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SIX KEYS TO THE UNDERSTANDING OF CURRENT
UNITED STATES-HONDURAN RELATIONS

Dialogue #33

Prepared Statement of
Dr. Philip L. Shepherd
Florida International University
before the
Subcommittee on Military Installations
and Facilities
U. S. House of Representatives
Washington, D. C.
March 28, 1984

PREFACE

Dr. Philip L. Shepherd is an assistant professor of marketing and environment at Florida International University. This paper is testimony which he prepared for the March 28, 1984 hearings of the Subcommittee on Military Installations and Facilities of the U.S. House of Representatives. Publication of this document has been made possible, in part, by a grant from the Florida International University Foundation, Inc. Comments are welcomed and should be directed to Dr. Shepherd.

Mark B. Rosenberg
Director

Because I am not exactly a frequent nor well-known visitor to Capitol Hill, permit me to introduce myself and take a minute or two to review some of my background which may be relevant to these Hearings.

My name is Phil Shepherd and I am currently a professor of Business Environment at Florida International University of Miami, Florida. My experience in Latin America dates back some 16 years when I first began working in the region as a Peace Corps Volunteer. I spent three years working as an agricultural extensionist with agricultural cooperatives of small farmers and peasants in northern Peru. My experience in the Peace Corps whetted my appetite for more knowledge about Latin American politics and economics. So I returned to graduate school at Vanderbilt University in 1971. After three years of coursework in the doctoral program in Political Science there, I returned to Latin America on a Social Science Research Council Foreign Area Fellowship for dissertation research. Because of my field research work on the international cigarette industry required considerable travel in the Latin American countryside, I drove a 4-wheel drive vehicle from Nashville, Tennessee through Mexico, Central America, and on to Colombia. Over the next three years, I spent a year each doing fieldwork in Colombia, Peru and Argentina, eventually driving back from Buenos Aires, Argentina to the United States in 1977.

After three years teaching in the U.S., having finished my dissertation, I returned to Latin America, this time as the Assistant Director of the Peace Corps Training Center in Tegucigalpa, Honduras. I spent the next year there, but policy differences and an attractive offer to go to Yale University on a research position led me to resign and return to the U.S. I left Yale in 1983 to take my present position at FIU. I was attracted by its efforts to build a strong Latin American Center with a primary emphasis on Central America and the Caribbean.

In a way I am a somewhat reluctant recruit to the study of U.S. foreign policy in Central America. My main research has been in the areas of industrial organization and the impact of international business in the Latin American cigarette

industry. Over the past two years, however, I have felt compelled by two things to speak out forcefully and publicly against the Reagan Administration's policies in Honduras. First and foremost, I have become involved because of the mistakes of the Administration's policies themselves and their adverse impact on both Honduras and the United States. My earlier experience living in Honduras leads me to believe that U.S. policies toward that nation represent a gigantic historical error which, if not reversed soon, will affect generations of Hondurans and Americans. Finally, the lack of scholarly research and expertise in the U.S. about Honduras, led me to try my own hand. Considering the urgent need for greater public knowledge concerning this wonderful and yet so very unfortunate nation, this seemed like the least I could do.

Therefore, I am collaborating with a variety of prominent Central American experts on a book on current U.S. policies there and devising a set of policy alternatives. I returned to Honduras for six weeks some six months ago to gather information for a book I am writing on U.S. foreign policies towards Honduras. This work is entitled "The USS Honduras: USFP and the Destabilization of Honduras." I have appended to this prepared statement, a preliminary draft of two sections of this work. I have entitled my presentation "Six Keys to the Understanding of Current U.S.-Honduran Relations " because I believe these are the main insights which emerge from the detailed examination of U.S. foreign policy towards Honduras as contained in that study.

Key No. 1. The Lowest Priority of U.S. Foreign Policy in Honduras These Days
Is Honduras Itself

One of the more curious aspects of current U.S. foreign policy (USFP) in Honduras is how little it has to do with Honduras per se, either externally or internally. To a remarkable extent Administration policies do not address, except in a very indirect convoluted way, Honduran interests. Nevertheless, these policies have considerable, indeed, probably extraordinarily disastrous implications for Honduras, both in its internal development and in its relations with its neighbors.

Instead, the focus on U.S.-Honduran relations at present is mainly on events elsewhere, particularly in Nicaragua and El Salvador, but also in Guatemala, Costa Rica, Cuba and the Soviet Union. U.S. foreign policy in Honduras eyes other targets.

Reagan policies toward Honduras focus not on goals for Honduras itself, but on interests and objectives the U.S. has elsewhere. It is a measure of Honduran dependence and friendship for the U.S. that it has proved to be so pliant a pawn in kowtowing to U. S. desires. To put it bluntly, Honduras is doing Reagan's dirty work in Central America.

How and why is this possible? First, the Honduran governing class has been historically relatively weak and very dependent on the U. S., both politically and economically. Its traditional function has been to provide the political-administrative conditions for foreign capital (largely U.S.) and to follow the U. S. Embassy's political line in foreign policy in exchange for U. S. aid and support. Suazo Cordova and Alvarez Martinez simply cut a deal with Reagan and Negroponte.

With no real political-economic vision of its own for Honduras and no autonomous position in society (as contrasted with the Salvadoran oligarchy, for example), the Honduran elite has traditionally followed U. S. hegemonic direction on both the external and internal fronts. Ambassador John Negroponte is simply the last of a long line of U. S. ambassadors who have been willing to rush in and fill this vacuum. However, the nearly absolute submission of Honduras to the Reagan line, both externally and internally, is approaching levels not experienced since the 1930s.

Of course, this could only happen were there certain important political and military factions inside Honduras whose interests and agendas have been at least temporarily consistent (if not wholly coterminous) with U. S. policies, most notably those following President Roberto Suazo Cordova and General Gustavo Alvar-

ez, Chief of the Armed Forces. Both Suazo Cordova and especially Alvarez, almost certainly the single-most powerful individual in Honduran civil-military relations, owe their current positions at least partly to the overall thrust of U. S. policies in Honduras during the late Carter years and continuing after Reagan's election.

For the Carter policymakers the strategy became one of democracy with militarization. As one observer put it, "Ballots mean bullets in terms of the U. S. Congress." Thus, the U. S. would press for legitimation through elections, an increased regional military role for Honduras in return for U. S. economic and military aid. Honduras could become a more respectable satellite of the U. S., a new "Nicaragua" without the unsavory image of the Somozas. Well before the Reagan team arrived in Washington, the "democratization with militarization= stability" policy had begun. Unfortunately, this policy resulted in "democratization vs. militarization=instability."

There are two main objectives of USFP in Honduras at present: First. the recruitment of Honduras into the effort to intimidate and destabilize Nicaragua, eventually forcing a "rollback" of the Nicaraguan revolution, and, by extension, in the Reagan logic, checking Cuban and Soviet power. Secondly, given the continued stalemate in the Salvadoran government's military position vis-a-vis the guerrillas, Honduras increasingly has also been drafted into the support of the counter-insurgency struggle there. This involves the interdiction of supplies allegedly shipped to guerrillas from Nicaragua through or over Honduran territory, the on-going Honduran cooperation with the Salvadoran army in sealing off the border to prevent guerrillas from using this rough country as a staging base, the training of Salvadoran troops in Honduras by U. S. military advisors, the containment of refugees, etc.

Thus, the Honduran role in El Salvador's rebellion may eventually turn out to be as important or more so than its antagonism vis-a-vis Nicaragua. The deteriorating military situation in El Salvador has probably figured as heavily in

U. S. foreign policy actions in militarizing Honduras as has the Honduran-Nicaraguan tension.

Regional crisis over the last several years, global super-power competition, simple geography, and Honduran history have all conspired to put Honduras center stage in the Central American drama. But the direction of Honduras by the U. S. has been central. Honduras has been assigned a critically important role in USFP designs in the region. Honduras has become the geopolitical key to U. S. counter-revolutionary strategy in Central America. Specific tasks for carrying out that role include: (1) training Salvadoran (and possibly other nations') military forces in Honduras for U. S. fiscal or political reasons, thus becoming another Panama for counter-insurgency training; (2) providing key military cooperation for the Salvadoran army along the border to prevent guerrillas from using Honduran territory and control the refugees; (3) providing cover and a base for the contras not-so-secret covert action against Nicaragua; (4) providing strategically-placed bases from which U. S. sea, land and air forces can operate to intimidate and pressure Nicaragua; (5) a rapid Honduran military build-up to support these operations; and (6) providing training bases and a scene for U. S. rapid deployment, airborne missions in a regional war that seems more and more probable to all. Honduras has become, in a word, the USS Honduras, a landlocked aircraft carrier of sorts.

None of this really has much to do with Honduras, even its national security. Looking back over the course of policy in the past three or four years, Honduras probably could have maintained a decent neutrality, largely insulating itself from the worst of Central American conflict. It could have followed a route not unlike that of Costa Rica and Panama had it not been for U. S. and Honduran military pressures. Its principal defenses would have been progress along the path of real democracy, socio-economic reforms, and a largely non-aligned foreign policy seeking peace in the region. Indeed, that seemed in the early months of

the Liberal Party government to be its initial inclination represented by Suazo's "Internationalization of the Peace" plan.

Unfortunately, these inclinations were quickly vetoed by Alvarez Martinez and either ignored or undermined by the U. S. military buildup. Two things prevented Honduras from following this path: (1) Alvarez' and the military's desire to reassert military dominance via the military buildup and its National Security project; and, (2) the disastrous state of the Honduran economy, bankrupted by the previous military regime and reeling from the effect of the general Central American economic crisis. The latter left Honduras wholly dependent on U. S. economic assistance and, hence, its political direction. As a result, even Honduran internal economic policies follow Reagan ideology and design, not Honduran ideas or needs.

I take it as axiomatic in foreign policy analysis that a policy which so consistently ignores or, indeed, even subverts the short-term and long-term interests of the vast majority of another nation's people under the guise of doing otherwise cannot be successful forever. This may have been possible in the halycon days of United and Standard Fruit but it is much less so in 1983.

Thus, these policies may be consistent with the Administration's basically reactionary approach to the region and its simplistic East-West matrix for viewing the world, but they are likely to prove extraordinarily costly for Honduras, both in the short- and long-run. The U. S. is "using" Honduras -- as are Suazo and Alvarez -- for their own ends without any concern for the probable consequences either in Honduras or the U. S. Hence, in my view, it is in its reckless disregard for the impact on Honduran external and internal affairs that the principal failure of USFP towards Honduras may be found. This is the main definition of "failure" in my assessment: its adverse impact on Honduras, especially on its internal socio-economic and political development. This, in turn, will inevitably have negative effects on U.S.-Honduran relations for years to come. I

also believe that current Administration policies are having an adverse domestic impact on the United States, both material and political, but this is beyond the scope of this study.

Key No. 2: Current U.S.-Honduran Relations Are the Product of a Perverse "Faustian Bargain" or Political Deal in Which the U.S. "uses" Honduras but the Honduran Leadership also "uses" the U.S.

If it is true that the Honduran civil and military elite has "sold its soul" to the U. S., it is also true that this elite has done its best to get what it wants from the U.S.: massive military and economic aid. The Honduran governing elite has staked its entire political-economic fortunes on a massive economic bailout by the U. S. This "lluvia de dolares" (a "rain of dollars"), as it is known in Honduras, is what the ruling clique of Liberal Party, military and business leaders expect from the U. S. in return for Honduran prostration in foreign policy, military and domestic political-economic matters. In early 1982, the current regime inherited a nation almost literally bankrupted from the corruption and mismanagement of the previous military government. In essence, the incoming government struck a deal with the Reagan Administration: massive U. S. economic and military aid for a medium- to long-term lease on Honduras. Honduran geopolitical, military and economic obedience to the U. S. would be exchanged for American economic largesse and military "protection." This attempt to literally "sell Honduras" (as the influential Facusse family has argued) has become a central question in Honduran politics. Having mortgaged their future to the U. S., the current leadership is understandably anxious about the economy and U. S. intentions to carry through on its part of the bargain.

Generally speaking, the military has done better in this deal than the civilians. General Alvarez and the military have gotten more of what they bargained for (though not all) than the Suazo Government.

The Honduran military under Alvarez (despite some internal splits) has finally found its role. The regional crisis, Reagan policies and Honduran involvement in it were tailor-made for the military. It allowed the military to reestablish and restructure itself after public repudiation of 10 years of military rule, especially the revulsion against the orgy of corruption under Paz Garcia. It permitted the military to maintain its position of power and dominance vis-a-vis civilian political sectors endangered by the 1980 and 1981 elections. Thirdly, the military under Alvarez quickly moved to take advantage of U. S. military assistance to expand the military, increase salaries, etc., in spite of the severe economic difficulties the nation was experiencing. This, in turn, allowed the military to bolster its political autonomy with minimal obligation to the civilian political leadership. As Professor Mark Rosenberg noted, the Honduran military quickly realized that in the face of domestic economic deterioration, the U. S. sponsored military buildup was "the only game in town". The "growth sectors" with Reagan were clearly to be found in rabid anti-Communism, anti-Nicaraguan belligerency and internal repression.

So far the U.S. has gotten the better part of this bargain. The promised economic aid never seems to arrive on time nor does it ever seem to be quite enough from the Honduran perspective. This partially explains the Honduran leadership's calls for ever-higher levels of aid and the shrillness and urgency of their pleas. With hindsight, many civilian leaders now undoubtedly feel that they should have gotten much more of the money "up front" before hitching their star so completely and so closely to the U. S.

Instead, the civilian leadership has been reduced to humiliating pleas and begging for more and more economic help such as President Suazo's long letter to President Reagan six months ago asking for \$550 million over three years. This letter was an incredible combination of pleading and thinly disguised blackmail, an attempt to simultaneously threaten and shame the U. S. into carrying out its part

of the bargain. The leadership has been publicly damaged in Honduras and made to look like a despicable bunch of sellouts by numerous incidents in which the U. S. trampled all over Honduras and then refused to deliver on its promises. Honduras was not even included at first in Reagan's CBI plan because a U. S. citizen claimed land on which the Regional Training Center was built at the behest of the U. S. to begin with. The Training Center episode itself was very embarrassing to the government because it showed how U. S. interests overrode any Honduran rights, including its own Congress or Constitutional strictures against training foreign troops in Honduras.

Those who suffer from the absence of national sovereignty are those most acutely aware of it. We do not discuss this much in the U. S. because we know we enjoy sovereignty as a great power. In a small, poor, highly dependent country like Honduras, however, this issue has become more and more important. In its report to the Kissinger Commission the Suazo government was reduced to suggesting that the U. S. might have to either permanently station its troops in Honduras (as in South Korea), or make Honduras a U. S. protectorate like Puerto Rico. These suggestions, however, were not serious alternatives but rather a way of demonstrating the urgency and weakness of the leadership's position to the U. S. They were a way to try to dramatize to the U. S. their concern and pressure the U. S. into providing the promised massive economic assistance, to carry through on its part of the deal. No wonder an opposition newspaper editorialized that "We have lost everything, including our honor."

In a way, however, the Honduran leadership has been less taken in than have Reagan policymakers. The Hondurans do not believe their own rhetoric while the Administration does. The argument that Honduran political and military leaders wholeheartedly support the military buildup, are frightened by Nicaragua and events in El Salvador has to be met with a much more complex analysis of internal Honduran politics. This analysis has to focus on the coincidence of policy and narrow self-

interest of the Honduran ruling clique.

Ideology is a scarce commodity in Honduran politics. The role of opportunism and patronage is much larger. The Honduran leadership is from the old school of patronage politics. They know and understand a deal when they see one, especially in the absence of individually attractive alternatives. Thus, the first thing to understand is that these are not men and women of principle and ideology. They are interested primarily in saving their own skins and in lining their own pockets and those of their cronies. As has been historically all too true in Honduras, the easiest way to do this is to follow the U. S. lead in most matters -- it is frequently the only game in town. Thus, the civilians are willing to turn their backs on their own heritage as a party of reform and anti-militarism. They will tell the U. S. virtually anything it wants to hear and do whatever is necessary to ensure U. S. support (and, most importantly, its patronage).

Hence it is not surprising that the Honduran elite stands so steadfastly behind the Administration's positions in Central America. Nowhere else in Central America do U. S. officials and visitors get told so much of what they desperately want to hear -- that the Sandinistas are a mortal threat, that the Salvadoran guerrillas are even worse than the government there, etc., etc. Americans feel "at home" in Honduras (myself included) in a way they do not anywhere else in Central America because Hondurans are so obliging in a way that is not true even in Costa Rica, a nation with which we probably share much closer values. The problem elsewhere is that, right, left or center, the leadership is explicitly nationalist while in Honduras it is not. Honduran elites are used to playing the gringos. It is a time-honored tradition

The first axiom of Honduran politics is to divide the opposition rather than present a coherent plan to govern, improve the lot of the people, etc. This is an old trick of Honduran party politics. One wins by fractionalizing the other party rather than by providing a specific program around which you mobilize support.

The current civilian and military leadership gained its positions in exactly this fashion and intends to maintain itself this way. The Liberal Party first got military support through Alvarez removing the Nationalist Party's main prop and dividing both the party and the military. It then threw in with the U. S., U. S. support for the Nationalists also having been a mainstay of its political success in Honduras. In sum, the Liberals and Alvarez took the "chair" of the Nationalists, leaving them divided and out in the cold in the game of Honduran musical politics.

Having tied their futures so completely to the U. S., they must now deliver the dollars and U. S. support to save themselves and their allies before the whole deal collapses around them. In a sense, they have also painted themselves into a corner. They must make the deal with Reagan work. They will tell the U. S. anything it wants to hear to this end. They can not back down now without disaster. This is what explains the sense of urgency in official pronouncements and Alvarez's divisionary attack on all dissenting groups, as well as all those who oppose the satellitization of Honduras.

Key No. 3: Democracy with Militarization Has Failed

As a general theoretical question it may be true that militarization of a society does not necessarily or inevitably undermine its democratic practices. War mobilization in most Western democracies during World War II did not subvert the democratic order in those nations, although even here democracy did come under some pressure in the area of civil rights. Israel also comes to mind as a possible counter example to the argument that turning a country into an armed camp will have adverse impact on its democratic process. However, in all these cases there was a relatively long and deeply-embedded tradition of civilian control over the military and political democracy was the rule, not the exception.

Whatever the theoretical merits of these arguments, in the Honduran case U.S.-inspired militarization has undermined the fledgling democracy we all celebrated some two years ago. The history of Honduras has been such that strengthening

Alvarez and the military inevitably meant the eclipse of civilian democratic government.

The original USFP idea, dating from the late Carter years, was to combine a strong Honduran military with a stable, civilian democratic government. The mix of these two elements has proved elusive, however, to the point where militarization has virtually destroyed whatever democracy ever existed.

Two things prevented this plan from working out as intended. First, given military dominance of the Honduran political system, it was difficult at best to expect the military to retreat from the political arena. In the absence of a well-designed, sustained and well-implemented U. S. plan of intervention to virtually force real civilian rule and democratic processes in Honduras, democracy had only a slim chance at best, especially given the conditions of turmoil and unrest prevalent in the region. No chief of the Honduran Armed Forces has retired in the last 31 years without having been President of Honduras. There have been five military coups in the same period. Regardless of formal status, all regimes since 1963 have been civil-military regimes in practice. Military dominance of the Honduran political system even has a constitutional legal basis, beginning with the 1957 Constitution which ceded significant autonomy to the military. Even greater independence from civilian control is enshrined in a variety of articles in the 1981 Constitution, including a longer term of office for the head of the military than the President (five years vs. four years), significant autonomy and preferential treatment in matters of budget and arms, etc.

Secondly, the U. S. plan of democracy with militarization embodied a central contradiction: in the context of Honduran civil-military relations, strengthening the military would almost inevitably result in the erosion of democratic practice. Thus, the development of the U. S.

plan itself led to a weakening and eventual marginalization of civilian democratic government in favor of the military. Thus, U. S. policymakers in Honduras have been faced with an important dilemma: they could either strengthen the civilian government and try to weaken the military's hold on important political decisions by reducing military aid, etc., or they could build up the military for a broader regional role and thus undermine the democracy this build-up was supposed to defend. As has now become obvious to observers in and out of Honduras, U. S. policymakers could not have both. They opted for militarization rather than democracy.

After the Suazo civilian government took office in January, 1982, it almost immediately developed a strange "Dr. Jekyll-Mr. Hyde character, Suazo Cordova being Dr. Jekyll and now-General Alvarez being Mr. Hyde. This schizophrenic nature of the government was apparent, for example, in Suazo Cordova's "internationalization of peace" diplomatic initiative which emphasized Honduran neutrality in regional conflict while Alvarez Martinez was busy violating it by closely cooperating with the Salvadoran army, supporting the contras, and provoking border clashes with Nicaragua. At the same time that Suazo was extolling the virtues of civilian government and democracy in Honduras, Alvarez was demonstrating the contrary by repressing and dividing pluralist, democratic groups such as peasant and labor unions and by violating basic human rights by "disappearances", torture, and assassinations. Other instances of this dualism could be multiplied ad nauseum.

As with the original Dr. Jekyll-Mr. Hyde fable, such schizophrenic behavior is highly unstable and eventually Mr. Hyde takes over, dominating Dr. Jekyll. So, too, in the Suazo-Alvarez case, General Alvarez has gradually come to overshadow President Suazo in the two years since they came to power. Perhaps the most dramatic manifestation of the eventual dominance of Alvarez (and yet the continued dependence of Mr. Hyde on

Dr. Jekyll for survival) took place during President Suazo's two heart attacks in August, 1983. Suazo was quickly moved to the air force base outside Tegucigalpa, virtually a captive of his own military, and surrounded by Alvarez's cronies, including his brother who became Suazo's physician.

Thus, the real power in Honduras is Alvarez not Suazo; virtually all observers of the Honduran political system agree that Alvarez Martinez is now the central political figure. Having begun as a junior partner, a key ally of Suazo but not a dominant one, Alvarez has now taken the reins of power. He has virtually unquestioned authority in all matters pertaining to the military and its role, and is clearly the principal decision maker in all major foreign policy issues. Internal security is also firmly in his hands through his control of the FUSEP and DIN. Moreover, he has substantial, probably dominant, veto authority over any major political-economic question which comes before the government. The long arm of Alvarez even reaches into the internal politics of both the Liberal and Nationalist Parties, and his Machiavellian machinations are widely rumored to be the cause of major internal splits in the parties. Even more revealing in terms of Alvarez's power in current Honduran political life is his ability to intervene, divide and conquer such supposedly autonomous organizations as unions, the National University, cooperatives and business groups.

It is precisely the coincidence of U. S. foreign policy and Alvarez's ascendancy that is so troubling, for it has resulted in the marginalization of Honduran civilian political leadership (making a mockery of the November, 1981 elections), increased internal repression of dissent, more widespread human rights violations, the subordination of economic recovery to an unprecedented military buildup, the indefinite postponement of much-needed political,

economic and social reforms, and a general climate of instability and uncertainty. Externally, these events have drawn Honduras into regional conflict and internal violence in Nicaragua and El Salvador, subjected Honduras to a series of terrorist attacks and lawlessness by the contras, and vastly increased the probability of a regional war.

It is also important to emphasize that Alvarez is not simply a pawn of the U. S. Alvarez is, of course, partly the creation of U. S. policies. Without the Reagan militarization of Honduras he would clearly be much less powerful than at present. The coincidence of views among U. S. Ambassador Negroponte, Alvarez and Suazo has certainly been fortuitous for Alvarez. There is no indication, moreover, of any basic ideological conflict between Suazo and Alvarez; to the extent ideology figures at all in current Honduran politics, they agree on most major issues. As one observer had it, the "only difference is the military has all the power and the civilians have all the problems."

Alvarez came to power through the Suazo-Cordova pact, not at the insistence of the U. S., although subsequent developments may have made it look that way and the U. S. almost certainly found Alvarez at least "acceptable". Alvarez was able to manipulate himself into positions of increasing authority and does not "owe" the U. S. any particular political debts as of 1983. If anything, Alvarez apparently remains somewhat distrustful of the U. S., particularly its staying power and will in Central America. Not one to mix words, he has publicly stated this on a number of occasions.

Metaphorically speaking, Alvarez is a "loose" cannon on the decks of Honduran politics and the Central American conflict. His repeated attempts to start war with Nicaragua, his blatantly repressive methods, his flirtations with the National Party, outspoken demands for outrageous levels of military assistance, and close Argentine connections, none of which are politically convenient for the U. S., all show he is his own man.

Given this panorama of "democracy in Honduras" it is obvious that USFP has been a failure in its avowed claim to strengthen the "fragile process of democratization" there. U. S. lip service to Honduran "democracy" and unfavorable comparisons with Nicaraguan "Marxist-Leninist totalitarianism" are both more than a little hypocritical; in fact, democracy is a sham in Honduras. It is tragically easy to show that democracy is a farce in Honduras, giving the lie to Administration claims that it is strengthening democratization and simply "protecting" it with a "military shield". It is clear that USFP has been unusually counter-productive in the Honduran case if its aims were to promote democracy.

An examination of Honduran democracy shows clearly that it is a democracy in name only. We have already pointed to the overwhelming power and influence that an unelected military man exercises over Honduran affairs, hardly a democratic performance. In reality, as one knowledgeable observer of the Honduran political scene recently put it, civilians are "spectators in their own political game."

Much is made by the Reagan Administration of the free and open elections of 1980/1981 and the "electoral mandate" of the Suazo government. Honduran experience over the past two years demonstrates, as well as any other, the intellectual and practical pitfalls of using even relatively free and open elections as the sole criterion of democracy. The truth is that the election became an ideological and political fraud, a cruel joke on hundreds of thousands of Hondurans who duly went to the polls thinking they were going to get one thing and ending up with quite another.

Others have no doubt testified in greater detail about how democracy has been eroded in Honduras. They have certainly told you how the Liberal Party, with a long heritage of anti-militarism and reformism, turned out to be neither. They have no doubt also described the increasingly serious human rights abuses,

the rubber stamp character of the Congress, the meekly acquiescent judiciary, continuing electoral fraud in the parties and the repression of voluntary democratic organizations (all detailed in my appended paper as well). They have also probably mentioned the increasing role of APROH, a right-wing body of military, business and civilian leaders, with neofascist overtones. APROH, perhaps the most intimate linkage of military and right-wing elites in Honduran history, has become in many ways, a "shadow government" in Honduras.

These are exactly the kind of ruling cliques that have supported the U. S. at any cost to their people and led to insurgency and violence elsewhere in the region. Both the U. S. and the Liberal Party has allied itself with the least popular sector in the Honduran political system and then allow it to assume power, e.g. Alvarez and the military. This can only have grave implications for future Honduran political evolution and U.S.-Honduran relations.

There are now significant contingents of four different national armies on Honduran soil: the Honduran army, the U. S. army, the Salvadoran army (at the training center) and the Nicaragua contras. They are all there at the behest of the U. S. and Alvarez. If this is not militarization, what is? No wonder Hondurans increasingly view their land as an occupied country. The question may become whether or not Honduras can even maintain its national identity much less its democracy.

Key No. 4: The Honduran Economy Is a Shambles and Massive U.S. Economic Assistance Will Not Do Much Good

I will try to be brief here since a detailed examination of the economic situation and economic policies is contained in my appended paper. Suffice it to say that economic decline in Honduras has become quite serious and that it threatens the stability of Honduras at least as much as any other factor, including Nicaragua. Nevertheless, Reagan Administration policies for Honduras have been contradictory, inappropriate and inequitable. This is important because, along with

its overwhelming influence in political-military affairs, the U. S. has also dominated the formation of economic policy in Honduras. In fact, the government's economic program consists of little else than Reagan Administration "recommendations."

One of the primary difficulties of these policies is the fact that the Reagan economic emphasis on private investment and "free market" export-led development has collided head-on with its political-military policies of militarization and confrontation. The needed investment has not been forthcoming in the face of declining investor confidence. This has led, in turn, to another contradiction: the Administration's free market rhetoric fits oddly with its newly necessary program of a massive economic bailout. Honduras has become an international welfare case, not entirely, but at least partly because of Reagan policies. The Administration's political-military strategy has, in effect, undermined its economic strategy.

Nor will the economic bailout solve Honduran economic problems. In the current war economy, even huge injections of U. S. aid become economic "relief," not development-generating aid. Without an end to the military conflict and preparations for war, such assistance will simply prop up the economy, stemming the tide of economic erosion caused by militarization. In the absence of real peace, the economy will continue to decline and, aid or no aid, will only determine the pace of that decline.

Part of the problem here is that U.S.-sponsored military expansion has meant that much needed social economic reforms have been put on the back burner. (See my discussion of Honduran agrarian reform in the USS Honduras paper.) In essence, U. S. foreign policy has subordinated economic recovery and necessary reforms to the military buildup. The Honduran government can not get on with reforms and recovery while it is busily engaged in creating a garrison state in Honduras.

And, as I discuss in greater detail in the other work, the "Reaganomics for Honduras" approach of U. S. policymakers is inherently non-reformist yet this is precisely what is needed.

It reform is not begun and the militarization reversed, major economic aid programs will either be wasted or may actually prove to be counterproductive and destabilizing. For economic aid will become an extension of the war effort, freeing up government resources for further militarization and attacks on the shreds of democracy (such as a remarkably free press). Aid will legitimize war preparations. The Administration in Honduras is in fact confronting a real dilemma, the economic equivalent of its dilemma in El Salvador with death squad activity. The problem is how to ensure efficient use of aid when that aid is going to be channelled through the same old, generally corrupt and/or incompetent gang of political and military cronies and elites that were partly responsible for economic mismanagement and decline in the first place. On the other hand, however, if the U. S. attempts to go outside of the established power structure seeking real broadly-shared growth, it will surely jeopardize its political military strategy supported by that structure.

Thus, within the current structure, massive aid will not do much good. The Reagan "trickle-down" non-reformist policies and resources may prop up the circle of bankers, military and party hacks. But corruption, capital flight, mismanagement and patronage will not result in either immediate help nor long-term structural reform so desperately needed by the great majority of Hondurans. In this sense, large-scale U. S. economic aid, however favored by liberals, will be positively harmful in Honduras. It will simply increase the money, patronage and power of the government and military, and thereby their grip on the rest of Honduras. It will show, in a word, that their "deal" with Reagan worked. They "delivered." And even if the economic relief keeps the economy afloat somehow, the concentration of income, switch to military economy, etc., will aggravate

socio-economic tensions and, ultimately lead to political instability. This is obviously not a sustainable nor desirable style of growth. Bailing out the Honduran economy may be a very difficult and not very stabilizing endeavor.

Key No. 5: The Administration's Political, Military and Economic Policies Are Counterproductive Leading to Uncertainty, Instability and Polarization in Honduras

Perhaps nowhere else in Central America does recent experience so dramatically demonstrate the failure and counterproductive nature of U. S. policy as in Honduras. Considering the great expectations most observers had for Honduras two years ago after the 1981 elections, and the sad reality of Honduras today, Reagan policies must be seen to have been an abject failure in political economic and social terms. In fact, the internal political and economic situation there is worse, sometimes much worse, than commonly perceived outside the country. It is clearly a very dynamic situation but it is also one which just as clearly going the wrong way, towards increased instability, uncertainty and repression.

In fact, things are unraveling and deteriorating very quickly in Honduras. To the degree that the powers that be there sense a special urgency, they seem desperate for a last ditch effort to save the situation before something really dreadful takes place and the existing structure is threatened. For example, there is now commonplace admission (which was not true even six months ago) that the economy is in very poor shape, that uncertainty and fear reign, and that Honduras may be on the edge of political-economic turmoil not seen at least since the 1954 banana strike. Hence, certain sectors have asked for some dramatic action, such as the invasion of Nicaragua, that might simultaneously justify the current woes and solve them. What is not admitted, of course, is that these conditions were the result of both U. S. and Honduran policies: militarization,

no reforms, repression, increasing corruption, poor economic policies, etc. It is much easier to blame it all on the war in El Salvador, the Sandinistas, Cuba and the Soviet Union. Like a cat chasing his own tail, Alvarez makes the consequences of his own policies into the causes of them. In an inversion of real causality, the results of his acts are made into the causes of those acts.

Hence, the pervasive bizarre sense of gloom and foreboding in Honduras these days. There is a heavy atmosphere of doom, uncertainty, polarization, a panorama of uncertainty, crisis and impending insecurity. Even the likely beneficiaries of the government's economic strategies doubt they will work. The private sector is scared, doubtful and suspicious. Perhaps they understand, as Suazo, Alvarez, Reagan and Negroponte do not, that the principal defense of Honduras can not be military, much less military hardware. It must be real socio-economic reform, justice, democracy, respect for human rights and peace.

If there is any lesson to be drawn from the history of civil conflict in Central America it must be that poverty alone is only a necessary not a sufficient cause for revolt. Honduras, by far the poorest and yet still fairly tranquil, should demonstrate that. However, when you add poverty and large-scale repression together (a closing off of political space) along with U. S. intervention this can be a powerful, heady stimulus to revolt. Unfortunately, that is precisely the mixture being brewed in Honduras today.

Thus, conditions are brewing for internal and external subversion. The minor guerrilla incursion of last Fall should have been a red alert that something very basic was going wrong. Instead, however, it became the justification for more of the same. Reagan-politics, paradoxically enough, are proving, if there ever was any doubt about it in Latin America, that the major way to any social justice and genuine national independence is through adherence to an uncompromising radically leftist faith that more likely than not will have to be decided by armed struggle. While there may always be, theoretically speaking, the chance

of a profound reformist path carried out through democratic and largely peaceful processes, in practical terms this is becoming nearly impossible. The reformists and the democrats simply get wiped out.

The U. S. has mistakenly allied itself with Alvarez and Suazo, leaders who have literally pawned their nation for personal political ambition and greed. They have been willing to turn over their sovereignty, economic policy, democratic institutions, make war on their own people and generally mortgage Honduras' soul. This "Faustian Bargain" will have nightmarish consequences for both the U. S. and Honduras, not the least of which is a political backlash against excessive dependence on the U. S.

With leaders like this, Honduras hardly needs enemies. It is not surprising that if its own leadership is willing to sacrifice or ignore Honduran interests, the U. S. will also. After all, one does not normally look to foreigners to defend such basic national interests as sovereignty, peace and prosperity. Still, the U. S. might have treated Honduras differently out of self-interest and a decent respect for a small, poor nation so obliging to the U. S.

In sum, in Honduras, militarization has become an end in itself, unrelated to any sensible U. S. foreign policy objectives. In so doing, it has become a means not to peace, stability and development but to the very conditions militarization was presumably designed to avoid: uncertainty, insecurity, instability, violence, repression and a loss of freedom and wellbeing.

Key No. 6: There Is Still Time to Escape the Worst in Honduras, But That Time Is Running Very Short

The consequences of militarization, economic decline and the postponement of urgent reforms all threaten to destabilize Honduras. But they have not done so yet. This means there is probably still time to reverse the erroneous policies of the last 4-5 years, mistakes of two U. S. Administrations but greatly extended and aggravated by the Reagan team. Reversing the policies themselves will be perhaps easier than erasing the already threatening effects of previous

policies (such as the shift to military dominance, human rights abuses, etc.). But, with time and appropriately designed policies most of the adverse consequences of the past 4-5 years could be undone. Honduras is not yet Salvador or Guatemala where apparently too many bridges have been burned to make a relatively peaceful, easy return to more sane political order. But the clock is running in Honduras.

This raises the question of U.S. responsibility for the past and, conversely, its ability to shape the future in Honduras. I am of two minds about the amount of influence and control the United States has had on Honduras. On the one hand, I sense that U.S. policy impact on Honduras has powerfully affected the sequence of events there, especially in the two years since I worked and lived there. The three principal dangers of USFP in Honduras are: (1) the policies will lead Honduras into a war with Nicaragua and/or other nations; (2) the policies will lead to truly disastrous sidetracking of domestic civilian rule, economic catastrophe, military takeover, corruption and widespread repression; and (3) the policies will divert efforts away from domestic socio-economic reform and thereby eventually cause domestic upheaval and instability. Of these three possibilities, I believe the U. S. has had the most control (and therefore responsibility for) the first, considerable control and responsibility for the second, and the last, though some for the third.

If Honduras does become involved in a regional war, and if the process of democratization and civilian rule is totally derailed, etc., it will appear as a "tragedy of possibility." i.e. what a pity it happened this way when it might have been otherwise. I sense that if the outcome is tragic (and I suspect that it will be unless things change very quickly), the U. S. will have been the primary culprit for a regional or Nicaraguan-Honduran war and/or military rule, however indirectly. Things might well have been very different with a different administration in Washington, different goals, analysis, etc.

On the other hand, it is undoubtedly true that U. S. power has been on the

wane (even in Honduras). The day when the Ambassador in Tegucigalpa could literally run the country is now past. I have never been sanguine about the desire or capacity of the Suazo government or the Honduran military to face up to the challenges facing Honduras internally. Moreover, I am not among those who see centrist, moderate civilian regimes like those of Belaunde, Suazo, etc. as the last great hope. There are not viable alternatives to profound changes if they ever were. And any administration in Washington would be hard pressed to prod these actors toward fundamental change. Hence, I sense that even with somewhat different set of policies emanating from Washington, the internal scenario in Honduras could still be tragic. In this way, it would be a true Greek "tragedy of necessity," i.e. what a pity it had to be this way.