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Guatemala: An Overview

Guatemala, the most populous country in Central America, has strived to consolidate its democracy since the 1990s. It has faced many political and social challenges, as well as widespread corruption, impunity, and human rights abuses. Traditionally, the United States and Guatemala have had close relations, with friction at times over certain issues, such as democratic governance and migration. Government corruption, migration, and food security in Guatemala have been long-standing concerns for some in Congress.

Figure 1. Guatemala Map



Source: Congressional Research Service.

Political Situation

Guatemala has a long history of internal conflict and violence, including a 36-year civil war (1960-1996). For most of that time, the Guatemalan military held power and brutally repressed citizens' human rights, with an estimated death toll of over 200,000 people and forcible disappearance of some 45,000 (Indigenous people made up the majority of these victims). In 1986, Guatemala established a civilian democratic government, although military repression continued. In December 1996, then-President Álvaro Arzú (1996-2000) and the Guatemalan National Revolutionary Unit (URNG), with support from the U.N. mission in Guatemala, signed peace accords to end the conflict. Goals put forth in the accords (e.g., eradicating extreme poverty, integrating indigenous Guatemalans, bolstering institutions) remain unfulfilled. Successive governments have failed to strengthen the Guatemalan justice system to punish perpetrators of grave human rights abuses and massive corruption; Indigenous Guatemalans continue to face poverty and social exclusion.

Democratically elected civilian governments have led Guatemala for over 30 years, but democratic institutions remain fragile, largely due to high levels of state capture by elites. In 2007, Guatemala requested that the United Nations establish the International Commission against

Impunity in Guatemala (CICIG) to assist Guatemala in investigating, prosecuting, and dismantling illegal groups and clandestine structures. The United States provided more than \$44.5 million in funding for CICIG over the course of the commission's 12-year mandate (2007-2019). CICIG and Guatemalan attorneys general secured convictions of dozens of high-level officials, including a former president and vice president for graft and customs fraud. CICIG's work angered many elites, including then-President Jimmy Morales (2016-2020), himself under investigation, who refused to extend its mandate.

Guatemala at a Glance

Area: 42,000 square miles, about the size of Tennessee

Population: 19.0 million (2023, IMF est.)

Ethnic Composition: Mestizo (mixed Amerindian-Spanish; *Ladino* in local Spanish) 62.8%, Maya 34.9%, Xinka (Indigenous, non-Maya) 2.1%, Garifuna 0.1%, foreign 0.1% (2018 est., INE)

Gross Domestic Product (GDP)/Per Capita GDP: \$102.8 billion/\$5,410 (2023, current prices, IMF est.)

Key Import Partners: United States (31.9%), China (18.2%), Mexico (10.1%), El Salvador (3.3%) (2022, TDM)

Key Export Partners: United States (31.1%), El Salvador (13.1%), Honduras (10.1%), Nicaragua (6.4%) (2022, TDM)

Sources: International Monetary Fund (IMF); National Statistics Institute of Guatemala (INE); Trade Data Monitor (TDM).

2023 Elections

After a tumultuous preelection period and first-round presidential election marred by alleged irregularities and the disqualification of several leading candidates, Guatemala held a runoff election on August 20. Anti-corruption, center-left candidate Bernardo Arévalo captured 58% of the vote, according to Guatemala's Supreme Electoral Tribunal (TSE), defeating centrist candidate Sandra Torres, who won 37.2% of the vote.

Despite this wide margin of victory, President-elect Arévalo has faced a turbulent path to office. Certification delays, raids on the TSE, and the spread of propaganda against Arévalo's party, Movimiento Semilla (Semilla), have hindered the transition process. U.S.-sanctioned Attorney General Maria Consuelo Porras, the Public Ministry's Office of the Special Prosecutor Against Impunity, and political opponents of Semilla are primarily responsible for these actions. The State Department, Organization of American States, and European Union have expressed concerns over the threats to Guatemala's democratic transition of power. The Guatemalan

Constitutional Court issued a statement in December 2023 commanding the Guatemalan Congress to guarantee the effective inauguration of all officials elected in the 2023 electoral process. The statement may guarantee that Arévalo takes office, but the next Guatemalan Congress—where Semilla has 23 out of 160 seats—could make governing difficult. Newly elected authorities are scheduled to be inaugurated on January 14.

Economic and Social Conditions

Guatemala has the largest economy in Central America, with an estimated gross domestic product (GDP) of \$102.8 billion in 2023, according to the International Monetary Fund. Despite a growing economy, more than 55% of the population and 79% of Indigenous Guatemalans live in poverty. Guatemala's tax-to-GDP ratio is the third lowest in Latin America, severely limiting the funds available for public services and investments.

Guatemala is home to one of the youngest populations in Latin America, with roughly 60% of citizens under 29 years of age, according to Guatemala's National Institute of Statistics. Young Guatemalans living in poverty typically experience food insecurity and poor access to education. According to the World Bank, 47% of children under the age of five have stunted growth.

U.S.-Guatemalan Relations and Legislative Activity

Both Congress and the Biden Administration seek to promote human rights, dismantle corruption, increase citizen security, ensure transparency and accountability, address the root causes of migration, and suppress gangs and drug trafficking in Guatemala.

U.S.-Guatemalan engagement increased under the Biden Administration initially, but U.S. concerns about anti-democratic and corrupt practices by Guatemalan officials have since strained relations. President-elect Arévalo seeks to restrengthen cooperation with the United States. Arévalo views fighting corruption, reestablishing democratic institutions, and providing resources to help Guatemalans improve their socioeconomic conditions as key policies to address the drivers of emigration. Emigration rates could rise if electoral turmoil and economic instability intensify.

Migration. In FY2023, the U.S. Border Patrol encountered around 231,500 Guatemalans at the Southwest border. The U.S. Agency for International Development (USAID) has identified the lack of economic opportunities, extortion, crime and violence, and corruption as the top drivers of irregular migration. In June 2023, the U.S. and Guatemalan governments announced that Guatemala, with support from various U.N. agencies, would host a Safe Mobility Office. Such offices seek to reduce irregular migration by informing individuals about legal pathways to the United States or other countries.

Corruption. The Biden Administration has taken various actions intended to stem Guatemala's backsliding on corruption and the rule of law under outgoing President Alejandro Giammattei. It has imposed visa sanctions on Attorney General Maria Consuelo Porras and her family,

among other Guatemalan officials and economic elites, pursuant to the United States-Northern Triangle Enhanced Engagement Act (P.L. 116-260, Division FF, Subtitle F) and Section 7031(c) of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2022 (P.L. 117-103, Division K). The Biden Administration also has redirected some aid due to corruption issues and imposed visa sanctions on almost 300 individuals, including over 100 members of the Guatemalan Congress and private sector representatives and their families, for corruption-related abuses. Some Guatemalan officials have also been placed on the State Department's Section 353 Corrupt and Undemocratic Actors list, and others have been sanctioned pursuant to Executive Order 13818, which builds on and implements the Global Magnitsky Human Rights Accountability Act.

U.S. Assistance. For FY2024, the Biden Administration requested \$164.5 million for Guatemala—\$138.7 million in Development Assistance (DA), \$25 million in Global Health Programs (GHP), and \$800,000 in International Military Education and Training (IMET). In FY2023, the United States allocated \$121.3 million—\$80.9 million in DA, \$40.15 million in GHP, and \$320,000 in IMET. Guatemala may receive additional assistance through regional programs for Central America. In FY2023, the United States also provided \$15.5 million in humanitarian assistance to address food insecurity, climate shocks, gender-based violence, and other humanitarian needs.

Congressional Actions and Restrictions. Similar to prior years, the Consolidated Appropriations Act, FY2023 (P.L. 117-328), requires the State Department to withhold 60% of Economic Support Fund and security assistance to the Guatemalan government until the Secretary of State certifies that the Guatemalan government has met conditions related to corruption and public integrity, human rights, and migration, among other issues. Congress may consider whether to adjust the percentage of withholdings based on progress made by the Guatemalan government. The State Department reprogrammed some FY2021 assistance to other countries due to the Guatemalan government's failure to meet those criteria and has yet to issue certifications for FY2022 or FY2023.

P.L. 117-328 also prohibits Foreign Military Financing (FMF) to Guatemala. Although some members may consider allowing FMF in the future due to Guatemala's role in curbing irregular migration, others may be concerned due to Guatemala's misuse of Department of Defense-provided equipment on multiple occasions from August 2018 to October 2021, including intimidating U.S. officials and Guatemalan protesters.

Congress also may consider policies to enhance pressure on those hampering democratic processes in Guatemala and to respond to the erosion of the rule of law. Congress may, for example, consider reauthorizing or modifying the sanctions authority in the United States-Northern Triangle Enhanced Engagement Act (P.L. 116-260, Division FF, Subtitle F), which expired on December 27, 2023.

Karla I. Rios, Analyst in Latin American Affairs

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