

DEVELOPMENT AID MISMATCH IN GUATEMALA

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Introduction

As part of my Global Partners Experience project with the Keough School of Global Affairs, I travelled to Guatemala to work with development-oriented organizations. While on the ground, I noticed that a lot of development projects were taking place not in the poorest areas, but in relatively middle-income regions. For instance, my team and I stayed in Antigua, a popping and relatively prosperous tourist city in Guatemala. There, we got in touch with numerous Non-Governmental Organizations (NGOs) with operations in the city. The story repeated itself when we traveled to other cities and towns such as Nebaj and Quetzaltenango.

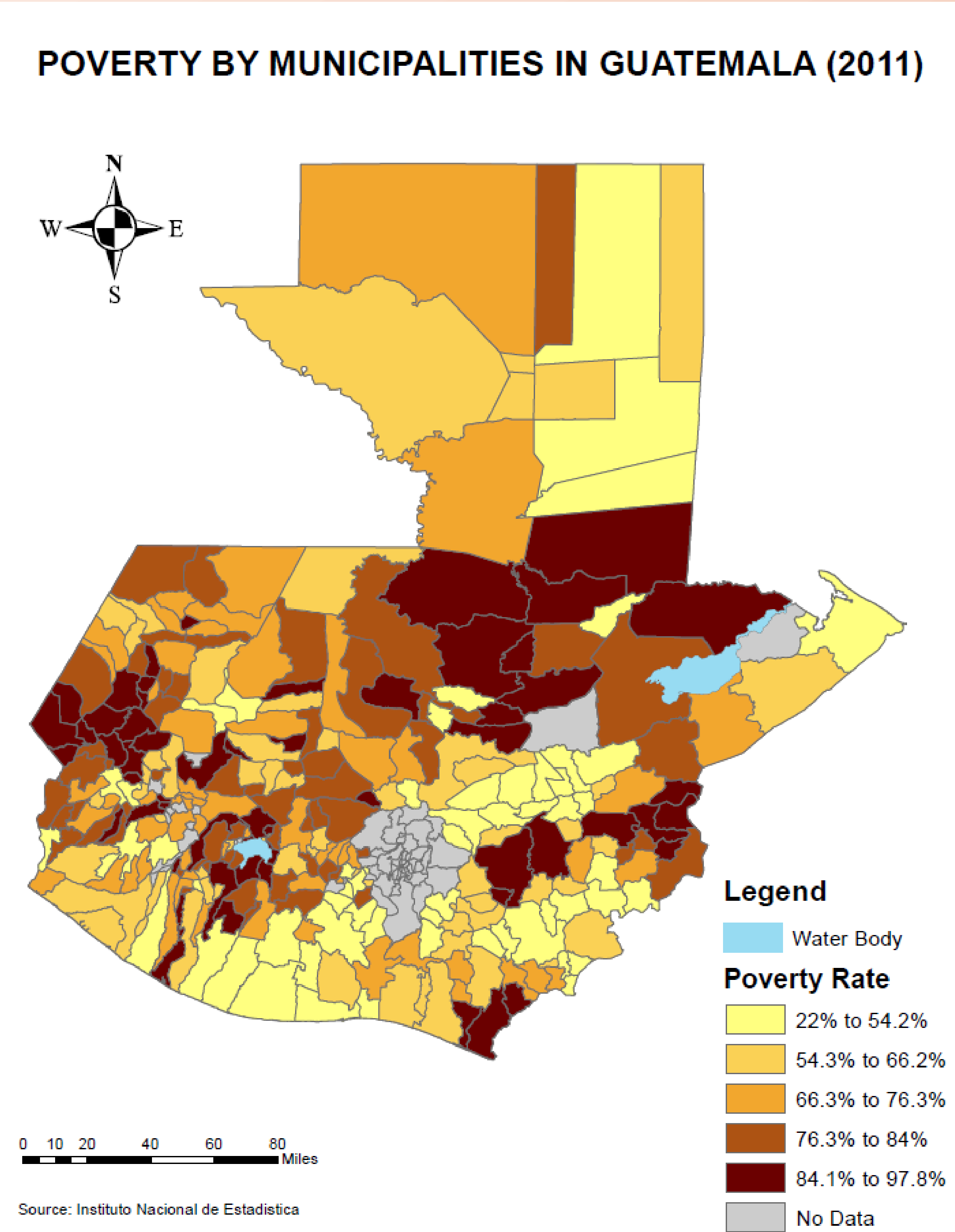
As a result, I had a hunch that there exists a mismatch between the concentration of development projects and the places that need those projects the most. I hypothesize that with spatial data, we will be able to see easily the disconnect between NGOs and poor communities.

Method

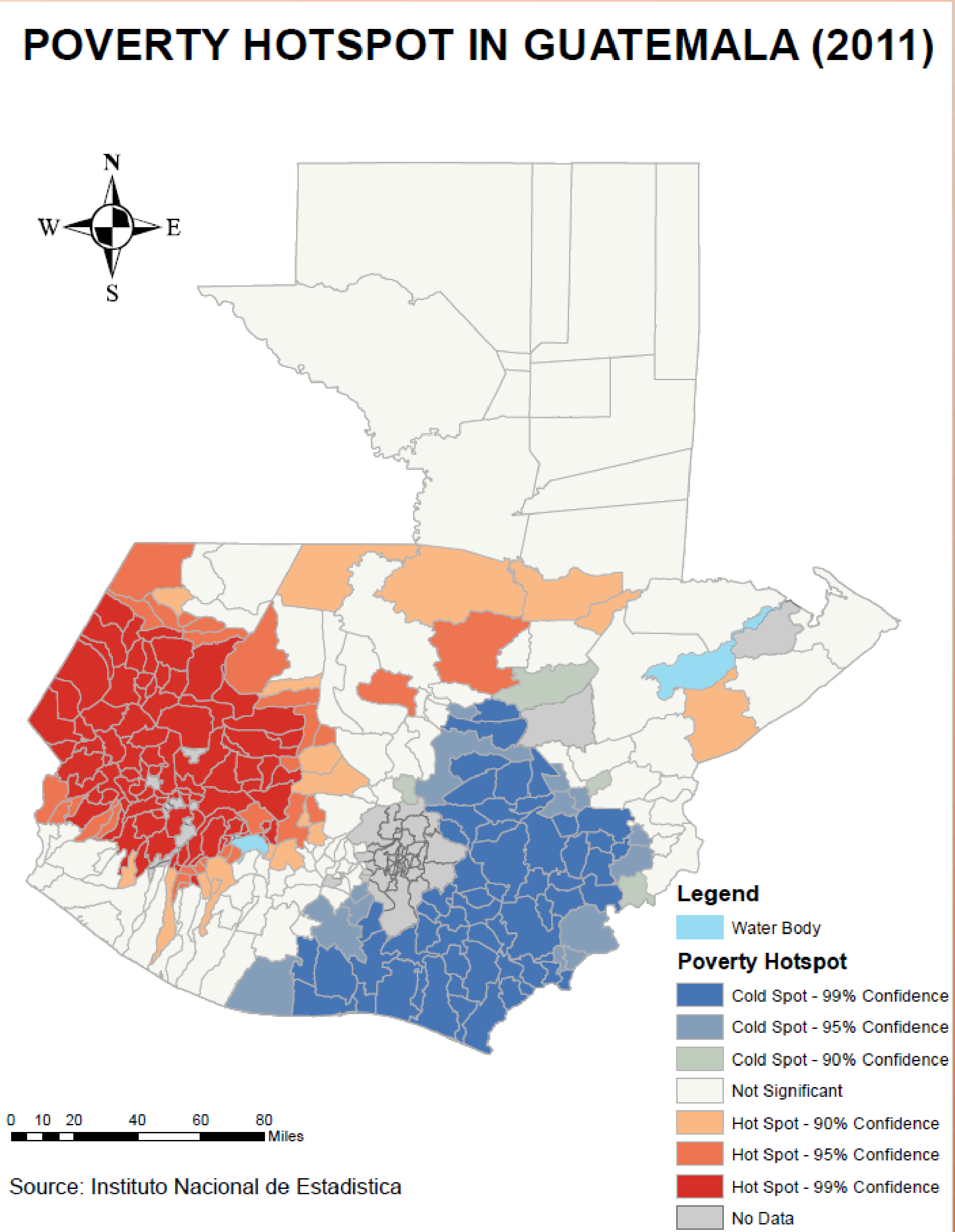
The Guatemalan government defines poverty as individuals making under \$1000/year in 2011. Those who make less than \$600/year (\$1.5/day) in 2011 are considered extremely poor. Thus, it is worth noting that the dataset for normal poverty also contains extreme poverty.

With regards to development projects, it is almost impossible to tabulate all the ones run by NGOs or Inter-Governmental Organizations (IGOs). There are some websites that attempt to do so, but they present a quite incomplete picture. I cross-examined those websites with one another and learned that there are lots of missing data. Thus, I decided to identify projects currently funded only by USAID and World Bank. These two IGOs are the largest benefactors of development programs in Guatemala. In addition, USAID and World Bank publish and keep good track of their projects for transparency purposes. Collectively, the projects receive \$650 million in funding.

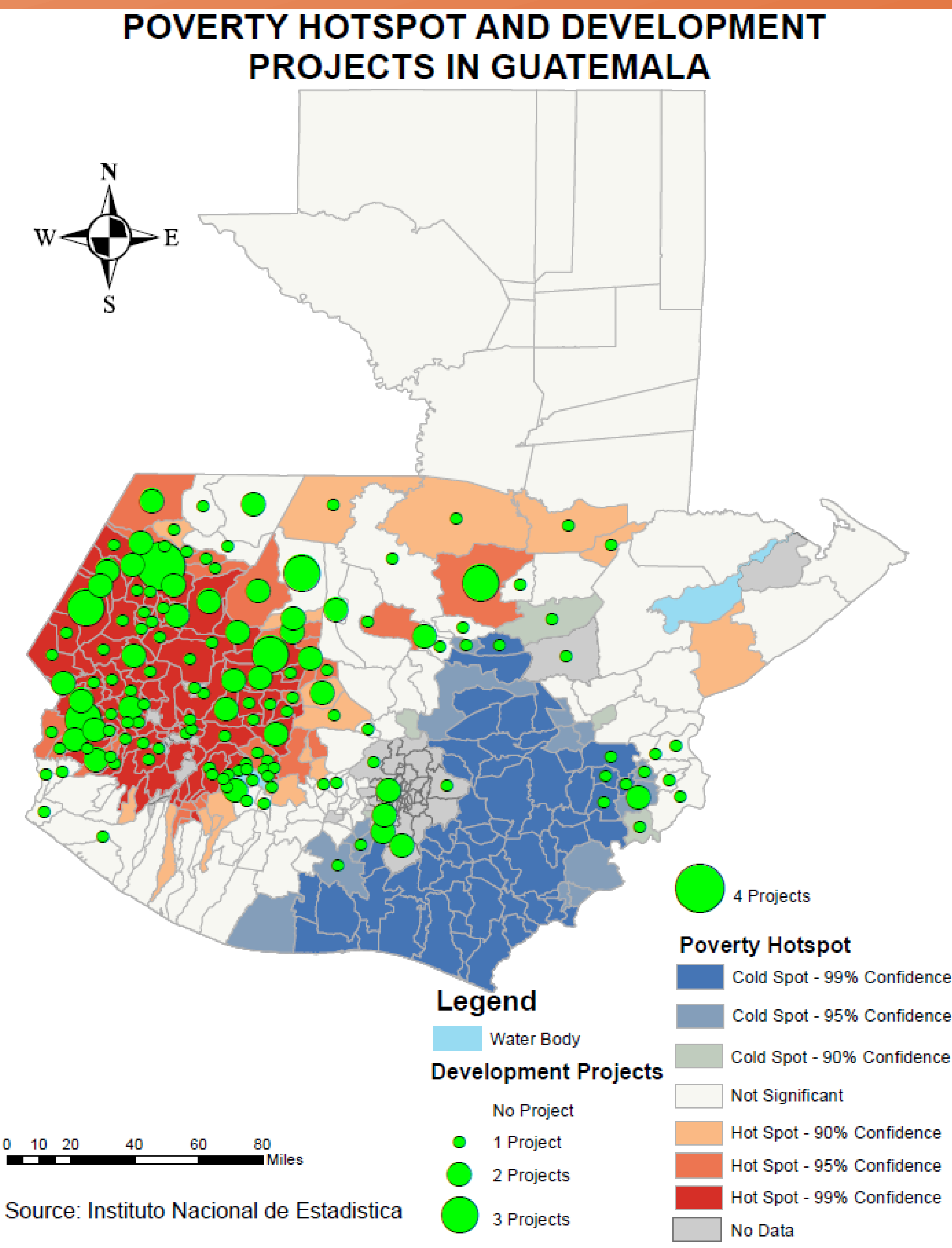
MAP 1



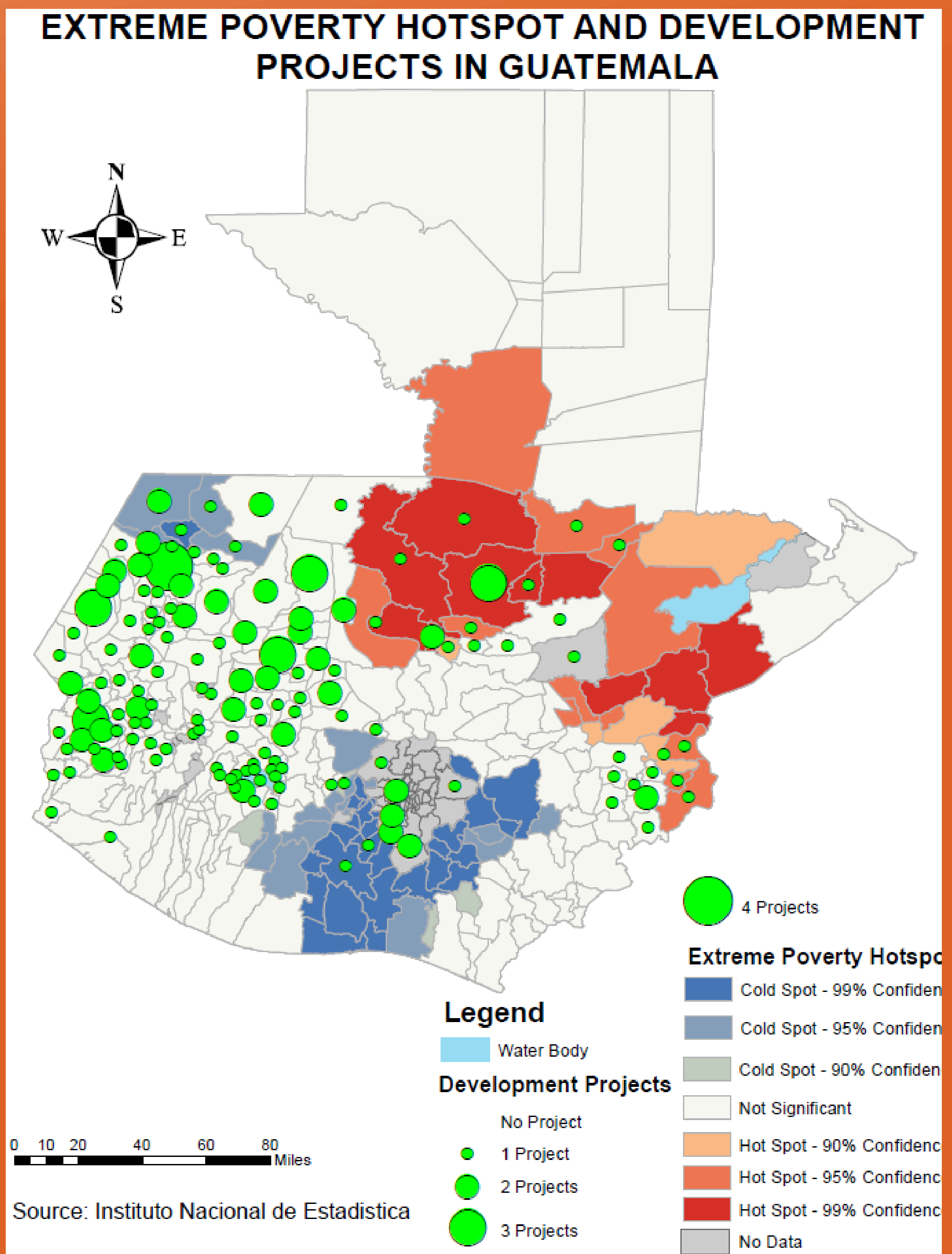
MAP 2



MAP 3



MAP 4



Results

As Map 2 shows, hotspot analysis indicates a large pocket of poverty on the west side of Guatemala. This area is highly mountainous and well populated by indigenous people. Map 3 tells us that the vast majority of development projects also operate in that area, which is good news.

Map 4 tells us a different story. Although there are many poor people on the west side, the poorest and most vulnerable ones actually live in the center of the country. Hotspot analysis shows a large concentration of the extremely poor in the Department of Alta Verapaz. But there are few development initiatives in that area. In addition, there are zero development projects in municipalities in the east, which borders Honduras.

Conclusions

Upon examination of Map 3, one may think that development aid is going to the right people. Nevertheless, that is only half the story. Indeed, the western highland is more impoverished than average. But with a deeper analysis of where the extremely poor live, Map 4 reveals that the Department of Alta Verapaz and its surrounding areas are in greater need. It is entirely possible that development professionals only investigated poverty data and overlooked the extreme poverty data. Therefore, I recommend that officials from USAID and the World Bank pay more attention to Alta Verapaz and direct more resources to that region.

Further Research

Due to lack of resources, I could not look at the financial size of each development project and the population that these projects serve. I recommend that the next scholar looks at these data to determine the aggregate efficacy of these projects. It is probable that even though there are few projects in Alta Verapaz, they are large in terms of funding and serve fewer people there than the western highlands.