

# Alliance for Prosperity in the Northern Triangle

## A Leap Towards Ensuring Regional Security

BY JUAN ORLANDO HERNÁNDEZ

One year ago, Honduras, along with Guatemala, El Salvador, Mexico, and the United States, was shaken by one of the most severe and unexpected humanitarian crises ever witnessed in the Western Hemisphere. Tens of thousands of Honduran children had walked out of the country and embarked on a perilous journey to the United States. Reports were received throughout the Northern Triangle, of teenagers guiding children into the hands of human traffickers—“*coyotes*”—who charged thousands of dollars to lead them into the United States.

My immediate reaction was to set in motion an emergency task force to contain the exodus of unaccompanied minors, as well as to create a mechanism to receive and take care of the children that would be returning from the southern U.S. border. I deployed a special tactical force to our western border with Guatemala and deeply reformed our migration agency. By swiftly reacting to the situation, we prevented this from becoming an even larger humanitarian catastrophe. However, this was only the first of our actions in response to that silent cry for help from our children. In July of last year, I invited immigration experts, as well as representatives from countries in the region most affected by this phenomenon, to discuss probable causes as well as our corresponding reactions to the crisis. We soon identified three key push factors driving migration from the Northern Triangle towards the United States: our youth are plagued by insecurity, lack educational opportunities, and face daunting prospects for future employment.

In order to fully understand the origin of these factors in Honduras, it is necessary to revisit our recent history. For the past decade, Honduras and the Northern Triangle as a whole have suffered the unintended consequences of successful policies in closing Caribbean drug smuggling routes. As the eastern Caribbean maritime paths that had previously served as a direct link between Andean cocaine producers and North American consumer markets ceased to be an option,

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Honduras' Caribbean coast became one of the preferred transit points for northward bound aircraft transporting drugs. As a result, our homicide rates started climbing and drug cartels expanded their presence in our territory. The alliance between the cartels and criminal gangs ("maras") also continued to plague our neighborhoods, with the latter distributing drugs in urban centers, carrying out contract murders, and providing protection for ground drug shipments across the country. This not only put a strain on our law enforcement agents, but also swamped our justice system, with both a significant increase in judicial cases as well as the corrupting influence of drug proceeds in the public sector.

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Had this downward spiral continued unabated, there existed the very real possibility that today Honduras would have fallen into the hands of narco-traffickers, with correspondingly grave security implications for all of Central America, Mexico, and the United States. We Hondurans refused to accept this fate for our country, setting out on a difficult but definitive path to regain our governability and ensure the safety of our citizens. Three years ago, during my predecessor's Presidential Administration and my tenure as President of Congress, we developed an integrated security and defense strategy precisely designed to this end: approving a complete overhaul of our legal framework, initiating a vetting process for the National Police, setting up a land, air, and sea military shield to prevent drugs from

coming into the country, and creating the National Security and Defense Council (NSDC)—integrated by the Presidents of the three branches of government, (Executive, Judicial and Legislative), the National Prosecutor, the Ministers of Defense and Security, the heads of the Armed Forces and the Police, as well as other relevant actors in the administration—to coordinate all citizen security and defense activities. Our initial actions successfully halted the rise in crime and set us on the right track for continued progress.

With these lessons in mind, upon taking office in January of last year, I revised and expanded this strategy. I also founded the FUSINA (the Interagency Security Force that executes the decisions taken by the NSDC), continued the police vetting process, strengthened the National Prosecutors Office and the State's criminal investigation capacities.

The success of our strategy is now palpable in every corner of Honduras. The homicide rate, which had been increasing dramatically since 2007, has been contained and decreased by 25 percent over the last four years from its peak in 2011. A climate of peace is gradually returning to many parts of our territory where lawlessness had ruled for too many years.<sup>1</sup> It is imperative to highlight that, beyond the brave efforts of our men and women in uniform, this success also owes much to the extraordinary assistance and unprecedented levels of cooperation between the Honduran, U.S., and Colombian Governments, as well as other regional actors—United States Southern Command has been particularly supportive of our efforts with the maritime interdiction of drugs. The results of what we can achieve when our countries work together towards a common goal are now self-evident.

It is true that we have made great progress, but a year ago Central America also received many harrowing reminders of how much more is yet to be done. In spite of significant investment and expansion of social services, our social and educational programs have not managed to keep up with our demographic boom. Similarly, our private sector and the rate of our economic growth have not been able to absorb a growing workforce—more so since it has lacked the educational and technical capacity to engage in value-added enterprises. Our infrastructure has suffered the same fate as our institutions—these were built for another age, and if we hope to take a leap into the next stage of our development they must be rebuilt and strengthened. It was this difficult introspection which led me to reach out to Presidents Otto Perez Molina of Guatemala and Salvador Sánchez Cerén of El Salvador. After frank discussions highlighting the similarities between the push factors driving away our youths, we concluded that, since the challenges we are facing arise in a regional context, our best chance of overcoming them lies with a regional solution.

Out of this revelation, the Alliance for the Prosperity of the Northern Triangle was born. As a first step in forging this joint commitment the Presidents of Guatemala and El Salvador and I, visited Washington D.C. in July 2014 to hold an initial dialogue with President Barack Obama about the unaccompanied migrant children crisis. During this meeting, both the countries of the Northern Triangle and the United States acknowledged that each country bears a share of the responsibility regarding the immigration crisis and some of the wider problems affecting Honduras, Guatemala, and El Salvador. It was also resolved that the three Northern Triangle countries would further

analyze the root causes of this phenomenon, and develop a joint diagnosis of the most pressing push factors causing the immigration crisis.

This sobering exercise provided a number of striking conclusions, of which I will only highlight a few here. Fifty-seven percent of the population in the Northern Triangle lives in poverty, of which a significant proportion lives on less than \$1.25 a day. Thirty percent of our youth aged 14-25 neither study nor work, and the pregnancy rate for girls aged between 15 and 19 is ninety-one per thousand—nearly twice the average for medium/low-income countries. As a consequence of being beset by drug cartels and criminal gangs, our homicide rate is three times higher than the rest of Central America. These facts all help explain a quantifiable reality that is being evidenced on the southern U.S. Border—nine percent of our population has chosen to migrate in recent years, a figure five times higher than in other Central American countries.

These numbers, especially when compared to other Central American countries, delegitimize the claim that Northern Triangle emigration is largely due to U.S. pull factors. Therefore, changes in immigration legislation and information campaigns will not put an end to the trend. If pull factors were the main cause, Belizeans, Costa Ricans, and Panamanians would be arriving at the Southern U.S. border at a similar rate as citizens of the Northern Triangle. This is not happening.

This analysis also helped us identify the enormous potential that the Northern Triangle has if it acts as one. Together, the three countries represent the ninth largest economy in the region; the fourth manufacturing exporter, and ninth overall exporter of Latin America;

and our collective population of 30 million represents a huge untapped work force and import market for regional trade.

Taking into account both our deficiencies and our potential, we developed the Plan of the Alliance for the Prosperity of the Northern Triangle. It aims at the neutralization of the principal push factors driving our population's emigration, and beyond that, an ambitious and radical transformation of our justice systems, educational and healthcare services, labor markets, infrastructure, and most importantly, the transparency and efficiency of our public institutions.

In the case of Honduras, it is crucial to highlight two overarching principles that have framed our approach towards the Alliance.

Firstly, the actions proposed under these pillars are entirely aligned with our current Strategic Government Plan and multi-annual spending projections. This is to say that a vast share of our Government's budget is already allocated towards these needs. Additionally, in order to maximize the effect of our interventions, we also engaged in an exhaustive focusing exercise, taking into account homicide rates, emigration focal points, economic development potential, income levels, and drug trafficking hot spots in order to identify those areas where we can have an immediate and dramatic effect on the population's wellbeing.

With the Inter-American Development Bank acting in a supporting technical role, we classified our strategic action lines under four



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Construction of City Mall in Tegucigalpa, M.D.C. in Honduras. Upon completion, to become the largest shopping mall in Central America.

pillars: 1) Developing human capital, 2) Improving public safety and access to the justice system, 3) Fostering the productive sector, and 4) Strengthening public institutions.

Developing our human capital is essential for mitigating youth immigration. To this end, the Northern Triangle countries expect to expand our social protection systems and conditional transfer programs in order to incentivize children to stay in school, as well as expanding middle and secondary education coverage in prioritized areas from 73 to 92 percent over the next five years. Across the Northern Triangle, eight hundred thousand secondary school children could benefit from classroom construction and upgrades, and one million youths could take advantage of vocational training and specializations.

In order to neutralize the irreversible effects of malnutrition, 7.4 million people would benefit from expanded maternal and child healthcare and nutrition programs, and 260,000 children would benefit from alternative childcare and educational programs at the preschool level. Migrants returning from the U.S. would also enter strengthened reintegration programs, accessing vocational training and extended social protection programs.

With regards to the improvement of public safety and access to justice, our relentless persecution of criminal enterprises in all their forms will continue unchanged, but in order to consolidate our recent advances we must strengthen certain aspects of our judicial and security systems. Under the Alliance for Prosperity we will train 70,000 police officers under a revised curriculum with a strong emphasis on modern policing techniques, human rights and transparency, and vastly extended internal affairs operations. The Public Prosecutors' Offices will continue to be

modernized, and we will strengthen their technical, scientific, and forensic capabilities. Our Judicial Branch will be improved through the expansion and specialization of its human resources, streamlined judicial processes, and the promotion of alternative dispute settlement mechanisms—all aimed at reducing judicial case backlogs. These actions will all help consolidate our fight against street gangs, extortion, and drug and human trafficking employing the best international practices.

Past experience with reactive approaches to crime fighting in our countries has demonstrated the need to pair remedies with preventive measures. In Honduras, we have already expanded programs that have proven to be successful, such as the establishment of 15 Peace and Coexistence Observatories to analyze local crime statistics; the forty-six Outreach Centers we have opened, partly with support from the U.S. Government, which provide spaces for recreation, training, and entrepreneurship assistance that have directly benefited over 25,000 youth; the recovery of public spaces and opening of urban “mega parks”—built through a partnership with the private sector—in areas previously controlled by criminal gangs; and the promotion of organized outdoor activities across the country which draw many thousands to attend each week, demonstrating the yearning of our citizens to step out of their fenced houses and enjoy the everyday routines that had until recently been unavailable to them.

The expansion of programs such as these across the Northern Triangle will benefit 7.4 million people with improved community security programs, expanded violence monitoring centers, and upgraded public and community spaces.



The expected results of these joint actions will be central to our future national success, and it is perhaps the most important promise I made to the Honduran people upon taking office—to reduce the murder rate by 10 percent a year for the next five years. Beyond this statistic, our population will benefit from a complete overhauling of the security and judicial systems within the next decade, resulting in systems fully capable of addressing the region's needs both in criminal and civil matters.

Our efforts in improving the human capital and security of citizens in the Northern Triangle will not amount to much if we are unable to provide employment to our youth as they come of age. We are therefore placing an equal emphasis on jumpstarting our economy. This will be anchored on establishing a one-stop platform for registering foreign and national investment, the introduction of special economic zones (ZEDES) and the development of a regional trademark. In order to target our most migrant-prone population, 180,000 micro-, small-, and medium-sized enterprises will benefit from specialized development programs and be integrated into regional production chains. As well as strengthening their technical and logistical capabilities, they will have access to \$900 million in financing over the next five years, promoting economic development across both the urban and rural landscape. For that most vulnerable segment of our population living in subsistence, technical assistance will be provided for 500,000 families so that they may escape the vicious cycle of extreme rural poverty.

These focused actions are intended to have an immediate effect on a significant segment of the population currently forced to migrate both internally as well as to the United

States, not only in search of better jobs, but often simply as a means of survival. However, the long-term transformation of the Northern Triangle economies requires large-scale investments and structural reforms to catapult the region on to a more dynamic economic path. This includes reforming regulations, improving quality and sanitary control systems, streamlining and strengthening our tax collection, fully taking advantage of CAFTA-DR<sup>2</sup> and other existing trade agreements, and significant investment in the modernization of our customs controls.

Both the focused and general actions described above require a significant improvement in the Northern Triangle's energy matrix in order to produce globally competitive results. For this reason, the Alliance also contemplates the reform, expansion, and diversification of our energy sector through the expansion of the Regional Electricity Market (MER); the promotion of the region's gas connection with Mexico; and through doubling the capacity of the Electrical Interconnection System (SIEPAC), among other actions. This will achieve dramatic reductions in the region's energy costs as well as an increase in the stability of energy supplies throughout the entire territory.

The jumpstart to our productive sector also needs to be underpinned by a regional infrastructure upgrade, including 1,500 km of new and upgraded logistics corridors, 2,500 km of improved rural roads, and significant investments in border crossings, airports and seaports. The effect this unprecedented integrated economic approach will have on the Northern Triangle's development is difficult to overstate – youth will not have to turn to street gangs, extortion and common criminality as the only available occupations; rural localities

where drug trafficking has been a significant—if not the only—source of income will be able to achieve development within the bounds of legality; and contraband, drugs, arms, and human trafficking will be further curtailed through strengthened customs controls. It will amount to a wholesale transformation of the political economy of the region.

If they are to be irreversible, the foundations of our social, security, justice and economic reforms must be laid upon a strengthened institutional framework. Honduras and the rest of the Northern Triangle must repurpose our public institutions to become modern, efficient, and transparent administrations permanently safeguarded by the highest international standards in oversight and control. This requires the simplification of our tax codes, the expansion of tax evasion controls, the professionalization of our civil service, and the strengthening of local governments. In order to achieve this, we must upgrade our technical and planning capabilities as well as institutionalize accountability mechanisms in public spending, procurement, and public tenders.

The interdependent nature of these reforms cannot be stressed enough. The Alliance made a deliberate decision to embark on such an ambitious plan because the overhaul of our social sector, the reconstruction of our economies, the recuperation of our security, and the reform of our state institutions must all happen simultaneously if they are to be permanent. I believe these actions are a non-negotiable promise my administration has already made to all Hondurans, and we will pursue them regardless of the involvement of Central America, Mexico, or the United States. However, I am convinced that the effect of this plan will be exponentially greater on

the region's development and security if it is promoted by a concerted and integrated effort on the part of all the actors involved.

From the perspective of the security and immigration concerns that have placed such a heavy burden on all of our countries, the Alliance will have the simultaneous effect of mitigating the push factors that have fueled these phenomena as well as neutralizing the transnational actors that encourage them. Honduras has learned that the myopic and strictly reactive security approaches of the past do not encourage our citizenry as a whole to buy into our state efforts, and rather generate negative reactions among the populace that result in social tension. We have learned that

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addressing the effects of crime and insecurity without rooting out their causes is an expensive and never-ending process that does not provide an exit from the cycle of violence. I hope that during the past decade, the United States has also seen that spending on border and immigration controls is in fact positively correlated to an increase in Honduran emigration. This time last year, the U.S. Congress had to allocate supplemental appropriations to various federal agencies in order to address the immigration crisis. These appropriations were far in excess of the money that is required to address the causes of the crisis; in this case, an ounce of prevention truly would have been worth a pound of cure. Following this, in 2015 there has been a 95 percent decrease in the number of unaccompanied Honduran minors

reaching the border, but the United States is still bearing the financial cost of this. U.S. funding of the “Frontera Sur” initiative, which provides the Mexican authorities with resources to increase their own migration controls, led to a 300 percent increase in apprehensions of Honduran citizens in Mexican territory in 2015. This cannot be a sustainable solution to the immigration phenomenon. The program simply replicates expensive U.S. border control activities even as it pushes them further south.

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When analyzing this situation, we should take a cue from our recent joint successes in security and defense cooperation stemming from the U.S.-Honduran High Level Security Dialogue. I am convinced that the continued strengthening of the cooperation, respect, and friendship between Honduras and the U.S. is fundamental to furthering the cause of regional security and development. I am equally convinced that the Alliance for the Prosperity of the Northern Triangle represents the most cost-effective solution to a security and immigration phenomenon that deeply affects Guatemala, El Salvador, Honduras, and the United States. There is no end in sight to the money spent on reactive policies—and in that same vein of trust and friendship through which we have recently shaken organized crime and drug trafficking in Honduras, we should now take a next step through this plan to have the same effect on the immigration

phenomenon as a whole. This plan does not seek to contain or disguise the origins of our immigration and security problems—its aim is to uproot them.

The success of the Alliance will cripple the deep web between drugs, arms, and human trafficking, simultaneously wrenching the threads that exist between human traffickers and criminal gangs on both sides of the U.S. border, criminal gangs and drug traffickers in the Northern Triangle, and between drugs and arms trafficking, often carried out by the same criminal structures. Success in this endeavor would also free U.S. border security from what has morphed into a humanitarian mission rescuing and protecting vulnerable children, allowing them to fully focus on safeguarding the southern border from persons who represent a genuine threat to the national security of United States.

Such a path will require stringent oversight, constant revision, and continuous dialogue between all the parties involved. This is not a matter of ideology, but one of lessons learned and hard facts about an imminent problem that will not wait to be addressed. We may expect resistance from entrenched interests whose power bases will be compromised by such actions, but these must be met with our unwavering determination to propel the region and its citizens towards their full potential.

Half a century ago, President John F. Kennedy spoke these words at his Inaugural Address, “To our sister republics south of our border, we offer a special pledge—to convert our good words into good deeds—in a new alliance for progress – to assist free men and free governments in casting off the chains of poverty.” During my interactions with President Obama, Vice-President Biden,



members of Congress and the U.S. Southern Command, I constantly hear echoes of that decades-old pledge. There is an entire generation of Hondurans who regard President Kennedy's Alliance for Progress as the reference point of a "before and after" in the country's modernization. To this day, tens of thousands of our citizens benefit from the schools and clinics that it provided. We are still reminded of the deep friendship that bonds our two countries by the seal of that program and the flag of the United States, which have not faded from the buildings that it bestowed.

Today we are faced with complex regional challenges that require unprecedented cooperation if we are to overcome them. Honduras has already embarked on the path laid out above—with the assistance of the United States, we may take an even greater leap towards the safeguarding of both American and Honduran citizens for years to come. Central America and the U.S. are deeply bound by their physical proximity. Let us therefore recognize that if our region is ravaged by drug-trafficking, violence and lack of economic opportunities, U.S. security will always be at stake. On the contrary, if the Northern Triangle is at peace, served by strengthened democratic institutions, and inclusive economic opportunities, both Central America and the U.S. will greatly benefit from having marked an irreversible turning point in the region's prosperity.

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## Notes

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<sup>1</sup> Homicide rate per 100,000, per year: 2007: 47.6, 2008: 57.8, 2009: 67, 2010: 77.5, 2011: 86.4, 2012: 85.5, 2013: 75.1, 2014: 67, Official July 2015: 64.5 2007-2014, National Violence Observatory, Universidad Nacional Autónoma de Honduras, 2014-2015, Statistics Unit at the Center of Police Strategy and Operations (COEPOL), figures that are reconciled and jointly published with the National Violence Observatory

<sup>2</sup> CAFTA-DR (Dominican Republic-Central America FTA)

Stuart Rankin



In this photo, Peruvian, Mexican, Chilean, Colombian, and U.S. naval ships sail together during the annual UNITAS (“unity”) multinational maritime exercise. Peace and prosperity are now, more than ever, dependent on nations working together.