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HONDURAS

Not-So-Transparent Law

Honduras' Transparency Law, contentiously approved by Congress in Nov (Vol. 25, No. 12), may provide a legal framework to obscure the very information it purports to make public.

Activists from Alliance 72, a coalition of civil society groups that submitted a draft freedom-of-information law to congress in '05, have expressed concern that the approved version of the law contains modifications that could seriously inhibit its effectiveness.

According to members of the Committee for Free Expression (C-Libre), which was part of the Alliance 72, and the Probitry Network, a regional organization to "promote integrity and probity in the exercise of power," some articles of the law are unsettlingly vague or counter the intention of the original proposal.

The published law leaves it largely to the discretion of government ministers to reserve any "information that undermines the governability" of the country. International organizations providing debt cancellation to Honduras lobbied Congress to approve the Transparency Law in order to ensure that funds saved from the cancelled debt be used for poverty reduction. However, the approved law classifies all information about humanitarian aid.

Restricted information becomes declassified after 10 years under the new law, but the law allows files to be purged after only five years. The Alliance 72 proposal recommended the opposite.

The definition of "public servant" is unclear in the published law and may exclude higher-level officials, such as members of the legislative, executive and judicial branches of government, from being subject to its provisions.

Furthermore, although the law establishes the Institute of Access to Public Information (IAPI), which is supposed to be responsible for overseeing the transparency process, the specific functions of the IAPI are unclear. Overlapping with other agencies may limit the IAPI's independence.

Lawyer and former National Human Rights Commissioner Leo Valladeres, in an interview with the Inter Press News Agency, said that the law also contradicts international conventions that Honduras

has signed. The law implies that access to information is a concession of the State while it is actually a right guaranteed by the American Convention on Human Rights, Vallederes explained. The lawyer also said the fact that only information generated after the law takes effect will be publicly available violates the Inter-American Convention against corruption.

President Manuel Zelaya Rosales (Liberal Party of Honduras-PLH) praised the Transparency Law at a rally after a massive anti-corruption march on 10 Feb, organized by the National Anti-Corruption Council. Ironically, the organizers had not invited the president, and *El Heraldo* later reported that PLH members paid 2,000 citizens approximately \$10 each to participate in the march and cheer for the president during his speech.

Activists plan to continue to raise awareness about the shortcomings of the law and to seek reforms, while utilizing it as much as possible in the meantime to disseminate public information.

Operation Scissors

On 25 Feb, the Honduran government sent 100 squads on a commando mission to cut the electric cables of businesses and individuals that have pirated energy from the State-run electric company or that have large unpaid bills.

The crackdown, known as Operation Scissors, was one of the first initiatives taken by President Zelaya to save the National Electric Company (ENEE). In an unprecedented move on 21 Feb, Zelaya assumed control of the ENEE, saying it was the last resort to salvage the company that lost \$160 million last year.

The ENEE sells about \$473.6 million in energy each year, but only collects about \$315.7 million. The day-long Operation Scissors targeted some 20,000 delinquent major and mid-level consumers in 39 cities, about 6% of whom lost power that day. ENEE officials, backed by military and police, cut electricity to an estimated 700 businesses or homes in the capital of Tegucigalpa and made additional cuts elsewhere in the country.

The “scissors” reached delinquent millionaires, politicians, luxury hotels, gas stations, medical centers and a shopping mall. Other clients paid off \$1 million in past-due bills in the days leading up to 25 Feb, to avoid losing power.

The government itself has a debt with the ENEE that has grown to \$27 million over the past 15 years. Zelaya said he will prioritize repaying this debt.

Besides losing money, ENEE fails to meet Honduras’ energy needs. Rolling blackouts are experienced in many cities, and many rural areas lack electricity. The government also plans to renegotiate contracts with private companies that supply thermal energy to the ENEE and to promote the development of State-run hydroelectric plants.

Minister of Finance Rebecca Santos said in a press conference on 26 Feb that, in a recent meeting in Washington, International Monetary Fund representatives had suggested that Honduras’ continuing eligibility for debt forgiveness depended on ENEE’s financial recuperation. Zelaya has vowed to remain at the electric company’s helm until its finances improve.

Ambassador to Cuba Named

On 28 Feb, President Zelaya named Juan Ramón Elvir, an agricultural engineer by profession, as Honduras' first ambassador to Cuba in 45 years (see Vol. 25, No. 11).

The appointment came as a surprise to some because Elvir had not been mentioned previously as a candidate.

Elvir led an ENEE auditing commission last year and presented Zelaya with recommendations about the institution, some of which are currently being carried out.

'07, The Year of Education

On 18 Feb, the Zelaya administration created the Commission for the Reform, Strengthening and Transformation of the Education System and declared '07 "the year of education."

The commission, made up of 26 members, includes workers, peasants, business owners, politicians, religious leaders, press representatives and university directors. It will have its own budget and will work closely with parent's associations to improve the quality of education in Honduras and to combat illiteracy.

About 20% of adults in Honduras cannot read, according to UN and World Bank statistics, and rural populations are affected by higher illiteracy rates. Although primary education is free and compulsory, many children do not attend because there is not a public school in their area or their families cannot afford basic school supplies, clothes or shoes. Schools often lack resources and are understaffed. Only 79% of Honduran children complete sixth grade.

Several other government initiatives have been undertaken recently to expand the quality and scope of public education. The Ministry of Education has introduced a new curriculum of constructive, rather than instructive, teaching methods, which are designed to pique children's interest and help them think for themselves, according to Luis Bustillo of the Ministry's Department of Curriculum design. New community education centers and educational radio programs have been created to support those who cannot attend public school.

Golden Beans

Theobroma Cacao, the botanical name of the cacao tree, means "fruit of the gods." Yet most of the cacao sold on the world market today is a pedestrian variety of bean cultivated over the years for its heartiness and yield rather than its flavor.

But the demand for fine cacao beans—high quality, heirloom varieties used to produce gourmet chocolate—is rising every year, surpassing the production capacities of growers that specialize in these varieties.

Honduras, which has a favorable climate for cacao production and some of the most highly praised varieties of cacao trees in the world, could develop a lucrative niche market to help fill this gap.

Last year, Honduras exported about \$4.6 million in cacao, but lower-grade bulk cacao accounted for most of that figure. Fine cacao, characterized by its flavor and aroma, yields three to eight times the profit of bulk cacao.

About 1% of Honduras' cacao trees produce gourmet quality beans. *Criollo* and *trinitario* varieties, closely related to the cacao harvested by the Mayans 3,000 years ago, are found in Honduras' tropical forests and sometimes grow along side the *forastero*, or bulk cacao trees, in the country's plantations. However, most farmers cannot tell the trees apart, so the fine cacao beans are often mixed with the lower-quality cacao and sold at bulk prices.

Technoserve, a non-profit organization that works to eradicate rural poverty by identifying competitive agricultural projects in developing countries, began promoting fine cacao production in Honduras in '05. Technicians from the organization examined cacao trees across the country, identified the high-quality varieties and are now reproducing these trees in nurseries and selling them to farmers.

Technoserve representatives believe that fine cacao production has the potential to generate jobs and dramatically increase the income of rural farmers, many of whom earn less than \$2 a day. For very poor farmers, gaining access to this market depends on securing credit. Technoserve hopes to win support from the government and the private sector to increase the country's production.

Manuel Lugo, Director of Technoserve Honduras, said in a press release that Technoserve has analyzed the market, costs, labor and potential profits of fine cacao production and expects it to be very economically viable—much more so than Honduras' other export crops such as coffee, plantains and bulk cacao.

The world demand for fine cacao is increasing by 12% to 16% per year, but the supply is projected to increase by only 1-½ % in the next few years, according to Technoserve.

Honduras currently harvests about 500 kilos of fine cacao annually, according to Lugo's estimates, but he predicts that in eight years the country could have the capacity to produce 10,000 metric tons per year.

Because of the high demand for fine cacao, growers are in a good position to deal directly with foreign companies. This decreases the possibilities of price fluctuations and gives farmers even more potential for profit.

—Honna Verkaamp