

### What the Clintons Did to Haiti

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& Social Inequality

Their actions in the country were shameful and shouldn't be defended...

In this excerpt from <u>Superpredator: Bill Clinton's Use and Abuse of Black America</u>, we examine the Clintons' involvement in the country's affairs during Hillary Clinton's time at the State Department.

Bill and Hillary Clinton had long shared a personal interest in Haiti, dating back to the time of their honeymoon, part of which was spent in Port-au-Prince. In his autobiography, Bill says that his understanding of God and human nature were profoundly transformed when they witnessed a voodoo ceremony in which a woman bit the head off a live chicken. Hillary Clinton says the two of them "fell in love" with Haiti and they had developed a "deep connection" to the country. So when Hillary Clinton became Secretary of State in 2009, she consciously made the redevelopment of Haiti one of her top priorities. The country, she announced, would be a laboratory where the United States could "road-test new approaches to development," taking advantage of what she termed "the power of proximity." She intended to "make Haiti the proving ground for her vision of American power." Hillary Clinton selected her own chief of staff, Cheryl Mills, to run the Haiti project.

Mills would be joined by Bill Clinton, who had been deputized by the U.N. as a "special envoy" to Haiti. Bill's role was not well-defined, and Haitians were curious about what was in store. Mills wrote in an email to Hillary Clinton that Haitians saw Bill's appointment as "a step toward putting Haiti in a protectorate or trusteeship status." Soon, "joking that he must be coming back to lead a new colonial regime," the Haitian media "dubbed him Le Gouverneur."

The project was heavily focused on increasing Haiti's appeal to foreign corporations. As *Politico* reported, Clinton's experiment "had business at its center: Aid would be replaced by investment, the growth of which would in turn benefit the United States."

One of the first acts in the new "business-centered" Haiti policy involved suppressing Haiti's minimum wage. A 2009 Haitian law raised the minimum wage to 61 cents an hour, from 24 cents an hour previously. Haitian garment manufacturers, including contractors for Hanes and Levi Strauss, were furious, insisting that they were only willing to agree to a seven-cent increase. The manufacturers approached the U.S. State Department, who brought intense pressure to bear against Haitian President René Préval, working to "aggressively block" the 37-cent increase. The U.S. Deputy Mission Chief said a minimum-wage increase "did not take economic reality into account" and simply "appealed to the unemployed and underpaid masses." But as Ryan Chittum of the Columbia Journalism Review explained, the proposed wage increase would have been only the most trivial additional expense for the American

#### garment manufacturers:

As of last year Hanes had 3,200 Haitians making t-shirts for it. Paying each of them two bucks a day more would cost it about \$1.6 million a year. Hanesbrands Incorporated made \$211 million on \$4.3 billion in sales last year, and presumably it would pass on at least some of its higher labor costs to consumers. Or better yet, Hanesbrands CEO Richard Noll could forego some of his rich compensation package. He could pay for the raises for those 3,200 t-shirt makers with just one-sixth of the \$10 million in salary and bonus he raked in last year.

The truth of the "economic reality" was that the Haitian undergarment sector was hardly likely to become wildly less competitive as a result of the increase. The effort to suppress the minimum wage was not solely a Clinton project. It was also a "concerted effort on the part of Haitian elites, factory owners, free trade proponents, U.S. politicians, economists, and American companies." But it was in keeping with the State Department's priorities under Clinton, which prioritized creating a favorable business climate. It was that same familiar Clinton move "from aid to trade." Bill Clinton's program for Haitian development, designed by Oxford University economist Paul Collier, "had garment exports at its center." Collier wrote that because of "propitious" factors like "poverty and [a] relatively unregulated labor market, Haiti has labor costs that are fully competitive with China." But the Clintons' role in Haiti would soon expand even further. In 2010, the country was struck by the worst earthquake in its history. The disaster killed 160,000 people and displaced over 1.5 million more. (The consequences of the earthquake were exacerbated by the ruined state of the Haitian food economy, plus the concentration of unemployed Haitian farmers in Port-au-Prince.) Bill Clinton was soon put in charge of the U.S.-led recovery effort. He was appointed to head the Interim Haiti Recovery Commission (IHRC), which would oversee a wide range of rebuilding projects. At President Obama's request, Clinton and George W. Bush created the "Clinton-Bush Haiti Fund," and began aggressively fundraising around the world to support Haiti in the earthquake's aftermath. (With Hillary Clinton as Secretary of State overseeing the efforts of USAID, the Clintons' importance to the recovery could not be overstated; Bill's appointment meant that "at every stage of Haiti's reconstruction—fundraising, oversight and allocation—a Clinton was now involved."

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Despite appearances, the Clinton-Bush fund was not focused on providing traditional relief. As they <u>wrote</u>, "[w]hile other organizations in Haiti are using their resources to deliver immediate humanitarian aid, we are using our resources to focus on long-term development." While the fund <u>would advertise</u> that "100% of donations go directly to relief efforts," Clinton and Bush adopted an expansive definition of "relief" efforts, treating luring foreign investment and jobs as a crucial part of earthquake recovery. On their website, they spoke proudly of what the *New York Daily News* <u>characterized</u> as a program of "supporting longterm programs to develop Haiti's business class."

The strategy was an odd one. Port-au-Prince had been reduced to ruin, and Haitians were crowded into filthy tent cities, where many were dying of a cholera outbreak (which had <u>itself been caused</u> by the negligence of the United Nations). Whatever value building

new garment factories may have had as a longterm economic plan, Haitians were faced with somewhat more pressing concerns like the basic provision of shelter and medicine, as well as the clearing of the thousands of tons of rubble that filled their streets.

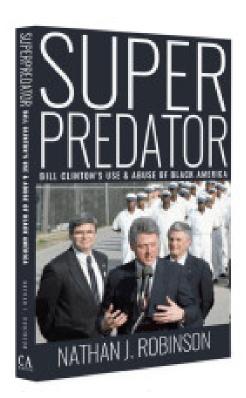
The Clinton-led recovery was a disaster. A year after the earthquake, a stinging report from Oxfam <u>singled out</u> Clinton's IHRC as creating a "quagmire of indecision and delay" that had made little progress toward successful earthquake recovery. Oxfam found that:

...less than half of the reconstruction aid promised by international donors has been disbursed. And while some of that money has been put toward temporary housing, almost none of the funds have been used for rubble removal.

Instead, the Clinton Foundation, IHRC, and State Department created what a *Wall Street Journal* writer <u>called</u> "a mishmash of low quality, poorly thought-out development experiments and half-finished projects." A Haitian IHRC members lamented that the commission had produced "a disparate bunch of approved projects. . . [that] do not address as a whole either the emergency situation or the recovery, let alone the development, of Haiti." A 2013 investigation by the Government Accountability Office found that most money for the recovery was not being dispersed, and that the projects that were being worked on were plagued by delays and cost overruns. Many Clinton projects were extravagant public relations affairs that quickly fizzled. For example, *The Washington Post* reported that:

...[a] 2011 housing expo that cost more than \$2 million, including \$500,000 from the Clinton Foundation, was supposed to be a model for thousands of new units but instead has resulted in little more than a few dozen abandoned model homes occupied by squatters.

Other Clinton ventures were seen as "disconnected from the realities of most people in the poorest country in the Western Hemisphere." *Politico* reported that many Clinton projects "have primarily benefited wealthy foreigners and the island's ruling elite, who needed little help to begin with." For example, "the Clinton Bush Haiti Fund invested more than \$2 million in the Royal Oasis Hotel, where a sleek suite with hardwood floors costs more than \$200 a night and the shops sell \$150 designer purses and \$120 men's dress shirts."



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Predictably, the Royal Oasis didn't do an especially roaring trade; The Washington Post reported that "[o]ne recent afternoon, the hotel appeared largely empty, and with tourism hardly booming five years after the quake, locals fear it may be failing." In a country with a 30-cent minimum wage, investing recovery dollars in a luxury hotel was not just offensive, but economically daft. Sometimes the recovery projects were accused not only of being pointless, but of being downright harmful. For instance, Bill Clinton had proudly announced that the Clinton Foundation would be funding the "construction of emergency storm shelters in Léogâne." But an investigation of the shelters that the Foundation had actually built found that they were "shoddy and dangerous" and full of toxic mold. The Nation discovered, among other things, that the temperature in the shelters reached over 100 degrees, causing children to experience headaches and eye irritations (which may have been compounded by the mold), and that the trailers showed high levels of carcinogenic formaldehyde, linked to asthma and other lung diseases. The Clinton Foundation had subcontracted the building of the shelters to Clayton Homes, a firm that had already been sued in the United States by the Federal Emergency Management Administration (FEMA) for "having provided formaldehyde-laced trailers to Hurricane Katrina victims." (Clayton Homes was owned by Warren Buffett's Berkshire Hathaway, and Buffett had been a longstanding major donor to the Clinton Foundation.) The Nation's investigation reported on children whose classes were being held in Clinton Foundation trailers. Their semester had just been cut short, and the students sent home, because the temperature in the classrooms had grown unbearable. The misery of the students in the Clinton trailers was described:

Judith Seide, a student in Lubert's sixth-grade class [explained that] she and her classmates regularly suffer from painful headaches in their new Clinton Foundation classroom. Every day, she said, her "head hurts and I feel it spinning and have to stop moving, otherwise I'd fall." Her vision goes dark, as is the case with her classmate Judel, who sometimes can't open his eyes because, said Seide, "he's allergic to the heat." Their teacher regularly relocates the class outside into the shade of the trailer because the swelter inside is insufferable. Sitting in the sixth-grade classroom, student Mondialie Cineas, who dreams of becoming a nurse, said that three times a week the teacher gives her and her classmates painkillers so that they can make it

through the school day. "At noon, the class gets so hot, kids get headaches," the 12-year-old said, wiping beads of sweat from her brow. She is worried because "the kids feel sick, can't work, can't advance to succeed."

The most notorious post-earthquake development project, however, was the Caracol industrial park. The park was pitched as a major job creator, part of the goal of helping Haiti "build back better" than it was before. The State Department touted the prospect of 100,000 new jobs for Haitians, with Hillary Clinton promising 65,000 jobs within five years. The industrial park followed the Clintons' preexisting development model for Haiti: public/private partnerships with a heavy emphasis on the garment industry. Even though there were still hundreds of thousands of evacuees living in tents, the project was based on "the more expansive view that, in a desperately poor country where traditional foreign aid has chronically failed, fostering economic development is as important as replacing what fell down." Much of the planning was focused on trying to lure a South Korean clothing manufacturer to set up shop there, by plying them with U.S. taxpayer funding. The Caracol project was "the centerpiece" of the U.S.'s recovery effort. A gala celebrating its opening featured the Clintons and Sean Penn, and it was treated as the emblem of the new, "better" Haiti, that would demonstrate the country's commitment to being "open for business." In order to build the park, hundreds of poor farmers were evicted from their land, so that millions of dollars could be spent transforming it.

But the project was a terrible disappointment. After four years, it was only operating at <u>10%</u> <u>capacity</u>, and the jobs had <u>failed to materialize</u>:

Far from 100,000 jobs—or even the 60,000 promised within five years of the park's opening— Caracol currently employs just 5,479 people full time. That comes out to roughly \$55,000 in investment per job created so far; or, to put it another way, about 30 times more per job than the average [Caracol] worker makes per year. The park, built on the site of a former U.S. Marine-run slave labor camp during the 1915-1934 U.S. occupation, has the best-paved roads and manicured sidewalks in the country, but most of the land remains vacant.

Most of the seized farmland went unused, then, and even for the remaining farmers, "<u>surges of wastewater</u> have caused floods and spoiled crops." Huge queues of unemployed Haitians stood daily in front of the factory, awaiting jobs that did not exist. The *Washington Post* <u>described</u> the scene:

Each morning, crowds line up outside the park's big front gate, which is guarded by four men in crisp khaki uniforms carrying shotguns. They wait in a sliver of shade next to a cinder-block wall, many holding résumés in envelopes. Most said they have been coming every day for months, waiting for jobs that pay about \$5 a day. From his envelope, Jean Mito Palvetus, 27, pulled out a diploma attesting that he had completed 200 hours of training with the U.S. Agency for International Development on an industrial sewing machine. "I have three kids and a wife, and I can't support them," he said, sweating in the hot morning sun. "I have a diploma, but I still can't get a job here. I still have nothing."

For some, the Caracol project perfectly symbolized the Clinton approach: big promises, an emphasis on sweatshops, incompetent management, and little concern for the actual impact on Haitians. "Caracol is a prime example of bad help," as one Haiti scholar <u>put it</u>.

"The interests of the market, the interest of foreigners are prioritized over the majority of people who are impoverished in Haiti."

But, failure as it may have been, the Caracol factory was among the more successful of the projects, insofar as it actually came into existence. A large amount of the money raised by Bill Clinton after the earthquake, and pledged by the U.S. under Hillary Clinton, simply disappeared without a trace, its whereabouts unknown. As *Politico* explained:

Even Bill's U.N. Office of the Special Envoy couldn't track where all of [it] went—and the truth is that still today no one really knows how much money was spent "rebuilding" Haiti. Many initial pledges never materialized. A whopping \$465 million of the relief money went through the Pentagon, which spent it on deployment of U.S. troops—20,000 at the high water mark, many of whom never set foot on Haitian soil. That money included fuel for ships and planes, helicopter repairs and inscrutables such as an \$18,000 contract for a jungle gym... Huge contracts were doled out to the usual array of major contractors, including a \$16.7 million logistics contract whose partners included Agility Public Warehousing KSC, a Kuwaiti firm that was supposed to have been blacklisted from doing business with Washington after a 2009 indictment alleging a conspiracy to defraud the U.S. government during the lrag War.

The recovery under the Clintons became notorious for its mismanagement. Clinton staffers "had no idea what Haiti was like and had no sensitivity to the Haitians." They were reportedly rude and condescending toward Haitians, even refusing to admit Haitian government ministers to meetings about recovery plans. While the Clintons called in high-profile consulting firms like McKinsey to draw up plans, they had little interest in listening to Haitians themselves. The former Haitian prime minister spoke of a "weak" American staff who were "more interested in supporting Clinton than helping Haiti."

One of those shocked by the failure of the recovery effort was Chelsea Clinton, who wrote a detailed email to her parents in which she said that while Haitians were trying to help themselves, every part of the international aid effort, both governmental and nongovernmental, was falling short. "The incompetence is mind numbing," she wrote. Chelsea produced a detailed memorandum recommending drastic steps that needed to be taken in order to get the recovery on track. But the memo was kept within the Clinton family, released only later under a Freedom of Information Act disclosure of Hillary's State Department correspondence. If it had come out at the time, as Haiti journalist Jonathan Katz writes, it "would have obliterated the public narrative of helpful outsiders saving grateful earthquake survivors that her mother's State Department was working so hard to promote."

The Clintons' Haiti recovery ended with a whimper. The Clinton-Bush Haiti Fund distributed the last of its funds in 2012 and disbanded, without any attempt at further fundraising. The IHRC "quietly closed their doors" in October of 2011, even though little progress had been made. As the *Boston Review*'s Jake Johnston explained, though hundreds of thousands remained displaced, the IHRC wiped its hands of the housing situation:

[L]ittle remained of the grand plans to build thousands of new homes. Instead, those left homeless would be given a small, one-time rental subsidy of about \$500. These subsidies, funded by a number of different aid agencies, were meant to give private companies the incentive to invest in building houses. As

efforts to rebuild whole neighborhoods faltered, the rental subsidies turned Haitians into consumers, and the housing problem was handed over to the private sector.

The Clintons themselves simply stopped speaking about Haiti. After the first two years, they were "nowhere to be seen" there, despite Hillary's having promised that her commitment to Haiti would long outlast her tenure as Secretary of State. Haiti has been given little attention during Hillary Clinton's presidential campaign, even though the Haiti project was ostensibly one of great pride for both Clintons.

The widespread consensus among observers is that the Haiti recovery, which *TIME* the U.S.'s "compassionate invasion," was a catastrophically mismanaged disappointment. Jonathan Katz writes that "it's hard to find anyone these days who looks back on the U.S.-led response to the January 12, 2010, Haiti earthquake as a success." While plenty of money was channeled into the country, it <u>largely went</u> to what were "little more than small pilot projects—a new set of basketball hoops and a model elementary school here, a functioning factory there."

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The end result has been that little has changed for Haiti. "Haitians find themselves in a social and economic situation that is worse than before the earthquake," reports a Belgian photojournalist who has spent 10 years in Haiti:

Everyone says that they're living in worse conditions than before... When you look at the history of humanitarian relief, there's never been a situation when such a small country has been the target of such a massive influx of money and assistance in such a short span of time... On paper, with that much money in a territory the size of Haiti, we should have witnessed miracles; there should have been results.

"If anything, they appear worse off," <u>says</u> Foreign Policy of Haiti's farmers. "I really cannot understand how you could raise so much money, put a former U.S. president in charge, and get this outcome," <u>said</u> one Haitian official. Indeed, the money donated and invested was extraordinary. But nobody seems to know where it has gone.

Haitians direct much of the blame toward the Clintons. As a former Haitian government official who worked on the recovery <u>said</u>, "[t]here is a lot of resentment about Clinton here. People have not seen results. . .. They say that Clinton used Haiti." Haitians "<u>increasingly complain</u> that Clinton-backed projects have often helped the country's elite and international business investors more than they have helped poor 'Haitians." <u>There is</u> a "suspicion that their motives are more to make a profit in Haiti than to help it." And that <u>while</u> "striking a populist pose, in practice they were attracted to power in Haiti."

But perhaps we should be more forgiving of the Clintons' conduct during the Haitian recovery. After all, instead of doing true harm, the Clintons simply failed to do much good. And perhaps it's better to have a luxury hotel than not to have one, better to have a few jobs than none at all. Thanks to Bill Clinton, there's a gleaming new industrial park, albeit one operating at a fraction of its capacity.

Yet it's a mistake to measure Clinton against what would have happened if the United States had done *nothing at all* for Haiti. The question is what would have happened if a capable, nonfamous administrator, rather than a globetrotting narcissist, had been placed in charge. Tens of millions of dollars were donated toward the Haiti recovery by people across the world; it was an incredible outpouring of generosity. The squandering of that money on half-baked development schemes (mainly <u>led by cronies</u>), and the ignoring of Haitians' own demands, mean that Clinton may have caused considerable harm through his failure. Plenty of people died in tent cities that would not have died if the world's donations had been used effectively.

Democrats have bristled at recent attempts by Donald Trump to criticize Hillary Clinton over her record in Haiti. Jonathan Katz, whose in-depth reporting from Haiti was stingingly critical of the Clintons, has now changed his tune, insisting that we all bear the responsibility for the failed recovery effort. When Trump accused the Clintons of squandering millions building "a sweatshop" in Haiti in the form of the Caracol park, media fact-checkers quickly insisted he was spewing Pinocchios. The Washington Post said that while Clinton Foundation donors may have financially benefited from the factory-building project, they benefited "writ large" rather than "directly." The Post cited the words of the factory's spokesman as evidence that the factory was not a sweatshop, and pointed out that Caracol workers earned at least "minimum wage" (failing to mention that minimum wage in Haiti remains well under a dollar). PolitiFact also rated the sweatshop claim "mostly false," even though Katz notes "long hours, tough conditions, and low pay" at the factory and PolitiFact acknowledges the "ongoing theft of legally-earned wages."

Defending the Clintons' Haiti record is an impossible endeavor, one Democrats should probably not bother attempting. As the Center for Economic and Policy Research, which has studied the recovery, <u>noted</u>, when it comes to the Clinton-led recovery mission, "it's hard to say it's been anything other than a failure." Haitians are not delusional in their <u>resentment</u> of the Clintons; they have good reason to feel as if they were used for publicity, and discarded by the Clintons when they became inconvenient.

None of this means that one should vote for Donald Trump for president. His tears for Haiti are those of a highly opportunistic crocodile, and his interest in the country's wellbeing began at the precise moment that it could be used a bludgeon with which to beat his political opponent. As we have <u>previously noted in this publication</u>, one does not need to be convinced that Hillary Clinton is an honorable person in order to be convinced that she is the preferable candidate. It is important, however, not to maintain any illusions, not to stifle or massage the truth in the service of short-term electoral concerns. It remains simultaneously true that a Clinton presidency is our present least-worst option *and* that what the Clintons did to Haiti was callous, selfish, and indefensible.

More on Clinton involvement in Haiti can be found in <u>Superpredator: Bill Clinton's Use and Abuse of Black America</u>.

**Nathan J. Robinson** is the editor of Current Affairs.

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