contained dirt and bugs but it was the cleanest around. That was what they could afford and their bodies

were weak. Their bodies had no energy and at one point they couldn't stand up without getting head rushes and almost passing out. After two months, Chris had lost about 20 pounds. Their bodies were screaming for nutrients and the scary part is, they were feeling what many villagers feel every day for most of their lives. Victor Coj, Chino's father, stated: "When there is no food, the kids do not grow. They don't even have the energy to play, they're just laying there because they only eat salt and tortillas, there is no nutrition." According to Avivara.org, malnutrition among Guatemalan children is among the worst in the world. PBS.org states that about 50% of children in Guatemala are so malnourished that they face developmental issues and become stunted. Not only does malnutrition stop or slow physical growth but research has also proven that it can lead to lower IQ rates and diseases later in life like heart and liver disease. However, the fact that natives have a very hard time obtaining food is quite ironic due to the simple fact that the countrysides of Guatemala are overflowing with produce. It is rare that much of this produce stays in the country and goes to local homes. Most all of the produce gets harvested and exported to the United States, Europe, and many neighboring Central American countries. Not only is food hard to get but it can sometimes have nasty side effects. Chris at one point on the journey had contracted both E. coli and Giardia at the same time. This gave him an extreme case of diarrhea and stomach pains. It got so severe he had to consult the doctor in the nearest city/town. Not only did they have to pay for the doctor's consultation but they were informed that the medicine was 200 Quetzales or 25 USD. This was incredibly expensive for them so they had to use emergency medicine they brought from America that would hold him off until their return to the states. What if a native came in with that problem? What would they do since the medicine is so expensive? They don't have emergency medication from a wealthy nation. They would have to face panic, do everything in their power to get help, or face death.

As millions of human beings starve around the world, others are drowning in wasted food due to unequal distribution. According to the book Norman Borlaug on Hunger, planet Earth currently generates enough food to meet human requirements. However, due to poverty many countries cannot properly take place in the distribution of the food. This creates famine and food-deficit nations while first world countries face food surpluses, declining prices, and farmers facing bankruptcy. The food is there, but the world is driven by greed instead of moral righteousness. Not only are people-all over the world faced with hunger and poverty because of this but they are doing everything in their power to survive.

I propose we raise awareness of the level of poverty that plagues rural Guatemala. In the past couple years, the government of Guatemala has taken action in raising awareness of the issue. PBS.org states that in a study in 2012 they asked citizens in Guatemala City if they knew anything about rural poverty and rarely anyone knew about the impact it held on their country. Due to the awareness that the government and organizations are instilling most of the citizens are on the same page that poverty is a serious issue that the country needs to face. I also propose we open up more credit lines like Grameen in more places where poverty is growing and strong. Credit lines like Grameen empower the poor to turn their lives around and it breaks the cycle of poverty. People in poverty are just fighting for a better future and Grameen can give them this future by giving them the funds to build that foundation. According to the Grameen Bank website, their monthly report for June of 2015 shows that the bank has helped about 8,681,302 people all over the world, mostly all women. That's over 8 million people that are changing their lives for the better. People are being given the chance to break the cycle of poverty through credit lines because one man took the time to step into their lives to see how he could better it. Over eight million people and over 80,000 villages have been helped because of the vision of Muhammad Yunus over 40 years ago. Yunus spoke some powerful words in his acceptance speech of the 1994 World Food Prize, he said:

"Let us admit it, poverty is not created by the poor. Poverty is created by the existing world system which denies rightful opportunities to the poor. Let us recognize that poverty is the denial of all human rights to a person. By removing poverty not only we remove hunger, we also ensure other human rights - right to shelter, education, health, and political freedom." (Borlaug)

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