



House Foreign Affairs Committee
Tom Lantos Human Rights Commission

Hearing
on
Human Rights and Corruption in Honduras

December 11, 2019
2255 Rayburn House Office Building

MACCIH: Combating Corruption and Strengthening Human Rights in Honduras.

Oral Statement By Eric L. Olson
Director of Policy, Central America in D.C. Program
Seattle International Foundation
December 11, 2019

Good afternoon. Before I begin, just a word to express my gratitude to the Co-Chairs of the Tom Lantos Human Rights Commission of the United States Congress. I have been privileged to work with each of you over the years especially during my time at the Washington Office on Latin America and later as the Advocacy Director for the Americas at Amnesty International USA, so I've seen firsthand your commitment to human rights and human dignity, and ending the use of torture among other issues.

And I am delighted to continue this collaboration now on behalf of Seattle International Foundation where I am the Director of Policy for *the Central America in DC* program. **Seattle International Foundation (SIF) champions good governance and equity in Central America through support for rule of law and the strengthening of civil society.**

I am also grateful for your interest in Honduras, a country where my wife and I spent two years as volunteer missionaries in the 1980s; a place where we have maintained deep ties ever since. I traveled to Honduras five times this year and I was proud to be part of the Foundation's ninth annual Central America Donor's Forum, held for the first time in Tegucigalpa this past October. The Forum brought together 450 representatives from civil society, governments, the private

sector, the press, and donors to discuss issues such as supporting the fight against corruption, ending forced migration, and strengthening the voices of civil society.

Given that December 10th was International Human Rights Day, it is especially fitting that we are talking today about Honduras. Honduras is a deeply troubled country racked by criminal violence, grinding poverty, and ineffective governance weakened by corruption. Human rights violations are widespread, corruption is rampant, Hondurans lack faith in their democracy, and the President has been enmeshed in a web of corruption, drug trafficking, and campaign finance violations. Corruption is particularly virulent in government institutions and undermines the legitimacy of the state, increases impunity, and weakens the rule of law. And without the rule of law it is impossible to protect and guarantee basic human rights.

There are many reasons to be pessimistic about Honduras's yet, despite these many challenges, there is reason to be hopeful about Honduras if the focus remains on combating corruption at every level of government, and supporting civil society initiatives to rid the state of the corruption that has ensnared it.

One of the most important tools in the fight against corruption and the struggle for human rights and rule of law in Honduras is the OAS-MACCIH, or the Mission to Support the Fight Against Corruption and Impunity in Honduras. There are other important human rights bodies, too – like the Inter-American Human Rights Commission and the Office of the UN High Commissioner for Human Rights in Tegucigalpa – and there are multiple civil society-led efforts to combat corruption such as the Special Commission to Purge and Reform the Honduran National Police, the National Anti-Corruption Commission, and efforts by civil society organizations to press for greater transparency and accountability in the use of government resources. But the OAS-MACCIH, working together with the Attorney General's Special Prosecutor's Unit to Combat Corruption and Impunity (UFECIC), are essential to this struggle. They are institutional responses to the chronic and systemic corruption that has plagued Honduras for decades and stolen the future from most Hondurans.

What is the MACCIH and how does it advance human rights?

Let me take a minute to describe the work of the MACCIH. The MACCIH resulted from an agreement between the Government of Honduras and the Secretary General of the Organization of American States signed on January 19, 2016 – nearly four years ago now. The MACCIH's mission is to support Honduran government efforts to fight corruption among its ranks. My personal view is that Honduran institutions were so weakened, so captured by corrupt political, criminal, and elite interests that they were unable to “heal” themselves without international support. This was certainly the view of most Hondurans who took to the streets *en masse* in 2015 demanding international involvement in efforts to solve the problems of corruption in their country.

The MACCIH agreement outlined several functions for the mission but in the interest of time, I will highlight what I consider to be the priority – to support the independent investigation and prosecution of corruption cases by the Special Prosecutor's Office (the UFECIC). The MACCIH can neither investigate nor prosecute cases on its own, both unconstitutional under Honduran

law. It can only assist the UFECIC in this process. Nevertheless, despite these limitations, the MACCIH has helped the UFECIC take on major corruption cases that strike at the heart of the country's power structure and networks of corruption.

The MACCIH includes recognized international experts in investigation, forensic accounting, and phone taps, among others, that have provided the UFECIC the needed tools to take on sophisticated and un-sophisticated corruption rings that permeate parts of the government, the National Legislature, and even the private sector.

In just four years, the MACCIH together with the UFECIC has presented 13 major cases involving 124 individuals, including 80 public officials and 44 private citizens, on corruption charges. Here are just a few examples:

- The **“Honduran Social Security Institute”** case where millions of dollars were allegedly stolen from the country's main public healthcare system leading to shortages of medications and ineffective medical equipment and procedures.
- The **“Narco Politics”** case where money from international drug sales were allegedly laundered through government public works projects that “were mostly not undertaken.”
- The **“Network of (corrupt) legislators”** case involving 5 Members of the National Congress accused of illegally appropriating approximately \$415,000 in public funds using a non-governmental organization as an intermediary to launder the money.
- The **“First Lady's Petty Cash”** case allegedly involves an extensive money laundering scheme that included the former First Lady of Honduras, Rosa Elena Bonilla de Lobo. She was accused of taking roughly \$680,000 dollars from the office of the first lady and depositing the money in her personal bank account. Bonilla is also accused of misusing approximately \$250,000 in funds designated for the purchase of children's shoes and school uniforms.

The cases are too numerous to review here, but each is well documented by the MACCIH, by Honduran civil society, and U.S. scholars like Professor Charles T. Call at American University.¹ Not surprisingly, there has been a strong backlash to these efforts. Those who have been singled out have fought back in the media, tried to discredit the MACCIH, and have even changed laws to try to ensure their impunity retroactively. The MACCIH has been accused of undermining national sovereignty, and of being part of a conspiracy to damage Honduran institutions and its reputation.

As an international body, the MACCIH has been able to withstand some of the blowback from the country's most corrupt and powerful people, and thus has provided space for brave Honduran

¹ See: “From Steady Progress to Severely Wounded: A Two-Year Report on the Performance of the OAS Mission in Support of the Fight against Corruption and Impunity in Honduras.” By Charles “Chuck” Call. CLALS WORKING PAPER SERIES | NO. 18, Center for Latin American and Latino Studies. American University, Washington, D.C. June 21, 2018.

investigators and prosecutors who may normally be victims of political and even legal pressures to cease their work.

It has done this with tepid support from the Honduran executive. Sadly, as we speak, the clock is running out on the MACCIH and likely the UFECIC as well. In less than six weeks the MACCIH's mandate will run out, and the government of Honduras has yet to request its renewal. The MACCIH has not had a permanent head of mission for several months. Understandably, many of the MACCIH's international experts are beginning to leave.

There have been multiple recent statements from Members of the U.S. Congress, from the Department of State, and the United States Embassy in Tegucigalpa urging the full renewal of the MACCIH's mandate, but so far nothing has materialized.

Honduran civil society has also played a significant role in combating corruption and pressing for the MACCIH's renewal. It was the mass mobilizations of citizens calling themselves "The Indignant" that originally pressed the government to take serious action on the anti-corruption front. Twenty non-governmental organizations have formed the "Coalition for the Renewal of the MACCIH" including such groups as CIPRODEH, FOSDEH, CESPAD, and Save the Children (Honduras). The Association for a More Just Society has also played a key role in supporting the MACCIH since its inception. And despite efforts in the Honduran Congress to undermine the MACCIH, a multiparty coalition of current and former legislators have formed the "Parliamentary Front in Support of the MACCIH."

Lessons learned to date and challenges ahead.

Given that neighboring El Salvador and Ecuador are weighing the formation of their own international anti-corruption and anti-impunity mechanisms, it is important to take stock of lessons learned from similar experiences in Honduras and Guatemala. Here are a few of those potential lessons:

- **A long-term commitment is essential.** Corruption is deeply ingrained in government agencies so the host government, justice sector authorities, civil society, the private sector, and the donor community must make this a top priority over several years. International accompaniment should not be permanent or become the norm, but it must be committed to a sustainable presence for more than one administration.
- **Independent investigations must be at the center of the mission.** Technical assistance, training, and promoting legal reforms are all important elements of the mission, but the primary focus should be on investigations. The selection of cases and subsequent investigations should be done independently and based on technical criteria. Public servants that have betrayed the public's trust should be the primary targets, and there should be no political litmus test for those cases. Finally, to the extent possible, the focus should be on networks of corruption and criminality, not individual cases.
- **Be prepared for blowback.** We know from experiences in Guatemala and Honduras that those who are accused of corruption do not stand by silently. All manner of accusations will be leveled against investigators and prosecutors who dare to expose

corruption and challenge the status quo. It is, thus, enormously important for all involved in anti-corruption efforts to be prepared for the counterattacks and assaults against the dignity of public officials, the press, and civil society attempting to hold people accountable. Appropriate safeguards and protections must be put in place.

- **Strong oversight and accountability mechanisms** for MACCIH and similar anti-corruption mechanisms are essential. Accountability should happen in two ways – through the donor community and international bodies that oversee the international presence; and via civil society oversight mechanisms and observatories. MACCIH has struggled in this latter case but civil society has continued to engage in its own way in holding it accountable. Finally, the government’s themselves will exercise some oversight through the mandate renewal process.

Conclusion: It is impossible for Hondurans and for the international community to tackle all the challenges the country faces. In my view, Honduras must start with the fundamental problem of weak rule of law. Without the rule of law, human rights are violated, impunity becomes the norm, and the legitimacy of the state is questioned. Without the rule of law, the powerful can bend the law to fit their needs, subvert the democratic will of the people, and exploit the poor mercilessly.

Corruption is the greatest threat to Honduran democracy today. It erodes the capacity of the state to enforce the law; properly regulate the economy; and educate, feed, and secure the Honduran people. It has robbed the people of Honduras of confidence in their authorities, delegitimizing them in the eyes of most.

It has contributed to a sense of hopelessness that has driven hundreds of thousands of Hondurans to seek refuge abroad, whether in Mexico or the United States.

Without MACCIH the chances of success in this endeavor are greatly reduced. Honduran civil society and brave public servants will continue to fight, but their task will be significantly more difficult. That is why it is imperative, and in the best interest of the United States, to work diligently to support and ensure the continued success of the MACCIH.

END.