

CURRENT HISTORY

February 2015

“[T]he ceaseless undocumented migration from Central America can be traced back to institutional failures that have blocked the development of peaceful societies under the democratic rule of law. . . .”

The Root Causes of the Central American Crisis

JOSÉ MIGUEL CRUZ

Last year, a 15-year-old girl was sexually assaulted by gang members who controlled her working-class neighborhood in El Salvador. The gang threatened to kill her and her family if she reported the crime to the authorities, and forced her to extort money for them. When she went to collect the payment, the police arrested her and detained her for nearly a week. While she was in prison, policemen threatened to rape and kill her. After she was released from jail, she fled to the United States for fear of retribution from the gang because she had told the police about the extortion plot. Some weeks later her 17-year-old brother followed her north, because the gang had threatened to kill him if he did not join it in reparation for his sister's escape.

This case exemplifies the tragedy of tens of thousands of Central American minors who have flocked to the US-Mexican border in recent years. Seventy-eight percent of the 68,541 children who crossed the southern border during the 2014 fiscal year came from what is known as the Central American “northern triangle,” a geographic cluster formed by Guatemala, El Salvador, and Honduras. These nations are not only poor—their GDP per capita does not surpass \$4,000—but they are also besieged by the highest levels of criminal violence in the world. During the past decade, according to the United Nations Office on Drugs and Crime (UNODC), they have faced homicide rates above 40 murders per 100,000 inhabitants. Honduras has reached

dreadful levels of well over 80 homicides per 100,000 inhabitants since 2011.

Salvadorans, Guatemalans, and Hondurans have been migrating to the United States in large numbers since the 1990s—a decade, ironically, when all these countries became electoral democracies and reformed their criminal justice institutions in order to ensure the rule of law and the protection of human rights. The recent surge of unaccompanied minors flooding the border is the result of a myriad of factors. These include the appalling security situation in the Central American streets, the worsening of socioeconomic conditions, the increasing consolidation of sophisticated human trafficking networks across Central America and Mexico, and the recent spread of rumors that undocumented children would be granted amnesty in the United States.

Yet the main cause of the ceaseless undocumented migration from Central America can be traced back to institutional failures that have blocked the development of peaceful societies under the democratic rule of law, which was purportedly enshrined by the political liberalization two decades ago. The tragedy of Central American children migrating and seeking refuge in the United States can be viewed as a consequence of the derailing of those institutional reforms that transformed autocracies into electoral democracies in the 1990s.

DISAPPOINTED HOPES

The key feature of Central America's recent history is the wave of sweeping political transitions that took place in the 1990s. Those transitions were marked by promising peace processes and institutional reforms that ended bloody internal

JOSÉ MIGUEL CRUZ is the director of research at the Latin American and Caribbean Center and a visiting assistant professor in the Department of Politics and International Relations at Florida International University.

conflicts and set a course for democratization. In contrast to other Latin American transitions that did not have to cope with civil wars, the Central American political processes were shaped by the need to terminate armed internal conflicts and reform the security apparatuses in order to curb the political hegemony of the armed forces. In Guatemala and El Salvador, elections and limited alternation of power had started in the 1980s, but reforms intended to guarantee full observance of human rights and the rule of law did not come about until the 1990s, as a direct result of political pacts and peace agreements between governments and leftist guerrillas. In Honduras, the military renounced control of the executive branch in the early 1980s, but it remained an unaccountable institution in charge of the security apparatus until 1998, when law-enforcement institutions were handed over to civilians.

The most important goal in these processes was to curb the state's power to tyrannize its own population, which had been a hallmark of Central American political systems throughout their history, especially in Guatemala and El Salvador. Many citizens in Central America viewed the political transitions as a historic opportunity to construct new societies, believing that democratization would eventually open the door to development with equity, peace, social justice, and respect for basic freedoms. Public opinion polls consistently reflected this climate of optimism throughout the first years of the postwar era. For instance, a nationwide survey conducted by the University of Central America in 1992 found that nearly 70 percent of Salvadorans believed that the overall situation in the country was changing for the better, only five months after the war's end.

This positive view was held by different sectors. The Central American business community, which for many years had feared any settlement with leftist and insurgent groups, believed that with the end of internal conflicts there would no longer be any obstacle to the region's economic opportunities. Whatever their status, many Central Americans shared this sense of optimism over the future of the region. More than 300,000 Salvadoran migrants, according to the government, returned to the country during the first 14 months following the signing of the peace accord in 1992. Salvadorans already constituted the largest community of Central American immigrants in the United States, but the prospect of rebuilding

their lives in their homeland motivated many of them to return.

However, by the late 1990s this initial optimism had dwindled. The slow pace of societal transformation did not live up to the hopes of many Guatemalans and Salvadorans. A national survey conducted by the Association for Research and Social Studies (ASIES) in Guatemala in December 1998 found that only about one-third of citizens felt that the peace process had been a very positive event for the establishment of democracy in the country. More surprisingly, the survey found that 60 percent of Guatemalans believed that the country was in bad shape; nearly 55 percent thought that the situation was going to get worse in the following year. In El Salvador, the decline in sentiment had started in 1995, just three years after the peace accord was signed. There, public opinion polls showed that the overwhelming popular support of the first two years had been followed by disapproval and apathy.

For many Central Americans, dissatisfaction with the pace of transformation by the late 1990s was related to the meager fruits of a moderate but uneven economic expansion. According to data released by the Economic Commission for Latin America and the Caribbean (ECLAC), no northern triangle economy recorded an impressive rate of growth, with the exception of the Salvadoran economy during the first years of the postwar era. Popular discontent was also stoked by the mounting experiences of crime and insecurity that had followed the end of the political conflicts and, puzzlingly, the overhaul of criminal justice institutions. In Guatemala and El Salvador, public opinion polls showed that people's concern about political violence was replaced with anxiety over the increasing levels of common crime. The polls also showed that a majority of citizens considered the state of the economy the most pressing national and personal problem. In Honduras, distress over criminal violence boiled over in the late 1990s as the reforms of the security apparatus led to violent protests and a political crisis fomented by some elements of the military.

ECONOMIC VULNERABILITY

The profound political reforms attempted in Central America during the 1990s unfolded amid an equally changing economic environment. By the late 1980s, after a decade of political conflicts and statist policies, all northern triangle coun-

tries had implemented reforms with the purpose of stabilizing their troubled economies and public finances. They concentrated on privatizing state companies (particularly in Guatemala and El Salvador), liberalizing trade, introducing greater flexibility to labor laws, and increasing consumption taxes in the form of the value-added tax.

These reforms contributed to fiscal stabilization and some degree of economic recovery, as indicators finally started to turn positive in the 1990s. However, the changes proved to be insufficient—or even counterproductive—when it came to alleviating the economic insecurity of many Central Americans, especially the working classes. Labor flexibility did not help largely unqualified and young people to secure stable jobs, while the privatization of state-owned companies increased the vulnerability of thousands of skilled workers. As a consequence, according to a 2001 ECLAC report, unemployment rates did not decrease considerably during the 1990s, and many workers had to migrate from the formal sector of the economy toward activities characterized by informality, job uncertainty, and low wages. Furthermore, much of the new labor force was absorbed by low-productivity sectors of the economy, which tend to keep workers at the margins of the social security net. By the end of the decade, the informality rates in Guatemala and Honduras had increased; they surpassed 60 percent of the working population, according to research by the Center for Distributive, Social, and Labor Studies at National University of La Plata in Argentina.

The adoption of much of the Washington Consensus (encompassing prescriptions for fiscal discipline and market liberalization) in Central America restricted public policies that could have mitigated the harsh social conditions faced by underprivileged populations. Fabrice Lehoucq of the University of North Carolina at Greensboro has shown that Central American countries, with the exception of Costa Rica and Panama, spent the least on social programs per capita in Latin America. Between 1991 and 1999, Honduras even reduced its social expenditure in terms of GDP percentage. While Guatemala and El Salvador have been increasing their social spending per capita,

they have remained below the regional average in the last two decades. To make matters worse, northern triangle governments failed to make substantial reforms to their tax collection systems in order to increase their fiscal capacity to respond to the demands of the population. Faced with the choice to squeeze either the private sector or the people, governments decided for the latter. The expansion of the value-added tax in all Central American countries meant that families saw their purchasing power significantly reduced while they coped with low wages and reduced assistance programs.

For many citizens living in the impoverished slums and barrios of the northern triangle, the societal transformations that sprang from the economic reforms did little to encourage a renewed sense of opportunity and social mobility; quite the contrary. So it is hardly surprising that many working-age Guatemalans, Hondurans, and Salvadorans were extremely disenchanted with the path of reforms. Many decided to look beyond their national borders as they concluded that their countries offered few opportunities for progress.

Tapping existing networks in the United States and Mexico, Central Americans started to swell the migration streams to the north in unprecedented numbers. According to the Migration Policy Institute, the population of Salvadoran origin living in the United States rose from 465,433 in 1990 to 817,336 in 2000, a 75-percent increase. Meanwhile, the number of Hondurans living in the United States nearly tripled during the 1990s, from approximately 109,000 in 1990 to 283,000 in 2000.

Migration flows sharply accelerated in the next decade, following Hurricane Mitch in 1998 and earthquakes in El Salvador during the first months of 2001. Mitch affected most of northern Central America and Nicaragua, but it hit Honduras most severely. There, it killed more than 7,000 people, left 1.5 million homeless, and caused economic losses that amounted to 70 percent of the country's annual GDP. El Salvador faced its own catastrophe when two successive earthquakes struck the central region of the country. The quakes killed more than 1,100 people and displaced more than 1.5 million, mostly in the metropolitan areas.

The expansion of street gangs and criminal organizations transformed social life and increased the vulnerability of already frail communities.

These disasters accelerated the Central American migration toward the United States. Data from the 2010 US Census indicate that the total population of northern triangle Central Americans living in the United States nearly tripled in the years following the disasters, rising from 1,245,221 in 2000 to 3,326,578 in 2010. The combination of lackluster economic performance, especially in regard to labor and social mobility; the ever-present vulnerability experienced through frequent national disasters; and the growing threats from criminal organizations prompted thousands of Central Americans to view emigration as the only path to a better future.

CRIME WAVE

Violence still reigns over Central America. Yet it is different from the kind that was prevalent in the era of authoritarian regimes, civil wars, and political conflicts. This new wave of violence is not political but criminal. Illicit industries, gang wars, and interpersonal violence have replaced the struggle for political power that drove the bloodshed in the past. Seventeen years after the last major political reform, this crime wave has produced the paradox of nations that are allegedly democratic but live under a de facto state of siege produced by violent crime.

The United Nations Office on Drugs and Crime (UNODC) has identified eight areas where the problem of violence is especially serious: drug trafficking, homicide, youth gangs, domestic violence, firearms trafficking, kidnapping, money laundering, and corruption. Indicators are especially appalling with respect to homicide rates, numbers of gang members, and extortion, which disproportionately tend to affect common citizens and impoverished communities. Guatemala and Honduras, for instance, had more than 5,000 homicides each during 2009, surpassing the 4,645 murders in Iraq during the same year, while El Salvador had nearly as many. Homicide rates have kept climbing since then, with the exception of Guatemala and a short respite in El Salvador in 2012.

Street gangs have become one of the hallmarks of contemporary Central American violence. The influx of returned migrants and deportees from the United States after the end of the region's wars transformed the dynamics of local gangs. This

resulted in what have come to be known as *maras*, a vast network of groups of young people associated with the franchises of two gangs that had their origins in Los Angeles: the Mara Salvatrucha Thirteen (MS-13) and the Eighteenth Street gang (Barrio 18). These gangs make up two separate transnational networks that have undergone a process of expansion throughout the past few years, becoming organized crime webs in poor communities across northern Central America.

Maras are responsible for a substantial share of the criminal violence in the region. In El Salvador, Honduras, and Guatemala, they are often involved in the street-level distribution of drugs and in extortion rackets. Data collected by Demoscopia in 2007 indicated that on average, a gang member in the northern triangle is able to collect approximately \$1,000 every week in "protection taxes." In El Salvador, maras are considered responsible for nearly 40 percent of violent deaths. However, the participation of maras in criminal activities did not develop to its current levels until after the

enactment of zero-tolerance programs, better known in the region as the *mano dura* (heavy hand) plans, which swept the region between 2000 and 2006. These antigang programs were accompanied by an

official narrative that justified the use of excessive force. They extended the scope of police powers, increased the severity of sentences, and unleashed massive security operations. They led to substantial changes in gang dynamics and operations. By 2007, gangs had evolved into more cohesive and powerful organizations, with the capability to control vast territories and urban communities in El Salvador and Honduras.

The process of maras' consolidation paralleled the expansion of major drug-trafficking organizations in northern Central America. As pointed out by UNODC, the war on drugs declared by the Mexican government in 2007 pushed several trafficking routes from the Caribbean and the Pacific to the Central American landmass, upsetting the balance of power between local criminal organizations and triggering all-out wars in cities and rural territories along the Atlantic coast and the jungles of Honduras and Guatemala. Extortion rackets, smuggling rings, and gangs thrived.

The expansion of street gangs and criminal organizations in Guatemala, El Salvador, and

Political reforms were thwarted from the very beginning by elites and operators of the old regimes.

Honduras transformed social life and increased the vulnerability of already frail communities. The worsening of security conditions affected most of the population, but it was particularly acute among economically disadvantaged youth. The lack of access to well-paid jobs, training programs, and quality education disproportionately exposed many Central American youngsters to a life of crime and violence.

High levels of chronic violence also had an extraordinary impact on the way Central Americans perceived and related to their brand-new security institutions. The initial optimism that they at last had law-enforcement organizations respectful of human rights gave way to bitter perceptions of inefficiency, corruption, and abuse when the new institutions proved unable to curtail the swelling rates of crime, and old patterns of policing and social control resurfaced. Although many people welcomed the use of draconian methods to combat crime, the lack of positive results and indications that some police chiefs, government officials, and politicians were colluding with criminal organizations in the northern triangle delivered a major blow to the legitimacy of the young institutional order. A regional survey conducted by Vanderbilt University in 2008 found that 66 percent of Guatemalans, 49 percent of Salvadorans, and 47 percent of Hondurans believed that their police were implicated in criminal activities.

Rampant insecurity and hopeless institutions spurred migration. A study based on Vanderbilt's data by Jonathan Hiskey, Mary Malone, and Diana Orcés found that crime victimization and insecurity, along with having ties to people in the United States, played an important role in Central Americans' intentions to emigrate, especially among youth.

OLD REGIMES

Observers have pointed out different reasons for the dismaying conditions of insecurity and poor institutional performance in northern Central America. First, the limited strength of national economies attenuates prospects for development and social mobility, and also limits resources available to institutions. Second, the migration phenomenon has spawned fragmented families and contributed to the expansion of US-style street gangs in Central America. Third, the penetration of transnational organized crime has brought unprecedented levels of violence to the region.

Although these factors certainly may have played a part in the current Central American crisis, it is misleading to assume that they are the core reasons for the inability of these countries to produce safe and fostering environments; particularly when their closest neighbor to the south, Nicaragua, has also had to face comparable challenges but has not succumbed to the same crises. Nicaragua is the second-poorest country in the Western Hemisphere, after Haiti, and its law-enforcement apparatus is reportedly the most underfunded in the region. Furthermore, Nicaragua went through a long civil war that devastated its economy and displaced a large share of its population. Thousands of Nicaraguans migrated to the United States and Costa Rica, creating opportunities for the diffusion of migrant street culture back in the home country. The penetration of transnational crime organizations was not limited to the northern triangle: Various reports show that drug traffickers have gained a foothold in the Nicaraguan Atlantic region. Yet Nicaragua is remarkably safe in comparison to its northern neighbors, and no significant numbers of Nicaraguan children are coming undocumented to the United States.

The main reasons for the northern triangle countries' seeming collapse under the siege of crime, lack of opportunities, and hopelessness lie elsewhere. They have to do with political reforms that were thwarted from the very beginning by elites and operators of the old regimes. As governments faced the mounting problems of citizen security and economic development, elites were unable and unwilling to remove many of the institutions and practices that had been prevalent under the old regimes. Members of the old political machines and their backers in the business community faced little or no contestation in the emerging order. The unfolding of transitions in northern Central America created conditions that allowed old-regime power brokers to limit the scope and implementation of the reforms, especially in the public security arena.

Two mechanisms were essential to this undermining of the reforms. First, political leaders allowed operators of the former security institutions to remain in the new civilian law-enforcement institutions. Many of them were past violators of human rights and were involved in criminal activities, but amnesty laws and their renewed positions allowed them to evade punishment. Second, the same elites and representatives

who negotiated the reforms weakened the new institutions by scrapping or overlooking the need for accountability and monitoring, allowing the rot of corruption to spread and preparing the ground for criminal infiltration.

ZERO TOLERANCE

Security operators from former regimes maneuvered against the pending transformations by fomenting fear of crime and pressing for hard-line programs to fight gangs and criminal organizations. This was the context in which zero-tolerance programs were implemented in Central America. Just when economic adjustment programs had contributed to swelling the number of under- and unemployed youth with few opportunities, the governments of Guatemala in 2000, Honduras in 2002, and El Salvador in 2003 decided to launch all-out wars against gangs and underprivileged young people.

As a consequence, police abuse and prison overcrowding increased. Instead of creating social programs to ameliorate the deteriorating living conditions of many poor Central Americans, governments devoted their resources to targeting the same populations that had been left adrift by the adjustment policies. The gangs, which in the late 1990s were a secondary security problem, took advantage of the situation by establishing links to foreign organized-crime groups and learned to use their networks to exert control over their territories.

Nicaragua went through a different transformation. Its new security institutions emerged after a complex political process forced elites and power brokers to professionalize law enforcement and institutionalize oversight mechanisms. The differ-

ences in institutional behavior between Nicaragua and the northern triangle were not merely a matter of policy choice. They reflected the ways in which criminal justice institutions were reformed after the political transitions. In northern Central America, those reforms failed to protect the nascent security and justice institutions from the maneuvers of corrupt leaders.

Confronted with the unrelenting challenges of crime, poor economic performance, and social discontent, governments resorted to the old authoritarian practices. In all three countries, the military staged a comeback in the fight against criminal organizations, which nevertheless have kept growing. In Honduras, the resurgence of the military facilitated the 2009 coup d'état and, more recently, led to the creation of the military police, who have taken over domestic policing functions.

For thousands of poor and young Central Americans, the deterioration in security conditions, coupled with a systemic lack of opportunities for development, left emigration as the only way to prosperity, if not mere survival. They and their families turned to the matured and dense migrant networks, deciding that they preferred facing the perils of an uncertain journey, and the complications of undocumented work in the United States, to dealing with the certainty of violence and poverty at home. In the countries of the northern triangle, Central Americans have perceived the combined effects of political reforms, which replaced outdated institutions with inefficient ones, and economic adjustment, which slashed jobs and assistance programs, not only as a withdrawal of the state and its most fundamental functions, but also as confirmation that a better future awaits them elsewhere. ■