

## **Quick Reflection on Central America's Security Situation**

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I have just returned from a quick trip to Central America (El Salvador, Costa Rica, and Honduras) where I was attending a conference and held meeting with various government officials and independent experts on the issues of crime and violence in Central America. Here are a few initial impressions from this trip.

**Engaging the private sector<sup>1</sup> in the public security debate:** The main reason for my trip was to participate in a roundtable discussion in Costa Rica with private sector representatives, government officials, and researchers on the issue of public security in the "Southern Triangle" of Central America – Nicaragua, Costa Rica, and Panama. This is part of a several step process that will include roundtables in the "Northern Triangle" and Washington, DC.<sup>2</sup>

In addition to the Costa Rica conference, I also discussed the issue of private sector engagement in meetings in El Salvador.

The role of the private sector in public security issues has traditionally been complicated because of the deep divide between many governments and the business community. On the one hand, governments have sought support from their country's economic elite to carry a larger portion of the costs associated with increased policing and law enforcement measures. Conversely, large business associations and the country's economic elite have often resisted paying more in taxes – whether in effective terms or for "special security taxes" - because of their deep distrust of government corruption and it's perceived incapacity to use the money effectively.

This is a generalization, of course; but some form of this debate has played itself out in Central America for the past 20 years. For instance, Guatemala continues to have tax collection rates of approximately 10.5% of GDP - well below the regional average, but the country's business community continues to resist higher taxes. In Honduras, a special security tax designed to raise nearly \$80

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<sup>1</sup> The reference to the "private sector" is very broad. I acknowledge that the sector is not homogeneous. In this case, the purpose is to speak about broad trends and tendencies, and as such a generalization.

<sup>2</sup> The Wilson Center is co-sponsoring this dialogue with the leadership of the INCAE Business School, a well-regarded institution based in Costa Rica with many ties to the United States. The hope is that interesting and concrete proposals will emerge from this discussion that can be useful to national governments, as well as feed into the *SICA process* on public security. SICA is the Central America Integration System which has traditionally dealt more with trade and governance issues between the countries of the region, but has more recently sought to play a bigger role on security matters.

million over five years was significantly scaled back in September 2011 after the private sector complained the tax would hurt their competitiveness.

**Public vs. Private security:** As Central America experiences a dramatic increase in violent crime; the age-old debate about public vs. private security comes into focus once again. In a context of constant threat from crime and an ineffective government response, some in the private sector have pursued private ways to ensure their own safety, and that of their workers and investments. A dramatic [proliferation](#) of private security companies has resulted, including some specialized in preventing kidnapping or negotiating with kidnappers quietly and without state involvement. Use of armored vehicles, the prevalence of gated communities, and special security measures for employees are also commonplace.

While understandable and possibly necessary in some of the most extreme cases, such a private approach to security does not resolve, and may even worsen, the underlying problems of weak law enforcement institutions. With its economic and political influence, a focused private sector approach to support the professionalization of law enforcement is urgently needed.

**What can the private sector do to promote public security?** Besides paying more taxes, which is understandably a hard sell, what can the private sector do to contribute to greater public security? The answer is something the private sector itself will have to figure out, but here are a couple of quick ideas that might be worth discussing further. The private sector can contribute to the public sectors capacity to: gather and analyze data; develop better systems for information sharing between and amongst government agencies; develop improved and standardized communications and reporting systems for law enforcement; and develop better evaluation systems to identify quickly programs that are ineffective.

#### **Other observations from the trip:**

The prevalence of corruption: I am always struck by how emphatically U.S. law enforcement personnel point to official corruption as a major obstacle to their crime-fighting efforts in Mexico and Central America. The cops and program officers that see it every day, regularly tell me that corruption is pervasive and a major impediment to their efforts. This is not to say there is no corruption in the United States, but rather a reminder that despite the diplomatic pleasantries that are often exchanged, pervasive corruption (state capture) is at the very core of the problems afflicting the region.

Sadly, the situation in Honduras seems particularly bad where trust in the national police and justice system is very low. The former head of Honduras's anti-narcotics police, [Alfredo Landaverde](#), was a frequent public critic of corruption within the country's security forces and was tragically gunned down

just a few weeks ago. See, too, an excellent recent [piece](#) by McClatchy's Tim Johnson on corruption within the Honduran police.

Faced with such a confounding problem, the natural tendency of the U.S. government is to create special vetted units.<sup>3</sup> By hand selecting and fully vetting personnel, it is hoped U.S. law enforcement can work effectively with the host country and carryout successful missions. There is some evidence that this does, in fact, work as a means to ensuring effective operations.

Nevertheless, there are a couple of potential risks and dangers associated with this strategy as well. First, vetted forces may solve an immediate or narrow problem, but do not necessarily contribute to overcoming the overall institutional challenges and weaknesses. A vetted unit within the Honduran police makes a marginal contribution, at best, to the overall health of the institution.

Secondly, organized crime has proven itself capable on more than one occasion to penetrate such a tight and closed system. Vetting on its own is no guarantee that officers will remain unblemished. In fact, vetted units quickly become the focus of organized crime efforts to subvert and/or penetrate the unit. In Guatemala, for instance, efforts to create a special counter-narcotics unit (the DOAN) failed when it was determined they had become infested with drug [traffickers](#).

Organized Crime and Street Gangs: There is mounting evidence that street gangs and transnational organized crime are largely distinct phenomenon. Despite efforts to wrap all the bad guys in one long cloth – referring to them as transnational gangs, in some instances – it's apparent that street gangs and drug traffickers are often a separate phenomenon. While there can be exceptions and overlap from time to time, including periodic collaboration or partnership, they, in large part, reflect different phenomenon and interests.

Where is the violence, and who is behind it? Of particular interest is the strongly held assumption that most of the violence afflicting Central America's northern triangle is located in urban areas where street gangs are prevalent. Violence in San Pedro Sula and La Ceiba, Honduras seems to be focused in neighborhoods of strong gang activity. Most of this violence can be attributed to conflicts over territory and domestic criminal activity such as extortion and theft, especially auto theft.

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<sup>3</sup> Another element of US policy is to push for greater use of extraditions. While I was in Honduras, President Lobo announced that his government had reached an agreement with the U.S. on extraditions and would push to overturn the decades old ban on extradition of Honduran nationals. President Lobo travelled to Miami the day before to reach make clear to the U.S. that while he was willing to consider extradition, it would be limited to cases of alleged drug trafficking, organized crime, and terrorism. To become effective, the Honduran legislature needs to pass the new provisions in two successive Congresses. It was overwhelming passed last week at the conclusion of the last Congress, and will be taken up again soon after the new session of Congress begins

Conversely, transnational drug trafficking is mostly a rural phenomenon and is relatively less violent, although certainly not without violence. Cocaine traffickers bringing product from Colombia to the U.S. market have little incentive to engage in violent confrontations along the way unless their payload is threatened.

Mexican DTOs in Central America. The growing assumption that Mexico is being “invaded” by Mexican drug traffickers, especially the Zetas, and that this is the main factor contributing to the dramatic explosion in violence seems unsupported by the facts. There are some specific instances, such as the [massacre](#) of 29 farm workers in Guatemala’s Peten region in May 2011 that are often offered as evidence of a Mexican criminal “invasion.” But these tragic cases, along with the persistent rumors that “El Chapo” Guzman (Mexico’s most notorious trafficker) is hiding out in Central America is not enough to conclude that Central America is being overrun by Mexican cartels.

To the contrary, officials and intelligence analysts in Mexico and Central America believe there is relatively little Mexican criminal presence in Central America and that Honduran organized crime, in particular, has been relatively effective in rebuffing any attempts by Mexican criminal groups to take control of the area. To the contrary, by some estimates Honduran criminal organizations remain firmly in control of transshipment through their country.

Lack of reliable data: How can we prescribe a remedy if there is no clear diagnosis? One problem that continues to plague policy makers and analysts is the lack of reliable data on crime and violence in the area. Simple numbers on crime related homicides and plotting where these homicides took place are often unavailable or unreliable. Likewise, there is little reliable information on the trafficking business itself. For instance, what is the price of cocaine when it enters Central America and what is the price when it leaves?

Fortunately, there are some small efforts underway to grapple with this problem. Both the World Bank and UN Development Program (UNDP) have been engaged in efforts to document the extent of the problem. Furthermore, in El Salvador, the government has established an interagency technical group comprised of the Civilian National Police, the Attorney General’s office, and the medical examiner (Medicina Legal) in an effort to release joint and consistent data on homicides. In Honduras, an effort started by the UNDP with support from the Swedish and U.S. governments, established an independent violence observatory ([Observatorio](#) de la Violencia) that seeks to gather and organized government data on crime and violence. The program is now housed at the National University (UNAH) under the eye of the University’s Rector who brought the project from UNDP to the University, and herself experienced the tragedy of growing violence when her son and friend were murdered in October 2011.

Where does prevention and economic opportunity fit in? With violence concentrated in urban areas where street gangs and lack of economic

opportunity are most severe, violence and gang prevention programs should be a priority. It would appear that in Honduras, at least, the only country where I discussed it, prevention programs are being supported by [USAID](#). My understanding is that many of these programs support church efforts (Catholic and Protestant) where they have a presence in the most violent communities.

I haven't studied this phenomenon fully but others have including the Washington Office on Latin America ([WOLA](#)) and the [Central American Coalition for Prevention of Violence](#). I recommend their work.

Finally, if you haven't already, check out the book Cynthia Arnson and I edited entitled, "Organized Crime in Central America: The Northern Triangle." It can be found [here](#).