

•THELMA MEJÍA

*Honduras is at loggerheads with the challenge of social debt at the dawn of the new millennium, an increasingly difficult commitment, where State efforts have done little to stop the breach from widening while still has no clear social policy.*

*The social debt, perceived under the «welfare mentality» of the government is linked only to action like the provision of vouchers and food for work in the most hard-hit areas of the nation, according to an official report.*

This paper, entitled «*Poverty and Social Policy*», produced by the Technical Secretariat of Cooperation, says the nation needs to overcome its «welfare mentality», promoting real development opportunities for those facing social disadvantage as a result of their poverty.

Guillermo Molina, Cooperation minister, said Honduras is facing the challenge of carrying ahead a «*social policy which will allow us to overcome the problem of poverty and offer life opportunities for the population.*»

He stated that for this to occur there was a need for economic growth with equity combining productive employment generation with better salaries, an increase in investment and social policies aimed at integrating the marginalised sectors.

**The source of his concern stemmed from the Technical Secretariat of Cooperation statement that the percentage of families under the poverty line now stood at 75.6% of the national population, meaning 81% of a total population of 5.8 million people.**

At the same time, 54.5% of homes are indigent, affecting 61.9% of all the population, and meaning barely 24.4% of homes are in the «non-poor» bracket.

**It is the rural area which still have the highest poverty indices, especially in the Western region, where most of the indigenous people live, and where the official report states 96% of homes are under the poverty line.**

The next most critical area is in the south of the country, especially in the departments of Choluteca and Valle, where 78% of people, estimated at just over 300 thousand people, live under the poverty line.

## SOCIAL DEBT: THE DIFFICULT COMMITMENT

And even though the country took on commitments to stop the advance of poverty and to improve the social and human conditions of the population in the Social Summit in Copenhagen, Denmark, these have not been put into practice mainly due to the economic adjustment processes started in 1990.

Nelson Avila, a Honduran consultant working with the Inter-American Development Bank (IDB), said without doubt the economic adjustment policies, «*took the Hondurans unawares and the result is that today we have a greater number of poor, a higher unemployment index and little social action as there is no integral project for the country.*»

Avila believes the government must adopt a supportive economic model, where broad participation is offered to the developing social sectors of the nation, as part of a plan to guarantee true sustained economic growth.

In his opinion, there is no point in the government designing «*palliative*» social programmes for the economic adjustments when «*these do not reach all the population and there is a risk of falling into paternalism, something which far from helping damages us as it makes us used to schemes of dependence.*»

«*I think only a supportive economic model is the real base for combatting poverty in Honduras if we want to enter the new century with a clean shiny face and we must dedicate ourselves to not wasting time like we have done up to now*», he said.

The social situation of the country, in terms of poverty and citizen insecurity, is one of the problems most analysed by various social entities, especially the human rights groups, which see poverty as a sort of «*time bomb*» on the point of exploding.

The Committee for the Defence of Human Rights in Honduras (CODEH) released a proposal entitled «*Alternative Development Model*» half way through this year, with the emphasis on economic, social and cultural rights.

This proposal, agreed with various sectors of civil society, concluded that the «*human face*» of the economic adjustments promised by Honduran President Carlos Reina failed as action was concentrated on reducing the fiscal deficit and paying foreign debt servicing, calculated at more than four billion dollars.

**According to the proposal drawn up by CODEH, in 1995 alone, the government used 35% of its income in servicing the foreign debt, in 1996, this rose to 41%, and this year's total will be**

**around 42%, equivalent to 700 million dollars – more than half the nation's 1.2 billion dollar annual income from exports.**

Furthermore, it adds, the extreme social polarisation seen in the country confirms only 35.5% of the remaining income not used to pay off foreign debt goes to the poorer four fifths of the population, while the remaining 20% take 67.5%.

According to CODEH leader, Ramon Custodio, in 1995, the basic cost of the family basket of goods for a five person home was around 256.9 dollars per month, a figure far above the 60 to 136 dollars per month earned by rural workers and professionals in this country.

And to deal with this, he proposed a «reorientation» of the current social and economic policies where civil society has more active participation in order to *«detect foreign impositions which do not fit in with out system and way of life.»*

Up until now, the proposal made by this human rights group has been the most solid and substantial effort made in the last five

years by civil society, which is slowly gaining greater presence in demanding political, social and cultural rights.

For analyst Victor Meza, the problem of the social debt in Honduras is tightly linked to the democratic development of the country, characterised by a divorce between the political and social agendas. According to Meza, poverty is one of the main challenges facing the nation on the threshold of the new century, where *«unfortunately, our governments still do not understand the need to design a true platform of development to replace the rhetorical, almost lyrical line with a practical, palpable and concrete alternative.»*

- IPS. Special report for Social Watch