

# Foosball with the Devil: Haiti, Honduras, and Democracy in the Neoliberal Era

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FROM THE PERSPECTIVE of Honduran and Honduranist scholars, the most common reference to Haiti is as a point of hemispheric comparison. Whether measuring GDP per capita, state legitimacy and citizens' political tolerance, or corruption, the phrase "Honduras ranks last...after Haiti" seems to be de rigueur. This is no coincidence: the policies and structures that have effected extreme poverty and highly concentrated wealth in both places are very much connected.

Although the scope of devastation in the January 12 Haitian earthquake — as measured first in the number of people who lost their mothers, brothers, uncles, classmates, neighbors, and partners — is nearly unprecedented comparisons will (and should) be made. The most obvious comparison between the Haitian earthquake and Honduras would seem to lie with Hurricane Mitch, which devastated the Central American country in 1998, taking with it the lives of thousands of fathers, sisters, cousins, friends, and coworkers. And there are a number of other easy parallels. Both are spoken of as "natural" disasters despite the fact that in each case it was structural violence that made the natural phenomena so deadly. In both cases, stories of graft and mismanagement of aid distribution boggled the mind. Both provoked outrageous responses from U.S.-based televangelists. And both disappeared from the international media within a month.

But beyond the latest, greatest "natural" catastrophe, it is last year's military coup in Honduras that most clearly highlights the similarities between the two countries.

In 1999, I met the owner of a *maquiladora* (textile processing factory) producing clothing in the industrial town of Choloma, Honduras, through one of his employees, Lesly Rodriguez (the same Lesly who had been instrumental in bringing down Kathy Lee Gifford in 1996 by exposing the fact that her WalMart clothing line was produced in Honduras by young girls working under abusive conditions). I'll call the owner Jack. Jack was close friends with Gap's founder, Don Fisher (1928-2009), and spoke with nostalgia of the first 1969 Gap store in San Francisco, which sold "Levis, records, and tapes." When Fisher decided to create his own brand, he took the then-innovative decision to subcontract and internationally outsource all production (thus lowering costs and removing Gap from direct responsibility for labor conditions in factories). To set up these factories, he called upon Jack. Over the following decades, Jack set up and ran factories in countries throughout Latin America and the Caribbean to produce Gap and Gap Inc. clothing lines, including Old Navy and Banana Republic. It bears note that the presence of the latter brand is a bitter irony in Honduras, the original "banana republic," so named for its forced dependence on banana companies that employed mercenary armies to carry out numerous coups in the early 1900s, allowing them free reign to expropriate lands, exploit workers, and shirk paying taxes on the profits off their "green gold."

Jack, who was not seen as a particularly bad boss by his employees (at least the ones I knew),

allowed me to interview him on the condition that I not use a tape recorder. In an evening filled with fascinating stories, he told me of his days running factories for the Gap in Haiti during the Baby Doc Duvalier regime, recalling with a laugh his comfortable living situation: a mansion just down the street from the Duvalier residence. "Wait — " I interjected, taken aback, "You knew Baby Doc?" "Did I know him?" he responded, "Hell, I played foosball with Baby Doc!"

I admit, I've been waiting to find an article into which I could insert this anecdote for a long time. And to be honest, at the time I found it funny. But in the context of both the Honduran coup and the very unnatural disaster in Haiti, the close relations between authoritarian military regimes and the *maquiladora* industry are no laughing matter. In both countries, the industry in the military-industrial complex is not producing weapons but rather sneakers and perky summer frocks for U.S. consumers. Free trade zones were introduced in both countries during 1970s military dictatorships, and became central to Reagan's "rollback" strategy ("rolling back communism" in our "back yard") under the Caribbean Basin Initiative (CBI), which (first implemented temporarily in 1984 and now made permanent) gives preferential tariff and trade status to countries not designated by the United States to be under communist influence or to have expropriated U.S. property.

Haiti and Honduras, two of the most indebted countries in the hemisphere (again, the superlative comparison), have been easy prey for the neoliberal policies of the International Monetary Fund (IMF). But where did that debt come from? Haitians were forced by the French in 1825 to repay the cost of their value as slaves (and other French "property" lost when Haiti won its independence) to the tune of \$21 billion in today's dollars. So who, then, was the "devil" that — as Pat Robertson so sagely proclaimed on the 700 Club on January 13 — freed them from the French and left Haitians "cursed"? Perhaps we can understand it as militarily-imposed debt.

Although the debt to the French was paid off by 1879, the damage to Haiti's economy and infrastructure was irreparable. Deeply indebted to U.S. financiers, Haiti was brutally occupied by U.S. forces from 1915 to 1934. Violently-imposed debt, combined with aggressive U.S. and Canadian trade practices (in particular, the rice export policy imposed by former President Clinton) and intermittent U.S. and U.S.-supported military attacks, have starved countless Haitians out of their houses, towns, and country over the past two centuries, systematically preventing them — despite the country's wealth of natural resources and rich agricultural farmlands — from being self-sufficient. Meanwhile, by 1888 Honduras had accumulated a debt — to finance railroad projects benefiting U.S. investors — that was so high that at "prevailing land values, Honduras could not repay such a debt by selling its entire national territory."<sup>[1]</sup> Those railroad projects were never completed, but Honduran tax revenues that might otherwise have gone into things like schools, hospitals, electricity, or roads, went into paying off British loans until 1953.

Although the specifics are different, the structure in both cases is the same: as a result of a violent colonial legacy of debt and ongoing military interventions (including, in the case of Honduras, the numerous banana coups of the early 20th century mentioned above), the sovereign countries of Honduras and Haiti have never been able to exercise any form of democratic control over their national resources. This has been compounded by the fact that both countries have armies that exist only to confront internal threats, and a history of death squads. Battalion 3-16 in Honduras, which tortured and disappeared hundreds of Hondurans in the 1980s, and the FRAPH, which during the early 1990s tortured and murdered thousands of Haitians, received funding and training from the CIA, and operated with the full knowledge of the U.S. embassy. Here we confront an historic continuity, not in "poverty," "underdevelopment," "backwardness," or any other misleading description that places the onus on Hondurans and Haitians for their plight, but in imperialism and military force used in the service of businesses serving a U.S. market.

Lest this description appear to be too much of a caricature of U.S. domination, let us be clear

about two things: first, in both cases local elites have played pivotal roles in collaboration with the U.S. — and Canadian — governments and investors in violently suppressing their compatriots, and second, Hondurans and Haitians have passionately and valiantly fought military and economic imperialism every step of the way.

Let us explore — albeit far too briefly — the above two points. In the first lies a particularly delicate and difficult-to-approach similarity between Haiti and Honduras. In both countries, especially over the past few decades, the local elite have been increasingly made up of a group of citizens of Arab descent (and, in each case, one main Jewish family, Biggio in Haiti and Rosenthal in Honduras). There are significant distinctions: in Honduras, the Facussés, Canahuatis, Handals, Laraches, and Kafatis (among others) are primarily of Palestinian descent, whereas in Haiti, families like the Boulos, Apaid, and Mourra (one half of the “BAMBAM” — a Haitian term for the ruling elite, formed from family initials) are primarily of Syrian and Lebanese descent. It was Arabs from British Mandate Palestine who migrated to Honduras, while Arabs primarily from French Mandate Syria (which then included modern-day Lebanon) migrated to Haiti, at a time when the British and French were thickly involved in imperial projects in Honduras and Haiti, respectively — a fact that points to the ongoing legacy of classical European imperialism in both countries.

Aside from geographical origin, however, another difference between the Honduran and Haitian cases is the degree of integration of these ethnically-marked groups in politics. In Honduras, this integration is relatively recent but notable: President Carlos Flores Facussé (1998-2002), current foreign minister Mario Canahuati, and member of Congress Carlos Kattán are just a few of the dozens of Honduran politicians of Arab descent. In Haiti, Arab-identified elites have played powerful behind-the-scenes roles in politics — for example, André Apaid Sr. was a strong supporter of Duvalier, and his son, André Apaid Jr., is the leader of the group of 184, associated with the U.S. Agency for International Development and the U.S. federally-funded “National Endowment for Democracy” (NED), which collaborated with the U.S. military to oust Aristide in 2004. However, they have been unable to succeed in getting voted into power, to a large extent owing to a phenotypical difference between them and the rest of the population — understood in racial terms — that does not exist as such in Honduras.

Now, in and of itself, the ethnic makeup of the elite would not necessarily be remarkable. Prior to the ascent to economic power of a few Arab-descended families, each country was controlled in much the same violent way as it is today by a few ethnically and/or racially-marked criollo (Honduras) and mulatto (Haiti) families.[2] And indeed, those families have not all been replaced by people identified as Arabs; the oligarchy does not operate as a solid impermeable block (or even exist as anything other than a reified category I adopt here for simplicity’s sake, for that matter). The reason that the high concentration of families of Arab descent within the elite is important is because of the way it is interpreted and experienced in each country. Despite the significant presence of people of Arab descent in each place since World War I, there is an strong current of xenophobia that runs in both directions. In Honduras, Arab-Hondurans are regularly depicted, using racist tropes, as foreigners/internal colonizers with stronger ties to their perceived homelands and the United States than to their fellow Honduran citizens. While accusations of this sort are not entirely unfounded, they nonetheless lead to complex prejudices and a sense of exclusion that is often expressed in ethnic-nationalistic — rather than class — terms.[3]

In both countries, families of Arab descent are particularly heavily invested in the *maquiladora* industry, which has benefited more from IMF and World Bank liberalization policies tied to debt relief than any other industry. Free Trade Zones set up with the aim of attracting foreign investment capital to exploit the countries’ cheap labor without paying taxes also attracted these local elites (adding to a sense among locals of non-Arab descent that the oligarchy is a foreign enemy among them). If these industries were taxed even minimally, that income could have been used to

strengthen infrastructure and thus provide equitable access to resources, and popular access to allegedly democratic governments. Such access could have resulted in death tolls from both Hurricane Mitch and Haiti's earthquake closer to those from events of similar magnitude in countries with an infrastructure equipped to deal with them, just as the deaths of thousands of people during Hurricane Katrina can be blamed on poor infrastructure and lack of democratic process in the implementation of policies benefiting powerful business interests. But instead of holding *maquiladoras* democratically accountable, regressive taxation policies imposed from the outside in combination with other neoliberal policies mandated as a condition of debt relief, have resulted in an increased concentration of wealth, the privatization of public infrastructure, and the impoverishment and disenfranchisement of ever larger numbers of citizens in Honduras and Haiti.

AND HERE WE COME TO PART II of our caricature-challenge. How have Hondurans and Haitians responded to this disenfranchisement? Not by resorting to their criminal "nature," nor by accepting oppression as "tradition" or fighting it with *brujería* or voodoo, as the racist northern press imagines. The people of Haiti — a nation born in true popular struggle for liberation, in contrast to the largely *criollo* rebellions that brought independence from classic colonialism throughout Latin America — have continued to demand justice and democracy, loudly and firmly, throughout their history as a nation, even as they (like so many others throughout the world) are often consumed by the day-to-day struggle for survival. Likewise, Honduran history is full of examples of rebellion against structures of violence and disenfranchisement, from the 1954 banana strike that reconfigured labor relations in that country to the contemporary militant labor unions organized by teachers, *maquiladora* workers, and banana company, healthcare, and telecommunications workers (among others) who periodically shut down entire industries. Added to the traditional union and peasant movements in both countries are newer groups focused on the environment, women's rights, health access, and in Honduras, LGBT rights, Garifuna and indigenous rights, that have mobilized against anti-democratic and oligarchic structures of power. In both countries, liberation theology has played a key role in shaping and sustaining opposition movements. Aristide is, of course, himself a former Roman Catholic priest, and the Honduran resistance holds among its iconic figures Father Guadalupe Carney, a U.S. priest who was likely killed by Battalion 3-16 in 1983, and Father Andrés Tamayo, a longtime leader in the struggle for environmental justice in Honduras who was stripped of his Honduran citizenship while accompanying President Manuel Zelaya in the Honduran embassy last September.[4]

And how have local elites and the United States dealt with these movements? In both countries, recent military coups are directly tied to *maquiladora* owners' outrage at minimum wage increases ceded by populist presidents in response to massive popular movements. In Haiti, the above-mentioned Apaid family's opposition to Aristide was rooted in Aristide's 1991 minimum wage hike, which threatened the profits of the Apaid *maquiladora* empire, Alpha Industries. And although, after his first ouster that same year, Aristide was forced to embrace neoliberal policies favoring sweatshop labor accompanied by little or no infrastructural development, that apparently wasn't enough to prevent him from being violently kidnapped and removed from power a second time in a coup funded by the Canadian and U.S. governments through the Canadian International Development Agency (CIDA) and the International Republican Institute (IRI), and executed by Haitian security forces and the U.S. military.[5] (Of course, his demand that France pay over \$21 billion in reparations did not earn him points with Haiti's former colonial masters or their allies either.) Current President René Préal, meanwhile, took these lessons to heart: he refused to sign a bill the Haitian parliament had approved to raise the minimum wage to \$5 a day, sparking numerous protests (apparently deeming them less of a threat than another U.S.-supported military coup).[6]

In Honduras, in December 2008, President Manuel Zelaya signed a minimum wage increase into

law of \$109 (in urban areas) and \$33 (in rural areas) per month, bringing the monthly minimum wage to \$290 and \$213, respectively.[7] As in Haiti, the response from *maquiladora* owners — particularly those belonging to the national elite — was outrage. This fury was accompanied by a well-funded smear campaign in the newspapers owned by the same elite — Jorge Canahuati Larach, Carlos Flores Facussé, and Jaime Rosenthal are the most powerful media owners in Honduras, and all have significant direct or family investments in the *maquiladora* industry. The straw that broke the camel's back, of course, was Zelaya's agreeing to the demand of an increasingly powerful popular movement that he take steps toward holding a popular constituent assembly on constitutional reform. He was ousted on the day that a non-binding poll — asking citizens whether a referendum on convening such an assembly should be held as part of the November elections that signaled the end of his term in office — was to be held.

Since the June 28, 2009, military coup, the actions of the Obama administration — though at times in apparent contradiction with its rhetoric — have fully supported the de facto coup government of Roberto Micheletti and his successor, Pepe Lobo. The Obama administration circumvented the strong multilateral position of the Organization of American States (OAS) demanding Zelaya's unconditional and immediate return to power by imposing talks that recognized the de facto regime and never removed the U.S. ambassador, Hugo Llorens, from Tegucigalpa; it refused to officially characterize the military coup as such or impose appropriate sanctions; it never spoke out against the over 4,000 specific human rights violations carried out by the regime against members of the non-violent resistance between the coup and the November elections and documented by Amnesty International and the Inter-American Human Rights Commission; it funded and administered the November elections through the National Democratic Institute (NDI) despite the fact that dozens of anti-coup candidates (including a presidential candidate whose arm had been broken by security forces of the de facto administration) had withdrawn their candidacies in protest of the conditions under which they were being held, and the UN, the European Union, the OAS and the Carter Center had refused to send monitors; it betrayed the Guaymuras accords calling for Zelaya's reinstatement — and the list goes on and on. In running roughshod over Honduran aspirations for democracy, the administration has enjoyed the support of Washington lobbyists like Lanny Davis and Peter Schechter paid by coup financiers, think tanks like the Interamerican Dialogue, mainstream media outlets like the *Washington Post* and *CNN*, and even the Washington Office on Latin America.[8]

In both Haiti and Honduras, violent usurpations of recent governments have been interpreted by historians as "Post-Cold War" or "New Millennium" coups, and by political economists and politicians as a challenge to Venezuelan President Hugo Chavez's so-called "21st Century Socialism." These interpretations are wrong. The recent coups in Haiti and Honduras are neoliberal coups, carried out to prevent the democratic urges of citizens of corporate states from taking root, so that *maquiladoras*, agribusiness, mining, and other tax-exempt or undertaxed industries can continue to exploit workers, destroy the environment, and make enormous profits while receiving funds to do so from international lending institutions. But the opposition is also, in large part, a product of neoliberalism. The scope and force of the resistance to the coup in Honduras took everyone by surprise, but the resistance movement would not have emerged had not the increasing disenfranchisement and impoverishment of the vast majority of Hondurans through neoliberal practices in the preceding decades set the conditions for it.

The U.S. and Canadian press has failed miserably to recognize Hondurans and Haitians as agents in their own national destinies fighting (our) violent economic and military imperialism. As Honduran scholar Karen Bähr Caballero wrote on January 19:

[M]ainstream media sources ... continue to reduce the resistance movement to a group

of “Zelaya supporters.” ... With one click of a keyboard, these media have created a caricature of the real demands of a movement whose members have not only articulated their condemnation of the coup and defense of Honduran democracy, but who demand the reformation of their country on a basic, not superficial level — one that is truly democratic, socially just and inclusive.

In Haiti, we have seen how the media industry satisfies the morbidity of the consumers of suffering, representing them as pathetic victims, and as of the last few days, as criminals, looters of stores and violators of the sacred holy right of private property. But even worse is that we are consistently seeing Haitians portrayed as being responsible for what is happening to them ...

It is in this way, with their historic demands for democratization and autonomy, that Hondurans and Haitians invaded the symbolic territory ruled by the power of the local and global elites. It is of little importance whether they are confronting a North American businessman, a Honduran banker or a Haitian consul in Brazil — any person in power senses the threat to their ability to control the way people can live their lives, whatever the impact on the majority might actually be.[9]

In addition to the roles of neoliberal coups and the media, the disenfranchisement of Hondurans and Haitians has been carried out through “democracy” itself. Journalist Anzel Herz notes that “the coup was ‘legitimized’ through the election of Lobo even though the election was a sham, and the opposition repressed on the day it happened...and in Haiti, since the coup, Lavalas [the party of Aristide] has also been excluded through elections and repression.”[10] In both cases, the NED and its subsidiaries the NDI (affiliated with the U.S. Democratic Party) and the IRI (affiliated with the Republican Party) were deeply involved in these shadow theaters of democracy.

So what hope does the future hold? That depends on the ability and willingness of citizens who have been the victims of foreign and local investors bolstered by imperialist debt-centered and military policies, to persistently identify and resist these forces. On a state level, much of Latin America has signaled its displeasure with the violence of neoliberalism by forming new alternatives to it. States are reassessing their commitment to debts with roots in colonialism, and forming regional political and economic blocs (e.g., Mercosur, ALBA) that challenge the most virulently anti-democratic features of neoliberalism. The explosion of new military bases in U.S. client states Colombia, Panama, and now Honduras reflect not a regional kowtowing to the North (and to be sure, the processes by which the agreements to bring new bases and troop increases to those countries were in each case profoundly undemocratic), but rather a reaction of Washington to a strengthening Latin American opposition to U.S. military occupation of their countries; both Bolivia and Ecuador have recently outlawed foreign military bases. And on February 22, while the U.S. militarization and blockade of aid to Haiti was still a source of international outrage, the Latin American and Caribbean countries voted to form a new regional bloc for all the countries in the hemisphere except the United States and Canada. This decision, directly related to the U.S. and Canadian interference in the attempts (with the broad multilateral support of all other Latin American and Caribbean countries) of Hondurans to retake their democracy, holds great promise. The violence of neoliberalism today manifests itself most clearly in the dead bodies of Honduran resistance members and Haitians killed not by a relatively minor earthquake (Chile’s February 27th earthquake was 500 times stronger[11]) but by willful neglect. But through real opposition starting at the grassroots, U.S., Canadian, and local untaxed investors will no longer enjoy playing foosball with brutal military dictators or other such devils. Instead, the daughters, aunts, grandfathers, teachers, colleagues, and lovers of the Hondurans and Haitians who have needlessly died over the past year will live to achieve the democracy they have so long been denied.

## Footnotes

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