IN THE EARLY MORNING HOURS of November 25, with less than half the votes counted, U.S. Ambassador to Honduras Lisa Kubiske congratulated Hondurans on a "transparent," "democratic celebration" in the form of the country’s first regularly scheduled presidential election since the 2009 military coup. According to the daily paper La Tribuna, Kubiske added: "I recognize the announced results and what our observers saw during the process."

But the announced results were far from clear at that moment, and they remain highly contested. Human rights groups and international electoral observers had throughout the day been calling attention to inconsistent tally sheets, voter intimidation by the military, inaccurate voter rolls, and several killings, including the slaying of two election monitors the night before.

"In the voting centers I have visited, everything was very calm, it was a success," Kubiske told reporters. "A good quantity of people were arriving [at the voting centers], all of the required information was posted on the walls. There were no major incidents so in that sense everything went well." Observers from the Center for the Constitutional Rights disagreed. "Statements by the U.S. Ambassador characterizing the election as 'transparent' and accompanied by only a few acts of violence are reminiscent of the 2009 election, where the U.S. rushed to validate and help push forward a process as it was being contested by Honduran civil society," wrote the observers.

That an ambassador would weigh in on an ongoing vote count during a highly contested election in a host country where violence and impunity have hit all time highs may be inappropriate, but it is not surprising in this particular case. The close military and economic ties between the United States and Honduras created a
situation in which Washington had a great deal of interest in the outcome. A victory for the country’s front-running third-party candidate, Xiomara Castro de Zelaya, could have meant big changes in the access that the U.S. military and North American multinational corporations had enjoyed in Honduras. The victory of the ruling party candidate, Juan Orlando Hernández, however, posed far less of a threat to those relationships over the next four years.

Washington maintains a major military base just outside the capital, as well as three new forward operating bases to fight drug trafficking. This military presence is tied to the countries’ economic relationship. “Access to natural resources played a huge role in this election, it is what shaped the election and the outcome. For example, you have Canada and the U.S. coming out and recognizing the results immediately. Both have an interest in open-pit mining,” says Rodolfo Pastor, a former Honduran diplomat to Washington and campaign worker for Castro de Zelaya.

According to the financial reporting of BNamericas, Honduran authorities had received 110 new mining and exploration applications in the last weeks of 2013 alone. “Militarization serves a number of purposes right now,” adds Pastor, “and one of them is to control local populations who may rebel against their lands being granted to foreign companies. We do see a pattern around Honduran territory, where you see relatively new military bases in territories where there is new exploration by international companies looking for resources.”

**HONDURAS HAS THE HIGHEST PER CAPITA HOMICIDE RATE IN THE WORLD.** The daily violence, much of it reported to be gang-related, often casts a long enough shadow to cover a significant level of politically motivated violence against LGBT activists, journalists, and human rights workers, among others. Insecurity was unsurprisingly a major issue in the 2013 presidential election, and a major issue in U.S.-Honduran relations. Since 2008, the United States has given $496 million in assistance to fight organized crime and drug trafficking in Honduras—and the rest of the region—through the Central America Regional Security Initiative (CARSI). That assistance has included more than $30 million in aid over the past two years for Honduran law enforcement, including at least $16 million for a special “vetted” police force. Washington temporarily suspended aid after it was revealed that the head of the national police, Juan Carlos Bonilla, was involved in death squad activity in 2002.

“The drug war in Honduras exactly coincides with areas where there are acute conflicts over natural resources,” Annie Bird, co-director of Rights Action, tells me; “whether that is land, petroleum, rivers for hydroelectric dams, or mines—that’s what the conflict is in Honduras today. More than about drug trafficking, it’s about natural resources.”

One territory that has become increasingly militarized is the Moskitia, a vast region along the Caribbean coast that spreads over Honduras and Nicaragua. Home to the indigenous Miskitu people, the sparsely populated department of Gracias a Dios is also used by drug traffickers as a transit point from South American production centers to drug markets in the north.

In December, the U.S. Marine Corps announced it would be sending the “first active-duty team to work for an extended amount of time in the area.” Since 2009, the U.S. military has created three forward operating bases—one of which is located in the Moskitia, reportedly in Mocorón. These forward operating bases are in addition to the significant U.S. military presence at the Soto Cano Air Base. Once used as a major staging ground for the Contra War in Nicaragua during the 1980s, Soto Cano remains active today and is home to Joint Task Force Bravo.

There are currently more than a thousand U.S. military personnel and civilian employees stationed at Soto Cano, investigator David Vine tells me in a recent interview. Vine, a researcher who has studied U.S. military bases around the world, tells me: “bases have been constructed in a number of places, especially in the Moskitia, in areas that have become the center of growing conflict, growing drug trafficking and growing interest from business interests as well.”

Vine references a 2009 cable from the U.S. Embassy in Tegucigalpa that, made public by Wikileaks, discusses a large-scale public-private partnership for the Moskitia that would include the U.S. military as well as big corporations like General Electric. “The plan is pitched as a development project but includes a serious police and military presence, with U.S. Special Forces training Honduran Special Forces,
providing additional equipment, and building new bases in the Moskitia," Vine adds.

Miskitu community leaders say they are concerned that indigenous sovereignty will not be respected in the plans of the business community, and that they represent a resource-grab. Among the resources in the Moskitia are oil reserves that have been the subject of exploration and speculation for more than 60 years but have yet to be exploited.

Several older Miskitu men remember working with U.S. petroleum companies in the 1960s and 1970s, guiding them through the jungles as they drilled holes and made notes. When I ask around Puerto Lempira, the capital of Gracias a Dios, to see who might know about oil there, I am directed to a small house that spills into a garage full of many cars in various states of disassembly. Federico Henrique lives here, with a small TV, a wide hammock, and oil permanently underneath his fingernails.

"I worked as a roughneck in the well in about 1970, and I was there when the oil started coming out on its own, without any pressure," Henrique tells me. "The drill entered and there was crack, and a little came out with very little pressure. It was like spaghetti as it came out. We weren't allowed to smoke or cook on the rig. After, I asked the engineer if that was common, and he told me he had only seen it twice, here and in Alaska."

Henrique says Pure Oil took 75 barrels to its laboratory in Houston for analysis. "Then they sent a gallon of oil to President Arellano," Henrique says. "And they put a little oil in a coffee cup too, so that we could show the townspeople that Honduras has oil." But after the oil was discovered, Henrique says, Arellano was deposed in 1975 military coup and Pure Oil left Honduras, building the highway to take their equipment to then-friendly, Somoza-controlled Nicaragua in a matter of weeks.

Henrique takes me to the former site of Pure Oil outside Puerto Lempira. A cement foundation is overgrown with vines, but when Henrique pokes the ground with a stick, it is black and liquid. Just a few miles away is a radar station the U.S. operates with the Honduran military. As we drive away, we are almost run off the road by a group of Honduran soldiers in a brand new Ford truck. "I don't know what kind of concession the government of Honduras and the oil companies have now, if it is just for exploration or for exploitation, that's a secret they keep," Henrique says. He waits as our plane takes off from the gravel landing strip.

In November of 2012, the Honduran paper La Prensa, reported that President Lobo was considering granting British Gas (BG) an exploration concession in the Moskitia "that could generate $6 billion in oil revenues." Pastor says Chevron has since been added to the concession, and the Orlando government has made it clear that petroleum exploration and new 30-year mining concessions will be among its first priorities as it searches for revenue in 2014. The government of Honduras borrowed $500 million on the international bond market for the first time in 2013. Honduras' public debt has increased by 150% since Lobo took office.

"Chevron and BG, these two companies have been granted 35,000 square kilometers each off the northern coast of Honduras, near the Moskitia, for them to explore and look for gas and oil. That has created an outrage already, because there has been no Honduran president in history that allowed such a huge concession to be made," Pastor says. "The country is broke. We have a huge internal and external debt and we also have a huge deficit. And so Juan Orlando is going to need a lot of resources really soon."

But it is not all about resources. Following the elections held under the military regime in 2009, then-president Pepe Lobo launched several initiatives to help normalize relations with the United States and with a large group of countries that had initially come out strongly against the coup. Lobo held a conference declaring Honduras "open for business" to multinational investors in May 2011. One of the sectors "open for business" was tourism, and mega-tourism projects accelerated.

Randy Jorgensen is a big man with an easy smile and a firm handshake. Hopping out of his pickup truck and picking his way across the deep ruts of mud on his construction site, Jorgensen looks just like the photos of him posted on his development's website, including the one where he grins next to former president Lobo, whose arm is wrapped around his shoulder.

Jorgensen is the CEO of Life Vision Properties, but he made his fortune in the Canadian
pornography business, opening a big chain of pornography retailers known as Adults Only Video. After successfully defending himself against obscenity charges for selling material to undercover police officers that included “explicit sexual scenes coupled with violence” in a case that reached the Canadian Supreme Court in 1995, Jorgensen set his sights on developing his long-time vacation spot, Honduras.

Now he dons an orange construction vest and hardhat to show me around what he calls the “Banana Coast,” the major development he has built in the old port city of Trujillo. The water sparkles along white sand beaches dotted with small apartments and a few open-air restaurants. Offshore, two Garifuna men drag a fishing net back into their wooden canoe. “Right where you see the change in the line of the sea wall will be where our pier will go,” Jorgenson tells me, gesturing to a monstrous structure that juts out into the water. The multimillion-dollar project’s deep-sea cruise port will welcome its first ocean liner in 2014. Jorgensen says the development also includes 50,000 square feet of shopping and a museum with exhibits about the Garifuna and Pech Indians.

Explaining the project’s name, Jorgenson tells me: “We’re trying to theme it to bring back life to the banana booms. This whole region from Belize to Panama, they were all banana republics at one time. And the banana companies kind of controlled the governments.” Garifuna leaders in Trujillo say that Jorgensen obtained the land for the Banana Coast project illegally, purchasing it from an individual who misrepresented himself as its owner in 2007, when the actual title is a collective one.

“Whether they agree with what their leaders did in the past or what particular deal created that property to become public property or privately held property outside of the community, is a debate they need to have amongst themselves,” Jorgensen told me of the Garifuna’s claims. “It shouldn’t be bringing other landowners and particularly third or fourth generation landowners into that. If there was corruption 50 years ago, or 100 years ago, the past is the past, there is really nothing we can do about it now.”

Karen Spring, a human rights defender who works with Garifuna communities, disagrees. “Regardless of the land sales among Garifuna families, the municipality in Trujillo would be unable to legally facilitate the land sale to Jorgensen. If there were a functioning judicial system without corruption, the municipality would have stopped the sale.”

Lopez says it is about much more than the resources that are sold off today. “We aren’t going to let what has happened to many towns happen to us. Many communities have disappeared; they don’t know who they are; they have lost their language. We know what’s at stake here, and that’s why we are in resistance.”

Pastor agrees: “They are going to line their pockets and use these massive resources to consolidate their hold on power. They are going to invest in a larger and more heavily equipped army and a robust state apparatus through which they can control the population and anyone who tries to block their extraction.”

Federico Henrique, who worked as a roughneck for U.S. oil companies in the 1970s. PHOTO BY KAELYN FORDE
Copyright of NACLA Report on the Americas is the property of North American Congress on Latin America and its content may not be copied or emailed to multiple sites or posted to a listserv without the copyright holder's express written permission. However, users may print, download, or email articles for individual use.