

**HONDURAS:
DEMOCRACY DENIED**

**A REPORT FROM THE CCIC'S
AMERICAS POLICY GROUP WITH
RECOMMENDATIONS TO THE
GOVERNMENT OF CANADA**

APRIL 2010

The Americas Policy Group (APG) is a working group of the Canadian Council for International Co-operation (CCIC) focused on development and social justice issues in the Americas. It brings together approximately forty international development and humanitarian NGOs, human rights groups, labour unions, research institutions, as well as women's, church and solidarity groups.

The APG provides space for collective reflection and the articulation of coordinated policy positions, as well as dialogue, and advocacy with the Canadian government, other governments, and other decision-making bodies.

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EXECUTIVE SUMMARY

This report by the Americas Policy Group examines the coup in Honduras, key issues for democracy and human rights, and Canada's role. Specifically, the report reviews Canadian diplomatic efforts during the crisis, as well as the role of Canadian investors and businesses operating in the country prior to and during the coup. It provides recommendations on measures the Canadian government should adopt to facilitate a genuine return to democracy with a strengthened constitutional order, respecting the human rights and development needs of Honduran citizens.

The coup d'état in Honduras on June 28, 2009 represents an extremely grave crisis for democratic governance in the hemisphere. Persistent, widespread pressure from Honduran citizens, as well as the international community, failed to reverse the coup and restore constitutional order prior to the November 29 elections and January 2010 transfer of power.

Despite the Honduran authorities' attempt to present Honduras as getting back to "normal" following the transfer of power, the country remains deeply divided. It is also clear that Honduras remains a country in a democratic crisis. Honduras is still governed by those who backed the coup, and no significant measures have been put in place to sanction or remedy the failings of institutions that played a role in the coup d'état and its aftermath. Serious human rights violations, including attacks on social leaders, have yet to subside. Impunity remains widespread.

Hondurans may well see a widening conflict in the year ahead. The January 26 Amnesty Decree adopted by the National Congress of Honduras, which coincided with the inauguration of Porfirio Lobo Sosa, has raised serious concerns at the level of the Inter-American Commission on Human Rights (IACHR). The IACHR has since urged the Honduran authorities to review the decree, taking into account the State's obligations in light of international treaties, especially the obligation to investigate and punish serious human rights violations, noting that in practice, the application of amnesty laws has obstructed the clarification of grave human rights violations and the prosecution and punishment of those responsible, leading to impunity.¹

Most analysts agree that the recent events in Honduras have significant regional implications. Failure by the Inter-American community to protect democracy, human rights and the rule of law in Honduras creates a troubling precedent that increases the vulnerability of democracy in other countries. The Honduran crisis poses a particular challenge for Canada given that the Americas have been made a foreign policy priority and the promotion of democratic governance has been made a cornerstone of Canada's Americas strategy. Honduras is also the sole priority recipient of Canadian foreign aid in Central America and was recently named as one of 20 focus countries for Overseas Development Assistance.

¹ Inter-American Commission on Human Rights. (2010, February 3). *IACHR expresses concern about amnesty decree in Honduras*. (IACHR Press Release N° 14/10). Washington, D.C: OAS. Retrieved from <http://www.cidh.org/Comunicados/English/2010/14-10eng.htm>

The Canada-Honduras relationship is important for civil society. Canadian civil society organizations that form the CCIC's Americas Policy Group (APG) have long standing partnerships with Honduran organizations, including labour, faith-based, women's, and community-based organizations and NGOs. APG members have been actively monitoring the situation in Honduras, and organized several delegations to the country in the months preceding and following the coup.

National Reconciliation

Despite the highly controversial nature of the November elections, Canada was quick to recognize the victory of Porfirio Lobo Sosa and to express support for his announcements ostensibly aimed at establishing a process for national reconciliation, including the setting up of a Truth Commission. However Canada has not made a public statement regarding the problematic nature of the amnesty decree, nor asked that those responsible for overturning the democratic order and carrying out the coup be held to account.

The idea to set up a Honduran Truth Commission came out of the Guaymuras dialogue and formed part of the Tegucigalpa / San José Accord. The initial goal was to clarify the deeds that occurred before and after June 28 2009, and to identify the acts that led to the coup, in order to prevent repetitions. However, the Truth Commission has already come under fire for having been set up without consultation and input from civil society and for not being oriented to ensure that those responsible for carrying out the coup d'état and violating human rights will be held to account. The Truth Commission is being set up at a time when serious human rights violations are continuing with widespread impunity, raising questions about both the political will to establish a credible process for truth and reconciliation, and the safety of witnesses who would come forward at this time.

In the first 100 days of the coup alone, the Honduran human rights group, Committee of the Families of the Detained and Disappeared of Honduras (COFADEH), documented 4,234 violations, conceding that these only represented the tip of the iceberg.

Source: COFADEH 2009. *Second Summary Report of Human Rights Violations Since the Coup.*

Another serious concern is the projected four months allocated for the commission's work, which is inadequate for the scope of abuses that took place.

Following the June 28 coup in Honduras, the IACHR, Amnesty International and numerous other human rights organizations documented the suspension of constitutional rights, censorship and attacks against media outlets, repression of peaceful demonstrators, arbitrary detentions of thousands of people, cruel, inhuman and degrading treatment, police beatings, and assassinations. Reports have also been made on the targeting of and impact of the coup on specific vulnerable groups including Nicaraguan nationals, the Garifuna (Afro-Honduran community), women and youth opposed to the coup, journalists, teachers, unionists, and members of the lesbian, gay, bisexual and transgender (LGBT) community.

Business and Human Rights

The coup and its aftermath raise critical concerns about the influence that private enterprises and investors have on governance, human rights and democratic institutions.

In the months leading up to the coup, there were burgeoning concerns from international investors, including Canadian investors, surrounding the speed and conditions under which Honduras should open sensitive markets.

While the mainstream media coverage of the events of June 28 focused on President Zelaya's initiative to conduct a non-binding poll on future constitutional reform, economic factors were equally important in the buildup of tensions between Zelaya and influential sectors in and out of the country.

Some of the strongest critiques of the policies of President Zelaya came from the Honduran private sector. Business platforms such as the National Business Council (COHEP), and the Honduras' National Association of Industries came out strongly in favour of the coup and lobbied Washington not to impose sanctions on Honduras.²

Canada is the second largest foreign investor in the country. Canadian investors are active in the fields of mining and telecommunications in Honduras. These sectors were among those exerting strong pressure on Honduran policy making in the context of the global recession. Canadian companies and other multinational corporations took part in joint pressure campaigns, which included tactics such as freezing investments. In the months before the coup, a Canadian mining company was one amongst a consortium of five that reportedly offered to invest \$ 1.75 billion dollars in Honduras should the 2006 executive decree prohibiting new mining concessions be overturned and the investment climate made more favourable for foreign corporations.³

Despite this, and in response to broad based grassroots calls for reform, President Zelaya presented a bill to Congress in May 2009 for a new mining law that proposed, among other things, a tax reform to recoup revenues for the state from mining, a prohibition of open-pit mining, the establishment of community approval as necessary for the issuing of mining concessions, and a ban on the use of toxic substances such as cyanide and mercury. The bill was due to be voted on August 16, 2009.

In the aftermath of the coup d'état – the most extreme rejection possible of the fundamental tenets of the Inter-American Democratic Charter, and of international law and human rights standards – Canadian companies interviewed by the media reported a “business as usual” approach.⁴ Similarly, while a number of governments and multilateral institutions were withholding funds and instituting sanctions against the de facto authorities headed by Roberto

² The Associated Press. (2009, July 20) U.S. increases pressure on Honduran coup Leaders. CBC News. Retrieved from <http://www.cbc.ca/world/story/2009/07/20/honduras-coup.html>

³ Diario El Heraldo. (2008, December 11) Ofrecen inversión de \$1,750 millones. *El Heraldo*. Retrieved from <http://www.heraldohn.com/index.php/Pa%C3%ADs/Ediciones/2008/12/12/Noticias/Ofrecen-inversion-de-1-750-millones>

⁴ Koven, P. (2009, July 1) Canadian miners unfazed by Honduras coup. *Financial Post*. Retrieved from <http://www.nationalpost.com/m/story.html?id=1749647>

Micheletti, Gildan Active Wear, a Montréal-based textile exporter, and a delegation of Canadians interested in exploiting metallic mining signaled plans to expand operations in the country.⁵

Meanwhile, in Honduras the coup has provided the context for rolling back important gains in the peaceful and legal resolution of conflicts between peasant groups and powerful landed business interests over access to land titles. There have been violent clashes and serious human rights violations in rural areas such as the Aguán valley, where military and police have forcibly evicted peasant families from their lands despite agreements negotiated with the Zelaya government to investigate land claims.⁶

The Role of Canada and the Organization of American States (OAS)

Throughout the crisis, Canadian diplomats played an active role in multilateral fora. The APG supported Canada's condemnation of the coup as expressed initially in a communiqué by Minister Kent, and subsequently through Canada's participation in various international fora including the G-16 group of donors. However, the APG was deeply alarmed that numerous public statements by Canadian representatives led to ambiguity with respect to Canada's official position and weakened the international consensus. This diminished the impact that the international community might have had in pressing the coup regime to return power to the democratically-elected President. For example, as the negotiations to bring both parties to sign onto the San Jose Accords proceeded with great difficulty, the media reported that the "OAS consensus on how to handle the Honduran crisis faltered when the United States, Canada, Costa Rica, Bahamas and Peru proposed dropping Zelaya's return to power as a precondition for legitimate elections".⁷

Promoting the San Jose Accords, without the reinstatement of the democratically-elected Head of State, sent a highly troubling message to other countries that coups do not have to be reversed; that presidents can be removed from power by force and replaced.

⁵ Desjardins Securities analyst Martin Landry confirmed to the National Post that Gildan plans to further expand production of t-shirt, socks and underwear in the country, and stated that "President Zelaya had alienated Honduras' congressional politicians by joining the Bolivarian Alternative for the Americas, an alliance led by Venezuelan president Hugo Chavez that seeks to integrate left-leaning Latin American countries." Landry also suggested the coup may turn out to be a positive for Gildan if it brings back a more business-friendly government. Ratner, J. (2009, June 30) Honduras coup could bring more business-friendly government, *National Post*. Retrieved from

<http://network.nationalpost.com/np/blogs/tradingdesk/archive/2009/06/30/honduras-coup-could-bring-more-business-friendly-government.aspx#ixzz0T07iVtHZ>

Mejia, W. (2009, August 19) Inversionistas de Canadá vienen a Honduras. *El Heraldito*. Retrieved from <http://www.heraldito.com/Ediciones/2009/08/20/Noticias/Inversionistas-de-Canada-vienen-a-Honduras>

⁶ Trucchi, G. (2010, February 17) Palma Africana y Garrote. Asesinatos, secuestros, torturas y desalojos en la nueva era de 'Pepe' Lobo. *Adital/Rel-UITA*. Retrieved from <http://www.adital.com.br/site/noticia.asp?lang=ES&cod=45155>

⁷ Markey, P. (2009, September 30) Honduran police crackdown, but pressure mounts. *Reuters*. Retrieved from <http://www.alertnet.org/thenews/newsdesk/N3095905.htm>

The coup and its aftermath also raised questions about the degree to which multilateral bodies such as the OAS are still able to defend basic tenets of constitutional democracy. Polarization within the OAS, particularly around the question of the need to restore the democratically elected President, prevented the delivery of a consistent unified message. The result was a weakened ability for the OAS to apply all of its protocols, which might have helped to end the coup.

Following the controversial elections, which were held without official election observers, and in which only one side was able to campaign freely (Carlos H. Reyes, the main opposition candidate, spent much of the campaign period in hospital recovering from a severe beating from Honduran security forces), Canada was one of the only countries to state that the elections “appear to have been run freely and fairly”.⁸ Canada’s statements not only stood in stark contrast to statements issued by the Mercosur bloc of nations and other countries across Latin America and the Caribbean, but also failed to take into consideration ongoing egregious violations of political and other human rights.

For example, the IACHR observed that restrictions on the exercise of public office remained in place following the coup in the three branches of government, including threats and assaults on congressional representatives, military takeover of local mayors’ offices, and removal of public officials deemed unfavourable to the coup.⁹

The Canadian government’s post election statements have isolated Canada along with the U.S. and a handful of nations. This stance, coupled with the troubling ambiguity about Canada’s views regarding the rights of President Zelaya and the culpability of coup actors, has undermined Canada’s own stated vision, laid out in the Americas Strategy, to help advance democratic governance and “to strengthen democratic institutions, practices and principles that deliver freedom, human rights and the rule of law.”¹⁰

The Canadian government can still play an important role to support the struggle for democracy in Honduras going forward, but it must tread carefully given recent missteps. How will Canada make clear its support for broad-based citizen participation in the development of socio-economic plans, and the promotion of political reforms in a way that is respectful of democratic principles?

⁸ Department of Foreign Affairs and International Trade. (2009). *Canada Congratulates Honduran People on Elections*. (News Release N° 364 , December 1, 2009).

⁹ During its on-site visit the Commission confirmed serious violations of political rights in Honduras, noting the de facto authorities perpetrated repressive acts that constituted serious limitations, both *de jure* and *de facto*, on the exercise of political rights, in particular those rights associated with the exercise of public office and those related to political participation. Inter-American Commission on Human Rights. (2009). *Honduras: Human Rights and the Coup D’état*. (OEA/Ser.L/V/II. Doc. 55). Washington, D.C: OAS.

¹⁰ Government of Canada. (2009). *Canada and the Americas*. (Catalogue Number FR5-41/1-2009, ISBN 978-0-662-06708-5) Ottawa, Canada.

RECOMMENDATIONS: 2010 AND BEYOND

Based on the gravity of the crisis, as well as our historic knowledge of the country and long-standing partnerships, the APG submits the following recommendations for measures the Canadian government could adopt to facilitate a genuine return to democracy in Honduras, with a strengthened constitutional order, respecting the human rights and development needs of all Honduran citizens.

The Americas Policy Group urges Canadian action in five key areas:

1. Lay the groundwork for a return to a peaceful and democratic order.

Canada should call on the Honduran authorities to take immediate measures to:

- Repeal all legislation, decrees and executive orders issued by the de facto authorities.
- Immediately halt the intimidation, arbitrary arrests, forced disappearances, torture and killings of individuals and groups; and free those jailed arbitrarily for expressing their opposition to the coup.
- Fully restore freedom of expression, ensuring that journalists, opposition parties and critics can safely express dissenting opinions. Re-open all media and stop the attacks, vandalism, seizures and closure of independent media outlets.
- Ensure the armed forces return to their barracks, allowing law enforcement duties to be fully resumed by the police force.
- Reverse all displacement and transfers of lands of peasant groups and cooperatives by the military and police that have taken place since the coup, and ensure land tenure disputes are settled with the participation of all stakeholders in concert with the National Agrarian Institute.
- Uphold obligations under international treaties to guarantee the protection of economic, social and cultural rights as well as civil and political rights. Special attention should be paid to vulnerable groups such as children, youth, migrants, women, Afro-Hondurans, Indigenous and LGBT people.

2. Urge Honduran authorities to end impunity for human rights violations and ensure the accountability of coup actors.

Canada should press the Honduran authorities to:

- Ensure that human rights violations are not amnestied, in light of State obligations to investigate and punish serious human rights violations as recommended by the Inter-American Commission on Human Rights.
- Ensure immediate, independent and thorough investigations are conducted into all reports of human rights violations since June 28, 2009 so that all those responsible, including members of the security forces, are brought to justice in proceedings which meet international fair trial standards.

- ❑ Form a Special Unit of Investigation into Crimes against Women to ensure a process to thoroughly investigate specific cases of violence against women by security forces during the coup and its aftermath.
- ❑ Provide reparation to the victims of abuses, based on principles of restitution, compensation, rehabilitation, and guarantees of non-repetition. Any truth commission should be constituted in accordance with international standards and with proper consultation with civil society. The rights of the victims should be enshrined as the highest priority, and justice and reparations must remain the key goals.

3. Implement a human rights based approach to trade and investment with Honduras:

Canada should:

- ❑ Commit to initiate an independent, impartial, and comprehensive human rights impact assessment before signing or implementing any bilateral or multilateral trade agreement with Honduras. The recommendations of such an assessment should be addressed before Canada enters into any agreement.
- ❑ Commit to implementing the recommendations of the Standing Committee on International Trade, issued in the first session of the 39th Parliament, which called on Canada to disclose all draft texts and Canadian negotiating proposals for the Canada-Central America Four Free Trade Agreement Negotiations (CA4FTA).
- ❑ Develop mechanisms for authentic public debate on trade with Central America, including transparent stakeholder consultations with a broad representation of civil society organizations.

4. Ensure corporate accountability of Canadian businesses and investors in Honduras:

Canada should:

- ❑ Implement legally binding, mandatory mechanisms to ensure accountability of Canadian companies active in Honduras to international human rights and environmental standards. Passage of Bill C-300¹¹ is an important first step in this regard.
- ❑ Encourage Canadian companies and investors in Honduras to respect the human rights of Indigenous peoples, including the right of free, prior and informed consent, as affirmed in international laws and standards including International Labour Organization (ILO) Convention 169, which was ratified by Honduras in 1989.
- ❑ Encourage Canadian corporations and investments in Honduras to contribute to the promotion of decent work opportunities for women and men, by respecting fundamental principles and rights at work as outlined in the Decent Work Agenda of the ILO.

¹¹ Government of Canada. *Private members Bill C-300. An Act Respecting Corporate Accountability for the Activities of Mining, Oil or Gas in Developing Countries*. Ottawa, Canada: House of Commons Publications.

5. Review aid and support longer-term efforts for democratization and human rights:

- ❑ At multilateral fora and as a top priority within Canada's bilateral relations with Honduras, the Canadian government should clearly and consistently press Honduran authorities to uphold their obligations under Inter-American and United Nations human rights treaties, and the *Declaration on the Right and Responsibility of Individuals, Groups and Organs of Society to Promote and Protect Universally Recognized Human Rights and Fundamental Freedoms*.
- ❑ Review current state-to-state bilateral aid programs in terms of their compliance with the ODA Accountability Act, including explicit assurances that continued disbursements are fully consistent with international human rights standards.
- ❑ Help build the capacity of Honduran civil society to strengthen local democratic governance and ensure local ownership of development strategies. This includes supporting civil society organizations' (CSO) crucial role in human rights monitoring, and ensuring broad-based citizen participation in social and political processes such as the development of the socio-economic Plan for the Nation, as well as possible constitutional reforms.
- ❑ Strengthen the Office of the Special Prosecutor for Human Rights and other prosecutors with a mandate to investigate human rights violations, and help increase the effectiveness of the witness protection program.