



Corruption in Honduras: End of the Mission to Support the Fight Against Corruption and Impunity in Honduras (MACCIH)

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January 23, 2020

On January 19, 2020, Honduran President Juan Orlando Hernández allowed the mandate of the Organization of American States (OAS)-backed Mission to Support the Fight Against Corruption and Impunity in Honduras (MACCIH) to expire. The U.S. Congress had provided significant financial and political support for the MACCIH throughout its four-year mandate as the mission helped Honduran institutions deter and investigate high-level corruption. A bipartisan group of Members had also repeatedly called on President Hernández to extend the mission's mandate. The MACCIH's closure could negatively affect U.S. policy in Honduras, including efforts to address the underlying conditions driving high levels of irregular migration to the United States. More broadly, the closure may illustrate the challenges surrounding efforts to sustain anti-corruption measures in other countries.

Corruption in Honduras

According to many analysts, corruption in Honduras is deeply entrenched. Honduran officials, including national legislators, have diverted significant state resources into their pockets and political campaigns and used the state apparatus to protect and direct resources to their private-sector allies. From 2014 to 2016, for example, investigations by the National Anti-Corruption Council—a civil society organization—reported that at least \$300 million was embezzled from the Honduran public health care system. Government officials reportedly funneled some of those funds to private businesses through fraudulent contracts and used the remainder to enrich themselves and finance political activities, including President Hernández's 2013 presidential campaign.

As Central America has become the primary transit route for South American cocaine destined for the U.S. market, drug traffickers have co-opted some Honduran officials. In October 2019, Juan Antonio

Congressional Research Service

7-.... www.crs.gov IN11211 "Tony" Hernández—a former member of the Honduran congress and President Hernández's brother—was convicted in U.S. federal court for conspiring to import cocaine into the United States. According to the U.S. Department of Justice, Tony Hernández worked with—and solicited bribes from—Mexican, Colombian, and Honduran drug traffickers to move multi-ton loads of cocaine through Honduras. He also arranged for Honduran police to kill competitors and provide armed security for cocaine shipments. Tony Hernández reportedly made millions of dollars through drug trafficking and bribes, some of which financed his brother's 2013 and 2017 presidential campaigns. Other prominent Hondurans, including the son of a former president and several members of the Honduran congress, have been charged or convicted for similar offenses.

Progress with the MACCIH

Honduras made some progress in combatting corruption with the MACCIH's support. Launched in January 2016, the MACCIH's mandate was to support, strengthen, and collaborate with Honduran institutions to prevent, investigate, and punish acts of corruption. The mission successfully advocated for several reforms to Honduras's legal framework, including the creation of anti-corruption courts with nationwide jurisdiction and campaign finance regulations. MACCIH officials also worked with Honduras's specialized anti-corruption prosecution unit to jointly investigate and prosecute high-level corruption cases. As of December 2019, those integrated teams had presented 11 cases, resulting in the prosecution of 112 people, including 80 cabinet ministers, legislators, and other government officials. In the first case to go to trial, former First Lady Rosa Elena Bonilla de Lobo (2010-2014) was sentenced to 58 years in jail for misusing nearly \$800,000 intended for social assistance programs. The MACCIH was exploring more than 20 additional lines of investigation when President Hernández allowed the mission's mandate to expire.

The MACCIH's anti-corruption efforts generated fierce backlash from many of those who had benefitted from the status quo. The Honduran congress repeatedly sought to weaken the mission's proposed anti-corruption reforms and undermine MACCIH-backed investigations. Moreover, in December 2019, the Honduran congress approved a nonbinding measure opposing an extension of the MACCIH's mandate. The MACCIH won the confidence of the Honduran public, however, as a November 2019 poll found that 75% of Hondurans wanted the mission to remain in the country.

Implications for U.S. Policy

The MACCIH's closure represents a potential challenge to U.S. policy in Central America. Since FY2016, Congress has appropriated nearly \$3.1 billion through the U.S. Strategy for Engagement in Central America to foster prosperity, strengthen governance, and improve security in the region. High-level corruption has undermined all three of those objectives in Honduras by deterring investment, siphoning scarce resources away from government agencies and development projects, and facilitating criminal co-optation of the country's security forces. Facing difficult living conditions and few prospects for improvement at home, an estimated 283,000 Hondurans (3% of the population) sought entry into the United States in FY2019.

Although the Honduran government asserts that it remains committed to combatting corruption, the U.S. State Department argues that the Hernández administration has "put forward no credible alternative" to the MACCIH. The U.S. government could try to fill the vacuum left behind by the mission by offering technical assistance and protection to Honduran prosecutors, who often face threats for investigating high-profile cases. The Further Consolidated Appropriations Act, 2020 (P.L. 116-94), for example, provides \$45 million for offices of attorneys general and other entities and activities to combat corruption and impunity in Central America; \$3.5 million of those funds were intended for the MACCIH. The act also empowers the Administration to exert pressure on the Honduran government by withholding 50% of

security assistance until the Secretary of State certifies that the Honduran government is combating corruption and impunity.

It is not clear, however, that combating corruption is among the Trump Administration's top priorities in Honduras. Although the Administration called on Honduras to renew the MACCIH's mandate, several recent meetings between U.S. and Honduran officials have focused primarily on migration issues. On January 9, 2019, for example, Acting Secretary of Homeland Security Chad Wolf praised Honduras as a "valued and proven partner" and pledged continued support to the country after President Hernández agreed to begin implementing an agreement that could require some individuals who arrive at the U.S.-Mexico border to apply for asylum in Honduras rather than in the United States. Moreover, some analysts argue the Administration's muted response to the termination of the similar International Commission Against Impunity in Guatemala (CICIG) sent a signal that closing the MACCIH would not damage U.S.-Honduran relations.

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