African palm and Afro-indigenous resistance: Race and dispossession of Garifuna lands on Honduras' northern coast

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African Palm and Afro-indigenous Resistance: Race and Dispossession of Garifuna lands on Honduras’ Northern Coast

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5. Conclusions

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Prologue

When I was a junior at University of North Texas in 2004 I volunteered to serve as a Spanish-language translator for a week for the Medical Eye Dental International Care Organization (MEDICO), an international medical services organization.¹ My parents were also involved – my mother as a nurse and my father as a paramedic. MEDICO organizes seven to 10 medical brigades per year that they then send to rural zones in Honduras. My first trip was to the village of Las Aradas and it was eye-opening. I fell in love with the people and their country. Since that first trip I have traveled with MEDICO at least once a year to translate for the weeklong medical brigades destined for the rural zones of Honduras. It was through these experiences that I began to see the systemic nature of poverty and marginalization in Honduras, especially that of rural folk.

Over the years, I made many Honduran friends there and had many opportunities to talk with local people about their experiences of poverty. I began corresponding regularly with a number of folks who shared my interest in social justice in Honduras – many of these persons are social justice activists, in their own right. These included Dr. Salvador Paredes, Mauro Amador Senior, Dr. Luther Castillo, Felix Ramirez, and Alfonso Roberto Lacayo Avila. Drs. Paredes and Castillo are physicians dedicated to ensuring that everyone in Honduras has access to healthcare. Mauro and Felix are both teachers, one of the most dangerous professions in Honduras, after perhaps journalism. It was Mauro who gave me the nickname “La Comandanta.” Alfonso is a psychologist and works with youth in Tegucigalpa, some of whom are sex workers, gang members, or LGBTQ, to ensure they have a safe supportive environment. Alfonso also happens to be the son of Alfonso Lacayo Sambudos, the first Garífuna physician in Honduras and the founder of La Sociedad Cultural Lincoln and later the Garífuna representative organization OFRANEH.

¹ For more information about the organization visit www.medico.org.
In 2008, I began graduate school at DePaul University and decided to focus on social justice issues in Honduras. I began researching social conditions and movements as part of a graduate class. While doing so, I came upon the Garifuna, which seemed to be a group of great importance, but about which I knew nothing.

Then, the Honduran military orchestrated a coup d’état in June of 2009. I had been reading the Honduran newspapers daily, so the coup did not come as a great surprise. Two years later, I think I can comfortably say that it was the aftermath of the coup that took me (and perhaps everyone else) by surprise. The interim president, Roberto Micheletti, authorized a level of repression on Hondurans opposing the coup and the interim government unseen since the infamous death squads of the 1980s. Micheletti instituted a special curfew for all Garífuna and prohibited Garífuna movement throughout the country. The coup government did not restrict any other groups’ freedom of mobility.

Mainstream media outlets told a very different story about what was happening in Honduras than the people caught in the middle of all of it told. Some members of the growing resistance front in Honduras formed a delegation and traveled to the US to spread the word about what they had observed and experienced following the coup. *La Voz de Los de Abajo*, a Chicago-based organization concerned with human rights in Honduras, hosted a presentation of the delegates at DePaul and listed Dr. Luther Castillo, a Garífuna, physician, activist, and member of OFRANEH as a member of the delegation. I was familiar with Dr. Castillo’s name from my preliminary explorations, and leapt at the chance to attend the delegation and meet Dr. Castillo in person. I have been closely connected to Dr. Castillo and *La Voz de Los de Abajo* ever since.

During his presentation, Dr. Castillo spoke about how the Honduran state marginalizes the Garífuna people. He talked about racism. He talked about government, African palm producers and tourism developers dispossessing the Garífuna from the land. He also talked about the community
hospital Garífuna people built with their own hands, and without financing or other support from the Honduran government. He explained that Garífuna in the remote regions of Atlántida and Colón have very few resources or economic opportunities and that the new Garífuna hospital is the only healthcare available.

Afterwards, I spoke with Dr. Castillo and asked if the communities he talked about would benefit from a medical brigade. Dr. Castillo thought that they would and enthusiastically agreed to work with me to connect the region with MEDICO. He reiterated that the communities had just finished building their hospital and the brigade could come to the hospital. At MEDICO’s board of directors meeting in November 2009 I proposed a special trip to investigate the possibilities and needs for medical brigades in the communities around the hospital in Ciriboya, Colón. The board agreed to support the investigative trip.

So in January 2010 I traveled to the Garífuna communities for the first time. Our “team” consisted of a nurse (my mother), a dentist (a non-Garífuna Honduran who had grown up with close relationships in the Garífuna communities), and myself. In La Ceiba, we met Felix and Debbie, two young Garífuna working with Luther at the Garífuna-founded Foundation for the Health of Our Communities, of which Dr. Castillo is the director. The next morning, we set out on the six-hour trip to Ciriboya.

As we drove through the department of Atlántida I noticed that the number of checkpoints had increased. Sometimes the soldiers stopped us; sometimes they waved us through. About halfway through Atlántida, I started to see what Luther had meant about African palm. It was everywhere, and only became denser as we traveled into Colón. The plant itself is enormous – about two or three feet in diameter and about forty feet tall at maturity. Its fronds are wide and very long and form a dense canopy over the ground below. No crops are grown in the shade of each tree.
While we were still back in La Ceiba, Debbie had shared a Garífuna saying with us: “Where the road ends, the Garífuna communities begin.” We had all kind of chuckled and none of us realized how literal the saying is until we reached a junction in Tocoa. The paved road abruptly stopped and we hit a dusty dirt road, but not before stopping at another military checkpoint. There were so many African palm trees. Luther explained that all of these African palms belonged to Facussé. We reached an elevated stretch of road and I asked to stop. I had to get a photo. The palm stretched from a few yards in front of us out to the coastline. The green of the palms stopped at the blue of the Caribbean.

Over the next four days, we would visit every Garífuna community along the coast, from Francia to Batalla. I met Valerio, a Garífuna community representative, a teacher, and director of the Siwa Community Center in Cusuna. Valerio was very energetic. He explained that commercial development and the state’s focus on progress threatens Garífuna traditions because the state’s rhetoric argues that only one kind of development is progress and that carrying on Garífuna traditions is somehow counterproductive. His goal has been to educate Garífuna youth to show how Garífuna can maintain their traditions and also take advantage of the technology available in the increasingly globalized world. He wants to prove to Garífuna youth that being Garífuna and being “modern” are not mutually exclusive.

Later Luther took us to visit the town of Iriona Viejo, where he invited us to join him for a meeting with the Mayor of the municipality, Alvin Duarte. Luther introduced us and began explaining a new proposal and project he is working on in collaboration with the United Nations. The project would be a way to bring income and jobs into the entire community. The proposal is to build a large number of houses throughout the entire country, but to use Iriona as the pilot. As part of the plan, Luther and Alvin would work together to establish the space for fabrication of raw materials needed for the production of homes (tile, processed wood, concrete blocks, etc.) in Iriona.
The agreement with the UN requires that the work and material involved in the project be locally sourced. The mayor told Luther he supported the project, but that the trick would be to convince the right people in the government to get behind the proposal.

On our way back to Ciriboya from the mayor’s office, I took advantage of the opportunity to ask Luther some questions about the lands. Iriona Viejo, the community we had just left (Iriona Viejo is different from Iriona the municipality) seemed to have a higher ladino population, so I started my questions there. I asked Luther who had title to the lands. Luther said that Garífuna land is communal. One person holds a communal title for two to three communities. Since the Garífuna communities are matrifocal, the person who holds the title is a woman, designated by the members of the communities covered by the title.

I then asked Luther who owned the expanses of African palm that covers the lands. He and our mestizo driver, Patricio, both immediately confirmed that Miguel Facussé owns all of the land to which I referred. Upon further inquiry I learned that Facussé is expropriating the Garífuna from the land. Luther explained that Garífuna have been killed, threatened, and pressured to sell their land at an unfair price. I then asked how communal land could be sold. Luther asserted that the government has “created ways for it to happen.” He added that Facussé receives a $100,000 bonus each month to plant palm in the name of the government. The bonuses, he explained, are part of “development” loans given to the Honduran government for agricultural commercialization of land. Luther alleged that Facussé pockets some of the money and uses some to bribe government officials to look the other way when Facussé steals Garífuna lands. The government is then responsible for paying back the interest from these “bonuses” to the IMF and the World Bank.

Other members of the communities we were in, and even people we met back in La Ceiba, echoed Dr. Castillo’s assertions. Luther also suggested I talk to Miriam Miranda of OFRANEH. He explained that he would have to write a letter to her on my behalf before she would speak with me,
much less agree to an interview. Before meeting Luther, I tried to contact Ms. Miranda without Castillo’s voucher, but that got me nowhere. Ms. Miranda is constantly in the public eye and targeted by the military, and is leery of outsiders, especially anyone who wants to “study” the Garifuna – Garífuna communities have had some bad experiences with anthropologists in years past.

Eventually, with Luther’s vote of confidence in me, Miriam agreed to answer my interview questions – and even then she did so hesitantly. She eventually shared her observations about the origins of African palm in Honduras, the development and expansion of African palm, and its effects on the Garífuna communities. If not for Dr. Castillo, a long-time colleague of Miriam, I would never have been able to conduct the interview. I am grateful for his trust.

The January trip, and the key conversations I had there, helped to shape my thinking and, consequently, my thesis research about the Garifuna. What follows is my attempt to make sense of my observations in Honduras and the assertions Garífuna have made about how the state has targeted Garífuna lands for expropriation and excluded the Garífuna from direct involvement in the development process, and about Facussé and state support for a violent process of African palm development. I learned much through the thesis writing process. It is my hope that my work will help shed light on the Honduran state’s direct and indirect violence against the Garifuna people, and more broadly highlight the violence inherent in the processes of global capital accumulation.
Chapter One: Introduction

1.1 Problem Overview

In this thesis I argue that privatized agricultural industrialization of African palm is directly related to expropriation of Garífuna communal lands in Honduras. In so doing, I show that the capitalist accumulation necessary to fuel expansion of an agricultural industrialization project is the cause of power struggles among Garífuna, local business owners, and political elite. I use the development and growth of the palm oil industry as my empirical referent. I will suggest that certain members of the Honduran government, in collaboration with the land-based oligarchs like Miguel Facussé, have a vested interest in keeping the region and its Garífuna inhabitants on the political and economic margins, in order to further privatized business and revenue projects like palm oil production.

In this first chapter I introduce the geography and social history of the Garífuna in Honduras and provide a context for their dispossesson from recognized communal lands. I begin by presenting vital statistics including Garífuna geographic territories and population estimates. Next, I provide evidence that explains why the state and private businessmen desire Garífuna territories for agricultural industrialization and why African palm is the medium for such development. I then briefly introduce the Garífuna struggle for land reclamation and protection of their territories. Subsequently, I explain why I chose the Garífuna and African palm as the referents for this case study. Before concluding this chapter with a project overview, I describe my methodology for conducting the case study. Finally, I offer a road map for the project through an overview of each of the following chapters.

Before moving forward, I must explain two important decisions: why I address the Garífuna as a collective and why I privilege OFRANEH in this story. First, throughout this work I refer to
the Garífuna, or Garífuna communities, as a seemingly cohesive whole. In reality, there are internal politics and class-based differences within the various Garífuna communities scattered from Tela to Batalla. While the vast majority of Garífuna identify as “Black,” not all Garífuna identify with indigeneity. This is an important distinction to make because the Honduran state and the international community, the United Nations, the IMF, and the World Bank, among others, interpellate Garífuna actors as afro-indigenous. Furthermore, the effects of the commercial agro-industrialization projects that are the focus of this research target Garífuna lands collectively. I address an otherwise very complicated group of people as “the Garífuna,” or “Garífuna communities”¹ because the threat of commercial agro-industrialization and state expropriation of Garífuna lands has unified the Garífuna in important ways.

Second, in the chapters that follow I have chosen to focus specifically on the Garífuna representative organization OFRANEH. On one hand, OFRANEH highlights Garífuna afro-indigeneity as a political tool to ensure constitutional protection of Garífuna communities and Garífuna territories. OFRANEH is also critical of commercial development projects in Honduras. The organization argues that such projects are intended to exclude the Garífuna and other indigenous communities from participating in the development process, damage the environment, and do not benefit the Garífuna or any other local communities in any way. ODECO, on the other hand, focuses primarily on Blackness in Honduras, which includes non-Garífuna Blacks as well. This is an interesting distinction from OFRANEH, but not the most important. The most important difference between ODECO and OFRANEH is that the former works to secure Garífuna cooperation and participation in the same large-scale development projects that

¹ For a thorough analysis of the complexities within the Garífuna population see Mark Anderson’s recent book *Black and Indigenous: Garífuna Activism and Consumer Culture in Honduras* (2009), or Dario Euraquè’s *Conversaciones historicas con el mestizaje y su identidad nacional en Honduras* (2004), especially chapter 6.
OFRANEH supporters criticize. ODECO provides training programs that educate and prepare Garífuna for “development” and works closely with government officials. ODECO’s founder and leader, Celeo Alvarez Casildo, has earned a reputation for being a coopted agent for the government. The Honduran government even recognizes him as such (Anderson 2009, 156-157).

ODECO has done important work to raise awareness about anti-black racism in Honduras, and despite their differences has even worked with OFRANEH in the past on the establishment of land titling agreements (Anderson 2009, 161). But I have chosen to focus specifically on OFRANEH because of their activism and because of the critical stance the organization takes on “development.” As Dr. Castillo said to me in an interview: “For [the Garífuna], development means certain opportunities…we are looking for integrated and rural development – more healthcare and free education, better work; a secure community where Garífuna men and women can be leaders in the process…[a community] that the government is willing to invest in financially.” OFRANEH’s philosophy reflects this idea, and their actions confront the state’s development projects for what they are – part of a global process of capital accumulation that needs to be challenged.

1.1.1 The Garífuna

Garífuna identify as afro-indigenous, a mixture of shipwrecked Africans and the Kalinagu people from the Island of St. Vincent in the Lesser Antilles (Gonzalez 1988; OFRANEH 2010). Honduran Garífuna constitute the majority of Garífuna in the Caribbean (Drusine 2005; Whitehead 1995). Most Garífuna live along 735 kilometers (73,500 hectares) of Caribbean coastline in territories spanning the following four departments, from west to east: Cortes, Atlántida, Colón, and Gracias A Dios. These departments are topographically diverse. There are lowlands, valleys, beaches, steep mountains, dense forests and jungles, as well as swamplands in the easternmost

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3 Similar to states or provinces.
departments. Nearly all, or 95 percent, of Garífuna live in the departments of Atlántida and Colón.

Approximately four percent of Garífuna live in Gracias A Dios, and one percent or less live in Cortes and on the Honduran island of Roatán (Salgado et al. 1994). See Figure 1 for a map that shows the location of 32 out of the 48 Garífuna territories.

The Garífuna have 200 years of Honduran heritage and have received international recognition as an indigenous group (UNESCO 2003), yet population estimates of Garífuna communities in the country are controversial and vary by source. Garífuna and indigenous representative organizations, like the Fraternal Organization for Black Ethnic Hondurans (OFRANEH) and the Organization for Ethnic Community Development (ODECO) provide the largest estimate and typically suggest that the Garifuna number up to 300,000 (Thorne 2004; Drusine 2005). Government sources, however, estimate the population to be 150,000, almost exactly the number of people who identified as “black” in the 2001 census. Honduran Garífuna identify as

4The vast majority of the land included in Gracias A Dios is the home of the Moskito, an indigenous population living on the Moskito coast and jungles in Honduras and also in the Northern jungles and coastal areas of Nicaragua.)
an afro-indigenous population, clinging both to their blackness and their claim to indigeneity. This means that the nearly half a million Honduran indigenous counted in the census data as “Amerindians,” might also include Garifuna identifying as indigenous over Black.

Declaring that a higher or lower population of Garifuna exists has important consequences for the parties making the declarations. For example, the government denies that more than a tiny percentage of Garifuna exist, thereby reducing government accountability to provide basic resources, services, and infrastructure to Garifuna communities in the isolated regions of Atlántida, Colón, and Gracias a Dios. Alternatively, advocacy groups and Garifuna activists attempt to raise Garifuna visibility and political entitlement by claiming a higher percentage of afro-indigenous Garifuna exist in order to demand that the Honduran government recognize and implement rights guaranteed to indigenous populations by the constitution. Whatever the accurate number, the fact remains that a significant population of Honduran Garifuna exists and is entitled to constitutional guarantees, including governmental recognition and preservation of communal lands.

1.1.2 Arable Land and African Palm Incentives

Garifuna live on approximately 1.3 million hectares of land stretching across the departments of Atlántida and Colón; Atlántida is comprised of 424,800ha and Colón is larger with 887,500ha (Salgado et al 1994; Library of Congress 1997). The total land in these two departments of Honduras comprises roughly twelve percent of the total 11.2 million hectares of available land in Honduras. Nearly all Garifuna land in Atlántida and Colón is arable, or suitable for cultivation. This is a significant factor when considering that only 20 percent of the land available in Honduras, or approximately 2.2 million hectares, is arable. Despite living on only twelve percent of the total land in Honduras, all of Garifuna land is arable. Garifuna land is thus extremely valuable for crop
production and the fertile soil in Atlántida and Colón collectively accounts for nearly half of the arable lands in Honduras.

Much of the arable land in Honduras is used for oil palm production. In Honduras, oil palm is usually grown on large plantations and is harvested to produce palm oil, which in turn is used as an alternative biofuel, cooking oil, in soaps, in food products, and other consumer items. The United States Department of Agriculture’s Foreign Agricultural Service (USDA-FAS) reported in 2009 that 115,000ha (1150 square kilometers) of Honduran land consists of oil palm. If total land in Honduras is 11.2 million hectares, then roughly one tenth of the total land in Honduras is occupied by oil palm. If only 20 percent of land in Honduras is arable, that means half the cultivable land in Honduras is controlled by oil palm. And if oil palm is grown along the coastline in the departments of Atlántida and Colón where Garifuna have established communities, then that indicates that the vast majority of Garífuna lands are overrun by oil palm plantations.

Throughout Honduras, oil palm production has expanded rapidly, and will in all likelihood continue to do so over the next ten years. The FAS estimate of 115,000ha of oil palm land is, according to the US Embassy in the Honduran capital of Tegucigalpa, more than double the land dedicated to oil palm since 1990s and had grown by 25,000ha since 2008 (USDA-FAS 2009). The high price of petroleum, a move to hybrid and biofuel-powered vehicles, along with increased demand for high-end food products in wealthy importing countries all contribute to the increase in value of palm oil.

At the same time, previous commercial industries such as livestock, domestic food production, and mahogany production have been declining. In the past five years, outbreaks of Bovine Tuberculosis, transmutable to humans via milk and meat consumption, have disrupted cattle ranching and required slaughter of numerous cattle. Moreover, countries like Spain, Japan, and Argentina have a competitive advantage in high-quality beef production compared to Honduras.
And since more approximately 74 percent of the population in Honduras lives on less than two dollars a day, there is virtually no domestic market for beef.

Food production in Honduras has been declining since the 1960s, when agriculture shifted to export-oriented production rather than domestic consumption (Boyer 2010). At the time, more than half of Honduran lands were public or communally owned as part of the ejido system. Smallholders grew and managed subsistence crops of beans, corn, and nutrient-rich vegetables, in addition to some cash crops intended for local markets. In the 1960s the Honduran state began to enclose public and communally owned ejidos in order to make room for commercial cash crops like bananas and sugarcane. The state, and indeed international lending organizations’ focuses on export-oriented agricultural production escalated between the 1970s and 1990s. In that timeframe, oil palm became another one of Honduras’ export-oriented projects.

Because it is high performing and lucrative crop the Honduran Ministry of Agriculture and Livestock has identified an additional 351,000ha for potential expansion of palm oil production (USDA-FAS 2009). The hectares identified for expansion are located in Garífuna territories, which means that the Garífuna will likely be faced with dispossession in the name of agricultural and economic development. Wealthy and powerful political elites and oligarchs in Honduras covet the northeasterly region’s arable coastal land because of its disproportionately high monetary value and the inclination of international financing institutions and foreign investors to support projects in the region. These vested interests have already identified the areas for African palm and tourism development. Development projects would potentially include the expansion of large African palm plantations and extend the reach of tourist-oriented beach resorts, golf courses, and private, gated communities usually for foreign expatriates.

However, this same coastal land has real, tangible meaning for the Garifuna. Garifuna have lived on Honduran coastal lands since King Charles I exiled their Carib ancestors from the island of
St. Vincent in 1797 (Young 1971). As they have done for almost two hundred years, Garífuna farm and fish, build homes and families, practice land-based cultural rites, build and maintain community in the areas marked for palm oil expansion. The land both represents and is the forum for Garífuna cultural and spiritual community (Brondo 2007; Drusine 2005; Thorne 2004). They feel a spiritual connection to the land, as well as consider it essential to their cultural identity. Loss of coastal lands is therefore problematic because the Garífuna rely on the physical space for their subsistence and livelihoods.

Garífuna men are typically fishermen, so coastal land is important. The men also travel from their home communities to find wage labor in urban centers in Honduras or the US. Garífuna women, and increasingly men otherwise unable to find wage labor, remain in the communities and perform non-mechanized cultivation of the land. The cultivation includes not only subsistence farming, but also maintenance of cooperative plots that are harvested for sale in local markets. The cooperatives might include plantains, bananas, coconuts, beans, and cassava – all staples of the Garífuna diet. Because men travel and often spend long periods away from the communities, Garífuna communities are matrifocal. Women, in Garífuna cultural practice, are the heads of households, responsible for rearing children and teaching Garífuna language, dance, song, and quotidian practices that are unique to the Garífuna, like making machuca and cassava bread, and using the traditional non-mechanized, handmade tools to do so.

Most Garífuna have been cooperative farmers on communally titled cooperative lands since the early 19th century. Some Garífuna, were even well known as capitalists. These Garífuna entrepreneurs moved out of the rural zones in the departments of Atlántida and Colón, where they

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5 Machuca is a traditional dish made out of mashed plantains. The preparation is what makes the dish unique. A woman operates a large, hand-carved wooden pestle, approximately 5-6 feet tall, and smashes the plantains in a deep wooden mortar-like, hand-carved receptacle at her feet. The result is a delicious, starchy, sticky, ball of mashed plantains that is then added to coconut-based soup.
had established maritime smuggling businesses in the Garifuna port towns like Trujillo, and established the Garifuna cities of Tela and La Ceiba around the 1870s in the neighboring department of Cortes. One Garifuna family, the Valerios, owned considerable property and had even established mid-sized commercial banana farms (Euraque 2004, Anderson 2010). There were a handful of other Garifuna capitalists in these centers as well. The state’s growing interest in building a banana industry on Honduras’ northern coast, the United Fruit and Standard Fruit companies crowding out of mid-size and small banana farms, and the creation of Honduran mestizo nationalism all contributed to the decline of Garifuna social and economic power in the 1920s. I will discuss how each of these factors affected the Garifuna in Chapter 2.

As a consequence of being pushed from the land, more and more Garifuna became part of an impoverished working class. However, over the past two decades, Honduran ruling elite, African palm production and business barons like the Facussé family, and government officials have forced many Garifuna into a proletarian working class through violence, coercion, and forced expulsion from their land. In the 1990s, one woman reported that she was forced to forfeit her land, even though it was part of a communal title, because a group of men from a local plantation threatened to burn down her house with her children inside (Brondo 2006).

Investors, developers, and the Honduran government have expropriated and privatized Garifuna communal lands through violent means. Those dispossessed have migrated in search of waged work either in overcrowded Garifuna communities in other parts of the country or in US cities. The scant waged work available in Honduras is typically unskilled, and poorly remunerated. The combination of wage labor and atypical housing arrangements has contributed to new and significant class distinctions within the Garifuna community that were not as common before the 1990s. Some Garifuna have moved from their previously isolated and rural homes in Cusuna or Sangrelaya into more expensive urban settings near family in communities like Sambo Creek and...
Corozal. The urban settings provide increased economic opportunities and dramatically different standards of living from their original communities. Those Garifuna transplanted to urban life can often become distanced from their cultural roots while assimilating into the urban and largely mestizo areas, and some embrace newfound class distinctions that separate them from their fellow Garifuna. This is not to say that class distinctions did not previously exist within Garifuna communities. Rather, these new class distinctions are being forced onto Garifuna communities at a pace more rapid than former Garifuna experiences indicate.

Since the beginning of Garifuna dispossession in Honduras in the early 1900s, Garifuna have mobilized to resist the processes by which they were being displaced by state and private interests. Over time the reason for resistance – dispossession and the protection of customarily recognized lands – has remained the same. But the strength and projects of state and private interests have grown. Most recently, the Garifuna have begun fighting against mestizo encroachment and (illegal) sale of their constitutionally recognized communal lands to plantation owners (Drusine 2005; Thorne 2004).

To be sure, the development-led dispossession of Garífuna lands that I examine over the next few chapters is not unique to Honduras, or to the Garífuna. One needs only consider the Amazon in recent decades. The Brazilian government and foreign companies have worked to convert the common lands of the Amazon, those that indigenous groups live on and have customarily controlled for centuries, into private property. The Brazilian government’s argument for doing so has been that the Amazon represents a vast amount of unproductive lands that should be utilized more profitably. It is easy to see a parallel between the Brazilian government’s arguments and those that the Honduran government has used to justify enclosures of Garifuna lands. What makes the Garifuna case unique, and what I explore in this thesis, is how the Garifuna have been able to effectively mobilize to prevent enclosures.
1.2 Justification for Research and Guiding Framework

There are two important reasons for this thesis project. One is of immediate consequence to the local Garífuna in Honduras and the other has much broader – even global – implications.

The first reason is that the 2009 coup d’état and the violent repression since has had a critical impact on how Garífuna lands in Honduras are to be legitimately claimed and utilized. After the coup removed a Garífuna political ally, President Manuel Zelaya Rosales, the interim president Roberto Micheletti indefinitely suspended or ignored the accords Garífuna organizations had made regarding reclaiming land and gaining social and economic resources. The 2009 coup destabilized the state and precipitated violent militarization to suppress denouncers of the coup, including the Garífuna, an indication of state actors’ collective desperation to maintain the status quo. Military officers burned down the independent Garífuna radio station, Radio Falumi Bimetu, and arrested and jailed several Garífuna opponents to the coup and the interim government, including Garifuna radio hosts, as well as cultural and political leaders in Garifuna communities.

The coup d’état and the hasty and disputed elections held six months later have important implications for the Garífuna. Garífuna relations with members of the oligarchy and the new government led by Porfirio (Pepe) Lobo Sosa are strained because Lobo rescinded agreements Garífuna made with President Zelaya prior to the coup. Inroads that were made during the Zelaya administration, such as the ability to teach the Garífuna language in schools and inclusion in land negotiations, have now been abandoned. Pepe Lobo is an important ally of the business and elite classes in Honduras. Lobo favors neoliberal economic policy, including sweeping privatization in every sector, economic deregulation, and elimination of state-led social services. Lobo’s priorities, like those of most affluent business and political elites, are tourism development and an export-based agricultural industry, which means a favorable stance toward palm oil and its large producers, and disregard for Honduran farmers and domestic food production.
Events since the 2009 coup have enabled coup leaders Roberto Micheletti, Pepe Lobo, and Miguel Facussé, among others, to negatively affect how Garífuna land is targeted. The corruption of these men is well known. For instance, Roberto Micheletti, the interim coup President, is directly linked to drug trafficking in the departments of Colón and Yoro, just south of Colón. Pepe Lobo was elected as the current president, despite the fact that the Organization of American States, the United Nations, and the majority of Latin American countries renounced the elections citing documented military harassment of voters, the absence of conditions necessary for free and fair elections, and the illegality of the coup that led to the fraudulent elections in the first place.

Lobo comes from a wealthy, politically connected, and powerful land-owning family and owns a large estate himself. He earned his Masters in Business Administration from the University of Miami and returned to be a politician in Honduras. Lobo helped author a law under the Maduro administration that criminalized poverty in Honduras under the guise of anti-gang legislation (Pine 2008). Adolfo Facussé attended the Massachusetts Institute of Technology (MIT), and now heads the National Association of Industries and is the uncle of the African palm baron Miguel Facussé. Miguel Facussé owns the largest share of the African palm industry in Honduras and is responsible for the murders of more than 20 Hondurans since June 2009 in connection with the coup and demonstrations against the militarization of Colón and expropriation of Garífuna and campesino lands for African palm plantations (La Prensa 2009; Pine 2010).

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6 In 2003, the Maduro administration passed legislation that authorized the military to use any means necessary to control any activity deemed criminal. The law was designed to reduce crime in general and gang activity in particular. Maduro and the military branded any poor, unemployed, usually male youth (but not always male) “gang members.” Pine shows how the term “mareros,” Spanish for gang members, became a code word for the poor. Criminal activities included having tattoos, loitering, and “seeming suspicious” and often resulted in the murder of the criminals, nearly always youths, in question. See Working Hard, Drinking Hard for an excellent analysis of the criminalization of youth and poverty in Honduras (Pine 2008, 63-67).
My research regarding the present regime in Honduras displacing the Garifuna by means of African palm development projects is important because other scholars have not yet explored this topic area. Very little information exists about African palm in Honduras, or the effects the industry has on Garifuna communities. In conducting this research, my work holds potential value to those involved in land reappropriation movements, planning of development projects, and others interested in the effects of development projects in Honduras. It is my hope that this work will be of political use to Garifuna activists attempting to positively change the current destructive and imbalanced development projects on their lands.

The second reason that this project is important is that the displacement of Garifuna in Honduras reveals important insights about the discourses and structures of power that are working in the service of capital accumulation. The analysis of the current plight of the Garifuna requires confrontation with, among other things, issues of race, class, and territorialization. Each of these issues is a problematic theme that recurs in every corner of the globe. I argue that analysis of the Garifuna case in Honduras is important because it is further demonstration of how the issues of race, class, and territory are all part of a global system of capital accumulation. Because the lands of the Garifuna are so strategic to state and capitalist interests, and analysis of Garifuna lives and struggles will help elucidate how such interests work.

I chose to examine the power structures in contemporary Honduras through a Garifuna lens because the Garifuna are the most visibly exposed to the forces of private capital and governmentality in four specific ways. First, Garifuna are geographically exposed to a disproportionate concentration of tourism development in the regions they call home. The Garifuna live on some of the most beautiful coastland in Honduras – a country whose second largest source of revenue is tourism and whose government the World Bank is propping up with enormous loans to develop the
tourism and palm oil industries on the coast as part of the Honduran government’s pledge to reduce poverty (Thorne 2004).

Secondly, the Garífuna have chosen to be *racially and ethnically* marked by both blackness and indigeneity, in opposition to the politics of Honduran nationalism. The fact that the Garífuna can often be phenotypically distinguished from fellow Hondurans by their blackness has made it easy to identify, detain and enforce police-state mobility restrictions during and after the events of the 2009 coup d’état that ousted President Manuel Zelaya Rosales, especially since the Garífuna were among the most vocal opponents of the coup. The coup has also made it easier for Garífuna to organize and communicate through highly public means. In addition to attending national marches and demonstrations and publicly drumming, chanting, and singing, Garífuna are reaching out to the international community through Garífuna radio, television interviews and diplomatic delegations. In these forums Garífuna are calling attention to their existence and their political claims through activities normally relegated to and tolerated only during carnival or some other spectacle-based performance sanctioned by the self-proclaimed “multiculturalist” government (Anderson 2009).

Third, the Garífuna are *economically* marked by their geographic location in the isolated departments of Atlántida, Colón, and Gracias a Dios. This sector of departments is effectively cut off from access to commercial areas and is one of the poorest regions in the country, according to the Honduran government. In just a short period of time the African palm development projects, led by Miguel Facussé have transformed the landscape of these regions into monopoly or oligarchic palm plantations, further limiting Garífuna access to productive land and fishing sites. These departments are dominated by the plantations and have little access to larger centers of commerce and exchange. The local commercial and subsistence transactions are more consistent with a shadow economy. Transactions between neighbors and the occasional foreign volunteers or tourists who come through are untracked, untaxed cash exchanges. The government marginally, if at all,
subsidizes these three departments as a method of targeted isolation and economic repression of the mostly Black Garífuna and non-Spanish speaking Moskito communities. Under-representation in the government, along with intentional lack of funding has given rise to a saying in Honduras, “where the road ends, the Garífuna communities begin.”

Fourth, the Garífuna have made themselves highly politically visible through their pre- and post-coup demonstrations. Their activism and confrontation with agents of capital and the state has made the Garífuna an easy political target and a threat to ongoing privatized development projects. There are Garífuna officials at the mayoral level, and intermittently one to three Garífuna representatives in Congress, but the level of “official” political power held by the Garífuna is limited. The Garífuna, of course, are forced to operate according to unevenly balanced rules of political play that purposefully limit what Garífuna are able to say and accomplish, and ultimately predetermine which proposed Garífuna actions will move forward and which must be tabled.

1.3 Methodology

While ethnographic studies of Garífuna are available and expanding, very little research has been conducted on African palm industry in Honduras, or how that industry has resulted in the militarization of the northeastern coast or the dispossession of Garífuna who reside there. My inquiry into the state dispossession of Garífuna lands to support the proprietors and elite benefactors of the growing African palm industry provides a new perspective to the relatively scant scholarship presently available on Honduras in general.

To carry out this study, I set out to determine how domestic and foreign investors, political elites, and agricultural development projects have affected Honduran Garífuna. Accordingly, I relied on a variety of primary sources. In particular I interviewed the director of OFRANEH, as well as a political leader and resident of Colón. I attempted to reach and interview executives at the National
Agrarian Institute, Dinant Corporation, and TechnoServe, but these groups declined to participate. In lieu of their participation, I relied on readily available documents and statements via each groups websites or otherwise available in public transcripts. I culled English and Spanish language newspapers for information concerning the Garifuna, land disputes or resolutions, and African palm. I also rely on government documents including the most recent national budget published in 2008, as well as congressional statutes and policies concerning land use, development projects, and Millennium Development Goals and decrees issues during and after the 2009 coup d'état. In addition I utilize reports from Honduran development agencies and ministries, United States development agencies and organizations like USAID and FAS documents, as well as World Bank and International Monetary Fund reports.

I also drew on a variety of secondary sources. These included the works of Honduran scholars and economists, as well as scholarly articles related to Garifuna that provided analysis of development projects, context for agricultural industrialization projects, and laws and policies regulating land use, titling, and expropriation. I utilize these secondary resources to supplement primary data collected about the transformation of land use and practices, agricultural development, and historical relations between mestizo and Blacks in Honduras.

1.4 Project Overview

My research is concerned with why African palm production has grown so rapidly in Honduras and how this development project has led to the expropriation of Garifuna land, and hence to Garifuna dispossession. Accordingly, chapter one contextualizes the history and forces involved in the creation of Honduran land laws, especially in relation to the creation of communal versus privately held lands. I then analyze how key actors became invested in the African palm industry, especially Miguel Facussé, USAID, and the IMF. Next, I explain how the Agrarian
Modernization Law of 1992 enabled the rapid acceleration of land expropriation of Garífuna lands in Honduras. The 1992 law had important implications for the Garífuna and what constitutes appropriate use of land. I analyze the law’s effects on Garífuna land tenure and ownership of Garífuna communal territories, and how the law ultimately allowed for the expansion of the African Palm industry on Garífuna lands.

In Chapter three, I show how political elites and certain oligarchs have worked together with international lending and development agencies to create the necessary conditions for an agricultural industrialization project in Honduras. To show these conditions, I use data from the Honduran government, the US Agency for International Development (USAID), World Bank, International Monetary Fund (IMF), and the Millennium Development Corporation. In so doing, I show how these actors, in displacing many Garífuna, helped to erode Garífuna communities, soil, and dynamic agricultural production via the African palm industry in Honduras. I show that the Garífuna have been especially affected by the growth of the African palm industry. I then show why the industry has experienced exponential growth in Honduras.

Finally, chapter four explores how some Garífuna in Honduras have been particularly effective in resisting the ways and means by which foreign and state interests have expropriated Garífuna land. I show how the Garífuna worked to gain afro-indigenous status in order to qualify for constitutional protections of Garífuna lands, and then used that status to reclaim lands in Colón. The chapter then proceeds to show how Garífuna groups have used the language of environmental conservation to protect and conserve their lands from damage resulting from commercial palm production. Finally, I explain how the Garífuna have used various forms of media to hold the state and African palm producers accountable for violence and land expropriation.
Chapter 2: *Mestizo* Nationalism and Agro-industrial Roots of Garífuna Marginalization in Honduras

This chapter, and this thesis as a whole, focuses on how land-use, communal and private property laws impacted Garífuna lands in Atlántida and Colón. I argue that Garífuna communities on the northern coast, where commercial banana and later African palm plantations were situated, were most directly impacted by the laws this chapter details. The Garífuna stand to lose the most from the state’s focus on land-use laws that favor commercial agricultural production and private property because of their relationship to the land and the state’s explicit threats to expropriate one third of Garífuna lands.

Garífuna communities in the Caribbean coastal departments of Atlántida, Colón, and Cortes are on lands that are the subject of a large-scale ownership dispute that has spanned decades. The outcome of the dispute will determine who should have access to land coveted for its profit potential. In the department of Cortes, Garífuna have largely lost the land battle to corporate tourism businesses. But Garífuna are still fighting to maintain control of lands in Atlántida and Colón. In these two departments, Garífuna have been instead trying to fend off encroachment by palm oil producers.

As I discussed in Chapter 1, Garífuna live on approximately 12 percent of the total available land in Honduras. However the state and agribusiness owners value the lands they live on in Atlántida and Colón because all of the Garífuna communities are part of the country’s limited arable lands. Approximately half of Honduras’s arable lands are located in Atlántida and Colón. The lands in these two departments are mostly valley lands, making them unsuitable for commercial coffee production or mining, but ideal for commercial banana and African palm production. The land is so suited for production of the oil palms that the Honduran Ministry of Agriculture and Livestock has
identified 351,000 additional hectares for African palm expansion, or nearly a third of total Garífuna lands.

Given the data above (and in Chapter 1), the state could argue that the Garífuna are unfairly situated on fertile lands that should be more evenly distributed among peasants or for cooperative farming. Such an argument might be valid. However, the state has not argued that the Garífuna are unfairly controlling arable lands. Instead the Honduran state has opted to remove Garífuna as well as peasants from the lands to install export-oriented commercial African palm or tourism projects.

The state, which I define here as a complicated mix of elite social, political and private businessmen, established a number of land-related laws over the past 125 years. These laws were part of a struggle for power between political and social elite and the old Guard of Spanish colonialists and the Catholic Church. The Honduran state, I argue, began out of three main groups. The first group consists of the Criollo classes left over from Spanish colonial rule that became the first presidents and congressmen. Criollos held the second most powerful position in the Spanish colonial caste system in Honduras, and were a mixture of Spanish and Amerindian lineage. Members of this group were typically landowners, part of wealthy, socially and politically influential families that intermarried with one another to create a powerful network of families. The second group is the landowners and traders who formed wealthy, high-powered associations like the National Federation of Cattle Ranchers of Honduras (FENAGH). FENAGH, as this chapter will show, was an influential lobbying power that directly impacted which laws were created or when the Honduran raison d'état called for a regime change.

Finally, transnational commercial fruit companies, like the United and Standard Fruit Companies, played an integral role in the formation of the state. For starters, the fruit companies leased land from the government on favorable terms in exchange for loans that helped the government construct roads, and other key infrastructure, that helped Honduras on the whole, and
was especially useful to the fruit companies. These companies also provided political campaign funding and helped influence and enforce land and labor laws, respectively.

This chapter aims to provide the historical context for the current land struggles between the Garífuna and the Honduran state and commercial agricultural industries. This historical context includes how and why the state established certain land use and property laws that continue to impact the Garífuna, how racial nationalism played a role in politically marginalizing the Garífuna to increase the state’s power over them, and how transnational fruit companies and commercial cash crops have consistently been a driving force behind the Honduran state’s decisions. The historical context this chapter provides, helps us understand how the current Honduran state operates, in particular why the state focuses on liberalization and market-based policies at the expense of social projects and agrarian land reform.

This chapter establishes the necessary foundation on which the following chapters can base an evaluation of the current political marginalization of the Garífuna and their land struggles against the effects of African palm in the northeastern regions of Honduras. In the sections that follow, I analyze the events, businesses, and interested parties that influenced the transformation of land use in Garífuna communities and the property laws created to support that transformation. I will show that certain businesses and politicians wrote laws to support projects that intentionally targeted Garífuna lands for expropriation as well as excluded Garífuna from political and economic protections afforded to mestizo male Hondurans. In addition, I show how Garífuna reacted, resisted, and organized to protest land expropriation and, more broadly, marginalization throughout the decades of the 20th century.

2.1 History of land tenure and ownership laws in Garífuna lands

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7 *Mestizo* means “mixture,” and usually refers to people with European and Amerindian heritage.
The Honduran state established a legal framework, early in its independence that enabled it to expropriate lands from certain groups of people. Between 1837 and 1880 the state sought to reduce the landholding and thus political power of colonial holdovers-turned-oligarchs and the Catholic Church. Later however, the Honduran legislature, under the direction of racially nationalist administrations, extended this power to remove whole peoples, like the Garífuna, from their customarily recognized land in order to satisfy the nationalist state’s economic interests. The history of land tenure and ownership laws affecting Garífuna lands is particularly important to understanding the underlying legal frameworks and racialized nationalist economic interests that justify the state expulsion of Garífuna and expropriation of Garífuna lands.

2.1.1 Shifting control over land during decolonization and independence

In the late 18th century, the British controlled the northern coast of Honduras, in the territories now known as the departments of Atlántida, Colón, and Gracias a Dios. British control over these territories allowed them to exile the Garífuna from their home on the island of St. Vincent in 1797 to those largely uninhabited territories on the Honduran coast (Young 1971). The British abandoned the Garífuna on the island of Roatán, a non-arable island in the cays off the coast of Honduras. From Roatán the Garífuna became the first inhabitants to establish settlements along the mainland coast of Honduras. According to the Garífuna organization OFRANEH, Garífuna established 48 communities in territories along the northeastern coast (OFRANEH 2010). Since 1800, Garífuna have occupied the northeastern territories and maintained customary ownership of the coast and valley lands in the territories known as the departments of Atlántida and Colón (Woods & Brondo 2007).

In the early decades of the 19th century, Spain and Great Britain fought for control over the Honduran colony. Joining the Spanish armies to expel the British from Honduras appealed to
Garífuna for two reasons. First, Garífuna had already spent many years fighting against the British in St. Vincent before the British forcefully removed them. Therefore, Garífuna who desired to retaliate against the British for the exile from St. Vincent could now do so. Second, Garífuna were new to Honduras and in need of resources, so military duty was an excellent source of income. Thus, many Garífuna men fought, alongside Amerindian and *mestizo* Hondurans, against the British as soldiers for hire in the Spanish army, but not out of loyalty to Spanish colonialists.

However, this alliance with the Spanish did not last very long. Garífuna fought against the Spanish only a decade later to secure freedom for Honduras from Spanish colonial rule (Whitehead 1995). In 1821 Honduras finally became a republic and member of the Central American Federation (Merrill 1995). Honduras later became an independent nation state in 1838, when the Central American Federation dissolved (Foster 2000).

Freedom from colonial rule had important consequences. Achieving independence from Spain meant that Honduran production would no longer be solely driven or funded by the Spanish empire. The leaders of the newly independent country would have to accumulate capital and create or join new markets in order to expand socially and politically. The state would have to balance agricultural production between domestic food and market-based production. When the colonial Spanish empire withdrew from Honduras, it left behind wealthy Spanish landowners, including aristocracy and equally powerful representatives of the Catholic Church who formed a landed oligarchy. The shift to independence also produced a Honduran upper class of newly empowered political leaders and social and political entrepreneurs eager to fill the void left by the dissolution of the Spanish empire. These Honduran upper classes were typically *Criollos*, or the high classes of Spanish and Amerindian lineage. Under Spanish rule, *Criollos* held the second highest caste position under Spaniards. *Criollos* were the Honduran elite and generally owned substantial tracts of land, were well-educated commercial traders, lawyers, doctors, or were decorated military officers. The
new Honduran upper class fought with the remaining Spanish landowners, aristocracy, and the Church for control over land and political positions (Salgado, et al. 1994, 2).

At the same time, the shift to independence also expanded the economic opportunities for Garífuna middle and upper class entrepreneurs. Garífuna entrepreneurs in Atlántida and Colón, an area of marginal interest to the Honduran state during most of the 19th century, established maritime smuggling and shipping businesses in the coastal town of Trujillo and San Juan (Euraque 2004). The details about these activities are scarce, but the information available indicates that these Garífuna were wealthy and socially elite throughout the northern coast. This is an important detail that I will explain further. First however, I want to explain how and why struggles for land evolved in Honduras.

One of the first actions taken by the new Honduran congress was to pass the Regulation for Titles and Redistribution in 1837. The law established the first legal mechanism for state expropriation of land in Honduras. The state could use the law to reduce the political power of colonial-era leadership and expropriate land from the Catholic Church and colonial era landlords (Salgado, et al. 1994, 2). The land the state expropriated from the Church and private landowners became “state lands.” The state then redistributed the state-owned lands in the amount of two square leagues per every village (Stokes 1947, 153). From there, the village was to evenly divide the redistributed land among cooperatives of poor farmers, free of charge, as officially titled communal land (Salgado, et al. 1994, 2).

The Catholic Church and Spanish landlords resisted title regulation and the land distribution it enabled. But the Central American Federation was too preoccupied with its own internal conflicts to enforce the ruling, and the power of the Church and the landed aristocracy remained strong through the 1860s. Ultimately, the regulation’s opponents prevailed and land reform leaders deemed the legislation a failure. Nonetheless, even though the regulation was unsuccessful, it established a
legal precedent for the *ejido*, or communal land system, while simultaneously setting the stage for expropriation of land from Garífuna and indigenous agents deemed a threat to the political and social elites creating the laws in Honduras.

Now without a codified land distribution mechanism upon which they could rely, the *Criollo* leaders of the newly minted nation-state, and their religious appointees and business association allies, continued their struggle to wrest power from the land-owning aristocracy. The state claimed that the people had inherent rights to utilize the land upon which they resided and that the state had the power to take and redistribute land to effectuate those rights. To this end, the Honduran government passed four critical laws between 1870 and 1898 that were intended to spur agricultural production of bananas, coffee and other crops. The state intended to increase agricultural production by rekindling the stalled *ejidal* system, which would provide poor farmers access to free land (Stokes 1947, 151).

The first of these laws, written in 1870, formalized the idea that communal and cooperative land was important to domestic agricultural development. The law clearly delineated the right to free community land. Congress passed the second law in 1873. The 1873 law established legal rights of prescription (Salgado, *et al.* 1994, 2). Prescription meant that farm laborers could request legal title to unclaimed lands they had peacefully occupied for a minimum period of three years (Stokes 1947, 152). Under both of these laws, still technically in effect today, Garífuna territories are unified under a common land title. Rights of prescription also proved useful to the state and *mestizo* squatters a few decades later.

By 1878 banana and coffee farming cooperatives had grown significantly in Honduras, but the aristocracy refused to concede greater land access to the coops and continued to control large tracts of unused, arable land. The Honduran state was still trying to reduce the landholdings of the remaining Spaniards and increase the amount of land Hondurans controlled. To do so the state
focused on increasing peasant and cooperative farmers’ access to cultivable lands. Subsequently, congress passed the 1878 law that provided monetary incentives to encourage cooperatives to switch from staple food crops to agricultural production of cash crops, namely coffee, bananas, cocoa, and sugar cane. As with the establishment of ejidos, the 1878 law enabled the state to make grants of non-taxable, rent-free land to individuals and cooperatives (Stokes 1947, 152). The law was intended to curb the aristocracy’s control of land, turn unused arable land into cash crops, and create the building blocks of a functional export economy (Salgado, et al. 1994). Cooperatives subsequently profited directly from their production. Then, in 1898, the fourth law was written that more clearly stated the rules of the ejido system and added a clause that enabled the state to expropriate privately held lands to facilitate new ejidos. The law further weakened the consolidated power of the Church and the landed aristocracy in favor of more evenly distributed access to land.

Given the states focus on communally owned property and national agricultural expansion, that the laws written between 1870 and 1880 favored the poor farm laborers over the Church and the landed aristocracy. The laws provided the lower classes with easier access to cheap or free land and circumvented the rent-earning landed classes or explicitly ordered the expropriation of their privately held property. However, the state’s true aim in drafting the 1878 law was to create the necessary legal frameworks concerning private and state property in order to facilitate agricultural industrialization on a scale that would support a viable export economy. Moreover, the series of laws increased the power the government had to dictate land use, while diminishing the strength of the Church and colonial-era landowners.

The laws also positively benefited Garífuna capitalist entrepreneurs, like the Valerio family. These Garífuna entrepreneurs moved out of the rural zones in the departments of Atlántida and Colón in the late 1860s and early 1870s. These Garífuna elite established the Garífuna cities of Tela and La Ceiba in 1870s in the neighboring department of Cortes. As a result of the 1873 and 1878
laws, the Valerio’s were able to buy considerable amount of property. The exact amount of land the Valerio’s or their Garífuna contemporaries owned is unclear, but the information available indicates that the Valerio’s owned enough land to establish mid-sized commercial banana farms (Euraque 2004, Anderson 2010). Trujillo, Tela, and La Ceiba became important port cities and eventually became the main train depots for shipping and receiving of materials involved in banana production. Garífuna social and economic power in the 1920s began to decline precipitously as a result of the state’s growing interest in building a banana industry on Honduras’ northern coast, the United Fruit and Standard Fruit companies crowding out of mid-size and small banana farms, and the creation of Honduran mestizo nationalism.

2.1.2 The banana industry competes for land

The laws written in the last 20 years of the 1800s successfully incentivized banana production by reducing or removing taxes and tariffs, thus creating a favorable investment climate for companies like the Standard and United Fruit companies. In 1899, Sicilian brothers Luca and Felix Vacarro established The Vacarro Brothers, a banana production and export business from La Ceiba, a Garífuna town in the department of Atlántida, to the US (Karnes 1978). The family business proved to be such a lucrative venture that the US-based Standard Fruit Company purchased the Vacarro Brothers exporting business in 1924. Castle and Cooke acquired Standard Fruit in the 1960s and in the early 1990s renamed the company Dole Food Company.

In 1899 United Fruit Company (UFC), known today as Chiquita Brands International, leased a large tract of land from the Honduran government and began operations in Honduras as well. The two companies competed fiercely for dominance over the banana market.

The rapid expansion of these two companies put considerable pressure on independent Garífuna banana farms and banana cooperatives in the region. Bananas are traditional food sources
for the Garífuna, and thus Garífuna have considerable knowledge of banana cultivation and harvesting practices. This knowledge made Garífuna men and women valuable laborers on the large and expanding banana plantations. Garífuna men and women carried out manual labor and Garífuna men providing shipping services as merchant marines to and from various port cities in the US (Gonzalez 1988; Anderson 2009). Garífuna men and women played an integral, if understated role in the success of the banana industry in general, accounting for nearly one-third of the entire banana labor force (Euraque 2003).

UFC established the Tela Railroad Company in 1908 for the purpose of transporting harvested bananas to ships for export. Control over the railroads helped UFC achieve a monopoly on banana exports from Honduras by the mid 1920s (Karnes 1978). UFC named the Tela Railroad Company for the Garífuna port city – Tela – out of which the railroad company originated (see Figure 2 below). At the time the railroad was established, a large percentage of Garífuna men called Tela home and worked as hired sailors on merchant ships, local plantation workers for UFC plantations that stretched from Tela across the inland coastline of Honduras, and then as builders of the tracks for the Tela Railroad Company (Anderson 2009).

The railroads dramatically changed the physical landscape and the socio-economic structure of Tela. The physical location of the tracks created new divisions and boundaries. UFC brought in US factory and railroad managers who established elite social enclaves. These enclaves changed how and where Garífuna employees -locals- could travel throughout Tela. The white US banana employees and their families moved into housing complexes in the center of the city and set up segregated restaurants and entertainment establishments, putting Garífuna on the periphery of their own town. The new social hierarchy was not the only change Garífuna experienced in the 1920s.

The 1920s proved to be a critical time for banana companies and Garífuna land rights in Honduras. To meet increasing production needs, the Honduran government encouraged mestizo
Hondurans from other regions of Honduras to come to the banana regions of Atlántida and Colón and settle on lands that customarily belonged to Garífuna. The *mestizo* migrant workers eventually established squatter settlements in and around Garífuna territories and banana plantations. The state would eventually create rights of prescription, or squatter’s rights, and declare the lands to be *mestizo* property. The government then authorized massive land expropriations and eventually sold the lands to banana and railroad barons. In the process, the Honduran state dispossessed Garífuna from their land, and then expropriated the land from the squatters who had been instructed to move onto the land in order to provide more land to fruit companies for banana industry expansion. The Garífuna farmers, like the Valerio’s, were forced to sell their farmlands and other properties, or risk the Honduran military forcibly removing them from their property without compensation.

*Figure 2*

Source: Map created by Juan Mejia, in *Black and Indigenous: Garífuna Activism and Consumer Culture in Honduras* (Anderson 2010, 80).
Banana plantations and railroad companies, specifically the United Fruit Company and the Tela Railroad Company, led a phase of rural colonization in Honduras during the first quarter of the 20th century. The state developed economic and land policies that focused on rapid intensification of agricultural production. As a result, the companies demanded more from their laborers, which in turn created power divides between business owners and workers, among them Garífuna *bananeros* (plantation workers) and railroad employees (Salgado, *et al.*1994).

Garífuna constituted an important part of the banana and railroad labor forces, accounting for at least 20 percent of the banana workforce in 1910 (Euraque 2003, 236-240). But as the industries grew and required or attracted more labor, unemployed *mestizo* began to treat Honduran Garífuna the same as foreign Blacks, typically immigrant labor from Guatemala and Belize. *Mestizo* nationalists, supported by the large unemployed *mestizo* population, viewed black immigrant laborers as a threat to their livelihoods, as a threat to national economic security, and as second-class citizens, if they were even considered citizens at all (Euraque 2003). Foreign Black labor was also commonly cheaper labor, absorbing job opportunities that might otherwise be held by Honduran Garífuna or *mestizo* laborers (Anderson 2009).

Garífuna blackness was considered the main local “threat” to Honduran nationalists’ attempts to establish an Indo-Hispanic myth of origins that would create the basis for an imagined *mestizo* nation (Euraque 2003, 203). The threat posed by Garífuna was two-fold. First, Garífuna posed a threat to the emerging Indo-Hispanic *mestizaje* because the Garífuna were the first non-immigrant black population employed by banana companies and were critical to banana company production. In addition, some Garífuna owned and managed their own banana farms and others

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9 Dario Euraque provides an account of Garífuna labor in the banana plantations, as well as an overview of pre-existing Garífuna businesses and land ownership in his instructive work, “The Threat of Blackness to the Mestizo Nation: Race and Ethnicity in the Honduran Banana Economy, 1920s and 1930s” (2003).

10 The collective plural of *mestizo*. 

38
managed multi-member banana cooperatives, and therefore competed for profits and valuable arable lands. The Garífuna therefore posed a second threat to the state’s consolidation of economic power because of the land they controlled (Euraque 2003).

In 1924, problems for the Garífuna intensified after Miguel Paz Barahona, the first Nationalist Party front-runner elected since Honduran independence was elected president. The Nationalist Party selected Paz Barahona because of his clear support of racial nationalism, which had immediate consequences for phenotypically black Garífuna. His nomination followed seventeen coup attempts and uprisings carried out between 1920 and 1924, during the assumed presidency of General Lopez Gutierrez. The Liberal Party was expected to win the 1924 election, but inexplicably chose not to nominate a candidate, and Paz Barahona won by 99% of the vote (Merrill 1995).11

Not coincidentally, the UFC, Honduran business associations, and wealthy-landowning families backed president-elect Barahona. At the time of the election, the UFC dominated the global banana market and was operated by foreign businessmen who often influenced local governments to dramatically alter economic policies and privatize lands (Merrill 1995). The owners of UFC had recently convinced neighboring Guatemala to shift its economic focus to the banana industry and focus on growing the agricultural sector while granting United Fruit, and its business partners, access to peasant lands. United Fruit subsequently took the opportunity, amid considerable infighting in Honduras, to select Barahona as a political ally in hopes of achieving similar successes in their newest banana enclave.

As United Fruit and other heavily invested estate-owners had hoped, Barahona and the Honduran oligarchy used the banana industry and the growing discontent among unemployed

11 The circumstances of Barahona’s election seem to mirror the 2009 elections. Numerous candidates and parties in the 2009 elections chose not to run and the Liberal Party pulled their party candidate, because all the parties, with the exception of the National Party to which the current President, Porfirio Lobo Sosa belongs, believed the elections to be compromised from the outset and that conditions did not exist in Honduras for a free and fair election.
Mestizo labor to create a platform for nationalist policy that would then allow Barahona to manipulate land-use policies to favor banana barons (Euraque 2003). Barahona decided to utilize the name and image of an historic indigenous rebel named Lempira, a Lenca chief, as an emblem or archetype of Hondurans. Mestizo nationalists distributed among banana workers leaflets that featured Chief Lempira’s image and instructed the “sons of the invincible Lempira” to defend “the land of Columbus” against the Yankees (white, typically US, foreigners) and the Blacks (Euraque 2003, 231). The producers of the leaflets and the nationalist rhetoric that accompanied them did not differentiate the Honduran Garifuna from immigrant laborers or English-speaking. Instead the nationalist rhetoric focused specifically on blackness as a way to target Honduran Garifuna in addition to foreign Blacks.

Interestingly, many Garifuna identified with some points of the nationalist policies. Honduran Garifuna agreed with the nationalist rhetoric that portrayed the foreign Black population as a threat to economic security. The Garifuna and non-Honduran Blacks, especially English-speaking Blacks from the Antilles, competed for control over maritime shipping business creating economic tensions between them. The two groups also clashed politically, because the Garifuna viewed the Antilleans as a threat to their economic security, but also because the Black Antilleans viewed the Garifuna as backward, ignorant, and otherwise beneath the Antilleans (Euraque 2004).

Conversations I have had with some Garifuna also suggest that the Garifuna might have identified with Chief Lempira as a national symbol, but for entirely different reasons. The Garifuna view Lempira as a symbol of struggle and resistance – a symbol of freedom. Lempira, in this way, is not much different from other Garifuna heroes like Joseph Satuye (also spelled Chatoyer), with the only exception being the Lempira is Lenca, not Garifuna. Nonetheless, the significance of Lempira

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12 There are nine indigenous groups in Honduras. The Lenca are one of the largest of these indigenous populations in and are phenotypically most similar to mestizos. The majority of mestizo Hondurans claim Lenca heritage (Rivas 1993).
is consistent with the collective Garifuna narrative that denounces oppression in any form. That narrative maintains that Garifuna were never slaves and includes a history, even if romanticized, of struggle against would-be oppressors and colonizers like the British and Spanish empires. Even still, it is interesting that the Garifuna identify with a symbol that mestizo nationalists created specifically to underscore Garifuna difference.

2.1.3 Garifuna as the political targets of Honduran racial nationalism

Nationalism continued to gain traction throughout the 1920s. The Honduran state began to racially label Garifuna as “Black,” a new distinction further distancing the Garifuna from the Honduran archetype of Chief Lempira (England 2006). Honduran elites and mestizo working classes perpetuated the nationalist rhetoric that challenged foreign railroad, banana, and coffee companies, emphasizing the foreign-owned monopoly on agricultural production and preferential hiring of Garifuna and foreign, that is phenotypically black, laborers (England 2006; Gonzalez 1988). This racialized power struggle for economic control of Honduran investment and job markets, combined with a new racism facilitated by the nationalist discourse made it easy to separate and isolate the Garifuna from their fellow Honduran citizens (England 2006; Gonzalez 1988). Garifuna labor migration to the US began in the late 1920s and early 1930s as a result of increasingly hostile nationalism that encouraged, and sometimes forced Garifuna men to seek work in the US. The Garifuna men who left to find work in the US took positions aboard merchant marine ships in the US and Britain, vacated by American and British men drafted into the military for WWII (Gonzalez 1988).

The situation worsened politically, economically, and socially for the Garifuna in the 1930s and 40s during the dictatorship of General Turbicio Carías Andino, initially elected to office in 1933, but who remained in power until 1949 by modifying term limits in the Honduran constitution.
General Carrías expanded the country’s agricultural industry with an almost myopic focus on the UFC. In exchange for lending from UFC, General Carrías prohibited strikes, cracked down on union leaders, and made UFC’s virtual monopoly on the fruit industry possible, by granting the company virtually everything it asked of Carrías (Argueta 2008, 106).

Accordingly, Carrías turned the Garífuna into political targets, which allowed him and his affiliates to violently expel Garífuna from their property and subsequently expropriate the vacated land (Anderson 2009, 51). When business associates, including the UFC, desired Garífuna lands, the national police would force Garífuna to vacate the lands. General Carrías recognized the political gains to be made by racializing the Garífuna as a means of economically and politically disenfranchising them. In particular, he prohibited Garífuna from joining the Civil Guard (like the National Guard), distinguishing Garífuna as second-class citizens. Carrías also racialized and denigrated the Garífuna people in public speeches and official communiqués, often equating Garífuna to animals or calling them savages. Under the Carrías regime, Garífuna, and other Black people, were segregated from mestizos and not allowed to attend schools, or socialize in clubs or other public places (Anderson 2009, 63).

During Carrías’ reign of terror many Garífuna organized against his administration’s outright racist policies. In the first few years of the 1930s many Garífuna had moved into political offices within the municipalities (like local governments). Soon, however, Carrías eliminated all municipal positions and replaced them with military officers so he could maintain more complete control over the regions (Euraque 2004). The deposed political leaders and various supporters came together in workers organizations and many allied with communist organizations to demonstrate and express their dissent from the Carrías administration’s policies on behalf of the Garífuna people. General Carrías met Garífuna resistance with unanticipated force.
In 1937, General Carías accused fifteen Garífuna in the community of San Juan, Atlántida, near Tela of smuggling weapons. The fifteen alleged smugglers were actually political leaders, most likely with the worker’s union, in the resistance against the Carías dictatorship. The Garífuna leaders were putting pressure on the banana companies for worker’s rights and expressed their dissent of General Carías’s austere economic policies and complicity in banana company abuses. On March 12, 1937 a military operation ensued and General Carías’s soldiers executed the fifteen Garífuna activists (Lopez Garcia 1994).

In addition to overt brutality at the hands of Carías and his allies, the country’s economic problems contributed to Garífuna job losses and new socio-political hardships for Garífuna women. The banana industry suffered massive losses during the early 1930s due to low imports resulting from the Great Depression in the United States and Great Britain, as well as a Panama disease epidemic that affected banana plantations throughout Honduras. The fungal disease infected banana plantations throughout Honduras, but was most heavily concentrated in the Garífuna city of Trujillo, Colón. As a result of the depressed banana market, most of the capital investors abandoned the Trujillo plantations and the plantations fired a great number of employees (Anderson 2009).

Subsequently, Garífuna men migrated to the US in search of work in the US, or worked as *bananeros* in the plantations in other regions, often leaving Garífuna women in charge of their respective family plots on the communal Garífuna lands. But women’s rights to the land were not recognized as a result of an entrenched patriarchal system, a colonial holdover adopted by *mestizo* Honduran males in positions of power. The Carías administration formalized such patriarchy in Honduras when Carías called a constituent assembly to rewrite the constitution in 1938 (Merrill
The new constitution explicitly excluded Honduran women from citizenship, and thus any political or economic rights.\textsuperscript{13}

The new constitution also put Garífuna women at a greater racialized disadvantage. While Garífuna men suffered social and economic pressures as a result of their blackness, Garífuna women were further constitutionally prohibited from political participation, exposing Garífuna women to an even more extensive level of marginalization. The more time Garífuna men spent away from the homesteads in Honduras, the more vulnerable Garífuna land was to dispute over rightful ownership or usage, regardless of the fact that women were the rightful heads of households. Being Black and being female made the familial lots Garífuna women cultivated especially susceptible to expropriation in accordance with the 1924 law.

2.1.4 United Fruit invests in African palm and 30,000 workers strike

Meanwhile, General Carías, a long-time ally of the UFC, needed to find new land for banana production in order to rejuvenate the declining banana industry because of the lands contaminated with banana plant diseases. Agronomists implemented a cure for Panama disease in 1937, but United Fruit needed additional space to grow new crop specimens and diversify their business in light of the recent banana crisis (Merrill 1995). United Fruit planted new crops including the non-native species of African palm. The plant produces an edible fruit, as well as oil that can be used in cooking and was more recently determined to be a good source for alternative fuel production (see Chapter 3). The seed specimens were so successful that by 1937 Honduran farmers were experimenting with 44 varieties of African Palm originating from Sierra Leone, the Congo (then

\textsuperscript{13} As of 2011 women still are not politically recognized; Honduran women vote but as a \textit{de facto} practice. Women are solely mentioned in the constitution where it dictates that a man must marry a woman, illuminating a different but no less grave issue of inequality in Honduras.
known as the Belgian Congo) and from the stores of United States Department of Agriculture (Richardson 1995).

Private landowners Pedro and Arturo Garcia established the first large-scale oil palm plantation in 1937 by in the department of Yoro, Honduras, immediately south of Colón. United Fruit lent the Garcia brothers equipment in exchange for the opportunity to learn about extracting and processing palm oil from the African palm. In 1943, United Fruit began planting its own African palm crops in Honduras. The company started by growing less than 100 hectares of the plant, but by 1952 had 1800 hectares. In the 1940s, prices for crude palm oil equaled US$255 per metric ton, (nearly $3000/ton in 2010 dollars), making African palm much more lucrative than bananas (Richardson 1995).

While United Fruit dabbled in African palm in the 1950s and 60s, all of Central America was experiencing political conflicts ranging from coups d’état to civil wars. Throughout these decades, the UFC remained the protagonist for land expropriations and disputes in Honduras. The Guatemalan government had recently re-appropriated land from the UFC on behalf of the workers, which contributed to a major military conflict in Guatemala (Merrill 1995). UFC needed to recoup the land reclaimed from them by the Guatemalan government, so the company turned its attention to Honduras.

The working class opinion of UFC declined rapidly after General Carías’s last action in office granted the company a 25-year government contract in 1949 (Merrill 1995). UFC aggressively pursued new land expropriations shortly after receiving the contract. With the support of the Honduran government, UFC attempted to dispossess more Garifuna and mestizo workers from arable lands in the country. But, the workers resisted the mass dispossession this time. Honduran workers had seen how effective their Guatemalan counterparts had been in striking back at UFC. Consequently, in 1954 Banana workers, including Garifuna, protested the attempted land grabs in a
massive strike. At first, Garífuna supported the strike because their lands had been part of the initial grab by the fruit companies and plantation owners. Some Garífuna held low-level union positions, supposedly giving them additional political capital and stronger voices to make demands on the banana companies. Strikers requested better working conditions, higher remuneration, and more benefits. Soon, bananeros for Standard Fruit joined the strike. At the strike’s height, the striking employees numbered 30,000 and the strike paralyzed banana production and the Honduran economy (Merrill 1995).

Plantation owners initially responded by firing the some of the unruly employees in hopes that it would set an example for other striking employees (Anderson 2009). A group of the fired workers retaliated. The worker occupied lands abandoned by the transnational fruit companies - land that had initially belonged to Garífuna families - in protest (Anderson 2009).

In May of 1954, the joint owners of UFC and Tela Railroad Company tried to dislodge 900 workers from the abandoned lands that the workers occupied.

Despite Garífuna involvement and their union positions, the strike ultimately benefited mestizo workers because the government and UFC still desired the arable land occupied by the Garífuna (Anderson, 2009; Merrill 1995). The government and UFC collaborated to resolve the strike. UFC offered to sell the land – not return it – to the striking workers at low prices. However, the proposed prices were still cost prohibitive to average Honduran workers. The Honduran government, then run by Vice President-turned dictator Julio Lozano Diaz, stepped in and bought the land, only to divide it among select mestizo farming cooperatives for ten-year periods (Salgado, et al. 1994, 3-4).

2.1.5 A new era of military rule, external debt, and Garífuna organization
In 1956 Diaz’s health began to decline, as did public support of his presidency. Major Roberto Galvez, who installed a nationalist military junta to run the country, ousted Diaz on May 21, 1956. In late 1956 the junta called a general election for a civilian president and a new legislature (Merrill 1995). The Liberal Party candidate, Ramon Villeda Morales, ran on a platform of resolute political reforms following the military repression of political dissidents, union busting, and government complicity in banana company abuses.

During his initial campaign Morales distinguished himself as a progressive candidate, making him popular among plantation workers and the Garífuna especially. Morales made it a point while campaigning to visit Garífuna communities and denounce the 1937 San Juan murders (Anderson 2009). He also invited a number of Garífuna to join the ranks of the Civil Guard. The increased exposure and political alliance created an opportunity for Garífuna activists to mobilize. In 1956, the same year that Villeda Morales was officially elected to the presidency, a group of young Garífuna established the Sociedad Cultural Lincoln (Lincoln Cultural Society), which aimed to protest the nationalist practices of racial discrimination and segregation in the Garífuna community of La Ceiba (Centeno García, 1997).

Morales remained an ally of the Garífuna throughout his short administration, but alienated powerful land-owning conservatives by enacting rigorous land reform policies. Morales’s efforts at land reform and political collaboration with unions, Garífuna and indigenous groups demonstrated how markedly different his priorities were from those of previous administrations. Morales initiated a major national development program that consisted of stabilizing the currency through loans from the International Monetary Fund (IMF) and a paved highway from the Caribbean coast to Tegucigalpa, the capital, funded by the World Bank (Merrill 1995). Initially, the landed conservatives and the Honduran military supported these programs. However, Morales also called for sweeping
agrarian reform designed to shift the balance of land ownership from large individual or corporate landowners to a wider swathe of Hondurans.

Morales’s aspirations to agrarian reform disenfranchised the conservative landowning sectors. The military remained loyal to Morales at first, primarily because one of his first presidential acts was to grant the military constitutional autonomy from civilian control (Anderson 2009: 97). But, support from the landowning classes and the military quickly waned after the Morales administration, with the assistance of the Organization of American States (OAS) and the US Food and Agriculture Organization (FAO), established the Instituto Nacional Agraria (INA) on March 6, 1961 (INA 2010).

The INA’s first directive was to prepare for the First Law of Agrarian Reform, Decree No. 2 that the legislature passed in September 1962 (Salgado, et al. 1994). The law, as written, affected national territories, communal lands, uncultivated lands, lands not cultivated by the owners (a specific reference to non-productive estates), and eroded lands that would be targeted for rehabilitation (Salgado, et al. 1994). The conservative land-owning classes, represented by the powerful National Federation of Agriculturists and Stockraisers of Honduras (FENAGH), and the law threatened to lessen the power of the landed oligarchy and substantially limit their ability to expand and thus accrue capital (Merrill 1995). FENAGH’s rising criticism of President Morales, combined with an increase in popular rebellions in the early 1960s, forced a shift in the military’s loyalty. Colonel Oswaldo Lopez Arellano led a military coup d’état in 1963, just before regularly scheduled elections. The coup removed President Morales and Colonel Lopez Arellano assumed control of the government (Merrill 1995).

Colonel Lopez Arellano was president for 12 years between 1963 and 1975. He assumed leadership of the government with the support of the nationalists and the business sector and landowning capitalist classes (Euraque 2004). Militaristic nationalism set the tone for the kinds of
political focus his administration would take, as well as who the targets of military repression would be. Lopez Arellano used conservative class fears of “growing radical influence” to justify the military coup and promptly repressed communist, Castro sympathizers,\textsuperscript{14} unions and Garífuna organizations (Merrill 1995). In addition to nullifying the 1962 Agrarian Reform Law and refusing to support the newly formed INA, Lopez Arellano focused the first eight years of his presidency on military reformism and controlling popular rebellions and military conflict with neighboring El Salvador. (Anderson 2009). Military reformism included purging the existing Civil Guard of any communist or politically and economically left-leaning elements, as well as any Garífuna presence (Euraque 2004).

Economic and political conflicts plagued Lopez Arellano’s presidency from its outset. By 1968, the economic situation had deteriorated inducing labor conflicts, continued political unrest, and backlash from FENAGH (Merrill 1995). Labor groups had grown in strength and number and established the Confederation of Honduran Laborers (CTH). In March of 1969 the CTH published a critical document entitled “A Call to National Consciousness” (Euraque 2004). In it the CTH recognized the power of the armed forces, characterized the land oligarchy as the “true villains” of Honduran national history, and recognized the organization and impact of the working classes as a positive element of Honduran nationality (Euraque 2004). Four months later growing conflict between Honduras and El Salvador escalated to war, testing CTH’s statement about the strength of the armed forces (Euraque 2004; Merrill 1995).

Neither country could declare a win in the conflict. However, the Honduran working class did gain a renewed sense of nationalism and national pride that was less racialized (Merrill 1995). In

\textsuperscript{14} Fidel Castro led a military rebellion in Cuba in 1959, and assumed control of the country. His takeover and installation of a communist regime came at the height of the Cold War. The implications of Castro’s rebellion created political reverberations that continued to resonate throughout Central and South America in the 1960.
the face of an ineffective army several thousand Honduran workers and peasants took up arms to defend their country. Though not officially recorded in military reports, present-day Garífuna narratives include memories of civilian service in the war against El Salvador. The tens of thousands of volunteers acknowledged decades later included among them Garífuna who had played critical roles in the conflict. Garífuna soldiers were dispatched to the warfront on the Honduras-El Salvador border to receive and transmit military orders in the Garífuna language unknown to Salvadorans (Euraque 2004). In addition to the abysmal failures of the armed forces performance in the 1969 war, the efforts of non-military citizens made a strong impression on the junior guard and the officer corps (Merrill 1995). As a result, the armed forces made a substantial shift to focus on national development and social welfare of Honduran citizens (Merrill 1995).

After the war, every sector of the Honduran citizenry began pressuring Lopez Arellano to adopt new economic programs, renew relations with labor and business organizations and call general elections. The leading representatives of the primary political parties, the Liberal and the National Parties, signed a political pact with representatives of labor, business and the military. The pact conformed, in part, to the critical elements of the CTH’s 1969 declaration such as agrarian reform, appropriation for improvements in education, and labor concessions. The pact also called for an equal congressional division of Liberal and National Party candidates and included the “Minimum Government Plan,” which proposed solutions for peace with El Salvador, and military and government administration reforms.

In 1971, the National Party candidate, Ramón Ernesto Cruz won the elections (Merrill 1995). At the beginning of his presidency Cruz adhered to the political pact. He established the Honduran Tourism Institute (IHT) and refashioned the annual fair in La Ceiba. The newly created IHT and the Cruz government sponsored a “Caribbean Festival of Garífuna Dances” as one part of the festival. Nearly 2000 Garífuna performers participated in the weeklong carnival (Anderson
The government’s official inclusion and sponsorship of Garifuna at the event marked a substantial shift in state and *mestizo* perceptions of Garifuna. Only two decades prior Garifuna had been openly ridiculed by *mestizo* attendees for attempting to participate or crown their own festival queens (Centeno Garcia 1997). But, while the fair indicated social advances for the Garifuna, Garifuna dance, song, and difference also created the perfect spectacle for the IHT to exploit in order to remake La Ceiba into a tourist destination (Anderson 2009).

Despite the early successes of his administration, Cruz quickly deviated from the terms of the political agreements that put him in office. Several points of contention ultimately led to Cruz’s removal from office. First, Cruz represented the most conservative vision of hegemonic *mestizaje* in Honduras at a time when the country was experiencing a sort of ethno-racial and political renaissance (Euraque 2004, 231). Cruz took control of the government at a time when new Honduran capital produced an ordering of the social forces that would no longer allow the political oligarchs of the ruling parties to manipulate the political system at their will (Euraque 2004). Second, Cruz’s election exacerbated partisan tensions between Liberal Party and National Party leaders because he began replacing Liberal Party appointees with National Party cronies, including the Supreme Court (Euraque 2004). Third, Cruz fired the INA director, Roberto Sandoval, only to replace him with a National Party member, slowing the pace of reforms called for in the initial pact (Merrill 1995; Salgado *et al.*, 1994). Last, Cruz passed a bill that slashed tax benefits and import exemptions and then abandoned the Agrarian Reform Act to support FENAGH (Merrill 1995).

Subsequently, the military removed Cruz from office and re-installed Lopez Arellano on December 4, 1972 (Merrill 1995). Arellano’s administration made the Agrarian Reform Law its primary concern. By December 28, 1972, less than a month after Cruz’s removal, the stabilized Congress approved Decree No. 8 of the Agrarian Reform Law. The Decree established a planned program of land distribution over a period of five years (Salgado *et al.*, 1994). In addition, the law
included various articles that: eliminated large estates and smallholdings (Art. 1); established ceilings on the amount of property an individual could own (Art. 25); allowed the government via the INA to expropriate idle land or property not being used according for the established social functions (Art. 29); and established a new National Registry of Lands managed by the INA (Art. 38) (Salgado et al., 1994).

As part of Lopez Arellano’s inspired Agrarian Reform, his administration also began implementing an official “cultural policy” in conjunction with land reform that aimed to address the issues of the “impoverished and marginalized rural masses” (Euraque 2004, 234). In addition to placing specific limits on the landed oligarchs, the military regime also attempted to recuperate land from the banana companies. In 1974, Decreed Law 170 called for the expropriation of over 56,000 hectares of land controlled by the United and Standard Fruit Companies (Salgado et al., 1994). Not surprisingly the law alienated the increasingly powerful landowner and stockraisers lobby, FENAGH.

Problems for Lopez Arellano’s reformist government intensified when Hurricane Fifi hit Honduras in September of 1974. The storm severely damaged the northern coast, killed at least 10,000 people, and destroyed a large number of banana and African palm plants growing in the region (Merrill 1995). At the time, the government estimated the damage to be over US $1 billion, more than double the 1974 gross domestic product of US $890 million (TIME 1974). Agricultural experts estimated that nearly 50 percent of Honduran crops had been ruined by the storm. In addition, the World Bank determined that employment fell by 70 percent after the storm (2004). The strain on the economy facilitated growing aggravation among the labor and business classes.

Finally, in April of 1975, General Juan Alberto Melgar Castro, deposed Lopez Arellano in yet another military coup d’état. General Melgar Castro was only in power briefly, but his short tenure was critical to the growing institutional conversations about ethnic and racial inclusion that began in
In the fall of 1975, Melgar Castro created the Secretary of Culture, Tourism and Information (Euraque 2004). The office promptly institutionalized the cultural policy initiated by the Lopez Arellano administration and consolidated the existing state institutions dealing with national cultural patrimony, living ethnic difference, and tourist promotion (Anderson 2009). The Secretary also took substantial interest in the Garífuna. Shortly after its creation, the Secretary of Culture sponsored the National Garífuna Folkloric Ballet, led by a Garífuna man named Crisanto Melendez. The Secretary also sponsored research of the Garífuna culture in which Melendez also played a pivotal role (Anderson 2009).

The increased social importance of the Garífuna in Honduran national cultural discourse, combined with the heightened political awareness of Garífuna youth emboldened by reports from Garífuna relatives on the work of Black activists during the US civil rights movement gave rise to the creation of a new Garífuna political organization in 1977 (Anderson 2009). Dr. Alfonso Lacayo, Basilio Arriola, and Santos Centeno established the Black Fraternal Organization of Honduras (OFRANEH) in 1977, but not without initial resistance from the Honduran Department of the Interior (Euraque 2004). The Department of the Interior denied OFRANEH’s original organizational request, arguing that the proposed entity promoted racial segregation of Hondurans. But, a Honduran organization called Assessors for Development lobbied on behalf of Lacayo, Arriola, and Centeno. Finally, in 1978, OFRANEH was a registered non-governmental organization (Euraque 2004).

Its co-founders established OFRANEH as a federation of Honduran Garífuna peoples with the goal of defending Garífuna cultural and territorial rights (OFRANEH 2010). OFRANEH’s founders had each grown up watching the racial discrimination and segregation of Garífuna during the Carías regime in the 1940s and had been involved in the founding of political organizations during the sympathetic, albeit short, Villeda Morales regime in the late 1950s (Euraque 2004). As a
result, its creators and supporters placed efforts to end racial discrimination and recuperate expropriated territory and title existing Garífuna lands as their highest priority (Anderson 2009). OFRANEH continued to gain stability throughout the 1980s.

2.1.6 A new economic focus and Garífuna land reclamation in the 1980s and 90s

Meanwhile, the government changed hands again. The military faced increasing foreign pressures from the United States, the IMF, World Bank, and USAID, to transition to a civilian government. By the 1980s, Honduras was heavily indebted to the international lending organizations partly as a result of Villeda Morales’s national development projects, but more so as a combined result of Structural Adjustment Loans administered in the 1970s and aid given in response to the devastation wrought by Hurricane Fifi in the same decade. The military government called for general elections.

General elections took place in November of 1981 and a new Liberal Party president, Roberto Sauzo Cordova, took office in January 1982. Sauzo Cordova instituted a new land program in amidst a strong, but brutally repressed land rights movement that united mestizo and Garífuna resistance, if only for a short time. The Program for Land Titling (PTT) was designed on paper, to increase food production, employment, and rural sector incomes, and expand the benefits of private land ownership to small farmers (Salgado, et al.: 1994, 6). PTT appeared to be a bid to pacify resisting peasants and dismantle the resistance by granting peasants and laborers official land titles, especially in the face of the growing Sandinista movement in Nicaragua that threatened to spill over into Honduras. In reality, the act of granting access to land title, and thus credit and technical assistance, to peasant classes constituted the “cornerstone for the development of a ‘land market’” (Salgado, et al.: 1994, 6).
At the start of the 1990s, the Honduran government adopted the economic liberalization policies of the World Bank and IMF as part of conditions for receiving continued aid from the large organizations. Assistance from USAID was also conditional. The organizations required the Honduran government to allow their technical experts increased access to policy and planning decisions (Jackson 2005). In exchange for US$47.46 million in “structural development resources” in 1992, the Honduran government had to agree to liberalize their economy and accept unequal terms of trade for their goods and services in the name of “free trade” (IMF 2006). Rapid privatization and low factory wages instigated considerable decline in overall standard of living, while structural adjustments programs (SAPs) benefited the business and political elite with lucrative business arrangements and substantial political support.

In 1992 the Honduran Congress, under the leadership of Rafael Leonardo Callejas, approved the Law for Agricultural Modernization with considerable input from USAID (Jackson 2005). The lawmakers recognized within the language of the policy the “imperial” reach it would have concerning Honduran land matters. The language of the law stated that “execution of the Agrarian Reform Law is imperial as ordained…at the same time it is necessary to emphasize the security of land tenancy” (Salgado, et al., 1994, 7). The Law for Agricultural Modernization, for the first time, made profitability a priority. New articles replaced protections of cooperatives provided by former articles in the 1972 Agrarian Reform Law and allowed cooperative land to once again be expropriated by large fruit companies (Salgado, et al. 1994, 7).

The 1992 law had immediate ramifications for the Garífuna communities. The law encouraged capital-intensive agriculture, like African palm and tourism development, and promoted land privatization to the detriment of small farmers and cooperatives (Anderson 2009). In addition Congress passed Decree 90/90 to allow foreign investors to circumvent pre-existing articles limiting foreign land ownership. The new decree prompted the mass influx of primarily Canadian and US
expatriates into the coastal regions, especially Atlántida and Colón. The foreign investors purchased large tracts of coastal lands in Garífuna communities in order to turn them into tourism and retirement resorts that exploited the resources of the area, as well as the culture and labor of local Garífuna.

2.2 Chapter Conclusions

In this chapter, I have attempted to show that Garífuna land struggles in 2011 are the result of a century-old legacy that began with the expansion of the first large agricultural industry in the Garífuna communities of the northern coast of Honduras. The chapter has provided a chronological history of Honduran land struggles since the early 20th century in order to show the initial and lasting effects of land policies and social politics on Garífuna laborers and communities. Land expropriation and racial marginalization of the Garífuna began in earnest in the 1920s and continued throughout the 1930 and 40s. The Garífuna youth who listened to their parents’ stories, witnessed first-hand the racial discrimination, and experienced the targeted removal of Garífuna from customarily recognized and even titled lands grew up to create the first Garífuna resistance organizations in the late 1950s (Euraque 2004).

Garífuna organizing and political resistance grew in strength throughout the 1960s and 70s, emboldened by reports from Garífuna relatives on the work of Black activists during the US civil rights movement (Anderson 2009). At the same time agribusiness was growing, both the United and Standard Fruit companies were incorporating African palm into their fruit operations, and the IMF, WB, and USAID were expanding their collective reach into Honduran political and economic affairs. The government and foreign investors also began moving to establish tourism along the northern coast. In order to do so successfully, the government renewed relations with the Garífuna population, hailing Garífuna culture as iconic and sponsoring festivals highlighting Garífuna song
and dance. The result was two-fold, Garífuna enjoyed increased social and political inclusion, while also being exploited in order to allow the government and investors access to their lands and culture for private profit.

Then, the economic and political landscape shifted in the late 1980s and early 90s and set the tone for future land struggles and Garífuna political resistance. Meanwhile, Honduras had been rendered a heavily indebted poor country (HIPC) by the 1980s and was beholden to the influence and preferences of their debtors, the IMF, WB and USAID. In 1992, the government accepted lending conditions set forth by the IMF and WB and passed the most crucial and far-reaching land legislation ever written in Honduras, the Agricultural Modernization Law. The 1992 law created the necessary conditions for mass expropriations of land and the rapid expansion of the African palm industry in Honduras. The next chapter explores how the African palm industry in Honduras has grown and how the Garifuna have resisted the African palm industry’s encroachment onto their lands.
Chapter Three: Expansion of the African palm industry and its implications in Honduras

This chapter provides a critical analysis of the African palm industry in Honduras. As chapter 2 showed, African palm has replaced bananas as the cash crop of Honduras. The crop is fertile, has a long life cycle, and fetches high prices in the global marketplace. Around the world, consumers demand more than 22 billion tons of African palm oil each year. That, in turn, increases the pressure on suppliers to expand their African palm production. Further expansion means that palm producers must acquire more of the fertile valley lands necessary for palm planting and harvesting. In Honduras, the appropriate lands for African palm production happen to be Garífuna coastal lands in the Aguan and Sula Valleys, as well as those Garífuna lands in La Mosquitia. Therefore African palm expansion in Honduras, suggest that the Garífuna are continually under threat of state and palm producers’ dispossession to make way for the country’s most recent agro-industrialization project.

This chapter begins by explaining what African palm is, how it is used as a commodity, and its origins in Honduras. In this chapter I show that African palm, like bananas in the past, has been at the center of these land battles. Next, I name the network of wealthy elites who are the main producers and beneficiaries of the rapidly expanding palm oil industry, and connect them to the Honduran state and major international financing organizations. Then, I analyze how the palm industry is implicated in the global and local markets, as well as its effects on the environment. Finally, I show that the creation and expansion of the African palm industry has had an immediate impact on Garifuna communities and what the Garifuna have done to resist the African palm juggernaut.
3.1  The African palm and its origins in Honduras

In 1926, the agricultural sector of the Honduran government created the Lancetilla Experiment Station (LES), near Tela in the department of Atlántida (Richardson 1995; see Figure 1). Both the United Fruit Company and US Department of Agriculture (USDA) encouraged and helped finance the station and its agricultural projects. The LES housed nurseries of new plant specimens being tested by United Fruit and USDA for potential agricultural development projects in the country. Oil palm seedlings imported from Africa and Malaysia were among the first experimental specimens tested for ecological compatibility and output at LES. Prior to the varieties introduced to Honduras via the LES project no known oil palm varieties existed in Honduras.

3.1.1  The African palm

Oil palm, which gets its name from the fruit pods that produce food and edible oils, is a non-native species to Central America. Botanists working for United Fruit and the USDA brought
seeds from Malaysia and the USDA to the LES originated (Richardson 1995). In 1929, UFC botanists brought new seeds for the LES from the Belgian Congo (now the Democratic Republic of the Congo), Sierra Leone, and the USDA (Richardson 1995). In 1930, the LES was growing 35 successful varieties of oil palm. The new plant flourished in the tropical coastal climate of northern Honduras and by the mid-1930s 44 oil palm plant varieties could be found in the LES nurseries (Richardson 1995).

Mature African palms grow to a height of 65 feet (20 meters) and produce approximately twenty leaves per year. The leaves can grow to lengths between six and 15 feet, blocking out sunlight for undergrowth. The palms start very small, perhaps one foot tall and in seedling nurseries, but grow quickly. Within eight months a normal, healthy oil palm tree is approximately three feet tall. In their early stages, the plants are labor and resource intensive. The plants require constant maintenance and irrigation for the four years before the plants bear fruit. However, once the trees reach this stage they are transplanted from the nursery to plantations. Just 35 hectares of seedlings
can provide enough plants for a 5000-hectare plantation. When the trees begin to produce fruit, it only takes five to six months for the fruit to gestate. A ripe bunch of palm fruit weighs over 100lbs. One tree can produce several bunches of palm fruit and one hectare of oil palms can provide more than 1900 gallons of palm oil. The trees will bear fruit every ten to 12 months. The palms will then continue to produce fruit for 30 years.

3.1.2 The earliest commercial African palm producers

Pedro and Arturo Garcia started the first commercial oil palm plantation sometime between 1936 and 1938 in the town of Progresso, Yoro department, Honduras. The Garcia brothers’ managed a minuscule 6.5 hectares (less than one square kilometer) of African palm on their Birichichi plantation in Progreso (Richardson 1995). The men were independent farmers who were allowed to borrow United Fruit’s extraction and processing equipment with the proviso that they share their research and knowledge of the palm oil production process with the company. The first crops were successful and the brothers increased their oil palm plot to 16.6 hectares.

Palm oil would soon become an important part of the fuel and food sources for World War II machinery and soldiers, though most products were imported from plantations established in the Congo, Sierra Leone, and Malaysia. The war demand for fuel and food pushed up palm oil (and other oil prices) such that by the 1940s crude palm oil prices had reached US$255 per metric ton (Richardson 1995). The potential profits to be made by expanding palm oil production appealed to United Fruit. The global fruit giant had suffered tremendous losses on its banana exports as a result of globally depressed prices in the 1920s and 1930s and a crop disease that damaged much Honduran plantation production throughout the 1930s. Given the opportunities that World War II portended, UFC began to explore African palm oil in 1943 (Richardson 1995).
The UFC planted and processed a small quantity of oil palm in Honduras compared to its banana production throughout the 1950s and 60s. In 1952, UFC were cultivating 1800 hectares of oil palm, including the palm crops of several smallholders or cooperatives that it employed (Richardson 1995; Berger & Martin, 2000). UFC also collaborated with emerging producers, like Miguel Facussé who established in 1957 what is now a Central American distribution powerhouse, Dinant Corporation. UFC expanded production by 120 percent to 4000 hectares of oil palm between 1962 and 1969, the same period that followed the annulment of the 1962 Agrarian Reform law and sparked the military coup that removed President Villeda Morales from office.

United Fruit continued aggressively to expand its production of palm oil throughout the 1970s, partly in response to a rising global demand for vegetable oils, but also as a result of the powerful influence FENAGH held over the military government (Elam & Uko, 1977; Burbach 1978). The transnational United Fruit and Standard Fruit companies continued to grab the lands of mestizo and Garifuna cooperatives to facilitate their expansion. Most notably, United Fruit, renamed Chiquita, overtook the Empresa de Guaymas cooperative in Yoro, just south of Colón, in the early 1970s with the support of the military (Burbach 1978).

Empresa de Guaymas was the largest cooperative-operated palm plantation in Honduras at the time, with over 1300 members that managed 7000 hectares of land, a third of which was planted in African palm (Burbach 1978). Empresa believed that United Fruit wanted to take over Empresa to enlarge its share of the world palm oil market (Burbach 1978). Eventually, Lieutenant Colonel Amilcar Zelaya, working on behalf of United Fruit, threatened the members of the cooperative and forced them to accept United Fruit as controllers of the Empresa (Burbach 1978).

Remember that it was FENAGH’s irritation and lack of confidence in Villeda Morales that ultimately prompted the military to remove him from office. See chapter two, section II-E, for the historical reference.
In 1979, the Honduran state established COAPALMA (Cooperative of African Palm Cultivators), an entity made up of 50 cooperative representatives that would serve as a state-run governing body for independent palm farmers and laborers. In so doing, it further expanded the national reach of the African Palm industry (Salgado et al., 1994). Initially, the state made the INA responsible for the cooperatives, but the local INA office was discredited over several instances of fraud. The state was forced to create COAPALMA as a self-governing association of paid representatives, essentially a corporation (de Fontenay 2004). The association’s employees were to come from every cooperative in the region, serve for a single term, and then association would refresh with new representatives. The cooperatives spanned the entire region of the northern coast, so the representatives from cooperatives further away from the central Aguan-based COAPALMA office could not relocate as easily as those representatives who lived closer. As a result the association quickly came to favor a central nexus of the original 50 cooperative (de Fontenay 2004).

The original plan was for COAPALMA to assume control of the organization after the government had paid itself back from COAPALMA revenues. But corruption was entrenched in the COAPALMA ranks within a year of its establishment. The small cadre of association managers from the central cooperatives colluded to siphon money from debt-servicing funds reserved for farmers and artificially inflate fertilizer costs (de Fontenay 2004). The new costs of farming substantially lowered incomes compared to neighboring local markets. When the farmers tried to buy fertilizer or sell palm fruits or oils in other regions of the country, COAPALMA ensured that the military blockades along the road refused passage to palm farmers (de Fontenay 2004).

Throughout the 1980s, the United and Standard Fruit, Dinant Corporation, and COAPALMA continued to grow and consolidate control over African palm plantations, processing and extraction plants, and exports. Each organization worked to purchase or, more often, take control of African palm farms in the departments of Atlántida and Colón. The land reform policies
still in place from 1972 technically prohibited legal purchase of smallholdings by larger commercial producers. Nonetheless, COAPALMA and Dinant continued to vertically integrate operations by increasing plantation property and purchasing milling and extraction facilities, thus granting them greater control over every step of the palm oil production process.

3.2 The effects of African palm expansion on Garífuna land expropriation

The deregulation of markets, including land markets, and the enclosure, or privatization of communal lands included in the 1992 Agricultural Modernization Law (AML) were emblematic of the abrupt shift in political and economic policies that characterized the late 80s and early 90s in Honduras. Honduran national debt reached historic levels during the implementation of structural adjustment projects of the 1980s and gave international and US lending organizations, with whom Honduras has long had close relations, insurmountable leverage over the heavily indebted country.

The AML overwrote years of agrarian reform and small farmer protections, allowing

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Graph 1

**Increase in Hectares of Land Dedicated to Palm Oil Production in Honduras**


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16 See chapter two, sections 2.1.1 and 2.1.5 for a discussion about communal landowning systems and agrarian reform.
private entities like Dinant and COAPALMA to purchase cooperative farms. As of 2010, the three largest producers of African palm in Honduras were Dinant Group (Grupo Dinant) and Grupo Jaremar-AGROTOR, followed by COAPALMA, PALSA, and various small cooperatives. Grupo Dinant, or “Dinant” as Honduran media refers to it, is the commonly named leader among these producers in terms of the size of their respective plantations. Dinant controls 17 thousands of hectares of land, unsurprisingly making it the primary target for palm-related land disputes on the northern coast.

Because of the AML, Facussé could now expand his plantations, and monopolize the African palm industry. The impact was immediate and devastating. By 1995, more than 30 percent of cooperative farms opted, or had been intimidated to sell their smallholdings to large-scale palm oil producers and refiners like Dinant (de Fontenay 2003). As a result, 40,000 hectares of land were consolidated and privatized for palm oil plantations and milling and extraction plants (OFRANEH 2011). Five years after the AML took effect, the amount of land used for African palm production in Garifuna territories rose sharply from 40,000 to 68,000 hectares (see graph 1).

The IMF, World Bank and USAID insisted on the creation of the AML, which was accompanied by requisite shift in economic practices that included: land privatization, mandatory titling (or in many cases re-titling) of occupied lands, market liberalization, privatization of social services, and a renewed focus on economic “development” (Jackson 2005). These actions directly affected the Garifuna communities in Atlántida and Colón. In 1994, President Carlos Reina (1994-1998) gave a “green light” to commercial palm oil producers and tourist industries to develop the

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17 The argument this paper makes is that there are ongoing disputes about who actually owns, is entitled, or “legally” occupies the lands that African palm plantations happen to also cover. So, rather than use the definitive language of ownership, I have opted here instead to use a word laden with power to illustrate the dynamics involved in land disputes in Honduras.
Rio Sico and Paulaya territories of Atlántida and Colón, and to begin “agricultural colonization,” or rural settlement projects (OFRANEH 2011).

The data in Graph 1 (above) show a dramatic increase in African palm production. As such, the government and private entrepreneurs have used this data to redistribute, use, and repurpose lands in order to support this booming and, as I will show later, very lucrative industry. Commercial palm producers and the government show no signs of curtailing land accumulation for palm cultivation. In fact, a 2009 USDA-FAO Biofuels Annual Report explains that the growth potential for African palm is almost guaranteed (2009). The report shows that by 2005 the Honduran Ministry of Agriculture and Livestock had identified an additional 350,000 hectares of land to be used for palm oil production. The new lots proposed would bring total dedicated land to 465,000 hectares, including the existing 115,000 hectares.

According to OFRANEH, hundreds of peasant families were installed in the Rio Sico and Paulaya territories where Garífuna from the communities in Iriona utilize the lands for farming, water, and firewood (OFRANEH 2009). The government’s installation of mestizo peasant families into the area was not arbitrary. Rather it was calculated to create considerable friction between the two groups, over land use. On the one hand, the Garifuna use the land for subsistence agriculture while also managing the limited natural resources in the area, whereas mestizo peasants used the land for cattle grazing and logging without conservation mechanisms in place (OFRANEH 2011). State-sanctioned encroachment forced Garífuna communities to address multiple encroachment and land-grab concerns at the same time. The distraction created more opportunity for larger entities, like Dinant, to take Garífuna lands while the communities were preoccupied with myriad new problems.

Then, in 1998, hurricane Mitch devastated the country. Mitch’s impact was much greater than that of Fifi in 1974 and only exacerbated the leverage international lending agencies had over
Honduran development. The IMF responded with US$156.75 million in structural development resources (SDR) after Mitch (IMF 2006). The Honduran government jumped at the opportunity to blame the hurricane for the country’s failed export-led development model and lack of basic infrastructures (Pine 2008).

The hurricane’s damage to the northern coast complicated Garífuna attempts to combat the counter-reforms and neoliberal market ideals of the 90s, mestizo settlement, and Dinant’s attempts to consolidate Garífuna territory. Mitch destroyed most roadways in Honduras, with the storm’s high winds and waters devastating Garífuna communities on the northern coast. There, flooding mostly destroyed large-scale, commercial agroindustrial banana and (less so) African oil palm plantations, (Boyer & Pell 1999). The hurricane swept away Garífuna homes and portions of community buildings (like schools and cultural centers) along with miles of coastline and coconut trees that had previously acted as a buffer between Garífuna villages and the coast (Drusine 2003).

Mitch gave the Honduran state, foreign business interests, commercial fruit, cattle, timber producers and tourism magnates an opportunity to collaborate in lucrative ways (Boyer & Pell 1999; Jeffrey 1999). Paul Jeffrey, a missionary and activist in Honduras, observed that “big money was to be made in reconstructing Honduras’ ravaged infrastructure – what one foreign diplomat called ‘a feeding trough for public officials’” (Jeffery1999, 32). The Honduran state, for instance, gave the landed oligarchy and foreign contractors the vast majority of contracts for the large rebuilding projects, which focused almost exclusively on real estate development in cities and other strategic sites in Honduras. Rural peoples, like the Garífuna, were largely ignored and left to their own devices (Boyer & Pell 1999; Drusine 2005).

Within a week of Mitch’s devastation, the Garífuna began to reenter the communities they had vacated because of the storm. However, they found that squatters had settled in some of the temporarily vacated lands. Garífuna eventually reclaimed the territory from squatters and
commercial business interests and rebuilt damaged buildings and infrastructure. Given that Dinant security forces could quickly and easily remove squatters, Facussé did not face the same dilemmas as the Garifuna. They were therefore able to focus on repairing the roads leading into and out of the palm oil plantations, salvaging the remaining crops, and replanting new ones. Despite Dinant Corporation’s official rhetoric about the company’s commitment to community outreach and philanthropy (Dinant 2010), Facussé did not reach out to the community to help rebuild homes and school buildings destroyed in and around his plantations.

Instead, Facussé and Dinant Corporation’s contemporaries like Dole fruit and AGROTOR, engaged in disaster capitalism (Klein 2008, 6). In particular, Facussé took advantage of the general chaos after Mitch and the unguarded property that Garífuna and others on the northern coast vacated during the storm to expand their land holdings (Jeffrey 1999, 31). To do this, Facussé called upon his nephew Carlos Flores Facussé, the Honduran President at the time, along with other business associates to work for the repeal of Article 107, which prohibited the sale of approximately 25 miles of coastal lands to foreign and commercial investors.

The Garífuna communities and OFRANEH argued against a wholesale repeal of Article 107 because of the fear—well-founded in light of history—that Garífuna lands would be even more vulnerable to encroachment and expropriation (Jeffrey 1999, 31). In 1998, the Flores administration repealed Article 107, which would lead to African palm producer and foreign tourism developers’ dispossession, and military and paramilitary repression, of the Garífuna. The repeal also allowed foreign tourism magnates, such as Randy Jorgensen19, to dispossess hundreds of families living in and near Trujillo, the Garífuna capital, to build tourism resorts and expatriate retirement

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18 For a more thorough explanation of disaster capitalism see Naomi Klein’s instructive work in Shock Doctrine (2008).

19 Jorgensen, a millionaire and native of Saskatchewan, Canada, created Adults Only Video the first national chain of adult video stores in Canada. His business ventures earned him the title in Canada of “porn king.” His nickname followed him to Honduras (Paley 2011).
communities that ultimately restrict Garífuna access to the coastline and traditional pathways and fishing areas (Paley 2010).

The government also took advantage of the territorial confusion and ensuing chaos caused by Mitch’s destruction and instituted a new development plan for the country and the regions of Atlántida and Colón, in particular. The plans did not include reconstruction of roads, schools or houses in remote Garífuna territories. Rather the emphasis was on rebuilding the infrastructure to and from African palm plantations and tourism sites in the departments. The Inter-American Development Bank sponsored some of these activities, for example, road construction, but many bridges and other infrastructure were never reconstructed.

In 2005, seven years after Mitch, roads and bridges damaged in the storm still had not been rebuilt (Drusine 2005). Thousands of coconut palms that lined the coast were destroyed, if not by Mitch, then by the resulting plant diseases brought on by the storm (Drusine 2005). The coconut trees were critical for the Garífuna communities as a food resource, as well as a soil erosion and weather buffer. Several miles of coastland in the Garífuna territories were washed away into the Caribbean, including a number of houses in the deeper regions of Colón. The government never repaired primary schools that the hurricane destroyed in the region, leaving Garífuna communities with even fewer resources today than they had acquired before Mitch.

For all of hurricane Mitch’s negative consequences, the storm was also constructive. The devastation inspired poor, rural, disenfranchised communities (including the Garífuna) to mobilize. Amidst the chaos, many Garífuna also came together to create small, collaborative workgroups. Garífuna women in the town of Trujillo, for example, established the Comité de Emergencia Garífuna de
Made up of women of all ages, its mission was to help the families in Garífuna communities rebuild homes and roads and replant crops.

Yet, by 2005 Garífuna communities affected by Mitch had still not fully recovered (Drusine 2005). Making matters worse, in 2005 a second storm swept through and complicated recovery. The state refused to supply groups like Comité with the construction equipment necessary to complete the rebuilding of roads. In addition, tourism developers, cattle ranchers, African palm producers continued to expropriate Garífuna lands without reproach. The storm swept away several Garífuna houses along the coastline, devastated the coconut palms that served as an environmental buffer and food source, destroyed the few roads that existed, and displaced Garífuna into other parts of the country temporarily. When Garífuna returned to their land, they found that both Dinant and mestizo peasant, had laid claim to much of their land in the region.

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20 Garífuna Emergency Committee of Honduras
The photo above shows a fallen bridge along the unpaved road from Tocoa to Iriona in January 2010. The dense shadowed forest is African palm. I took the photo from a four-wheel drive vehicle as Dr. Castillo drove through a riverbed. I passed through the Rio Inglesa six months later during the rainy season, but only after the cattle in front of our truck had proven it was not too deep to traverse. Local families use the water to wash clothes and bathe despite the water being shared by cattle, vehicles, and the chemical run-off from the African palms along its banks.

3.3 The main producers of African palm in Honduras

The Dinant Group is a vertically integrated company composed of two legal entities: Dinant Corporation and Exportadores del Atlántico or Atlantic Exporters (Dinant Group 2011). Whereas Dinant Corporation is responsible for three divisions—snacks, fats and oils, and foods—Atlantic Exporters is responsible for the agricultural division, which is responsible for the packaging and marketing of for all oils and fresh and processed fruits and vegetables. Miguel Facussé, founder and CEO of the Dinant Group and one of the wealthiest men in Honduras, created Dinant in 1957. According to its official website, it is now “the largest African palm producer in all of Central America” and a “business leader” in the production of foodstuffs and toiletries (Dinant Group 2011). The company claims that it is an “environmental protector” and leader in corporate social responsibility (Dinant Group 2011).

Facussé is involved in every stage of palm oil production, planting, harvesting, milling, processing, food and toiletry production, and finally shipping of both crude and processed materials. He not only owns African palm seeds, plants, and the milling and extraction plants through Dinant, he also owns a large transnational processing and refining company, Cressida International Investment Corporation. Facussé created Cressida in 1961, shortly after establishing Dinant. Cressida, or CIIC, is owned by Bristol Channel Investments Corporation (60% share) and Miguel Facussé (40% share). It is important to note however that Facussé is the 100% shareholder, and
thus owner of Bristol, therefore making him the 100% owner of Cressida as well (IFC 1997).

Cressida operates industrial plants that fabricate the goods made from the by-products and oils of the African palm plants. In 1997, at the time of the first massive African palm expansion, Cressida (i.e. Facussé) received US$45 million from the International Finance Corporation (IFC), an arm of the World Bank, to expand its palm oil refining plants. The “Summary of Project Information” published by the IFC included this description of CIIC, and Facussé’s net revenues and overwhelming economic power in Honduras:

CIIC is the holding company of a highly successful Honduras-based family-run group with manufacturing and marketing of two main lines of goods throughout the Central American region: (a) laundry soap and detergent, bleach, cleaners and personal hygiene; and (b) food products (mainly tomato-based), fruit juices and snacks. With the implementation of the Project, the Company will increase production capacities and lower production costs, while expanding its line of products into the edible oil industry. Operations are vertically integrated from agricultural production (including palm-oil) to manufacturing and distribution in Central America and Panama. With sales of US$168 million, total assets of US$200 million, and cash flow of US$12 million, Cressida is Honduras’ largest economic group. During fiscal year 1996, the Company obtained a gross margin of 38%, with a net margin of 5.1%. The Cressida group was founded in 1961 and currently has over 6,000 employees, mainly from substantial “upstream” agricultural holdings.

When talking about Dinant or Cressida, one is necessarily also talking about Miguel Facussé. As sole proprietor, Miguel Facussé and Dinant are the same entity. Therefore, it is crucial to know more about Miguel Facussé because he plays an immediate and recognized role in Garífuna land conflicts in the north, as well as the broader development planning for the country as a whole.
Miguel Facussé is the son of Palestinian immigrants, a US-educated industrial engineer, and is reported to be a friend to “all the Honduran Presidents,” to whom he has advised that he “only supports democracy” (Latinosamericanos Exitosos, 2011). Given that Miguel, or “Uncle Mike” as one biography calls him, is in his late 80s, he has had the opportunity to befriend many presidents and “support” the long history of “democracy” in Honduras. One such president was Miguel’s own nephew, Carlos Flores Facussé (1998-2002), who continues to be politically involved as a member of Honduran Congress.

Miguel’s brother, Adolfo Facussé Barjum, is perhaps an even more important connection. Adolfo is president of the National Association of Industries (ANDI). ANDI works to “strengthen the industrial sector through proposals, management, and industrial development services, by being a solid, participatory, and ethical institution” (ANDI 2011). The association is a nonprofit representative organization of industrial capitalists that acts as a powerful lobbyist of the Honduran government. ANDI has functioned since 1992, much like FENAGH functioned in the 1960s and 70s.

Miguel’s affiliations extend beyond familial bloodlines, reaching deeply into Honduran politics and the world of international finance. Facussé and former President Ricardo Maduro (2002-2006) are close friends and together are agribusiness partners of the Standard Fruit Company. With the support of Maduro and Standard Fruit, Facussé invested US $34 million to “increase

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21 There are a number of Arab descendents, typically wealthy families, in Honduras. The Facussé family is one of a number of high-powered families of middle-eastern descent. The Facussés have tackled the textile and commercial food businesses, while others like the Canahuatis have control of the country’s press (he owns 3 major newspapers) The Ferarri family owns over 20 radio and television stations in addition to telecommunication companies). Extended family members also tend to occupy high-level positions in government (El Libertador, 2009).

22 See chapter two for a political history of Honduras since the 1950s, when Facussé received his first business loan from the Interamerican Development Bank in Washington, DC.

23 Interestingly, Maduro is best known for his “Mano Duro,” or iron fist policy that essentially criminalized poverty. For more detail about this policy and the crippling effects it has had on poor Hondurans, especially Honduran youth, see Adrienne Pine’s Working Hard, Drinking Hard (2006).
production of bananas, pineapple, African palm, yucca, and hardwoods (primarily mahogany) on the northern coast” (Honduras This Week, 2003). His investment included construction of a new African palm oil extraction plant, as well as the modernization and enlargement of the two existing plants he already owns (Honduras This Week, 2003).

In addition, Miguel has received more than US $200 million in funding, nearly half of which he secured in the past three years, from international lending organizations, including a US $77 million loan in 2008 for Dinant Group. The loan came from Banco Ficohsa, owned by Facussé’s friends Camilo Atala and Jorge Faraj, and Banco GT Continental based in Guatemala (Central American Data, 2008). In 2009, Facussé received another US $7 million in loans from the Inter-American Corporation of Investments (CII), specifically for the expansion of African palm production (Central American Data, 2009).

While Facussé’s empire overshadows the Honduran economy, Grupo Jaremar and its subsidiary, AGROTOR, is another formidable presence. Like Facussé, Grupo Jaremar is a well-connected entity. First, Grupo Jaremar is a conglomerate of two larger entities. According to the company’s official website:

What the group is today had its genesis in a joint venture agreement in 1994 between the two most important companies in the industry back then: Jare, of Central American origin, and Unimar, a subsidiary of Chiquita Brands International, a US corporation.

Grupo Jaremar works closely with the US Embassy (who has expressed its great interest in Honduran bio-fuel production on behalf of the US in numerous publications). The US Embassy described AGROTOR and Grupo Jaremar in a January 2009 report:

*Agrotor* is the largest African palm company in Honduras. *Agrotor* is part of *Grupo Jaremar*, which is a sister organization of the Costa Rican conglomerate *Grupo Numar*. It is the largest Honduran exporter of palm oil to the United States and Europe.
There is some disagreement between Jaremar and Dinant about who is the largest African palm producer in the country, but the strategic international connections of each corporation is clear. It should be noted that between involvement of Facussé and the primary shareholders of Grupo Jaremar, the US has a substantial stake in the development and success of the African palm industry in Honduras. The World Bank, for example, is based in the US and is composed of lending branches that include the IFC. Within the IFC the US enjoys the single largest voting weight, with a full 25% of the voting power as one country among the 187 member countries; the nearest weight is the Netherlands with 5%, and Honduras has half a percent (World Bank Group 2010). Then, there is the more explicit relationship the US has with the African palm industry and its magnates through the USDA-FAO. Since the birth of African palm in Honduras, USDA has been a supplier of seeds and supporter of the development of the palm oil industry, largely for the benefit of the US, a net importer of palm oil and refined palm oil products.

There are also a few cooperatives that contribute to the African palm industry in Honduras. Some of the cooperatives are feeder organizations into the Facussé and Grupo Jaremar empires, while others are direct competitors of the African palm magnates. There are numerous small-scale cooperatives, like the Aguan Valley Palm Producers Association (APROVA), or the nearly 30 other cooperatives united under the banner of the United Movement of Aguan Farmers or MUCA. Nearly all of these organizations must necessarily sell their palm fruits to the few commercial producers, including Dinant and Grupo Jaremar. Some of these cooperatives receive external assistance from organizations like TechnoServe, a US-based agency that deals in “developing entrepreneurs,” “building businesses and industries,” and generally “improving the business environment in the countries it works in (TechnoServe 2010). APROVA is one such cooperative and through TechnoServe also received funding and equipment from the USDA. Other cooperatives, like those under the MUCA banner, are less favored by technocratic elites and
constantly embattled with Dinant over land rights. I will go into further details about the nature of these land disputes and strategic arrangements in section IV.

3.4 The elite network behind expanding African palm industry

African palm serves many purposes in Honduras. The oil produced is now seen to be of growing importance to bio-diesel production. African palm is also used to make a variety of foodstuffs, including health foods and cooking oil, and packaged food (chips, cookies, etc.). It is also used in the production of soaps, detergents, perfume, and other products. Dinant and Grupo Jaremar export more than half of their products to the US and countries in Latin America. Dinant supplies Mexico, and to a lesser extent Central American and Grupo Jaremar’s main customer is the US.

The African palm industry expanded rapidly in the 1990s, partially in response to IMF and World Bank insistence that Honduras “diversify” its agricultural sectors through the development of special export crops including melons, pineapple, and African palm. The USDA proclaimed these crops “diversification success stories” (USDA-FAS 2003). However, rather than diversifying Honduran agriculture these crops replaced existing crops, including domestic food sources, resulting in monocultivation that required domestic food sources be imported from neighboring countries (Boyer 2010). These monocrops corresponded to an increase focus on export-led economic development that IMF and World Bank strategists argued would increase the country’s gross domestic product, put an end to subsidies and protection for production of crops intended for domestic consumption, and ultimately help satisfy the demand for the food products and by-products in industrialized countries (USDA-FAS 2003).

However, foreign focus on the country’s agricultural crops quickly shifted from food sources in the early 90s to biofuels at the start of the 21st century. Biofuels are now the primary reason for
increased international interest in palm oil, and are also the basis of the state’s own interest in seeing the export-crop expand. There are several specific and interrelated reasons for this change. First, there is currently a weak correlation between Honduran production of biofuels and US interest in alternative fuel sources to counter crude oil dependence. According to the existing reports from the USDA and US embassy, the US seems to be monitoring the Honduran palm oil industry with special attention to the country’s output and use of the oils as biofuels. The scale of Honduran production is insufficient to satisfy even a tiny segment of US demand, but the US is watching with great interest how well Honduran producers are able to satisfy Mexico’s demand and whether Honduras will be able to decrease it own demands for imported fuel sources. More than half of Honduran palm oil biofuels are exported to Mexico, who is interested in importing greater quantities (USDA 2009). Honduran production is expected to increase many-fold over the next decade as commercial production continues to expand (USDA 2010).

A second reason for heightened interest in Honduras’s biofuel potential has to do with US geopolitical strategies in the region. The US has had a political relationship with Honduras for over a century. Since the beginning of the Cold War the US has used Honduras as a hub for managing relations in neighboring Central American countries, as well as a strategic position for monitoring the activities of key South American countries, including Panama, Colombia, and Venezuela. US lost some leverage over Honduras in 2008 when President Zelaya joined PetroCaribe and the Bolivarian Alternative of the Americas or ALBA.

PetroCaribe is an initiative of Venezuela’s government, under the direction of Hugo Chavez, which provides “favorable, equitable, and fair” prices to Caribbean countries for oil and natural gas (PetroCaribe 2009). Initially, the program appeared to be a practical solution for heavily indebted countries in the region. The program gives cash-poor countries, like Honduras, a chance to purchase the energy resources necessary at reduced interest rates over longer payout periods. Prior
to PetroCaribe, these countries would have to pay for the fuel consumed in lump sums at the outset of the exchange, leaving already heavily indebted countries less solvent and unable to adequately satisfy energy needs or invest in anti-poverty projects.

The US began pressuring and criticizing Zelaya shortly after signing the PetroCaribe agreements, while at the same time recognizing the potential economic benefits of striking such a deal with the unwieldy leader from Venezuela. In a 2008 cable, US Ambassador to Honduras, Charles Ford stated that the “two year deal [with PetroCaribe] would initially involve the purchase of 100 percent of the bunker fuel (heavy fuel oil) that Honduras uses to generate 70 percent of its electricity, with automotive fuel possibly to be included later.” Ford made the argument for joining PetroCaribe, adding that Honduras “faces fiscal crises both in electricity supply and maintaining subsidies for automotive fuel. ENEE [the Nationalized Electric Energy Company] is losing an estimated USD 300 million a year, roughly [three] percent of GDP.” But the US ambassador was skeptical about Zelaya’s motives.

The Honduran National Congress ultimately approved the PetroCaribe agreement and contract, but opposition leaders, namely Roberto Micheletti (interim president after the 2009 coup), Carlos Flores Facussé, and private sector representatives, were already echoing US concerns about PetroCaribe being “an effort to energize his populist base by aligning himself more closely with [Venezuelan President Hugo] Chavez,” and “secure enough cash to skate through the final two years of his presidency” (Ford, 2008). Roberto Micheletti and former president Carlos Flores Facussé opposed the deal, not because it was impractical for Honduras, but instead arguing that Chavez’s influence in the region would be parasitic and demonstrated that Zelaya was sending Honduras down the path of socialism. The Honduran state needed a fuel source alternative, but was not willing to be so closely involved with Hugo Chavez. Not coincidentally, oil palm biofuel production increased by almost 30 percent between the same 2008 and 2009.
The June 2009 USDA-FAS report, published less than a month before Zelaya’s removal from office, explained that Honduras dependence on foreign oil is economically debilitating and that the production of biofuels is timely and a matter of necessity. The report states “Honduras is currently highly dependent on imported oil and gas for meeting a significant proportion of its energy needs” (USDA-FAS 2009). Honduras is likely to be 100 percent dependent on foreign oils for the foreseeable future, given that there are no oil refineries or domestic crude oil resources in Honduras. Nevertheless, the report goes on to say that to “meet fuel demands, increase employment and incomes in rural areas, reduce carbon dioxide (CO2) emissions, and foreign exchange, Honduras is developing biofuels. The country provides excellent conditions for the production of African palm oil production [sic], and in the last eight years such production has increased by 170 percent” (USDA-FAS 2009). The irony in the USDA’s statement is that Honduras is developing biofuels, not...
to meet its own demands, but to meet the demands of Mexico and other importers.

The interest for Honduran business giants like Facussé, Grupo Jaremar, and COAPALMA, however, is much more concretely defined by the profits and potential profits involved. The palm oil industry is a lucrative one. In 2008 Honduran palm oil fetched US$790 per metric ton (UN-FAO). The palm oil industry in Honduras yielded 380,000 tons in the same year, of which 250,000 tons were exported. Net revenues from the oil alone (not including sales of the fruit, the kernel, and other byproducts) were US$197.5 million. See Figure 2 for the change in prices per ton since 1991 (pre and post-Agricultural Modernization Law in 1992 and note the changes after the adoption of CAFTA in 2004).

Graph 3

Data source: UN Food and Agriculture Organization – FAOSTAT (2010) and Index Mundi (2010).
The data above are specific to Honduras, but are fairly consistent with global palm oil prices. Companies in Honduras are in the early stages of biodiesel production, a product that will fetch even higher prices and is already in high demand. At the moment, there are five (out of ten) oil palm extraction plants in Honduras, each with the capacity to produce 66,000 gallons of biodiesel per day. These five plants are only producing biodiesel at a rate of 6,000 gallons daily, or approximately 11 million gallons annually. Potentially, these five extractions plants could produce a total of 109.5 million gallons per annum (USDA-FAO 2009). Honduran exports biodiesel primarily to Mexico, but in smaller quantities to Sweden in exchange for carbon credits at US$41 per barrel, giving biodiesel a tremendous advantage over crude oil, which fluctuates between US$80 and US$90 per barrel.

Private investors also have a stake in the performance of the palm oil industry. Unlike bananas, investors can speculate on the future prices of palm oil. Simply put, investors can gamble on the anticipated performance of certain commodities, in this case crude (unrefined) palm oil. The figure below shows the prices per ton of crude oil through September 2010 (or the end of the third fiscal quarter in market-speak). The chart shows that current futures prices are performing at significantly higher rates than Honduran prices for palm oil in real terms. The significant drop in prices occurred in June 2008 at the time of the global economic depression. As of February 2011, palm oil prices have made a full recovery at US$1280 per metric ton (PalmOilHQ 2011).

There are enormous profits to be made in the African palm industry. Increasing interest and demand for African palm products means that the industry is likely to expand at a rapid pace in the next decade. As such, the impact on Garífuna communities is sure to be high, especially as Dinant continues to expropriate Garífuna lands to expand his African palm empire.
3.5 Conclusions

In this chapter I have explored how commercial palm producers, the state and international banks, are directly linked to the expropriation of Garífuna lands through the expansion of the oil palm industry. In particular, I have shown how a tiny cadre of wealthy businessmen have influenced the African palm industry’s rapid growth as a result of their interests in the lucrative crop and how the state supported those interests through the adoption of the Agricultural Modernization Law in 1992. Most importantly, I have shown how Facussé and the state’s promises of progress, environmental sustainability, and positive community impact have not materialized in Garífuna communities.

Today, commercial palm developers are destroying Garífuna communities through violent evictions and by destroying the water and land resources that Garífuna rely on for sustenance. The Honduran state is clearly allied with commercial palm producers, like Dinant and AGROTOR, for whom it provides military support and suppresses dissent. Ultimately, the state and African palm producers will do so as long as international banks incentivize the association by providing considerable levels of financial and other support.

Non-governmental organizations, like the World Wildlife Foundation and TechnoServe, are complicit in the expropriation of Garífuna land and exploitation of its resources. Many NGOs are part of the elite network and are the funding sources dispossessing Garífuna from the coastal regions and ruining soil, water sources, and destroying livelihoods in Honduras. These NGOs, rather than critique and call attention to how palm producers like Dinant and AGROTOR violently harming people and destroying the environment, are boosting the public image and perception of these companies. Rather than advocate for the environment or the people whose lives depend on the land, organizations like WWF and TechnoServe are perpetuating a violent system.
The next chapter shows how the Garifuna are effectively combating state violence. As African palm production continues to expand, so does Garifuna resistance to the threat that this expansion poses.
Chapter 4: Garífuna Land Recuperation, Organizing, & Activism

The last two chapters provided an historical context for Garífuna marginalization as well as established the *raison d'état* for Honduras.24 Thus far, I have shown how the state has excluded Garífuna experiences from the national historical narrative. I have also shown how the state has marginalized the Garífuna and enabled large commercial palm growers to evict the Garífuna and expropriate their lands. The state’s motivation for supporting agro-industrialization projects has been, and continues to be, the potential profits and international financing it stands to gain in supporting such projects.

In this chapter, I shift the focus from the state and the commercial palm producers to the Garífuna. This chapter explores what Garífuna individuals and organizations are doing to reclaim expropriated lands and assert their rights as an afro-indigenous community. The chapter begins with how the Garífuna organization OFRANEH worked to compel the Honduran state and other indigenous communities to formally recognize the Garífuna as an afro-indigenous population with the full constitutional protections afforded to Honduran indigenous peoples and their lands. Next I show how OFRANEH and Garífuna supporters have responded to the state and commercial palm producers’ pro-palm and pro-expropriation rhetoric. Finally, I explain how the Garífuna are raising global and local awareness about the issues they face. Through various media the Garífuna are forcing the state and commercial palm producers to be accountable for their violence.

24 Michel Foucault defines *raison d'état* is a political economic structure that facilitates capital accumulation and state stability. It is a particular practice of modern governance that aims to preserve the state through precise economic and political planning. Anything that might upset the *raison d'état* must be controlled or eliminated. “To govern according to the principle of *raison d'état* is to arrange things so that the state becomes sturdy and permanent, so that it becomes wealthy, and so that it becomes strong in the face of everything that would destroy it” (Foucault 1979, 4).
Commercial African palm producers, like Dinant, continually threaten to forcefully evict the Garífuna from customarily recognized Garífuna land. The same agroindustrialists overuse toxic chemical pesticides and fertilizers that contaminate water supplies and soil in Garífuna territories. Moreover, the state and palm producers have created an attractive breeding ground for disease-carrying insects as a result of commercial producers’ rapid expansion and monocultivation of African palm. The state and palm producers’ myopic focus on palm development has thus increased Garífuna and non-Garífuna exposure to tropical diseases like dengue and yellow fever (OFRANEH 2009). In addition, military and paramilitary continue to threaten Garífuna communities for organizing against the devastating effects of agro-industrialization, for raising their voices against the state and commercial palm producers, and for working to defend and maintain their rights to customarily-recognized lands.

Faced with this pressure from government and paramilitary groups, the Garífuna have not been bystanders or passive agents. Rather, Garífuna leaders and communities have organized to reclaim customary lands that companies like Dinant and AGROTOR have grabbed. Representative groups like OFRANEH have also worked to protest and lobby against official state and global environmental policies that enable commercialization of African palm. In so doing, the Garífuna and organizations like OFRANEH actively help prevent the destructive advance of agro-industrialization and its negative consequences.

4.1 Garífuna activism, afro-indigeneity, and the recovery of customary land

A group of Garífuna activists created OFRANEH in the late 1970s, which was an important moment in Garífuna-Honduran collective history. At that time, the Honduran state was

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Dr. Alfonso Lacayo Alvarez was one of the founding members of OFRANEH. In the 1950s he established the Lincoln Cultural Society, one of the very first Garífuna organizations in Honduras (See Chapter 2).
experiencing tremendous economic and political pressure, both domestically and internationally. Honduras had just emerged from a war with El Salvador and survived a destructive hurricane (see Chapter 2). The Honduran government was already staging US and contra troops at Honduran military bases in preparation for an impending war against the Sandinistas in neighboring Nicaragua. The World Bank and IMF were also pressuring the government to implement commercial tourism projects on the northern coast that would require dispossession of thousands of Garífuna from established communities along the northern coast.

OFRANEH’s founders created the organization to protect and reclaim Garífuna territories, and thus preserve Garífuna culture. They developed the organization’s initial mission and goals in response to the land disputes in the early 1980s. The Honduran state invested in new commercial tourism and development projects in the 1970s that prompted mestizo farmers to encroach on, and commercial agro-industrialists to expropriate, Garífuna territories throughout the 1970s and 80s. In response, OFRANEH sought a formalized legal method to reclaim the land. The organization thought that one article of the Honduran constitution might be especially useful – Article 346, which reads: “It is the duty of the State to enact measures to protect the rights and interests of existing indigenous communities in the country, especially of the land and forests where they settled (author’s translation).”

Garífuna leaders realized that for the state to recognize Garífuna rights to the land pursuant to article 346, the Garífuna would have to argue that they constituted an autochthonous ethnic group. So, Garífuna leaders argued that the Garífuna met the conditions of autochthony – that is

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26 See chapter two for a brief overview of the 1970s and 80s in Honduras.
28 Autochthony originates from the Greek word means “of the soil itself” when translated literally. However, modern claims of autochthony have less to do with originating in a location than being able to claim that a people were the first to settle a territory (Geschiere and Jackson 2006).
that the Garífuna were the first people to settle on the lands they currently inhabited – and were thus entitled to protections as an indigenous group. The leaders explained that following their exile from St. Vincent, the Garífuna were the first to settle on the Honduran island of Roatán, and then later in 48 communities on the northern coast.

At first, Amerindian and mestizo communities did not accept Garífuna claims to indigeneity. The Garífuna’s obvious African heritage was among the Amerindian and mestizo groups’ primary concerns. Garífuna blackness belied the fact the Garífuna were not original to Honduras and made the Garífuna appear different to other indigenous groups. But the Garífuna community met with indigenous leaders and important groups like the Civic Council for Indigenous and Popular Organizations (COPINH) to win Amerindian and mestizo support for the Garífuna claim to afro-indigeneity (Anderson 2009, 118). In 1987, after numerous meetings, mediations, and declarations, the other indigenous groups and the Honduran state finally recognized the Garífuna people as an afro-indigenous population (Anderson 2009, 121).

The state’s decision to identify the Garífuna as an indigenous group and recognize them as autochthonous, or first settlers on the northern coast had monumental political consequences for the Garífuna. The Garífuna are entitled to the constitutional protections guaranteed to Honduran indigenous groups provided for in Article 346. The Garífuna can petition the government, pursuant to Article 346, for the recuperation of Garífuna customary lands expropriated by commercial tourist and foreign business interests. The Garífuna can also petition to remove any squatters that have taken Garífuna land.

In addition, because the Garífuna acquired indigenous status, they qualify for the guarantees provided for in the International Labor Organization’s 1989 Convention Concerning Indigenous
and Tribal Peoples in Independent Countries (ILO 169)\(^2\) (Brondo 2010, 176). ILO 169 is an important international convention for indigenous groups because it clearly articulates that access to territories (including water sources) is integral to maintaining cultural identity (Brondo 2010, 176). So not only did OFRANEH’s efforts during the 1980s gain Garífuna domestic recognition as an indigenous group, OFRANEH’s work also made it possible for Garífuna communities to benefit from international conventions and treaties concerning indigenous populations. OFRANEH and individual Garífuna activists thus had an established legal framework for future land retrieval efforts that consisted of the political identity of afro-indigeneity and the constitutional and ILO protections for indigenous peoples and their lands.

4.1.1 Vallecito: Garífuna community mobilization to reclaim land

In 1989, after establishing the politically strategic afro-indigenous identity, OFRANEH and Garífuna leaders coordinated to recuperate a plot of land in the community of Vallecito in the department of Colón. The plot of land abuts Miguel Facussé’s African palm plantations, which Facussé built on adjacent lands expropriated from the Garífuna between 1970 and 1989. Though Facussé’s company Dinant Corporation did not own the plot, the company nonetheless planted

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\(^2\) Article 1 of the C169 Indigenous and Tribal Peoples Convention, 1989 adopted in Geneva, Switzerland on June 27, 1989 states:

1. [The] Convention applies to:
   (a) tribal peoples in independent countries whose social, cultural and economic conditions distinguish them from other sections of the national community, and whose status is regulated wholly or partially by their own customs or traditions or by special laws or regulations;
   (b) peoples in independent countries who are regarded as indigenous on account of their descent from the populations which inhabited the country, or a geographical region to which the country belongs, at the time of conquest or colonisation or the establishment of present state boundaries and who, irrespective of their legal status, retain some or all of their own social, economic, cultural and political institutions.

2. Self-identification as indigenous or tribal shall be regarded as a fundamental criterion for determining the groups to which the provisions of this Convention apply.”

Therefore, any protections afforded within the Convention apply to Honduran Garífuna, who both self-identify as an indigenous group and are “regarded as indigenous.”
African palm on the land. The plot of land is only 1600 hectares total, but prior to Facussé’s arrival in the area, six Garífuna cooperative farms had been cultivating the land with subsistence crops of yucca, coconut, banana, and beans, among others, that feed and economically sustain the Garífuna communities (author’s interview with Dr. Luther Castillo, 2010). Facussé tried to claim the land as his own while the Garífuna were allowing the plot to lie fallow before a season of replanting, in keeping with Garífuna cultivation practices. The land appeared to Facussé to be unused and he therefore tried to claim it for commercial agricultural production. The struggle resulted in violent clashes between Garífuna activists and Dinant’s security forces (author’s interview with Dr. Luther Castillo, 2010).

Lombardo Lacayo Sambudos, a Garífuna math teacher and mechanical engineer, organized Garífuna cooperatives to reclaim the plot for a community subsistence project. Lacayo and the community of Vallecito demonstrated at Facussé’s plantation and appealed to the National Agrarian Institute (INA) to reclaim the land that Facussé illegally expropriated from the Garífuna. The Garífuna mobilizers eventually succeeded in their efforts. In 1989, the INA granted the village of Vallecito a communal land title and restored control of the plot to the Garífuna. Though the plot was miniscule in size, it represented an important symbolic and practical victory for Garífuna families in the region. Lacayo, who died shortly thereafter, became a Garífuna hero.

In 1992, however, the state implemented the Agricultural Modernization Law (AML), which allowed the state to expropriate and sell unused, unclaimed lands to commercial agricultural producers (Chapter 3). The law did not recognize customary land-titling agreements, thus effectively nullifying the land title granted to Vallecito in the 1980s and placing all indigenous land-related activism in jeopardy. The law followed Decree 90/90, an important state decree concerning cooperative lands that authorized cooperative members to break up cooperative lands into individual plots. The idea behind 90/90 was that cooperative members who were not using certain
parcels of land could divide those parcels from the whole and sell them. Prior to this decree and the state’s implementation of the AML in 1992, cooperative lands, or ejidos, were one square league and were inalienable (not eligible to be sold). As a result of the newly atomized cooperative lands, palm producers and other land speculators could much more easily identify the smaller plot owners and force them, through intimidation and violence, to abandon or sell their lands. The 1992 law effectively made it easier for prospective land developers, commercial farmers and cattle ranchers to single out and intimidate individual cooperative members.

The Dinant Corporation attempted to take the Vallecito land again shortly after the government instituted the 1992 law. Facussé’s security forces intimidated families into selling or abandoning their lands. In response, and despite the danger of resulting violence from Facussé, the Garífuna organized protests and appealed to the courts for legal remedy pursuant to Article 346 of the Constitution and ILO 169 (which the Honduran state ratified in 1994). In 1995, the INA sided with the Garífuna and the Garífuna again reclaimed – at least temporarily – the lands that Facussé had stolen.

Today, Facussé and the Garífuna continue to fight over the land in Vallecito. Garífuna co-op members told members of the human rights organization La Voz de Los de Abajo that after the Garífuna reclaimed the Vallecito lands, Facussé’s paramilitary “assassinated co-op members and tried to intimidate the communities into [forfeiting] their claim to the land” (unattributed article, Honduras Resists 2010). The co-op members added that Facussé has organized attempts to seize the lands by force and has planted African palm on the Vallecito lands in order to claim it as his own (Honduras Resists 2010). The dispute is currently unresolved.

4.2 Garífuna Environmental Activism

The Garífuna cosmovisión, or worldview, places a high value on sustainable environmental practices, conservation, and sustainable cultivation practices in order to respect Mother Earth
(OFRANEH 2009). As a pragmatic response to the degradation caused by the monocropping of African palm, the impacts of tourism, and the deforestation associated with logging, Garífuna activists have strategically worked to counteract the negative environmental impacts of these commercial activities and prevent further damage to coastal lands and environmental resources. While ostensibly this work is good for the land and thus in the interest of the Garífuna, environmental protection measures typically work against corporate interests and

4.2.1 Protected areas and Garífuna ecotourism cooperatives

Accordingly, in the early 1990s OFRANEH expanded their operations to include environmental protection. As an initial step in this area, Garífuna activists united with a local environmental protections group, the Organization for the Protection of Lancetilla, Punto Sal, and Texiguat (PROLANSATE). The two groups collaborated to protect Garífuna and indigenous communities, as well as rainforest and marine flora and fauna, from commercial developers – especially those developers involved in African palm, tourism, logging, and fishing. These activist organizations, which are composed of Garífuna and non-Garífuna members, worked to have Garífuna areas like Punto Sal, an island located a few kilometers off the Triunfo de La Cruz coastline, recognized as a National Park.

OFRANEH and PROLANSATE also worked to have important Garífuna fishing and cultural lands declared “Protected Areas,” the legal term the Honduran state uses to recognize fragile ecosystems. The state recognizes the Garífuna and other populations enclosed in the National Parks and Protected Areas as part of the ecosystems, and thus would not evict the indigenous inhabitants from such lands. Instead, the state would allow the Garífuna to stay on lands now doubly protected as indigenous and ‘environmentally’ important.
Out of the 48 established Garífuna communities, 26 are now located on protected or national park lands in Honduras. The Garífuna community of Triunfo de la Cruz benefited perhaps the most from PROLANSATE efforts for two reasons. First, the territories of the Punto Izopo National Park enclose the Garífuna communities in Triunfo de la Cruz (PROLANSATE 2009). The Garífuna who live in these areas are therefore entitled to special protections of indigenous lands as articulated in Article 346, and also the state’s guarantee to protect the “fragile ecosystems” that fall within the zone of the Protected Areas. Second, the fishing families of Triunfo de La Cruz community have also benefited from the state’s protection of Punto Sal.

Punto Sal is an island that Garífuna fishermen have traveled to and from for over 200 years, giving them specialized knowledge of the waterways and park terrains. As a result of this experience and knowledge, some Garífuna communities established ecotourism cooperatives like the Empresa Eco Turista 3 de Mayo. The cooperative provides Garífuna with jobs guiding tourists by small boats through the Jeannette Kawas and Punto Izopo national parks (PROLANSATE 2009). There is a mix of Garífuna and Amerindian groups who have built and operate tourist lodgings and open-air restaurants for the tourists who come to visit the park. The cooperatives are thriving businesses that integrate local Garífuna knowledge and “modern” development models that the Garífuna have modified to reflect their environmental philosophies, understandings of sustainability and biodiversity, and their economic interests.

These successful ecotourism cooperatives demonstrate that alternatives to state and commercial business definitions of development exist and are viable, and that the Garífuna desire to create and implement projects that economically benefit coastal communities and that cause little environmental degradation. That alternatives exist and that Garífuna are capable of implementing those alternatives contradicts the rhetoric of the Honduran state, groups like the IMF and WB, and
private interests like Facussé. All of these actors have tried to discredit the Garífuna as backward, uneducated, and ignorant of the benefits of (the ambiguously defined concept of) development.

4.2.2 The Garífuna Strategy for Climate Change Mitigation and Adaptation

The Garífuna communities believed the magnitude of hurricane Mitch and the succession of severe tropical storms and hurricanes that came after it to be a consequence of climate change. In October 2009 Garífuna communities and OFRANEH formalized a comprehensive program called the “Garífuna Strategy for Climate Change Mitigation and Adaptation” (EGAMCC). Numerous Garífuna community groups met to develop the strategy. The groups sought to address the effects of climate change on Garífuna communities and the Honduran state’s oversight on a number of issues related to climate change and land preservation. Garífuna cultural values inform the EGAMCC, which emphasizes Garífuna women’s cultural, community, and environmental roles, underscores the integrated relationship between Garífuna people and Mother Earth, and articulates Garífuna strategies for environmental and territorial preservation.

The EGAMCC is a political document divided into two sections. In the first section, Sectors and Systems, Garífuna articulate their concerns and strategies on issues ranging from agricultural production to gender, including women’s rights. Women’s rights are a particularly important issue for Garífuna women. Climate change, land dispossession and degradation disproportionately affect Garífuna women because the women tend, cultivate, harvest and steward the land. When the state or commercial palm producers expropriate land, they take it from Garífuna women. When commercial developers degrade the land through of commercial farming, tourism, or logging, they most directly compromise women’s livelihoods. The Honduran state does not recognize women as political actors. Women do not have a legal right to vote, own land, buy land, and are not recognized as heads of households. The state, therefore, does not afford Garífuna women legal
recourse to claim or protect their lands. By including “gender” in the EGAMCC, the Garífuna are compelling the state to recognize women politically and in particular to recognize the role women already play in the Garífuna communities as heads of households, environmental stewards, and protectors and teachers of Garífuna cultural practice.

Garífuna who contributed to the EGAMCC declared health to be an integral component of the strategy as well. The Garífuna communities link climate change, flooding, and destruction of water sources to increased gastrointestinal and serious viral and bacterial illnesses, such as malaria, dengue fever, yellow fever and leptospirosis. According to Dr. Luther Castillo Harry, director of the First Garífuna Community Hospital, commercial African palm development is a main contributor to contaminated water sources and favorable conditions for disease carrying insects, like mosquitoes (Author’s interview with Dr. Castillo 2010). In addition, when peasant groups migrate to the coastal regions, or thousands more tourists are drawn to Garífuna territories, the unsustainable pressure caused by increased human consumption results in overuse, misuse, and contamination of water sources that Garífuna rely on for clean drinking and cooking water, irrigation, and fishing. Thus it makes sense that health is a component of the overall Garífuna climate change mitigation and adaptation strategy.

The second section of the EGAMCC is called “Mitigation and Adaptation.” In this section the Garífuna community articulated detailed strategies to combat land expropriation and degradation, rehabilitate and conserve the river and natural coastal barriers (e.g. trees to prevent soil and coastal erosion), and developed natural disaster responses and evacuation plans. The strategy for land recuperation is called “Ordenamiento Territorial” or territorial ordering. In this particular section the Garífuna communities are responding directly to state land administration plans that propose new cadastral surveys and threaten to rewrite Garífuna customary territorial boundaries. The Garífuna community conceived the strategy for Ordenamiento Territorial to bring attention to
the fact that many land issues are due to a lack of a so-called accurate territorial code that reflects Garífuna historical and customary possession of the land or the state’s enforcement of environmental laws. To better illustrate their strategy, the Garífuna participants designed a map of Garífuna territories that incorporates Garífuna collective memories about land use, boundaries, paths, and distribution.

The EGAMCC is significant because the response plans are not only collectively determined but are also politicized because of the specific language the Garífuna use to articulate the EGAMCC. The scientific and economic terminology (Jackson 2005, 240; Mitchell 2002, 209) utilized in the EGAMCC is the same as that of the Honduran state and the state’s “development experts.” Several theorists have shown the use of scientific or otherwise technical terminology to be a method of excluding non-state actors from development dialogues (Said 1974; Mitchell 2002; Scott 1998; Ferguson 1994; Jackson 2005). Technical language denotes the privileged knowledge of the
“expert,” so when a group like the Garifuna reclaims that language and uses it against the state the group challenges the hierarchy of knowledge that the state has imposed.

The state and its designated experts and technocrats have deliberately tried to show that Garífuna have inferior knowledge of development and are not qualified to make their own determinations about what development should look like. The state claims that the Garífuna on the northeastern coast of Honduras have failed to “develop” the region, because they are primitive (rather than civilized), traditional (rather than modern), and ignorant (rather than knowledgeable) of the proper way to use the land. The state and commercial palm producers have used these dualistic categorizations to justify massive land expropriations, and destructive commercial development projects that have dramatically changed ways of life in the region.

The EGAMCC, however, goes a long way to refute state agents’ politically motivated characterizations of the Garífuna communities and capabilities. The Garífuna communities have developed a comprehensive strategy, using the scientific language of environmental preservation, that empowers the Garífuna to protect their lands, their lives, and their cultural practices, and that also prevents expropriation of Garífuna lands for commercial African palm production, commercial tourism, and cattle ranching.

4.2.3 Garífuna responses to the state’s false solutions and pro-palm rhetoric

Garífuna understandings of the key environmental issues of biodiversity, climate change, resource conservation, and resource protection challenge the Honduran state and commercial palm producers’ versions of environmental responsibility. Garífuna environmental strategies and practices focus on responsible, measured use and maintenance of existing resources, as well as environmental and cultural integrity. In contrast, the Honduran state’s commitments to biodiversity and climate change only extend to strategies and programs that involve direct economic incentives. The Clean
Development Mechanism, or the United Nation’s sponsored Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (REDD) programs are examples of commercially-driven, revenue based projects the Honduran state touts as its efforts to address climate change and responsible exploitation of resources.

At the moment, Dinant Corporation is the only African palm producer in Honduras that is a CDM-certified processing plant. Being certified means that Dinant receives “certified emission reduction credits” from the CDM governing body, the “Conference of the Parties” or the collective of governments that are signatories to the Kyoto Protocol. The credits are saleable, and thus a source of revenue for Dinant. An industrialized country seeking carbon credits (or a pass on its pollution levels from the Kyoto Protocol signatories) can purchase Dinant’s emissions credits and therefore finance Dinant’s projects. The implications of the CDM program are detrimental in Honduras on two levels. First, Dinant is given incredible social capital in the form of international credibility – despite the company’s own environmental impact or, as I will show later, its human rights abuses (Conant 2011). The second is that “by raining money from the sky” CDM project may “incentivize land grabs, corruption, and human rights abuses” (Conant 2011).

In 2007, following the Montreal and Bali Climate Change Conferences, Honduras adopted the Reduced Emissions from Deforestation and Forest Degradation. Like the CDM, REDD is a market-based incentive that will be funded through saleable carbon credits (REDD Monitor 2011). According to the original planning document, the Bali Action Plan, the purpose of the program is to employ:

Policy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries (REDD Monitor 2011).
The language used here noticeably fails to identify who the responsible parties are that would undertake these measures, leaving groups like OFRANEH to question how they will be included in the decision-making process or impacted by REDD.

OFRANEH calls the CDM and REDD programs “false solutions” that have a grave impact on the north coast and Garífuna livelihoods. OFRANEH’s criticisms are two-fold. First, OFRANEH takes issue with the creation of market-based policies that allow polluting countries and businesses to continue to generate greenhouse gas emissions in exchange for funds destined for countries, like Honduras, where forests are already threatened. Second, and more importantly, OFRANEH denounces REDD because it excludes Garífuna and other indigenous voices from the development discourse while directly threatening to dispossess those groups from their lands in the name of the fight against climate change (OFRANEH 2010).

With so much potential revenue at stake from CDM and REDD carbon credit sales, the current state development rhetoric assures Hondurans, and its onlookers, that African palm production is an environmentally sustainable solution to high fuel prices and domestic food security. Moreover, the commercial producers of oil palm all claim that they are investing in community development for those people living in and around the plantations. These two arguments – food security and environmental sustainability – made in support of further expanding the industry belie the true geostrategic and financial interests in palm production discussed in Chapter 3.

In one of its public relations promotional videos, Dinant claims that African palm production will have helped feed nine billion people by 2050. Dinant leaves out whether it is referring to that many people in Honduras, which is highly unlikely given the current population in Honduras is just under eight million people, or if it means nine billion people globally. Feeding nine billion people around the world is impressive (even if it is just Dinant-made chips and cookies), but
it does little to address the lack of food security in Honduras (Boyer 2010). Moreover, Dinant conducts the vast majority of their business outside Honduran markets, meaning that it would be improbable that African palm production in Honduras would have any direct impact on food security for Hondurans.

Furthermore, the fruit and oil from the African palm is not, in fact, part of the Honduran (mestizo, Garífuna or anyone else’s) diet. The fruit’s flesh is difficult to access and yields miniscule edible portions, making it an undesirable source of fruit, especially when other domestic fruit, like coconuts, guayabana, and mangoes are readily available and already part of the typical Honduran diet. Any of the processed food items offered by Dinant, AGROTOR or COAPALMA contain only small portions of palm oil, and almost no fruit, by virtue of being fried, baked, or otherwise prepared with palm oil. Moreover, African palm producers displace domestic and subsistence food crops by monocultivating African palm. Therefore, in reality, African palm does not offer any kind of food security for Hondurans.

4.2.4 Garífuna responses to commercial and transnational environmental rhetoric

Garífuna environmental protection strategies, demonstrations, and experiences with commonplace pollution and other environmental threats contradict the rhetoric and mostly symbolic actions of powerful transnational environmental organizations like the World Wildlife Foundation (WWF). The WWF are strategic partners with commercial palm producers. The organization provides tacit approval of commercial palm producer practices, including underreporting chemical fertilizer and pesticide usage and rubber stamping African palm milling and processing practices that are notorious for their pollution and chemical waste outputs (Spring 2011).

Critics call these critical oversights “greenwashing,” or actions and statements that organizations like the WWF make that belie the actual effects of commercial palm production. WWF’s greenwashing also helps to improve foreign investors’ and the state’s perceptions of the companies, like Dinant and AGROTOR, despite the real damage these companies exact on the environment or the human rights violations they commit while expanding the African palm industry.

The overarching argument in favor of oil palm production is environmental sustainability. The Honduran government and private companies, like Dinant and AGROTOR, use the platform of environmental sustainability to rouse support for palm industry expansion. The palm producers include conservation and protection of water sources and flora and fauna, prevention of soil erosion, promotion of favorable insect species, minimal chemical production, and the alleviation of global warming as their primary tenants of “social responsibility” (Dinant 2011; Vasquez, et al. 2005). There is an abundance of evidence, however, that contradicts their claims and warrants close analysis of the environmental consequences of African palm production before going further.

Dinant and AGROTOR, for example both claim to conserve, protect, and even help augment the environment through African palm production. For its part, AGROTOR signed a Memorandum of Understanding (MOU) in 2007 with the World Wildlife Foundation to protect the Mesoamerican Coral Reef nestled along the Honduran coast (WWF 2007). AGROTOR agreed to let WWF officials conduct studies on the efficiency and environmental impact of their operations. But, for all the threats the WWF noted and reported, the AGROTOR memorandum merely requires only that AGROTOR take WWF recommendations under advisement, rather than take specific measures to counteract the negative effects of chemical treatments, waste water, solid waste, organic waste (food byproducts), and petroleum waste disposal that palm production has on the environment. WWF is not concerned with the effects these same threats have on the people who live on the water sources and soil that African palm plantation waste directly affects.
Dinant, on the other hand, has developed a seven-minute public relations video that extols the company’s service to the environment, local communities, and the world at large. Dinant claims that production of biofuels helps alleviate global warming. The company believes that its practices conserve and protect local water sources, increase flora and fauna, prevents soil erosion, promotes the existence of “favorable” insects, and even promotes the reproduction of endangered species, like the jaguar. However, this message is a bit misleading, as Dinant’s program to ensure the reproduction of endangered species has little to do with African palm plantations. Instead, the alleged environmental benefits stem from a program of reporting illegal poaching of certain animals, like tropical birds, green iguanas (a delicacy), boars, monkeys, and other animals. According to Dinant, poaching and trafficking of exotic animals is the third largest black market industry, behind drug trafficking and vehicle thefts. Interestingly, Dinant’s policies and “corporate social responsibility” do not include minimizing the impact of African palm plantations on the habitats of these animals or the people who may be forced to identify alternative food sources as a result of Dinant’s palm business.

While Dinant’s video claims that oil palm farming promotes “favorable” insects, it conveniently fails to mention that African palm is a breeding ground for insects like dengue fever and malaria carrying mosquitoes. Dengue is considered an epidemic in Honduras and there is no known form of preventative healthcare to avoid contracting the mosquito-borne illness. In 2010 alone there were more than 33,000 cases of classic dengue fever and nearly 600 of the more severe hemorrhagic dengue (UN News 2010). Instead of Dinant taking countermeasures to prevent favorable conditions for mosquitoes or providing treatment resources to neighboring communities, Dinant and the state have put the onus on Hondurans to avoid contracting the mosquito-borne illnesses.
Dinant does use chemical insecticides and fertilizers in its plantations that might help eliminate the mosquito threat, though it claims that such chemicals are “virtually non-existent.” In fact, Dinant’s chemical usage is one of OFRANEH’s major points of contention in their criticisms of Facussé and his palm empire. In an interview, OFRANEH President, Miriam Miranda explained the community’s concern over Dinant’s chemical use:

One of the things that plague African palm fruit the most is the sagalassa. It is an insect that can attack the crop when the plant is at the level of infancy or when it has reached maturity. In order to neutralize its presence in the oleaginosas, as in the case of African palm, it is necessary to use an insecticide called Endosulfan, whose production has been suspended by Bayer as a result of a campaign to bring an end to the use of this dangerous organochloride miticide.31

In addition to Endosulfan, Gramoxone (Paraquat) is used excessively despite having been banned by the European Union since 2007.

These two toxins are only two among an enormous list of agrotoxins that have contaminated the groundwater of the Honduran north coast, affecting the communities that live within the plantations or surrounding zones (Author’s Interview with Miriam Miranda, OFRANEH General Coordinator. Author’s translation from Spanish).

Even if Dinant claims to use “virtually no chemicals,” the toxins the company has chosen to employ have already been banned around the world as a result of the negative impacts these chemicals are known to have on the environment and the people interacting with it. Moreover, Dinant is likely underreporting its use of these and other chemicals, which seems to be a common

31 Miticides are insecticides that kill mites and are generally considered to be comparable to DDT (an insecticide banned in the US in the 1970s).
practice for African palm developers. In the same WWF threat analysis that noted the chemical usage of all the African palm companies in Atlántida and Colon, the document also indicated that the companies tend to underreport the quantity of agro-toxins used per hectare of palm plantation (Vasquez, et al. 2005, 20).

Finally, Dinant claims to provide direct services to the community in the form of education, healthcare, and infrastructure. The Dinant website boasts a clinic that serves 4000 Hondurans annually and supports eight local schools. Dinant’s community reach is minimal however, as 4000 is a laughably low number of patients even for a small Honduran clinic. By comparison, the First Garífuna Community Hospital, a free hospital in the Garífuna community of Ciriboya, sees between 3000 and 4000 patients monthly (author interview with Dr. Luther Castillo). Furthermore, eight schools are less than one percent of the hundreds of elementary and secondary schools in the area that are similarly affected by the encroachment of the African palm industry.

Aside from an inflated sense of community service, Dinant’s efforts are further nullified by the increasing violence attributed to Facussé’s private security forces against local farmers and their families living in and around the Dinant palm plantations. As of February 2011, 21 farmers have been killed in land disputes related to Dinant Corporation. Dinant’s private security forces killed six of the 19 farmers in November 2010 when the armed security team attempted to illegally evict the farmers from land in their possession and for which they hold a provisional title (Bird 2010). On January 6, 2011 a cooperative leader named Juan Chinchilla was kidnapped and tortured by a group of police, military, and Dinant’s private security forces in an effort to intimidate and silence community efforts to challenge Dinant’s land grabs. Chinchilla was fortunate enough to escape his captors, but Facussé’s forces continue to forcibly dispossess families from their lands (Trucchi 2011). Another attempt to forestall land reclamation efforts occurred on February 11, 2011. The President of the MUCA cooperative, Rigoberto Funes, and the treasurer, Fredy Gonzalez Castro,
were assassinated by men using high-caliber automatic weapons – most likely the military given the fire-power and that the attack happened in broad daylight. The most recent violence presumed to be the work of Facussé’s paramilitary and Honduran armed forces resulted in the death on April 14, 2011 of two palm cooperative members; one of the men was beheaded and the other still had his hands tied behind his back when he was killed.

4.3 Garifuna Activism in Local and Global Spheres

In addition to formalized activism that falls within the bureaucratic parameters of the Honduran state legal system or the World Bank’s consultation processes, Garifuna activists also use a number of methods to combat the threats from the state and commercial interests. In particular, Garifuna communities have created community radio stations and programs, websites and web blogs, public demonstrations, international delegations, and open letters and political declarations intended to capture the attention of international actors, as well as the Honduran state.

4.3.1 Garifuna Community Radio, Websites, and Blogs

The radio has emerged as an important medium to connect far-reaching Garifuna communities, keep the Garifuna language alive and strong. In 1997, OFRANEH started its own radio station, Radio Faluma Bimetu, which transmits from a small village near Trujillo in the Bajo Aguan region of Colón –the heart of Facussé’s palm plantations. The radio station’s purpose is to “promote and strengthen Garifuna culture and defend the ancestral territories of the community” (Colon 2010). The station is one of a handful of Garifuna community radio stations that broadcast in the Garifuna language. These stations provide Garifuna communities with local, uncensored information about state repression in the region and proposed or ongoing state programs that

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32 Sweet Coconut Radio, also in Spanish as Radio Coco Dulce.
33 Another community radio station is Sügua 100.9. It transmits from Sambo Creek in Atlántida, near La Ceiba.
threaten to dispossess the Garífuna. The Garífuna radio stations broadcast in the Garífuna language, as well as Spanish, and play Garífuna artists who perform in both Spanish and Garífuna languages. Radio Faluma Bimetu in particular is also an outlet for Garífuna resistance activists to organize the community for political demonstrations and announce achievements or setbacks within in the larger National Popular Resistance Front’s efforts to establish a constituent assembly to rewrite the Honduran constitution. The station also provides Garífuna with news pertaining to resistance efforts and military and paramilitary violence against Garífuna and other communities.

After the 2009 coup d’état, Facussé increased pressure on Garífuna and other communities living in the Colón region by having his private security forces harass, threaten, and even assassinate demonstrators, striking employees, or people who refuse to abandon their lands for Facussé’s palm empire. The state has supported Facussé’s repression in the region by sending the Honduran Armed Forces to guard the palm plantations, restrict Garífuna movement into and out of the regions, as well as intimidate, torture, and detain members of Garífuna resistance.

Radio Faluma Bimetu has helped keep the community alert and informed about the whereabouts and activities of the Facusse’s paramilitary and the state military. On 8 January 2010, the radio station was burned down, presumably by Facusse’s forces (OFRANEH 2010). The community rebuilt the station. With the help of various organizations, like Grassroots Media Coalition for Autonomy (GMCA), OFRANEH, and local and international volunteers, the station began re-broadcasting within a month.
On 17 January 2011, the station closed after broadcasters received death threats. This and other developments lead UNESCO to issue a statement on 26 January expressing concern for freedom of speech in Honduras. Nevertheless, on 31 January, the Honduran government’s National Telecommunication Commission (NTC) announced that it was authorizing the closure of all community radio stations, a move that would affect dozens of independently owned and operated local radio stations and prohibit the creation of any new community radio stations (OFRANEH 2011). The NTC stated that low-bandwidth stations, which are those that broadcast in rural zones, have oversaturated the radio frequencies between 88.0 and 108.0MHz. These radio stations, which include Radio Faluma Bimetu and Radio Guancasco, are the outlets for local voices in opposition to the government and are integral to both the Garífuna resistance and the broader National Resistance movement.

Even if NTC succeeds in shutting down community radio stations, OFRANEH maintains a website and an internet blog with international membership. The blog is intended for a wider audience than the Garífuna community alone. It is written entirely in Spanish, not Garífuna, making the information accessible to the rest of Honduras, Central America, and the broader international communities. OFRANEH uses the blog to post its political positions on various issues, like the proposed closure of community radio stations, publicly support or denounce political activities and
decisions, and update the Garifuna community on new developments concerning state program like REDD. OFRANEH’s blog, like community radio stations, also provides updates about processes of land expropriation, the status of “mega-projects” (like African palm expansion, commercial tourism, and hydroelectric dams, all of which threaten Garifuna communities and territories), the 2009 coup d’état, land laws, international protocols, and indigenous issues. Contributors post videos of important political events, including speeches, public demonstrations, and evidence of state repression. The important difference between Garifuna radio and the websites and blogs is that the information on the website is visual and interactive and it is more difficult for the Honduran state to control website content.

OFRANEH’s blog is not the only Garifuna web-communication. Honduran Garifuna diaspora and individual bloggers have created blogs as well. These blogs, like Being Garifuna, provide English translations of Garifuna news originating from OFRANEH’s blog and Honduran media. Unlike OFRANEH’s blog, Being Garifuna posts its blog statistics and shows that over 65,000 people worldwide have visited the site since it went live in 2010. OFRANEH’s blog serves as an archive of Garifuna resistance and political accomplishments, and both blogs serve as globally accessible information repositories.

4.3.2 Garifuna Marches, Demonstrations, and Speeches

Public marches and demonstrations have been the main way that Garifuna communities and organizations like OFRANEH have made their grievances known. In particular, April is African Heritage Month in Honduras and OFRANEH and other Garifuna grassroots activists and community supporters annually take advantage of the month to stage protests, demonstrations and marches. Web-based videos show just how large and involved the demonstrations can be. One video, created on April 1, 2011 by OFRNAEH shows hundreds of Garifuna moving through the
main city streets of Tegucigalpa. On that day, Garífuna supporters marched to inaugurate the United Nation’s International Year of Afro-Descendants. This year the march culminated in a rally.

Speaking to Karen Spring of the international human rights organization, Rights Action, Miriam Miranda explained why the Garífuna held the march and rally, which OFRANEH called the “March of 214 Drums”:

We are here as Garífuna so we can make visible the problems of the Garífuna people… The Garífuna people have inhabited Honduras and resisted for more than 214 years… We are here with our identity, our spirituality, our culture, because we have a culture of resistance. Even before a system that wants to eliminate all of the value of our culture [referring to the Honduran state]. All the value that we are as Garífuna people. We are proud to be Garífuna. The Garifuna culture is a culture of millenniums. The Garífuna people just like the Lenca people, Pech, Mosquito, and Tolipan, all the indigenous and black peoples, we have been resisting against a monoculture, one culture that they are trying to create and say that we are (Spring 2011).

The resounding message that came out of this year’s march was “no hay nada que celebrar!” (literally translated to “there is nothing to celebrate”; OFRANEH 2011). In OFRANEH’s video recording of the march featured a speech given by Dr. Luther Castillo, a physician, OFRANEH member, prominent Garífuna leader, founder of the Foundation for the Health of Our Communities, and director of the First Garífuna Community Hospital in Ciriboya, Colón. Dr. Castillo outlines the unrelenting ways that the state has repressed Garífuna, peaceful protestors, resistance members, teachers, attorneys, and doctors who opposed the coup and oppose the post-coup government under direction of Pepe Lobo. Just three days prior to the march, he states, Miriam Miranda was injured, gassed, and detained without charge for participating in a peaceful demonstration in support of a local teacher’s union. Moreover, he says, Garífuna lands continue to be expropriated for further expansion of African palm plantations and tourist resorts. In the recording, one can see a protester’s banner which reads, Facusselandia or “The Land of Facusse” – a laconic allusion to the fact that Miguel Facussé effectively controls the Bajo Aguan region. Dr. Castillo also mentions that Garífuna communities lack basic services, like potable water, adequate healthcare, services Garífuna commonly consider to be human rights. He concludes that there is
indeed nothing to celebrate in Honduras. Rather, he urges the Garífuna and their supporters to continue to demonstrate and bring Garífuna demands to the attention of the state and the international community.

4.4 Conclusions

The Garífuna have not passively stood by while the state attempts to sell Garífuna lands or African palm producers and tourism developers expropriate their lands. In fact, many Garífuna are politically savvy activists. OFRANEH's interaction with the state demonstrates how certain Garífuna activists have ably navigated local bureaucracies, using the language of technical experts and law to reclaim and protect Garífuna communities and lands. Garífuna activists have also debunked the state's claims that Garífuna are inadequately using the land, and have done so by developing alternative economic programs and political strategies that benefit Garífuna communities and local economies.

Garifuna communities have proven themselves to be such formidable challengers to the Honduran state and commercial palm interests that both now perceive the Garífuna people to be a threat to agro-industry and the state. Though the state and oligarchs like Facussé consistently repress Garífuna activism, Garífuna voices are increasingly being heard, by international actors, such as UNESCO, and through new media, such as the internet. As Miriam Miranda said to Rights Action, the goal of Garífuna activists is to make visible the threats facing the Garífuna people. Through the actions of these activists, the Garífuna people have never been more visible in Honduras.

34 Dr. Castillo’s statement, “there is nothing to celebrate,” is partly an allusion to the fact the April is the month for afro-descendants to celebrate their heritage and the social advances they have made in Honduras. It is also an allusion to another Garífuna leader, Celeo Alvarez Casildo, who is widely viewed by OFRANEH members to have been coopted by the government and, and during the April demonstration he was toasting in celebration with President Porfirio Lobo Sosa, who was elected under dubious circumstances following a military coup and the installation of an interim coup government.
Chapter 5: Conclusions

This thesis has argued that the Honduran state targeted afro-indigenous Garífuna territories for expropriation in order to support the expansion of agro-industrialization projects, namely African palm plantations. African palm is grown, harvested, and milled to produce palm oil. Commercial palm producers plant, harvest, and process African palm fruits in the departments of Atlántida and Colón, located on the northern coast of Honduras. Approximately 95 percent of the 300,000 Garífuna who reside in Honduras live in communities within these two departments. As such, commercial African palm development adversely affects the vast majority of the Garífuna population. So the problem is not just that commercial African palm producers, with the assistance of the Honduran military and a few political elite, are dispossessing a few Garífuna from their customarily recognized lands, but that these actors are dispossessing virtually an entire indigenous group. The Garífuna stand to lose their homes and their lands to African palm development, and as a result face food insecurity and the erasure of their rare and unique cultural practices.

The Garífuna situation in Honduras makes for a distinctive case study. On one hand, the state has used the rhetoric of racial supremacy – of the Criollos and mestizos – over the Garífuna to justify expropriation of Garífuna lands and exclusion of the Garífuna from the development process. On the other hand, the Garífuna have successfully gained status in Honduras and internationally as an afro-indigenous population. Identifying as afro-indigenous, many Garífuna embrace both their blackness and their status as “first-comers” to Honduras’ northern coast. As a result of this political achievement the Garífuna have been more effective in protesting land expropriation than groups in other countries undergoing similar agro-industrialization projects. The Garífuna have even successfully reclaimed lands that commercial African palm producers took from the Garífuna communities using the language of afro-indigeneity.
This thesis has also argued that the state’s primary motivation for expropriating Garífuna lands over the past century has been the need and desire to accumulate capital. Early in the state’s formation, the landowning classes that controlled the seats of state power worked with powerful business associations and foreign investors all worked to establish private property as the dominant land tenure system. Landowning elites, agrarian reformists, and constituencies like the Garífuna have fought over whether to privatize or collectivize property since Honduras gained independence in 1837. These parties have also disagreed on what the catch-all term “development” means in Honduras since the beginning of commercial food production in the early 20th century.

My work shows that the Dinant Corporation poses the greatest threat to Garífuna communities in Atlántida and Colón. Owned entirely by Miguel Facussé, Dinant is the largest and fastest growing commercial producer and processor of African palm in Honduras, its growth founded on Facussé’s expropriation of thousands of hectares of Garífuna lands in Atlántida and Colón. My work has also shown how Facussé has employed extreme violence against Garífuna who have attempted to prevent his encroachment onto their lands or to reclaim lands that Facussé forcibly and fraudulently acquired. The Honduran state has supported Facussé by deploying Honduran troops to Atlántida and Colón to repress Garífuna and other groups protesting Facussé’s abuses.

My findings show at a finely grained scale how structural violence inheres in a globalizing system of capital accumulation. Today, local and indigenous farmers in Guatemala and Colombia are being chased from lands through similar compacts between the state and capital so as to expand the latter’s plantation-based production of jatropha (a biofuel source grown in Guatemala) and African palm (grown in Colombia). Such states have deployed armed or sanctioned paramilitary forces to repress, expel, or eliminate those indigenous groups that have protested.
Privatization and commercial business has never been a more important to the Honduran state. In May 2011, President Lobo and his business associates throughout Honduras and neighboring countries hosted the “Honduras is Open for Business” conference in the Honduran city of San Pedro Sula. The conference targets local commercial entrepreneurs and foreign investors who want to take advantage of Honduras’ unregulated markets and land ownership laws favoring commercial businesses. Foreign investors consider these market-based characteristics to be ideal foundations for investment.

The Honduran state expects the conference to result in substantial foreign capital – especially from US and Canadian investors with whom the Honduran state already has a strong commercial relationship. The state plans to use the anticipated capital for further privatization and commercial development of projects like African palm expansion and tourism. The state has identified the territories on the northern coast of Honduras, home to the majority of the afro-indigenous Garífuna, for this particular type of development. As my work has shown, these projects will require the state to further accumulate land and dispossess anyone living on it. The Garífuna recognize these threats as a pattern in the Honduran state’s approach to development and thus work to counter the state and commercial developers’ daily threats to dispossess them of their culturally important lands.

The reality is that the Garífuna will have to continue to struggle to maintain their lands and redefine development because the daily threats that the Garífuna face are part of a system of capital accumulation that necessitates rapid, aggressive expansion. The global system itself is inherently violent and until this global system of capital accumulation changes, states and commercial capitalists will use violence to satisfy their need to accumulate capital. But groups like the Garífuna in Honduras play an important role in changing the broken model of global capital accumulation and by working to replace it with a more inclusive, collectively devised development system.
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**Electronic Resources**


DECRETO NUMERO 90-90

EL CONGRESO NACIONAL,

CONSIDERANDO: Que el Artículo 107 de la Constitución de la República, en su párrafo segundo prevé la emisión de una legislación especial que regule la adquisición de bienes urbanos, comprendidos en los límites indicados en el primer párrafo del citado precepto constitucional.

CONSIDERANDO: Que es interés principal del Estado de Honduras y sus autoridades promover el desarrollo y ejecución de proyectos que generen bienestar colectivo.

CONSIDERANDO: Que el desarrollo turístico de Honduras es uno de los proyectos prioritarios del actual Gobierno de la República.

CONSIDERANDO: Que la estimable inversión del Estado en zonas con potencial turístico, requiere la emisión de disposiciones legales que fomenten la inversión extranjera para garantizarse el retorno de la misma con los consiguientes beneficios colectivos en los campos económico y social.

CONSIDERANDO: Que es urgente y necesario por las razones expuestas, emitir una ley que regule la adquisición de bienes urbanos en las áreas que delimita el Artículo 107 de la Constitución de la República, por parte de personas naturales o jurídicas extranjeras.

POR TANTO,

DECRETA:

La siguiente:

LEY PARA LA ADQUISICION DE BIENES URBANOS EN LAS AREAS QUE DELIMITA EL ARTICULO 107 DE LA CONSTITUCION DE LA REPUBLICA

Artículo 1°.—La presente Ley tiene por objeto regular la adquisición del dominio, por personas naturales que no sean hondureñas de nacimiento y por sociedades que no estén integradas en su totalidad por socios hondureños, de inmuebles urbanos, ubicados en las áreas a que se refiere el Artículo 107 de la Constitución de la República.

Artículo 2°.—Para los efectos de esta Ley se entienden por zonas urbanas:

a) Las que anteriormente hayan sido declaradas como tales de conformidad con la Ley;

b) Las que por su vocación y potencial turístico sean declaradas por la Secretaría de Estado en los Despachos de Cultura

y Turismo, previo Dictamen emitido separadamente por el Instituto Nacional Agrario y la Municipalidad respectiva, y,

c) Cualquier clase de terrenos ubicados dentro de las zonas de turismo que hayan sido declaradas conforme a la Ley.

Artículo 3°.—El Instituto Nacional Agrario se pronunciará concretamente sobre si las áreas que se pretenden declarar urbanas no están dentro de los programas de Reforma Agraria; y el Dictamen de la Municipalidad determinará si son o no ejidos los terrenos que se propone declarar urbanos.

Artículo 4°.—Los inmuebles urbanos a que se refiere el Artículo 1° de la presente Ley, solamente podrán ser adquiridos cuando las personas indicadas en el mismo, los destinen a proyectos turísticos, de desarrollo económico, de desarrollo social o de interés público, calificados y aprobados por la Secretaría de Estado en los Despachos de Cultura y Turismo.

Artículo 5°.—Las personas naturales que no sean hondureñas de nacimiento, podrán adquirir bienes urbanos para vivienda de uso ocasional o permanente del adquirente, construida desde fecha anterior a la celebración del contrato, siempre y cuando el inmueble en donde se encuentre construida la vivienda, no exceda un limite de extensión superficial de tres mil metros cuadrados (3,000 M2). Las disposiciones del presente Artículo serán igualmente aplicables a la adquisición de bienes inmuebles, dentro del régimen de propiedad horizontal, condominio o similares. Es entendido que una persona natural que no sea hondureño de nacimiento no podrá poseer más de un inmueble, al tenor de este Artículo, excepto la adquisición de inmuebles por herencia. En caso de adquisición de bienes urbanos baldíos, en los que el adquirente proyecta construir una vivienda, se sujetará a lo dispuesto en el presente Artículo, en el entendido que la construcción deberá estar terminada dentro de un plazo máximo de 36 meses, contados a partir de la fecha de adquisición del inmueble. Si transcurrido el plazo de 36 meses no se hubiere construido, se aplicará al propietario un sobre impuesto de veinte por ciento (20%) anual calculado sobre elavlado del inmueble mientras la construcción no estuviera terminada. Este sobre impuesto no se aplicará en caso que la construcción se haya retrasado por caso fortuito o fuerza mayor debidamente comprobados ante la Secretaría de Estado en los Despachos de Cultura y Turismo.

Artículo 6°.—El Poder Ejecutivo por medio de la Secretaría de Estado en los Despachos de Cultura y Turismo, establecerá mediante reglamento los requisitos, obligaciones, plazos y condiciones que deberán reunir y satisfacer los proyectos a que se refiere el Artículo 4° de esta Ley. La construcción de obras de los proyectos, no deberán alterar el equilibrio ecológico de la zona y se sujetará a los que establecen las leyes y reglamentos de la materia y lo indicado en el Plan Regulatorio de la respectiva Municipalidad cuando lo hubiere.

Si transcurrido el plazo señalado en el Reglamento o en el Acuerdo respectivo no se hubiere ejecutado el Proyecto, se aplicará al propietario un sobre impuesto de veinte por ciento (20%) anual calculado sobre el avalúo del inmueble mientras no se haya ejecutado el Proyecto. Este sobre impuesto no se aplicará en caso que el proyecto se haya retrasado por caso fortuito o fuerza mayor, debidamente comprobados ante la Secretaría de Estado en los Despachos de Cultura y Turismo.