

THE FUTURE OF U.S.-MEXICO RELATIONS

HEARING BEFORE THE COMMITTEE ON FOREIGN AFFAIRS HOUSE OF REPRESENTATIVES ONE HUNDRED THIRTEENTH CONGRESS SECOND SESSION

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THE FUTURE OF U.S.-MEXICO RELATIONS

TUESDAY, MAY 20, 2014

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The committee met, pursuant to notice, at 10:11 a.m., in room 2172 Rayburn House Office Building, Hon. Edward Royce (chairman of the committee) presiding.

Chairman ROYCE. This hearing will come to order. We will ask all the members if they can take their seats at this time. This hearing is on the future of U.S.-Mexico relations. And today, as we look at the future of U.S.-Mexico relations, we have witnesses that we will hear from shortly. But before we do, I am going to make an opening statement and then the ranking member of this committee, Mr. Eliot Engel of New York, will make his opening statement.

Despite our strong cultural ties, our relationship with neighboring Mexico has never received the sustained attention from Washington that that relationship deserves.

This committee is working to change this. In December, Chairman Salmon's Western Hemisphere Subcommittee held an important field hearing in Arizona on facilitating trade between the two countries. And Ranking Member Eliot Engel has had a sustained interest in the western hemisphere, particularly in U.S.-Mexico relations. We will all be watching Secretary Kerry's trip to Mexico City with interest.

And this partnership is very important to both countries' economic competitiveness and very important to the standard of living of people in this hemisphere. As a top trading partner, trade in goods and services with Mexico tops a \$½ trillion a year, supporting millions of American jobs. With structural reforms underway in Mexico, this could increase significantly. The High Level Economic Dialogue should advance border management and trade efficiency. But most of all, a successful conclusion of the Trans-Pacific Partnership negotiations, which includes both countries and of course Canada—many countries in East and South Asia, many countries along that western side of South America—that partnership would spur economic growth across a region that represents 40 percent of the entire global trade.

A particular area of growing significance of course is energy. Mexico is one of the 10 largest oil producers in the world. The United States next year will be number one, but Mexico is in the top ten. And it is one of the largest sources of U.S. oil imports. Last December, Mexico announced historic energy sector reforms, end-

ing the 75-year state monopoly, PEMEX. And this committee will be watching closely as Mexico finalizes these reforms; which are expected to result in a large and productive influx of private capital, technology and expertise. If done right, this will allow Mexico's energy sector to thrive; improving U.S. energy security by creating a more reliable source of oil from our close southern neighbor.

This committee played a key role in the passage of the U.S.-Mexico Transboundary Hydrocarbons Agreement, paving the way for greater energy exploration. As a Mexican official told committee staff in Mexico City last week, Mexico wants to work with the U.S. and Canada to help North America achieve energy independence.

Of course the biggest threat to Mexico's success is the ongoing threat of violence from drug cartels and from criminal organizations tied to those cartels. U.S. efforts with Mexico to tackle these transnational criminal organizations must be monitored and improved. After taking a post-election pause to consider and review Mexico's national security policy, and with a lot of U.S. aid sitting in the pipeline, it appears that the Pena Nieto administration will continue partnering closely with the U.S. Both countries have an interest in reducing the capacity of the cartels. February's joint operation between Mexico and U.S. authorities to take down Joaquin "El Chapo" Guzman was a key success in this partnership.

Mexicans are hopeful that they are witnessing a new era in their country. And under this new administration, reforms already passed in Mexico are proving that our southern neighbors are serious about liberalizing and modernizing institutions. These improvements in trade and investment should improve our relations.

And I will now turn to the ranking member for any comments that he may have.

Mr. Engel?

Mr. ENGEL. Chairman Royce, I would like to begin by thanking you for holding today's hearing. I have been focused on the importance of U.S.-Mexico relations for many years, and I appreciate your willingness to bring this issue before the committee.

Once characterized by mutual mistrust, U.S. and Mexico relations are now stronger than ever. I am pleased that the Obama administration has prioritized our partnership with Mexico from the very start, and I am happy to see that Secretary Kerry is continuing our high level engagement with his trip there tomorrow.

Today our two economies are tied more closely together than ever before. Mexico is the second largest destination for U.S. exports and the third largest source of imports. Six million American jobs rely on commerce with our southern neighbor. The impact of our economic partnership can be felt in every part of our nation. In 2013, Mexico was the eighth largest market for exports from my home state of New York with \$2.2 billion of goods exported from New York to Mexico.

I continue to be impressed by Mexican President, Enrique Pena Nieto. Since taking office in December 2012, he has worked across party lines to pass historic political and economic reforms particularly in the country's energy sector. As a result of Mexico's reforms, Moody's upgraded its credit rating to investment grade in February. This makes Mexico the only Latin American country other than Chile to obtain this rating.

I am also very pleased that the Mexican Congress recently passed a law that will enable civilian courts to try cases involving alleged human rights violations committed by soldiers against civilians. Previously, these cases were tried in military courts.

Let me also say that the new measures to protect human rights, to protect their advocates and journalists, represent an important step forward. This is a real challenge, and Mexico remains a dangerous place for those working to shine a light on abuses, corruption, and crime. I urge the Mexican Government to speed up its implementation of these measures. I also urge the State Department to provide direct funding for this effort to help build a safe environment for these men and women doing such important work.

As our witnesses know, I have been a supporter of the Merida Initiative since its inception. But, I have also made it clear that we have certain domestic obligations under the Merida Initiative that demand greater U.S. attention. Firstly, we must do much more to stop the illegal flow of firearms from the United States to Mexico.

In 2009, the Government Accountability Office released a report that I commissioned on this issue. It showed that 87 percent of the firearms Mexican authorities seized and traced between Fiscal Year 2004 and Fiscal Year 2008 originated in the United States. Today, I am sending a letter to the GAO requesting a follow-up report reviewing U.S. efforts to combat firearms trafficking to Mexico.

Secondly, the enormous U.S. demand for illegal drugs fuels violence in Mexico. In 2012, there were approximately 24 million illicit drug users in the United States. While I am pleased by the Obama administration's efforts to invest in drug prevention and treatment programs, we must continue to do more to stop illegal drug use in our country.

Thirdly, we must do our part to cut off funding to transnational criminal organizations. This means enforcing our anti-money laundering laws and cracking down on U.S. banks that turn a blind eye to money laundering. Without taking these steps, it will be very difficult to end the terrible violence in Mexico that has claimed more than 70,000 lives over the past 7 years.

Finally, I would like to emphasize how important it is to both of our countries for the House of Representatives to swiftly pass comprehensive immigration reform. We need a new immigration system that opens the doors of opportunity and emphasizes human dignity. Our diversity is one of our country's greatest strengths.

Throughout our history, immigrants have always been an indispensable part of the fabric of our society, and we know from the number of people reaching our shores every year that America remains a beacon of hope and opportunity around the world. The time to fix our system is now and we all know that if the Senate's bill came to a vote on the House floor this afternoon it would be on the President's desk this evening.

I would like to close by thanking our witnesses for being here today, and for their important work in ensuring that our U.S.-Mexico partnership remains strong. I know all the witnesses. I am appreciative of their hard work and expertise, and I look forward to hearing from each of them today.

So thank you again, Mr. Chairman, for holding this important hearing, and thanks so much once again for working in such a bipartisan way.

Chairman ROYCE. Thank you, Mr. Engel. We want to now go for 2 minutes to Mr. Salmon, the chair of the Subcommittee on the Western Hemisphere.

Mr. SALMON. Thank you, Mr. Chairman. I want to thank you and Ranking Member Engel for convening today's hearing on our extremely important bilateral relationship with Mexico. It is wonderful to see you again, Secretary Jacobson, Ambassador Brownfield, and Ms. Hogan. You have all done so much to strengthen our relationship with Mexico and the rest of the Americas, and it has been a real pleasure working with you over the past year.

As you know Mr. Chairman, our economic and security partnerships with Mexico are vital. Six million U.S. jobs depend on our trade with Mexico. That translates into 1 in 24 jobs here in the United States. Let me repeat that. One out of every 24 jobs in the United States is related to exporting to Mexico.

Six hundred and ninety two thousand jobs in your home state, Mr. Chairman, in California, depend on this relationship with Mexico. My home state of Arizona is the nation's fifth largest exporter to Mexico, and over 111,000 Arizona jobs rely directly or indirectly on the commercial relationship we enjoy with Mexico.

Unfortunately, border ports of entry face significant challenges keeping up with the growth in our two-way trade, resulting in wait times that represent a loss of \$7.2 billion a year. As chairman of the Western Hemisphere Subcommittee, I have made trade facilitation a priority and I look forward to hearing from our witnesses about how we can continue to address this serious challenge.

Mexico has a growing middle class, impressive resources, and some economists have recently projected that the Mexican economy will be the fifth largest economy in the world by 2050. Reforms passed within the last year to the telecommunications, energy, and other sectors, will open up Mexico's economy even more, building a more prosperous Mexico while opening markets for American manufacturers and entrepreneurs. Meaningful energy reforms recently passed will open the sector to foreign investment that will allow Mexico to realize its production potential, helping to make North America energy self-sufficient.

As chairman of the Western Hemisphere Subcommittee, I pushed the administration to finally send up the Transboundary Hydrocarbons Agreement for ratification and was pleased when we passed it into the law late last year. This resulted in 1.5 million acres of the U.S. Outer Continental Shelf being opened for exploration and production, and opened up resources in the Western Gap that has been off limits to both U.S. and Mexico. We are now on a real path toward regional energy security and independence.

Despite promising news on the economic front, security in Mexico continues to affect both of our countries. Our security partnership, through the Merida Initiative, has been successful in undermining transnational criminal organizations and in helping Mexico to reform its justice sector and build a capacity of municipal and Federal police forces. However, I continue to be concerned that the progress of Merida-related programs has slowed during the Pena

Nieto administration's strategy to pivot global attention away from Mexico's real security challenges.

I agree that there is much more to Mexico than the security situation, but when I see that there is nearly \$750 million in the Merida pipeline, it tells me that there is still a lot of work to be done to get our Mexico partners to reprioritize security. It is true that Mexico continues to contribute \$10 to each \$1 the U.S. contributes to the Merida Initiative, and the capture of El Chapo certainly is another good indication of Mexican resolve, but there is still much progress to be had.

I am eager to hear from Ambassador Brownfield on steps he is taking to further cultivate this important security partnership, and from Ms. Hogan on USAID's justice reform and violence reduction programs. Improving Mexico's economic outlook, the security situation, and the rule of law, will have a real and direct impact on the U.S. homeland, and will enhance our already impressive bilateral commercial relationship.

Once again, thank you so much, Mr. Chairman, for convening what promises to be a valuable hearing on one of our most important and productive global partnerships.

Chairman ROYCE. I thank the gentleman. We now go to Mr. Sires for 2 minutes. He is the ranking member of the Subcommittee on the Western Hemisphere.

Mr. SIRES. Thank you, Mr. Chairman. Good morning, and thank you to our witnesses for being here today. The U.S. and Mexico relationship is amongst the most critical and vibrant for our nation's economic and public security. It is also one of the most promising and positive relationships in our hemisphere. I thank my friend and colleague, Chairman Salmon, for making this relationship a central focus of our subcommittee work.

Our nations share common democratic values, similar desires for peace and economic prosperity, as well as nearly a 2,000-mile border. The U.S. is Mexico's largest trading partner and largest foreign investor, while Mexico is the third largest U.S. trading partner. In terms of security, both the U.S. and Mexico have accepted a shared responsibility as part of the Merida Initiative.

Congress has appropriated more than \$2 billion toward the Merida Initiative, and the administration has requested \$115 million for Fiscal Year 2015. For its part, Mexico has invested nearly \$10 for every U.S. dollar committed by the U.S. Nonetheless, Mexico remains a major producer and supplier to the U.S. of heroin, meth, and marijuana, and is the major transit country for more than 95 percent of the cocaine sold in the United States. Since 2006, more than 70,000 deaths have resulted from drug related crime and violence in Mexico.

Nearly a year and a half has passed since Mexico's Enrique Pena Nieto came into office in December 2012. Since that time, President Pena Nieto has assured a series of ambitious reforms with pending secondary legislation that could prove significant to their success and have a profound impact on U.S. economic relations and energy security.

Skepticism and concerns regarding Pena Nieto's move to centralize security policy under *ventanilla unica* has now moderated, and is reflected in the recent successful capture of drug kingpin

Joaquin “El Chapo” Guzman which came about with the help of U.S. intelligence. While the escalation of drug related violence in the region of Tamaulipas y Michoacan is still a concern, I hope Mexico’s recent announcement to dedicate security resources to those regions will signify an ongoing effort to continue combating drug-related criminal threats and strengthening local police forces.

I look forward to hearing about our involvement in Mexico’s southern border security efforts, and in terms of human rights, how we can work with Mexico to further protect journalism, human rights advocates, and Central American migrants. I look forward to hearing from our panelists on their assessment of what we can expect from Secretary Kerry’s upcoming visit to Mexico and how we can improve our efforts moving forward. Thank you.

Chairman ROYCE. Thank you, Mr. Sires. Well, this morning we are pleased to be joined by representatives of the Department of State and the U.S. Agency for International Development. And it is good to see our Madam Assistant Secretary. It is good to see you again, Ms. Jacobson. And before becoming Assistant Secretary of State for the Bureau of Western Hemisphere Affairs, she formerly was the Acting Assistant Secretary for Western Hemisphere Affairs and formerly served as director of Mexican Affairs.

We also have Ambassador Brownfield with us. He is the Assistant Secretary for International Narcotics and Law Enforcement Affairs. He was the U.S. Ambassador to Colombia from 2007 to 2010, and served overseas in Venezuela, El Salvador, Argentina, Switzerland, and in Panama as a temporary political advisor to the U.S. Southern Command.

Ms. Hogan has 25 years of development experience in Latin America. Elizabeth, or “Beth Hogan” as we know her, is the Senior Deputy Assistant Administrator for USAID’s Bureau for Latin America and the Caribbean. Previously, she served as the Director of the Agency’s Haiti Task Team, and was Director of South American affairs.

So without objection, the witnesses’ full prepared statements will be made part of the record, and members will have 5 calendar days to submit statements and questions and any extraneous material that they may want to put into the record.

At this point we will begin with Ms. Jacobson. We will ask all of the witnesses, if you could, summarize your remarks, and then we will go to questions.

Ms. Jacobson?

STATEMENT OF THE HONORABLE ROBERTA S. JACOBSON, ASSISTANT SECRETARY, BUREAU OF WESTERN HEMISPHERE AFFAIRS, U.S. DEPARTMENT OF STATE

Ms. JACOBSON. Thank you Mr. Chairman, Ranking Member Engel, and members of the committee. I want to thank you for the opportunity to appear here today to testify on U.S.-Mexico relations. I am really so gratified, because I think this is the largest number of members that we have had at a hearing in this committee on Latin America. And I also really want to thank the Western Hemisphere Subcommittee, and Chairman Salmon, and Ranking Member Sires for their consistent and bipartisan support of the U.S.-Mexican relationship.

Chairman ROYCE. It is the panel, probably, that brought them, Assistant Secretary, so thank you.

Ms. JACOBSON. Our relationship with Mexico is positive and successful, and really it is Congress' support that is a cornerstone of that success. I am going to speak briefly on security and the rule of law because my colleagues will cover that in more detail. But, I want to first provide the broader context for a relationship that is increasingly global, and even more important to the lives and pocketbooks of Americans.

Our high level of engagement with Mexico underscores the importance of the relationship. President Obama has visited Mexico five times since taking office, most recently in February, while Vice President Biden has gone three times to Mexico. Further reflecting the breadth of the relationship, we have had Secretaries Johnson, Hagel, Foxx, Lew, Vilsack, Pritzker, and Ambassador Froman, all visit Mexico over the past year alone, to advance our efforts to support trade, streamline regulatory cooperation, and enhance the security of our citizens. And, as you all said, my boss, Secretary Kerry, travels to Mexico tomorrow.

The United States and Mexico have integrated our economies in ways we could not foresee when NAFTA went into force 20 years ago; creating good jobs and new opportunities for citizens of both countries and increasing our competitiveness. The U.S. and Mexican manufacturing economies build products together for the North American and global markets.

The United States welcomes Mexico's focus on economic policy reforms. The reforms that are being implemented should not only help Mexico build a more productive economy and raise living standards, but also create opportunities for Mexican firms to improve North American competitiveness. The administration is capitalizing on President Pena Nieto's strong push into economic development.

The high level economic dialogue Vice President Biden launched last year is moving forward in three areas: Competitiveness and connectivity; economic growth, entrepreneurship and innovation; and regional and global leadership.

We are working in many of these areas with Canada and Mexico, based on our leaders' commitments at the North American Leaders Summit in March. People-to-people ties between our two countries are vast. Ten percent of all Americans, more than 33 million, are of Mexican heritage. The Mexican American community is a vital part of our culture, our politics, and our values, and we are focused on tapping the great potential that our people give us.

We have held five meetings of our Bilateral Forum for Education, Innovation, and Research, bringing together government, academic, and civil society members to promote opportunity, job creation, and development of a 21st century workforce. That forum complements the President's 100,000 Strong in the Americas initiative, to increase student exchanges between the United States and countries of the Western Hemisphere, including Mexico.

The President and his cabinet continue to engage with Mexican leaders on the administration's vision for comprehensive immigration reform that respects our tradition as a nation of immigrants as well as a nation of laws. Immigration reform would affect Mex-

ico more than any other country, but Mexican officials recognize this is a domestic issue for the U.S. to debate and decide.

At the same time, our border is more secure than ever. We partner with Mexico to maintain that secure border, which facilitates the legal transit of goods and people. Mexico is beginning to implement a strategy to better secure its own border with Belize and Guatemala to stem illicit flows of drugs, weapons, and people.

We maintain a close partnership with the Mexican Government on security and rule of law issues. I will let my colleagues describe those programs, but I want to highlight two emblematic developments. The February arrest of Sinaloa Cartel leader Chapo Guzman, as has been mentioned, was a clear indication, through cooperation conducted with trust and shared enterprise, that no individual or criminal network is immune from the reach of the law.

Another development was the public announcement, just last week, of a comprehensive Mexican Government plan to address security in Tamaulipas, which borders Texas. President Pena Nieto stated there are no easy solutions or shortcuts to reduce violence in the short term, emphasizing long term goals such as the rule of law and trust in judicial institutions.

While the Merida Initiative does not directly fund law enforcement operations, it does build capacity. And we know that when Mexicans benefit from more effective law enforcement and judicial institutions, in areas near or far from our border, we benefit as well. In my last visit to Mexico I enjoyed frank conversations on human rights, security, and improving the lives of our citizens. Mexico wants to work with us to achieve the massive potential of our citizens and our economies.

Thank you, Mr. Chairman, and all the members of this committee for your time today, and I look forward to answering your questions.

[The prepared statement of Ms. Jacobson follows:]

TESTIMONY OF
ROBERTA S. JACOBSON
ASSISTANT SECRETARY OF STATE
BUREAU OF WESTERN HEMISPHERE AFFAIRS
U.S. DEPARTMENT OF STATE
BEFORE
THE FOREIGN AFFAIRS COMMITTEE
UNITED STATES HOUSE OF REPRESENTATIVES
MAY 20, 2014

“The Future of U.S.-Mexico Relations”

Mr. Chairman, Ranking Member Engel, and Members of the Committee:

Thank you for the opportunity to appear here today to testify on U.S.-Mexico relations. I know many members of this committee follow closely developments in Mexico and the bilateral relationship. As you are aware, Mr. Chairman, it has been my privilege to work on Mexico and North America for more than a decade. Twenty years after our countries took giant steps to facilitate trade, we must take new steps to take advantage of the potential for growth and prosperity in our bilateral relationship.

I thank the U.S. Congress, and this committee, in particular, for the consistent, bipartisan support the U.S.-Mexico relationship enjoys here on Capitol Hill. The Interparliamentary Group the House sent to Mexico in December – led by Representative McCaul – and the companion group Senator Kaine hosted here in Washington in November are important signals of the U.S. commitment to our relationship with Mexico and to greater security, prosperity, and opportunity. Our relationship with Mexico is positive and successful, and Congress’ support is a cornerstone of that success.

I have testified before this committee on major themes like security and the Merida Initiative, and my principal deputy appeared before your colleagues on the Committee on Homeland Security last month to provide an overview of the fight against Mexican cartels. I will speak briefly on security before giving the floor to my colleagues for specific developments under the Merida Initiative, but I also want to provide the broader context for a relationship that is increasingly global and ever more important to the lives and pocketbooks of Americans.

In February, President Obama traveled to Mexico to meet with President Pena Nieto and Prime Minister Harper. It was the President's fifth trip to Mexico. The three leaders took stock of the remarkable economic platform North America has become, building opportunities for good jobs for our citizens and quality education for our students. We have made it easier for businesses to import and export goods and services throughout North America and embraced the need to promote new economic opportunities, in North America and beyond. The leaders discussed cooperation on energy competitiveness, green energy, and our shared commitment to safe and prosperous communities. They announced concrete initiatives to enhance the region's competitiveness, including creation of a North American trusted traveler program, stepping up regulatory cooperation efforts, working trilaterally for women's economic empowerment and entrepreneurship, cooperating on energy in Central America and the Caribbean, and much more.

Last September, the Vice President traveled to Mexico to launch the High Level Economic Dialogue, an initiative to create jobs on both sides of the border and to promote competitiveness. He also advanced the U.S.-Mexico Forum on Higher Education, Innovation, and Research that the President launched in May 2013 to expand the educational interchange, workplace development, and research partnerships that drive the North American economic engine.

The number of Cabinet officials that traveled to Mexico in the past year is a symbol of the breadth and vitality of our relationship – Secretaries Johnson, Hagel, Foxx, Lew, Vilsack, Pritzker and Amb. Froman have all been to Mexico to support trade, streamline regulatory cooperation, and enhance security for our citizens. And, of course, Secretary Kerry travels to Mexico tomorrow to discuss these issues and areas where we can leverage North America's leadership in global affairs.

ECONOMIC ENGAGEMENT

The United States and Mexico have integrated our economies in ways that we could not foresee when NAFTA went into force 20 years ago, creating good jobs and new opportunities for citizens of both our countries. The United States and Mexican manufacturing economies build products together for the North American market and globally. Cultivating this relationship has allowed our citizens to realize one of the key benefits of economic integration – increased competitiveness – that forms the basis for good jobs and prosperity.

Over the last twenty years, the stock of U.S. investment in Mexico – \$101 billion – grew by a factor of six while Mexican investment in the U.S. economy – \$28 billion – is 10 times larger.

In 2013, two-way goods and services trade reached \$559 billion – over \$1.5 billion daily. Mexico is our second-largest export market and third-largest trading partner. We sell more to Mexico than we do to Brazil, Russia, India, and China combined. What's more, it's estimated that about 40 percent of the value of final goods we import from Mexico consists of U.S. content, a far higher proportion than for any of our other trading partners. Energy is an important part of our trade relationship, with the United States buying over 70 percent of Mexican crude oil exports, while supplying Mexico with refined products and natural gas. Some 450,000 people enter the United States legally each day along the land border, crossing to shop, study, and visit family and friends. Mexico is our number one tourist destination, with about twice as many U.S. citizens visiting Mexico each year than all of Europe combined.

Millions of good Mexican and U.S. jobs in states all over both countries depend on this economic partnership. We don't just trade with each other – we make things together. From Chicago to Knoxville, from Houston to Seattle, we build products with partners from Puebla and Queretaro, from Monterrey and Ciudad Juarez. We are partners in complex supply chains that run the breadth of North America. A recent Brookings study found that 15 U.S.-Mexico city pairs each had more than a billion dollars in annual trade in 2010. According to that study, Mr. Chairman, Los Angeles exports over \$1.09 billion per year to Mexico City, Houston nearly \$700 million to Monterrey, and Tucson over \$12 million to Guadalajara. But it's not just the border that benefits – Chicago exchanged over \$11 billion in goods and services with Mexico in 2010, Miami nearly \$2.9 billion, and Nashville over \$2.5 billion. What's more, significant percentages of this trade come from advanced industries that support a 21st century workforce.

Mexico has also joined with us in the Trans-Pacific Partnership (TPP) negotiations. TPP is currently being negotiated among 12 countries in the fastest growing region in the world representing nearly 40 percent of global GDP and a third of global trade. In TPP we are taking a new approach that builds on the our other trade agreements, such as the need for new or strengthened provisions covering intellectual property, State Owned Enterprises, global supply chains, and rules of origin. And on labor and environment, through TPP we can subject labor and environmental provisions to the same dispute settlement as the commercial obligations.

The United States welcomes the Mexican government's focus on economic reforms. These reforms should not only help Mexico build a more productive economy and raise living standards, but also create opportunities for American firms and improve our joint economic competitiveness.

U.S.-Mexico High Level Economic Dialogue (HLED)

The Administration is capitalizing on President Pena Nieto's strong push on economic development. The High Level Economic Dialogue Vice President Biden launched is moving forward under a work plan that has three pillars:

- Promoting competitiveness and connectivity;
- Fostering economic growth, productivity, entrepreneurship, and innovation; and
- Partnering for regional and global leadership.

We are also working trilaterally in many of these areas with Canada and Mexico based on commitments our leaders made at the North American Leaders' Summit.

Since the Vice President's trip, we have advanced in key areas of the work plan. We signed a memorandum of intent in April on investment promotion cooperation. We held a peer exchange on traffic and freight modeling and launched two border cluster-mapping pilots to identify local industry assets and develop regional economic development strategies. We completed five of six border master plans, designed to better coordinate infrastructure and development in border communities, with the last one on track for completion by mid-2015.

The Mexico-U.S. Entrepreneurship and Innovation Council is fostering cross-border entrepreneurship by strengthening the legal framework, improving access to capital, developing regional innovation clusters, expanding small business development infrastructure, facilitating technology commercialization, promoting women's entrepreneurship, and engaging the U.S.-based Latin American diaspora. In April, the United States and Mexico agreed to connect Mexican small business development centers with U.S. centers to help small business owners and entrepreneurs in both countries grow their business and tap into global business opportunities. Tourism officials formed a working group to collaborate on data, joint marketing opportunities, and promoting trusted traveler

programs to increase travel and tourism between our countries and to attract more visitors from the rest of the world.

The United States will host a second High-Level Economic Dialogue meeting later this year.

Ten percent of all Americans – more than 33 million – are of Mexican heritage. The vibrant Mexican-American community in the United States is a vital part of our culture, our politics, and our values. Mexico is home to the largest community of expatriate Americans in the world – with over 1 million of our citizens living within its borders.

Over the past year, both governments have focused on tapping the great potential that our people give us. We held five meetings on the Bilateral Forum for Education, Innovation, and Research, bringing together government, academia, and civil society to promote opportunity, job creation, and development of a 21st century workforce in both the United States and Mexico. We held one of these meetings right across the river at Northern Virginia Community College – a sign that both governments seek to include a broad cross-section of our society as we build pathways to prosperity.

The Forum complements the President's 100,000 Strong in the Americas initiative, through which we support greater student exchange between the United States and countries of the Western Hemisphere, including Mexico. Increasing the flow of students, researchers, and academics between the United States and Mexico benefits the people of both countries and is key to achieving the overall goal of 100,000 Strong in the Americas.

The President and his cabinet continue to engage with Mexican leaders on the administration's vision for comprehensive immigration reform that respects our tradition as a nation of immigrants but also a nation of laws. Immigration reform would affect Mexico more than any other country, but Mexican officials publicly recognize that this is a domestic issue for the United States to debate and decide. At the same time, our border is more secure than it has ever been. We partner with Mexico to maintain a secure border that facilitates the legal transit of goods and people. Mexico is beginning to implement a strategy to better secure its own border with Belize and Guatemala to stem illicit flows of drugs, weapons, and people that threaten Mexico's security and our own.

SECURITY

We maintain close partnership with the Mexican government on security and rule of law issues. I will let my colleagues describe those programs in more detail, but want to highlight two recent emblematic developments. The February arrest of Sinaloa Cartel leader Joaquin “El Chapo” Guzman Loera – and remember, highly skilled Mexican marines apprehended him without firing a shot – represents a milestone in U.S.-Mexican cooperation against cartels. This was a Mexican operation, conducted by Mexican Marines, and supported by multiple U.S. law enforcement agencies. There’s much more work to do, but the arrest was a clear indicator that through cooperation that respects Mexico’s sovereignty and is conducted in a spirit of trust and shared enterprise, no individual or criminal network is immune from the reach of the law.

Another development is the public announcement just last week of a comprehensive government plan to address security in Tamaulipas, which borders Texas. President Pena Nieto stated there are no easy solutions or “short cuts” to reduce violence in the short term, instead emphasizing long-term goals such as the rule of law and trust in judicial institutions. He laid out his broad vision in his multi-tiered, February 2013 National Crime and Violence Prevention Program, and the release just last month of his National Security Plan for 2014-2018. President Pena Nieto has made crime prevention and judicial reform central aspects of his political agenda and has emphasized a focus on reducing kidnapping, homicide, and extortion.

While the Merida Initiative does not directly fund law enforcement operations, it does build capacity. We know that when Mexicans benefit from more effective law enforcement and judicial institutions, in areas near or far from our border, the United States, as Mexico’s neighbor and friend, benefits as well.

CONCLUSION

In my visit to Mexico in April, I enjoyed frank conversations on human rights, security, and improving the lives of our citizens. We’re building on the strong foundation of decades of trade integration, and during my visit I felt an energy and excitement. Like us, our neighbors want to unlock the massive potential of our citizens and our economies – not just each of us acting alone, but both of us, together. The Mexican government seeks strategic engagement with us, capitalizing on our shared values and our common border to promote regional security, open new markets to trade, and maximize our leadership in the Western Hemisphere and the world.

Thank you, Mr. Chairman, and all of the members of this committee for your time today. By calling this hearing, you are demonstrating the importance you place on the relationship and the partnership I have just described, as well as the role Mexico plays in the economic prosperity and security of millions of Americans. I look forward to your continued support in building the relationship, and am happy to answer any of your questions.

Chairman ROYCE. Thank you Assistant Secretary.
Ambassador?

**STATEMENT OF THE HONORABLE WILLIAM R. BROWNFIELD,
ASSISTANT SECRETARY, BUREAU OF INTERNATIONAL NAR-
COTICS AND LAW ENFORCEMENT AFFAIRS, U.S. DEPART-
MENT OF STATE**

Mr. BROWNFIELD. May I open by thanking you for not drawing attention during your introduction to my 3 years as U.S. Ambassador to Venezuela, a period and a performance which richly merits not being remembered for centuries and centuries to come.

Chairman ROYCE. Well, I referenced it but I didn't give the time frame.

Mr. BROWNFIELD. Mr. Chairman, Mr. Engel, members of the committee, thank you for the opportunity to appear before you today to discuss one of our most important relationships in the entire world. Assistant Secretary Jacobson has just described the larger strategic issues and I will report on the security relationship.

With the arrival of the Pena Nieto administration in December 2012, both governments took the opportunity to review our security cooperation. We had much to review. Since 2008, we have delivered \$1.2 billion to support that cooperation, and the Government of Mexico has delivered many times that amount.

Our support has provided training and equipment to 8,500 justice sector officials and 22,000 police. Civic education programs have reached more than 700,000 Mexican students, and secure, Federal prison systems have grown from five to 14. The Mexican Government has taken down more than 70 major drug traffickers, and our contribution of \$112 million in border detection equipment has resulted in almost \$3.8 billion in seized illicit goods.

Our joint review started from a very strong base. Early last year, the two governments agreed to maintain four pillars to guide our security cooperation: Disrupting organized crime, institution building, creating a modern border and building strong communities.

The Government of Mexico released its own 10-point national security strategy last August, giving greater priority to crime prevention, rule of law, and community development. We agreed with these priorities. For our part, we prioritized training over equipment and state-level engagement as well as Federal-level engagement.

The Mexican Government agreed with these U.S. priorities. Since January of this year, our two Governments have approved 78 new projects valued at more than \$430 million. The Mexican Government focused these projects on justice sector reform, Mexico's southern border, and state-level law enforcement.

We will work with the Mexican Attorney General's office to train prosecutors in the new accusatory justice system, and empower law enforcers to fight financial crime. We will provide communications equipment and training for customs, immigration, border, and narcotics officials along Mexico's southern border, through which most illicit product and migrants pass on their way to the United States. And we will increase training and support for state police acad-

emies to allow them to expand their reach to state police throughout Mexico.

Mr. Chairman, I do not need to explain to this committee the importance of this security relationship. I am sometimes asked when we will see concrete results on the ground from this investment. The question is easily answered. First, I note our lesson from Colombia. It takes decades to create security threats, and it takes time to resolve them.

But second, there are visible results on the ground. The arrest of Joaquin "El Chapo" Guzman last February, was the most important law enforcement operation since the Colombian takedown of Pablo Escobar in 1993. In the past 3 years, the homicide rate in the city of Juarez, 300 feet across the river from El Paso, has dropped as much as 83 percent. U.S. consumption of cocaine and methamphetamines, most of them transhipped through Mexico, has dropped nearly 50 percent since 2007. And U.S. border officials report that at some crossings Mexican nationals now constitute a minority of those detained for illegal entry.

Members of the committee, this Congress was bold and ambitious when it decided in 2008 to support the Merida Initiative. We are not at the goal line yet, but we have crossed the 50. Thank you, and I look forward to your questions and your guidance.

[The prepared statement of Mr. Brownfield follows:]



UNITED STATES DEPARTMENT OF STATE
BUREAU OF INTERNATIONAL NARCOTICS
AND LAW ENFORCEMENT AFFAIRS

Prepared Statement of:

Ambassador William R. Brownfield
Assistant Secretary of State for
International Narcotics and Law Enforcement Affairs

Hearing Before the:

House Foreign Affairs Committee
“The Future of U.S.-Mexico Relations”

Tuesday, May 20, 2014

Chairman Royce, Ranking Member Engel, and Members of the Committee, thank you for the opportunity to be here today to discuss our important partnership with the Government of Mexico. Through this unprecedented partnership forged between our two governments over the past seven years, great progress has been made in strengthening the capacity of Mexico's justice sector to counter organized crime and protect our shared border. And working in partnership with the Peña Nieto administration, we are continuing our strong collaborative efforts with the Government of Mexico to advance our shared citizen security objectives.

In 2008, at the start of the Merida Initiative, drug cartel-related violence in Mexico had been increasing dramatically, corruption was a threat to rule of law, and Mexican institutions were not able to deal effectively with the impunity of these powerful criminal networks. The people of Mexico had little confidence in their institutions, and the unmitigated flow of illicit money and narcotics clouded the prospects of Mexico's licit economy. In 2008, Mexico took the important first step of passing constitutional reforms to overhaul its entire justice sector including the police, judicial system, and corrections at the federal, state and local levels. Mexico's institutional reforms and its objective of building strong institutions that its citizens can depend on to deliver justice provided a foundation for U.S. cooperation.

Since 2008, our assistance under the Merida Initiative has helped advance Mexico's implementation of these reforms. To date, the U.S. government has delivered approximately \$1.2 billion worth of training, capacity building, and equipment. By no means do we go it alone: the Government of Mexico has contributed billions of its own resources, outpacing our own, to our shared security goals. And because our assistance is designed jointly with the Government of Mexico, many programs form integral parts of Mexico's justice sector reforms and enjoy a high level of sustainability.

Our partnership with Mexico has demonstrated results, through it we have: helped advance the transition to the accusatory justice system through the training of over 8,500 federal justice sector personnel; augmented the professionalization of police units by providing training to more than 22,000 federal and state police officers, 4,000 of which are federal investigators; improved the capacity and security of its federal prisons, supporting the expansion of secure federal facilities from five with a capacity of 3,500 to 14 with a capacity of 20,000; provided civic education and ethics training to more than 700,000 Mexican students; and improved the detection of narcotics, arms, and money at the border, reaching nearly \$3.8 billion in illicit goods seized. In addition, since 2009, Mexico has

apprehended more than 70 senior and mid-level drug trafficking organization (DTO) leaders, notably Joaquin "El Chapo" Guzman Loera, significantly disrupting all major Mexican DTOs. These are noteworthy outputs that, with continued collaboration and political commitment, will help enhance security for citizens on both sides of the border.

The Initiative continues to be structured around the four pillar framework: 1) Disrupting the operational capacity of organized crime; 2) Institutionalizing Mexico's capacity to sustain the rule of law and protect human rights; 3) Creating a 21st century border; and 4) Building strong and resilient communities. This framework, combined with the shift toward training and an emphasis on building capacity at the state and local level, is the basis for our security cooperation with the Peña Nieto Administration going forward.

When President Peña Nieto took office in December 2012, he and his Administration took a close and deliberate look at the U.S.-Mexico bilateral relationship, including our security cooperation. After a careful review, the Government of Mexico has committed to continuing our collaboration on security issues under the four-pillar Merida framework, with a sharper focus on crime prevention and rule of law. The Peña Nieto Administration has laid out its long-term plans for improving citizen security through its ten-point security strategy that includes crime prevention and effective criminal justice, police professionalization, transforming the prison system, promoting citizen participation and international coordination on security, transparent statistics on crime rates, coordination among government authorities and regionalization to focus efforts, and strengthening of intelligence to combat crime. These elements track well with the planning and direction of the work that I manage, International Narcotics Control and Law Enforcement (INCLE) programming, which aims to help build professionalized and credible civilian security.

In recent months, we have reached agreement with the Government of Mexico on areas of programmatic focus for our security cooperation under Merida. We have launched a robust process for getting security assistance programs green lighted that consists of joint executive level meetings between INL Mexico and the Ministry of Foreign Affairs (SRE) and the Ministry of Government (SEGOB). Since November 2013, 78 projects, totaling more than \$430 million have been approved through this process. These projects span all four pillars of Merida with a focus on bilateral priority areas – assistance to the states in law enforcement capacity building, support to the Government of Mexico's efforts on its southern border strategy, and justice sector reform.

In seeking to further justice sector reform, the Attorney General's Office (PGR) has demonstrated commitment to advancing the transition to the accusatory justice system and recently agreed to several programs supporting this transition at the federal and state level. We will continue building the skills of prosecutors, investigators, and experts, enhancing the technical capacity of courtrooms throughout the country to handle oral trials, and helping to train law school students in crucial oral trial skills. Additionally we are working with the PGR's criminal investigation arm, akin to the Federal Bureau of Investigations, to enhance its human and technological capacity to pursue complex investigations.

To help Mexico build policing capacity for its communities, we are putting in place the building blocks to expand police training to the state and municipal level. We have strengthened police academies in the states of Chihuahua, Sonora, Nuevo Leon, and Puebla, enabling them to serve as the backbone for training programs and to conduct regional training. We are building our joint state training program around this regional structure but expanding it to reach all of Mexico's 31 states and the Federal District. Some programs will be regional in their application, enhancing cooperation between law enforcement officials in neighboring states as they implement reforms. Contending with transnational crime and violence against communities takes collaboration and partnerships. And that is why, in addition to regional training academies, we are supporting task forces at the state level to better develop and share police intelligence, augmenting local capacity to combat criminal organizations.

Building on the Peña Nieto Administration's agenda for police professionalization, we will work with the Government of Mexico to enhance and professionalize existing law enforcement institutions to develop federal standards for Mexican officials in the areas of recruitment, training, discipline and promotion. Drawing upon expertise here at home, U.S. Federal, state, and local partners will help to advise their Mexican counterparts on policing standards and best practices, and facilitate regional working groups that integrate state, local, and federal entities. Police professionalization, greater observance of civil and human rights, and greater trust among the Mexican public in its police will result.

Greater border security capacity, along Mexico's northern and southern borders is also a significant bilateral priority. Our governments have committed to further enhancing the Government of Mexico's ability to interdict illicit narcotics, arms, and money as well as strengthen control of porous border areas. Using the train the trainer method to multiply the impact of our assistance, we have already provided specialized training for police, military, and Mexican Customs officials

that address advanced border security and import/export processing techniques and methodologies. On Mexico's southern border, we expect that our assistance programs will help to improve communications among Mexican law enforcement, immigration, and community officials, increasing their interoperability and capacity to share information to adapt to evolving criminal tactics. This is important to Mexico's national security and it is to ours as well. It goes without saying that strengthening Mexico's capacity to control its border with Belize and Guatemala, which Mexico is already taking steps to do, will improve security on our own southern border.

In addition to new programs that we expect to have underway in the year ahead, we continue to build on the success of several ongoing programs. For example, Mexico's federal corrections system continues to be a recognized international leader in corrections reform, with eight federal facilities already certified by the independent American Correctional Association. The reforms already underway, including the creation of an objective prisoner classification system and the construction of new facilities, are making great strides. Mexico's success in reforming the corrections systems at the federal level can serve as the launching point for supporting similar reforms at the state level, where significant challenges remain. We will support Mexico in assessing state facilities and in its efforts to undertake similar reforms at the state level.

We will also continue supporting Mexico's efforts to improve information sharing among its agencies involved in the fight against money laundering and illicit finance, a priority area for the Peña Nieto administration. Enhanced Mexican interagency coordination will lead to more prosecutions and cash seized. We have already provided funding for the training of the Financial Intelligence Unit's (FIU) personnel, sophisticated financial analysis software, and the accompanying computer hardware. Given the expanded responsibilities of the FIU under the new anti-money laundering legislation passed in late 2012, we are providing additional support for upgrades and expanding their data center.

Complementary to our assistance at the institutional level, we will also continue to support local communities by promoting behavioral changes for improving rule of law from the ground up, such as through our Culture of Lawfulness program. This program offers a civic education curriculum to schools throughout Mexico, professional ethics education for the federal and state police as well other public officials, and informs citizens on the process for reporting crime and collects feedback on their experience of reporting crime through on-site monitors at local public prosecutors' offices in Mexico City.

These examples of past, current, and future security collaboration with Mexico are just that, examples. Building strong and able justice sector institutions capable of dealing with organized crime and the accompanying violence and corruption is a difficult and long-term endeavor. It takes years of dedicated and sustained work across numerous institutions and sectors, the political will to affect change, and the resources and stamina to see it through. This is the path toward secure and safe communities and secure and safe economies. Our work with Mexico over the past seven years has achieved far reaching results and I am confident that our collaborative efforts will continue.

Thank you, Chairman Royce, Ranking Member Engel and other distinguished Members for your time. I look forward to answering any questions you might have.

Chairman ROYCE. Thank you.

STATEMENT OF MS. ELIZABETH HOGAN, ACTING ASSISTANT ADMINISTRATOR, BUREAU FOR LATIN AMERICA AND THE CARIBBEAN, U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Ms. HOGAN. Chairman Royce, Ranking Member Engel, and members of the committee, thank you for the opportunity to discuss USAID's contributions to the Merida Initiative with you today.

Mr. Chairman, as underscored in our new mission statement, USAID is partnering to end extreme poverty and promote resilient democratic societies. USAID's work with our partners in Latin America and the Caribbean, and the region's impressive progress over the past several decades, has enabled USAID to shift our development approach from providing direct assistance toward strengthening countries' capacity to provide for their own people.

In Mexico, USAID's collaboration with the Government of Mexico on rule of law and citizen security has three goals: To improve the effectiveness of the criminal justice system, strengthen the capacities of communities to reduce crime and violence, and promote the protection of human rights. To achieve these goals, we operate in a genuine partnership with our Mexican counterparts. These goals are a matter of national security for the United States as well as an economic and political imperative.

Six years ago, Mexico began a transition from the written, inquisitorial criminal justice system to the most transparent, oral adversarial system. USAID's support to that transition at the national level and in 12 of the 32 Mexican states ranges from helping to develop legislation to training judges, prosecutors, public defenders, and investigative police.

We are also helping the Mexican Government create and strengthen institutions essential to the reform; such as, building the capacity of internal training units, victims assistance centers, and pretrial service units. To prepare the next generation of lawyers and judges, we are assisting Mexico's bar associations, promoting professional standards and law schools, in curriculum reform and teacher training.

The transition to a new criminal justice system is already producing positive results. Evaluations of the states that have advanced the reforms found a significant decrease in acquittal rates, a marked decrease in the length of pretrial detentions, longer sentences assigned for serious crimes, reduced case backlogs, and better assistance for victims.

To support the Mexican Government's crime reduction efforts, we are piloting innovative prevention approaches in three of the border cities most affected by violence and criminal activity. In Ciudad Juarez, Monterrey, and Tijuana, we are developing new models for safe urban spaces, providing life and job skills for at-risk youth, increasing educational opportunities, and empowering communities to address the root causes of crime and violence. We will help the Mexican Government build on and replicate the most successful of these interventions.

One of the keys to the success of our Merida activities has been the extent to which the private sector has contributed and

partnered with us. To raise additional resources and ensure job training provides the skills that employers need, we have partnered with companies like Cisco, Intel, Prudential, and CEMEX, to name a few, to train youth from tough neighborhoods for jobs in the growing fields of technology and construction.

We are also helping to spur economic activity in poor communities across Mexico by opening up affordable financing via the Development Credit Authority. A 2013 partnership between USAID, the Mexican financial institution, Velfin, and Credit Suisse has unlocked \$60 million in private capital for local job creators, small- and medium-sized businesses.

To truly ensure the sustainability of our efforts, we are increasingly supporting local organizations to reduce crime and violence; such as the Chihuahuan Business Foundation and Citizens Committed to Peace who are in Ciudad Juarez, Monterrey, and Tijuana. To date, they have supported over 17,000 at-risk Mexican youth. Our efforts to advance prevention by providing viable alternatives to Mexican youth are already bearing fruit. One of our employment programs engaged 8,900 at-risk youth in employment and education activities, and approximately 70 percent of the participants have re-enrolled in school or gone on to find gainful employment.

Through the Merida Initiative, USAID is helping the Mexican Government to protect journalists and human right defenders who expose crime and corruption. Together, we are applying the lessons learned from a decade of investments in Colombia to enhance similar protection mechanisms in Mexico. We train journalists and human rights professionals on the practices, tools, and technologies they need to protect themselves and their work.

Mr. Chairman, we are encouraged by many of the steps that Mexico has taken to reduce crime and violence. But we also recognize that defeating the powerful cartels and the violence that they have spawned will take time. We are also encouraged by the progress we have seen thus far through our partnership with the Mexican Government, private sector, and civil society. Their success will make both our countries safer and more prosperous. Thank you, and I look forward to your questions.

[The prepared statement of Ms. Hogan follows:]

**Testimony of Elizabeth Hogan
Acting Assistant Administrator for Latin America and the Caribbean
U.S. Agency for International Development
Committee on Foreign Affairs
May 20, 2014
“The Future of U.S. – Mexico Relations”**

Chairman Royce, Ranking Member Engel, and members of the Committee, thank you for the invitation to appear before you today. I am grateful for the opportunity to discuss the U.S. Agency for International Development’s (USAID) contributions to the Merida Initiative and to receive your advice.

It is an honor to testify with my colleagues from the State Department, Assistant Secretaries Roberta Jacobson and William Brownfield. Collaboration among our bureaus has never been stronger.

Mr. Chairman, as underscored in our new mission statement, across the globe USAID is partnering to end extreme poverty and promote resilient, democratic societies. Our best partners in this effort are democratic societies – mature governments, active civil societies and dynamic private sectors – because their commitment to growing their economies and investing in their people makes our investments go farther. We have these partners in Latin America and the Caribbean (LAC) and the impressive progress over the past several decades has enabled USAID to shift our development approach away from providing direct assistance and toward strengthening countries’ capacity to provide for their own people. Today, we serve primarily as partners and catalysts for the Mexican government, private sector and civil society to address the country’s biggest challenges and ultimately lead their own development.

In Mexico, as in the rest of the region, USAID is increasingly focused on helping the region’s governments promote the rule of law and reduce crime and violence, while furthering respect for human rights. This is a matter of national security for the United States, as my colleagues have just noted, as well as an economic and political imperative for the affected countries. Continued insecurity is a severe drain on private and public investment in the Americas, a leading constraint to economic growth in some countries, and is also arguably the greatest threat to democracy in the affected countries.

In Mexico, USAID’s collaboration with the Government on rule of law and citizen security has three principal goals: to improve the effectiveness of the criminal justice system; strengthen the capacity of communities to reduce crime and violence; and promote the protection

of human rights. To achieve these goals, we operate in a genuine partnership. Every one of our programs is designed, developed and implemented jointly with our Mexican counterparts. Our activities are coordinated with the State Department and other U.S. agencies to make for a comprehensive approach to strengthening rule of law and reducing crime.

Six years ago, Mexico began a legal transition from the written inquisitorial criminal justice system to the more open and transparent oral, adversarial system. USAID's support to that transition at the national level and in 12 of the 31 Mexican states ranges from helping to develop on new legislation, policies and regulations to training judges, prosecutors, public defenders, and investigative police in operating under the new criminal justice system. We also work with our colleagues at the Department of Justice's to provide support to the Mexican Government in this transition. We are also helping the Mexican government to create and strengthen institutions essential to the reform, such as building the capacity of internal training units, victims' assistance centers, and pretrial services units. To prepare the next generation of Mexican lawyers and judges to effectively perform their functions under the new criminal justice system, we are assisting Mexico's leading bar associations in promoting professional standards and development, and more than 200 law schools in curriculum reform and teacher-training.

This year, we plan to expand our support and assistance for the implementation of the new criminal justice system nationwide, initially focusing on 20 states. This will allow USAID to continue its training programs and technical assistance, while helping the Government of Mexico share best practices and lessons learned between and among states at various stages of reform implementation. Our programs complement Mexico's substantial investments to support the reform process, which includes building new courtrooms, providing infrastructure and staffing and expanding training and capacity development.

The transition to the new criminal justice system is already producing positive results. Evaluations of the states that have advanced the reforms found a significant decrease in acquittal rates, a marked decrease in length of pretrial detentions, longer sentences assigned for serious crimes, reduced case backlogs, and better services and assistance for victims.

Strengthening Mexico's justice sector institutions is vital to ensuring that crimes are properly investigated, the accused are treated fairly, and the guilty appropriately sentenced. Ideally, however, we can help avert youth having to enter the legal process in the first place. Like its neighbors, Mexico has embraced preventative actions to reduce crime and violence, such as economic investments in communities and social programs designed for youth most susceptible to engaging in criminal activity. In February 2013, President Enrique Peña Nieto launched a national crime prevention strategy, with funding commitments totaling \$9 billion

from the Government of Mexico. They now are moving to implement this strategy nationwide, and USAID is supporting this effort.

To support the Mexican government's crime reduction efforts, we are piloting innovative prevention approaches in three of the border cities most affected by narco-related violence and other criminal activity: Ciudad Juarez, Monterrey and Tijuana. In each city, we are partnering with local organizations and drawing on international expertise to develop new models for safe urban spaces, providing life and job skills for at-risk-youth, increasing educational opportunities, improving the capacity of all levels of government to keep citizens safe, and empowering communities to address the root causes of crime and violence. We will jointly evaluate the effectiveness of these activities this summer with the Mexican government as it works towards broader application across the country. With this evaluation, we will help the Mexican government build on and replicate the most successful interventions.

One of the keys to success of our Merida activities has been the extent to which the private sector has already contributed to our programs and partnered with us. To raise additional resources and ensure that job training provides skills that employers are looking for, we have partnered with companies like Cisco, Intel, Prudential, and CEMEX, Mexico's global construction company, to train youth from tough neighborhoods for jobs in the growing fields of technology and construction.

We are also helping to spur economic activity in poor communities across Mexico by opening up affordable financing via our Development Credit Authority. For instance, a 2013 partnership between USAID, the Mexican financial institution, Velfin, and Credit Suisse, unlocked \$60 million in private capital for local job creators -- small and medium businesses. Another example of our new development approach is our Cleantech Challenge Mexico (CTCM), which through USAID support seeks to promote the development of the clean technology industry in Mexico. Since 2010, CTCM has contributed to the creation of over 190 new clean technology companies and 2,500 "green" jobs, and the filing of 141 new clean technology patents.

To truly ensure the sustainability of our efforts, we are increasingly supporting local organizations to reduce crime and violence in Mexican communities. Such organizations as the Chihuahuan Business Foundation and Citizens Committed to Peace are embedded in their communities, providing educational and professional counseling services to vulnerable youth and their families in high crime communities within Ciudad Juarez, Monterrey, and Tijuana. To date, these projects have collectively supported over 17,000 at-risk Mexican youth.

We are also supporting the efforts of Mexican social entrepreneurs to discover and expand the best ideas for creating productive opportunities for at risk youth and their communities. Recently, USAID Administrator Shah met with his counterparts in Mexico, awarding \$800,000 dollars in innovation grants, as part of the Agency's science, technology, innovation, and partnership efforts, to entrepreneurs seeking to improve living standards, expand job training, and increase the incomes of marginalized groups.

The crime and violence prevention approaches that we and our Mexican counterparts draw upon were developed throughout the region, including the United States, where major cities have achieved dramatic reductions in crime in the past two decades. For instance, through a 2012 agreement with the City of Los Angeles, USAID has been sharing that city's proven gang reduction and youth development tools with officials in Mexico, as well as in Central America. The tools used by Los Angeles to identify the youth most at-risk of recruitment to violent activity are now being adopted by the Monterrey municipal government and adapted to its local context. Monterrey officials are also considering implementing proven interventions piloted by Los Angeles, such as late evening or weekend activities for at-risk youth.

Our efforts to advance prevention by reaching and providing viable alternatives to Mexican youth are already bearing fruit. For example, one of our programs focused on employability engaged 8,900 at-risk youth in employment and education activities and approximately 70 percent of the participants have re-enrolled in school or gained employment, while 88 percent of youth participating in summer camps also re-enrolled in school. The nine focus communities identified by the Mexican government and USAID have all developed locally-driven community master plans, which will be used by communities to make the best use of limited local resources for targeted interventions to address crime and violence in that community.

Through the Merida Initiative, USAID is helping the Mexican government to protect journalists and human rights defenders and others who expose crime and corruption. Together we are benefiting from lessons learned from nearly a decade of investments to enhance similar protection mechanisms in Colombia, and helping the Mexican government to apply those lessons. During the recent Bilateral Human Rights Dialogue in April which I attended, we discussed many areas of cooperation on human rights. Since then, we are pleased that the Protection Mechanism for Journalists and Human Rights Defenders has taken very concrete steps to improve its operations and better respond to the safety concerns of journalists and human rights defenders across the country. In addition, over the last two years, USAID trained more than 200 Mexican journalists and human rights professionals on practices, tools and technologies

to protect themselves and their work, and we plan to continue to partner with the Mexican government to further advance and protect freedom of expression.

Citizen activism is critical to raising awareness and mobilizing action on the defense of human rights. So we are collaborating with Mexican organizations on campaigns to prevent torture, while supporting the implementation of the Mexican government's human rights reforms, including a groundbreaking Constitutional Reform that strengthens Mexico's human rights commission and elevates the country's international human rights commitments to the same level as their national laws. USAID has trained 270 government officials and civil society representatives on the Constitutional reform and their corresponding roles and responsibilities.

We are encouraged by many of the steps that Mexico has taken to reduce crime and violence. But we also recognize that defeating the powerful cartels and reducing other factors that contribute to crime will take time. We are prepared to continue to partner with the Mexican government, private sector and civil society for as long as they need our assistance. Their success will make both our countries safer and more prosperous.

Thank you. I look forward to your questions.

Chairman ROYCE. Thank you, Ms. Hogan.

Let me ask a question of the Ambassador, and it relates to the Pena administration's review on security issues. They took a step back, took a sort of a new approach. We are over a year into the administration there. How do we assess the cooperation between the U.S. and Mexico on that?

And the other aspect of that, as I understand the State Department works with the California Attorney General's office to help provide oral advocacy training to the prosecutors in Mexico and that our L.A. County Sheriff's office hosts a study tour for Mexico city police.

And I was going to ask also how these state-level exchanges help improve cross-border relationships at the state level and in turn help improve the capacity in Mexico on transnational criminal investigations. But, I also wondered about the effectiveness of these programs and thought you might have some comment on that.

Mr. BROWNFIELD. Thank you, Mr. Chairman, I just might. May I start with your first question, and that is the state of cooperation between the United States and Mexican Governments. You are correct as always, at the start of this now not-so-new government of President Pena Nieto as of the 1st of December 2012, there was a period where both governments, logically and understandably, said let us review what is the nature of the cooperation that we have today. I would suggest to you that never in the history of mankind has a government come to office, a new administration, saying we will continue each and every program and policy of our predecessors.

This process took some time. Much of the year 2013 was dedicated to it. We were not sitting on our hands during this time. Programs that had already begun were continued through that year, but we did in fact not initiate a great many new programs. We have reached an agreement on how we will make these decisions in the future.

We have set up our own team based out of our Embassy in Mexico City, and the Government of Mexico has established their representatives in the Secretariat or the Department of Gobernacion, like their presidency ministry, and their foreign ministry. They are making decisions. As I mentioned in my statement, we have agreements on 78 new projects and nearly \$438 million worth of projects that will proceed. The message that I have for you is that we are now moving ahead at a right smart pace in terms of new programs and projects.

Chairman ROYCE. And one of these would be the prosecutorial training by the Attorney General's office in California?

Mr. BROWNFIELD. It would fall in that category, Mr. Chairman. And if you will allow me to pander ever so briefly, and I promise to stop. Since you have opened that door I would mention as well, proudly, that we have also partnered with a number of other state and local institutions in the United States of America for Mexico programs including: The Chicago Police Department, Harris County Sheriffs, Houston Police Department, State of Maryland Corrections, Los Angeles Sheriff's Department, as you mentioned, Portland Police Department, Washington State Justice Commission, El Paso Sheriff's Department, Albuquerque Police Department, New

Mexico State Police, California Corrections Department, Colorado Corrections, Maryland Corrections, New Mexico Corrections, and a group called the Conference of Western Attorneys General, which loops in about two-thirds of the attorneys general of the United States of America including California.

Chairman ROYCE. All this focus on capacity building and you deem this to be effective? Very good.

Mr. BROWNFIELD. In each case obviously focused on their area of expertise.

Chairman ROYCE. Well, we appreciate that.

I wanted to go to Assistant Secretary Jacobson with a question about the shift in strategy. For 75 years you had a parastatal there, PEMEX, and now that state-owned monopoly is changing. And I was going to ask you about the energy sector there and the changes you might expect following the implementation of those major reforms that are underway. And maybe ask also if you thought we would see significant foreign investment, as well as U.S. investment in the energy industry as a result of the reforms.

Ms. JACOBSON. So I thank you, Mr. Chairman. I think one of the things that has been so exciting about the reforms, and the energy reform obviously has garnered the most attention, are opportunities for partnership and investment. Obviously PEMEX will remain a state-owned entity and that has been clear throughout the reform, and the implementing legislation and the secondary legislation is not yet complete. So it is not entirely clear how things will play out.

But, what we hear from U.S. companies of all types, energy firms and firms that would support energy contracts, et cetera, is that they are very, very interested in the market and they are waiting for the reforms to be complete. They are obviously very excited about this, very positive about the possibility of partnering with Mexican companies and PEMEX itself and what possibilities there might be for them to be involved.

There are also, obviously outside of the oil industry, partnerships in renewable energy, other forms of energy with U.S. companies for quite awhile. But in the oil industry, there are possibilities that didn't exist before.

Chairman ROYCE. Thank you, Assistant Secretary. I will go now to Mr. Eliot Engel of New York.

Mr. ENGEL. Thank you. Thank you very much, Mr. Chairman. As the witnesses know, I was an early and strong supporter of the Merida Initiative, and since 2008 Congress has appropriated over \$2 billion in assistance to Mexico through that initiative. As large military hardware has been delivered and our focus turns toward institution building and justice reform, the President's budget requests have decreased for Merida funding.

So I would like to ask each of our witnesses to give us a sense of what you think Merida Initiative assistance should look like, both in terms of the amounts and types of funding over the next 5 to 10 years, say. I want to obviously ensure that Mexico receives the funding it needs in this tight budget atmosphere. So why don't we start with you, Ms. Jacobson?

Ms. JACOBSON. Thank you, Mr. Engel. I think that obviously as you have seen from our requests, the figures have gone down over

the last couple of years. This was to some extent, I think, our expectation along with the Mexicans that those numbers would go down. Number one, the Mexicans are able to obviously afford a great deal on their own, but number two, as we have said and you implied in your question, equipment is more expensive than training, which is the area that we are in most now.

I can't recall exactly at this moment the precise total figure that we are talking about, whether we are somewhere between \$100 million and \$200 million of assistance at this point. I expect that figure to be in that neighborhood and trending downward, but slowly, hopefully, over the next few years.

There is still an enormous amount to do, especially as Ambassador Brownfield has outlined, as we move into cooperating with the Mexican Government on state efforts. Because as we know, so much of the law enforcement and the justice efforts are at the state level, not just at the Federal level, to fight these kinds of crime.

But I also think it is critically important as Beth pointed out, I think the real focus has to be on the communities themselves and the justice sector. This is an administration that came in very focused on completing judicial reform. That is going to make a huge difference on the human rights situation and on convicting people and making sure that you are only focused on the most important cases and that other cases are not always coming to trial. Things are more transparent, victims' rights are respected. So I think that is really where a lot of the focus needs to be maintained in years ahead.

Mr. ENGEL. Anybody else? Ambassador?

Mr. BROWNFIELD. May I quickly, Mr. Engel, and suggest to you, the President's request for Fiscal Year 2015 for International Narcotics Control and Law Enforcement was \$18 million. I of course support the President's request. I do note that that is down from nearly \$148 million the year before.

I think there are two reasons for this. One, as Assistant Secretary Jacobson has just laid out, you have to expect a program will start high and then you, the Congress, will hold us to a standard to bring it down to a sustainable level in the richness and fullness of time.

And second, as I suggested in my opening statement, we were working through a period of adjustment with the new government, and during that time we were not spending down at the rate that we had in previous years. It would be my hope, Congressman, that our request in the year ahead would be at a somewhat higher level.

Mr. ENGEL. Ms. Hogan?

Ms. HOGAN. I would just underscore a point I made in my testimony, in that, we have just begun to tap the enormous potential of the private sector to invest in some of these programs, and I think that is a win-win situation. By investing in workforce development, they are getting better employees and we are staving off the opportunity for at-risk youth to move into illicit economic activity.

There is much more that we can do. We know there is a great amount of liquidity in the banks and it is not reaching small- and medium-sized businesses. Through our Development Credit Authority, we are poised to do more of that kind of work and unleash

that potential, and the private sector has to bring more to bear on solving these problems going forward.

Mr. ENGEL. Thank you. As I mentioned in my opening statement, I believe that U.S. firearms fuel drug violence in Mexico. Since 2009, I have pushed for full enforcement of the existing U.S. ban on imported firearms, which are not for sporting purposes. This was enacted in the 1968 Gun Control Act. Frankly, I have been a bit frustrated that the administration's not enforcing this or enacting this. This is legislation that is already on the books. It was fulfilled under both the administrations of President George H.W. Bush and President Clinton. It was stopped by President George W. Bush, and has not resumed under President Obama, and it has been very frustrating.

I know we were having some discussions and hopefully we are moving things along in the right direction. But to me it is very frustrating, that although it is on the books and we know if utilized will stop the violence, or not stop it but curtail it, and that these arms that illegally go to Mexico are fueling it, and we are just sitting there and watching it happen when we have laws on the books that, in my opinion, could prevent it.

In Mexico, we have used Merida Initiative assistance to install Spanish language eTrace to help trace recovered firearms, and let me ask Ambassador Brownfield about it. How effective has Spanish language eTrace been? How is the cooperation, your cooperation with your Mexican counterparts in Spanish eTrace? And based on the information you have obtained from eTrace, do you know where most firearms recovered in Mexico come from?

Mr. BROWNFIELD. Thank you, Congressman. The eTrace is, in fact, a very important part of our security and law enforcement cooperation with Mexico and the Mexican Government under the Merida Initiative. I would describe our experience with eTrace as, initially some concern or speculation on the part of the Mexican Government, to what this really was, and whether this was a substitute for us enforcing aggressively our own firearms licensing and export controls and laws. And then considerable enthusiasm for eTrace as it was introduced into the Mexican law enforcement community.

It then dropped in terms of the number of traces called for in the course of the year 2013. It is now rising once again. I attribute that to, first, the same adjustment of one administration to another administration, and second, a realization by the new team that this is, in fact, a valuable tool. I am optimistic about it. I think this is a very good investment. It is not just an investment of the United States and Mexico. As you presumably know, we are also having excellent success with eTrace in the Caribbean and in Central America.

Mr. ENGEL. I think my time is over. But I am wondering, Ambassador, if you could answer the last question I said, which on the information you have obtained from eTrace, do we know where most firearms recovered in Mexico come from?

Mr. BROWNFIELD. Sorry. We know where they come from in terms of those which have been processed through eTrace. I actually can't give you figures right here and now, but I will be happy to give them to you. Those that have actually been processed

through the eTrace system will, in fact, give us a statistical basis to say where their point of origin was.

Mr. ENGEL. Thank you.

Thank you, Mr. Chairman.

Chairman ROYCE. Thank you.

Mr. Rohrabacher?

Mr. ROHRABACHER. I thought you were going to go first, Mr. Chairman. Thank you very much. First and foremost, let us be very grateful that we have such a wonderful people that live to our south. And I am a Californian. We are very proud of the heritage that we share with our brothers and sisters to the south. And America could have peoples who are, or other neighbors that we didn't like, but I will tell you this much, the people of Mexico are wonderful people. I have spent a lot of time with them as a young person and as I got older as well. Being a surfer, I spent a lot of time with Mexican surfers down in Baja.

So let us just start with that we should be grateful as a country for having such wonderful neighbors as we have. Having wonderful neighbors and having good friends doesn't mean that there aren't problems and you have to work at those problems to make sure you maintain a good relationship. I am very happy to hear testimony today that indicates that relationship and that cooperation is actually on the upswing, and I hope to be as supportive as I can of that effort.

I would like to talk to something that you have touched on and ask you what is drug use in Mexico like? Is there a problem with internal drug use in Mexico?

Mr. BROWNFIELD. I don't see anyone else grabbing for the microphone, Congressman, so I will take a crack at that. May I offer one lesson of history, and that is, there is no such thing as a country that serves solely as a transit country in the drug trafficking pipeline, and the reason is very, very simple. Over the last 30 or 40 years the trafficking organizations pay their network in product. They do not pay \$50,000 to a corrupted customs official. They provide a half kilo of cocaine or of heroin and that product then must be marketed locally, and in that way a transit nation becomes a consumer nation.

Mexico is, in fact, confronting its own drug problem and crisis. It involves methamphetamines, cocaine, and heroin. A big part of our program under the Merida Initiative with the Government of Mexico is drug demand reduction in terms of supporting an education program in schools and among youth, treatment and rehabilitation centers, particularly in cities that are vulnerable to social unrest and poverty.

Mr. ROHRABACHER. Let me ask you this. Do they imprison drug users in Mexico?

Mr. BROWNFIELD. I will have to double-check in terms of the specific state of Federal Mexican law. There are of course 32 states in Mexico, as in the United States, and each state has its own legal code. What I do not know at this point is whether mere possession or consumption is a criminal offense.

Mr. ROHRABACHER. Let us note that our drug war has been a total failure in the United States. We have massive drug use after how many years And that drug use in the United States is one of

the things that has had a negative impact on our neighbor, on our good neighbors who we like. And I think that there is a tendency among too many Americans to blame Mexico for our problem of consumption when actually it is the other way around.

And I have talked with former President Vicente Fox in Mexico, and he is suggesting that perhaps we should try a revolutionary approach which is: Bringing down the price of drugs by legalizing it and by treating those people who use drugs as people who need our help rather than people who need to be imprisoned.

Mr. BROWNFIELD. I agree with you, Congressman, that drugs in the United States and everywhere else in the world is a public health issue, that it is not just a criminal justice issue.

Mr. ROHRABACHER. So let me just say this. The best thing that we could do for Mexico would be to lower the price of drugs so the cartels then wouldn't have so much income to create a power dynamic in Mexico that is negative to that country. Isn't that correct?

Mr. BROWNFIELD. I would want to be very careful not to support a policy or a strategy whose effect would be to increase the number of users and consumers of dangerous products.

Mr. ROHRABACHER. Agreed.

Mr. BROWNFIELD. I understand what you are saying. My only response is the devil is in the details. We have to make sure that as we proceed, we are not producing a worse outcome than we—

Mr. ROHRABACHER. Right. With a note on that, and I understand that argument. But I would just suggest that I haven't seen a lot of evidence that indicates that legalization of drugs and treating it as a personal problem that some would have, rather than a criminal problem, I haven't seen where that would increase the use of drugs in our society or in Mexico.

I have come to the conclusion that people can get a hold of drugs in our society no matter what. There is nothing stopping them. And that legalizing it wouldn't mean more people would be using it. It is just that the drug cartels would be cut totally out of the equation and thus helping Mexico. With that thought, thank you very much.

Chairman ROYCE. We go now to Mr. Gregory Meeks of New York.

Mr. MEEKS. Thank you, Mr. Chairman. And I want to thank all three of our diplomats that are sitting at the table. Thank you for your great representation of our country and your deep concern and commitment to the western hemisphere, you truly are examples of fine diplomats that make the United States, and serve the United States in a very, very important capacity.

Let me start with Assistant Secretary Jacobson. And surely we have had a long relationship with Mexico, and we have had one starting with NAFTA. We moved on and now even individuals are talking about how they are tied in with TPP. That is just the economics of the relationship between the United States and Mexico. I am sure that you have seen this relationship evolve, and I was wondering if you would give us some indication of how you see it evolving and how you would characterize it now.

Ms. JACOBSON. Thank you, Congressman. I think one of the things that is so remarkable is, if you look at the growth in the 20 years, the growth in the economic relationship over 20 years, it is a lot of statistics. And we did hear, I think it was in certainly

Chairman Royce and Chairman Salmon's remarks, the number of jobs that this tripling and quadrupling in trade has generated in the United States.

But the other thing that we have seen in the growth of trade since NAFTA and since the growth in our economies' connection and connectivity, as we called it in the North American Leaders Summit, is the growth in manufacturing industries that are now fully integrated. If you look at the one that is always used, automobile production, where cars are really not American cars, they are North American cars. Produced in Canada, in the United States, and in Mexico. But that is true in other industries as well. It is true in the aircraft industries, and it is increasingly true in many manufacturing sectors.

So I think there is a lot of ways in which we have seen that North America, with all of its resources, whether they are natural or human, can be a platform for enormous economic competitiveness, and that working together is the way that we can get there. It is one of the reasons we have spent so much of our time in this administration focusing on three areas, I think, that are linked to the importance of that economic competitiveness, education, especially for the U.S. and Mexico, energy, which is crucial to that economic competitiveness, and then the Vice President's leadership in the high level economic dialogue.

Mr. MEEKS. Speaking of that, I know that upon his inauguration President Nieto announced an unprecedented reform agenda that he has largely been able to keep intact. And how will the recently approved fiscal, labor, education, and energy reforms impact the United States-Mexico economic relationship, and how do you think that these reforms affect U.S. investments in Mexico?

Ms. JACOBSON. Well, one of the things that I think is so critical is these are reforms that have been urged by economists for 20 years. They are very much the structural reforms that many people said were critically necessary for Mexico's economy to prosper along with the free trade agreement. Economists have always told us that free trade agreements alone don't bring about economic prosperity. They require structural changes in an economy like Mexico's. And so these reforms, in many ways, or some forms of changes were needed, I think, to make Mexico more competitive and to improve its economy.

So they really do bode very, very well for the Mexican economy, but they also bode well in terms of their openness for investment and for greater trade, even greater than we have seen in the last 20 years. You also see Mexico as part of TPP and as a part of the Pacific Alliance. The nations of Latin America, Chile, Peru, Colombia, Mexico, integrating and working to promote greater openness in their economies, really trying to encourage greater investment from overseas and from all over the world, whether it is the United States or elsewhere. So I think the opportunities have really expanded even more than they have been in the last few years.

Mr. MEEKS. Thank you. Let me go to Ambassador Brownfield real quick. I know you have been very involved when you were the Ambassador in Colombia. Can you tell us real quickly, what has Colombia's role been in providing training for Mexican security

forces, and what specific areas would it be helpful for the Colombian Government to further train or assist Mexican security forces?

Mr. BROWNFIELD. Thanks, Congressman. As you know, because among other reasons you and I have actually talked about it, the Colombian Government has, in fact, provided support and training, exported some of its police and law enforcement capability broadly throughout the region, most heavily in Central America, and to a lesser extent in the Caribbean.

In Mexico, there has been a great deal of communication and dialogue between them. The Colombian Government has provided a great deal of aviation training in terms of helicopter pilot training and maintenance and support, mechanics training, if you will, for the aviation component of Mexican law enforcement. That said, the amount of direct training engagement between Mexico and Colombia is less than you will find between Colombia and other parts of Central America and the Caribbean.

Chairman ROYCE. Mike McCaul of Texas.

Mr. MCCAUL. Thank you, Mr. Chairman. I want to thank the witnesses for being here today, particularly the Ambassador, Secretary Jacobson, you are truly fine public servants and I appreciate your hard work.

With respect to Mexico and the Western Hemisphere, as you know I chair the U.S.-Mexico IPG, I must say in Mexico City, maybe 6 months ago, we had a very productive meeting with the Mexican Congress, particularly on PEMEX reform. I have to say, I have been very optimistic about this new administration with respect to the direction they are taking on energy. And what was amazing to me was that all three parties agreed. The PRI, the PAN, the PRD, which at this place it is hard to agree on anything on either side of the aisle. But, to have all three parties come together saying this needs to be done, I think, was really remarkable.

I think Mexico has a unique opportunity to open up its energy resources, both offshore and with the Eagle Ford Shale, and then working with the United States to have a true alliance on energy independence. I just returned from the Middle East, from Saudi Arabia, and the U.A.E. We have a great dependence on energy with the Middle East. I think this is a great way for the United States and Mexico to work together on energy independence.

My question to the secretary would be, and my understanding is the constitutional amendment has passed on these reforms, but that it is still awaiting, I guess, ratification, for lack of a better word, by the Mexican Congress, which would take place possibly in the June time frame. Can you give us an update on that?

Ms. JACOBSON. As far as I understand, Congressman, ratification of the constitutional changes has taken place. But now the implementing or secondary legislation has to be passed, and it is possible that that will be done in the June time frame. Yes.

Mr. MCCAUL. Do we feel optimistic that that will get done?

Ms. JACOBSON. I think we are encouraged. Certainly there have been lots of discussions and debates and there is likely to be some opposition, as is always the case in these things, but it seems that there is a great deal of support.

Mr. MCCAUL. And I understand also the agreement, when I talk to energy companies in the United States, for them it is very im-

portant to have production sharing as opposed to profit sharing, as I understand it. And that would be the key to a good marriage here on this issue. Is it your understanding that they would lean more toward the production sharing?

Ms. JACOBSON. Congressman, I would have to check and see exactly where the legislation stands right now. I think that may be the case, but I don't want to misspeak so I will check that to be sure.

Mr. MCCAUL. We have been very careful not to meddle in their affairs. At this point in time, I think it is good for us to sit back and watch what happens.

Ms. JACOBSON. Good for Mexicans to make this Mexican decision.

Mr. MCCAUL. Precisely.

Ms. JACOBSON. Indeed.

Mr. MCCAUL. Lastly, I also want to applaud the new administration. There was some skepticism on whether they were intent on going after drug cartel organizations. And not too long into the new administration we had the head of Los Zetas taken down and then recently Chapo Guzman, which is a historic achievement against the drug cartels.

I talked to Ambassador Medina-Mora about this capture on the issue of extradition. He told me that he was open to the idea but that a request had not been made by the administration. Can you give me the, and I know DOJ is involved with this as well, but can you give me an update on the status of any extradition request?

Mr. BROWNFIELD. Oh, she turned that one over to me, Congressman.

Mr. MCCAUL. And lucky you.

Mr. BROWNFIELD. For which I am of course eternally grateful. Members of the committee, I believe this is known to everyone on this committee and I presume to every citizen of the United States and Mexico, there are, in fact, indictments against Mr. Joaquin Guzman in the United States of America for Federal charges related to drug trafficking offenses. There are also obviously charges and indictments pending against him in the Mexican legal system.

I believe what Ambassador Medina-Mora has said to you is quite consistent with what he has said to us. We have two legal systems which have expressed interest in taking jurisdiction over this particular matter. It will eventually be determined by the Mexican judicial system in terms of whether they will try him there or they will support an eventual extradition of him to the United States, and at the end of the day that decision will play out in its own time.

Mr. MCCAUL. Okay. I thank you for that answer. I see my time has expired.

Chairman ROYCE. Mr. Sires?

Mr. SIRES. Thank you, Mr. Chairman. Tomorrow Secretary Kerry is going to Mexico. I am happy to see that there is not just the Middle East, that we have a whole other part of the world that we need to focus on. What can we expect from this trip? Is there going to be any announcements? Anything you can give us a heads-up on before the trip?

Ms. JACOBSON. Sure. I don't want to break too much news ahead of his trip, but I think it is not a secret that he is going to focus,

that the trip is relatively brief but it will focus on three areas that I think are among those that I have talked about today. He will meet with his counterpart, the foreign secretary, as well as the education secretary, and he will have Frances Cordova from the National Science Foundation with him to talk about our Bilateral Forum on Education, Innovation, and Research.

So this will be kind of a continuation and a launching of our action plan on bilateral education. This has been a real key part of our relationship, a desire to do more in higher education, to do more in research efforts together. That is why the National Science Foundation is involved. He is also going to attend an event in which they are going to talk about clean energy and clean technologies. So a lot of this will focus on the economic and education agenda. But obviously, he is also going to be talking with his counterpart and with President Pena Nieto about problems in the world that we can work on together, and in the region.

Mr. SIRES. Do you anticipate discussion on the security of the southern border? The border with Guatemala and Belize? I mean that is becoming a real dangerous point. And what else can we do to assist Mexico at this part of the Mexican border?

Ms. JACOBSON. I am actually going to turn it over to Ambassador Brownfield in a moment, but I certainly expect that will be part of the conversations. But one of the things that we have decided as an interagency group is also that the White House and the deputy Homeland Security advisor, Rand Beers, will be talking are continuing his conversations with the Mexicans on the citizen security issue. Ambassador Brownfield has supported those efforts, including discussions on the southern border of Mexico.

Mr. BROWNFIELD. Very briefly, Congressman. There is already a bilateral agreement. This is an important project for both governments, the United States and the Mexican Governments. It is already an area where we have agreed on several specific projects that total nearly \$11 million in terms of assistance and equipment that would support the ability of the Mexican Government to link together their drugs, customs, border, and police personnel on their border with Guatemala and Belize.

We want to do it carefully because unlike the U.S.-Mexico border, where we obviously have a right to speak and to speak publicly about our interests, the border between Mexico and Guatemala obviously is not something on which we have an automatic right to an opinion.

We realize however, first, that the southern border of Mexico is about one-tenth the length of their northern border and therefore it is a much easier challenge to manage. And second, the overwhelming majority of the bad stuff that starts in South America and eventually enters the United States crosses that southern border before it crosses the border with the United States. High priority, we are in agreement, and we are committed to work with them on it.

Mr. SIRES. It is not just Guatemala. Belize is also a transit point for drugs coming into this country.

Mr. BROWNFIELD. You are exactly right, and I was speaking in shorthand for which I should apologize. But you are absolutely correct. And in some ways it is even more dangerous, because Belize,

being a far less populous country, does not necessarily have the resources to throw at the border issues as does Guatemala.

Mr. SIRES. Thank you very much, Chairman.

Chairman ROYCE. Thank you, Mr. Sires. We now go to Matt Salmon of Arizona.

Mr. SALMON. Thank you, Mr. Chairman. I am going to direct my first question toward Secretary Jacobson. As we look for ways to improve management of our shared border in an effort to shorten those wait times at our ports of entry, I am pleased with some of the agreements we have reached with the Government of Mexico to achieve border efficiency; particularly given the loss of billions of dollars in economic opportunity that occurs each year due to wait times on the border.

One ongoing discussion has been the expansion of pre-clearance zones on either side of our borders, starting with a few pilot programs. Assistant Secretary Jacobson, can you give us a sense of how these discussions and the pilots are progressing, particularly given the sensitivity on the Mexican side on the topic of our CBP agents carrying their weapons within the pre-clearance zones?

Also, hand-in-hand with the commercial side of the border management is border security. Again, our diplomats in Mexico City have made tremendous progress in reaching agreements to improve our partnership in these efforts, in particular the mirrored patrols between U.S. Border Patrol and Mexican Federal police along the busiest smuggling corridors. However, it is my understanding that there have been only around 150 Mexican officers deployed, not nearly enough. Has there been any progress in getting the Mexican Government to commit more resources to this effort?

Ms. JACOBSON. Thank you very much, Mr. Chairman. And on the pre-clearance issue, I know that we have really been in pretty intense conversations with our Mexican counterparts, both sides really wanting to try and reach toward an agreement on that and I believe that some progress is being made there. Let me get the specifics of where we are on that and try and get back to you.

I know how important this is, not only to you and your state because that is where we would try and do our pilot, but really to the border as a whole and to the country. We want to try and figure out whether this model can work. It would be so productive, make things so much easier, and then hopefully be able to be expanded. This is something that we have been working on for awhile and we would really like to try and break the log jam. So let me get you more detail on where we are. It is something we really will continue to try and work towards.

On the issue of the border violence and the efforts to reduce border violence and to work on both sides of the border, clearly we work best at that issue when we are working on both sides, when we are communicating across the border. And the conversations that we have had with our Mexican counterparts since we restarted our dialogue with the new government, if you will, with the Pena Nieto government last fall, I think, have really improved our communications and have made it easier to cooperate across the border.

We continue to work with them to try and get more Mexican officials on the other side, especially to move to hot spots as we get

information intelligence on where danger may be, and we will continue to have those conversations.

Mr. SALMON. Thank you. Ambassador Brownfield, I want to congratulate you and your colleagues at our Embassy and consulates in Mexico for what you have achieved in strengthening the security partnership with Mexico through the Merida Initiative. Despite some setbacks and reorganization following the election of President Pena Nieto, progress is being made. However, there remains a substantial pipeline, as you know, so I would like to know from you where the sticking points are and if we can expect to see more steady progress.

And then, I would like to get a sense from you about whether the Government of Mexico has prioritized or will prioritize its security efforts in the state of Tamaulipas. The violence there, as you know, is happening right along the U.S. border near Brownsville and McAllen, Texas, and I know there have been several opportunities for us to ask questions of our counterparts in Mexico. And I think that while they want to improve the security, they kind of throw up their hands in some of these areas like this, and I just don't think we can do that.

Mr. BROWNFIELD. Thanks, Congressman. First, on the pipeline issue. And the pipeline, ladies and gentlemen, is what we in the program management business call those funds which have not been either obligated or subobligated and expended, spent down.

And you are correct, Congressman, as always. The pipeline for Mexico, at least in terms of those funds for which I am responsible, the INCLE funds, had reached nearly \$900 million. The reason for it is simply stated. One, the 2013 money and the 2014 money has not yet been obligated due to the speed with which things move through. When that is completed, about \$350 million will then be obligated.

Second, as I mentioned in my presentation, there was a period when new programs were not being launched. We have moved beyond that period. I repeat. We have reached an agreement on \$438 million worth of 78 new programs. I would expect that to bring this pipeline down by more than 50 percent in and of itself.

Finally, we do have a few holds. They constitute about \$100 million. No one on this side of the Capitol is responsible for them, but that is money that cannot be spent until the reasons for the hold have been lifted. I am optimistic. The signal that I want to send to you, Congressman, is I am optimistic that pipeline delays are not going to be a longstanding issue that you will have to raise with me.

Chairman ROYCE. Thank you, Chairman Salmon. Thank you, Ambassador. We go now to Mr. Juan Vargas of California.

Mr. VARGAS. Thank you very much, Mr. Chairman, for the meeting, and thank you to the witnesses. There are three issues that I would like to talk about. The first one is an active U.S. Marine reservist. His name is Andrew Tahmooressi. Also, the border efficiencies that we just spoke of, and lastly, the North American Development Bank.

I live in San Diego, about 14½ miles from the border, and love living there, and love living next to Mexico. It has been a great place to live. However, inadvertently every so often, a Marine or

another person will go across the border and have weapons on him. And as we have been hearing today, they are quite illegal in Mexico.

This poor gentleman, Andrew Tahmooressi, did that. He crossed the border. He had three weapons on him. He is a reservist. He served two tours of duty in Afghanistan. He served our country very honorably, and unfortunately he is now in prison in Mexico for about a month. Everyone understands that he is not a drug trafficker. He is not in any way a criminal, in fact, just the opposite. He seems like a very good person that has been diagnosed with post traumatic stress disorder and he certainly needs to come back to the United States and get treatment. And I was hoping that you could comment on that. I wanted to bring it up.

The other members of the delegation in San Diego are working on this case, and Bill Whitaker, at the U.S. Consulate General in Tijuana has been fabulous, visiting him and doing everything he could and can. But anyway I would like you to comment on that if you could.

Ms. JACOBSON. Yes, just briefly. Thank you, Mr. Vargas. As you know, and obviously you are aware, and I am grateful for your recognition of that, we have visited Mr. Tahmooressi. We will continue to do so. I think we have been about 10 times so far. We have been able to facilitate the visit by his wife. We will continue to do all that we can to—

Mr. VARGAS. I believe it is his mother.

Ms. JACOBSON. His mother. I am sorry, you are right.

Exactly right. Sorry. I have made him older than he is. I apologize. But in any case, we will continue to make sure that we have family members, facilitate their visit, anything that we can do to help him. We have also made representations, obviously to the Mexican Government, to make sure that his treatment is adequate and appropriate, to make sure that he gets his hearing as quickly as possible. I believe it is scheduled for May 28th.

Mr. VARGAS. That is right.

Ms. JACOBSON. Obviously we want to try and get this resolved as quickly as possible.

Mr. VARGAS. Thank you. And I hope you can. Again, it seems like a very unfortunate situation that happens quite often. The other issue we talked about a little bit is border efficiencies. I would bring up the issue of infrastructure. Obviously you need more infrastructure in San Ysidro. We are moving forward. I thank you very, very much. And I just remind you of Calexico. It takes me less than 20 minutes to drive to the border and oftentimes it takes me 3½ to 4 hours to cross back.

Ms. JACOBSON. Yes, San Ysidro and Otay Mesa get all the attention. But you are right, there are a lot of things going on all along the California-Mexico border. In the Calexico-Mexicali port of entry, a design has been completed for a two-phase renovation and I think that will hopefully be able to get underway pretty quickly. I do think that obviously the much bigger effort has been the three-phase renovation at San Ysidro which has expanded booths, inspection booths.

Mr. VARGAS. Thank you very much for that.

Ms. JACOBSON. Twenty four to 46. It is pretty amazing isn't it?

Mr. VARGAS. That is right.

Ms. JACOBSON. And obviously work on Otay Mesa East, but we are not forgetting Calexico at all.

Mr. VARGAS. Thank you very much. And lastly, the North American Development Bank. The NAD Bank has done quite a lot of good in San Diego and especially in Imperial County. And I just would hope that you would take a look at that again and hope that there is still a strong commitment by our Government to the NAD Bank. And again I just want to bring that up because it has been a very important bank for a lot of the issues that confront poor neighborhoods and poor areas along the border.

Ms. JACOBSON. Thank you so much, Mr. Vargas. I was actually a NAD Bank board member earlier in my career. I think it has gone from being called the Nada Bank to being a real powerhouse, and one of its most important original missions was to make sure that it served some of the poorest communities. And I think it is incredibly important that it continues to do so.

Mr. VARGAS. Okay. And just again, just to emphasize that we have had a great relationship with Mexico along the border. Our U.S. Consulate in Tijuana has been fabulous. But there are little things that happen along the border and it is understandable Mexico wants tough laws to make sure that you don't import guns and we want that too. I mean, we have talked about that here.

But this poor Marine, he inadvertently crossed, I mean, in no way, shape, or form is he a drug trafficker, a gun trafficker. He is a gentleman who served honorably. And he unfortunately didn't see the last turn. You turn here, and he crossed into Mexico, told the truth, and now we have him there. Anyway I yield back now.

Chairman ROYCE. Thank you, Mr. Vargas. We are going to go now to Mr. Randy Weber of Texas.

Mr. WEBER. Thank you.

Ambassador, you said in your questioning from Chairman Royce, you gave a whole list of different law enforcement agencies, and I must have stepped out right before that happened. What was that list in response to?

Mr. BROWNFIELD. The chairman had noted that the Attorney General of California was providing some support for prosecutorial training in California. And Mr. Weber, what I did, I took advantage of the opportunity to note that there was a large list of state and local law enforcement and judicial that had done this.

Mr. WEBER. Thank you. I appreciate that.

Ms. Jacobson, you said in your comments that our border with Mexico was more secure than ever. What matrix, what data are you using to come to that conclusion?

Ms. JACOBSON. Congressman, I think that basically the data I would use to point to that is that there are fewer people coming in through the, we had net migration from Mexico of zero. We have a period, we have more resources, more people, more high tech equipment that is being used; obviously resources provided by Congress to keep that border secure.

Mr. WEBER. Do you have a breakdown by state what those resources are?

Ms. JACOBSON. I could certainly get additional information from our colleagues at the Department of Homeland Security.

Mr. WEBER. Let us do that. Did you have input from the various state agencies responsible along those four states' borders?

Ms. JACOBSON. We certainly work with many of the agencies in the states as does DHS.

Mr. WEBER. Okay. Because I was vice chairman of the Borders Committee in Texas, and I would tell you that when I was there, and I was there before I came to Congress this term, that wasn't their assessment, that the border was safer. I can tell you that from speaking to Steve McCraw, the Director of the DPS, former FBI, he is a retired FBI official, and that was not their assessment. You are aware of the recent reports that the current administration had released some 36,000 convicted illegals?

Ms. JACOBSON. Yes, sir.

Mr. WEBER. Okay. And you still think that we have a safe border?

Ms. JACOBSON. I think that we have made huge strides in security along the border. Yes, sir.

Mr. WEBER. Okay. I would like to get the data that you used to come to that conclusion. So you have not—and that was really going to be my question, Ambassador Brownfield. The Texas DPS or the Texas agencies, they were not on that list. I did not hear you read the Texas Attorney General. Did I miss that?

Mr. BROWNFIELD. I am going to jump ahead of you here, Mr. Weber. I am pleased to report that about 2 months ago I had the pleasure and the honor to be in Austin. I did spend about 4 hours in the company of the Director of the Department of Public Safety, Mr. McCraw. We did sign an MOU as of about 2½ months ago, whereby Texas DPS will, in fact, be a partner. They will be on this list as we work our way into programs and projects that are specifically related to their areas of expertise.

Mr. WEBER. Okay. Let me break in there. Because when I was Border Committee vice chair, my only two terms in the Texas legislature, if I remember the numbers right, we put, and Joaquin was there in the legislature with us, I think we put \$200 million in equipment and boots on the ground. We have got five helicopters. We have got surveillance airplanes. We have got a high speed boat. We have got a lot of high-tech stuff along the border of Texas and obviously the Mexican border.

And my question was going to be, we have spent a lot of money to help secure the border down south with Guatemala, for example, but are we spending a commensurate amount on the northern border? Because I will tell you, that arguably the Texas legislature will tell you, that the Federal Government has not been kicking in a commensurate amount on the Texas-Mexican border. Ambassador, what say you?

Mr. BROWNFIELD. First, I get to hide, Congressman, and say that we of course are the international side, so by definition we are working south of the border. Second, I will say that I had the same conversation with Mr. McCraw that you have had and I agree that is his view. When I said to him my perspective is that the situation on the border is, in fact, getting better, he said that is not the reality we are dealing with, and he—

Mr. WEBER. Let me break in for the record, because I want this on the record. He told me that 76 sects, S-E-C-T-S, Eastern reli-

gion sects, are coming across our southern border. Now that ought to scare, what we call in southeast Texas, the bejabbers out of people. Seventy religious sects, Eastern sects from the Middle East. So I would simply say for the record, Mr. Chairman, that we need to be sure that we focus on securing our border, and I yield back. Thank you.

Chairman ROYCE. Mr. Joseph Kennedy of Massachusetts.

Mr. KENNEDY. Thank you, Mr. Chairman. Thank you for calling such an important hearing. To the witnesses, thank you for your testimony today. Thank you for your patience. And most importantly, thank you for your service. Extraordinarily important, and you have all distinguished yourselves over many years of service, so thank you very, very much for that.

I am going to, I think, strike a theme that many of my colleagues have also already talked about a bit with you, Mr. Ambassador. You talked a bit in your testimony already and in many of the questions that have been asked about the recent positive developments regarding economic and energy reforms taking place in Mexico and the recent capture of “El Chapo” as an example of how the United States and Mexico can cooperate and make both countries safer in targeting drug traffickers.

Drug trafficking is of pretty good interest to me as a former prosecutor, and I think most importantly, across Massachusetts heroin overdoses are on the rise. In my district, specifically, Bristol County has been on the front line of this painful epidemic, and by the end of last month the Taunton Police Department confirmed that there have been over 140 heroin overdoses in the city in 2014 alone.

Equally concerning is SAMHSA’s, the Substance Abuse and Mental Health Services Administration, recent report that shows 12.3 percent of Massachusetts youth between the ages of 12 and 17 reported using illicit drugs within a month before the survey was conducted. Compare that to the national average of 9.8 percent.

I spoke with local leaders, health care providers, law enforcement officials from Taunton, Fall River, across Bristol County, who stressed two things driving the surge in overdoses and addiction. First, the prevalence of prescription drug abuse that is often the root cause of opiate addiction. Four out of five heroin users started with prescription opioids before moving on to harder drugs.

And number two, the rash of, and I know you talked about this a moment ago, incredibly cheap heroin that is flooding our streets, making it more tempting for a kid addicted to oxycontin that can go for up to \$80 a pill to \$3 a bag for a bag of heroin in parts of Massachusetts.

In its March 2013 report, the INL, the Bureau of International Narcotics and Law Enforcement in the Department of State, states that “Mexico accounts for about 7 percent of the world’s leading heroin supply and most of it is smuggled into the U.S.” DEA officials I met with confirmed that large amounts of the drugs you find on the streets in cities like Taunton have Mexican origins, and a large, I believe it is a front page story in the New York Times today talks about New York City as being a hub of heroin for distribution across the northeast, much of that coming from Mexico.

Mr. Brownfield, you have talked a bit about this already, but if you can give us some detail as to what advice you would give me, what advice you would give this committee as to what we can do about this on top of your efforts that you are already undertaking, I would be grateful.

Mr. BROWNFIELD. Congressman, I am going to start with something that, I don't know how often you hear it but I will say it, I agree with absolutely everything you have just said. There is not one point of disagreement in what you have just described that I would point to.

Mr. KENNEDY. I don't get that often enough, but thank you.

Mr. BROWNFIELD. I would say the following, and I know we are not supposed to create headlines here, Roberta, Beth, but I, in fact, do believe the United States of America is confronting a nationwide heroin crisis. I have seen the same statistics you have. Over the last 4 years, the number of addicts and abusers of heroin in the United States of America has jumped between 75 and 80 percent. The amount of estimated pure heroin that is entering the United States has increased by nearly 100 percent. Heroin is now found in neighborhoods, cities, regions of the country where it never was seen before.

And we are, I would also suggest, set up to address a different sort of drug problem. We have gotten pretty good at it over the last 40 years, and that is interrupting the flow of cocaine and methamphetamines that start in South America, process in transit through Central America and Mexico or the Caribbean, and enter the United States of America.

Heroin is a different problem set. We have got to get our head around that problem set, and we will have to address it or we will pay very long term consequences. Mexico is very much a part of this issue. You have cited the statistic. The statistic I have read is roughly 26 metric tons of pure heroin produced in Mexico any given year.

That may sound like a lot, although may I remind the members of this committee we estimate 600 to 650 is produced in Afghanistan. But nevertheless, if the U.S. market is between 15 and 40 tons per year, 26 tons actually goes pretty far toward satisfying the entire market. And we are going to have to adjust our tactics, our policy, our dialogue, and our diplomacy in order to address heroin as well as cocaine and methamphetamines. That is the answer I give you today.

Mr. KENNEDY. Mr. Ambassador, I know I am over time, but if you might be able to respond in writing with some suggestions on how we should do that I would be grateful. Thank you. Thank you, Mr. Chairman.

Chairman ROYCE. Thank you, Mr. Kennedy. We now go to Adam Kinzinger of Illinois.

Mr. KINZINGER. Thank you, Mr. Chairman, and thank you all for being here. Appreciate it. A very important hearing to have, and a relationship that I think sometimes both countries take for granted. So I appreciate the attention being brought to this today.

I just want to add to the heroin issue, the talk on that. There is a youth recovery center in my district and I went to that recently. And the person who was taking me around and introducing

me to these teenagers, 14–15 years old, said, “Hey, ask these kids what they are addicted to, what their addiction is.” And I mean, when I was in high school the drug issue was marijuana, right. That was the extent of it.

So I asked the kids, “What are you guys addicted to? What is your issue?” And half of the kids in that room were heroin. I mean it shocked me. It actually caught me way off guard. I knew it was a rising epidemic. I didn’t realize 14- and 15-year-olds were getting into heroin as intensely as they are. And in areas of my district you can buy it cheaper than marijuana now. So it is a real, real issue.

I guess, let me ask Ms. Jacobson, I am going to switch subjects now off of that. Mexico was projected to grow last year at 3 percent. It actually had a 1.1 percent growth. Economists are predicting that there is going to be much better growth this year. Given the fact that our economies are so interconnected and given some of the reforms going on in Mexico, how do you think those reforms are going to impact economic growth in Mexico and therefore our growth? And if you could keep it fairly short, because I have a couple other issues I want to hit too.

Ms. JACOBSON. I will try and be really quick because I don’t have the crystal ball. I wish I did.

Mr. KINZINGER. You don’t? Oh, too bad.

Ms. JACOBSON. I wish I did have the answer to that question. But I do think that the reforms open up possibilities for greater economic growth. I think the real question to some extent is how quickly, right? The implementing legislation gets put into place, now the expectations are very high.

But it is not clear to me that the results of that, in terms of improved economic performance and growth, are going to be immediate. So I don’t know how quickly—

Mr. KINZINGER. So maybe the hope is today we get kind of a boost from just people feeling better about it.

Ms. JACOBSON. Certainly you get some increased expectations and positive feelings. I think you probably get some increased investment, and I think then you begin to get real changes.

Mr. KINZINGER. Thank you.

Ambassador Brownfield, I am an international guard pilot. One of the missions I actually have flown is on the border of Mexico as part of border operations, I guess we will call it. I worked with Customs and Border Patrol. I have seen firsthand the threat that a porous border creates. And I am not talking about people coming over. I am talking about illicit drug trade and everything along that level.

And I think, frankly, that issue creates damage and mistrust between the two countries to an extent, and I think a secure border could mean different things to different people, as we talk about everybody says they want a secure border.

So I want to ask you a question specifically. Talk about, yes, do you have the 21st century border and the four pillars I know that you have talked about in this initiative? Could you describe what you envision? What does a secure border under this look like and especially when it comes to illicit drug trade?

Mr. BROWNFIELD. Sure. And I would remind you as I start, Congressman, that of course what we are doing for the Merida Initia-

tive is on the southern side of the border. That is our focus. State, local, and Federal law enforcement obviously manages the northern side, the U.S. side of the border.

First and foremost, our focus is on equipment. A modern 21st century border is a border that, in fact, has the sort of inspection equipment that allows your authorities to verify what is coming through or to the border in a way that does not create 50-mile backlogs and 2-week delays in order to cross the border.

And I mentioned over the last 4 years we have provided \$112 million worth of nonintrusive inspection equipment, and we believe that has been responsible for \$3.8 billion worth of seizures. A pretty good—

Mr. KINZINGER. Just real quickly. Some of that stuff that is being repatriated from Iraq and Afghanistan, for instance, that we are bringing back, I mean ISR type platforms, stuff like that?

Mr. BROWNFIELD. Not yet. However, you have put your finger, Congressman, on an issue that has increasingly become a matter of internal discussion within the executive branch. And that is simply put, resources or assets that are, in fact, going to be drawn down and removed from one region that could be put to this mission, not just incidentally along the U.S.-Mexico border but in other parts of this hemisphere as well? And we are actively assessing it as you can imagine. My coming-in position is, I would like to apply as much of that as possible to this mission.

Mr. KINZINGER. Yes, and as an ISR pilot, like I said, and operating overseas in the war but also operating domestically in those kinds of areas, I think it is very important and it helps our situational awareness.

My time is out. I just want to make a quick statement too in terms of the importance of our natural gas resources here. I know Mexico really needs the natural gas that we have, and so I would like to put a plug in to say that we are in a good position to really help our neighbors in terms of that. So with that, thank you all for your generous time in being here. Mr. Chairman, I will yield back.

Chairman ROYCE. Thank you, Mr. Kinzinger. We now go to Joaquin Castro from Texas.

Mr. CASTRO. Thank you, Chairman, and thank each of you for your testimony. My grandmother is from Coahuila, Mexico, from a small town, San Pedro. My wife's family is from Reynosa in Tamaulipas. And San Antonio, as you know, over the years has been very instrumental in the U.S.-Mexico relationship. It is a place where NAFTA was signed. It is home to the NAD Bank. And so there is a lot of trade that goes on between the state of Texas and Mexico. Texas has the longest border with Mexico at 1,200 miles.

And so in reviewing some of these documents that you guys provided, I was struck by the incredible drop in aid from \$265 million to \$140 million from year to year. And I know that you provided some explanation for that, but how would you answer the charge that the U.S. is backing away on its commitment to Mexico, and also how does that number compare with any aid of other countries in Latin America? Has there been a drop in aid to Latin America?

Ms. JACOBSON. Congressman, a couple of things on that. First of all, on the Mexican relationship, having been present at the birth,

if you will, of the Merida Initiative when I was first the Director of Mexican Affairs and then the Deputy Assistant Secretary, it did start very large. And we did know that it was going to ease off because of the equipment that was, as we said, very explicitly front loaded, because equipment takes a long time, helicopters in particular. You have to order it and decide which kind.

But we also were in conversations with the Mexican Government—at the time their feeling was very clear—they did not believe they were going to need assistance from the U.S. Government for a very long time. That they were an OECD country, that they had very good resources, and that they needed our expertise more than they needed huge amounts of resources for equipment.

The government of President Pena Nieto believes they still need our expertise and our training, but that the reduced amounts will be sufficient for what they require of us. So we do believe that these reduced amounts, we hope they will not trail off precipitously from here but that they will—

Mr. CASTRO. Oh, that is a huge drop—

Ms. JACOBSON. It is a very large drop. But we have also gotten past the biggest equipment purchases, as Ambassador Brownfield mentioned.

Mr. CASTRO. Sure. And in Latin America generally.

Ms. JACOBSON. But in Latin America, let me say honestly I certainly would not deny that there has been a very large drop.

Mr. CASTRO. Well, and the reason I asked that is because I know there is a competition for dollars around here. And there has been over the years a dropping commitment, I believe, to foreign aid and to the United States' involvement and engagement of the world, which I don't think is good for our country. And so I guess what I am trying to get at is are we robbing Peter to pay Paul?

Ms. JACOBSON. There is a huge amount of pressure on the budget. That certainly can't be denied. There is a lot of—

Mr. CASTRO. And I wouldn't necessarily blame the administration for having to do that. I just want us to be clear about what is going on.

Ms. JACOBSON. During this period, when there has been so much pressure on the budget, we have also seen the period in time where growth rates in Latin America, especially in some countries in the region, have been very, very strong. In some of those places we have felt it was perfectly appropriate to reduce aid because it just wasn't as necessary as in the past, or because we didn't feel that we needed the same amounts in the same areas as before.

It is not to say that there are not still needs, but is it an area in which the U.S. can do something that the NGO community or international organizations cannot fill? We feel that we are doing what we should be doing in the region, but it has been a large reduction.

Mr. CASTRO. But I think, unfortunately, that has been the relationship with Latin America over the years, where Latin America is put on the back burner and is one of the first regions to get cut. And I don't think that is in the best interest of the United States.

But I have a second question. The Congress right now is debating the Trans-Pacific Partnership, and in debating the TPA and the Trans-Pacific Partnership we are looking back to NAFTA. And for

many Democrats in particular, they wonder what the environmental and labor standards, what has happened to those in Mexico, the United States also, but in the countries at stake. So what has NAFTA done in terms of labor and the environment in Mexico since its passage 20 years ago?

Ms. JACOBSON. Well, I think one of the important things about TPP, Congressman, is that it brings some of the countries that were involved in our early free trade agreements, where things like labor and environment were, as you will recall, side letters, not integral parts of the free trade agreements. More recent free trade agreements have had labor and environment as part of the free trade agreements. And what TPP would do is look at the higher standard for labor and environment, which I think is critically important.

Mr. CASTRO. True. And I know I am out of time. I will follow up with you all.

Ms. ROS-LEHTINEN [presiding]. Thank you so much, Mr. Castro. Thank you to our witnesses for being here. The chair recognizes herself.

While I recognize the importance of the improvements that we have made jointly in the judicial sector, I believe it is only prudent for the U.S. to continue to seek and push extradition of high value criminals who could provide us insight into the drug trade in our region.

Three months ago, with our assistance the Mexican Government apprehended, as we all know, Chapo Guzman, one of the world's most notorious drug traffickers. Many of our members including Mr. McCaul have brought up the issue of extraditing him. We have got to continue to put pressure on Mexico so we don't have more of these cases. And thank you to everyone who has brought it up. Please keep that as one of our priorities.

And I am also concerned about the human rights situation in Cuba, not just in Mexico, not just for Mexican nationals, but for U.S. citizens. In 2012, I led the effort for another Marine veteran, Jon Hammar, who also, like this sad case, ended up in a Mexican jail for far too long. The family was at first quiet, but then became vocal because they were not getting much success.

And today, as Congressman Vargas had pointed out, there is a new case in Mexico of Andrew Tahmooressi, a Marine veteran from south Florida. I was pleased to join Mr. Vargas and Mr. Duncan Hunter in a letter to the Embassy in Mexico, asking that this hero be helped out in his sad situation. I would like to put that in for the record.

And also I joined a letter with Debbie Wasserman Schultz and the mom of Andrew, who lives in her district. So Mario Diaz-Balart and Ted Deutch, our congressional colleagues, and I joined Debbie on this letter, regarding the 25-year-old Marine Corps veteran from Weston, Florida. And we are very worried about this case, and it takes a lot of pressure and a lot of U.S. help to get these cases resolved. And I hope that in the same way you helped with Jon Hammar that you help out with Andrew's case, and I will put those in the record. And so I would like for you to comment on that. And secondly, Secretary Jacobson thank you for rectifying for the record a statement that had been made in the Senate committee about a

different case, this one on the Venezuela sanctions bill. I did not want to let the opportunity that you are before me, always to speak about other areas of interest of mine including my native homeland of Cuba and in this case Venezuela that you had inartfully said that the Venezuelan opposition was against the sanctions bill.

Thank you for clarifying that that is not the case. Whether they are or aren't, I think it is the right thing for the United States to sanction human rights violators that have killed so many in Venezuela. Leopoldo Lopez's third month in jail, opposition leader Maria Corina Machado stripped of her legislative seat. We hope that we can move that bill quickly in the House. I know Senator Menendez and Senator Rubio are working on that as well. So I did not want to take too much time on that because I know it is about Mexico.

But today is Cuban Independence Day. We wish that Cuba were truly independent. I would like for that to be truly the case. And so if you could comment, Secretary Jacobson, on Andrew's case, on Venezuela, and Cuban Independence Day.

Ms. JACOBSON. Thank you, Madam Chair. And on Andrew Tahmoore's case, as I mentioned earlier we will continue to do everything that we can for him. Certainly everything that we can do to get him home to his family, to get him out of detention.

I guess all I can say in this case is I hope that we will continue to work together on this one as actively, each of us in our own way, because when these things happen all we want is to get these folks home as quickly as we can. So thank you for your efforts on it and we will continue to do what we can along with our consulate in Tijuana and our Embassy in Mexico City. These are important cases. I appreciate Congressman Vargas bringing it up and we will continue to do everything we can on that.

And just to say thank you for mentioning the clarification on Venezuela. I too was noticing this week the comments that dialogue cannot be—what was the comment? Dialogue should not just be a tertulia. It is not just dialogue for dialogue's sake. It has to be dialogue with an endpoint of action, and those are the actions that we both want to see. So I certainly agree with you on that. Not just dialogue for dialogues sake otherwise—

Ms. ROS-LEHTINEN. Because it is just running out the clock and not—

Ms. JACOBSON. Exactly.

Ms. ROS-LEHTINEN [continuing]. Really wanting any resolution.

Ms. JACOBSON. Otherwise other means have to be taken—

Ms. ROS-LEHTINEN. We have got to hold them accountable.

Ms. JACOBSON [continuing]. To demonstrate our disapproval. And on Cuban Independence Day, let me say we also agree that we look forward to a day when the Cuban people can make their own decisions about their own future.

Ms. ROS-LEHTINEN. Amen. Thank you so much. Thank you to all of you. Mr. Connolly is recognized.

Mr. CONNOLLY. Thank you, Madam Chairman.

Let me ask Assistant Secretary Jacobson, and I understand in advance, diplomatically, what your answer is likely to be, but there have been people who have looked at northern Mexico and have

felt, frankly, it falls within the rubric of a failed state. How would you react to that?

Ms. JACOBSON. Congressman, that question came up fairly often early in the discussion of the situation in Mexico 5, 6 years ago and it was a serious question, but I think there really is a serious negative answer to that question. That is to say, I do not think we have a failed state in any part of Mexico.

There are government structures still in place everywhere in Mexico which I believe are exercising their functions. They may be stronger or weaker depending on where the drug trade is being plied, they may be under siege in some places and need the support of the Federal Government, as has been the case once again now in Tamaulipas which is where the Federal Government is sending in both security forces and prosecutors, as was the case obviously in Michoacan, as has been the case in many places where these transnational criminal organizations come in. But I don't think we can say that all state administration and power has been lost in places in Mexico.

Mr. CONNOLLY. That is a fair point. But I think, would you agree though, that obviously one of the challenges of the relatively new government is they are going to have to reestablish authority in some places where the previous government clearly lost it?

Ms. JACOBSON. Well, I think one of the challenges is how do you strengthen government institutions against transnational criminal organizations which need them weak, either weak or nonexistent in order to carry out their business, right, and use violence as a tool to do that?

Mr. CONNOLLY. Yes.

Ms. JACOBSON. So absolutely.

Mr. CONNOLLY. Speaking of violence, when I was last in Mexico we met with the previous Attorney General of Mexico. And when we asked him what is the single most important thing the United States could do to help you with this outbreak of violence and challenge reassertion of state control in the northern part of the country, the single thing without hesitation, he didn't think, the single thing he cited was that the United States should reauthorize the assault weapons ban. Do you understand why he would answer that way?

Ms. JACOBSON. I believe I do understand why he would answer that way.

Mr. CONNOLLY. Could you elaborate for the record? Why is that important?

Ms. JACOBSON. Well, certainly I, and I think both of my colleagues here can testify to the fact that we have certainly heard from our Mexican counterparts numerous times their concern and frustration with the amount of weapons in Mexico.

Mr. CONNOLLY. All which are coming through the north. Is that correct? Or a lot of them.

Ms. JACOBSON. I don't actually know what the composition is, but it is certainly their perception, and it seems to be the reality, that a great number of them do come from the United States. And it is obviously very, very difficult to own weapons in Mexico. So they have done, they believe, what they can within the country and are frustrated with the, actually what they are frustrated with, I think,

is the advanced weaponry that they face from these cartels wherever they may get it.

Mr. CONNOLLY. Yes. I just think that is really important, and it is not part of our discussion up here for political reasons, but our neighbor to the south says that is a critical component of our assistance.

Ms. JACOBSON. Yes, sir.

Mr. CONNOLLY. Let me ask both you and Ambassador Brownfield my last question. Could you just elaborate a little bit? There were concerns that President Pena Nieto did not have the same commitment against the drug cartels that his predecessor did and that cooperation with the United States would be diminished in a Nieto government.

Could you each comment on your sense of how things have changed or stayed the same or gotten better or worse with the transition of governance in Mexico?

Mr. BROWNFIELD. I will start, Congressman, first, by saying as I think I said in my opening statement that we, in fact, are both satisfied, pleased with the commitment and the cooperation of the Pena Nieto administration to this joint shared security effort. There was a period, call it the break-in period for a new administration, where the communication was paused, where we did a mutual review where we determined what would be the system, the structure and the means by which we would make decisions and what we would decide on.

It is our judgment that this now not-so-new government has kept the basic four pillars of our cooperation, but has adjusted the priorities to some extent. More focus on crime prevention, particularly in the larger cities, and perhaps less focus on targeting the specific criminal organizations. That said, it was this government that produced the successful Chapo Guzman takedown operation 3 months ago, which I noted in my opening statement was perhaps the most important law enforcement operation since Pablo Escobar was perforated by the Colombians some 20 years ago in Medellin.

They have focused as well on more community development and support. This is well within the range of the pillars that we had agreed to. In other words, I would say we have adjusted our cooperation but I would not, in fact, I would be the last one to say that this government has walked away from or decided not to support the efforts.

Ms. ROS-LEHTINEN. Thank you so much.

Mr. Sherman, to wrap up?

Mr. SHERMAN. Thank you. You are almost done.

Ms. JACOBSON. As long as you want, Mr. Sherman.

Mr. SHERMAN. I would like to focus on the economics. We have got a \$60 billion trade deficit with Mexico. Part of that is because we import petroleum from Mexico, but frankly we should be able to pay for our petroleum with the goods that we export. In this committee, often there is discussion of U.S. restrictions on the export of natural gas.

Ms. Jacobson, it is my understanding that because of NAFTA there is not a restriction of our export of natural gas to Mexico. Are there legal barriers imposed by the Federal Government to exporting natural gas to Mexico?

Ms. JACOBSON. I am going to have to get back to you, Mr. Sherman. Sorry.

Mr. SHERMAN. Okay, thank you. Ms. Jacobson, what can we do to increase American exports to Mexico, excluding the natural gas issue?

Ms. JACOBSON. Right. I think one of the things that we feel is critically important, and that the President is focusing on, is focusing on small- and medium-sized businesses in the United States which could export and don't right now. That is part of what the President's National Export Initiative was about. There are opportunities that we think they could take advantage of and that is what we are trying to do. There are small business development centers that have opened in Mexico to try and—

Mr. SHERMAN. Does Mexico have non-tariff barriers to our exports?

Ms. JACOBSON. I don't know that I can answer that in any sweeping sense. I imagine there are—

Mr. SHERMAN. Is there any—

Ms. JACOBSON. There are trade cases that are underway in some areas right now certainly.

Mr. SHERMAN. What practices of the Mexican Government have we questioned or called to task or asked to be changed to allow our exports in?

Ms. JACOBSON. I am going to have to get you a better rundown of this, I don't want to sort of seat-of-the-pants the answer to that question.

Mr. SHERMAN. I understand your situation. We are in agreement about the State Department. When you deal with the foreign ministries of other countries, the persons holding your position would be first, second, and third, economics and pushing exports, and everything else we have talked about would be fourth, fifth and sixth. And the State Department is, of all the foreign ministries in the world, the least focused on exports. I am sure you do something, but if you compare your efforts to the foreign ministries of other countries, it is not the culture over there.

Ms. JACOBSON. I would hate to have my weakness on this performance today speak for my colleagues.

Mr. SHERMAN. I have been here for 18 years. I had that opinion before I walked in the room. You have done nothing—

Ms. JACOBSON. I have done nothing to dispel it unfortunately—

Mr. SHERMAN. Nothing to dispel it but—

Ms. JACOBSON [continuing]. But we will get back.

Mr. SHERMAN [continuing]. What hearing couldn't increase it or decrease it? It is built on 18 years of sitting in this room. And even if you are up on all of that it wouldn't change. It wouldn't erase 18 years. And it is hard. It is hard to go back to our districts and talk about the need to be involved in foreign affairs when we are involved in foreign affairs far more than any other country and we have the biggest trade deficit of any other country, of any country by far.

Let us see, in any case can you comment on the economic reforms of the new President? He has been able to enact most of them, and how do you think these reforms will affect U.S. investment in Mexico?

Ms. JACOBSON. Well, I do think that in two particular areas, we talked a little bit earlier about the energy reform. I think the energy reform is critical. It is obviously critical for Mexicans, but I think it is very important for U.S. investor possibilities. This is for Mexicans to decide. This is an issue of great sensitivity in Mexico.

Mr. SHERMAN. Well, it dramatically affects the entire world in that if we can increase production in North America—

Ms. JACOBSON. Crucial.

Mr. SHERMAN [continuing]. We can, I mean we just fought a war in Iraq that I have been told wasn't about oil, but oil supplies are a critical national security interest.

Ms. JACOBSON. Well, and clearly North American energy production of all types is increasing and that is very, very good for us and our energy security. But I also think the telecommunications reform is crucial, and the telecommunications market in Mexico is one of great interest, I think, to U.S. investors and opportunities for the United States and our businesses.

Ms. ROS-LEHTINEN. Thank you so much, Mr. Sherman.

Mr. SHERMAN. So in our second round I will talk to Ambassador Brownfield, and in our third round I will talk to Ms. Hogan.

Ms. ROS-LEHTINEN. Well, thank you to the panelists. I hope that Secretary Kerry brings up Andrew's case during his upcoming trip to Mexico. And as we wrap up we want to say happy birthday to Ambassador Brownfield. Feliz cumpleaños, since it is Mexico.

Mr. BROWNFIELD. I am 39 years old now, Madam Chairman.

Ms. ROS-LEHTINEN. And holding. This committee is adjourned.

[Whereupon, at 12:15 p.m., the committee was adjourned.]

APPENDIX

MATERIAL SUBMITTED FOR THE RECORD

FULL COMMITTEE HEARING NOTICE
COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515-6128

Edward R. Royce (R-CA), Chairman

May 20, 2014

TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

You are respectfully requested to attend an OPEN hearing of the Committee on Foreign Affairs, to be held in Room 2172 of the Rayburn House Office Building (and available live on the Committee website at <http://www.ForeignAffairs.house.gov>):

DATE: Tuesday, May 20, 2014

TIME: 10:00 a.m.

SUBJECT: The Future of U.S.-Mexico Relations

WITNESSES: The Honorable Roberta S. Jacobson
Assistant Secretary
Bureau of Western Hemisphere Affairs
U.S. Department of State

The Honorable William R. Brownfield
Assistant Secretary
Bureau of International Narcotics and Law Enforcement Affairs
U.S. Department of State

Ms. Elizabeth Hogan
Acting Assistant Administrator
Bureau for Latin America and the Caribbean
U.S. Agency for International Development

By Direction of the Chairman

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.



COMMITTEE ON FOREIGN AFFAIRS
MINUTES OF FULL COMMITTEE HEARING

Day Tuesday Date 05/20/14 Room 2172

Starting Time 10:11 a.m. Ending Time 12:15 p.m.

Recesses 0 (___ to ___) (___ to ___) (___ to ___) (___ to ___) (___ to ___) (___ to ___)

Presiding Member(s)

*Edward R. Royce, Chairman
Rep. Salmon, Rep. Ros-Lehtinen*

Check all of the following that apply:

Open Session

Executive (closed) Session

Televised

Electronically Recorded (taped)

Stenographic Record

TITLE OF HEARING:

The Future of U.S.-Mexico Relations

COMMITTEE MEMBERS PRESENT:

See Attendance Sheet.

NON-COMMITTEE MEMBERS PRESENT:

None.

HEARING WITNESSES: Same as meeting notice attached? Yes No

(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: *(List any statements submitted for the record.)*

Connolly

TIME SCHEDULED TO RECONVENE _____

or

TIME ADJOURNED 12:15 p.m.



Edward Burrier, Deputy Staff Director

HOUSE COMMITTEE ON FOREIGN AFFAIRS
FULL COMMITTEE HEARING

<i>PRESENT</i>	<i>MEMBER</i>
X	Edward R. Royce, CA
X	Christopher H. Smith, NJ
X	Ileana Ros-Lehtinen, FL
X	Dana Rohrabacher, CA
X	Steve Chabot, OH
	Joe Wilson, SC
X	Michael T. McCaul, TX
X	Ted Poe, TX
X	Matt Salmon, AZ
	Tom Marino, PA
X	Jeff Duncan, SC
X	Adam Kinzinger, IL
X	Mo Brooks, AL
X	Tom Cotton, AR
	Paul Cook, CA
X	George Holding, NC
X	Randy K. Weber, Sr., TX
	Scott Perry, PA
X	Steve Stockman, TX
X	Ron DeSantis, FL
	Doug Collins, GA
	Mark Meadows, NC
X	Ted S. Yoho, FL
	Luke Messier, IN

<i>PRESENT</i>	<i>MEMBER</i>
X	Eliot L. Engel, NY
	Eni F.H. Faleomavaega, AS
X	Brad Sherman, CA
X	Gregory W. Meeks, NY
X	Albio Sires, NJ
X	Gerald E. Connolly, VA
	Theodore E. Deutch, FL
	Brian Higgins, NY
	Karen Bass, CA
	William Keating, MA
X	David Cicilline, RI
	Alan Grayson, FL
X	Juan Vargas, CA
	Bradley S. Schneider, IL
X	Joseph P. Kennedy III, MA
	Ami Bera, CA
X	Alan S. Lowenthal, CA
	Grace Meng, NY
	Lois Frankel, FL
	Tulsi Gabbard, HI
X	Joaquin Castro, TX

Congress of the United States
Washington, DC 20515

May 7, 2014

The Honorable Jesús Murillo Karam
Procuraduria General De La Republica
C/O Embassy of Mexico
1911 Pennsylvania Avenue, NW
Washington, DC 20006

Dear General Karam:

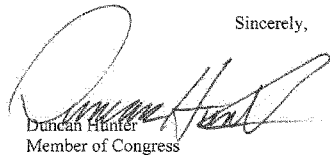
We are writing with great concern regarding the case of Andrew Tahmooressi, a U.S. citizen and Marine Corps veteran, who has been incarcerated in the La Mesa Penitentiary in Tijuana, Mexico.

We've been informed that Andrew mistakenly crossed the U.S.-Mexico border with firearms that were legally possessed in the United States, and was subsequently arrested by Mexican authorities for weapons trafficking. We believe Andrew never intended to enter into Mexico, and reached a border checkpoint only after missing an exit and mistakenly entering the El Chaparral inspection area.

We fully respect Mexico's right to enforce its laws, but we believe Andrew is not a criminal or a weapons trafficker. He is a Marine Corps veteran who served his country honorably, and simply got lost in an area that he was unfamiliar with. We ask you to ensure that his case is dealt with expeditiously and fairly and after you further review the facts, we are confident that you will come to the same conclusion we have—that Andrew's case should be dismissed.

We appreciate your consideration and thank you for your careful attention to this matter.

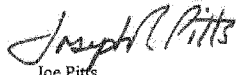
Sincerely,


Duncan Hunter
Member of Congress


Juan Vargas
Member of Congress

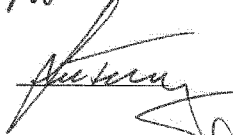

Mario Diaz-Balart
Member of Congress

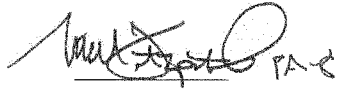

Scott Perry
Member of Congress


Joe Pitts
Member of Congress




Scott Matheson K-2




Mark Amodeo PA-2

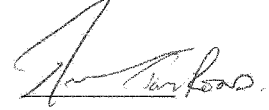

Dan Claitor PA-08


Mike Amodeo


Jim Moran K8-3


Austin Scott


Andy Barr


Tom Latham


John Klein MA-2


Steve Scalise LA-1


Tim Ryan


Cliff Saxton


Debbie Wasserman Schultz

Shane R. Lettina



Congress of the United States
Washington, DC 20515

May 14, 2014

The Honorable John F. Kerry
United States Department of State
2201 C Street NW
Washington, DC 20520

Dear Secretary Kerry:

We write you today to ask your assistance regarding Andrew Tahmooressi, the 25 year old Marine Corps veteran from Weston, Florida, currently held in a Mexican prison.

We encourage you to use the full extent of the State Department's resources to ensure that Mr. Tahmooressi is safely returned to the United States as quickly as possible.

Mr. Tahmooressi has nobly served his nation and now needs our assistance. He served two combat tours in Afghanistan including winning a combat field promotion to sergeant in Helmand Province. He was honorably discharged in 2012, but remains on reserve duty until 2016. According to Mr. Tahmooressi's family, he suffers from severe PTSD and had traveled to California to seek treatment from a VA facility there.

Mr. Tahmooressi was arrested on April 1st of this year in Tijuana, Mexico after crossing the border with several firearms in his automobile as well as ammunition for these weapons. He was then charged with possessing firearms and ammunition in violation of Mexican law. Andrew, according to his signed statement, was traveling to visit a friend near the Mexican border on the night of April 1 when he made a wrong turn and accidentally crossed the border into Mexico. It is also our understanding that the weapons in his possession at that time were purchased legally in the United States.


After being held for two days in temporary holding, Mr. Tahmooressi was transferred to La Mesa Penitentiary. Since his incarceration, it is our understanding that Mr. Tahmooressi has experienced severe stress while awaiting trial.

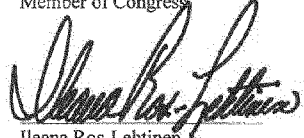
We appreciate the ongoing efforts of the State Department both directly with Mr. Tahmooressi in Mexico, and with his family in Florida. We understand that consular officers have visited him at least nine times since he has been imprisoned. We hope that you continue in these efforts until the resolution of this situation.

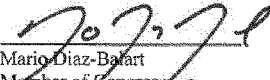
We fully understand and respect that Mexican officials are proceeding under Mexican law and we look forward to a speedy resolution of Mr. Tahmooressi's case. We also fully expect the State Department to remain vigilant and help ensure Mr. Tahmooressi is able to return to the United States as quickly as possible. As we noted above, he has served his country honorably,


and it is our duty to serve him now and provide him all appropriate assistance. Please keep our offices informed of any updates and let us know if there is anything we can do to be of assistance.

Sincerely,


Debbie Wasserman Schultz
Member of Congress


Ileana Ros-Lehtinen
Members of Congress


Mario Diaz-Balart
Member of Congress


Ted Deutch
Member of Congress

Statement for the Record

Submitted by the Honorable Gerald Connolly

The successful relationship between the United States and Mexico can be traced back through our long-standing cultural and economic collaboration that has laid the foundation for more recent partnerships on security, judicial reforms, and education. Multiple efforts are underway to further expand this important bilateral relationship. President Obama underscored his commitment to maintaining a strong, thriving relationship during a recent visit to Mexico, the fifth of his tenure, and Secretary of State Kerry is in Mexico City this week for another round of talks.

Mexico is our third largest trading partner with more than \$507 billion in goods being exchanged. Exports to Mexico were up 4.7% last year and grew 132% over the last decade. It is now the second largest export market for U.S. goods. For example, Mexico is a large purchaser of paper, printing machinery, and pharmaceutical products from my home state of Virginia. Mexico also is the second largest supplier of U.S. agricultural imports, including vegetables, fruit, alcohol, and chocolate. Imports overall were up slightly last year and grew 103% compared to a decade ago.

For anyone with doubts about the benefits of our trade partnership with Mexico, consider that U.S. imports from Mexico contain 40% U.S. content – compared to 4% with Chinese imports, and U.S. content can be found in nearly half of all Mexican exports. That represents American jobs, and demonstrates the extent to which our economies are intrinsically linked.

The Administration also recently launched two more initiatives to further link our economies. One is the Small Business Network of the Americas, which aims to connect small businesses and development centers here in the U.S. with thousands of centers in Latin America to foster new business connections to help identify trade opportunities and make the process easier. I am pleased that George Mason University in Virginia's 11th Congressional District recently signed the first such an agreement with the Autonomous University of Nuevo León (UANL) in Monterrey, Mexico, and I hope it will serve as a model for others across the country. The other initiative, 100,000 Strong in the Americas, also taps the resources of our local universities by encouraging thousands of college students across Mexico and Latin America to study in the United States and vice versa. These are the kinds of partnerships that will help our economies prosper.

Sustaining our current economic achievements, and ensuring these new ventures are successful, will require continued progress on the economic, security, and political reforms set in motion by Mexican President Enrique Peña Nieto and his predecessor. The U.S. continues to work through the Merida Initiative to support the four primary goals of 1) disrupting organized criminal groups, 2) institutionalizing the rule of law, 3) building a 21st century border, and 4) building strong and resilient communities. Congress has appropriated \$2.1 billion to support the Initiative since it was launched in 2007, and a little more than half of that assistance has been delivered. Without question, this Committee will want to know how the State Department is measuring progress on police and judicial reforms as part of these efforts to advance the cause of human rights and the rule of law. Of course, we recognize there is work to be done on both sides of the border with respect to security issues. As the President and Members of this Committee have noted, the U.S. must continue to be vigilant in addressing domestic demand for illegal drugs and the trafficking of guns from the U.S. into Mexico.

I hope today's panel will offer the Committee an update on these activities and others that make up the complex, yet successful relationship we have forged with Mexico. As our immediate neighbor, our nations have been historically linked and will continue to be for generations to come, so it is to our mutual benefit that we maintain a robust, equitable partnership.