

# Ex-President Francisco Flores (1959–2016) and the decimation of El Salvador

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On January 30, former president of El Salvador Francisco Flores Perez died in San Salvador of a cerebral hemorrhage at the age of 56. The ex-president's career was dominated by corruption and self-enrichment at the expense of a deeply impoverished Salvadoran working class and peasantry.

Flores, a member of the right-wing Nationalist Republican Alliance (ARENA), managed to escape responsibility for his crimes. He died two months after a judge ordered him to stand trial for stealing US\$10 million in money donated as relief money for the 2001 earthquake that killed 1,000 people.

The political career of Flores, who was president from 1999 to 2004, embodied the violent, corrupt, and criminal character of the alliance between US imperialism and the Salvadoran bourgeoisie.

Francisco Guillermo Flores Perez was born in October 1959, the son of a US-educated economist and banking attorney, who advised several Salvadoran military rulers during the 1960s.

At age 30, the Harvard and Oxford graduate accepted the post of Vice Minister of Economic Planning under President Alfredo Cristiani, whose administration conducted the final years of the Salvadoran Civil War. The Civil War, which lasted from 1979 to 1992, resulted in the deaths of over 75,000 civilians, overwhelmingly the victims of attacks and massacres by government forces backed by Washington.

While Flores was vice minister, the Ministry of Planning was responsible for the distribution of resources from the post-war National Reconstruction Plan (PNR). Among the plan's largest supporters was the CIA-linked US Agency for International Development, which provided \$535.9 million—77 percent of funds from foreign countries.

Cristiani and the rebel Farabundo Marti National

Liberation Front (FMLN) signed the Chapultepec Peace Accords in 1992, which ended the armed conflict, legalized the FMLN, and laid the foundations for the Cristiani administration to carry out a massive US-backed structural reform program, resulting in the privatization of state banks.

Flores' ministry played a central role in ensuring that the workers and peasants of El Salvador were made to pay for the costs of the war waged against them. The years that followed witnessed an unprecedented development of widespread sweatshop labor conditions, the eradication of guaranteed pensions and the opening up of the country to intensified exploitation by multinational companies and financial speculators.

In 1999, Flores won the presidential election but secured the votes of just 19 percent of all eligible voters.

Flores' presidency was marked by economic stagnation and growing social inequality. Christine Wade's *Captured Peace: Elites and Peacebuilding in El Salvador* states: "The economic decline that began in the Calderon Sol administration worsened during [Flores'] administration, bringing growth to a standstill. In 1996, the ratio between the richest quintile and the poorest quintile was 15:1; this ratio increased to 18.0 in 1999 and to 19.6 in 2002."

As part of the shift to subordinate the Salvadoran economy to the interests of world, and particularly US finance capital, Flores' administration replaced the former Salvadoran currency, the colon, with the US dollar, which is currently the country's currency.

In an interview with Harvard University in 2013, Flores explained that the switch was needed because previously "In El Salvador what happened was that the international banking system had no interest in entering the country." This not only increased the ability of Wall

Street to exploit the Salvadoran economy, but also placed a hold on social spending. “It has also had one other great advantage,” Flores told Harvard, “which is that during this age of populist governments it has limited public spending.”

The University of Central America wrote in 2002, “The most benefited sector from the dollarization process has been the financial system, which no longer faces the risk that its payments will be increased from possible devaluation decided by the political circles.”

In the days that followed the imposition of the new law on January 1, 2001, half a million Salvadorans demonstrated against dollarization, which resulted in a cut in real wages. In the midst of the largest social upheaval since the Civil War, the disaster that then struck El Salvador came at a perfect time for the Salvadoran bourgeoisie. On January 13, a magnitude 7.6 earthquake rocked El Salvador, killing nearly 1,000 people, injuring thousands more, and destroying or damaging hundreds of thousands of homes.

Flores leapt on the opportunity to personally profit from the devastating earthquake. According to an investigation carried out by the country’s attorney general in 2014, Flores pocketed \$10 million in emergency aid relief donated by the government of Taiwan. When questioned by a special investigating committee in January 2014 regarding where the money was supposed to be deposited, Flores “took a sip of water and smiled but never answered the question,” according to a report from Spain’s *El Pais* newspaper.

Flores fled from detention after charges were brought in 2014, and from September 2014 until his death, he was living a privileged existence under “house arrest.”

Flores was also key in deepening the alliance between El Salvador and the United States, closely coordinating his every move with the administration of then-President George W. Bush.

In March 2002, Flores welcomed President Bush to San Salvador as “a world leader who has built a leadership based on values and principles, values that have to do with the rights of human beings.”

A year later, he became an enthusiastic supporter of US imperialism’s war in Iraq, nearly doubling El Salvador’s presence in Iraq in 2004 to roughly 500 troops.

Widespread hatred of the ARENA party swept it from power in 2009, when the FMLN emerged as the

country’s dominant bourgeois political party. The former guerrilla movement transformed itself into a tame bourgeois opposition party in the 1990s and has now controlled the executive branch for seven years, dating back to the election of Mauricio Funes.

The FMLN has professed sorrow over Flores’ death. Lorena Pena, a former guerrilla commander and a leading figure in the FMLN, took to Twitter to “express my condolences to the family and [the ARENA Party] for the death of ex-president Francisco Flores.”

The Salvadoran working class has no reason to mourn the death of this corrupt stooge of US imperialism, who helped transform El Salvador into a country in which roughly a fifth of the population (2 million people) would rather risk their lives fleeing to work in the United States than face the poverty and violence of a hollowed-out, postwar society. Violent international gangs like Mara Salvatrucha-13 and the 18th Street Gang operate in close association with the police and the government to terrorize the population. Murder levels in El Salvador reached an average of almost 700 per month in 2015, numbers which are roughly equal to the number killed per month in the first years of the Civil War.

Meanwhile, 40 percent of the population that has opted to remain in El Salvador lives in poverty and well over half live on less than \$5 per day. In 2012, the top quintile took 48 percent of El Salvador’s income while the bottom quintile took less than 6 percent.



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