





## Preface

Hanns Seidel Stiftung labels its work under the motto “in the service of democracy, peace and development”. The German political foundation has been part of international development cooperation for more than three decades and is represented by its projects in seventy countries around the world – the Central American nations have been no exception. Hanns Seidel Stiftung supports various initiatives working hand in hand with local partners, through consulting, training, international exchange and academic research, in order to contribute to the improvement of the political reality in each of the countries.

In Central America, our objective is to promote dialogue on political, economic and social challenges, based on the concept of an impartial State that seeks to build decisions through democratic pluralism. To achieve this, it is necessary to improve citizen participation in decision-making and to support leaders who contribute to democratic consolidation, sustainable development and transparency. In this sense, Hanns Seidel Stiftung also seeks to facilitate processes aimed at modernizing electoral institutions, in order to strengthen those mechanisms that promote citizen participation and institutional control.

In order to achieve a positive impact in the political sphere of the countries of the Northern Triangle of Central America, it is necessary to have a better understanding of the institutions, norms and customs that influence electoral processes, and of the difficulty of getting involved as a citizen interested in politics, so that this can contribute to necessary reforms in the electoral justice system and the various elements that compose it.

Therefore, the work “Cost of Politics”, promoted by Hanns Seidel Stiftung in collaboration with the Westminster Foundation for Democracy, is a fundamental contribution to understand and strengthen democracies in the region.

This research addresses important aspects of the legal and institutional framework for administering the electoral process, the influence of national and international political powers, factors such as violence and systematic anti-transparency efforts, among others. At present, these dynamics facilitate practices of political patronage and exclusion in the political culture and electoral process, which raises the material and symbolic barriers to entry for those who would like to play a role in their country’s political landscape.

The objective of this study – the estimation of the costs of doing politics actively and professionally – is achieved through an innovative approach that considers the “cycle” of a politician, starting with the initiation of political activities, following internal party elections and culminating in the beginning of an official appointment. Knowledge of the factors that hinder involvement in politics helps in the formulation of approaches to overcome them and to build a pluralistic and transparent democracy.

The high costs of political participation in the Northern Triangle of Central America disproportionately affect historically marginalized population groups, especially women. Greater political inclusion of these groups would not only serve particular interests, but society as a whole. Democracy is an ongoing process that is built day by day.

Promoting the strengthening of electoral and political systems through fostering an informed debate generates opportunities for citizens' inclusion in the making of transcendental decisions for their country. With this study we hope to contribute to these debates, and to the necessary transformations in favor of a responsible political culture based on ethical and democratic values in the region.

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**Demian David Regehr**

Regional Representative for Central America and the Caribbean  
Hanns Seidel Stiftung

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## Introduction

Honduras has had a troubled history with democracy. The country has experienced various authoritarian drifts and an unconsolidated democracy that has suffered through regressions, the most emblematic in recent times being the institutional rupture of 2009. A fragile socio-economic context has facilitated the continued erosion of democratic values. Honduras is one of the poorest nations in Latin America. The Honduran party system partially facilitates candidates not always having a programmatic relationship with their voters. The emergence and consolidation of patron-client relations in Honduras date back to the country's colonial era. The way politicians have appealed to voters has persisted in similar ways ever since. Honduran politicians, especially legislators, tend to view parties as electoral machines that help them gain access to and retain power, rather than as institutions that influence the creation of public policy.

Honduras is the country with the highest percentage of vote buying in Central America, surpassing Guatemala and Nicaragua.<sup>1</sup> Clientelism has fostered the consolidation of voter networks, where citizens sell their support in exchange for the promise of employment (patronage), gifts in the form of 'solidarity bags' containing food, envelopes with cash, and/or through social welfare activities disguised as conditional cash transfer programmes. Access to state resources provides clientelist incentives to participate in politics (pork barrel politics)<sup>2</sup> where parties and politicians distribute goods among their loyal constituents.

Although the stability of the Honduran two-party system has given the impression that voters are born with partisan loyalties, clientelism has been present for centuries. Such informal practices have been facilitated by the prevailing conditions of poverty or extreme poverty<sup>3</sup> that plague the vast majority of the population. Poor voters are more susceptible to exchanging votes for immediate material benefits, as opposed to long-term programmatic commitments that could benefit them in the future.

The incentives that enable this behaviour are linked to a costly electoral system that encourages fierce competition and requires large amounts of resources (candidates must participate in and fund two rounds – the primary process and the general election). Regulation of political campaign financing began only in 2017, as part of the work of the Anti-Corruption Mission in Honduras (MACCIH), but fixed campaign ceilings still represent very high amounts of money, enabling the high costs inherent in running for political posts (see Table 1 for reference).

**Table 1: Electoral campaign ceilings, primary elections Honduras 2021**

Electoral campaign ceilings, primary elections Honduras 2021		
Presidency	Municipality*	Congress*
Lempiras (Lps.) 544,271,787 or USD 22,583,892	Lps.10,000,000 or USD 415,000	Lps. 4,986,861 or USD 206,924

Source: Based on data from the National Electoral Council (CNE).

\*Variation depending on the electoral load of each municipality or department. The amount of the highest ceiling is included.

Therefore, once candidates win the seat for which they competed, many of them seek to recover their investment. Unfortunately, there are a series of mechanisms that allow for the recovery of the invested capital through methods that are not always legitimate. Corruption in Honduras is systematic and widespread.<sup>4</sup> The problem has become endemic in recent decades, as has the participation of drug trafficking and criminal networks in politics. Currently, the parties in Honduras continue to use the state and its institutions to remain in power, thus making it more difficult for those who are not part of the political elites to reach public office. As a result, the perpetuation of the same groups and political class in the exercise of power is observed.

## Methodology

In accordance with Westminster Foundation for Democracy's 'Cost of Politics' approach, information used to write this report was obtained from interlocutors participating in different phases of the electoral cycle, from the decision to participate in politics and the selection or appointment of the candidate, to the exercise of public office as an elected representative, including experiences of electoral campaigning. Such information was obtained from two main sources: interviews, and desk-based research, for which secondary sources were used, including scientific and opinion articles, electoral observation mission reports and evaluations from international organisations, such as Transparency International and Sydney and Harvard Universities' Electoral Integrity Project.

Furthermore, given the comprehensive approach of the 'Cost of Politics' series, interviews with specialists in the field and people with experience of the true cost of politics in Honduras were conducted. In-depth conversations, using a series of structured questions, took place in order to maintain a consistent approach to the topics of interest. A total of 14 interviews were conducted remotely, due to the COVID-19 pandemic. Of these, nine were with political actors and five with academic and electoral specialists. Among the political actors there were congresspeople, as well as active and former candidates with campaign experience who were not successful in being elected to the contested position. We interviewed candidates with experience in contests for all types of elected positions, from municipal corporations to the presidency and vice-presidency of the Republic. Gender balance and representation from the various political parties in the country were sought. Current and former members of the following political parties: National Party (Partido Nacional, PN), Liberal Party (Partido Liberal, PL), Liberty and Refoundation Party (Partido Libertad y Refundación, LIBRE), Innovation and Unity Party (Partido Innovación y Unidad, PINU) were interviewed, as well as an independent candidate.

## I Context

Except for a brief democratic interlude between 1957 and 1963, during most of the 20th century Honduras was subject to several coups d'état at the hands of the army. Conducted in 1956, 1963, 1972 and 1978, these evidenced the institutional weakness and the influence of the army in Honduran politics. It was not until the government of General Juan Alberto Melgar Castro in 1975 that the regime began to open up. During his term, Melgar Castro created an Advisory Council of the Head of State that included all political and economic forces of the country and enacted a new Electoral Law that, among other things, created a new National Electoral Tribunal, with representation from all the registered political parties.

Successive overthrows by military leaders, coupled with internal and external pressure, paved the way for Honduras' transition towards democracy.<sup>5</sup> In 1980, a National Constituent Assembly was elected, in which three parties won seats: Liberal, National and the newly created Innovation and Unity Party (PINU). The Constituent Assembly was responsible for drafting the country's new Magna Carta (Constitution of 1982, currently in force), thus opening the way to democratisation. In 1981, general elections were held and the Liberal Party (PL) won most of the votes, leading with a margin of 53 per cent,<sup>6</sup> and achieving the first transition towards having a legitimately elected civilian president (Roberto Suazo Córdova). These elections, described as the most transparent and clean in the country in many years,<sup>7</sup> as well as the influence of the Carter administration in the United States – which insisted on the promotion of human rights and free elections in the region – ushered in democracy. After that, the PL and PN periodically took part in free and fair elections, alternately holding power. The period from 1982 to 2009 marked an unprecedented era of stability and peaceful governance in Honduras, making it one of the first countries to be part of the Third Wave of democracy in Latin America.

For much of its recent democratic history, the political party system in Honduras was characterised by stability, revolving around a two-party system. In fact, until a decade ago, Honduras could be considered a new democracy with an old political party system. Created during the Liberal Reform and the formation of the Honduran state at the end of the 19th century, the National Party (PN) and the Liberal Party (PL) became the dominant political forces of the country. This bipartisanship was maintained even with the arrival of democracy and competition, with the PN and the PL alternately winning the presidency in electoral processes between 1981 and 2009.

In 2009, the country suffered a democratic setback that, coupled with several structural problems, began the erosion of its traditional two-party system. President Manuel Zelaya (PL) promoted a popular consultation, announcing in March 2009 that a fourth ballot box would be installed in that year's general elections. The idea was to hold a non-binding referendum that would directly ask voters whether they were for or against presidential re-election. Prohibited by the 1982 Constitution (through Article 239), and considered illegal by Congress and the Electoral Tribunal, the consultation led to tensions and eventually to the forced departure of the president at the hands of the army. This political and constitutional crisis not only weakened the democratic institutions in Honduras, but also profoundly modified its political system, breaking with the historical bipartisanship. The Liberal Party went into crisis and, after the coup d'état, new political parties emerged, among them the Liberty and Refoundation Party (LIBRE) - founded by Manuel Zelaya - and the Anti-Corruption Party (PAC).

The 2013 presidential election reflected this new plurality, as well as the country's growing polarisation. PN and PL lost the electoral hegemony that positioned them as the two most voted-for parties in the country for more than a century. As we can see in Table 2, PL became a third force, both at the presidential and congressional levels, receiving 20 per cent of the vote. The newly formed Liberty and Refoundation Party (LIBRE) and the Anti-Corruption Party (PAC) broke the historic two-party establishment after receiving 43 per cent<sup>8</sup> of the national vote (combined). The election represented a turning point in Honduras' political system, marking the shift to a multi-party democracy.



**Table 2: New electoral composition as a result of the 2013 elections**

Levels	PN	LIBRE	PL	PAC	UD	DC	PINU
Presidency	36.89%	28.78%	20.30%	13.43%	0.10%	0.20%	0.14%
Congress	38%	29%	21%	10%	0.70%	0.70%	0.70%

Source: Based on data from the Supreme Electoral Tribunal of Honduras (TSE), 2013.

The 2017 elections reinforced this trend and increased conflict and polarisation in the country. Prior to this electoral process, the shadow of re-election resurfaced, when in April 2015, the Supreme Court of Justice of Honduras voted for amending the Constitution (Article 239), declaring the appeals filed by outstanding members of the National Party to be admissible.<sup>9</sup> In a controversial ruling,<sup>10</sup> the Supreme Court declared the re-election prohibition inscribed in the Constitution as inapplicable, alleging the right to political participation in accordance with international treaties. This favoured the outgoing president, who sought re-election and obtained it in an electoral process questioned by international observers due to its many irregularities.<sup>11</sup> The crisis came shortly afterwards, and the election led to a post-electoral crisis and street protests which saw 23 deaths, according to the United Nations High Commissioner for Human Rights.<sup>12</sup>

## Politics and money

In Honduras, the relationship between politics and money has been historical. However, since the transition to democracy and the new political constitution of 1982, money has increased its influence due to the increased competition for power. In all the electoral processes the country has gone through since then, local and national, there have been problems that include a lack of transparency in the income and expenses of parties and candidates, the improper use of state resources for the benefit of campaigns and, increasingly, the illicit financing of politics. As if this were not enough, according to Transparency International's Global Corruption Barometer 2019, 36 per cent of Honduran citizens have been offered money or goods in exchange for their vote.<sup>13</sup> This, naturally, has an impact on the cost of doing politics and limits access to it for the average citizen.

Despite this context, government actions to regulate the influence of money in politics in Honduras are relatively recent. In 2004 the Electoral and Political Organizations Act (LEOP) was approved, establishing the first regime of political financing. This was complemented in 2005 with the obligation of political parties to present expense reports, and in 2006 with the approval of the Transparency and Access to Public Information Act (LTAIP), which considered political parties as obligated subjects. However, this nascent effort only established minimal regulations and did not create specific mechanisms to ensure compliance. The weaknesses of this legal framework came to light in 2015, when President Juan Orlando Hernández admitted that during his first presidential campaign, he had received approximately 148,000 US dollars in donations from the Honduran Social Security Institute (IHSS).<sup>14</sup> The corruption scandal triggered a series of mass protests resulting in the establishment of the Mission against Corruption and Impunity (MACCIH) backed by the Organization of American States (OAS).

In 2016, as a product of the collaboration between MACCIH, the Supreme Electoral Tribunal (TSE) and the Honduran Congress, the ‘Clean Politics Act’ (Financing, Transparency and Oversight of Political Parties and Candidates Act) was approved, with greater controls and transparency for political financing. This legislation represented an important advance from the Law for Electoral and Political Organizations from 2004.

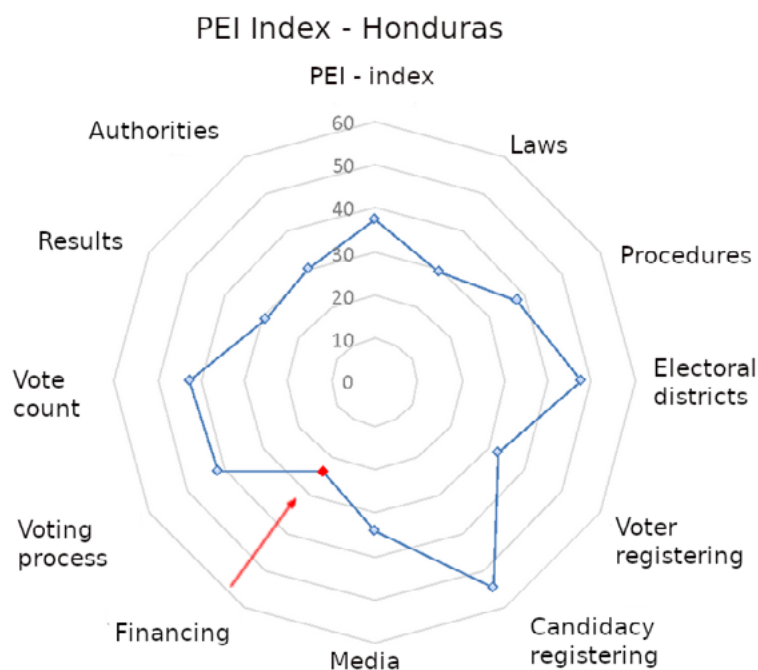
The ‘Clean Politics Act’ establishes a new financing and oversight system. Among other provisions, it sets limits on campaign spending; it limits private donations and prohibits anonymous contributions from certain actors; it strengthens fairness in the contest by suspending state advertising during the electoral process and creates a sanctioning regime for illegal financing. In addition, the Financing, Transparency and Auditing Unit was created. This Unit has auditing and investigative powers and is in charge of ensuring accountability within political parties.

The ‘Clean Politics Act’ filled an important gap in political funding in Honduras. It strengthened the legal and institutional scaffolding to better control party and candidate revenues and expenditures, thereby seeking to strengthen the fairness and transparency of the competition. However, the lack of resources for the Auditing Unit (for the year 2020, a budget of less than Lps. 30 million<sup>15</sup> or 1.22 million US dollars), was approved for the National Electoral Council to cover the expenses of the Unit), and loopholes in the law (the lack of regulation of the use of social programmes and the lack of conditions for spending destined not only for presidential campaigns, but also for campaigns for congresspeople or municipal corporations) have limited compliance with the model. In addition, corruption, clientelism, the influence of drug trafficking and the improper use of state resources in political campaigns weaken equity and transparency, which are so important to ensure inclusive participation in politics, especially for the average citizen.

In this sense, the Perceptions of Electoral Integrity Index (PEI) of the Universities of Sydney and Harvard gives us insight into the challenges of the cost of politics, which will be addressed in detail in the central section of this study. This index evaluates the integrity of an election throughout the entire electoral cycle; that is, it does not focus on what happens only on election day, but what happens before, during and after it, which is consistent with the comprehensive approach of the ‘Cost of Politics’ series. Thus, it evaluates 11 central aspects that include, among others, the legal framework for elections, voter registration, campaign media, the performance of electoral authorities and, of course, the important component of money in politics.

Figure 3 shows that political financing is the worst-rated of the eleven components evaluated in the PEI index for Honduras. With a score of 23.7/100, political financing registers a low level of integrity, which implies inequity in the access to and use of financial resources for candidacies and parties, and a lack of transparency and accountability in their use.

**Figure 1. PEI Index and political financing, Honduras**



Source: Based on data from the Perceptions of Electoral Integrity Index (PEI Index)

The political financing component is made up of five indicators: equitable access to public subsidies, equitable access to political donations, transparent accounts, rich people buy elections, and improper use of state resources. Figure 4 shows the results for these five indicators, on a scale of 1 to 5, where 1 represents the lowest integrity level and 5 represents the highest. As we can see, in Honduras, the lack of transparency and accountability stands out, as well as unequal access to financing, both private and public. On the other hand, the index also reveals an improper use of resources and strong influence by people with sufficient financial resources (or access to them).

**Figure 2. Political financing by indicators, Honduras**

	<b>Equitable access to public subsidies</b>	<b>Equitable access to political donations</b>	<b>Transparent accounts</b>	<b>Rich people buy elections</b>	<b>Improper use of state resources</b>
<b>Honduras</b>	2.2	1.5	1.5	2.4	1.9

Source: Based on data from Perceptions of Electoral Integrity Index (PEI Index).

This, of course, has consequences for the cost of politics, especially for underrepresented groups and for citizens without sufficient political or economic resources. Usually, in order to campaign, and even before that, to join a political party and obtain a candidacy, substantial resources are required that are normally beyond the reach of the average person. The following section details the factors that have an impact on the cost of politics in Honduras and, therefore, determine the barriers to political participation as a citizen.

## II The current drivers of the cost of politics

According to the report ‘The Cost of Democracy in Honduras 2010-2020’, published by the Honduras Social External Debt Forum (FOSDEH),<sup>16</sup> the 2013 electoral process cost the Honduran State around Lps. 1.6 million (6.6 million US dollars), while the cost of the 2017 electoral process exceeded Lps. 1.2 million (50 million US dollars), according to the amounts of the Executed Budget in the Supreme Electoral Tribunal’s portal during 2014-2017. Such a decrease in expenditure could be seen as a reflection of having a regulation and a supervising entity, which generated a deterring and preventive effect, promoting the decrease in political campaign expenses. The reduction in costs was mostly reflected in a lower hiring rate of radio and television spots, and in fewer billboards and advertising posters.<sup>17</sup>

The ‘political debt’ (budget) is provided in order to contribute to the political parties’ operation and their political campaigns. The amount is fixed according to the number of valid votes obtained by the political party at the most voted-for elective level (presidential, municipal, legislative) in the last general elections, considering the vote’s value.<sup>18</sup> Although the purpose of public financing is to level the electoral competition among political parties and candidates, evidence shows that larger political parties benefit from larger amounts, compared to those obtained by new or smaller political parties. As a result, inequalities between them persist and are accentuated. An audit report on the political campaigns of the 2017 general elections, prepared by the Clean Politics Unit, indicates that the total expenditure of political parties and candidates from public and private funding was Lps. 897,602,680.20 (37,244,924.5 US dollars).<sup>19</sup>

Spending more than 40 million US dollars on elections (total spending including the high costs of political campaigns) is a high and onerous figure for a country where, according to many indicators, more than 23 per cent of the population live in extreme poverty.<sup>20</sup> The Electoral Act applied in 2017 established that each vote cost Lps. 20 (0.80 US dollars), but taking inflation into account, the actual amount paid by the Supreme Electoral Tribunal (TSE) amounted to Lps. 39 or the equivalent of 1.60 US dollars. In the 2017 process the government paid Lps. 191 million (8 million US dollars) to 10 political parties as state funding. With the new regulations and reforms that should be approved in 2021, the state funding would increase to Lps. 60 (2.50 US dollars) per vote, almost double compared with the current formula.<sup>21</sup>

Below, we list some of the most important drivers that increase the costs of politics in Honduras. First, there are no egalitarian conditions for competition since candidates who hold public office (particularly from the governing party) have, for the most part, access to more resources, and therefore can invest more funds in their campaigns. Consequently, the other candidates have to make greater economic efforts to be at the same level and have a chance to reach the same amount of people through their campaigns. This phenomenon explains the lack of plurality in the candidacies and the prevalent concentration of money among the same actors - the traditional political parties (facilitated by the entrenched two-party system). This vicious circle discourages the participation and interest of less favoured sectors and groups, such as women, youth or ethnic minorities. Similarly, the legal framework does not yet have sufficient strength or credibility in matters of political funding.

The penetration of organised crime in these spheres also hurts and discourages participation, as new candidates fear being associated with illicit issues, or have to invest more resources in personal security in case they are forced to interact with actors linked to organised crime. Or, failing that, they may be pressurised to comply with the requests of these actors (which include accepting bribes or laundering money through

their campaigns). As mentioned above, clientelistic practices also represent an important driver, as they have turned the electoral process into a transactional act, making it very difficult to win without resorting to the informal practices of buying votes and favours. We will also delve into how the digital divide in Honduras increases the cost of politics, as electoral campaigns are still based on traditional and expensive media. If we add to the material, financial or economic costs other symbolic, moral, social, family or personal and intangible costs incurred by people who wish to get involved in politics, it is essential that the following pages address the general question posed by this study: 'Considering the high costs of participating and staying involved in politics in Honduras, what motivates you to do so?' Further to that question, we also try to explore the main drivers that raise those costs, as well as possible prospective proposals to remove these obstacles to citizen participation in the public affairs of the country.

### **Replacing social demands with money: in Honduras, people vote but do not elect**

Electoral campaigns have become increasingly focused on the cost they represent and on the competition between individual candidates for more funding. Although political parties receive state resources through state funding mechanisms, they do not pass these funds on to their candidates. For those who are not part of government structures, it is almost inevitable to resort to obtaining credit or selling their assets in order to pay for campaign expenses, which sometimes include paying the political party itself a certain amount to obtain the 'ticket'. Money has become decisive in the campaign agenda in Honduras and the links between this and the cost of doing politics have a direct impact on the results.

Money buys votes and favours, and thus clientelism has become widespread and entrenched in Honduran elections. According to regional research, for the 2013 campaign most candidates implemented a traditional form of clientelism through vote buying, which proved to be most effective for the National Party in winning the election. But in the 2017 election, the type of clientelism employed by President Hernández in the quest for his re-election was more sophisticated, using the systematic implementation of social programmes, employment generation for the PN grassroots (patronage) and the continuous mobilisation of his followers.<sup>22</sup>

Recent literature has also pointed out the use of coercive strategies to mobilise electoral support. The same clientelistic machines that drive a reward system can be used to coerce pockets of voters.<sup>23</sup> The perception that the vote is not secret and can be monitored by politicians or parties has an effect on vote buying. Candidates who belong to parties with strong structures rooted in society manage to generate a feeling of extreme vigilance among citizens. If a voter feels continuously monitored by party members, they will believe (even if it is neither true nor possible) that the monitoring structure could allow revealing their electoral preferences at the ballot box.<sup>24</sup>

It is also due to these dynamics that candidates who hold power spend much more to be re-elected and not leave office, since the benefits (legal and illegal, money and status-wise) that come from holding public office are very strong, whether at the presidential, municipal or legislative level. Therefore, incumbent candidates resort to all possible means to maintain or control such positions. In contrast, new candidates face disadvantages in terms of presence and resources that increase the cost of politics and their ability to compete.

## Honduras-style elections: centralisation of power and the usual suspects

Electoral options are circumscribed and limited to people who have been doing politics for many years. Inequity in the electoral struggle is notorious for women, youth, ethnic minorities and LGBTQI-identified collectives, as well as for people with disabilities, and all groups that are often marginalised and find it difficult to break down these barriers.

*‘My campaign competes against the great state apparatus that the National Party has controlled for more than 10 years. My competition and that of all opposition parties is not between us, but with the ruling party that takes advantage of its access to public funds. I will campaign with my salary and a few donations from family and friends, but it is likely that I will not win, because I am young and many people disqualify me from the start because of that [lack of experience]. I’m not going to give money to people in the district I’m running for. I have a great group of volunteers, who help me share my proposals, not money or food.’<sup>25</sup>*

Additionally, once a candidate reaches a position in Congress, whether belonging to the ruling or opposition party, they depend on the executive branch to function, since it is the President of the Republic who manages public resources and allocates funds to the National Congress. Decisions made in the legislature are also altered by the groups that have financed candidates, whether through public funds (allocated discreetly), or by private elites that respond to the interests of the business sector. In regard to this, we can see many congresspeople who have stronger campaigns than the presidential candidates themselves.

*‘The power of the President of the Executive over the Congress is such that he manages and decides which Congressman will receive the subsidies that by law should correspond to all of us to carry out works in our communities and districts. In the end, only the ruling party and those who sell out from other parties receive these funds and in this way a clientelist network is also established from the Executive and Legislative power.’<sup>26</sup>*

*‘I voted against several motions proposed by the governing party, following my opposition party line. As a punishment to those of us who voted against [LIBRE and PAC], alternate members of congress were not paid our salary for eight months. I had to go into debt because I could not even pay my daughters’ school fees.’<sup>27</sup>*

*‘I decided to launch my independent candidacy, because in order to get a ‘ticket’ for any position in the traditional parties [in the first five congressperson boxes], I had to contribute a minimum of one million lempiras [41,000 US dollars]. The primary process is more complicated, because we candidates have to finance ourselves. No working class person can afford these expenses unless it is through illegal sources and that stays with you for life. That is why I will wager to participate from a new party that moves away from all the vices of the traditional parties that are a cancer in the current politics and the electoral laws do not control it.’<sup>28</sup>*

The disproportionate concentration of power and resources with the ruling party and its candidates, motivated by the ambition to retain office, is what raises the cost of politics for those who aspire to public office in other parties. What is interesting is that, once in office, many congresspeople avoid returning to their districts, because they know that their constituents will ask for more handouts (food, money, paying

for birthday parties for their children, or school uniforms, and so on) and as the election year approaches, they start travelling more often. Their chances of winning are significantly diminished if they fail to reach thousands of voters, not only through their proposals, but with food, building materials, cash and billboards, both internally in the primaries and in the general elections.

### **The cost of poverty, digital divide and empty proposals**

In Honduras, based on the information gathered through secondary research and interviews, it seems that publicity for a candidate's image and what they can offer to the electorate in material terms outweighs their message and proposals. In other words, the links between parties and voters seem to be mainly clientelistic and charismatic, and to a lesser extent, programmatic.

*'When I went to visit a neighbourhood in the Central District Municipality, not far from Tegucigalpa, my alternate candidate and I had a meeting with 5 families. We brought them lunch and one of the men dropped a tortilla on the floor. A [stray] dog immediately walked by and ate it. The man kicked him 3 times and almost killed him. I told him not to do that, that we had more food, but he said he wanted to save it for the next day. That's the situation of poverty and misery in Honduras: people fight with animals [dogs] for food. I was so moved that I left 100-500 lempiras [4-20 US dollars] to each family. I didn't do it asking for their vote, but out of empathy. But as things are, with 20 lempiras ([0.80 US dollars] that I would have given them they are satisfied and promise me the vote, without caring about my proposals as long as I commit to help them periodically.'*<sup>29</sup>

*'The National Party candidates use the resources [illegally] at their disposal to buy votes, taking advantage of the big needs of the people. After the pandemic and hurricanes Eta and Iota, the people have been left very bad economically. Receiving bags of food [the basic food basket] that they now give in the campaign with the candidate's face on it helps them. And we know that on election day, they mobilise people in buses paid for with public funds and give them sandwiches and 50 lempiras [2 US dollars] after voting. They are even promising to give cell phones as prizes. I don't have the means to buy thousands of bags of food or have my face printed, or give out a lot of cash, but we do hire buses to mobilise people on election day and we also give them prepared food. Something has to be given, because they have nothing, and because if we don't give them something, they don't vote.'*<sup>30</sup>

Social media do not yet have the momentum and take-off that they have had in other countries (only 39 per cent of Hondurans have access to information and communication technologies (ICTs))<sup>31</sup>, so traditional television, radio, and print media, as well as billboards, continue to play a decisive role in the election. Several countries in the region consider in their legislation free access to radio and television for candidates and political parties, since paying for this type of exposure is very costly. Internet access would offer an attractive possibility that has already displayed its enormous potential to democratise political financing by mobilising millions of small donors and mass advertising.

There is evidence that to a large extent, traditional media have sometimes operated at the service of the ruling party, leaving opposition parties at a disadvantage, since they do not have access to state media.<sup>32</sup> Since the state does not provide political parties with funding to access media, the dependence on private financing and the high costs of advertising in these media hinders the equal broadcasting of all candidates and their proposals.

Furthermore, candidates who are competing in the 2021 primary elections, and who have competed in the past, admitted that their campaigns rely on songs and flashy images, appealing to their voters through charisma and the distribution of handouts. Rather than agents of change that promote and lobby for better options for society, candidates are more like product advertisers and benefactors.

### **Unfinished reforms, corruption, and organised crime**

Although it is perceived as a significant step, both internally in Honduran society as well as internationally, the implementation of the legislation for electoral funding (the Financing, Transparency, and Oversight of Political Parties and Candidates Act, better known as the 'Clean Politics Act') is not considered effective by interviewees. It is neither producing the desired impact on candidates' funding in terms of following the 'ceilings' nor detecting the origin of funds. The lack of transparency regarding these private funds' origins and their use makes the participation of organised crime in politics very feasible, a phenomenon that is even more complicated at a local level, especially in remote municipalities, where it is almost impossible to audit the scattered in-kind donations.

The fear of losing is another factor that drives candidates to spend more in their campaigns, based on the premise that, if they manage to obtain the seat, there will be several incentives (legitimate or illegitimate) that might allow them to recover their investment. It still has not been determined whether the Special Unit for the Control of Political Parties and Electoral Campaigns, which is in charge of the oversight system, will be able to adequately manage the control and surveillance of expenses. Once in office, audits should take place, since a congressperson's salary is roughly Lps. 120,000 (5,000 US dollars), including salaries and benefits. A congressperson receives Lps. 1,440,000 (60,000 US dollars) yearly, which is typically spent in one month of campaigning.

Through the last decade, drug trafficking, illicit enrichment and money laundering have become increasingly relevant in Honduras. Illegal funding is the original sin that allows and facilitates these distortions; they are particularly impactful at the local level (in municipalities and municipal corporations) since breaking through national institutions is more difficult and costly, but still exists. The excessive influence of money is even more detrimental to democracy when its origin is illicit, as it allows for organised crime to gain access to political power.

In societies where violence and impunity are widespread it is not uncommon for candidates to be assassinated without there being outrage from the population, as acts of violence have become very common. Consequently, if a person competes in certain districts, and does not hire security or accept illicit money, they could become a victim of violence or could even die. In the 2013 Honduran elections, six candidates were killed: three of them were running for mayor, two for council office, and one for congress. Lacking advanced and detailed investigations, these crimes are rarely blamed on political motives.<sup>33</sup>



### III Outlook

Money in Honduran politics has created a kind of fortress which the law has not yet been able to penetrate or permeate completely, generating distrust from citizens and contenders within the electoral process. All candidates running for office who participated in this study through surveys agreed that the cost of seeking a political position has risen through the years in Honduras. The costs include loss of reputation (for being affiliated to corrupt political structures or illicit funding) or risking one's own safety, which makes deciding to enter politics and seek public office harder for a regular person that does not have further links to parties.

Doing politics solely out of conviction, wanting to improve the country without having a hidden agenda, is increasingly difficult for citizens who seek in public administration the possibility of serving their country and communities to move forward and develop politically, socially and economically. Traditionally, marginalised groups such as women, youth, indigenous people, and *Garifuna*<sup>34</sup> find it harder to participate and succeed in reaching key decision-making structures.

Although reforms to the party system have been promoted with the creation of regulatory instruments that seek to further democratise politics, it is still a pending task to consolidate elections that are clean, free, and fair in Honduras. Elections are one of the fundamental pillars of democracy, and so long as they take place in environments plagued by inequity, lack of safety, poverty, corruption, weak institutions, and vote-buying in exchange of favours, democracy will suffer and lose its essence of promoting a government that guarantees the fulfilment of the rights of all citizens.

Even if extensive legal instruments are in place, effective enforcement by government entities is not fully realised. Despite increasing efforts to improve regulation and transparency levels, very little is known about who actually funds political campaigns in Honduras. In this regard, the role of civil society organisations is crucial to demand and supervise the application of norms independently from the government, and to help put an end to the perception that there is a sort of complicity from institutions in charge of preventing, controlling and sanctioning the misuse of state resources.

The mechanisms for monitoring and applying sanctions at the national level (Prosecutor's Office and Public Prosecutor's Office) are inefficient and need to be modernised. These justice operators should collaborate closely with the Electoral Crimes Unit, starting with the categorisation of electoral crimes, even though there is resistance and unwillingness from those in power.

Likewise, the electoral bodies - the National Electoral Council (CNE) and the Electoral Justice Tribunal (TJE) - should not be politicised, nor should the Voting Boards on election day. Advancements in the professionalisation, modernisation and neutralisation<sup>35</sup> of the CNE and TJE would help establish bodies that organise and conduct elections in an autonomous and independent manner; guaranteeing more transparency and less partisan manipulation. Depoliticisation contributes to impartiality and professionalism.

For a better functioning of the Clean Politics Act, it would be very useful to approve reforms that have been recommended by special commissions appointed by the OAS and the MACCIH itself. The campaign ceilings are far too high for a country as poor as Honduras. The risk of having such high budgets is that once in power, candidates will seek to regain what they have invested. Public funding could be a tool to level the playing field and make participation more equitable.

## Case study: Male hegemony in Honduran politics: the price of discrimination and gender violence

The threat of violence against politically active women in Honduras represents one of the greatest costs of doing politics. It reinforces stereotypes and traditional roles given to women in patriarchal cultures, using domination and control to deter and exclude them from politics and relegate them to household chores. All the women interviewed for this study, regardless of the party to which they belong, stated that they felt a great deal of pressure to alter their looks when the time came to make their candidacies official. Also, although to a lesser extent, most participants responded that they have had to take certain stands in order to obtain a ‘political godfather’ to back them and obtain funds to run a campaign.

*‘All support, especially towards women, comes tied to a bill that the Party or its leaders later charge us, either by forcing us to vote a certain way when motions are discussed in Congress or even with sexual favours.’<sup>36</sup>*

*‘To be successful in Honduran politics, women must be pretty, appear in a television show or have a modelling career, have money, or have a (male) political sponsor. And yet we are relegated to jobs as aficheras<sup>37</sup> or decorators, but our opinion is not taken into account when decisions are taken. In rural areas it’s particularly difficult to compete and win, because there are cacique [local political bosses] rule and they are all men. The discrimination we women suffer just because we are women is seen at a political level.’<sup>38</sup>*

Regarding the major constraints women face when participating in politics, a good starting point to set a positive precedent would be to comply with Article 105-A (Parity Principle on the Gender Quota Act in the Electoral Act, which indicates that 10 per cent of state funding must be allocated to train women. In reality, this provision is not complied with, since many women candidates claim that their parties have not invested in them.

When in a predominantly machista culture, money is essential to compete with real possibilities, the difficulty of accessing financing becomes an entry barrier that, by hindering women’s access to power, alters not only the balance of political representation, but also affects gender equality in democratic participation. This is the current case in Honduras. For the 2017 elections, the number and percentage of women in popularly elected positions was significantly low; only 21.8 per cent of elected congresspeople registered in the National Congress were women and only 8 per cent of municipal mayors were women.<sup>39</sup> At local level, the gender participation gap is larger than the gap in Congress.

## IV Summary

In Honduras, the relationship between money, politics, and elections has formed a harmful trifecta. The combination of these elements has affected fairness in electoral competition, starting from the fact that tools such as clientelism are used to alter or replace the will of the majority. Likewise, the deficient control systems for political financing, the problem of illicit money, the penetration of drug trafficking, and the way in which all this accentuates the marginalisation of women and minorities in political life, has generated great setbacks in the young democratic life of Honduras.

Money influences the election of those who hold public office and the decisions that will be made once in power, creating a vicious circle among the political and economic elites that has seen a deterioration in the quality of democracy. It is these same groups that resist any alteration of the current dynamics which would be detrimental to their interests, such as, for example, greater and better oversight. The status quo has, although weakened, largely functions as it did under the two-party system and remains rooted in the political identities of Honduran society. In light of this, the National Party has the most resources, and its consecutive periods of rule have allowed it to establish a more solid militancy, even transcending the ranks of its own party. Many candidates who reach the position they were aiming for, in Congress or in a municipality, have been forced to also advocate for the government's interests for their own survival, since in a certain way, they depend on them (because of their access to state funds).

As a result of the implicated costs, politics in Honduras tends to attract mainly individuals who have the ability to raise the necessary funds, or who have resources of their own. Honduras is one of the countries in Latin America with the most deficiencies in representative government, one of the causes of which being the high individual price of doing politics.

The absence of basic controls and sanctions on campaign financing facilitates clientelism, and has created very unequal and costly campaigns. Citizens believe that Honduras needs reforms beyond the political and social spheres; it needs reforms that transform power relations, advocate for transparency and accountability to decrease corruption and increase opportunities for citizen participation. This in turn will help to create institutions that are more responsive to the real needs of the population.

The fight against corruption and impunity is unavoidable if the country wants to regain its self-confidence. The emergence of new political forces where clientelistic practices are less common gives room for deepening a programmatic link with the voter and discarding clientelism as part of the political parties' culture. The agenda to strengthen democracy in Honduras could add these recommendations to advance the positive consequences.

Even though the panorama does not look promising, it is likely that both primary and general elections in 2021 will take place in a low quality democracy. Where recurrent allegations of fraud and accusations of illicit funding, along with a combination of growing apathy and discontent, remain prevalent, there is a window of opportunity to make changes and achieve greater legitimacy in the political system. A conscious and informed voter can make the difference and either open or close the door to gradual and necessary transformations.

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<sup>35</sup>Translator’s note: in terms of being independent of political parties.

<sup>36</sup>Interview with former Congress candidate and current pre-candidate, January 2021.

<sup>37</sup>Translator’s note: women who go around placing posters up through streets.

<sup>38</sup>Interview with candidate for Congresswoman, National Party, January 2021.

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## About the authors

### **Dr. Miguel Ángel Lara Otaola**

Dr. Miguel Ángel Lara Otaola has worked for the United Nations Development Programme (UNDP), the Overseas Development Institute in the UK, the Electoral Integrity Project at the Universities of Sydney and Harvard and Mexico's National Electoral Institute. He was Head of Mission for Mexico and Central America for the International Institute for Democracy and Electoral Assistance. He has participated as an electoral observer in several missions in Asia, Australia, Europe and Latin America and has over 50 publications on democracy and elections. He holds a PhD in Politics from the University of Sussex, an MSc in Comparative Politics from the London School of Economics and an MPA from Mexico's Tecnológico de Monterrey.

### **Gina Kawas**

Gina Kawas is a Fellow at the Wilson Center studying sustainability issues in Honduras. She has teaching experience and was an Executive at the Central American Bank for Economic Integration (CABEI). She has also worked with Transparency International and the National Association of Industrialists of Honduras. Gina holds an MA in Latin American and Caribbean Studies from New York University and a BA in International Relations.

Westminster Foundation for Democracy (WFD) is the UK public body dedicated to supporting democracy around the world. Operating directly in 33 countries, WFD works with parliaments, political parties, and civil society groups as well as on elections to help make countries' political systems fairer, more inclusive and accountable.

Hanns Seidel Stiftung (HSS) labels its work under the motto "In the service of democracy, peace and development". The German political foundation has been part of international development cooperation for more than three decades, represented in seventy countries around the world through its projects. In Central America, HSS seeks to strengthen public institutions, citizen participation and democratic consolidation, thus promoting friendly conditions for social and economic development.



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