

# **Poverty and Gender Inequality in Post-War El Salvador**

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## ***Abstract***

*This article analyzes the rise and fall of poverty and gender discrimination in El Salvador, with a focus on the 1992-present post-war era. Graphs containing official World Bank data on employment rates, school enrollment, poverty headcounts, and GDP growth are provided as both background information and correlating visuals for the discussion topics. The paper explores the ways that trends in poverty and gender inequalities overlap and provides examples as to how the violent civil war left an impact on life in El Salvador. Post-War reforms and programs are studied and conclusions are made as to the most effective ways to reduce and end poverty and gender inequality in El Salvador.*

## **I. Introduction**

In the past 20 years, El Salvador has been infamous for war, poverty, and violence. Images of horrible uprisings and innocent deaths splashed across television screens around the world in the 1980s, as one of the bloodiest wars to date raged on in Latin America. The Salvadoran Civil War, lasting from 1980 to 1992, left a deep imprint on El Salvador's economy and society.

The effects of the end of the civil war are reflected in socio-economic progress made in El Salvador since the war's conclusion. Violence still remains prevalent in the country, but somehow Salvadorans have managed to slowly improve living conditions by reducing poverty and empowering women. The changes are not monumental, but visible in various social indicators.

Poverty and gender inequality are two of the underlying factors that both contribute to and are products of the vicious cycle of violence that El Salvador has suffered from. This article analyzes the trends of poverty and inequality in El Salvador over the years and considers how an end to the violence and corruption can help diminish their presence in the country.

## II. Brief Literary Review

Following its twelve-year civil war, El Salvador received worldwide notoriety and attention for a violent and impoverished culture. Consequently, extensive research has been conducted on the country in the years since. The following articles are four of the most comprehensive analyses of the past and current poverty, equality and economic growth in El Salvador.

- In “*The Myths of Violence: Gender, Conflict, and Community in El Salvador*” author Mo Hume (2008) breaks down the effects of different political and social structures on life in El Salvador following the Salvadoran War. According to Hume, violence in El Salvador remains at a dangerously high in the years since the war has ended. The article exploits an unfortunate paradox of post-war El Salvador: as peace is strived for in the aftermath of war, violence seems to only become more prevalent. This article highlights life histories of men and women in El Salvador who have witnessed violence from an extremely early age and have therefore subconsciously accepted it as a cultural norm. The article explains how the post-war society in El Salvador promotes masculine power and has consequently created a society in which women are the victims of terrible violence.
- The Peace and Conflict Monitor published “*Violence and Poverty Entangled in El Salvador*” by Paula LeRoy (2012). The article is based off of the author’s extensive research into the post-war economy of El Salvador. LeRoy discusses how the 1992 Peace Accords were meant to fix the damage done by the civil war, but failed to do so for on several levels. Poverty alleviation programs were implemented to shrink the large gap between the country’s social classes, but they could not be properly carried out with the presence of corrupt government officials and violent gangs following the war. In the article, LeRoy addresses the relationship between violence and poverty in modern-day El Salvador using powerful statistics of those suffering from the effects of a life in poverty. Access to clean water, lack of trust in government, and high unemployment are a few of the statistics used to paint a picture of the poverty-stricken society that the vicious cycle of violence and corruption has given El Salvador.
- Kathy Bougher (2003) writes about the misleading educational reforms for the young women of El Salvador. Bougher, a teacher and activist, writes from experience, as she has worked with the Salvadoran feminist group Las Dignas since 1992. The point of her article is to expose the country’s historic concentration of wealth as the underlying cause of poverty. Bougher explains that the Salvadoran Foundation for Business Development (FUSADES) only allot their funds to systems of very high or very low levels of education. This traps many of the young population into only receiving a fourth grade education. Consequently, young girls with this little education are forced to work at foreign-owned export assembly factories, because the lack of funding for secondary education prevents them from continuing their education. The owners of the factories hire young girls and women because they are considered easier to control and less likely to demand a salary that is more than the thirty-three cents an hour that their work is being sold for. Bougher claims these young girls and women often work 50-80 hour weeks, are exposed to toxic substances, and subjected to sexual assaults in the workplace. Bougher argues that gender equality and humanistic education specifically in the isolated rural communities of El Salvador if the country ever hopes to leave poverty behind.
- José Silvério Marques (2004) compiled a summary of poverty in El Salvador for the World Bank. Aside from giving an extremely helpful analysis of the standards of living for people in El Salvador, the paper expresses four main points that could potentially lead to an escape from

poverty: First, the structural and peace reforms that were put into place in the early 1990s following the civil war did in fact help to reduce the country's poverty levels. Second, it is highly important to continue these structural reforms, as the levels of poverty and inequality remain high. He says that investments in both education and better economic/political infrastructures are necessary for the eradication of poverty. Third, if these two areas are invested in, income levels for the poor will consequently grow. This is proved by intense analysis of poverty and rural household income growth in El Salvador. Finally, the poorest of the poor must be studied with precise examination, because analysis of income growth in the extremely impoverished shows that these households often face conditions quite different from others.

### **III. Empirical Background**

#### **III.1. Brief Background on the Salvadoran Civil War**

Remembered as one of the most bloody and violent wars in history, the Salvadoran Civil War took 75,000 lives between 1980-1992 (Kane, 2002). Many of these casualties were innocent civilians caught up in the conflict between rebel groups and the corrupt government. The corrupt distribution of the country's wealth by the government did not bode well for a growing population in a country that was already quite poor. However, the unjustness that brought on the war can be traced as far back as the late 1800s, when El Salvador began to make a name for itself as a leader in trade with its coffee production (Kane, 2002).

Coffee was responsible for an enormous portion of El Salvador's economy, providing for 95 percent of the country's income. But because this income was only distributed within the wealthiest people of the country, strains between the social classes grew and finally amounted to citizen uprisings against the government in 1932. Government-funded military "death squads" were formed and anyone who seemed to be a part of the uprising was killed. This rebellion marks the beginning of the extreme violence still prevalent in El Salvador today (Kane, 2002).

The struggle between the rich and the poor of El Salvador continued to escalate throughout the 1970s. In 1981, guerilla groups and leftist party members banded together to form the Farabundo Marti National Liberation Front (FMLN) in order to try to fight back against the violence and oppression of the government.<sup>1</sup> The war had officially begun.

Throughout the next twelve years there would be constant conflict and uprising. Murder and combat were common on the streets of El Salvador. The military squads instantly killed anyone suspected of participation in dissent to the government and in some cases wiped out entire villages believed to be assisting the guerilla effort (Kane, 2002). The FMLN continued in their quest for justice, refusing to take part in any political election for fear of further corruption and ruining anything that would enhance the economy and therefore reward the government with monetary support. Bridges were blown up, power lines cut, and entire coffee plantations destroyed (Kane, 2002). The government ignored peace talks initiated by the FMLN and their supporters, and the war raged on until 1991 when the United Nations finally intervened with confirmation of extensive human rights violations.<sup>2</sup>

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<sup>1</sup> See Public Broadcasting Service (PBS) (n.d.).

<sup>2</sup> See United States Institute of Peace (n.d.).

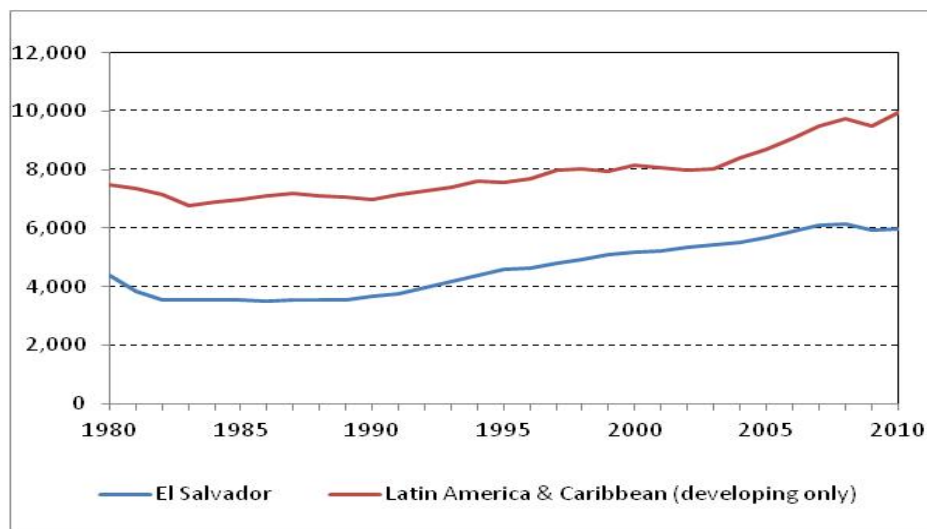
The Salvadoran Civil War ruined the country's resource supply and economy. A culture of violence that was nurtured and tolerated during the war still remained in the everyday lives of the people of El Salvador and left a significant and damaging legacy on the country and its people. The following discussion and concurrent graphs focus mainly on the years after the civil war, simply because the lingering effects of the Salvadoran Civil War can be seen through more than just violence and murder.

### III.2. Socio-economic Background

This section includes an overview of the level of Gross Domestic Product (GDP) per capita and the growth rate of GDP per capita, various measures of the portion of citizens living in poverty, and a comparison of employment between women and men. In this section, El Salvador is also compared to the average of all developing countries in Latin America and the Caribbean (LAC) as it is important to see how El Salvador compares to its surrounding countries.

Figure 1 shows that El Salvador is considerably poorer (in terms of GDP per capita, adjusted by purchasing power parity (PPP)) than the average developing country in LAC. While the income gap was more or less stable during the 1980s, El Salvador's GDP per capita got a bit closer to that of LAC's during the 1990s, i.e., in the first decade after the post-war era. However, in the last few years, the gap between El Salvador and LAC has become slightly larger. While El Salvador's GDP per capita was 68 percent that of LAC's GDP per capita, it declined in relative terms to slightly less than 60 percent of LAC's GDP per capita in 2010. As of 2010, PPP-adjusted GDP per capita (in constant 2005 international \$) stood at \$5,981, while it was \$9,972 for the average developing country in LAC.

**Figure 1: GDP per capita, PPP (constant 2005 international \$) in El Salvador and LAC, 1980-2010**



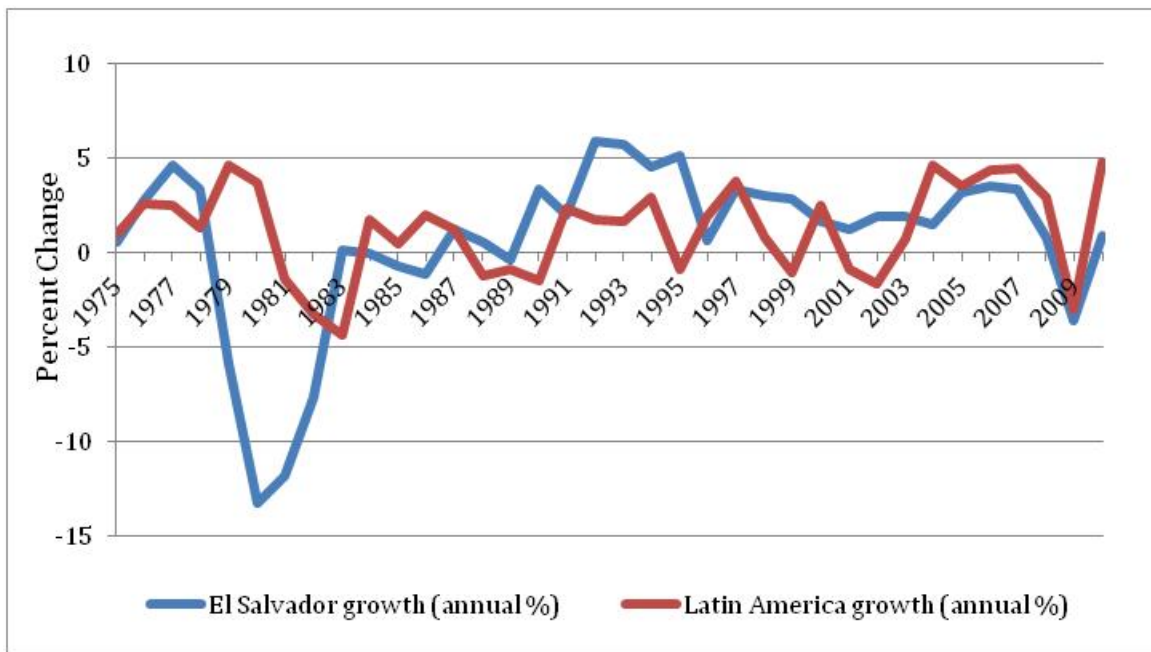
Source: Created by author based on World Bank (2012).

Figure 2 shows that there was a significant period of negative economic growth in El Salvador in the late 1970s-early 1980s. Excluding the year of 1983 (in which the GDP per capita grew by .1 percent), El Salvador's GDP per capita was in a constant state of decline from 1979-1986. This economic decline brought the approximate GDP per capita measured in Purchasing Power Parity

(PPP) from a value of \$2,087 (current international dollars) in 1980 down to approximately \$2,204 by 1986, a 40.4 percent overall reduction. The country’s economy kept a slow but steady incline until the World Economic Crises of 2008/2009, which reduced GDP per capita by 3.6 percent.

Comparing El Salvador’s growth experience with that of the average country of Latin America and the Caribbean (LAC), the data shows similar negative growth for the early 1980s and 2009, but with much more growth discrepancies in the years between due to various economic declines of the multiple other countries taken into account.

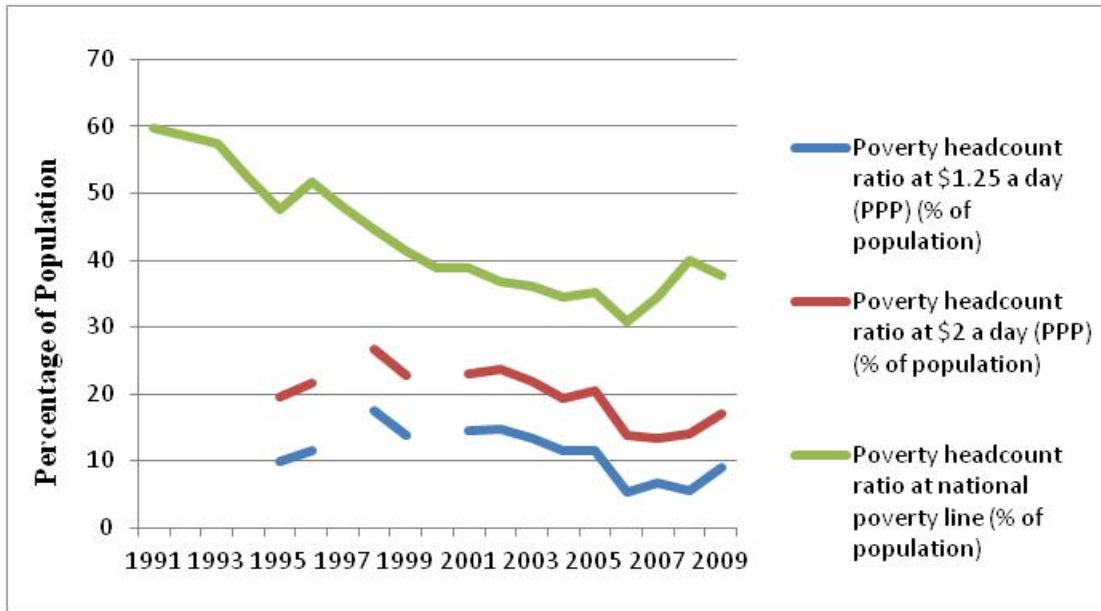
**Figure 2: GDP per capita Growth in El Salvador and LAC, 1975-2010**



Source: Created by author based on World Bank (2012).

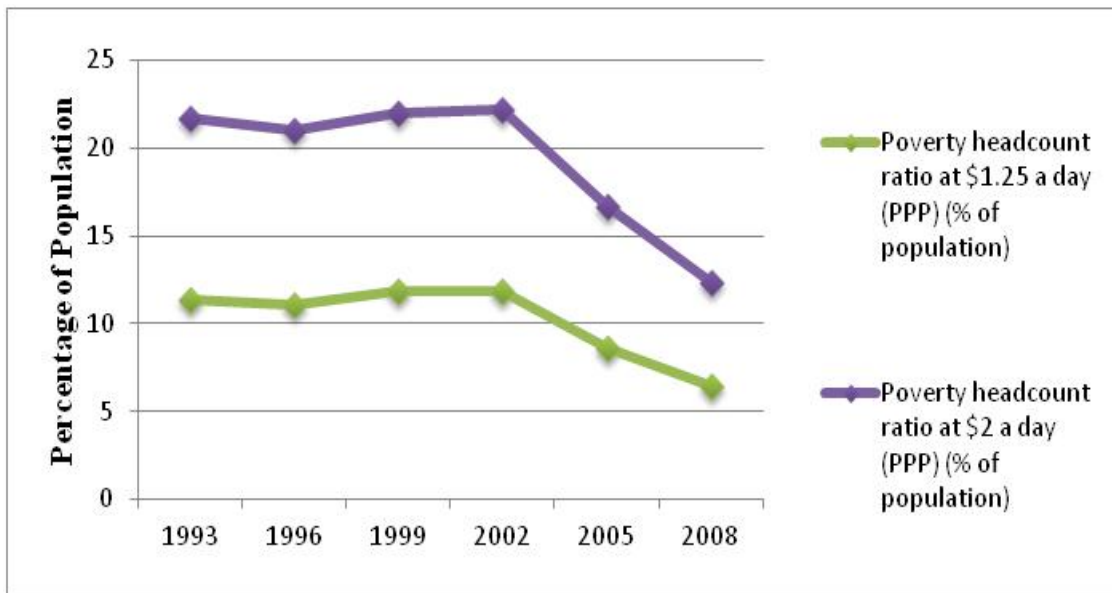
Figures 3 and 4 show the percentages of the population living in poverty in El Salvador and Latin America respectively. In Figure 3, the data is provided for three indicators: the headcount ratio living below \$1.25 a day, headcount ratio living below \$2 a day, and headcount ratio living below the national poverty line. The proportions of the population living at both one and two dollars a day have remained significantly lower than those at the national poverty line over the past 20 years. However, the national poverty line headcount in El Salvador has been somewhat steadily decreasing since 1991 and now is only roughly 20 percent greater than the proportion of El Salvadorans living on \$2 a day. All three types of proportions decreased in the early 2000s and faced only small increases in 2006 and 2009. Figure 4 features the same data for Latin America, except for the national poverty line measurement (as there obviously is no national poverty line for a group of countries). Similar to El Salvador, LAC’s overall poverty proportions noticeably decreased in the early 2000s.

**Figure 3: Percentage of Population Living in Poverty in El Salvador, 1991-2009**



Source: Created by author based on World Bank (2012).

**Figure 4: Percentage of Population Living in Poverty in LAC, 1991-2009**

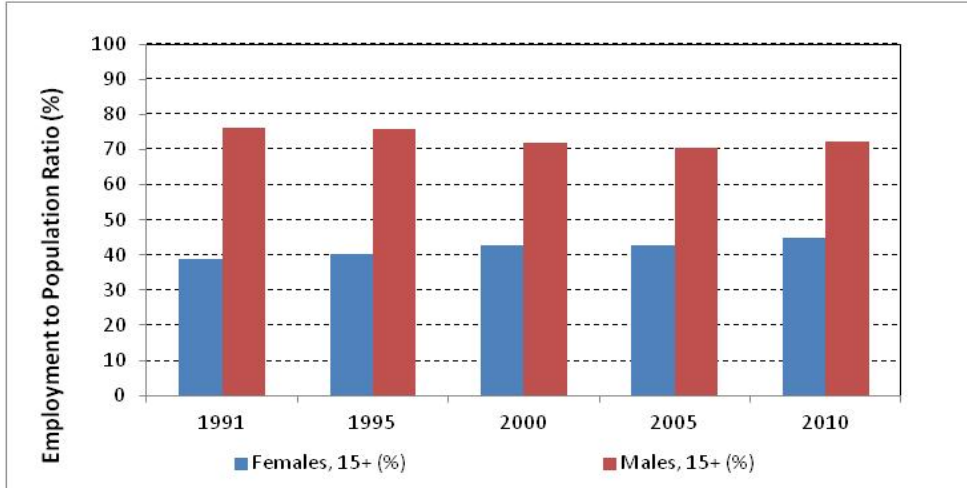


Source: Created by author based on World Bank (2012).

In figure 5, employment percentages between men and women in El Salvador are compared in five-year increments from 1991-2010. Although the gap has been slowly decreasing since 1991, males aged 15 and older have consistently held higher employment percentages than women of the same age in El Salvador. In 1991, male employment was 37 percent higher than female. By

2010, the gap reduced to 27 percent. Despite showing that gender inequality is still very present in El Salvador, the chart also shows improvement in the past 20 years.

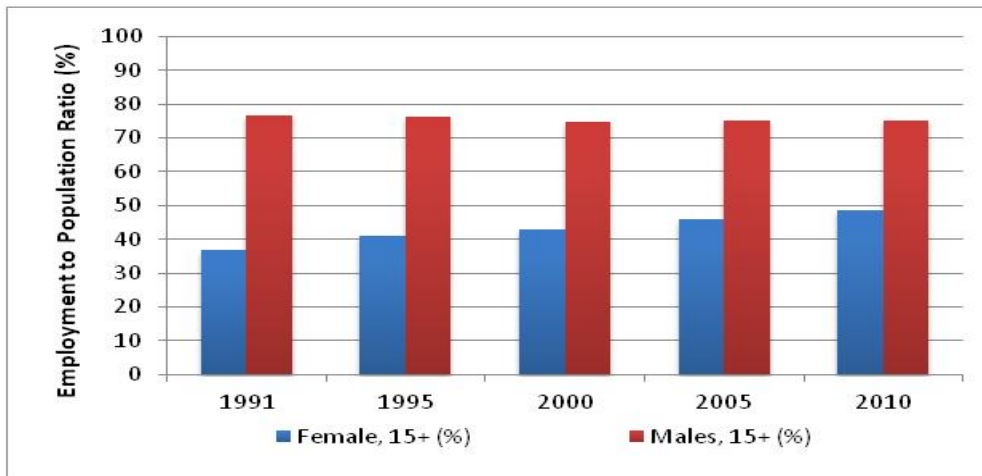
**Figure 5: Employment to Population Ratios in El Salvador, 1991-2010**



Source: Created by author based on World Bank (2012).

Figure 6 features the same data for LAC as a whole. The data proves to be very similar to that of El Salvador's. In 1991, the men of LAC had an employment rate 40 percent higher than LAC's women. The LAC countries have lessened the gap between male and female employment rates just as El Salvador has to 27 percent as of 2010.

**Figure 6: Employment to Population Ratios in Latin America, 1991-2010**



Source: Created by author based on World Bank (2012).

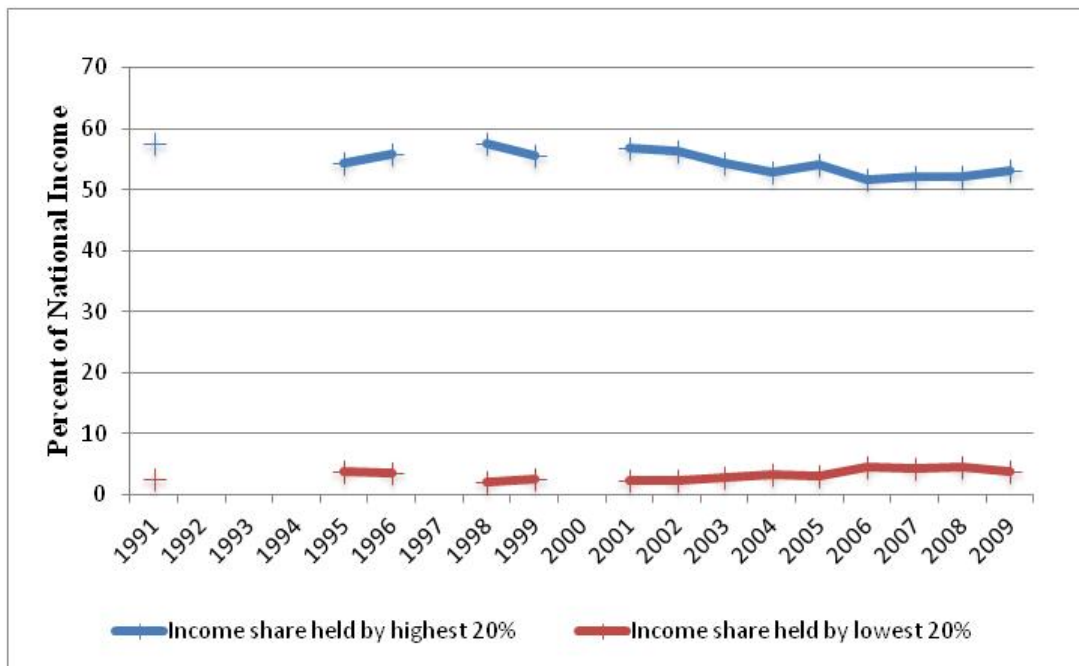
## IV. Discussion

### IV.1. El Salvador's Stagnating Income Gap

There are other indicators of poverty than the average daily income of an individual or family. Wealth distribution can be considered in analyzing the gaps between a nation's social classes to gauge just how impoverished the nation is. This is especially helpful in El Salvador's case, as the vast space between the government and the rich of the society and the poor was a main cause of the civil war.

In Figure 7, this income gap can be clearly seen. Those in El Salvador who are included in the highest-earning 20 percent of the population have consistently held approximately 50 percent of the country's income, while the lowest-earning 20 percent had consistently less than 10 percent of El Salvador's income. Although the relevant data was not available from before 1991 through the World Bank, we know from history that wealth distribution has been an ongoing issue, sparring conflict for 100 years (Kane, 2002).

**Figure 7: Income Shares in El Salvador, 1991-2009**



Source: Created by author based on World Bank (2012).

Furthermore, in contrast to Figure 3 above, which showed considerable progress in reducing El Salvador's poverty rates since the early 1990s, Figure 7 shows that basically no progress has been made in narrowing the income distribution gap over the last two decades. Marques (2004, p. 23) states that "the impact of growth on poverty depends on what happens to the distribution of income. Greater inequality generally means a diminished capacity to reduce poverty, for any given level of growth. Moreover, high inequality may also reduce the rate of growth because it may lead to political instability, violence or underinvestment in human capital."

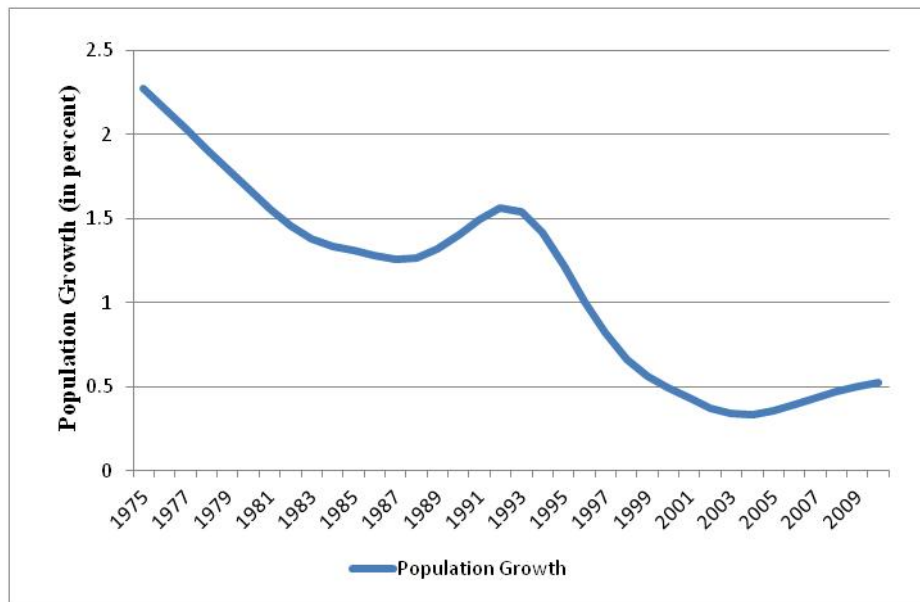


In conclusion, El Salvador has managed to show varying levels of poverty improvement in the past 20 years, as their national headcount has gone down considerably since the war's end, but the income (and wealth) distribution gap has only decreased by a small percent.

#### IV.2. Population Growth and Poverty Dynamics

Figure 8 shows an interesting population growth pattern, with sharply falling population growth during from 2.3 percent 1975 to about 1.4 percent in the mid-1980s. During the late-1980s, population growth stabilized at around 1.3 percent. It then accelerated to above 1.5 percent during the end of the civil war, until it started to decline once again in 1993. In consulting Figure 3 above, it can be determined that at the end of the civil war in El Salvador, poverty rates were extremely high, with 60 percent of the population living at the national poverty line. Aside from a slight jump in 1996, this proportion steadily decreased in the decade following the civil war. This data supports the notion that increasing population growth is correlated to increasing poverty.

**Figure 8: Population Growth in El Salvador, 1975-2010**



Source: Created by author based on World Bank (2012).

#### IV.3. Efforts to Reduce and End Poverty in El Salvador

One effect of the civil war was inevitable, and ended up helping to alleviate the poverty levels in post-war El Salvador. Many citizens fled the country during the civil war, and in the years since the war's end they have come to be the country's most important export (Gammage, 2007). This migration of Salvadorians returning to their home country has helped to reduce poverty rates in the nineties and new millennium by contributing to raising incomes and bringing wealth back into the poor and rural communities (Gammage, 2007).

Throughout the past 20 years, government reforms have been made to attempt to reduce and eventually end poverty in El Salvador. Monitored by the United Nations and Roman Catholic Church, the Chapultepec Peace Accords (or 1992 Peace Accords) were signed between the

Salvadoran government and the FMLN to bring the civil war to an end. The Peace Accords were created to negotiate relations between the government and people, while aiming to reform poverty and reinstate a proper justice system. LeRoy (2012) sums up the goals of the Peace Accords in seven points:

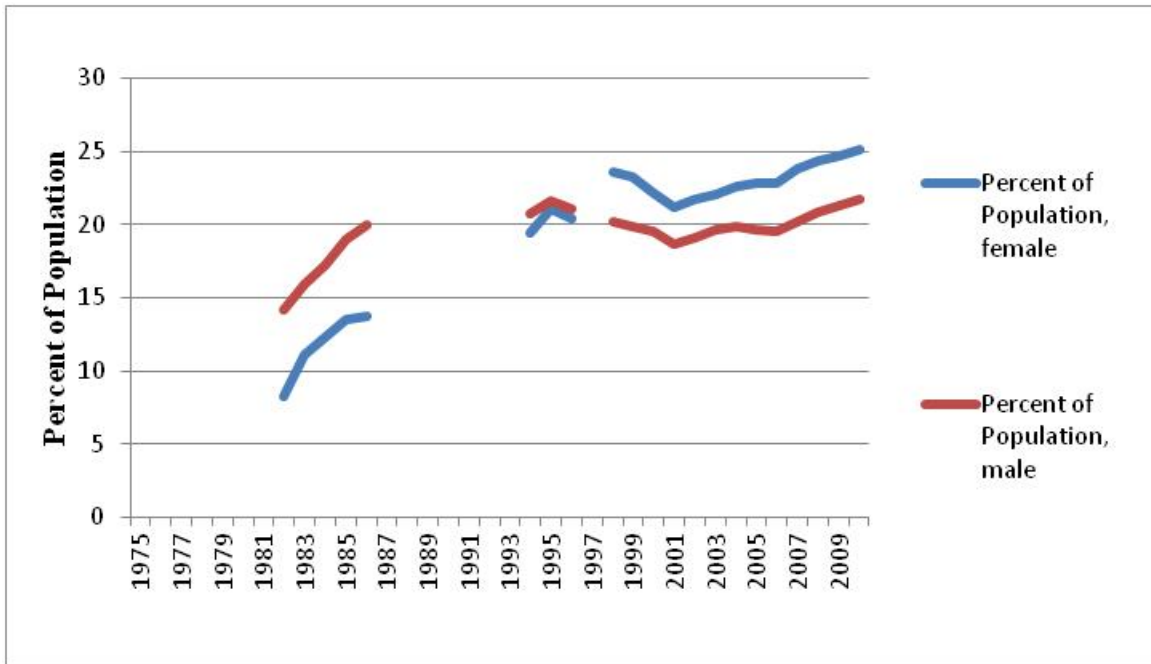
1. Dismissal of the military and treasury police. These forces were to be replaced with an integrated, newly trained National Police force comprised of 20% former police, 20% former opposition combatants, and 60% new recruits. The Police were officially separated from the Military and given different functions. Forced recruitment became illegal.
2. A new independent Judiciary was created to insure justice. An ombudsman and a Truth Commission offered citizens a chance to report human rights abuses and address grievances.
3. Disarmament, Demobilization and Reintegration Programs were initiated by UN forces and funded with international resources.
4. New elections allowed participation of opposition candidates. Candidates were allowed to have access to the media and the right to protection during campaigns.
5. The United Nations oversaw the elections, transitions and implementation of programs.
6. Political prisoners and exiles were granted 'right of return'.
7. Poverty alleviation programs included land distribution to rural poor.

El Salvador has had successes and failures in achieving the goals set forth by The Peace Accords. While alleviation programs were put into effect following the war and poverty levels did slightly relent, close to 40 percent of the population remains beneath the poverty line (Figure 3). The FMLN was disarmed, but violence prevailed because the arms that were given up were often the broken or weaker ones. In most cases, soldiers were not tried for the war crimes they committed. The biggest flaw of the Peace Accords was its failure to comprehend the difficulty in removing corruption from the government. The war may have ended, but the instating of proper justice systems, dismissal of military/treasury police, and installation of reintegration programs were all never fully completed due to the remaining corruption in the Salvadorian government.

#### **IV.4. A Different Option to Look at Gender Inequality in El Salvador**

One way that gender inequality is most prevalent in a society is the proportion of girls or women that receive an education. In El Salvador, this proportion has increased considerably in the last few decades. Tertiary education is most commonly the highest form of education, following secondary school. Tertiary education students receive an undergraduate degree at a university, college, or polytechnic. As shown in Figure 9, throughout the 1980s, only 14-19 percent of men went on to enroll in tertiary schools. Female enrollment was even lower, at 8-13 percent (Figure 9). However, by the late nineties and the early years of this millennium, women's enrollment in colleges has surpassed that of men and stayed consistently ahead. In 2010, 25 percent of women and 21 percent of men were receiving a tertiary education in El Salvador. This improvement correlates with the improvement seen in Figures 3 and 5: as the population's poverty rates slowly decrease, women's presence in the workplace and academic environments slowly increase.

**Figure 9: Enrollment in Tertiary Education in El Salvador, 1975-2010**



Source: Created by author based on World Bank (2012).

#### **IV.5. Efforts to Reduce and End Gender Inequalities in El Salvador**

Despite living in a time with enforced “gender hierarchies” and being subjected to many types of violence, including domestic, throughout the civil war, Salvadoran women have managed to reduce the gender gap in the past 20 years. This improvement can be directly attributed to their involvement in the civil war. During the war, women were employed in highly active roles such as armed combatants and domestic aides to soldiers.<sup>3</sup> After the war, women expected to be able to continue their careers outside of the typical family life of a woman. However, re-integration was difficult; they were criticized in their efforts to leave traditional domestic life behind. Programs like *Instituto de Investigación, Capacitación y Desarrollo de la Mujer* (IMU) were established to help foster women’s rights and address the need to end gender discrimination in the workplace.<sup>4</sup>

IMU focuses its efforts on three main areas: research on gender discrimination and women’s poverty; training women human rights leaders; and supporting grassroots women’s initiatives in the areas of economic development, community organizing, health, violence prevention and the promotion of responsive local government.<sup>5</sup> Movements and programs like IMU helped to give confidence to the women who had participated in and endured the Salvadoran Civil War, allowing them to demand the equality in the workplace that they deserve. Although there is still a long way to go to achieve perfect equality, post-war Salvadoran women have begun to make progress in closing the gender gap in employment (as was shown in Figure 5 above) and have more than closed it in terms of tertiary education (as was shown in Figure 9 above).

<sup>3</sup> American Jewish World Service (2007).

<sup>4</sup> American Jewish World Service (2007).

<sup>5</sup> American Jewish World Service (2007).

Another step that should be taken to improve gender equality in El Salvador is that the proper amount of money is allotted to guarantee that young girls receive a proper education and are not left to work in a factory. Bougher (2003) claims that many young women in El Salvador are trapped into only receiving a fourth-grade education because of the government's self-serving distribution of the country's wealth. These girls have no choice but to work in a *maquila*, a foreign-owned factory in the rural areas of El Salvador that are serve to produce goods at a cheap rate (meaning low wages for workers and essentially no labor restrictions) and sell them overseas at an excessive price. Feminist groups like "Las Digas" work to ensure that the public is aware of the unjust spending practices of the Salvadoran government and hope to incite changes in the employment practices of *maquilas*. Gender equality can only be eradicated when the government fully supports the education of girls and young women.<sup>6</sup>

## V. Conclusion

From the extensive evidence featured in this discussion, it is quite clear how great of an effect the Salvadoran Civil War had on its country. Repercussions like corruption, unjust wealth distribution, and violence are still dominant forces in many Salvadoran lives even today. El Salvador is on a slow but steady path to reconstruction after their extremely bloody, twelve-year civil war. Poverty rates and discriminations against women in schools and the workplace are on the decline, offering hope to the country's people.

Many Salvadorans who have lived through the civil war have encountered violence from the day they were born. It has become a cultural norm for them; they are surrounded by crime day in and day out. This, as much as poverty, education, wealth distribution and gender issues, is what needs to be permanently eliminated from Salvadoran society. A culture of violence fosters and produces government corruption, which in turn provides for more poverty and discrimination. If steps can be taken to end the violence that is so prominent in El Salvador, they should be carried out at any cost.

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<sup>6</sup> Bougher (2003).

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