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Daniel Reichman

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Honduras: The Perils of Remittance Dependence and Clandestine Migration

Honduran emigration began escalating in the 1990s — later than other Central American countries, where civil wars had already spurred waves of Nicaraguans, Salvadorans, and Guatemalans to leave home (mainly for the United States).

Within the span of a few short decades, migrants have become an essential engine of economic support for Honduras. Remittances comprised 17 percent of the nation's gross domestic product (GDP) in 2011, according to World Bank estimates, the second largest share of any country in Latin America or the Caribbean. As such, Honduran emigrants have tremendous significance for the country's economy and for the sustenance of many otherwise impoverished communities and families.

A small number of Hondurans had been residing in the United States since the 1950s and 1960s. But it was not until the late 1990s and early 2000s that their numbers swelled, growing from approximately 109,000 in 1990 to 283,000 in 2000, peaking at close to 523,000 in 2010, and then dropping to around 491,000 in 2011. The United States is by far the top destination. The small Honduran communities in other countries, such as Spain and Canada, compose a relatively insignificant share of Honduran emigrants and remitted earnings.

It is important to note that the Honduran immigrant community in the United States was established after the US legalization program of the late 1980s, and much of it after Hurricane Mitch devastated Central America's Northern Triangle in 1998. In large part because of their "late" timing, Honduran flows to the United States have been largely illegal. In 2011, more than three-quarters of Hondurans in the country were believed to lack legal status, the largest share among all Central American immigrant groups in the United States. Hondurans are thus disproportionately affected by US deportations. The large numbers of deportees — with or without their families — find it difficult to reintegrate into Honduran society.

Dependence on remittances is a new phenomenon. Since the early 2000s, remittances have represented a larger source of domestic income than any other single sector of the Honduran economy, including agriculture and manufacturing. The Honduran government, presided over since January 2010 by the Honduran National Party's Porfirio "Pepe" Lobo Sosa, continues to view migration as an economic resource, for better or for worse. While

Honduras enjoyed a steady period of economic growth in the mid-2000s, its economy has struggled to rebound from the global economic recession and a June 2009 coup d'état that thrust the country into crisis. Honduras also faces stark challenges that include corruption, pronounced economic inequality, and an elevated rate of violent crime.

This article examines the history of modern Honduran migration, tracing the rise of emigration to the United States as a dominant economic force, and exploring migration trends, policies, and impacts on Honduran society.

Honduras: An Overview

Geography and Demography

Book-ended by the Pacific Ocean to the south and the Caribbean Sea to the north, Honduras lies at the southern extreme of what was once the Mayan world. But compared to its neighbor Guatemala, there is relatively little Mayan cultural influence in present-day Honduras. Spanish is the predominant spoken and written language; Roman Catholicism or evangelical Protestantism are practiced separately from indigenous beliefs; and there are few popular ritual practices linked to the Maya. The majority (around 90 percent) of Hondurans are mestizo (alternately called ladino), people of mixed Native American and Hispanic ethnicity. (It is worth noting that during the past decade, ethnic and cultural minority groups such as the Garifuna, Miskito, Lenca, and Pech have become more politically active.) In addition, a significant immigrant population of Middle Eastern origin has lived in and around San Pedro Sula since the early 20th century, and there has been considerable intermarriage between Salvadorans and Hondurans since an inflow of Salvadoran migrants began in the 1960s (driven by rural displacement in El Salvador).

Tegucigalpa is the country's political and cultural capital, while San Pedro Sula is the industrial and commercial center. Tegucigalpa's importance grew out of mining concerns that began in the colonial period (1550-1820), while San Pedro Sula's growth has been linked to the 20th-century banana industry and, more recently, to a boom in export-oriented manufacturing. As of 2010, more than half of the Honduran population lived in urban areas, a major demographic change that has been developing over the past 30 years.

Today, as in many countries around the world, there is a stark urban-rural divide in the nation. Urban areas are expanding and developing too fast to ensure their new inhabitants' well-being. Meanwhile, large sections of the country, such as Lempira and Gracias a Dios to the far west and east, lack basic infrastructure and services.

Over the past decade, tourism to Honduras has increased rapidly, with the ruins of the Mayan city of Copán being the country's most famous attraction. The Bay Islands, home to one of the world's largest barrier reefs, and the Río Plátano Biosphere Reserve, one of the largest protected rainforests in the Western Hemisphere, make the country a popular destination for ecotourism — whose importance Honduras recognizes by protecting large areas of biologically or culturally significant land.

History and Politics

After the decline of the Maya around AD 1300, modern-day Honduras was colonized by Spain in the 16th century. By 1823, the country, along with the other United Provinces of Central America, had gained independence from Spain, led by modernizing liberals who were influenced by the revolutions in North and South America and Haiti. After independence, Honduras was host to British mercantile interests and became heavily indebted to French and English banks after a failed attempt to build a transoceanic railroad during the California Gold Rush of the 1850s. By the 20th century, US mining corporations came to prominence; then, multinational fruit companies held sway until midcentury, prompting the well-known and (to Hondurans, deeply offensive) perception of Honduras as a "banana republic."

Honduras was ruled by a military regime until 1982, after which it experienced a period of uninterrupted civilian democratic rule until a 2009 coup d'état. Honduran politics is dominated by two parties. The Liberal Party (Partido Liberal de Honduras or PLH, historically tied to the interests of workers and merchants on the north coast) and the National Party (Partido Nacional de Honduras or PNH, more connected with conservatives and the military). The ideological differences between these two parties are not nearly as stark as those among rival parties seen in other parts of Latin America. Both parties are now solidly capitalist and democratic, essentially on the center-right of the political spectrum.

Unlike its three neighbors, the nation did not experience a civil war during the last half of the 20th century. However, the 2009 political crisis in Honduras is considered the biggest in the region in years. The crisis centered on then-president Manuel Zelaya, who had been elected as a member of the PLH in 2005. While Zelaya began his presidency as a centrist, he shifted to the left over the course of his term, alienating the Honduran military, business, and political establishment. In response to plans for a constitutional change that opponents feared would prolong his term, Zelaya was forcibly removed from power in June 2009 and exiled to Costa Rica. He was replaced by Roberto Micheletti, Zelaya's one-time opponent in the PLH's primary elections. While Zelaya's populist inclinations and overtures toward the Latin American left threatened the elite, his programs to raise the minimum wage, lower the price of energy, and provide cash transfers to the poor made him a popular — albeit polarizing — president.

Honduras: An Overview

Although limited, Honduran immigration to the United States began in the 1950s, during the heyday of the Honduran banana economy. Many early migrants worked in the fruit industry and interacted with US citizens through business; a significant community grew in New Orleans, an important banana port. These early migrants often worked in the service or industrial sectors, or facilitated the fruit import/export business in the United States.

Until the 1990s, however, migration within Honduras was far more common than international migration. People responded to changes in the Honduran economy by moving from one part of the country to the other; few crossed national borders.

As the banana industry began to decline in the 1960s, the Honduran coffee industry rose in importance. The first centers of the coffee industry were small towns located at high altitudes in mountainous regions that had not been well integrated into the banana economy and thus had poor infrastructure and relatively weak political leadership. During the Cold War, the Honduran government and foreign aid agencies began a concerted effort to develop the Honduran coffee sector, leading to modernization of coffee-growing regions. The export-oriented cattle and cotton industries also boomed during the 1960s and 1970s, prompting widespread displacement in the southern part of Honduras as large tracts of land were converted into cotton farms or cattle ranches.

With a relatively low population density compared to its neighbors, displaced Hondurans were often able to find sparsely populated places to colonize. As in previous years, they remained within their national borders. Meanwhile, the social pressures caused by large-scale export agriculture (especially cotton production) were far more severe in El Salvador, prompting many Salvadoran rural residents to immigrate to the United States. Many also populated the Honduran countryside throughout the 1960s, a process that precipitated the so-called Soccer War in 1969. The social connections between Salvadorans and Hondurans that formed in this period would facilitate the early stages of Honduran migration to the United States, as Honduran emigrants found footholds in largely Salvadoran US communities.

Industrial development in the northern part of Honduras (mainly the department of Cortés) attracted rural workers in the 1970s, and the rapid development of the coffee sector drew migrants from various parts of the country. Urban industry became increasingly oriented toward the US export market in the 1980s, and growth in the maquila sector attracted domestic migrants to the area around San Pedro Sula, Honduras' industrial hub. The maquila sector is based on light manufacturing for export, based in free trade zones (called ZIPs) on the outskirts of Honduran cities, which benefit from tax breaks and subsidies designed to attract foreign capital.

The 1980s: A Lost Decade

The 1980s are often called Latin America's "lost decade" due to the violence, economic upheaval, and political oppression that mark these years. These forces drove many people out of their homes, spurring unprecedented immigration both within the region and to the United States, among other countries. Scholars and policymakers began to pay attention to Central American emigration patterns. Interestingly, there is a substantial amount of research on Salvadoran, Guatemalan, and Nicaraguan migration in which Honduras is described as a receiving country for refugees but not a sending country. Honduras received refugees from El Salvador, Nicaragua, and, to a lesser extent, Guatemala (most Guatemalans went north to Mexico) during this period.

Even as Honduras avoided the brutalizing civil wars suffered by its neighbors, it did not go untouched by the lost decade. In addition to hosting scores of refugees, the country became what historian Walter LaFeber called the "main girder in the bridge" for a US foreign policy obsessed with stopping the spread of the Soviet sphere of influence in the Western Hemisphere. Honduras was the base of important operations in the Cold War struggle, most famously the training of the Nicaraguan Contras.

Implications for Today's Migration Flows

The events of the lost decade underpin much of the difference between Honduran and other Central American migration to the United States, a difference that has persisted into the 21st century. Unlike their neighbors, relatively few Honduran immigrants came to the United States in the 1980s. Nor were Hondurans a significant share of the secondary wave of immigration from Central America that occurred in the early 1990s. This wave came after the passage of the Immigration Reform and Control Act (IRCA), a 1986 US law that led to the legalization of nearly 3 million immigrants. Legalization produced what some researchers have called a "chaining" effect, as relatives of newly legalized immigrants were able to immigrate under the "family preference" quota system that allocates visas to immediate family members of US citizens. The 1990 Immigration Act expanded immigration quotas, and Temporary Protected Status (TPS) was granted to Salvadorans.

Meanwhile, the social networks that facilitate migration simply weren't as extensive or longstanding for Hondurans as they were for other Central Americans. (Indeed, there are many communities in El Salvador where long-term processes of back-and-forth migration have allowed remote villages to survive and prosper.) Because most Honduran immigrants came after the legalization of 1986 and not before, the proportion of unauthorized Honduran migrants is far higher than that of any other Central American community in the United States. This unique standing makes it more difficult for individuals, families, and communities to establish the long-term social connections that facilitate most other Central American migrant flows.

Remittances and returnees certainly bring much-needed capital into many Honduran communities, but reliance on illegal immigration also leaves many families indebted to human smugglers (called coyotes in the region), strengthening the power and influence of organized crime. Migrants face the risk of death, injury, and incarceration en route to the United States, and those who make it to the United States must deal with the constant threat of deportation or long periods of incarceration in detention centers. It is nearly impossible — whether for financial or risk-related reasons — for unauthorized immigrants to return home to see their families in Honduras, so families must rely on communication via phone, Internet, or mail to maintain a social bond. Entire Honduran communities face the reality of an "absent generation" of adults, shifting the burden of everyday life to young people and the elderly. In sum, migrants fulfill their economic role in society through remittances, but they become acutely disconnected from their social roles, creating a great degree of social tension in remittance-dependent communities.

After the Cold War

A Shift from Internal to International Migration

The end of the Cold War in 1989 ushered in a broad neoliberal economic platform in Honduras that prioritized the growth of export-oriented industry, especially light manufacturing in urban areas, and sought to create a favorable investment climate for foreign capital. This strategy shifted the political focus away from improving social conditions in the countryside and, instead, encouraged rural to urban migration to support urban industrial growth. Migration — whether to urban areas of Honduras or the United States — became an increasingly common path for the struggling rural population.

Then Hurricane Mitch struck in October 1998, leaving thousands of Hondurans dead or missing and displacing approximately 1.5 million, out of a total population of 6 million at the time. The hurricane damaged lowland areas, especially tobacco and banana crops, far more seriously than it did the coffee-growing regions. Close to 90 percent of the banana crop was affected, leaving 17,000 workers jobless. Following the storm, Honduran president Carlos Flores used the fear of migration to plead for US economic aid, "warning that a new wave of migrants will go 'walking, swimming and running up north' unless the United States helps Central America get back on its feet," (as quoted in a 1998 Associated Press article).

Regardless, in the years that followed, illegal immigration from Honduras to the United States did spike dramatically. The number of Hondurans apprehended at the southern US border — as reported by the Immigration and Naturalization Service (INS) — rose from 10,600 to 18,800 between fiscal years 1998 and 1999. The overall number of Honduran immigrants in the United States more than doubled from a decade earlier — increasing to 283,000 in 2000. Factoring into this surge was the granting of TPS status in 1999 following the hurricane to Hondurans already in the United States, which allowed them to remain legally until 2002. (TPS, which provides protection against deportation and confers work authorization, has been extended for Hondurans several times, most recently in April 2013, permitting beneficiaries to remain in the United States until January 5, 2015.)

Domestic Economic Development

After the end of the Cold War in 1989 and the return to democracy in Honduras in 1990, the political system became decentralized, and individual municipalities were given greater legal autonomy than they had in the past. National agrarian boards, peasant organizations, and labor unions lost political clout, and international nongovernmental organizations (NGOs) moved in to fill the void. Soon NGOs were the most visible promoters of social welfare in Honduras.

These movements — seen across Central America at the time — shifted the grounds of social policy. They also did little to bolster a faltering Honduran economy. Emigration seemed to be the only option for many, and the nation became increasingly dependent on remittances from its diaspora. Between 1990 and 2005, remittances went from an

insignificant part of the Honduran economy to the single largest source of foreign exchange.

The rise of Honduran migration to the United States in the past two decades is evidence of the inability of Cold War-era development policies to bring about meaningful reform and economic stability in Honduras. After decades of agrarian reform, state-led development programs, and billions of dollars of foreign aid spent on international development schemes, remitted wages from people working in the United States have become the most important source of income for many rural communities.

The short-term economic benefits of migration — such as increased incomes and stimulated domestic consumption — have defused some of the political economic tensions left unresolved after Central America's lost decade. Without migrant dollars, there would likely be greater competition for low-paying jobs, rural to urban migration, and economic unrest. For these reasons, migration is often described as a political "escape valve" for Honduras as well as other nations in Latin America. Some politicians, notably Mexico's former president Vicente Fox, have publicly celebrated migrants as "heroes."

Remittance Dependence: Implications for Development

The rise of migration in Honduras is best seen in the context of post–Cold War priorities. For much of the 20th century, development — however defined — was the goal that shaped political and economic aspirations in the country. After the Cold War ended, both the theory and practice of international development changed. The state shifted its efforts toward market-friendly neoliberal policies that would improve Honduras' competitive position in the global economy. Profitability, efficiency, and competitiveness often came at the expense of social stability. In this context, the social welfare function of the state shrunk, and NGOs became increasingly responsible for providing social services in rural Honduras. In addition, poor people were encouraged to relocate to fast-growing urban centers to work in maquilas, and social expenditures were reduced to control inflation.

Certainly, rural to urban migration was a common way to deal with agricultural downturns before the 1990s, but since that time migration to the United States became by far the most common way that farmers in coffee-producing regions, in particular, responded to low coffee prices. More broadly, migrant remittances came to be seen as a key resource in rural development, bringing much-needed cash to impoverished parts of Honduras. Migration has become a path to development, rather than a symptom of its failure.

A Profile of Honduran Migration Today: Trends, Flows, and Characteristics

In 2011, around 694,500 individuals residing in the United States reported Honduran ethnicity/race, and there were roughly 491,000 Honduran-born immigrants. Men outnumbered women (53 percent and 47 percent). The vast majority of Honduran immigrants had less than a high school education and low levels of English proficiency.

The women in this group were more likely than the men to be high school graduates or to hold a bachelor's degree.

Nearly half of Honduran immigrants had entered the country since 2000; roughly one-third had entered between 1990 and 1999; and about one-fifth had entered before 1990.

The vast majority of active adult men in this group were employed in such industries as natural resources, construction, maintenance, service occupations, and moving/transportation. The majority of women were employed in the service industry, sales and office occupations, production, and transportation/moving services. Nearly half of the Honduran-origin population had no health insurance coverage, and close to one-third percent lived in poverty.

While illegal immigration is a strong marker of the Honduran immigrant population, many enter legally for work, family, and other purposes. A handful has entered every year under the diversity visa/green card lottery program since the beginning of the program in 2000. Over the past decade, the annual number of H2A visas (for temporary or seasonal agricultural work) issued to Hondurans has ranged from 1 to 33 annually, and for H2B visas (temporary nonagricultural work) from 252 to 970 annually.

Illegal Channels and Their Effects

In 2011, the US Department of Homeland Security (DHS) estimated that 380,000 of the 11.5 million unauthorized immigrants in the United States were from Honduras. This means that roughly 77 percent of the 491,000 Honduran-born immigrants residing in the United States that year did not have legal status. In terms of the percentage change from 2000 to 2011, Honduras led among the top source countries of unauthorized immigrants, with a 132 percent increase. The number of Hondurans deported from the United States is expected to surpass 32,000 by the end of 2012. Further, a 2012 study by the Mexico-based National Migration Institute notes that from January to November 2012, 28,020 Hondurans were deported from Mexico (up from 17,889 in 2011), making up 37 percent of total deportees.

The fact that Honduran-born immigrants are disproportionately unauthorized severely constrains their ability to participate fully in social, cultural, and economic life in the United States — and has dire effects on their native communities in Honduras.

Conclusion

A new social order has emerged across Honduras. Many of the markers of status that defined life before the migration boom — such as land ownership, advanced age, education, and political connections — are being replaced by knowledge of how to migrate successfully to the United States and remit earnings to family members in Honduras. Migrants and returnees have become the very models of success for young people in rural areas. At the same time, new forms of social differentiation are emerging. The meaning and

value of education, lawful citizenship, and family responsibility have been redefined in the context of the migration phenomenon.

For these and other reasons, remittance dependency poses a great challenge to Honduran society. While remittances (mainly from the United States) prop up the economy, a large percentage of Hondurans still live in poverty. Remittances may be a stop-gap solution for a weak Honduran economy, but this does not mean that a "migration economy" — especially one that depends so heavily on dangerous, illicit channels of migration — is sustainable in the long term. In the short term, meanwhile, any significant decrease in remittance flows would shock the economy.

During the past few years, the primary (but not sole) driver of Honduran emigration has been the search for better opportunity abroad; however, flows have been curbed in no small way by the economic crisis in the United States, which took effect in late 2007, as well as the increasingly dangerous trip through Mexico. In one of the most high-profile incidents of violence against migrants passing through Mexico, perhaps as many as 24 of the 72 migrants who were brutally killed in the August 2010 massacre in Tamaulipas were Honduran. In early March 2013, 102 Honduran migrants on their way to the United States were rescued by the Mexican marines after being kidnapped by criminal groups in Nuevo Laredo, Mexico.

Mexico's migration law, adopted in May 2011 with regulations released in fall 2012, indicates the Mexican government's consideration of migrants' rights, regardless of legal status. However, the implementation of the law may prove a great challenge at all levels; actual impacts on the security of migrants in transit remain to be seen.

Migration of unaccompanied Honduran minors to the United States — a relatively recent phenomenon showing no signs of abating — may be linked to ongoing problems in Honduras such as gang recruitment of youth and lack of opportunity. Honduras is among the top three countries of origin of the thousands of children traveling alone who are apprehended at the US border each year, according to the Office of Refugee Resettlement. A Women's Refugee Commission report suggests that from January to June 2012 alone, approximately 2,500 Honduran unaccompanied minors were referred for foster care (and likely many more undetected). A study conducted by the US Conference of Catholic Bishops Migration and Refugee Services found that Honduran children placed in foster care between 2007 and 2011 had a high occurrence of mental health disorder, disproportionately affecting boys.

In Honduras, one of the main migration-related challenges today is the reception and reintegration of the thousands of Honduran migrants returned every year from Mexico and the United States. A network of civil-society organizations, religious groups, and governmental programs seek to support the reintegration of returnees into Honduran society. This includes addressing the needs — medical, financial, and otherwise — of returnees who have been severely injured en route.