

The Palestinian Community in Honduras

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Palestinian emigration did not commence with the creation of the Israeli state in the late 1940s, nor have all Palestinians who have left their homeland, either willingly or unwillingly, gone to southern Lebanon or other areas in the Middle East. Significant Palestinian emigration actually began in the last quarter of the nineteenth century when Palestinian Christians and other Christian Arabs of the Levant began to leave the eastern Mediterranean area both because of persecution by the ruling Ottoman Turks and apparent economic opportunities abroad. Although their numbers were miniscule compared with many European groups migrating at the same period, the Palestinians and their Christian Arab neighbors spread themselves far and wide, arriving in virtually all countries in the New World (Crowley, 1974, 137-139). The Palestinians concentrated particularly in Central America, especially in Honduras, El Salvador, and Nicaragua.

In Honduras, an estimated 2200 Palestinians have entered the country and remained since the first arrivals appeared in the 1880s. There are now approximately 10,000 to 15,000 persons in Honduras of Palestinian birth or descent, and they form a distinctive ethnic population. While such a small group might be insignificant in many countries, in Honduras it represents the country's largest non-Latin ethnic body. This fact, and their considerable entrepreneurial acumen, have enabled the Palestinians to attain greater visibility in Honduras than in any other Latin American country. The dimensions of the Palestinian impact may be best understood by describing the early Palestinian immigrants, examining their settlement history and economic success, noting the Honduran reaction to them, and finally, considering in some detail the Palestinian community in the city of San Pedro Sula.

The Choice of Honduras

How did Palestinians choose Honduras as the destination for their transatlantic voyage? Many of the Christians leaving the Levant in the late nineteenth century simply caught any boat on which they could obtain passage, without worrying about its destination. The original immigrants to Honduras may have arrived in this fashion. Once a few immigrants established themselves, however, it is not hard to explain those that followed. Over ninety percent of the Palestinians in Honduras are from Bethlehem and surrounding villages. Family and friends followed the earliest immigrants in a classic example of chain migration. A minor current of Palestinians or persons of Palestinian descent also has immigrated to Honduras from other Latin American countries, principally El Salvador, Bolivia, Chile, and the larger Caribbean islands.

The Nature of the Immigrants

Most of the earliest immigrants were young males, some of whom returned to Palestine to procure wives. Later, women and children also immigrated. The majority of the immigrants were agriculturalists in Palestine, although several were involved in the mother-of-pearl industry, selling souvenir items to tourists visiting the Holy Land. Regardless of their livelihood in Palestine, nearly all the Palestinian immigrants became merchants when they arrived in Honduras. This occupational choice was characteristic of Palestinian immigrants whenever they landed in Latin America.

Settlement in Honduras

The Palestinians chose a propitious time to begin their passage to Honduras. Until the 1880s, Honduras maintained its tropical backwater status and little changed since the end of the Spanish colonial period. It had struggled along as both a capital and an entrepreneurial void. But, coincidental with the entry of Palestinian immigrants, American fruit companies began their penetration of the country. The fruit

companies soon undertook large investments to carve out plantations, hired wage labor, and built new towns or expanded existing small villages. Opportunities were available for industrious merchants which the Palestinians quickly proved themselves to be.

The Palestinian settlement pattern underlines their dependence on the money economy of the banana plantations. Commercial banana operations are limited to the Caribbean portion of the country, the area that has been the primary focus of Palestinian settlement from the beginning. [end p. 37] The coastal town of La Ceiba was the first center with significant numbers of Palestinians. La Ceiba was the initial focus of banana company interests and the most important Caribbean port of the late nineteenth and early twentieth centuries. The new immigrants did not all congregate in that city, however. They scattered themselves far and swiftly. Some chose smaller banana ports, whereas others ventured to banana villages in the interior. A few moved beyond the banana belt to larger highland towns, particularly the capital city of Tegucigalpa.

One curious aspect of the early stages of settlement was the selection of different urban sites by different families. A search of the surnames of early Palestinian store owners yielded forty-seven surnames. Only twenty-seven percent of those names were mentioned in more than one locality. This pattern suggests that certain families selected particular territories in which to operate.

After 1920, San Pedro Sula, farther to the west and thirty-five miles from the coast, began to erode La Ceiba's leadership as the Caribbean's most important economic center. The Sula Valley became the primary banana growing area, especially after more eastern locations were struck by disease and lost their plantations in the 1930s. The focus of Palestinian settlement shifted in parallel fashion as San Pedro Sula exceeded La Ceiba in numbers of Palestinian residents. At the same time, a large Palestinian contingent moved to Tegucigalpa, far removed from the bananas but a seat of growing financial attraction because of increased revenues available to the government through taxes on the profitable north coast fruit operations. Tegucigalpa became the second [end p. 38] most important site of Palestinian residence. After 1950, both San Pedro Sula and Tegucigalpa grew into true cities, quickly surpassing any potential rivals within Honduras. Both became important centers of commercial and industrial activity. Again, the Palestinians (and by now, those of Palestinian descent) responded. The smaller towns in the Sula Valley began to lose Palestinian families to the two urban centers. Since the 1950s the concentration of Palestinians has been much more evident than their dispersal. Some dispersal did continue, however. Because of the general growth of the country's population, towns developed into small cities and a few Palestinian families began to settle in several of these secondary centers, even those outside the banana belt. But San Pedro Sula and Tegucigalpa remained the residence of the bulk of the Palestinian population.

The shifts in Palestinian settlement demonstrate that they are a relatively mobile group, willing to take risks in new places if economic opportunities appear promising.

Palestinian Economic Activity

Traveling on foot and by canoe, the Palestinians first made a living in Honduras by selling housewares, personal goods, and hides. They concentrated their efforts in towns built for banana workers because the workers had cash to spend. Laboring long hours and reinvesting their profits in additional saleable items, the migrants began to amass capital in a remarkably short time.

Soon, instead of travelling to sell goods, the Palestinians owned their own stores. They quickly became the major merchant force in all the banana company [end p. 39] towns, including La Ceiba. By the late 1920s, one traveller Honduras remarked:

... with one exception all the stores are in the hands of *Turcos*. During the time of my first journey to Honduras, 30 years ago [which would have been the late 1890s], there were also *Turcos* in the country, but in those days their role was very subordinate. They travelled as itinerant merchants and sold trinkets, belts, and other small articles, while today they participate in no small way in imports, and in all parts of the country form a large part of the merchant class (Murga Frassinetti, 1978, 99-100, my translation from the Spanish).

The same author referred to one Palestinian's business operation as the most important in the entire country.

The Palestinian penetration of Honduras beyond the banana producing zone brought them more economic success. In 1905 only a half dozen Palestinian families were living in Tegucigalpa, but by 1939 one-third of the stores in downtown Tegucigalpa were Palestinian-owned (República de Honduras, 1940, 177; Rosa, 1967, 85).

Honduran reaction

The marked economic success Palestinians and their descendents bred the contempt of the *latinos*. This manifested itself in derisive toward the Palestinians. National [end p. 40] immigration laws also began to reflect concern on the part of the government. The first national immigration law, passed in 1906, had no proscriptions against any national or racial group (República de Honduras, 1906, 1-6). Laws passed in 1929 and 1934 were very discriminatory, however, prohibiting entry to some nationalities and races, restricting employment for others, and requiring substantial payments for permission to enter the country for still others. New Palestinian immigrants were required to pay at entry and were restricted to working in agriculture or to the introduction or refinement of new industries ("Dec. #101, Ley de Inmigración," *La Gaceta* April 2, 1929: 557; and República de Honduras, 1934, 12). The new laws did not stem the tide; Palestinians continued to enter the country and are still doing so. They have continued their entrepreneurial success, as well, a success best evidenced in the city of San Pedro Sula.

San Pedro Sula

San Pedro Sula has become the principal industrial center in Honduras, and much of its economic growth and dynamism are the result of efforts by those of Palestinian heritage. It is Honduras's second largest city, and houses over 250,000 people.

Residence

Palestinians do not live in a ghetto or particular *colonia* (neighborhood) in San Pedro Sula. Virtually all of them do live on the "right side of the tracks" (literally!), however. In the neighborhood that has the [end p. 41] highest average assessed value per house, Palestinians own forty-one percent of those properties with residences (twenty-four of sixty-three). They own seventy-three percent of the highest value houses in the neighborhood (sixteen of twenty-two with a value greater than \$US50,000). In approximately two-thirds of the neighborhoods with high assessed values, Palestinian ownership levels exceed twenty percent. By contrast, in those neighborhoods where very low assessed valuations occur, Palestinian ownership levels are minor or nonexistent. In short, Palestinians live mixed with non-Palestinians in the middle and upper-class areas on the west side of the city.

Commerce

The Palestinians are the dominant commercial force in San Pedro Sula. Although they own twenty-seven percent of the stores in the Central Business District (CBD), this figure does not begin to suggest the degree that the Palestinians control CBD activity (Table 1). Their ownership is concentrated in the core of the CBD where the most important businesses are located and where the monetary returns are the greatest. On the principal commercial street, Palestinians own seventy-five percent of the store fronts in the six busiest blocks. Many of the stores in this stretch carry Middle Eastern references such as *El*

NiIo(The Nile)*El Canal*(The Canal--referring to the Suez Canal). Others have the names of their owners prominently displayed, names such as Larach, Kawas, Canahuati, and Siwady. [end p. 42]

Table 1

Palestinian Ownership
of Selected Business Types
in the San Pedro Sula CBD
in 1979

| | | Dominant Palestinian | | Unimportant Palestinian | |
|-----------------------|-------|----------------------|---------------------------|-------------------------|-------------|
| | | Percent | | Percent | |
| Business | Total | Palestinian | Business | Total | Palestinian |
| Cloth & Fabric Stores | 15 | 100 | Barber Shops | 16 | 0 |
| Clothing | | | Beauty Parlors | 12 | 0 |
| Factories | 14 | 100 | Gas Stations | 5 | 0 |
| <u>Almacénes</u> | 37 | 78 | Bookstores | 8 | 0 |
| Housewares | 20 | 75 | Electrical Repairs | 12 | 0 |
| Home Furnishings | 7 | 71 | Bakeries | 4 | 0 |
| Auto Parts | 7 | 71 | Hotels & <u>Pen-siões</u> | 38 | 0 |
| Clothing | 66 | 65 | Record Stores | 7 | 0 |
| Electric Appliances | 16 | 50 | Shoe Repair | 6 | 0 |
| Hardware | 16 | 50 | Billiard Parlors | 8 | 0 |
| Furniture | 11 | 45 | Photo Studios | 10 | 0 |
| | | | Tailors | 11 | 0 |
| | | | Customs Representatives | 35 | 6 |

| | | |
|--------------------|----|---|
| Watch & Jewelry | 32 | 3 |
| Printing & Copying | 14 | 7 |
| Restaurants | 89 | 7 |
| Shoe Stores | 53 | 9 |

Source: Data compiled by the author from records in the municipalidad of San Pedro Sula. Surnames were used as the surrogate to determine who was and was not Palestinian.

Notes:

Palestinians owned twenty-seven percent of the 900 plus stores in the San Pedro Sula Central Business District (CBD) in 1979.

Almacén is used almost as a generic term for "store" in Honduras. The name gives no suggestion about the items sold inside the store.

Palestinians are not involved in all types of business activity. They seem particularly uninterested in services, banking, and extremely small scale stores, such as jewelry. They are most influential in stores that carry large items, and in anything to do with clothing or cloth. The "many stores referred to as *almacén* are likely to sell almost anything, and usually have some bolts of cloth for sale.

The ownership of stores by Palestinians does not always reflect their true impact on the business community. The Palestinian-owned stores are often much larger than non-Palestinian owned stores and, therefore, the volume of business controlled by the Palestinians is even greater than the percentage of ownership. The ownership of hardware stores is a good example. Palestinians own fifty percent of the CBD's hardware stores, with declared annual sales averaging \$US600,000. The non-Arab owned hardware stores average only \$US109,000.

Palestinians also play a major role in property ownership in the CBD, but with some spatial differences from their pattern of businesses. On "main street" in the CBD core, the Palestinians own fewer properties than businesses. Undoubtedly, this land was owned by *latinos* almost from the beginning, who have retained possession because of the land's high value. Beyond the core, in areas of CBD expansion where land was more easily acquired, Palestinians own more land than businesses, having purchased available properties where values were likely to increase. [end p. 43].

Manufacturing

The founding date of the first Palestinian-owned factory in Honduras is somewhat disputed, but it was a clothing factory, started about 1910. Over time, other factories producing basic necessities also were begun. Palestinians began to manufacture what they had previously been importing. In the 1960s, the Central American Common Market began to function. The design of the common market fostered the

building of import-substitution manufacturing plants in each of the Central American countries. Dozens of new factories appeared nearly overnight in San Pedro Sula, and the Palestinians were key participants in the establishment of San Pedro Sula as the industrial capital of the country. In addition to clothing, the Palestinians centered their interests around the production of textiles, furniture, and coffee roasting. The large, highly mechanized bakeries also were built by Palestinians. In addition, they constructed factories producing items ranging from foam to liquor to cement. Frequently, the president of the National Industrial Association of Honduras has been of Palestinian descent. A study completed in the early 1970s claimed that forty-five percent of the manufacturing labor force in San Pedro Sula was employed in Palestinian-owned factories (Shirey, 1971, 3). The Palestinian community has proven as resourceful in the world of manufacturing as it has in selling wholesale and retail goods.

Culture

The Palestinians distinctive identity in [end p. 44] Honduras has been connected to their maintenance of a separate subculture within the larger society. The first generation or two of Palestinians in Honduras were very endogamous. These were people who in many ways were far more Middle Eastern than Latin American, even after decades or whole lifetimes in Honduras. They kept themselves separate from the kgtinQ society. They spoke Arabic among themselves and they collaborated with each other as businessmen.

More recently, the isolation of the Palestinians has lost its edge. Signs of acculturation and assimilation have appeared. Inter-marriage with those of non-Palestinian lineage is now accepted. The younger generation, while perhaps understanding Arabic, rarely speaks it. Successful Palestinian businessmen have occasionally purchased ranches and are raising cattle. The latest generation to reach adulthood has members aspiring to be doctors and architects, not just merchants and industrialists. Many of the present generation of Palestinian-descended individuals prefer to be recognized as Hondurans and would opt for an even faster assimilation into Honduran society.

Yet the sense of a Palestinian community remains. In 1963, the first Orthodox church in Central America was built in San Pedro Sula. It has approximately 150 contributing members. Its priest serves all of Central America for weddings and funerals. This church is a symbol of success for the Palestinian community in San Pedro Sula.

Any quick absorption of the Palestinians into general Honduran society is unlikely. Part of the reason is the continued flow of new Palestinian immigrants to the country, replenishing the Palestinian culture in San Pedro Sula and within Honduras. There is [end p. 45] still widespread resentment and discrimination toward the Palestinians on the part of the *Latinos*. They view the Palestinians as sole owners of the businesses, the rich of the community, and bosses who treat their workers poorly. Excessive pride, displayed by many Palestinians, does not aid their cause.

Conclusion

During the last century, a group of indigent but aggressive immigrants from the eastern Mediterranean has risen to the point of owning a significant portion of the business and industrial capital of urban Honduras. The traditional Spanish distaste for commercial activity and a preference for owning land or working in the professions (traits passed on to post-colonial *Latinos*) provided a vacuum filled by merchant-oriented peoples such as the Palestinians. The success of these immigrants has been achieved, however, at the price of great ill-feeling toward them from their New World countrymen.

Notes

Residential, business ownership, property ownership, and store sales data were compiled by the author from records in the Departamento de Servicios Públicos, Municipalidad de San Pedro Sula. Surnames were used as the surrogate to determine who was and was not Palestinian.

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