"U.S. Policy in Mexico and Central America: Ensuring Effective Policies to Address the Crisis at the Border"

TESTIMONY OF AMBASSADOR MICHAEL KOZAK ACTING ASSISTANT SECRETARY OF STATE BUREAU OF WESTERN HEMISPHERE AFFAIRS U.S. DEPARTMENT OF STATE BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE September 25, 2019

Chairman Risch, Ranking Member Menendez, and distinguished Members of the Committee, it is an honor to be with you today on behalf of the State Department's Bureau of Western Hemisphere Affairs to discuss U.S. policy on Mexico and Central America and the Administration's response to the crisis at the U.S. southern border. This topic is of critical importance to the Administration, the American public, and Congress, so thank you for holding this hearing.

I am pleased to be here today with my colleague from the Bureau of International Narcotics and Law Enforcement Affairs, with which the Bureau of Western Hemisphere Affairs works closely on these complex issues. The President's National Security Strategy states the Western Hemisphere "stands on the cusp of prosperity and peace, built upon democracy and the rule of law," but that "transnational criminal organizations – including gangs and cartels – perpetuate violence and corruption, and threaten the stability of Central American states including Guatemala, Honduras, and El Salvador." These same organizations also control human trafficking and narcotics smuggling.

Mexico and Central America share close bonds with the United States through geographic proximity, commerce, and family ties as well as shared history, culture, and democratic values. The region has a significant impact on the American people and on our country's economic and security goals. The Department's top objective remains ensuring the safety and security of the American people. We work with Mexico and the Central American countries to address the common problems of human trafficking, transnational crime, and the production and movement of illicit narcotics. Our joint work in these areas is paramount to achieving our goal of ensuring security for the American people. Many of you have traveled extensively to the region and have seen firsthand our diplomatic teams working hard every day to advance U.S. interests by working with partner governments to combat these shared threats.

In meeting challenges posed by the malign influence of transnational criminal networks and some external actors, we remain focused on strengthening our collaboration with civil society, the private sector, and international organizations to achieve our goals. We are deepening U.S. engagement through our ongoing daily diplomatic interaction and high-level visits. Secretary Pompeo visited El Salvador and Mexico in July, and the Department has recently hosted several

high-level visits in Washington, such as that of President-elect of Guatemala Alejandro Giammattei, whom I had the pleasure to have met personally, and Mexican Foreign Secretary Marcelo Ebrard.

The challenges facing Central America are not new. People have been heading north from the region for several decades, including during the civil war periods in El Salvador and Guatemala when violence in the region was rampant and tens of thousands of individuals were murdered. The key difference since 2014, however, has been the marked increase in the number of unaccompanied minors and family units arriving at the border. The total number of migrants has increased several fold. Most have been lured into paying smugglers who assure them they will easily be able to enter the United States and find lucrative jobs. Since 2014, the U.S. government has responded to these changes with messaging aimed at educating intending migrants about the perilous journey that often results in physical violence or death of the victims at the hands of smugglers. We have also sought to make clear to those who might be targeted by the smugglers' assurances that U.S. enforcement initiatives significantly reduce the chances that individuals who do not qualify for refugee status or asylum will be able to evade our laws and take up residence and work in the United States. The U.S. Strategy for Central America, adopted in 2015, brought key capacity-building programs to the region. They were designed to help governments combat corruption, crime, and antiquated economic models that protect those who have long benefitted from the status quo rather than promoting broad-based economic growth.

At the urging of the United States, and facilitated by some of this U.S. foreign assistance, the governments of El Salvador, Guatemala, and Honduras have taken some important steps. They are advancing their Customs Union integration, which will contribute to further regional security and facilitate business and trade among the three countries. They have also improved their law enforcement, last month, El Salvador reported its lowest monthly homicide rate since the end of the civil war in 1992. Between 2009 and 2018, Guatemala's murder rate fell from a high of 45 persons per 100,000 to approximately 22 per 100,000. Honduras has made great strides in reforming its National Police force and its community policing model contributed to a steep decline in the reported homicide rate, which fell from 86 to 40 per 100,000 citizens between 2011-2018.

But even with such successes at the programmatic level, U.S. Customs and Border Protection (CBP) is encountering increasingly high levels of migrants arriving at the U.S. southern border – both at ports of entry and between the ports of entry. U.S. CBP officers encountered an average of 115,000 illegal immigrants per month from March to June of this year, and more than 140,000 in May alone – the highest numbers in recent history. Of these, approximately 70 percent were families or unaccompanied children, the majority from Honduras, Guatemala, and El Salvador. At that rate, the United States was on track to seeing one million encounters and apprehensions at our southern border this fiscal year, assuming nothing changed. Note that on an annualized basis those figures exceed significantly the total immigrants authorized by Congress and has vastly overloaded our immigration system. Clearly, the combination of stepped up enforcement at our border, messaging to the region, and the success of many of our foreign assistance programs were not getting the job done. Our assessment was that we had underestimated the pull factor from smugglers' messaging about the chances to enter and remain in the United States, and we underestimated the resilience of powerful, entrenched forces in the three countries

that profit from the status quo and thus hindered all effects to promote good government and economic growth. Something had to change.

In March, consistent with the President's guidance, the Secretary directed the Department to reprogram certain foreign assistance that would have gone to El Salvador, Guatemala, and Honduras pending a demonstration that they were serious about addressing the crisis. This was not a punitive action. Instead, it was designed to send a wakeup call that these governments need to do more to address outward migration, and the factors that drive it. Our assistance programs can help governments improve governance and promote growth. But our programs cannot substitute for the political will these governments need to meet the challenge.

Our strategy has both short and long-term components. First, our homeland security experts assessed that the governments of these countries could take a number of steps in the short term, appropriate to the role each country has played in the crisis. Mexican President Andres Manuel Lopez Obrador said it best last month: "We want to tell our people and our Central American brethren that they should not allow themselves to be manipulated and fooled by human smugglers. There is a huge network of human traffickers and they charge huge amounts of money to transport migrants and organize these caravans." In the June 7 U.S.-Mexico Joint Declaration, Mexico committed to combat human smuggling, deploy its National Guard on its southern and northern borders, take increased steps to apprehend and repatriate irregular migrants consistent with Mexico's obligations under international law, and to work with the United States to implement and expand the Migrant Protection Protocols, known as MPP. The intent of this approach was to reduce the pull factors promoted by smugglers. And it has worked. Since signing the Joint Declaration in June, we have seen an almost 60 percent reduction in the numbers of illegal immigrants arriving at the U.S. southern border. Still, the numbers are too high. Hundreds of thousands of innocents from Central America are being put at extreme risk by smugglers.

The second part of the short-term strategy to combat the lure of the smugglers is to participate mechanisms with the countries in Central America that require those who have legitimate refugee or asylum claims to obtain protection in Central America, while deterring those who do not from undertaking the perilous journey in the hands of smugglers. In support of the July 26 Agreement between the United States and Guatemala on Cooperation Regarding the Examination of Protection Claims, the United States plans to help Guatemala build an asylum processing system that can provide refuge to those fleeing their countries of origin who may have asylum concerns, while weeding out those who do not. The July 30 Agreement Between the United States and Guatemala Concerning a Temporary Agricultural Workers Program is designed to give Guatemalans who are seeking temporary employment in the United States a safe and legal way to pursue their aspirations and to regulate the labor brokers involved to prevent abuse of the applicants.

These initiatives have real promise. But they will enter into force only when legal requirements in both countries have been fulfilled, including a determination by our Departments of Justice and Homeland Security that the Guatemalan asylum system meets applicable legal standards. I should note here the concern expressed by some that even with significant assistance and strengthening, the Guatemalan system could not possibly handle the number of

applicants arriving at the U.S. border. We concur that Guatemala is not equipped to handle those kinds of numbers. But only a subset of those who claim asylum in the U.S. actually end up qualifying for it. The others come only because they wrongly believe the traffickers assurances that they can enter and reside in the United States even if they do not have a valid claim. So, the premise of this agreement is that only those who genuinely have a well-founded fear of persecution will pursue their claims in Guatemala. A strengthened Guatemalan system and calibrated management of the returns will make this approach workable.

And we are exploring these sorts of agreements elsewhere in the region. Our Deputy Assistant Secretary of State for Central America and Mexico just returned from discussing similar arrangements with the Honduran government last week, and an Asylum Cooperation Agreement with El Salvador was signed September 20. These initiatives seek to strengthen coordination between our governments to expand the region's protection network. Once implemented they will ensure that countries in the region provide vulnerable individuals protection closer to home and discourage those who do not have genuine asylum concerns and thereby help address the humanitarian and security crisis at the U.S. southern border. The Department works closely with the Department of Homeland Security on these initiatives. We will undertake to keep the Committee apprised of progress in these negotiations.

We believe these relatively new measures can and are having a substantial effect on countering the "pull" factors that cause people to think they will be able to enter and live in the United States if they can survive the journey. But they do not address the "push" factors that make people in the three countries conclude that the only hope for a better future for themselves and their children lies in escaping their own countries and entering the United States. The second longer term part of our strategy is aimed at that aspect of the problem.

Recognizing the link between promoting prosperity in southern Mexico and Central America, the United States and Mexico are committed to fostering economic development and investment in southern Mexico and in Central America. The question is how to do that effectively. Powerful criminal and political forces in these countries benefit financially from irregular migration and see it as a release valve for a discontented population. These forces must be defeated in order to allow the capacities our assistance programs have helped build to have lasting effect. Our message is clear: the governments of El Salvador, Guatemala, and Honduras must do more to strengthen institutions, root out corruption, and fight impunity, which creates a permissive environment for transnational criminal organizations. Corruption in these nations enables those very organizations to profit from migrants' desperate decisions to abandon their life-long homes and undertake a dangerous and uncertain journey to reach the U.S. southern border.

This is not just our opinion. The people of El Salvador, Guatemala and Honduras are demanding better, as evidenced by the election of President Nayib Bukele of El Salvador earlier this year. President Bukele has heard the demands of Salvadoran citizens loud and clear and has said his administration takes responsibility for the conditions that force Salvadorans to leave the country. El Salvador also launched a new border security civilian police force aimed at better managing migration flows and security threats. In Guatemala, we have seen broad based protests against corruption and impunity and those candidates who have been successful in the past

government elections have been those who promised to address these problems even if their subsequent performance in office left much to be desired in this respect.

Those who have an abiding interest in preserving the status quo in each of these countries have proven remarkably resilient. While we can support those who are working for a better future, we cannot overcome the negative tendencies in their countries for them. Elected officials need to show the political will to take on these problems strongly and seriously. If they do, much is possible. We will encourage the U.S. private sector to help spur job growth where we see concrete action from our partner countries on corruption and rule of law that would make them good prospects for investment. One such example is the Overseas Private Investment Corporation's (OPIC) intention to make a \$350 million investment in a liquefied natural gas facility in El Salvador. This initiative will showcase the U.S. government's strategic use of private sector partnerships to support President Bukele's central goal of creating economic opportunities so that Salvadorans can build a prosperous future at home. OPIC, which will soon be merged into the International Development Finance Corporation along with USAID's Development Credit Authority, will be a critical tool for advancing U.S. interests in other countries in the region by catalyzing additional private sector and partner nation investments in support of U.S. policy goals of creating lasting prosperity and growth. There is no better partner for the region than the United States, which offers a transparent engine of economic growth. GDP growth solely through remittances is not sustainable and does not lead to balanced development. Rather, only when the governments and private sectors in these countries invest in their own people and economies will these countries realize what it truly means to be secure and prosperous.

The U.S. government is ready to support the efforts of the governments of El Salvador, Guatemala, and Honduras clearly when we see real action and evidence of their political will. We will continue to consult and work with Congress on future steps as well as on the actions the governments of El Salvador, Guatemala, and Honduras can and are taking to address the President's concerns as we look ahead to Fiscal Year 2020.

There is nothing stopping the governments of El Salvador, Guatemala, and Honduras from adhering to their commitments under their own Alliance for Prosperity plan, other than a lack of political will. With real action –not just words– these governments can improve citizen security, expand economic opportunity, and strengthen good governance and democratic institutions. We see what success looks like in the examples of Costa Rica and Panama, where their citizens have created secure and prosperous lives at home. In July, Costa Rican and Panamanian authorities participated in a joint operation with Homeland Security Investigations to dismantle a human smuggling ring that operated throughout Central America. The Department of State made the operation possible by bringing our interagency and host nation partners together to secure borders and disrupt transnational criminal organizations. Costa Rica and Panama combined account for nearly a third of all drug interdictions in the region. The two countries are prime examples of the results we can expect to see when political will translates into action. We want to see El Salvador, Guatemala, and Honduras join them in charting a path to lasting prosperity and good governance.

In conclusion, the United States seeks a secure, democratic, and prosperous hemisphere so all people can build a future in their home countries and communities. While we face difficult challenges, there are many reasons to be optimistic that working together with our partners in the region we are finding solutions to the immediate crisis that negatively affects each of the countries involved. Our long-term success depends on fostering political will in the region to put an end once and for all to years of corruption and impunity, and to strengthen institutional capacity. As our partner governments take on this challenge with seriousness of purpose, they will find us to be a close collaborator and friend.

I look forward to your questions.