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Julia Johannsen “«I'm Weaver and Farmer at the Same Time»: Non-Agricultural Employment, Gender and Development in Rural Guatemala”

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Summary

Rural development is not synonymous with only agricultural development anymore. Among the many positive functions of non-agricultural employment, there can be named the smoothing of income variations between and within years, income increases and thus the alleviation of rural poverty, an improved capacity to cope with risk and income shocks (VAKIS, 2002; REARDON et al., 2001). As these are supposed to be central goals of the rural development agendas in developing countries, the question arises whether and how rural non-agricultural employment can positively contribute to rural development in Guatemala. Against this background, the study wants to contribute to closing the information gap concerning the rural labor market in Guatemala and, in particular, discuss the potential of rural non-agricultural employment for sustainable rural development of different regions and the corresponding ethnic groups. The relevant research questions are:

- What are the characteristics of the rural employment sector in Guatemala?
- Which individual, household, and regional variables influence the probability that a person is employed in the rural non-agricultural sector?
- What is the potential of non-agricultural employment for future strategies of sustainable rural development in Guatemala on the basis of current national policies that are targeted at rural development and taking into account the possible differences in economic activities between the ethnic groups?

Due to the heterogeneous character of these questions both quantitative and qualitative methods have been applied: based on the micro-economic farm household theory a descriptive and inferential analysis of the ENEI survey of 2002 has been carried out, followed by semi-structured household and expert Interviews in the departments Alta Verapaz and Totonicapán inhabited by Q'eqchi's and K'iche's, respectively.

The descriptive analysis reveals some interesting results concerning the structure and characteristics of the rural labor market. The gender gap with respect to the economic activity is particularly pronounced in rural areas in which 61.6% of the women are "economically inactive". This Situation is given by their dedication to reproductive activities that do not get recognized in the commonly used concepts of "work". For the economically active population

in Guatemala agriculture still constitutes the most important economic sector and unremunerated (family) work the most important employment category within this sector: 38.7% of the total and 56.5% of the rural working population - in particular men - primarily work in agriculture. Despite these figures, the non-agricultural rural sector represents an increasingly important source of income and employment that fulfils several positive functions related to risk reduction, gender equality and resource conservation.

More than 80% of all of the Guatemalan occupied women and even nearly 70% of the rural women primarily work outside agriculture. In fact, the sex of a person has shown to be the strongest single determinant of non-agricultural employment indicating that a woman has a 46% higher statistical Chance of working outside agriculture than a man holding all other variables constant. Nevertheless, women's as well as men's type of non-agricultural employment strongly differ among the different ethnic groups. Although the men of nearly all of the ethnic groups are primarily engaged in agriculture, this is particularly true for Mames and Q'eqchi's.

Among rural women, the economic orientation of the ethnic groups is similar and even more pronounced. Among the Mames and Q'eqchi's, approx. half of the women work in agriculture, respectively. In contrast, the great majority of all other ethnic groups work in non-agricultural activities. While the K'iche' women working outside agriculture cannot be ascribed to one particular economic sector, Kaqchikel women are primarily engaged in industry (51%) and non-indigenous women in commerce (43%). What these people actually do, was exemplified in more detail in the case studies. The described differences in the agricultural and non-agricultural activities among the ethnic groups were confirmed by the strong and highly significant influence of the corresponding ethnic variables indicating, for example, that a K'iche has a 40% higher probability of working outside agriculture than a Mam.

Furthermore, the household access to electricity has been identified as a strong determinant of non-agricultural employment (raising its probability by 27%). The fact that women tend to live in households with a better access to electricity than men might be interpreted as an indication of different Investment preferences of men and women with respect to "social infrastructure". Land ownership, in contrast, does not strongly influence non-agricultural employment activities, which might be given by the fact that secondary (agricultural) employment has not been taken into account in the econometric model and that imperfect land markets might distort the direct negative relationship between land ownership for productive reasons and non-agricultural employment. The results further indicate that, as expected, education has a positive but small influence on the probability that a person works outside agriculture. Again, the descriptive results reveal striking differences between the ethnic and gender groups indicating that the K'iche's as well as the non-indigenous are generally better educated than all of the other groups, Mames and Q'eqchi's in particular. For most of the mentioned characteristics of the rural working population the interethnic and gender differences play a central role in the assessment of the diverse functions of non-agricultural employment.

The objectives of the case studies include the detailed exemplification of the economic activities and labor organization of two contrary ethnic groups and the assessment of the possible contributions of their RNAE to rural development in terms of poverty reduction, gender equality and resource conservation.

The case study results indicate that in Cahabón, milpa-cardamom and coffee production Systems remain the main source of livelihood of rural Q'eqchi' households. The most

important non-agricultural activities include handicraft-based, low-productivity work, such as grocery shops, handicrafts (bag weaving, pottery, crocheting of huipiles, basket and carpet weaving) and carpentry (house building). These activities have shown to fulfil important functions concerning the reduction of diverse risks (related to harvest failures, the dry season and price fluctuations of export products), the employment generation for women and the equalizing effects on the intra-household distribution of income. In most of the cases, these benefits seem to outmatch the high transaction costs for transportation and opportunity costs of time, in particular of women. In Totonicapán, in contrast, local agriculture only plays a complementary role and faces considerable limitations due to the land shortage and soil degradation in many regions. Consequently, for the rural households in Totonicapán non-agricultural activities constitute the main income source. The poverty-reducing effect is therefore given by the substantial alternative income generation rather than by secondary effects related to the intra-household distribution of income or risk reduction. While in the western part of Momostenango, the people live from international migration of the young men and micro-enterprises financed by their remittances, in San Cristóbal, local handicrafts in the form of traditional skirt weaving constitute the most important employment source.

In view of the diverse positive functions of non-agricultural employment it is astonishing that its potential does not get sufficiently recognized in the current national policies. In addition, up to now there does not exist a consistent rural development strategy in Guatemala although there have been made important first Steps through the official implementation of the Dialogue Board on Rural Development (Mesa Intersectorial de Diálogo de Desarrollo Rural, MIDDR) in 2003. In the actual Poverty Reduction Strategy as well as in the extended environmental literature in Guatemala, the mayor emphasis in search of sustainable rural development strategies is put on agricultural development and the related land redistribution. This study as well as other investigations on the topic may hopefully help to revise the strong notion of the rural indigenous population as being merely engaged in agriculture and, furthermore, encourage the incorporation of policies targeted at the heterogeneous non-agricultural sector in the current Dialogue Board on Rural Development.