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Haiti: Turning the Page?

Summary

- Progress toward a better Haiti during President Michel Martelly's first year was undermined by a multitude of political crises.
- Confirmation of a new prime minister by Haiti's parliament provides an opportunity to rectify previous missteps and begin moving Haiti toward a peaceful and prosperous future.
- An important indicator of the new prime minister's agenda for improving conditions among Haiti's impoverished majority will be the success of new social programs.
- Increased foreign direct investment and augmented domestic revenue—the latter linked to an anti-corruption campaign—are important components of the new prime minister's strategy to revitalize Haiti's economy and society.

Following President Michel Martelly's first, crisis-prone year in office, there are indications that Haiti's political leaders may be turning the page toward a more constructive future. The mid-May confirmation of Laurent Lamothe as the country's new prime minister provides an opportunity for a more positive working relationship between the executive and the opposition-led parliament. Even with this positive step, Haiti's newly installed government faces the Herculean task of addressing the country's widespread poverty and social inequality, a debilitated infrastructure and natural environment, and the lack of jobs and economic opportunity—chronic problems made acute by the 2010 earthquake. The government also must rectify first-year missteps that eroded confidence among Haitians and international donors in President Martelly's ability to fulfill his promise to lead the country to a peaceful, prosperous and democratically-governed future.

A Lost Year

With his electoral victory in February 2011, Michel Martelly created high expectations with his announced intention to rebuild Haiti through a focus on the "Four E's" of education, employment, environment and rule of law (*etat de droit*). The new president tackled his job with great vigor as he cut ribbons of completed projects, launched initiatives aimed at improving social services and the economy, distributed patronage, greeted flurries of visiting dignitaries and celebrities, and traveled extensively within Haiti and abroad. His first year in office, however, was characterized more by political challenges than by progress toward achieving his stated goals.

Overshadowing the president's achievements was the deadlock that developed between the executive and the parliament which was dominated by opposition political parties. The problem surfaced when Martelly's first two nominees for prime minister were rejected by lawmakers, but

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became personal when parliamentarians raised the issue of whether the president was constitutionally disqualified from holding office because of his alleged dual, Haitian-U.S. citizenship. The increasingly toxic relationship was fed by the president's public criticism of individual parliamentarians and the brief arrest of a parliamentarian on his arrival in Haiti after a trip abroad. Trust was further eroded by Martelly's support for recreating Haiti's defunct army. On April 17, 2012, 50 armed men in military fatigues stormed the parliament building and disrupted a parliamentary session. Concern grew as the rogue force rejected demands that they vacate the former military base they occupied.

Doubt over the president's intentions was reinforced by his obfuscation of judicial proceedings initiated by the previous government against returned former dictator Jean-Claude 'Baby Doc' Duvalier. As these developments unfolded, Haitian commentators recalled the bad old days of arbitrary abuse by paramilitaries during the Duvalier era. The political crisis reached a climax in February 2012 when Prime Minister Garry Conille, Martelly's third nominee who had won parliamentary confirmation only four months earlier, was forced to resign because of public rejection by the president. By mid-April, when the president's personal health problems necessitated a week-long medical evacuation in Miami, his first year in office began to look like a series of calamities.

Turning the Page

The confirmation by Haiti's Senate and Chamber of Deputies of Laurent Lamothe as Martelly's second prime minister in May provided an opportunity to turn the page on the president's problematic first year. Lamothe, a 39-year old telecommunications entrepreneur who has been a business associate and an adviser to Michel Martelly, served under Conille as foreign affairs minister, a portfolio he has maintained as prime minister. His swearing-in was followed by a hectic schedule of policy announcements, internal travel and attendance at international conferences. The new prime minister demonstrated his diplomatic skills in a June speech in Bolivia before the OAS General Assembly and during a visit to Washington, where a new Haitian ambassador was recently accredited. Perhaps not coincidentally, shortly after Lamothe took office, the Haitian National Police, under the watchful eye of the United Nations Stabilization Mission in Haiti (MINUSTAH), began to rein in the uniformed men that were hoping to become part of a restored Haitian army.

To succeed as prime minister, Lamothe will have to establish a productive working relationship with the legislative branch of government that holds the power to dismiss him. This complicated task has been made more difficult by the delay of elections to renew one-third of the 30-member senate and the subsequent expiration of the terms of ten senators. Lamothe will also have to demonstrate that he has Martelly's trust and willingness to allow him to run the day-to-day affairs of government without undue interference. Telling indicators of Lamothe's double-edged dilemma are both Conille's hasty departure, and the fact that Haiti's prime ministers have averaged only 453 days since 1988.¹ The new prime minister's relatively smooth parliamentary confirmation and his prior relationship with the president may strengthen his chances of success.

Beyond survival, Lamothe must lead Haiti toward social and economic revitalization. He has emphasized political stability, anti-poverty programs and creation of opportunity through foreign investment in Haiti's economy as key tenets of his program. To facilitate increased foreign direct investment (FDI), Lamothe has promoted Haiti through what he calls "business diplomacy." Providing him with a head start in attracting FDI is an array of initiatives already *en route*, including a showcase industrial park in the northern locality of Caracol that will open this year and is expected to provide up to 65,000 jobs. Beyond promoting foreign investment in industry, Lamothe will have

to channel government resources, plus aid and foreign investment into developing the agrarian economy that employs the majority of Haiti's people.

The creation of two new ministries—one for peasant affairs and another for human rights and anti-poverty—seems designed to push in this direction. Paralleling the structural changes are an assortment of announced Martelly administration initiatives with stated goals of achieving greater decentralization of government services, combating poverty and social exclusion, and improving the productive capacity of Haiti's poor. Among them, three programs stand out. One is "*Aba grangou*" (Down with Hunger), launched in late January 2012 under the auspices of Haiti's First Lady, Sophia Martelly, with a goal of halving hunger in Haiti by 2016 through transfers of money and food to one million mothers, along with investments in small farmer crop and water storage facilities. Another is "*Katye Pam Pose*" (My Neighborhood at Ease), launched in mid-March under the auspices of the Ministry of the Interior as a community-based decentralization program that will ensure better delivery of government services, improve disaster preparedness, promote good governance, and facilitate citizen input in decision-making. A third is "*Ti Manman Cheri*" (Dear Little Mother), announced by Lamothe in late May as a program with a goal of supporting 100,000 families in four of the poorest neighborhoods in Port-au-Prince through cash transfers of up to \$40 per month for participating families conditioned on meeting school enrollment requirements.

These programs, all in their infancy, have the potential not only to address the grinding poverty and habitual social and economic exclusion of ordinary Haitians, but also to decentralize the distribution of public services and economic opportunity. These programs have been widely publicized by the government, have garnered significant interest, and have raised expectations. They are not without their skeptics. Recently, for example, several Haitian senators characterized them as nothing more than "slogan programs of the presidency."²

Faith and Confidence

This skepticism indicates that the Martelly-Lamothe team will need to convince doubting Haitians and international donors that anti-poverty programs are more than public relations gimmicks and indeed are game-changing initiatives for poor people. To achieve this, the government must ensure that they receive adequate funding and are managed effectively. Funds available from a Venezuelan soft loan program for oil purchases are earmarked to launch the *Ti Manman Cheri* cash transfer program. For the program to expand and be sustained, the allocation of domestic revenues is required, as has been the case in a variety of successful cash transfer programs worldwide.

To achieve this, Haiti's domestic revenues must expand. Another of Prime Minister Lamothe's priorities—anti-corruption initiatives—has the potential of increasing government revenue to provide a Haitian source for funding the government's social initiatives. In recent weeks, the prime minister has focused attention on the significant decline over the past year of custom receipts. At one border crossing alone, he reported that monthly receipts fell from an average of 180 to 200 million gourdes in 2010-2011 to 120 million gourdes over the current fiscal year.³ Although anti-corruption clean-ups can lead to augmented revenue collections, they also entail risks. Previous anti-corruption efforts in Haiti have inevitably involved powerful people and interests. Over the past year, rumors and accusations of corruption among important actors in both the public and private sectors have been rampant. Former Prime Minister Conille's abrupt departure is attributed, at least in part, to his initiative to root out corruption in lucrative government contracts.⁴

After a series of initial missteps, the Martelly administration must now reassure the Haitian public and international donors that it intends to lead the country to a peaceful, prosperous and democratic future. Observers will be watching how the president and his new prime minister

ABOUT THIS BRIEF

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handle several issues currently in play: the status of constitutional amendments, the organization of senate elections, and negotiations between the government and the parliament over the proposed FY 2012-2013 budget. As these issues are addressed, it will become clear whether a page has been turned toward Haiti's more constructive future.

Notes

1. "New Haiti PM touts anti-poverty, pro-investments agenda," Jacqueline Charles, *Miami Herald*, May 16, 2012.
2. "Politique: Premières convocations de Lamothe..." *Haiti en Marche*, Vol. XXVI, No. 22, Mercredi, 20 Juin, 2012.
3. "Lamothe Attaque: La guerre contre la contrebande n'est pas sans danger," *Haiti en Marche*, Vol. XXVI, No. 23, Mercredi, 27 Juin, 2012.
4. "A Year Under Martelly: Corruption Controversy Sidetracks Haiti's Effort to Rebuild," Ezra Fieser, *Time*, April 14, 2012, accessed at: <http://www.time.com/time/world/article/0,8599,2112023,00.html>



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