The impact of the human capital of women on the economic development of Guatemala

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Abstract: Emerging markets are amongst some of the fastest-growing economies on the globe. However, they must enhance human capital to enable a nation’s long-term development. The theory states that the increase in workforce participation highly impacts GDP per capita. Additionally, developing markets can grow even further if they increase women’s rate in the labor market. The paper aims to determine the main obstacles for women in the job market and identify the impact of female participation on national development by conducting a case study analysis for Guatemala. The authors decided to apply a data triangulation approach and chose a mixture of three sources of data: documents, archival records, and interviews. Guatemala holds an unfavorable rank in the Global Gender Gap Index. The findings demonstrate that the workforce rate is increasing but still severely lower than the men’s rate. In Guatemala, the high number of women in tertiary education does not translate into higher female workforce participation. The main issues are cultural stereotypes, limited access to the job market, and difficulties with combining work and childcare.

Keywords: women’s workforce participation, human capital, gender gap, gender equality

JEL: E2, I2, J1, J2, J7, O1

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1 Introduction

This paper aims to underline women's importance to a country's development, especially in emerging markets. This was accomplished by assessing factors that improve or hinder female labor force participation and how this will impact economic growth. The primary purpose was to identify relevant factors that influence women's economic activity and how this impacts the economy in a broader sense. The authors aim to shed light on this relation and the importance of policies, markets, and institutions within this concept. Figure 1 illustrates the link between gender equality and growth.

Figure 1: Gender equality and economic growth

Various sources underline the link between gender inequality and national development. However, there is still a literature gap when it comes to female workforce participation and its impact on the economy. This has created obstacles for many researchers in properly analyzing women's role in the economy (Sher, 2014, pp. 8-9). The literature lacks detailed information about the reasons for gender disparities across the globe, i.e., how culture and education affect inequality (Cheung & Chan, 2007, p. 157). The U.N. confirms that more data is available about men-related than female-related topics. This Gender Data Gap creates a research problem because women's progress cannot easily be observed (U.N. Women, 2018).

2 Theoretical Backgrounds

Most literature states that gender inequality and economic development are correlated in a two-way relation. There are two main factors of this type of relationship. First, a country's development level determines the number of economically active women. Second, the female workforce participation rate impacts economic growth (MWFCDF & UNDP, 2007, p. 6). This section will elaborate on economic development and growth, the role of gender within this concept, and the main factors influencing the female labor force participation rate.

Human Development

An often-used measurement to indicate the well-being of a country is the GDP per capita. However, GDP could be insufficient to provide a broad picture of a nation’s economic situation. There are other forms of measurement that are more adequate in the measurement of human development. The Human Development Index (HDI) is one of these measurement techniques. This index analyses a country's education, health, and welfare level (Nafziger, 2006, pp. 34-35). It contributes an in-detail insight into a society's living conditions. HDI accomplishes this by combining three dimensions (UNDP, 2019).

Economic growth does not automatically lead to decreasing poverty due to existing income inequalities in many countries (Barro & Sala-i-Martin, 2004, p. 6). Regarding education, health, life satisfaction, income, and labor force participation, emerging markets show greater inequality than developed countries (Balestra et al., 2018, pp. 10-11). HDI does not include indications about inequality, poverty, or gender disparity. Therefore HDI might not be sufficient to analyze a society's welfare (UNDP, 2019).

According to the U.N.'s Human Development Report, the global gender gap is more deeply rooted than initially
thought. The U.N. set forth a goal to achieve global gender equality by 2030. Unfortunately, the signs of this being achieved within this timeframe seem intangible (UNDP, 2019, p. 147). The issue of gender equality is highly relevant for the economy and development-related research. The discovery of this issue was one of the main reasons for the authors to focus on this topic. This research expects to provide further insights into its complexity. Gender disparity highly impacts human and economic development.

**Gender and Development**

Women contribute significantly to the economy’s wealth (Bailey et al., 2000, p. 5). If females are economically active in the official workforce, they stimulate improved living conditions for other women and girls. This translates into an enhanced health system, reducing domestic violence, increasing social status, and overall economic development (Winkler, 2016, p. 1). However, many women are employed in the informal sectors. This alludes to their wages and regulations not being appropriate. Their increased participation in the official workforce is essential for women’s well-being and overall development (Elorgh-Woytek et al., 2013, p. 4). If women cannot use their full potential in the labor market, the economic gender gap is created. This has negative impacts on income per capita, particularly in developing countries.

The Global Gender Gap Index is another measure established by the World Economic Forum (WEF). The research focuses on output rather than input and analyses the actual living conditions worldwide (WEF, 2016, pp. 4-7). The World Bank’s Index of Women, Business, and the Law measures the economic outcome concerning female empowerment with the help of eight indicators: mobility, workplace, income, marriage, parenthood, entrepreneurship, assets, and pension. This index provides a broad picture of gender-related laws (The World Bank, 2020, pp. 2-3). All three indices provide a detailed insight into women’s situation and will be used for further analysis.

Two approaches should be examined to comprehend the importance of the relationship between gender and development: Women in Development (WID) and Gender and Development (GAD) (Connelly et al., 2000, pp. 53-54). These approaches have provided an essential basis for global female empowerment. The GAD approach focuses on the underlying causes of gender inequality. GAD categorizes aspects of race, culture, history, patriarchal behavior, and economic or social status together in relationship with one another. The WID and GAD approach compete with each other, whereas WID has been criticized for being suitable only for the Western world, relying too much on modernization and government. Especially for less developed countries with weak institutions, it might not be an appropriate concept (Connelly et al., 2000, p. 58). This resulted in the GAD concept now being more widely used. On the one hand, feminists have criticized this since women’s concepts cannot be replaced by gender. However, GAD considers a broader range of factors than the initial WID approach. Making a clear statement regarding gender-related issues requires comparing both sexes (Connelly et al., 2000, p. 58).

Smart Economics examines women’s and men’s economic activity within a household. This approach points out the importance of education for a household’s prosperity. It is easier for families with a higher level of education to keep up with the job market. Furthermore, those families have higher chances of increasing household income in the short- and long-term (Walden, 2005, pp. 145-147). The Smart Economics approach investigates women’s chances in the business world and their potential wages. In the past decades, women received more access to business areas than males previously dominated.

Findings from all three approaches (WID, GAD, and Smart Economics) evoke policies that foster gender equality within the governmental and labor markets. The main drivers the approaches contemplate for gender-related outcomes are education, economic development, laws, and political empowerment (OECD, 2010, p. 11). This is a crucial finding for this research.

**Female labor force participation (FLFP)**

The labor participation rate (or employment rate) is the proportion of the labor force compared to the number of people of working age who can work (Blanchard & Johnson, 2013, p. 27). However, the labor force participation rate omits factors like productivity and discrimination in the job market (Sher, 2014, p. 1). The rise in labor productivity is a crucial aspect of consumption and long-term growth, especially in emerging markets (McKinsey&Company, 2015, p. 45). The main drivers that boost the FLFP are policies and demographic factors, i.e., education (Gonzales et al., 2015, p. 12). The overall level of development of a country and cultural aspects also play a significant role. Women’s empowerment boosts economic prosperity and decreases poverty (Dufflo, 2011). There can be push- and pull causes for women to decide to enter the labor market. Either the job market pulls in women due to their level of education. Alternatively, women are pushed into the labor force because they have to increase the household income or keep the current standard of living, i.e., if prices for necessities have risen (Walden, 2005, pp. 145-147).

**Cultural aspects**

Geert Hofstede is one of the pioneers in clustering national values and culture. He established six dimensions that...
allow a comparison of cultural aspects in different countries. This is a primary method for academic purposes and management strategies (Hofstede Insights, 2020). Thus, this approach is widely used among researchers (Cheung & Chan, 2007, p. 161).

Policies

Even if the development level can push female economic activity, this is only possible in combination with specific policies (Duflo, 2011). Deficient policies are amongst the most pervasive reasons for gender inequalities. Improving them leads to higher female labor participation (Jaumotte, 2003, p. 53). In many countries, economic access for women is limited—regulations constraint their participation in specific sectors and their access to financial capital. Unwritten rules, based on tradition and culture, hinder women from entering the job market (Elborgh-Woytek et al., 2013, p. 15).

Education

In his work on human capital, Schultz (1961, p. 2) identified that education and the rate of labor force participation are tightly linked. He underlined the positive influence of social investment on a country’s development. Some claim that the need for human capital decreases in times of globalization and digitalization. However, the economy needs skilled and educated workers to develop and handle new technologies (ILO, 2016, p. 113). Even if technological progress has reduced specific job opportunities for women (i.e., in the service sector), it also creates new chances for them in other sectors, given that they have the required knowledge (Momsen, 2004, p. 1). Education positively impacts female economic activity. Well-educated women are more likely to be pulled in by the job market since it would economically not make sense to give up on the additional household income (Walden, 2005, pp. 145-147). The education level determines women’s wages; in other words, their value in the job market. This influences their decision to be economically active (Winkler, 2016, p. 4).

3 Methodology

A research framework is of utmost importance and should be at the forefront of a researcher’s mind. The methodological approach for gaining and analyzing the relevant data that is used for answering the research questions to the best possible extent (Malhotra & Birks, 2007, p. 9).

The following are the authors’ selected assumptions for this paper:

- The rate of female labor force participation impacts economic development in emerging markets.
- The female workforce participation is influenced by certain external factors, such as education, culture, regulations, and overall development.
- If more women entered the labor market, the economy would prosper.

These assumptions led to three research questions:

1. How does the economic activity of women impact national development in Guatemala?
2. Why do development, education, regulations, or culture influence the female workforce participation in this country?
3. Why do experts believe the economy will grow if more women enter the labor market?

Qualitative research is a suitable option for discovering hidden information beneath the surface. It focuses on emotions, thoughts, and behaviors. There are four classical instruments for conducting the exploration: qualitative interviews, group discussions, qualitative observations, and qualitative experiments (Buber & Holzmüller, 2009, pp. 5-20). When researching complex topics, qualitative interviewing is an adequate method. The interviewees are the focus of the interview and are experts in their field. This enhances creativity and gains new ideas (Oberzaucher, 2012, pp. 16-24). Before conducting the interviews, questionnaires are set up in the written form to provide a guideline. This will benefit the interviewer to adhere to an outline and guarantee consistency throughout all conducted interviews (Bruhn, 2012, pp. 98-100).

There are two distinguished research designs, exploratory and conclusive. Exploratory research encompasses a more flexible approach to facts that are hard to measure. The goal is to provide a general understanding of the topic or new insights. Conclusive research is a highly structured and specific approach to measurable events with the assistance of quantitative data. However, the sampling sizes differ between these approaches. Exploratory research usually involves smaller samples than conclusive research (Malhotra & Birks, 2007, pp. 69-70).

The reasoning for using the exploratory approach is that the questions cannot be answered in a precise matter. The topic is particularly complex. The topics of qualitative research, quantitative research, and case study analysis will be developed. A method that combines qualitative and quantitative approaches is known as a multimethod or mixed-method approach (Creswell, 2014, pp. 217-218). Qualitative data can help to support data from quantitative research, and inversely. The authors used both data for this research but analyzed it from a qualitative perspective. An applicable method for doing so is the case study analysis approach.
It focuses not only on the situation itself but on the underlying context and factors that influence that situation (Dul & Hak, 2008, p. 24). Additionally, it is an appropriate approach when the topic tries to explain a recent event in-depth (Yin, 2018, pp. 2-7). It is a common exploratory and usually a qualitative method. Case study analysis tries to explain a real-world topic or a complex social phenomenon (Dul & Hak, 2008, p. 4). Table 1 displays some essential characteristics the authors consider relevant for this research.

Table 1: Relevant characteristics of Guatemala

| Promising growth due to trade relations with the U.S.; manufacturing and agriculture are crucial sectors (International Trade Administration, 2019) |
| The up-and-coming country with the highest GDP at PPP in the Central American region (The World Bank, 2019) |
| Central American country with the highest GDP loss due to economic gender gaps (Cuberes & Teignier, 2012, pp. 28–31) |
| The same score (0.666) in the Global Gender Gap Index ranks 105 of 144 countries (WEF, 2016, p. 186) |
| Female labor force participation is below the global average: namely 41.06% (The Global Economy, 2019) |
| The population is expected to stay very young on average by the year 2030 (Euromonitor International, 2017) |
| High rank in power distance - unequal distribution of power is accepted (Hofstede Insights, 2020) |
| Very multi-cultural: 24 linguistic and four people groups: Maya, Garifuna, Xinca, and Mestizo/Ladino (U.N. Women, n.d.) |

Source: Own construction based on sources listed in the table.

This research can indicate a specific region due to similar regional patterns (Fukuyama & Marwah, 2002, p. 115) - the Central American region. The authors decided to apply a data triangulation approach and chose a mixture of three various sources of data, namely: documents, archival records, and interviews. There was a database created for all the user data. The relevant secondary data were drawn from reports, articles, and statistics. Indicators like the GDP per capita and the FLFP rate are illustrated in a time series to indicate the changes. Indicators like the GDP per capita and the FLFP rate are illustrated in a time series to indicate the changes that occurred over time. If the data examination allows it, the timeframe is from 1999 to 2019. This data is usually readily available and seems appropriate for this research. Furthermore, a period of 20 years includes several economic cycles and can present a broad insight into the topic.

The amount of accessible statistical data available to the researcher is bountiful. One of the reliable sources is the Statistics Division of the United Nations. This provides a variety of global statistical data regarding trade, demography, gender, and environment (Malhotra & Birks, 2007, pp. 102-103). The UN has its division for gender statistics and provides numeric data as a time series (UN Gender Statistics, n.d.). Additionally, The World Bank has a Gender Data Portal that provides insightful statistics and reports (The World Bank, 2020). The data from these sources have created a valuable information base for this research.

To enable consistency for the case, the research only considered the pre-defined categories. An overview of these relevant subcategories:

- Female labor force participation rate,
- Cultural aspects (power distance and data from the World Values Survey),
- Female-related policies (maternity leave, childcare, taxation, job opportunities, quotas, anti-discrimination, child benefits, divorce laws),
- Female education (school enrolment; remittances and their link to school enrolment),
- Gender-related indices (GDI, Global Gender Gap Index, Index for Women, Business and the Law),
- Economy (GDP per capita and Rostow’s stages of growth).

As primary research, the authors conducted semi-structured, in-depth interviews with experts. Small sample size is appropriate for qualitative in-depth interviews and semi-structured interviews. Therefore, the authors chose three experts. The interviews were conducted in May and June 2020. Table 2 displays an overview of the selected interviewees. The name and any feature that would reveal their identity have been omitted for data protection reasons. Interviewees are numbered in the case study findings to distinguish the different statements. In contrast, the numbers demonstrate the chronological order of the conducted interviews and are not linked to the table below.
Table 2: Selected experts for the in-depth interviews (own illustration)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Educational sector</strong></td>
<td>Director of a school in Guatemala City (primary and secondary level)</td>
</tr>
<tr>
<td><strong>Economic delegation</strong></td>
<td>The employee of the Austrian economic delegation in Mexico, responsible for Central America</td>
</tr>
<tr>
<td><strong>Business / Legal sector</strong></td>
<td>Female lawyer and legal assistant of a law firm in Guatemala City</td>
</tr>
</tbody>
</table>

Source: Own construction.

Inductive content analysis with open coding is appropriate because the interview procedure was semi-structured. The validity can still be guaranteed due to data triangulation. This conventional coding approach has allowed us to view new perspectives and capture the interviewees’ unique experiences since categories emerge freely from the text (Hsieh & Shannon, 2005, pp. 1279-1280). The authors transcribed all relevant statements into a coding sheet in Microsoft Excel on the topic of coding. The statements were then grouped into seven subcategories. The author critically questioned and verified the quality of the collected data before being adopted.

The usual approach after data collection is to conduct a content analysis. This allows for the results to be analyzed and compared. The data is assembled from secondary and primary research. It is then reduced and verified through a comprehensive conclusion (Malhotra & Birks, 2007, p. 237).

The data analysis aims to interpret the collected data and answer the research questions in the best possible manner. In a case study analysis, researchers can create their strategy for analyzing the gained data. However, the literature suggests one of the main strategies: relying on theoretical propositions, working data from the ground up (grounded theory), developing a case study description, or examining plausible rival explanations (Yin, 2018, p. 193). Furthermore, five analytic techniques assure validity for the case study: pattern matching, explanation building, time series analysis, logic models, and cross-case synthesis. Each technique can be combined with the other and either one of the strategies mentioned before. Regardless of the chosen approach, each case should be guaranteed a similar and replicative way (Yin, 2018, p. 221).

The authors chose the approach of theoretical propositions. It seems appropriate because assumptions have been defined at the beginning of the research. These theoretical propositions guide the whole case study process. This analysis approach is a way of questioning existing theories and testing to which extent the defined assumptions are valid (Yin, 2018, p. 186). This can be accomplished through the help of pattern matching. It demonstrates how the outcomes correlate with the research assumptions. This is a robust method for a multiple-case study. The conditions identified in the first case are tested with a second case. This is conducted before comparing and matching the results with the initial assumptions. It creates a high level of validity for the research. Therefore, this technique is suitable for answering the research questions in a qualitative and explanatory manner (Yin, 2018, pp. 194-195).

4 Results and Discussion

Descriptive statistics for experimental parameters are the following:

- Female labor force participation was drawn from the information provided by the World Bank’s database. In the observed period, the value was constant at 40%. It must be stated that the statistics only include formal work. Nevertheless, the informal sector is very prevalent in Guatemala. More than two-thirds of the country’s working-age population is employed informally. Women make up 73% of these informal workers, and the majority of them are rural women (Hall & Heredia-Ortiz, 2020).
- Cultural aspects. Guatemala’s power distance ranking is among the highest, at 95 from 100. This cultural dimension measures the acceptance of a strict hierarchy. This strict hierarchy signifies that the population respects the unequal level of distribution of power in the country. Additionally, this inequality does not require justification from the people in power. The society in this country views inequalities as a given and something out of their control. Thus, allowing for autocratic leadership and organizations that tend to be centralized. In terms of employment,
the superiors provide clear instructions that are not challenged by their subordinates (Hofstede Insights, 2020).
• Regulations and women-related policies. Guatemala is one of the participating countries in the “UN Convention on the Elimination of Discrimination against Women (CEDAW).” Furthermore, the “Ministry of Agriculture, Livestock, and Food (MAGA),” which is part of the Guatemalan government, established a policy in 2016 to foster development and gender equality in remote areas (FAO, 2020). In addition, Guatemala is part of the ILO convention, which enforces regulations such as equal payment and anti-discrimination for female and male employers (ILO, 2017). In Guatemala, there are 84 days of paid maternity leave. The law states that women cannot be fired or discriminated against during this period. There is a minimum of 30% for females in political positions. Nevertheless, this quota is not binding; therefore, the probability of a woman being elected for a political office is small (IES, 2015, p. 3).
• Education and school enrolment. The enrolment rate for the male population is higher in primary and secondary schooling compared to the women population. However, in tertiary education, women are the dominant gender in numbers. Another significant statistic is that more boys drop out of school than girls (UNESCO, 2020). On the tertiary level, more females graduate from university than men. In the Humanistic field, for instance, more than two-thirds of students are female (UN Women, n.d.).
• Gender-related indices. Gender Development Index (GDI) outlines the gender gap across countries (Momsen, 2004, p. 224) and is an indicator of human development under consideration of gender disparity (UNDP, 2019, p. 297). Guatemala scores a value of 0.943. Life expectancy for women exceeds that of men. Additionally, the number of school years completed by both genders equals another. The indicator that pulls the mean downwards is per capita income, which is lower for women (UNDP, 2019, p. 314). Global Gender Gap Index (GGGI) - Guatemala is one of the countries with the most significant improvements in the Global Gender Gap (WEF, 2016, p. 30). Unfortunately, even though the country has a score of 0.666, it still represents the lowest rank in Latin America. Women in Guatemala have very low political empowerment and minimal job opportunities. On the other hand, values for education and health care are somewhat optimistic (WEF, 2016, pp. 11-14). Index for Women, Business, and the Law measures regulations that boost or hinder women’s workforce participation (The World Bank, 2020, pp. 2-4). Guatemala has a score of 70.6. Some regulations are related to mobility, marriage, and assets which seem to foster the rate of FLFP. However, other indicators decrease the overall mean. Women’s decision to work is negatively affected by low pay, discrimination in the workplace, and disadvantages for parents (The World Bank, 2020, p. 46).

The results from the case study analysis demonstrated that most informal workers are women. Besides, they suffer from unacceptable working conditions and low pay. The authors consider this one of the main issues women face in this country. Even if regulations and labor laws are established to enforce equal treatment for both sexes, they only concern formal workers’ rights.

There is a persistent lack of adequate childcare facilities and infrastructure. This is especially true for remote areas. As was stated by Morikawa (2015, p. 3), rural areas in emerging countries are underdeveloped, leading to limited job opportunities for women.

The study demonstrates a strong link between power distance and perspectives on status and gender roles. This leads to the conclusion that the unequal distribution of power and its acceptance within society impacts the rate of FLFP. This finding corresponds to Glick (2006, p. 284), who points out the correlation between power distance and the perspective on gender roles.

In Guatemala, anti-discrimination laws are rooted in the legal framework. There is still employee discrimination when companies are hiring. Maternity leave is short in global comparison and is not adequately enforced by regulators. There is a lack of adequate, formal childcare facilities, making it nearly impossible for women to return to work after maternity leave.

Regarding education, Guatemala demonstrates significant gaps between urban and rural areas. This is mainly due to gender-related stereotypes and expectations of women and the assumption of their future being associated as the household caretaker.

In Guatemala, policies were introduced that fostered female entrepreneurship to overcome a lack in the
job market. The authors consider this crucial for development. One exciting finding was that the interviewed experts confirmed that being a female entrepreneur is a trend nowadays. This coincides with Ascher's statement (2012, p. 111) that female entrepreneurial activity responds to gender discrimination and is crucial for economic development.

The authors consider women as a significant workforce potential. They rank high in education and health. However, indices show that females do not get the same chances as men in politics and the labor market. These mentioned findings answer part of research question 2. The findings have indicated why education, regulations, and cultural aspects influence the female workforce participation in Guatemala. These three areas favorably impact each other and either hinder or boost women to be economically active, as the case demonstrates.

The interviewed experts are confident that a rise in FLFP will increase female empowerment, higher consumption, and overall economic development. This finding matches the assumption that the female labor force participation rate impacts economic development in emerging markets. Regarding research question 1, it can be stated that women's economic activity significantly impacts national development in Guatemala. This finding is consistent with the hypothesis mentioned by McKinsey&Company (2015, p. 2), claiming that global GDP growth of 26% could be realized by 2025 if females were able to reach their full potential in the labor market.

Even if gender stereotypes are persistent, there are specific differences in society's cultural attitude, as WVS demonstrated. Most of Guatemala's society disagrees that men have more right to a job than women. This finding is highly relevant to this study. It indicates that other factors, such as education, impact Guatemala.

It can be stated that in Guatemala, female enrolment is higher exclusively in tertiary education. Over half of the educational institutions are privately owned, translating into high fees, and making education less affordable for many students. However, it must be added that drop-out rates are lower for girls than boys. Nevertheless, a high rate of female education does not necessarily translate into a higher FLFP. There are many well-educated women in Guatemala, but there is a lack of jobs.

In Guatemala, laws regarding payment, discrimination, and parenting have adverse effects on women. However, there are laws for mobility, marriage, and assets that foster Guatemala's FLFP. These statements support the theory that adequate policies and enforcement significantly impact gender equality.

Guatemala is in its take-off phase and an efficiency-driven stage of development. There is a potential for further growth due to a very young population and excessive labor force. However, the data suggest that Guatemala especially requires overcoming gender inequalities to grow economically. This coincides with UNDP (2019, p. 147), finding that gender disparity is the most prevalent form of inequality globally and creates an obstacle to national development.

These findings answer part of research question 2 and indicate why development and cultural aspects influence the female workforce participation in Guatemala. These two elements favorably impact each other and either hinder or boost women to be economically active, as the two cases have demonstrated.

5 Conclusion

This paper has demonstrated how development, culture, policies, and education can directly or indirectly shape the economic growth market.

Even if education is a crucial driver for development, it is not the main issue in Guatemala. However, a high female school enrolment rate does not automatically translate into increasing female workforce participation. The findings demonstrated that other factors such as infrastructure, patriarchy, and poverty in Guatemala seem to be impacted more.

The analysis demonstrated that the main obstacles for females to joining the workforce are cultural attitudes, gender stereotypes, difficulties combining work and childcare, and weak enforcement of female-related policies. The main finding the authors contribute to this research is the prevalent gender
gap between rural and urban areas. In the Guatemalan remote areas, gender gaps in workforce participation and education are higher than in cities. Culture and inadequate infrastructure are the main reasons for that. Besides, numerous females work in the informal sector and cannot develop any rights concerning labor.

To raise women's participation, the country must overcome gender inequalities, properly enforce female-related regulations, and invest in human development. This points out the relevance of a country's level of development, culture, education, female-related laws, and their influence on women's decisions or ability to work.

This research's findings meet the authors' expectation and assumption that women's economic activity impacts national development in emerging markets to a great extent. In Guatemala, an increase in the FLFP rate would translate into economic prosperity. The research also brought some unexpected findings, such as that most unofficial workers are women and that enforcing female-related laws is inadequate.

The problem statement must be stated that women only create 37% of the global GDP even though they make up half of the world's population. The authors sought to address this issue by raising awareness of this complex topic and underlining the importance of women within the concept of development.

The authors attempted to reduce the research gap by providing an insight into this gender-related issue within emerging markets. This is incredibly valuable for Guatemala's case since female-related issues have been examined less in the Central American region. Furthermore, the authors paid particular attention to the effects of culture and education. This is due to prior researchers claiming that there is a lack of literature regarding the impact of these two factors on global gender disparities.

Case study analysis is a highly effective method for this research since it approaches the "how" and "why" of the research questions to the best possible extent. In identifying solutions, the authors matched the results with the assumptions established at the beginning of this research. The case study approach enabled the authors to use various data, which led to meaningful results and a high level of validity.

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