

‘The Port of La Unión Could Change History in Central America’

EIR's Paris correspondent Christine Bierre interviewed Roberto Turcios, member of the El Salvador's National Development Commission and Regional Coordinator for the Eastern Zone of El Salvador, during a visit to her native country in December 2002.

EIR: A new port will be built in the department of La Unión [see **Figure 1**], but I believe that the plans of the National Development Commission go far beyond the mere construction of a port.

Turcios: The answer to this question is affirmative—so long as we can count on a network of citizens and other productive groups, that are capable of bringing a local and regional development strategy to life. It is a proposal whose main idea is to take advantage of a development opportunity in the eastern region of the country, through the construction of the port of Cutuco in *La Unión*. It is a response to a question: Is it possible to turn the construction of the port of La Unión into a trigger for development?

Work on building the port will begin in the first half of next year. It is a project whose estimated cost is more than \$100 million, which is going to take place in a city—La Unión—of some 50,000 inhabitants. . .

EIR: In any case, such an important investment in the region will necessarily change the living conditions of the local population. How many jobs is it expected to create?

Turcios: It is already changing history in the region, with evidence of both an opportunity and a challenge. A Spanish tuna fishing company has already begun to build the wharf and pier for the processing and packing of tuna. It will be one of the most important tuna processing plants of the Central American Pacific region. However, that company brought in everything—the bricks to build the walls of the offices, the nails, the small tractors. It bought nothing of significance in El Salvador.

EIR: That is a problem. If they bring everything with them, the multiplier effect on the regional economy will be minimal.

Turcios: Exactly. That is one of the problems we have to avoid. This is a significant investment, by the very nature of the port to be built, which will specialize in handling containers. At this point, the western port of Acajutla is not, nor does it have the natural conditions to become a good port

for containerization. The success of the port of La Unión presupposes tri-national use: Honduras, Nicaragua, and El Salvador.

EIR: But is the project national, or tri-national?

Turcios: It is a national project, but in the concept of the National Development Commission, it is seen as a tri-national opportunity because, if one examines the map of Central America, the strategic location with the best conditions is that of La Unión.

This port is located on the Gulf of Fonseca, not far from the port of San Lorenzo, which is Honduras's only Pacific port. Actually, Honduras doesn't have a Pacific coast, but it does have an internal sea, which is the Gulf of Fonseca. The Nicaraguan port of Corinto is nearby. So, one can realistically conceive of a system of ports that can serve all three countries.

If one adds to this the fact that La Unión has the natural conditions to be the terminus of an interoceanic corridor between the Atlantic and the Pacific, one has an extraordinary opportunity, at a moment that the trade and productive routes of Central America are changing.

In order to travel from La Unión to Puerto Cortés on Honduras' Caribbean coast (that is, on the Atlantic) there are a mere 100 kilometers of highway in Honduras yet to be built. Once done, this would create what we call an "Interoceanic Dry Canal."

If this stretch of road were paved and were to end in the port of La Unión, a container truck could go from the Pacific to the Atlantic in seven and a half hours. That is, you are talking about a competitive alternative to the Panama Canal, which is the other great interoceanic route. . . .

EIR: Would this new port be limited to trade among the three countries sharing the Gulf of Fonseca—El Salvador, Honduras, and Nicaragua—or could it also receive international ships?

Turcios: Of course it could. The depth there will be 14 meters [about 45 feet]. This will allow for the entrance of large container and grain ships.

La Unión is a gulf with islands. This means that the surf is weaker. Normally, a port for containers needs a breakwater; that won't be necessary for La Unión. Its islands will act like a breakwater without blocking the passage of large ships.

The challenge for the region has been clearly posed by

FIGURE 1

Central America and the Proposed 'Inter-Oceanic Dry Canal'



Source: EIR

FIGURE 2

Central America Topology



Source: U.S. Central Intelligence Agency.

several specialists. Completing the port presupposes that cargo boats will use its facilities. El Salvador and Central America as a whole import enough to guarantee that there will be sufficient traffic of cargo ships.

EIR: And is this the case at the moment?

Turcios: Yes, but the cargo is distributed. The cargo for El Salvador arrives in part through Guatemala and its Atlantic port. Other cargo comes from South America and arrives at the Salvadoran port on the Pacific, Acajutla. Still other cargo comes from the Atlantic to Acajutla, passing through the Panama Canal.

This new port is going to cheapen costs for producers, importers and national exporters. But the key question is what the ships will carry on their return voyages. This has no answer, as of yet.

To take advantage of this opportunity will thus require an increase and a diversification of regional production. In light of this concern, an agreement has been reached with the Japanese government, for them to send a mission of 15 specialists to study the region for a year, to present a proposal on productive diversification and an increase in exportable goods.

EIR: The project will also have to address the following problems: once the containers arrive at La Unión, how will they be moved? This leads us to the Dry Canal, the improvement of highways, to the construction of infrastructure. I understand that stretches of highway are already under construction.

Turcios: In January, they will begin to build what they are calling the La Unión "bypass," which will exit the port and

put trucks 10 kilometers outside the city, by a parallel route [to a cross-Isthmus highway].

But I think the problem we face is more dramatic. It would not be an exaggeration to say that what we have here, in essence, is the dilemma of how to develop countries like El Salvador. . . . When I say development, I understand this to mean an escape from poverty, from backwardness: real human development.

The port project was not conceived from the standpoint of a combination of policies capable of bringing about a global development process.

EIR: El Salvador would need to be inspired by Colbert of France, and how he created the port of Rochefort in the 17th Century. For military reasons, France needed an important port on the Atlantic. And, on swampland where no one lived, they built from scratch, in just a few months, both a port and a city of 50,000 inhabitants! Shipbuilding was established, and for the first time in history, parts of ships were . . . assembled by following the instructions of production manuals written by scientists of the French Academy of Science. Wood was treated, rope was produced, and metals were smelted. In order to get people to come and work on this project, relatively high wages were offered, and social security provisions made, that had never existed anywhere before. Schools to train the producers and the sailors were founded!

Turcios: That was a true vision. In this case, the port project is approved and designed, and is already in the phase of seeking bids from construction companies; but, until six months ago, there was no project for the city where the port was to be built! Because of this, a citizens group of La Unión proposed the idea of a port-city. . . .

Apart from this project, the regional proposal includes another strategic and indispensable project, which is the recovery of the Rio Grande de San Miguel and the productive transformation of that river's basin. It is a large project, double the cost of the port and, for the moment, still in the proposal stage.

EIR: How is this related to the port?

Turcios: It is related in that it poses the basis for the productive transformation of the entire region. It is the second largest river in the country, after the Lempa. It is deteriorated, contaminated, without any treatment facilities. Recovering the river would require the creation of irrigation districts, which would change the history of agriculture and would mean reforestation. This is a second project under consideration.

Along with these kinds of projects, every citizens group has its own project. A group of cattlemen have a plan to build a dairy processing plant for the region. There is a group in the North which has a tourism plan. . .

What we seek to accomplish is, that when the first stone of the port is being laid, we will also be laying the first stone of a plan for local and regional development.

EIR: These projects only involve the department of La Unión?

Turcios: No. They involve the entire eastern region, which includes four departments—one-third of the national territory and one-fifth of the national population.

EIR: Where is the \$100 million for building the port coming from?

Turcios: It is a loan from Japan, a country which is very interested in having the port seen as a factor of regional development. The interest they are charging is very low . . . because they'd also like the loan to be repaid!

EIR: At one time, the mere idea of a second canal between the Pacific and Atlantic, apart from the Panama Canal, could have provoked wars. . . . For the Americans, a new canal constructed in a strategic zone not under their control was unthinkable. Has this position recently changed?

Turcios: I believe that, in our case, the first problem is Central American. There is an inability to see the potential of an idea like this, because there is such a lack of Central American will. This idea is very cheap. There are only 100 kilometers that remain to be paved, for a cost of one and a half million dollars per kilometer. We are talking about a new interoceanic route for a mere \$150 million. But, this assumes a Central American political will that has never existed. That is the first problem. A Central American will must be created.

EIR: Are there negotiations underway to finish this highway?

Turcios: At the moment, no. The Gulf of Fonseca has potential, but the project would require an agreement among the three countries. El Salvador's National Development Commission has a plan, but it is very novel for a history that has been so full of conflict. If one examines the history of the Gulf [of Fonseca], the cause of the last conflict between Honduras and El Salvador is a ridiculously tiny island called Rabbit Island. The location of the island defines the maritime border in the Gulf and, in a way, the channel of access to the Gulf.

We are, once again, faced with a repeat of Central American history, a clear opportunity that can be taken advantage of.

What is indisputable is that we are at a new moment for an old Central American opportunity. That is, the Central American states were formed by the vision of their founders: we are a great state. We are exceptionally strategically placed for a canal. In the first Constituent Assembly that was formed in America, the opportunity for a canal was discussed and debated. The port of La Unión was created in 1824, by a decree issued by the first Central American Assembly. The complete name was Port of the Central American Unión.

Another moment for an historic opportunity now presents itself. Is this competition with the Panama Canal? No. There is room for both. There is such overcrowding already in the Canal, that cargo ships take third place in priority, behind passenger ships and oil tankers.