

# The Salvadorian Elections and Beijing's Rising Star in Central America

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*The Salvadorian corruption scandal involving Francisco Flores, who was president of El Salvador from 1999 until 2004, has opened the door for the diplomatic recognition of the People's Republic of China by the next government in San Salvador, which the FMLN failed to ascertain under the term of President Mauricio Funes. The graft involving Flores has created the appropriate political opportunity for El Salvador's Farabundo Marti National Liberation Front (FMLN) to formally cut diplomatic ties with Taiwan (formally known as the Republic of China), if an FMLN president is elected in March 2014.*

This diplomatic question additionally exposes the behind the scenes coordination that is taking place between Beijing and Taipei. This paints a picture of a cordial path towards Chinese unification between Taiwan and mainland China and not one of rivalry. Neither Beijing nor Taipei has put major obstacles in the other's way, recognizing that ultimately there will [be one China](#).

## Francisco Flores and the Salvadorian Oligarchy

Francisco Flores was president of El Salvador when the Nationalist Republican Alliance, most commonly called by its Spanish acronym ARENA, was ruling the Central American republic. He is a member of the corrupt US-aligned Salvadorian oligarchy that cheapened El Salvador by reducing it to the de facto status of a US colony by following orders from Washington, DC. Exemplifying this relationship, it was under the presidential term of Flores that El Salvador would send hundreds of troops to help the United States and the United Kingdom during their illegal occupation of Iraq.

The Salvadorian oligarchy has for all purposes operated as a comprador elite class, which means that they have ultimately served as the local representatives or managers of foreign corporations, governments, and interests. In this case the Salvadorian oligarchy has acted collectively as a comprador elite class serving the elites of the United States, which themselves are more precisely described as parasitic elites due to the fact that they have siphoned off most the local wealth and resources of the countries they have subverted to their influence. Historically, these US elites penetrated the power structures and hierarchies of Latin America once the influence of the original Spaniard parasitic elites at the top of the economic hierarchy in the Western Hemisphere was eroded. Many Latin American countries even had a US official or minister overseeing their government and daily affairs.

Under Flores and ARENA, El Salvador lost its monetary sovereignty. The colon, El Salvador's national currency, was removed by order of Flores and his ARENA government. They replaced the colon with the US dollar as the official currency of El Salvador. Thus, El

Salvador joined the ranks of the various territories of the US, East Timor, Panama, and Ecuador as a place where the US dollar is official currency.

Under ARENA's rule numerous unfair private business monopolies were established by law for ARENA members and supporters. It was illegal and next to impossible to buy medication from anyone except Alfredo Cristiani, the oligarch who was the ARENA president of El Salvador prior to Armando Calderón Sol and later Funes. Cristiani not only initiated the neoliberal economic restructuring of El Salvador, but also used his private monopoly on medication to always overcharge users and to even sell expired medication with impunity. It was the same with fertilizer and other agricultural products too, which were placed under Cristiani's private monopoly. The ARENA government would allow no competition whatsoever. Moreover, Cristiani privatized the Salvadorian banking system letting his family use Cuscatlan Bank, which is now owned by Citibank, to expand their influence across Central America.

Albeit political corruption still lingers in El Salvador, the criminal basis of the previous ARENA governments is explicitly acknowledged by the reports and files of their own police administrations. Police intelligence files testify that every president, justice minister, and police director was tied to organized crime until the FMLN took over the government in San Salvador. Moreover, Alfredo Cristiani, the sweetheart of the International Monetary Fund (IMF) and World Bank, is widely recognized as the father of organized crime in El Salvador.

#### The Authors of the Salvadorian Option

Before ARENA was officially formed, these oligarchs used the Salvadorian military and police to wage a vicious war, with the outright involvement of the US government and Pentagon, against El Salvador's indigenous people, peasants, poor, intellectuals, unions, Roman Catholic Church, and anyone demanding democracy and equal rights. The brutal repression and consequential civil war in El Salvador was part of the Salvadorian oligarchy's efforts to maintain control over Salvadorian society.

It was under the rule of these oligarchs that the infamous Salvador Option was spawned by US-aligned death squads that would exterminate whole villages in slow, cruel, and grotesque ways. Ice picks would be used to stab out eyes and deform faces while limbs would be systematically torn by horses or vehicles. The murder of Archbishop Oscar Romero, the head of the Roman Catholic Church in San Salvador, who was killed while giving a mass, is one of their most well-known acts. The man behind Romero's murder, Major Roberto D'Aubuisson, would become the founder of ARENA.

The murder of Archbishop Romero, however, was merely one of the many atrocities that these oligarchs committed with Washington's full knowledge, support, and involvement. Salvadorian military leaders were trained by the infamous School of the Americas and by the Pentagon and many of the torture and murder techniques that the death squads had used were taught to them by the US military. Moreover, countless Salvadorian guerilla fighters remember fighting US troops and hearing US orders on the radio to bomb the jungle and villages of El Salvador in English or Spanish.

Almost all of El Salvador's indigenous population would be exterminated by these oligarchs. Entire families would be murdered while their properties would be plundered or destroyed. Not even children and animals would be spared. Both rape and the desecration of graves

would be systematic and common practices.

One of the worst massacres was committed on December 11, 1981. This massacre took place in the village of El Mozote in the Department of Morazan. Eight hundred unarmed civilians, including children, were systematically tortured, humiliated, raped, and killed by a US-trained special operations unit.

Washington would send people like James Steele and John Negroponte to Anglo-American occupied Iraq to recreate the reign of terror that the US helped author in El Salvador. The exact same patterns and tactics of murder and torture would emerge in occupied Iraq, exposing the US as the source behind the death squads in both El Salvador and Anglo-American occupied Iraq.

Taiwanese Bribery?

While the National Assembly or Legislative Assembly of El Salvador was conducting an investigation on past corruption it discovered that 10 million US dollars had personally gone to the bank account of Francisco Flores. When Flores was questioned by the National Assembly about the large amount of money, he responded by saying that the money had come from the Taiwanese government and that he had actually taken more than 10 million dollars from Taiwan. It was after this that Flores tried to flee El Salvador or tried to make it look like he had fled. Flores did this after he was ordered to reappear in front of the National Assembly again on the eve of the first round the 2014 Salvadorian presidential elections.

The funds that Francisco Flores had taken were actually part of a set of secret payments being made by Taiwan annually. Taiwan has very close ties to El Salvador and Central America. Aside from the US-sponsored states of Latin America, the Taiwanese government also joined the US and Israel to support the oligarchs in El Salvador against the FMLN during the Salvadorian Civil War.

The secret payments made by Taiwan to Flores were originally established to prevent El Salvador from recognizing the government in Beijing as the legitimate government of China. While the payments may have originally been anti-Beijing or a Taiwanese award for the recognition of Taiwan instead of the government in mainland China, they appear to have been sustained with less and less anti-Beijing sentiments. The continued Taiwanese payments were maintained to sustain advantageous treatment of Taiwanese business interests and to win economic concessions in El Salvador, including a monopoly over the Salvadorian geothermal sector that is completely owned by Taiwan.

It is also worth noting that the Salvadorian government and Taipei have been exchanging information over the corruption scandal. This is in part due to the fact that Chen Shui-bian was the Taiwanese president whose government sent Flores the funds. Shui-bian and his wife are now in jail due to corruption convictions in Taiwan and there is probably a parallel probe in Taipei examining the role of Shui-bian and his associates.

China's Rising Star

The People's Republic of China is an increasingly important player in Latin America. One important project that involves China is the creation of a mega canal connecting the Atlantic Ocean with the Pacific Ocean, like a second Panama Canal. This second Panama Canal, however, will be based in Nicaragua and called the Great Canal of Nicaragua. The

Nicaraguan government even signed an agreement in 2012 with a freshly formed Hong Kong-based company, called the [Nicaragua Canal](#) Development Investment Company Limited, run by a Chinese telecommunications business magnet for attracting international investments for building the canal. The project is due to start in a matter of months.

When the FLMN had Mauricio Funes elected as president, they had him immediately establish diplomatic relations with Cuba when he was inaugurated on June 1, 2009. The previous ARENA government refused to have ties with Havana and was helping the US blockade Cuba and to oppose Venezuela and its regional allies. The FLMN additionally established diplomatic relations with Vietnam, Cambodia, and Russia. They failed to do so, however, with the People's Republic of China due to multiple factors.

The failure to recognize Beijing was due to opposition by President Funes, who is now the outgoing president of El Salvador. Mauricio Funes, a former CNN employee and popular local broadcaster, was merely endorsed by the FLMN. Funes is not a member of the FMLN as some outside of El Salvador assume. Under the agreement that Funes had with the FMLN, the portfolios of the Salvadorian cabinet were divided between the FMLN and non-FMLN individuals (popularly called the "Friends of Funes") selected by President Funes. Under this power sharing agreement, Funes would control strategic issues, national economics, and the secretariat for political reforms while the FMLN would manage the portfolios responsible for healthcare, education, and security. It was under this framework that Funes was able to stall recognition of the People's Republic of China and to hinder the economic and political reforms that the FMLN wanted.

By the time that the Salvadorian government did reach out to officials in Beijing, the Chinese government was cool to the idea of establishing diplomatic ties. This was most probably because of the delay, which the Chinese government could have viewed as an insult to Beijing's dignity. Although the FMLN as a political party has direct links to the People's Republic of China through the FMLN's international affairs office and has delegations invited to Beijing, the FMLN will look at ways to establishing formal diplomatic ties with Beijing when the FMLN wins the 2014 presidential elections in March's second round of voting. In this context, a second FMLN presidential term provides the opportunity for the FLMN to rectify the mistake and recognize Beijing quickly under a new chapter when Vice-President Salvador Sanchez becomes El Salvador's next president.

The Salvadorian government and the FMLN have made it clear to Taiwan that El Salvador ultimately intends to recognize Beijing as the legitimate government of China. What is interesting to note is that there has been no opposition from Taiwan against this decision. Nor will the severing of diplomatic ties between San Salvador and Taipei end Taiwan's trade ties with El Salvador. There is even some type of silent coordination between Taiwan and the People's Republic of China in regards to this trajectory that falls into the framework of Chinese unification.

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