Um giro da direita para a esquerda? Uma análise do caso hondurenho sob a presidência de Zelaya

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Resumo:
Membro da elite hondurenha e eleito presidente em 2005 com uma plataforma de centro-direita, Manuel Zelaya logo viria a se aliar ao bloco de governos da esquerda radical latino-americana, sendo o primeiro caso de giro político (policy switch) da direita para a esquerda na região. O objetivo desse trabalho é investigar as razões que teriam motivado a virada ideológica de Zelaya. Após uma breve descrição do processo político hondurenho, revisamos a literatura sobre o tema e procedemos a uma análise empírica do mesmo. Encontramos que a fragilidade do setor energético do país e a aliança com a Venezuela num contexto de crise financeira internacional e altos preços de petróleo poderia ter ativado no país mecanismo causal semelhante ao provocado pela escassez de divisas e pressão externa por IFIs apontado pela literatura como causa primordial dos giros tradicionais da esquerda para a direita.

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Introduction

José Manuel Zelaya Rosales was elected to the Honduran presidency in November 2005 on the electoral ticket of one of the country’s most traditional political parties. A select member of the Honduran social and economic elite, he soon came to be allied with the block of radical left-wing governments of Latin America and was later toppled from office by a civic-military coup propelled by members of his own party in alliance with the armed forces and the business elites and the connivance from the congressional opposition. If confirmed, this could be the first case ever in Latin America’s post-redemocratization history of a candidate getting elected in a campaign with a right-wing platform and switching to left-wing policies after taking office.

The opposite phenomenon, with candidates being elected with a left-of-center platform and later switching to pro-market policies has been quite widespread in post-redemocratization Latin American history and was labeled by Political Science as a policy switch. Although already alluded to in the early 1990s by Paul Drake (1992) and Kenneth Roberts (1995) as “bait-and-switch strategies” employed by a new kind of populism that would be developing at the time, the first scholar to dedicate a full systematic study to the topic was Susan Stokes (2001) who studied 44 elections between 1982 and 1995 and identified 16 cases of policy switch out of 27 left-wingers elected in the period. Building upon Stokes’ work and expanding her database and the variables considered, Daniela Campello (2010; 2011) studied 89 elections between 1978 and 2006 and identified 20 cases of switch out of 32 left-wingers elected. But a right to left switch has not been documented by the literature so far, therefore making Honduras under Zelaya a case study of particular interest for scholars interested in the policy switch phenomenon. With this paper we seek to assess this apparent novelty and understand the Honduran leftwards shift under the presidency of Manuel Zelaya in light of the current policy switch theory.

To do so, we start with a description of the Honduran political system and of Zelaya’s trajectory from his election in 2005 until his ouster in 2009. With this, we seek to characterize his right to left drift and search for clues that might help to explain its causes. In doing it, we do not aim to argue whether or not Zelaya truly became the leftist radical which his antagonists portrayed as they toppled him from the presidency. Especially after the fall of the Berlin Wall and the end of the Soviet Union, the debates about what it means to be a left-winger today have been vast and widely contested by many, including self-identified left-wingers, political
adversaries and various scholars dedicated to the theme. It goes way beyond the scope of our paper to delve into that debate. Anyway, in the Latin American post-redemocratization context probably the most important issue that came to arise as the central cleavage between left and right was the opposition or support to the neoliberal policies and reforms associated to the so-called Washington Consensus (see Williamson 1990). The policy switch theory itself arose from studies of the structural adjustment adopted/imposed throughout the region in the 1980s and 1990s and in such theory (see Stokes 2001; Campello 2010; 2011) the opposition or support to neoliberal policies is sufficient for the coding of cases as either having campaigned or governed as left or right-wingers. Since our case study of Honduras builds upon this literature, for methodological reasons of keeping commensurability support for free-market, neoliberal-leaning policies, and the opposition to them, are considered sufficient for coding Zelaya’s campaign and government as either right or left.

Following that first section where we try show how Zelaya drifted from a right-wing campaign to a left-of-center government, we turn to a literature review on the theme of policy switches in search for the currently accepted theoretical explanations for the phenomenon and how they could relate with our case in question. After this, we proceed to an empirical assessment of the Honduran data and try to explain what could have led Zelaya to switch in light of the theories just reviewed. This is, however, a single case study and not a broad comparative analysis, reason why it is not possible for us to perform the robust testing it would be desirable. But the policy switch theory upon which we build is already based upon solid empirical comparative studies and statistical testing we deem convincing. Therefore, we try to analyze our data under the frame of the best developed causal model for the phenomenon so far, which is that of Daniela Campello (2010; 2011): switches tend to happen in contexts of currency scarcity and the reason they only happened from left to right is because, under the stress of a currency crisis, left-wing elected presidents might be tempted to switch to the right in order to attract the capital so-needed to revive their economies from International Financial Institutions (IFIs) such as the World Bank or the International Monetary Fund, which impose pro-market conditionalities for loans, and from private investors that look to these IFIs’ evaluations over governments as signals for investment in countries. As right-wingers are already bent on doing pro-market policies, there would be no reason to switch to the left as there are no sources of capital bidding for compliance with left-wing policies.
We thus treat our case study as a pattern-matching (see Gerring 2012) test to Campello’s theory, that is, to accept its theoretical validity, and ask what else would derive from its causal mechanisms and try to match it with the data from our case. We believe our case study shows Zelaya’s Honduras with a remarkable fit to Campello’s empirical predictors for a switch were it not for the fact that he switched in the reverse direction. However, although unpredicted by her study, the Honduran case would still be theoretically possible within her theoretical framework if there were a left-wing financier with enough resources and willingness to influence the country’s political course and we find that Venezuelan president Hugo Chavez’s active oil diplomacy could well have played that role.

Finally, we end up by summarizing the likely causal path explaining Zelaya’s switch and considering some alternative hypotheses to it, such as Zelaya’s possible previous personal inclinations to the left and the relative Honduran social movements mobilization increase experienced since the early 2000s, and with some general remarks about possible future researches on the policy switch issue brought about by the case just analyzed and on the possible future developments of the Honduran political system after the coup’s consequences.

The Honduran political system and Zelaya’s trajectory: from establishment candidate to left-wing president

The Honduran political system has been marked since the return to democracy in 1982 by one of the most institutionalized party systems in Latin America according to Mark P. Jones (cited in Taylor-Robinson 2009) and by a bipartisan hegemony between the Liberal Party of Honduras (PLH) and the National Party of Honduras (PNH) that doesn’t show, however, any ideological polarization between them, with both being located at the right side of the political spectrum (Peetz 2009). Natalia Ajenjo Fresno qualifies it as an “imperfect bipartidism, with two traditional parties (PLH and PNH), apparently situated at the same ideological space despite the existence of a bigger internal heterogeneity on the first, and three small parties situated at the center-left [Christian Democratic Party of Honduras - PDCH; Unity and Innovation Party - PINU] and left [Democratic Unification Party - PUD] legalized since the democratic transition in 1980 (except for PUD, in 1994)” (Ajenjo Fresno 2007, p.165; see also Castellanos 2006). On a study conducted by the University of Salamanca where representatives of Latin American parties were asked to locate themselves on a 10-point ideological scale with 1 being the extreme left and
the extreme right, the average score of the PLH was 5.35 with 6.79 for the PNH and 1.00 for the PUD (Proyecto Élites Latinoamericanas: Honduras (2006-2010), cited in Taylor-Robinson 2009, p.484).

Figure 1: Honduran party system’s ideological dispersion, 2006-2010 legislature

*: Ideological positions from PINU and PDCH were not included in the study due to their insufficient number of legislative seats.


The hegemonic parties have rotated into power and have represented much more “instances of conflict regulation between the different parts of the country’s socio-economic elite” than “organizations of interest aggregation among the population” (Oettler & Peetz 2010, 86). According to Taylor-Robinson (2006, p.115), although the cleavages between liberals and conservatives in Honduras originated in the 19th Century, they didn’t represent an explicitly manifest ideological divide, but rather a means employed by the elites to compete for the access of state resources. As such, the electoral disputes between both parties are normally centered much more on the dispute between the personalities of their candidates than on the clash of ideas and alternative political programs about the future of the country.

The polls of 2005 were no exception. Polarized on such terms around Manuel “Mel” Zelaya from the PLH and Porfirio “Pepe” Lobo from the PNH, the contest was marked by stark personal accusations\(^2\) between the candidates. The electoral campaign can be summarized as having revolved around three main issues: problems of democratic legitimacy (e.g., corruption, how to increase citizen’s participation); degrees of public intervention over the economy (e.g., subsidies, taxation, incentives to specific sectors); and public security (Ajenjo Fresno 2007, 173). The three issues were not sufficient, however, to produce any significant programmatic polarization between the two main parties and the most prominent of them was doubtless public security and the struggle against the maras\(^3\), over which issue the main difference between both
was Lobo’s proposal of restoring the death penalty and Zelaya’s offer of life imprisonment, but preceded by attempts of social reinsertion (Paz Aguilar 2006). Only by contrast with Pepe Lobo’s iron fist propositions, thus being the right-wing stalwart, Zelaya could be described as the center-right candidate on the presidential campaign, in which he got elected with 49.9% of the votes against the 46.2% of his opponent, with the candidates of the other three parties all receiving only slightly over 1% of the valid votes each (1.02% for the PINU, 1.40% for the PDCH and 1.51% for the PUD. See Ajenjo Fresno 2007, p.168). So stable was considered the Honduran bipartidism and so little the perceived cleavages between the two parties that it led analysts such as Political Scientist Joseph Klesner to affirm that “Honduras’s two-party system, the most stable in the region, offers little contrast on policy issues between the parties (...). Zelaya had promised to eliminate government corruption while Lobo Sosa took a tougher line on law-and-order issues. Both advocate free trade with the U.S. Hence, Honduran politics will probably change little under Zelaya’s presidency” (Klesner 2006, p.35).

Son of a traditional landowning family, agrarian businessman once member of the powerful Honduran Council of Private Enterprise (COHEP) board of directors, former president of the National Association of Wood Transformation Enterprises (ANETRAMA) and PLH’s stalwart, Manuel Zelaya competed in the polls and started his government as the establishment member he always had been (Ajenjo Fresno 2007; Ortiz de Zarate 2011; Peetz 2009; Rusiñol 2009). At the beginning of his administration, he apportioned cabinet posts among the different factions of the PLH filling his government with traditional family names from Honduran politics and members of the economic elite, foreshadowing his as another Liberal government just as any of the others who preceded it, and in that sense not very different from the governments of the PNH. The only innovation so far was the introduction of gender parity in the distribution of cabinet posts (Ajenjo Fresno 2007, 175).

Despite taking credits, as he was sworn into office, for the Ley de Participación Ciudadana (Citizen’s Participation Law, hence called CPL) enacted just a few hours before the ceremony, the functioning of this law - which intended to open more direct channels for political participation with the creation of the National Forum for the Citizen’s Participation, the Municipal and Departmental Development Councils, and the Community Boards of Citizen’s Participation - was still dependent on the traditional structures of power, packed with political leaders from the PLH or people close to the president, thus hindering its potential for
transformation of the Honduran participacy. Also, to a great extent, the law itself was the development of institutional channels of civil society participation already created since the end of the 1990s under the frame of the Heavily Indebted Poor Countries - Poverty Reduction Strategy (HIPC-PRS). Financed by IFIs such as the World Bank, they required the consultation and participation of the civil society in order for countries to accede to debt alleviation (see Cuesta 2007; Dewachter & Molenaers 2011; Komives 2011). In the Honduran case, it led to the creation of the Consultative Group (Consejo Consultivo), composed of members from government and civil society in equal proportions to which the participatory institutions from the CPL can arguably be said to be a closely-related further development.

His first year in office (2006) was to a great extent a continuation of the former president’s (Ricardo Maduro, 2001-2005, PNH) administration, with some slight changes in rhetoric towards more citizen participation and an increase on the emphasis of rural poverty alleviation policies, environment protection and municipal reform. On the external front, Zelaya’s first year on foreign policy was also one of continuity and was oriented towards the US, eagerly praising the imminent coming to being of the Central American Free Trade Agreement (CAFTA-DR) signed by his predecessor and aiming to avoid the deportation of illegal Honduran immigrants, and at international money lending institutions looking for debt relief (see Ajenjo Fresno 2007), which showed some important achievements. But looking with hindsight from the perspective of what would later come as important developments from it, the most important policy from this first year was the international bidding for the supply of oil and derivatives implemented by the government. The final results of which were announced by the president in November with the choice of ConocoPhilips for the provision of gasoline and diesel and of Gas del Caribe for liquefied petroleum gas.

From the government’s start in January, Honduras was already facing an energy crisis that forced the president to issue a state of emergency decree for the sector just four days after taking office and prompted his personal intervention in the state-owned Empresa Nacional de Energía Eléctrica (ENEE) some one year later in February 2007. The Honduran energy sector is very fragile, as two thirds of the country’s electric generation comes from oil burning and the country depends on imported oil and doesn’t even own any refineries, thus being highly exposed to the fluctuations of oil prices (Pirker & Núñez 2010). The ENEE, the electrical generator and supplier which happens to be the country’s biggest company, was in dire financial situation at the
time, nearly bankrupt with yearly losses of about US$ 160 million and incapable of supplying the country’s full energy demand (Pirker & Núñez 2010; Ortiz de Zarate 2011). Zelaya’s emergency decree consisted in the creation of an emergency fund of US$ 15.8 million to afford the fuel subsidies that allowed for their price freeze until the fuel bidding results brought about the economy they were expected to bring, and the hiring of an energy insurance that could cushion any fluctuations in international oil prices (Murillo Parrales 2006).

The bidding itself was also the continuation of measures taken by his predecessor, as it derived from the recommendations of an independent consultant hired by the Commission of Notables summoned in 2005 by then president Ricardo Maduro to evaluate and restructure the country’s energy sector. It aimed at lowering the sector’s costs, but faced strong opposition from the transnational companies Esso, Texaco and Shell, that used to control the sector in Honduras since decades long and decided to boycott it. It also raised criticism by the US Ambassador, Charles Ford, who deemed the measure as a “sudden change of the rules of the game” for foreign investments (see Pirker & Núñez 2010, p.118; Murillo Parrales 2006). In the midst of the political tension raised by the bid between the government and the three oil companies, Zelaya accused them of blackmail and “energetic terrorism” and ordered the intervention on the ports and storage tanks from the companies, putting the facilities at the disposal of ConocoPhilips as he signed the new contracts into law in January 2007. This “radicalization”, however, was short-lived as he cancelled the confiscatory measures after an official note of protest was issued by the US Embassy.

The conflict over the change of rules on the mechanism of fuel provision is important due to the relevance of the issue for the country (fuel corresponds to around 20% of total Honduran imports and all of the country’s fuel is imported) and because it facilitated an approximation between Honduras and Venezuela (see Meza 2006) that was to prove crucial for the country’s left switch. Although some people question the sincerity of Zelaya’s turn to the left (e.g., Peetz 2009), there’s a widespread perception that he indeed drifted from a right-wing political campaign in 2005 to a left-of-center program that radicalized somewhat with the passing of the time (Moreno 2009; Pirker & Núñez 2010; Rusiñol 2009; Cálix 2010) and consolidated with the country’s entry into the Bolivarian Alternative for the Peoples of Our America (ALBA) in 2008.

Its symbolic start, however, is deemed to be Zelaya’s participation in the 28th anniversary of the Sandinista Revolution in Nicaragua in July 2007 (Llanos & Marsteintredet 2010b, p.180),
which generated fierce criticism by Honduran right-wing sectors and the local US Embassy (Moreno 2007). In December of that year, it started to take more concrete forms as Zelaya announced the country’s adhesion to Petrocaribe, a Venezuelan regional energy initiative that provides oil and derivatives at favored payment conditions.

The domestic reaction to the announcement was mixed. On one hand, even the business associations and the conservative press recognized that the terms of adhesion were extremely favorable to Honduran interests on economic terms, as they allowed this economically poor and fuel-dependent country to accede to oil derivatives at very flexible financing conditions, even being able to pay it off in part by bartering fuel for agricultural goods. On the other hand, they did express concerns over the possibility that the agreement could eventually leave the purely commercial and financial realms and enter into more politically-based alliances with Chávez’s socialist-leaning policies. The president of the Honduran Congress, Roberto Micheletti (PLH), already a declared pre-candidate for Zelaya’s succession, demanded transparency and a number of guarantees over the agreement, after which a congressional special committee authorized the president to sign it on January 24, 2008. On March 13, the Congress voted and approved Honduras adhesion with the favorable votes from the representatives from the PLH, the PINU and the PUD, against the contrary votes from the PDCH representatives and the abstention from the PNH.

The first Venezuelan fuel shipment reached Honduran ports on the beginning of June and a bit more than a month later, on July 22, Zelaya announced his decision to move the country’s new international alliance one step further and join ALBA. A block of countries launched by the Venezuelan government in 2004 as an alternative to the US hegemony in the region and what it considered the failures of neoliberalism and the prevailing free-markets integration, ALBA was considered to be comprised of Latin America’s radical left-wing countries and included up to that moment, and apart from Venezuela, the countries of Cuba, Bolivia, Nicaragua and Dominica. Unlike the entry to Petrocaribe, the decision to join ALBA was met with strong criticism by Honduran elites and polarized the country. Only some factions from the PLH, alongside the PUD, some trade unions and peasant organizations such as the Coordinator Council of Honduran Peasant Organizations (COCOCH) manifested themselves in favor of entrance into ALBA, while the PNH, the main Honduran newspapers and business’s associations (patronales) such as the COHEP, the Chamber of Commerce and Industries of Tegucigalpa
(CCIT), the National Industrial Association of Honduras (ANDI) and the Honduran Maquila Association (AHM) opposed it.

On August 25, Zelaya signed the protocol of adhesion during a ceremony with the presence of the presidents from Venezuela, Nicaragua and Bolivia and the vice-president of Cuba, where he announced for the first time that his government was a center-left one. Despite the opposition it generated, the entrance to ALBA was approved by the Honduran Congress on October 9 with the votes from the PLH, PINU, PDCH and PUD and the abstention from the PNH’s representatives. The approval had a significant contribution from Roberto Micheletti, who exchanged his control over Congress and factions of the PLH for Zelaya’s support for him on the upcoming liberal presidential primaries. Nevertheless, it continued to polarize the local political scenario and the media started to increasingly criticize the alleged chavista influence over Honduran politics (Llanos & Marsteintredet 2010b, p.181).

By the end of December, the government’s decision to increase by decree the minimum wage by about 60% after one month of failed negotiations with the business community confronted Zelaya with the business’ associations, that threatened to fire one out of every three employees and questioned the constitutionality of the measure at the Supreme Court (Cordero 2009, p.19). The policy further increased the country’s social tensions until it was finally settled by the Court’s decision to uphold the increase in March 2009, but the measure that was to develop as the final drop to the Honduran political turmoil and lead to June’s coup d’état had actually been started one month before, when on November 22, 2008 Zelaya first proposed a referendum to be held together with the 2009 elections for the summoning of a Constituent Assembly.

From the start, Manuel Zelaya had adopted the motto of “Gobierno del Poder Ciudadano” (Citizen’s Power Government) as his administration’s label, but apart from the CPL enacted just before he was sworn into office, not much was done to really empower the citizenship. Even the law, as already mentioned, was not totally living up to its promises as the new councils created were packed with party bosses that maintained much of the patronage networks characteristic of Honduran politics. In November, however, he proposed the summoning of a Constituent Assembly whose main alleged goal was to transform the country’s participatory structures and institutionalize mechanisms of direct democracy.
By this point, Zelaya was already more and more of a lame-duck as his presidency was coming to its last year (Moreno 2009). Even leaving aside the growing ideological divide between him and the rest of the PLH, he was starting to lose his attraction over the rest of his party as his leverage through the traditional patronage links diminished, since the PLH had already defined its candidate for Zelaya’s succession in November and previously enacted electoral reforms had taken away from the outgoing president the prerogative to influence the party’s congressional candidates’ list (Ajenjo Fresno 2007; Llanos & Marsteintredet 2010b; Meza 2006; Taylor-Robinson 2006). To make matters worse for Zelaya, Roberto Micheletti, his sponsored candidate whose favors had been crucial for the legislative approval of the leftwards switch, lost the primaries to vice-president Elvin Santos\textsuperscript{11}, and with it the incentive to cooperate with the president. Micheletti in fact started using his institutional powers to block Zelaya’s agenda from then on.

The decree calling for a “broad popular consultation” in June over the desirability of holding a subsequent binding referendum over the summoning of the Constituent Assembly was issued by Zelaya on March 23. The president had initially meant to send a bill over to Congress ordering the binding referendum to be held alongside the November 2009 general elections, but as he could not count on a secure legislative majority anymore, he decided to call for this unofficial and non-binding referendum so that it could serve as pressure over the Congress to enact the official referendum law (Llanos & Marsteintredet 2010b, p.182).

An institutional crisis involving the State powers ensued as the Attorney General overruled the decree. Zelaya then tried to reframe the referendum with another decree in May 26, renaming it as a national opinion poll to be conducted by the National Statistics Institute (INE) over the desirability of the “Fourth Urn”\textsuperscript{12}. As Llanos and Marsteintredet (2010b, p.183) explain, by removing the name “popular consultation” and calling it an “opinion poll”, the government aimed to avoid contradicting the Constitution (which establishes the Congress as the only legitimate venue for approving such a thing) and insert the measure inside the legal framework of the Citizen’s Participation Law. Inside Congress, the whole PNH and most of the PLH criticized Zelaya’s referendum proposition and the Legislative did indeed pass a preventive law on June 24, just four days before the opinion poll was scheduled, stating that no referendum could be conducted 180 days before or after any regularly scheduled election.
When the Armed Forces commander, General Vásquez Velásquez, refused to obey Zelaya’s decision to order the military to provide logistic support to the polls, the president dismissed him from the position, which triggered the joint abdication of the Defense Minister, Edmundo Orellana, and the commanders from the three forces on the same day. The crisis further escalated with the Supreme Court ordering General Vásquez Velásquez to be reinstated (a power they constitutionally lacked) and Zelaya refusing such order claiming its illegality. On June 28’s dawn, the president was kidnapped by the military from his house, still in his pajamas, and sent abroad to Costa Rica, with Roberto Micheletti being sworn in by Congress as president in his place. The coup was the end of his government, but not of the country’s political crisis which extended until the end of the year (and, in some sense, even beyond it). Its detailed description, however, goes beyond this article’s scope, but suffice it to say as a summary that it involved the expelling of Honduras from the Organization of the American States (OAS); failed attempts of mediation for Zelaya’s return to the presidency; his clandestine return to the country and refuge inside the Brazilian Embassy; the subsequent siege of that embassy by Honduran troops; the activation of a broad-based and radicalized left-wing movement of resistance thus far nonexistent on its scope in the country; and a joint Colombian and Venezuelan mediation agreement for Zelaya to return to the country with restored political rights and without judicial prosecution almost two years after his ousting that allowed the country to be reinstated into the OAS.\(^{13}\)

It becomes clear, nevertheless, that Honduras under Zelaya did indeed experience a phenomenon quite common in Latin American politics and described by Political Science as a policy switch, when a president is elected on a programmatic platform but later switches it for an opposing one. Table 1 highlights the main political facts on Zelaya’s leftwards path\(^{14}\). What makes this case stand out, however, is that all policy switches previously studied in the region had occurred from left to right, that is, with candidates running and being elected through a left-wing platform and later applying a right-wing program, while Zelaya seems to have made the opposite route. What could explain this peculiar case? Looking for theoretical answers, we now turn to a brief review of the pertinent literature.
Table 1: Short chronology of Zelaya’s leftwards path

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<td>• Modernize country through education</td>
<td><strong>January 31</strong> – Energy Emergency Decree <strong>March</strong> – Publicly encouraged congressional approval of market-oriented reforms in intellectual property rights, government procurement, customs procedures and other issues required by CAFTA-DR</td>
<td><strong>February</strong> – Takes over direct control over ENEE himself and after a while puts it under administration of the Defense Ministry</td>
<td><strong>May 06</strong> – Arrival of first oil shipment from Venezuela</td>
<td><strong>May 26</strong> – Issues decree cancelling referendum and ordering Statistics Institute to organize opinion poll over desirability of a referendum to summon Constitutional Assembly.</td>
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<td>• Fight corruption</td>
<td><strong>March</strong> – Ostensive clashes with private media, accused by him of being controlled by oligarchy and not correctly reporting actual facts.</td>
<td><strong>October 09</strong> – Congressional approval of Alba.</td>
<td><strong>July 22</strong> – Announces adhesion to Alba.</td>
<td><strong>June 28</strong> – Ousted by civic-military coup.</td>
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<td>• Focus on middle-sized enterprises</td>
<td><strong>November</strong> – Announces results from energetic bidding</td>
<td><strong>August 25</strong> – Announces government’s center-left leaning and signs Alba’s adhesion protocol.</td>
<td><strong>November 22</strong> – Proposes referendum to summon Constitutional Assembly, to be held alongside the 2009 general elections.</td>
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<td>• Enhance tax collection system</td>
<td><strong>December 22</strong> – Reduces banking reserve requirement for productive loans</td>
<td><strong>December 22</strong> – Proposes referendum to summon Constitutional Assembly, to be held alongside the 2009 general elections.</td>
<td><strong>December 23</strong> – Increases</td>
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anniversary celebrations in Managua

**August** –

Meets with Brazilian president in Tegucigalpa and signs cooperation agreements over biofuels.

**December** –

Announces adhesion to Petrocaribe

minimum wage, despite strong opposition from business associations.

**Sources:** Own elaboration with data from Ajenjo Fresno 2007; Cordero 2009; Klesner 2006; Llanos & Marsteintredet 2010b; Ortiz de Zarate 2011; Paz Aguilar 2006; Pirker & Núñez 2010; Taylor-Robinson 2006; Taylor-Robinson 2009

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**The Policy Switch Theory: a literature review**

According to Hanna Pitkin (1972), one of the general characteristics of elections – for the theory that advocates a maximum correlation between representatives and represented – consists in the fact that each party and candidate should reveal their intentions before the polls, presenting the decisions and public policies they will adopt in case they are elected. Since at least the second half of the 18th century, candidates have used campaign manifestos, as well as speeches, debates and other media as a vehicle for spreading their intentions. Consequently, they generate expectations in the electorate about how their government would act over certain issues, in contrast with their opponents’ proposals. This way, citizens would choose their representative according to the political platform that best fits their preferences.

This theoretical view, however, implicates some possible deviations from the elected representatives since it is impossible to know the opinions of the represented about all the relevant government themes. In contemporary Latin America, cases of presidents who got elected with a pledged platform only to switch it after being sworn into office and adopt opposing policies have been notorious.
When studying populism in Latin America, Paul Drake (1992) reported what he called “bait-and-switch” strategies, where candidates would employ a redistributive discourse in campaign in order to attract the pauperized masses’ support, but later apply neoliberal adjustment policies. To him, it is possible that these bait-and-switchers, as he called them, would actually prefer to implement their favored redistributive policies, but were forced by constraints from market imperatives to implement orthodox policies. Still dealing with the populism issue, Kenneth Roberts (1995) resumed the bait-and-switch argument as one of the constitutive characteristics of a new kind of Latin American populism that is broad-based and supported by the lower classes, but implements market-policies, of which presidents Alberto Fujimori from Peru (1990-2000) and Carlos Menem from Argentina (1989-1999) would be perfect examples.

But the first scholar to actually analyze and try to explain the policy switch phenomenon in itself, however, was Susan Stokes (2001) who studied 44 elections between 1982 and 1995. Analyzing the implementation of neoliberal reforms and their consequences for the region, she retakes the arguments about political representation to build her theory about the policy switch in Latin America. She conceives of three kinds of political action by the part of representatives: 1) representatives whose beliefs coincide with the median elector. They compete revealing their true intentions and act according to them when they are elected; 2) representatives whose beliefs do not coincide with the median elector, but think that their own beliefs wouldn’t prevail over the median elector’s to the point of provoking an electoral change. Despite this fact, if they take the opinion of their cabinet in concern, they might implement policies that are consistent with the campaign signals; and 3) representatives that conceal their true intentions during the campaign and, after elected, take an opposite path to the one suggested, implementing policies they believe are better than the ones aimed by the electorate. Thus, presidents who hide their real intentions and change them later could be characterized as non-responsive, as they act against public opinion. In spite of that, they could be acting according to what they think is really best for the electorate and, therefore, could be effectively representing their constituencies interests in Stokes’ view.

For her, Latin American politicians were acting strategically by promising attractive policies for the electors. However, once elected, they adopted conservative policies with the aim of maximizing the economic performance and, consequently, the possibility of getting reelected. Stokes (2001, p.95) compares the effects of GDP growth rates on the incumbent’s share of the
vote, and compares this effect among switchers and non-switchers. The author’s theoretical model of representative politicians predicts policy switches when politicians believe voters are uncertain. The model also expects policy-switching incumbents’ share of the vote to be more sensitive to GDP change at the end of the term than that of non-policy-switching incumbents. Stokes estimated different models with a variety of specifications to test the hypothesis that term limits increased the probability of mandate violation. The model included two dummies: NO LIMITS, where the president was free to run for immediate reelection, and NOT RUN, where he could never run again. Stokes also chose as independent variable what so called “majority status” - measuring the proportion of parliamentary seats controlled by the president’s party.

She found that the policy switches in Latin America always occur from left to right. She found that a relevant contingent of presidents (27 out of 44) had been elected with left-of-center political platforms and alliances, promising popular and non-neoliberal policies and, once in office, acted in a contrary direction, strengthening the so-called structural reforms, making deals with international financial organisms and deepening the macroeconomic adjustment in order to maximize their economic performance and boost their reelection chances. Out of the 27 left-wing candidates elected from her sample, 16 switched to pro-market policies.

Daniela Campello (2010, 2011) builds on Stokes’ findings and expands her database from 44 to 89 cases of Latin American elections extending from 1978 to 2006. Following Stokes’ (2001) criteria, Campello uses as a proxy for right-wing policies (both during campaign and in office) “privatization, de-regulation, liberalization of trade and finance, central bank autonomy, as well as the adoption of orthodox fiscal and monetary policies” and for left-wing policies “increased social expenditures, trade restrictions, income redistribution, industrial policies, and limitations on the payment of the external debt” (Campello 2010, p.2, n.3 and 4) on a content analysis through the media coverage of the victorious campaigns and the incumbents’ first year in office. She finds a total of 20 cases of policy switch, all of them among the presidents elected with a left-wing platform (N=32), about 60% of all left-wing victorious candidates from the data.

She claims, however, that Stokes’ work left unexplained why the policy switch happens unidirectionally. Unless one assumes that right-of-center policies are “technically superior”, but with the masses being unprepared to accept this truth beforehand and thus there being a need for candidates who have seen this fact, but are prepared to strategically hide it during campaign only to switch later, there is no a priori reason why a candidate who’s campaigned on the left would
not pursue on his victorious promised path. And as Campello’s (2010; 2011) data show, some of them did indeed follow track and stuck to a left-of-center platform, thus asking for a causal explanation of why some, even if the majority, didn’t.

She then statistically tests a number of hypotheses bent on unveiling the causal mechanisms behind the occurrence of policy switches which include political and economic factors. Her research design tests the impact of currency crises and booms on the probability of a policy switch. She estimates a probit model where the dependent variable is “Switch” and the explanatory variables try to capture currency crises and booms that occurred in the months immediately before and after presidential inauguration as well as political conditions deemed relevant to explain the presidents' probability of switching.

The first explanatory variable considered is “currency crisis and boom” and reflects dollar scarcity/abundance in the economy. The others are related to institutional and political incentives/barriers expected to have an impact on incumbents' capacity to switch programs: 1) Executive - reflects the constitutional powers of the executive and includes measures of package veto, partial veto, decree power, exclusive initiative, convocation of referendum/plebiscite, and power to define budget and to default budget; 2) Legislature - reflects the share of seats controlled by the incumbent's party in the lower house; 3) Electoral volatility – reflects the dimension of party system institutionalization; 4) Party – where age is used as a proxy for party institutionalization; 5) Inflation - consists in the log of the average annualized inflation rate in the twelve months that surround presidents' inauguration as a control in the model. Campello finds that among the political factors, the most significant for the occurrence of policy switches is the strength of the Executive’s constitutional powers, with the influence of legislative control being positive, but at low levels of significance. She explains it with saying that the capability of the president to enact his switch once he decides to is crucial, because a lame-duck president could choose to switch, but might not be able to. But the main predictor for a policy switch lies actually at the economic front, with the occurrence of a currency crisis alone being able to account for 77% of the switches\textsuperscript{17}.

The explanation she finds is that the scarcity of reserves leaves a country vulnerable to pressure from international investors, which demand pro-market policies in return for the capital they invest. This would explain the unidirectionality of the phenomenon: right-wing incumbents would already be bent on enacting the same kind of policies demanded by the markets. Even
when caught in a currency crisis where they desperately need to attract capital, there would be no kind of pressure or incentive to switch to the left. On the other hand, left-wing candidates elected on promises of enacting policies of an opposite kind would, if caught in a currency crisis, feel pressured to abandon their favored policies and switch to pro-market ones in order to attract the capital urgently needed to revive their sinking economies.

This leaves us, however, with the puzzle of explaining what caused the Honduran government under Zelaya to apparently be the first case of a reverse policy switch, with a right-wing candidate that later changes to the left. The Honduran case is actually one of the 89 cases considered in Campello’s database, but she didn’t code it as a switch, rather putting it among the cases of presidents elected with a pro-market platform that stuck to it. A reason why that was so might be due to methodological issues related to her large-N study that made her have to focus only on each president’s first year in office for her assessment over whether they kept or not their pledged electoral inclination. As we already mentioned in the first section, Zelaya’s switch consolidated only somewhere between 2007 and 2008, thus lying outside Campello’s coverage, what could probably explain her missing of it. Besides the large-N structure of her study, the only reason Campello gives for focusing only on the first year in office is to keep to conditions as close as possible as to the ones during campaign, as eventually a president could switch policies due to a change in scenario characterizing perhaps a somewhat different phenomenon than the classic switch. But as we have already seen, the main structural conditions and important events from Zelaya’s government were developments from conditions already present and known since the election time, making this a phenomenon of the same class of the others and because this is a single case study, we could analyze the government’s actions from the beginning until the coup and thus see the switch process more clearly as it unfolded. Now, we turn to an attempt to account for what could have caused it using the theoretical knowledge from current policy switch theory and looking at the Honduran data in more detail.

**Solving the Puzzle: Zelaya’s case as a pattern-matching exercise**

An important clue for the solution of this apparent conundrum seems to lie within Daniela Campello’s own theoretical presuppositions in the sense that, were it not for the inverse direction taken by the Honduran switch, the case shows a remarkable fit to the main indicators of her model. Politically, the Honduran presidency is moderately strong in what regards its
proactive constitutional powers (see Payne et al. 2007, p.98) and Zelaya held control over the legislature during the period when the switch was performed, thus attaining these necessary political conditions for a switch. Moreover, it is a very poor country, with a non-diversified economic structure that is highly dependent on the export of agricultural commodities and a few maquilas (Cordero 2009) which, coupled with its fixed exchange rate system, makes it very vulnerable to external shocks and currency crises.

Indeed, the country shows a progressing and steep deterioration in its current account and declining international reserves in relation to its import needs as can be seen on Table 2. Together, these would make up strong indicators for the likelihood of a policy switch according to Campello’s theory if Zelaya had been a left-wing candidate switching to the right, but the causal mechanism she identified for the switch could still be responsible for a reverse switch under somewhat different circumstances.
### Table 2: Honduran Current Account and International Reserves

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<th>2007</th>
<th>2008</th>
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<td></td>
<td>I</td>
<td>II</td>
<td>III</td>
<td>IV</td>
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<tr>
<td><strong>Current Account</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>In US$ millions</td>
<td>22,8</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>In % of GDP</td>
<td>-2,98</td>
<td>-3,73</td>
<td>-9,94</td>
<td>-13,8</td>
</tr>
<tr>
<td><strong>International Reserves (in months of total imports)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td>5</td>
<td>5,6</td>
<td>5</td>
<td>3,6</td>
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1: The year 2005 was included as a comparative basis. It is the year the election took place, but Zelaya’s government only started in 2006. The year 2009 was not included because full data could not be found, partly due to the disorder brought about as result of the coup. Nevertheless, it is theoretically unimportant as the switch phenomenon of interest had already been consolidated.

Sources: Own elaboration based on *Banco Central de Honduras* and (Cordero 2009).
According to her, the reason for the unidirectionality are both the pro-market conditionalities imposed by IFIs such as the World Bank and the IMF and the demands from the international investors of pro-market signals to provide the much needed capitals to governments facing currency crises. As there are no international sources of capital pressing for policies tilted to the left side of the political spectrum in exchange for resources, no right-wing elected candidate would be tempted to switch to the left. But there is nothing in theory that would prevent such a reverse switch from happening, should there be any left-wing source of finance bidding for compliance in exchange for capitals. What we propose here is to take this Honduras under Zelaya case study as a pattern-matching (see Gerring 2012) to Campello’s theory, that is, to accept its theoretical validity, and ask: what else would derive from its causal mechanisms? Given that the country presents the theoretical necessary conditions for a switch, all that would be missing could be an international source of capital that at the same time presses towards the left.

A strong candidate for the needed sources could be the Venezuelan cooperation programs, which allow countries from the Caribbean area to fulfill their oil and derivatives needs according to friendly financial conditions, while creating explicit funds for financing social and economic development programs. Petrocaribe was created in June 2005 as an agreement between the Venezuelan state company Pdvsa and 15 countries from the Caribbean Basin. The rules created by the Petrocaribe stated that in importing oil and derivatives from Pdvsa, members of the agreement could pay only about a half of the bill immediately and the remainder could be paid through a 25-year financing mechanism at interest rates of no more than 2%. It was also established that governments should invest the saved resources in social and infrastructure projects.

As we have seen, Honduras officially signed the Petrocaribe agreement in December 2007, but the Zelaya government had publicly accepted Chavez oil offerings at least since May 2006 and, although it wasn’t selected, Pdvsa had participated in the international bidding for the provision of fuels organized by Zelaya in that year. A few months after the inauguration of Honduras as a full member of Petrocaribe, Chavez announced even better conditions for Petrocaribe members: in the case of an oil price higher than $100 a barrel (as it was the case by the time), the now 18 members of the agreement could pay 40% of the bill 90 days after they
received the barrels and the remainder could be financed at a 1% annual interest rate during a 25-year period; in the case of a price higher than $150 a barrel, the first payment would be reduced to only 30% of the total price. With entry to Alba, the country gained access to even greater benefits. The official document for Honduras accession to Alba stated that the country would be benefited by the following cooperation programs and transfers:

1. A US$30-million loan from the Economic and Social Development Bank of Venezuela (BANDES) to be administered by the National Bank of Agricultural Development of Honduras.
2. Venezuela’s purchase of a package of US$100 millions in Honduran national bonds. These resources should be invested in credits for the informal sector of the economy and housing programs.
3. Studies for the prospection and production of oil in the Honduran Caribbean coast.
4. Approval of Honduran projects for the Alba’s Fund for Food Production (US$2 millions)
5. Technical assistance for TV productions and other cultural initiatives.
6. Health Care cooperation with Cuban professionals offering services in Honduras.
7. A Cuban scholarships program for studies in Medicine, Humanities and Sciences.
8. Cuban Massive Literacy programs in 206 Honduras municipalities.
9. Cooperation for the substitution of 4 million incandescent lamps for energy-efficient ones in coordination with Cuban agencies.
10. Generic medicines provided at cheaper prices by the Cuban pharmaceutics industry.

As we have seen, Zelaya’s flirtations with the left-wing are strongly associated with his approximation to Venezuelan president Hugo Chávez and his entry to ALBA is commonly considered as the consolidation of his switch. The alliance with Venezuela could well have been, in this case, the international source of resources needed for the theory to work for a reverse switch. As already described, an energy crisis was the first major challenge faced by the Zelaya presidency and it resulted in the break-up of a decades’ long oligopoly held by Esso, Texaco and Shell over the sector, and even put the president at odds with the US-Embassy, especially after he briefly threatened to seize the assets from the companies when they refused to cooperate with the new policies implemented. Even if the expropriation threat was not carried through, the sole execution of the bidding with its change in the usual mechanism for fuel supply
in the country did already damage Honduran attractiveness to foreign capitals as it was portrayed as a break-up of contracts (Pirker & Núñez 2010, p.118). It also put the country closer to Venezuela as Chávez was already very active using the revenues of high oil prices to fund his diplomacy and attract allies to his projects, most notably in Latin America and the Caribbean (see Pérez Flores & Kfuri 2011).

The full dependence of Honduras on imported oil makes Venezuela and its offers of cheap fuel a very strong magnet for the country. As can be seen in Table 3, Honduran fuel imports represent around 20% of the country’s total imports, even peaking at 23.23% in 2008, when oil prices reached their maximum during Zelaya’s presidency at an annual average of US$ 94.45 a barrel. That is the same year the Honduran current account reaches its highest deficit, plummeting to -13.8% of the GDP (certainly dragged to a large extent by the pressure of oil imports), the international reserves represented a mere 3.6 months worth of imports and when the country joins both the Petrocaribe and ALBA initiatives. The magnitude of the country’s current account drop can be grasped by looking at Figure 2.

Another factor that should be taken into consideration and that adds up to the Venezuelan potential as the magnet for a leftwards shift is that the switch took place when the international financial crisis triggered by the US subprime market started to hit emerging markets the hardest (see Dooley and Hutchison 2009). This means that regular capital markets that could have been tapped for the resources needed by the government must have been made harder still to access at the time and even the official international financial institutions were temporarily constrained in their lending capacities by shrunk resources. In such a context, the resources offered by Venezuela must have looked all the more appealing. Zelaya himself alluded to that fact when, as he signed the country’s adhesion to ALBA, he declared that it was “an answer to the shortage of resources. As he expressed in that opportunity, the Honduran private sector didn’t want to help him and the cooperation offered by entities such as the World Bank (WB) or the IADB [Inter-American Development Bank] was not sufficient. As the WB offered Honduras a US$ 10 million loan, the Venezuelan government offered US$ 130 million after the country joined Alba” (Altmann Borbón 2009, 141).
Table 3: Annual Oil Prices and Fuel Imports in Honduras\textsuperscript{1}

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<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
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</thead>
<tbody>
<tr>
<td>Oil Prices (in US$)</td>
<td>50,64</td>
<td>61,08</td>
<td>69,08</td>
<td>94,45</td>
</tr>
<tr>
<td>Total fuel imports (in thousands of US$)</td>
<td>$906.100,00</td>
<td>$1.127.683,00</td>
<td>$1.299.126,00</td>
<td>$1.909.655,00</td>
</tr>
<tr>
<td>% of fuel imports / total imports</td>
<td>20,47%</td>
<td>21,25%</td>
<td>19,88%</td>
<td>23,23%</td>
</tr>
</tbody>
</table>

\textsuperscript{1}: The year 2005 was included as a comparative basis. It is the year the election took place, but Zelaya’s government only started in 2006. The year 2009 was not included because full data could not be found, partly due to the disorder brought about as result of the coup. Nevertheless, it is theoretically unimportant as the switch phenomenon of interest had already been consolidated. 

\textit{Sources:} Own elaboration with data from OPEC and Instituto Nacional de Estadísticas de Honduras.

Figure 2

Final remarks

Of course, we must take Zelaya’s own words with a grain of salt instead of directly taking as the cause for his switch what he claims that’s caused it. But the concurrence of all these elements present in Campello’s switch theory - support from the legislature by a strong president during a currency crisis where there is an external agent offering the much needed resources - makes it very likely that this is indeed the causal path that ensued.

Another possible explanation could be a rational political calculation by the part of Zelaya to occupy a space (the political left) that was unoccupied until that moment in Honduras. Already before he joined Petrocaribe or ALBA, Zelaya had faced some problems with rival leaders of the PLH, such as the president of Congress and later coup leader and *de facto* president, Roberto Micheletti, and saw some of his propositions blocked in Congress by his own party, such as the closure of Toncontín airport for its lack of security or the carpooling project “*Hoy No Circula*”. But these rejected presidential projects were not really any ideological dividers and did not bring any enduring harm between the president and his party. As seen, the PLH commanded by Micheletti granted Zelaya its general support in the legislature until the ends of 2008 and was crucial to the approval of the president’s controversial new foreign alliances. And the fact that the PLH is divided in various factions differentiated among themselves much more by the political boss to which they respond, interestingly called “*dueño*” (owner), than by programmatic or ideological differences (although some do exist) makes it a doubtful strategy to try to carve one’s own space by ideological affirmation.

A closer look at Zelaya’s political path prior to his presidency, however, does show some evidence of personal inclinations towards left-of-center political preferences despite his socio-economic origins. Although affiliated to the PLH since 1970, he started his organic militancy in 1980 in the ranks of the *Movimiento Liberal Rodista*, the party’s then dominant faction and considered to be one of its most conservative, closely associated with the presidency of Roberto Suárez Córdoba (PLH, 1982-86). He switched allegiance in 1983 to the *Movimiento Azconista*, that had broken with the president due to his lack of support to the candidacy of José Simón Azcona Hoyo, who nevertheless became candidate and won the presidency in 1985. That is when Zelaya first acceded to the parliament as a representative. In 1993, however, he switched
factions again and joined ranks with Carlos Roberto Reina, who would become president from 1994 to 1998 and represented a more progressive faction inside the PLH.

That is when he got invited to run the *Fondo Hondureño de Inversión Social* (FHIS, Honduran Fund for Social Investment), a place where he executed the government’s social policies and whence he voiced his public criticism to the conditionalities of an IMF agreement and the market adjustment policies promoted by President Reina. His administration in the FHIS was considered very successful and he was confirmed in the post by the next president, the more conservative Carlos Roberto Flores Facussé (PLH, 1998-2002). After the devastation brought about by hurricane Mitch, Zelaya was appointed as advisor to the Special Cabinet for National Reconstruction. Although this trajectory shows him moving from the PLH’s most conservative faction to a more progressive one and a good social work done at the head of the FHIS that projected him nationally, and even his public voicing of criticism against market adjustment policies being enacted at the time, the fact is that all that notwithstanding, he still ran for presidency in 2005 on a conservative platform (Ortiz de Zarate 2011; Meza 2006; Paz Aguilar 2006; Ajenjo Fresno 2007; Taylor-Robinson 2006; Pirker & Núñez 2010; Klesner 2006; Castellanos 2006) and switched to more progressive policies (Pirker & Núñez 2010; Moreno 2007; Moreno 2009; Ortiz de Zarate 2011; Rusiñol 2009; Grandin 2010; Cordero 2009) while already in office, characterizing a switch. For the theory, it is not that all relevant whether someone switches due to uttermost personal convictions and tendencies or against them, but rather the switch in itself.

In extra parliamentarian terms, Honduras was in fact experiencing a gradual crescendo of social movement mobilization since at least 2001-2 (Pirker & Núñez 2010) that could perhaps appeal to a political leader trying to associate himself with the left. It must be remembered, however, that the bases upon which these mobilizations were building were quite low. Contrary to most of its neighbors in Central America that faced strong left-wing guerrilla activities on the 1970s and 1980s that seemed for times to be on the brink of taking power in Guatemala and El Salvador and did take it in Nicaragua in 1979, Honduras was precisely the country chosen as the base for US-backed counter-insurgent movements, such as the Nicaraguan *Contras*, which used its territory as a haven whence to launch their actions. As Dewachter and Molenaers (2011, p.115) summarize, the country had experienced a strong organization of labor and peasant movements in the 1950s and had a relatively strong civil society that were severely repressed by...
the military dictatorships that started in 1963 and thus were considerably weakened by the time of the democratic transition in 1982 and were dealt a “mortal blow by the launch of the [market] reforms” (Cuesta 2007, p.337) in the 1990s.

This new wave of mobilization of the 2000s was based more on new kinds of actors from civil society such as NGOs and human rights and women’s groups that started to gain momentum after the devastation caused by hurricane Mitch in 1998 and the reconstruction process that followed and was attached to the IFI-financed PRS process already mentioned and its incentives for civil society participation (Dewachter & Molenaers 2011; Cuesta 2007). But although the new venues for participation opened by the PRS process did play a role in the strengthening of these new actors, the participatory options opened to them were more of the consultative and informative type than of real agenda-power sharing (Dewachter & Molenaers 2011; Komives 2011). And however strengthened they got by these or other reasons, the fact is that Honduran social movements and civil society remained disperse and relatively weak as compared to many other Latin American countries and lacked the capacity to mount any real broad challenge to the status quo (Castellanos 2006).

Nevertheless, this relative social movements build-up must certainly have contributed to the structure of opportunity (Tarrow 1998) that allowed for Zelaya’s switch, but it must be remembered that the president’s popular approval rates were low (although rising in the last months prior to the coup) and the main social movements’ leaders widely distrusted him and never really gave Zelaya any strong organic support until he was toppled. It seems more likely, then, that economic necessities concurrent with the given opportunity ignited the process. The president of a very poor country, highly dependent on imported oil, takes office when his country is facing both an energy crisis and a deteriorating current account. On the process of solving the energy issue, he comes across the offer of cheap oil and credits from Venezuela in exchange for political support in a left-wing alliance. Once set on this track, however, it is likely that the process takes a dynamic of its own and consolidates the switch with the attraction of new allies and the distance from former ones, thus burning the bridges and closing the u-turns to the previous path as it unfolds. But of course, because it is a single case study, we cannot actually test this plausible hypothesis against others.

The phenomenon of policy switches has been a frequent one in Latin American history since the return of democracy, but the novelty of the Honduran case is that apparently for the
first time this switch has occurred from right to left, and not the opposite way as it used to be. Although less known than Susan Stokes’ (2001) account of the policy switch phenomenon, Daniela Campello’s (2010; 2011) theory is a lot more complete into giving an explanation of its causal factors and we see this case study’s importance as a sort of critical test of an unpredicted, but theoretically possible, development of her theory. The fact that the Honduran case fits with the predictors empirically identified and exhaustively tested by Campello as the causes for the “classic” policy switch (economic crisis and the presence of an international actor with sufficient resources and willingness to influence the policies adopted) is very interesting and as a pattern-matching exercise, our case study corroborates to a large degree with the explanatory validity of her theory.

Furthermore, it opens the field of research on the possibilities of a reverse policy switch in other countries, especially in moments of relative fragility of pro-market international actors (United States, European Union, IMF, WB) such as the one caused by the global financial crisis. For scholars directly interested in Venezuelan politics and the Alba block of countries, it could be pertinent to investigate, for example, if the adhesion of small Caribbean islands such as Dominica, San Vicente and the Grenadines and Antigua y Barbuda represented similar phenomena. It would also be worth investigating the possibility of other international actors that could be playing a similar role in other regional contexts such as, maybe, China in its ongoing expansion in the African continent and beyond.

For scholars focused on Honduran politics, it will also be interesting to investigate further into the future the possible reconfiguration of the country’s political system with the introduction of the new broad-based left-wing party that evolved from the FNRP - the Liberty and Refoundation Party (Partido Libertad y Refundación - Libre). The ouster of Zelaya seems to have opened a deeper hegemonic crisis in the country. In some sense, it is possible to imagine that the recent authoritarian reversal of Honduran politics could in the future have contributed into bringing a broad political reform to the country, amplifying the ideological spectrum of options to the electorate and thus perhaps contributing to a better quality democracy. Paradoxically, precisely what Zelaya proposed under his Poder Ciudadano motto and the Constituent Assembly that ultimately led to his toppling (Llanos and Marsteintredet 2010a, 236).
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Stokes’ study does not speak in terms of Left and Right, but rather in terms of “economic security” and “economic efficiency”-oriented campaigns and policies, which she equates with “job creation, industrial policy, and a gradualist approach to inflation stabilization” the first, and “reducing the size of the state, privatizing state-owned enterprises, and opening trade” the latter (Stokes 2001, p.25). In the Latin American post-redemocratization context, however, the terms chosen by the author for those kinds of policies are interchangeable with Left and Right.

According to Llanos and Marsteintredet (2010b, p.180) it was remarkable as one of the filthiest campaigns of the country’s history.

Crime gangs very active in Central America.

The Zelayas, of Basque origin, have always been members of the Honduran elite and provided important cadres for key institutions such as the Judiciary, the Armed Forces and various levels of the country’s politics. His father, who carried his same name, had been convicted during the 1970s for participation in the assassination of two priests and 13 peasant activists who were marching in demand for lands and got ambushed at the Los Horcones farm, a family property, in 1975 (See Ortiz de Zarate 2011). Manuel Zelaya senior was sentenced to 20 years in jail, but only served two years due to an amnesty decree signed by the military dictatorship then ruling the country. The family has always claimed he was innocent, but even if he really was, the fact he was only freed by a high-level pardon decree goes to show how well connected the family is among the elite.

In January 2007, the Inter-American Development Bank (IADB) condoned US$ 1.4 billion in Honduran debt. Although this was due to the Honduran qualification for having fulfilled the requirements of the HIPC-PRS process, the fact that this had already been recognized by the WB and the IMF in April 2005 (see Cuesta 2007), but still took the last 8 months of the Maduro administration and the whole first year of Zelaya’s government to bear its fruits make it in part credibly one of his achievements, especially because his team did indeed put effort into lobbying the IFIs for its concretion. On the immigration issue, in 2008 the US government extended for 18 months the Temporary Protection Status of Honduran immigrants which had been conceded after the devastation caused by the hurricane Mitch in Honduras in 1998.
In the context of increasing fuel prices (oil had reached US$ 65 and diesel US$ 92 a barrel), Maduro decreed an energy emergence in September 2005 and increased the fuel prices in the country between 7.9% and 19.7%. This triggered a massive demonstration by taxi drivers that paralyzed the capital and forced to government to reinstate fuel subsidies and compensatory measures and to summon this Commission of Notables for the reform of the country’s energy sector among whose proposals was the international bid for fuel supply only taken to fruition under Zelaya in 2006 (Murillo Parrales 2006; see also Pirker & Núñez 2010).

“The presidents agreed that Venezuela would start providing Honduras with 20,000 barrels of fuel a day for two years. The client would commit to buying from the provider 100% of fuel-oil (bunker) for electric generation, 30% of gasoil and 30% of the gasoline consumed. In turn, Venezuela would take over a biennial debt of 750 million dollars, of which Honduras would repay 60% on delivery in cash, and the remaining 40% in 23 years and with an interest rate of 1% per year. Furthermore, Chávez accepted his new Central American partner to pay-off 40% of the debt in agricultural goods” (Ortiz de Zarate 2011; see also Cordero 2009, p.14).

For a description of the distinctive traits of Alba’s main countries, Venezuela, Ecuador and Bolivia, as compared to other more moderate left-wing governments in Latin America, see Ellner 2012. For a paper on how Hugo Chávez took up the role of heir to Fidel Castro’s position as symbolic leader of the Latin American radical left, see (Hoffmann 2009).

It would later be joined by Ecuador, Saint Vincent and the Grenadines and Antigua and Barbuda in June 2009.

Which went as far as affirming that ALBA consisted of an “ideological political and military alliance that conspires against the freedom of trade and the exercise of individual liberties” (Ortiz de Zarate 2011).

The vice-president did not actually participate in the primaries as he was barred from doing so by legal rules. Instead, he appointed Mauricio Villeda as his proxy candidate in the primaries after whose victory he resigned as vice-president and took over as the PLH’s candidate (Llanos & Marsteintredet 2010b; Taylor-Robinson 2009).

Because the ultimate referendum was to be held during the general election, which already was to have three voting urns for the presidential, legislative and municipal elections, it became popularly known as the Fourth Urn.
For a more detailed description of Zelaya’s presidency breakdown and the Honduran coup, see Llanos and Marsteintredet 2010a, 2010b; Oettler and Peetz 2010. For a perspective on its impacts for the formation of the National Front of Popular Resistance (FNRP) as a new and important political actor, see Cálix 2010. For a description of the joint Colombian and Venezuelan mediation that enabled Zelaya to return and cleared the way for Honduras’ readmission into the OAS, see Vieira 2011.

As mentioned in the introduction, for the sake of comparability with the policy switch literature, by left-wing we are only referring to the policies of “economic security” alluded to by Stokes (2001) as opposed to policies of “economic efficiency” already described in endnote 1 and that Campello (2010; 2011) kept for the same reason. They could be summed-up as non-neoliberal and neoliberal for the sake of this and their studies, which in fact was the main defining axis of the left/right divide in post-redemocratization Latin American. Of course we recognize that this is an oversimplification and that there are countless nuances and debates over the topic and the literature is numerous. It goes, however, much beyond the scope of this study, but see Alegre et al. 2010; Castañeda 2006; Cruz Jr 2008; Ellner 2012; Lanzaro 2007; 2009; Lievesley & Ludlam 2009; Pereira da Silva 2010; 2011; Weyland et al. 2010 for an example of the current debates over the contemporary Latin America’s left, ranging from debates over its dichotomous division between a “good”, modern left and a “bad”, authoritarian one or between social democracy and populism, to more nuanced typologies of the different left-wing parties in the region and analyses over their actual performance once in office.

Her full set of cases consisted of Argentina 83, 89, 95; Bolivia 85, 89, 93; Brazil 89, 94; Chile 89, 93; Colombia 82, 86, 90, 94; Costa Rica 82, 86, 90, 94; Dominican Republic Dominic 82, 86, 90, 94; Ecuador 84, 88, 92; El Salvador 84, 89, 94; Guatemala 85, 90, 95; Honduras 89, 93; Nicaragua 84, 90; Peru 85, 90, 95; Uruguay 84, 89, 94; Venezuela 83, 88, 93, with the underline marking the cases she coded as a switch. The cases of Costa Rica 82; Dominican Republic 94; and Guatemala 85, 90 were considered by her as too ambiguous and were therefore not coded.

The cases considered were Argentina 83, 89, 95, 99, 03; Bolivia 85, 89, 93, 97, 02, 05; Brazil 89, 94, 98, 02, 06; Chile 89, 93, 99, 05; Colombia 82, 86, 90, 94, 98, 02, 06; Costa Rica 78, 82, 86, 90, 94, 98, 02, 06; Dominican Republic 82, 86, 90, 94, 96, 00, 04; Ecuador 84, 88, 92, 96, 98, 02, 06; El Salvador 84, 89, 94, 99, 04; Guatemala 85, 90, 95, 99, 03; Honduras 85, 89, 93, 97, 01, 05; Mexico 88, 94, 00, 06; Nicaragua 96, 01, 06; Peru 80, 85, 90, 95, 01, 06; Uruguay 84, 89,
94, 99, 04; Venezuela 83, 88, 93, 98, 00, 06, with the underline marking the cases she coded as a switch, all of them from Left to Right.

17 For the full results of her statistical tests, see Campello 2010, p.38–9.

18 When trying to set himself as the PLH’s candidate for the presidency in 2005, for instance, Zelaya founded a new faction inside the party called Movimiento Esperanza Liberal (Liberal Hope Movement), a name chosen so that its acronym MEL would coincide with the nickname by which he is most well-known (Ortiz de Zarate 2011).

19 Information here is drawn mainly from his political biography compiled by (Ortiz de Zarate 2011) for Catalonia-based Fundació CIDOB, which is available at http://www.cidob.org/es/documentacion/biografias_lideres_politicos/americacentralycaribe/honduras/manuel_zelaya_rosales

20 Interestingly, the only issued identified by political scientist Julieta Castellanos (2006) as capable of sparking broad-based mobilizations as she analyzed the Honduran political scenario in 2006 is precisely the cost of fuels.