

Rural poverty in Latin America, 2007

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Northern America

The two biggest countries of Northern America, United States of America and Canada, are countries associated with prosperity rather than need. Both are major donors of aid to poorer countries. Yet there is poverty even in affluent North America – and most of it is in rural areas.

More than 14 per cent of the rural population (7.5 million people) in the United States of America lived under the poverty line in 2002, compared with 12 per cent of the urban population. Rural poverty is deepest in certain parts of the south and west.

Some racial and ethnic groups are poorer than others. Poverty rates in the United States of America are higher for minorities than for non-hispanic whites. This pattern also applies in rural areas. More than a quarter of rural hispanics, blacks and indigenous Americans such as American Indians, Inuits and Aleuts live in poverty (US Department of Agriculture: US Census Bureau figures).

Family structure is also a key factor. Especially vulnerable are members of rural families headed by a single adult, particularly if that adult is a woman. For these families, the poverty rate in 2002 was 37 per cent – ten percentage points greater than for urban families headed by women.

Child poverty rates are also disproportionately high in rural areas. In 2002 one out of every five children living in rural areas was poor (US Department of Agriculture).

In 2000, the incidence of poverty in rural regions of Canada averaged 14 per cent, a decrease from the figure of two decades earlier, which was 16 per cent. Overall, between 1980 and 2000 the incidence of low income in rural regions declined in all provinces except British Columbia. This was in sharp contrast to urban regions of the country, where the proportion of low incomes rose from 16 per cent to 18 per cent. The provinces with the highest rural poverty were Newfoundland and Labrador, Saskatchewan and New Brunswick.

The Canadian Research Institute for the Advancement of Women has reported that almost half of indigenous peoples living on reserves are affected by poverty.

Central America

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Mexico lies between two very different parts of the Americas: a richer area comprising Canada and the United States of America to the north, and a poorer area to the south and east, comprising parts of Central and South America and the Caribbean. This has conditioned development patterns within Mexico, which has a wealthier zone in the north, near the American border, and a poorer one in the south, where poverty is concentrated in rural areas.

In Mexico the maize crop has been the main source of food security and income for most poor farmers for many generations. The drop in the price of maize on international markets, and competition from maize produced by subsidized farmers, especially in the United States of America, threaten the livelihoods of Mexico's poor farmers. In 2002, 45 per cent of rural households were poor and half of them were extremely poor, with incomes amounting to less than the cost of a basic food basket, a conventional measure of minimum nutritional needs.

In most Central American countries, income from traditional exports such as agricultural products and textiles is concentrated in the hands of relatively few people – large-scale landowners and entrepreneurs. Half of Central America's population lives below the poverty line, and in rural areas two out of three people are poor. Three out of every four rural poor people cannot satisfy their basic nutritional needs.

Honduras is the most dramatically affected country, with 75 per cent of its rural population living in poverty and 63 per cent of them in extreme poverty. Next in rank is Guatemala, with 54 per cent of rural people living in poverty, and Nicaragua and El Salvador with 47 per cent of rural poor people. Panama and Costa Rica have lower incidences of poverty, with 37 per cent and 23 per cent, respectively.

Indigenous peoples are among the poorest in the region. Indigenous communities are particularly vulnerable to poverty because they have the lowest income levels and do not have access to basic services such as education, health care and housing. In Guatemala, where indigenous peoples account for more than 40 per cent of the total population, three out of four of them are poor. In Panama indigenous peoples comprise 8 per cent of the population, and poverty affects 95 per cent of them.

Natural disasters such as Hurricane Mitch, which claimed thousands of lives in Central America in 1998, have aggravated poverty in the region, particularly in Honduras and Nicaragua.

South America

Poverty in the South America region is often perceived as an urban phenomenon, since 70 per cent of the population is urban, and extensive urban slums are highly visible. But poverty affects a much higher proportion of the region's rural population.

Brazil has about 20 million rural poor people, many of them in the arid north-east. Some rural poor people migrate to metropolitan areas such as São Paulo and Rio de Janeiro. The poorest of the poor in South America are indigenous peasant communities in remote mountain areas in Bolivia, Peru and Ecuador. The harsh Andean environment is home to 35 per cent of the poorest people in the region, and three out of four rural people in the Andes live under the poverty line.

Rural poverty in the region is mainly associated with lack of access to and unequal distribution of productive land, and inadequate access to information and productive assets for smallholder farmers. In rural areas poor people also face the consequences of geographic isolation and limited public investment in education, health services and housing. Market-oriented policies adopted by governments during recent years have led to a decrease in investments in rural areas, contributing to an increase in rural poverty.

Rural women are among the poorest of the poor. They suffer the consequences of internal conflicts, migration of men both within and outside their country, and structural adjustments.

Rural poverty in the South Cone, or southern part of South America, is deepest among indigenous peoples such as the Mapuches in southern Chile and some 15 ethnic groups in Argentina, where the recent economic crisis has led to an increase in poverty in many urban and rural areas.