

HONDURAS COUNTRY PROFILE

Capital: Tegucigalpa



Quick Facts

Population: 7,326,496

GDP (Purchasing Power Parity): \$20.59 billion

GDP per capita (Purchasing Power Parity): \$2,900

GDP composition by sector:

Agriculture: 12.7%

Industry: 31.2%

Services: 56.1%

Size of labor force: 2.54 million

Labor force: by occupation:

Agriculture: 34%

Industry: 21%

Services: 45%

Unemployment Rate: 28%

Population below poverty line (\$2/day): 53%

Life expectancy at birth: 69.33 years

HIV/AIDS – adult prevalence rate: 1.8%

Adult Literacy Rate (age 15 and over):

Male: 76.1%

Female: 76.3%

For more information: <http://cia.gov/cia/publications/factbook/geos/ho.html>

Political History

Honduras declared independence from Spain on September 15, 1821. Since independence, Honduras has experienced about 300 internal rebellions, civil wars, and changes of government. These events have left Honduras in a fragile and vulnerable state. In 1963, after a military coup, Oswaldo López Arellano took power as a military ruler. In 1969, the Football War between Honduras and El Salvador occurred for nearly 100 hours and cost nearly 2,000 lives. The war was not so much about football, but political tensions that overflowed shortly after the two countries played in the 1970 World Cup qualifying rounds. From 1970 – 1972, Honduras experienced a brief period of civilian rule that was ended when López again took over as a military ruler. A new constitution

was implemented in 1982 and Roberto Suezco Córdova came to power. During this period, the United States' ambassador to Honduras was John Negroponte. Negroponte brought a huge increase in United States development aid to the region. The reason however, was to support the Contras groups in their mission to destroy the Sandinista government in Nicaragua. Negroponte is criticized for ignoring and covering up numerous human rights abuses during his time in Latin America, including the support of the notorious Battalion 3-16, which was CIA trained and responsible for many atrocities against humanity, including American missionaries. By the end of the 1980s and the Suezco administration, United States aid had dropped back down to its previously low levels and the country experienced a peaceful transfer of power to Callejas. In 1993 there was another transfer to Carlos Roberto Reina, who worked hard to improve Honduras both economically and socially. In 1998, Reina's presidency ended and Carlos Roberto Flores took over. Shortly after Flores took power in January, Hurricane Mitch ripped through Honduras, causing nearly \$3 billion in damages and taking around 5,600 lives and displacing an additional 1.5 million people. The hurricane destroyed Honduras' economy and made for some very difficult times into the new millennium. In 2002, Ricardo Maduro took office, followed by Manuel Zalega - the current president - taking office on January 27, 2006.

For more information: http://en.wikipedia.org/wiki/History_of_Honduras

The Economy

Considering its history, it is understandable why Honduras is one of the poorest countries in the Western Hemisphere. Troubled by internal and external conflicts, natural disasters, and exploitation by major United States companies, Honduras' economy is fragile. In 1998, Hurricane Mitch devastated the country's infrastructure and economy. Honduras' massive production of bananas has led to exploitation by major US companies such as United Fruit and Standard Fruit, who have massive plantations on the coast. Honduran officials hope for expanded trade under the US-Central America Free Trade Agreement (CAFTA) and on debt relief under the Heavily Indebted Poor Countries (HIPC) initiative. Despite meeting some of its economic goals, the Honduran economy remains dependent on the economic performance of its major trading partners, namely, the United States. Honduras has a highly inequitable distribution of income. The bottom 10% of society receives 0.6% of the income while the top 10% receives 42.7% of the income. The primary agricultural products are bananas, coffee, citrus; beef; timber; and shrimp. The primary industries are sugar, coffee, textiles, clothing, and wood products.

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<http://en.wikipedia.org/wiki/Honduras>