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Aid to Haiti is Unfrozen

by LADB Staff Category/Department: Haiti Published: 2002-10-03

[The following article by Jane Regan is reprinted with the permission of Noticias Aliadas in Lima, Peru. It appeared in the Sept. 23, 2002, edition of Latinamerica Press.]

After two years of political impasse that led to what Haitian President Jean-Bertrand Aristide called an "aid embargo," on Sept. 4 the Permanent Council of the Organization of American States (OAS) issued Resolution 822, giving the green light for 2003 elections and the resumption of foreign aid to the hemisphere's poorest nation. The move came just days after another OAS body, the Inter-American Commission on Human Rights (IACHR), condemned the Aristide government and expressed "profound concern" about the lack of respect for freedom of expression, the "fragility of the rule of law," and tolerance of armed "parallel structures." Daily demonstrations indicate that Aristide's 19-month-old government has never been more fragile.

On the day of the OAS council vote, Haitian police killed about 40 goats and a half-dozen cows belonging to peasants who had closed down the southern town of Miragoane with three days of anti-government protests during which police also shot and injured five people. The peasants were demanding water and that the national highway, which looks more like a riverbed, be repaired. Six anti-government demonstrators were shot by government supporters in Gonaives the same day.

Despite the IACHR's statement, the Permanent Council, citing a "potential humanitarian catastrophe," asked foreign donors to unblock the estimated US\$500 million in loans and aid held up since questionable elections in May 2000, which pitted the governing Fanmi Lavalas party against the Convergence Democratique (CD) coalition (see NotiCen, 2000-06-01). Since then, OAS assistant secretary general Luigi Einaudi and other officials have led more than 20 missions to Haiti, chaired hundreds of meetings and authored scores of draft accords.

Lavalas quickly applauded the OAS resolution and predicted a "relaunching" of the economy. "It is a victory for Haiti, a victory for the Haitian people," Prime Minister Yvon Neptune said. Many problems, few solutions Most observers, however, see OAS Resolution 822 as anything but a solution. The 14-point document calls for a new, broad-based electoral council (Conseil Electoral) to be established within the next 60 days which is likely to be difficult, when two years of negotiations have rarely gotten Lavalas and CD representatives into the same room and a list of measures to "encourage confidence." The list is long and could easily be too costly, both financially and politically.

While the measures are not overtly quid pro quo, it appears that the aid and OAS approval for elections will only come after what Roger Noriega, the US OAS ambassador, called "concretizations." The European Union (EU) announced that its US\$350 million in aid will remain frozen until Lavalas fulfills all the obligations listed in the resolution. Most potentially explosive is the call for the arrest of "authors or accomplices" of mob violence on Dec. 17, 2001, which led to the



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murder of a CD member and the looting and burning of CD party headquarters and two cultural institutions (see NotiCen, 2002-01-10).

A recent OAS report implicated a number of Lavalas party members and elected officials in the events (see NotiCen, 2002-08-01). So far, authorities have arrested only one person, Aristide supporter Amiot Metayer, who was liberated on Aug. 2 by his armed gang, known as the Cannibal Army. Metayer is now reported to be meeting with lawyers at a hideout about two blocks from a police station. Most observers doubt that Aristide has the political strength to arrest him or other henchmen and officials.

Resolution 822 also calls for a disarmament program (although two previous "disarmaments" have had no effect), "a climate of security," and millions of dollars in reparations for victims of the Dec. 17 violence, a provision that David Lee, OAS special representative to Haiti, called "very important."

In addition, Aristide promised in July to reimburse tens of thousands of poor and middle-class Haitians who lost an estimated US\$200 million in a credit union pyramid scheme. State coffers fall far short, however, and the early September deadline passed with no payments made. The pyramid crisis came after hundreds of "12% banks" so called because they promised to pay interest of between 10% and 15% sprang up last year after an anti-money-laundering law went into effect and Aristide pronounced Haiti "a nation of cooperatives."

For a time, depositors enjoyed high interest rates from the banks, which are suspected of having laundered drug money. The pyramid collapsed earlier this year, however, and many banks closed their doors or froze deposits. Angry passbook holders have been demonstrating throughout the country.

In the first week of September alone, they shut down the Leogane port, marched in Jeremie and Cap Haitien, burned barricades on the island of La Gonave, smashed windows of credit-union vehicles, and demonstrated at the US Embassy. Most foreign aid money is in targeted loans. Even if it were not, however, it would not be enough to reimburse the victims of the pyramid scheme and the Dec. 17 attacks. And once the dollars start to flow, observers say, Aristide will no longer be able to pin the country's ills on the aid embargo. Callers to radio shows also doubt that the money will improve the country's worsening social and economic situation, especially since the administration has been mired in corruption scandals since it took office. A

recent Transparency International (TI) study ranked Haiti among the world's 20 most corrupt governments. "The country is sliding into chaos," said Gerard Pierre-Charles, a CD leader and former Aristide ally. He and other politicians are skeptical that fair elections can be held or that Lavalas will fulfill the requirements of OAS Resolution 822. "The fundamental crisis here has not been touched by the OAS resolution," said Elifet St. Pierre, general secretary of a coalition of Haitian human rights organizations. The causes of government corruption and repression and the country's worsening social and economic situations have not been addressed, he said, adding that elections could not be held under such conditions. "How will you re-establish a climate of confidence?" he asked. "People are more and more afraid of expressing themselves, of showing they disagree with





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Lavalas. And we have a totally discredited government. To accomplish everything in the resolution during the next 60 days, you need to have a certain amount of legitimacy."

-- End --