OVERVIEW OF U.S. INTERESTS IN THE WESTERN HEMISPHERE: OPPORTUNITIES AND CHALLENGES

HEARING

BEFORE THE

SUBCOMMITTEE ON THE WESTERN HEMISPHERE

OF THE

COMMITTEE ON FOREIGN AFFAIRS HOUSE OF REPRESENTATIVES

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OVERVIEW OF U.S. INTERESTS IN THE WESTERN HEMISPHERE: OPPORTUNITIES AND CHALLENGES

THURSDAY, FEBRUARY 28, 2013

House of Representatives, Subcommittee on the Western Hemisphere, Committee on Foreign Affairs, Washington, DC.

The subcommittee met, pursuant to notice, at 9:30 a.m., in room 2172, Rayburn House Office Building, Hon. Matt Salmon (chairman of the subcommittee) presiding.

Mr. Salmon. A quorum being present, the subcommittee will

come to order.

I will start by recognizing myself and the ranking member to present our opening statements, then I will recognize the members of the subcommittee to allow them to present their opening remarks, if they have any, in order of seniority, and please keep your remark to 1 minute. Now I would like to yield myself as much time as I may consume to present my opening statement.

Good morning, and welcome to our first hearing of the Subcommittee on the Western Hemisphere, where we will be exploring the opportunities and challenges the U.S. faces in the region.

When I returned to Congress this year, I was privileged to rejoin the Foreign Affairs Committee and honored to have been given the gavel of the Subcommittee on the Western Hemisphere. As a native Arizonan, I know what many of my colleagues have yet to realize: Our neighbors in the Western Hemisphere are critical to U.S. security, energy independence, and economic prosperity. I believe that our strong cultural, trade, and investment relationships and demographic ties with Canada and the Americas connect the region and open the way to a constructive dialogue on how we can make our hemisphere safer and more prosperous.

First of all, let me welcome the subcommittee's distinguished new ranking member, Congressman Albio Sires, who represents the Eighth Congressional District of New Jersey. I look forward to working with you on a bipartisan basis to help foster positive re-

sults for U.S. Foreign policy in the region.

In addition to our senior members of the committee, it is my pleasure to give a warm welcome to our freshman majority members. We have got Trey Radel here today from Florida. We also have a new freshman member, I believe will be joining us later, Ron DeSantis, both of whom hail from the great State of Florida.

And although not new to Congress, I would like to welcome two new additions to the subcommittee on the minority side of the aisle. Theodore Deutch, and Alan Grayson are also both from the

great State of Florida.

It is my firm belief that we have an opportunity to positively engage our friends and neighbors in the hemisphere not only on the security issues as we work together to combat transnational criminal and terrorist organizations, but in strengthening bilateral and multilateral relationships that promote democratic values and freemarket principles.

I am looking forward to the opportunity to take a closer look at the process being made under the Merida Initiative to determine

if there are ways to make the program more effective.

Insecurity in Mexico and throughout Central America continues to threaten our own security, and I believe it is in the U.S. national

interest to promote a safer and more secure region.

I also plan to make sure this subcommittee does everything in our power to foster and build upon our strong relationship with Canada, with whom we already maintain the world's largest bilat-

eral trade relationship.

Our subcommittee will also focus attention on the incredible opportunity we have to achieve energy security and economic growth in North America by encouraging the administration to give its final approval to the Keystone XL pipeline. In addition, I will seek to promote energy independence and economic growth by seeking to promote and strengthen U.S. trade relations with Mexico and by supporting the U.S.-Mexico transboundary agreement that was signed in February of last year.

I hope to see that the United States will reinsert its role in promoting hemispheric free trade policies, strengthening trade and investment relations in Brazil and throughout the entire region.

Lastly, we must not forget the key economic role of travel and tourism in the region, especially in the Caribbean, and the importance of limiting the negative effects that transnational crime can have on regional economies.

We do face some challenges. The subcommittee will continue to press for sound U.S. policy on Cuba, one that is committed to a real and meaningful democratic transition on an island that has been plagued by a repressive government at odds with regionally held

values of economic and individual liberties.

In Venezuela, we will continue to monitor Venezuelan ties with Iran and Hezbollah, and will encourage the Obama administration to continue focusing the Intelligence Community's efforts on monitoring the threat of Iranian influence in our region. Mindful of the post-Chavez transition, the United States should be engaged in strengthening democratic institutions in Venezuela, and supporting free and fair elections.

I want to thank our witnesses for agreeing to appear before the subcommittee today. The Honorable Roberta Jackson, Assistant Secretary of State for the Bureau of Western Hemisphere Affairs; and The Honorable Mark Feierstein, Assistant Administrator for the Bureau of Latin America and the Caribbean for the U.S. Agency for International Development. We look forward to hearing your testimony and insights from the region.

[The prepared statement of Mr. Salmon follows:]

Opening Statement of the Honorable Matt Salmon (R-AZ)
House Committee on Foreign Affairs
Subcommittee on the Western Hemisphere
Hearing on "Overview of US Interests in the Western Hemisphere: Opportunities and
Challenges"

February 28, 2013

(As Prepared for Delivery)

Good morning, and welcome to our first hearing of the Subcommittee on the Western Hemisphere, where we will be exploring the opportunities and challenges the U.S. faces in the region. When I returned to Congress this year, I was privileged to rejoin the Foreign Affairs Committee and honored to have been given the gavel of the Subcommittee on Western Hemisphere. As a native Arizonan, I know what many of my colleagues have yet to realize, our neighbors in the Western Hemisphere are critical to U.S. security, energy independence and economic prosperity. I believe that our strong cultural, trade and investment relationships and demographic ties with Canada and the Americas connect the region and open the way to constructive dialogue on how to make our hemisphere safer and more prosperous.

First of all, let me welcome the Subcommittee's distinguished new Ranking Member, Congressman Albio Sires who represents the 8th Congressional District of New Jersey. I look forward to working with you on a bipartisan basis to help foster positive results for U.S. foreign policy in the region.

In addition, to our returning Senior Members of the Committee, it is my pleasure to give a warm welcome to our Freshman Majority Members, Ron DeSantis and Trey Radel, both of whom hail from the great State of Florida. And although not new to Congress I would like to welcome two new additions to the Subcommittee on the Minority side of the aisle, Theodore Deutch and Alan Grayson, also both from the great State of Florida.

It is my firm belief that we have an opportunity to positively engage our friends and neighbors in the hemisphere not only on security issues as we work together to combat transnational criminal and terrorist organizations, but in strengthening bilateral and multilateral relationships that promote democratic values and free market principles.

I am looking forward to the opportunity to take a closer look at progress being made under the Merida Initiative to determine if there are ways to make the program more effective. Insecurity in Mexico and throughout Central America continues to threaten our own security, and I believe it is in the U.S. national interest to promote a safer and more secure region.

I also plan to make sure that this Subcommittee does everything in our power to foster and build upon our strong relationship with Canada, with whom we already maintain the world's

largest bilateral trading relationship. Our Subcommittee will also focus attention on the incredible opportunity we have to achieve energy security and economic growth in North America by encouraging the Administration to give its final approval to the vital Keystone XL Pipeline. In addition, I will seek to promote energy independence and economic growth by seeking to strengthen U.S. trade relations with Mexico, and by supporting the U.S. - Mexico Transboundary Agreement that was signed in February of last year.

I hope to see the United States reassert its role in promoting hemispheric free trade policies, strengthening trade and investment relations in Brazil and throughout the entire region.

Lastly, we must not forget the key economic role of travel and tourism in the region, especially in the Caribbean, and the importance that limiting the negative effects that transnational crime can have on regional economies.

We do face challenges. This Subcommittee will continue to press for sound U.S. policy on Cuba – one that is committed to a real and meaningful democratic transition on an island that has been plagued by a repressive government at odds with regionally held values of economic and individual liberties.

In Venezuela, we will continue to monitor Venezuelan ties with Iran and Hezbollah, and will encourage the Obama administration to continue focusing the intelligence community's efforts on monitoring the threat of Iranian influence in our region. Mindful of a post-Chavez transition, the United States should be engaged in strengthening democratic institutions in Venezuela and in supporting free and fair elections.

I want to thank our witnesses for agreeing to appear before our Subcommittee today, the Honorable Roberta Jacobson, Assistant Secretary of State for the Bureau of Western Hemisphere Affairs, and the Honorable Mark Feierstein, Assistant Administrator for the bureau of Latin America and the Caribbean for the US Agency for International Development. We look forward to hearing your testimony and insights on the region.

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Mr. SALMON. Now I will recognize my colleague Albio Sires, the ranking member, for his opening remarks.

Mr. SIRES. Thank you, Mr. Chairman, for holding this hearing, and thank you, and thank you for the witnesses for being here

today.

I want to express my appreciation to you, Mr. Chairman, for reaching out earlier this week and meeting with me to discuss how we can work together. We share many of the same concerns and aspirations for the Western Hemisphere, and I feel encouraged by our similar desire to achieve meaningful results in a constructive, bipartisan manner.

Additionally I commend you, Mr. Chairman, in setting the theme of this, our first hearing for this subcommittee, and recognizing that while there are many challenges facing the hemisphere, there are, indeed, many opportunities as well that we can capitalize on. And so I look forward to working with you, and the members of the subcommittee to address and overcome our Nation's most pressing

issues in the hemisphere.

I believe it is fair to acknowledge that since 9/11, our foreign policy has focused on the crises emanating from the Middle East, Asia, and back again. While certainly understandable, this focus has come at the detriment of our policies toward the Americas. Unfortunately, we have not paid appropriate attention to an area that

is right next door.

Some analysts have likened our foreign policies toward Latin America as adrift and far too narrow in scope. I agree that as the problems have arisen, our responses have been reactive rather than proactive. And while I commend the strides that have been made in the areas of the democracy and development at the country level, we have yet to articulate a strategic, cohesive policy for the region as a whole. A patchwork of initiatives is insufficient and unsustainable for a region that is rapidly evolving and that is today second to Asia, amongst the most economically vibrant regions in the world.

Economically the U.S. accounts for roughly 40 percent of the region's imports and exports valued at nearly \$400 billion and \$450 billion, respectively. Canada is our number one trading partner; Mexico a close third after China; and the rest of Latin America combined is fourth. Yet today China has become the largest trading partner for some of Latin America's largest economies. From 2000 to 2009, annual trade between China and Latin America grew more than 1,200 percent, from \$10 billion to \$130 billion. Russia has increased its own sales with Venezuela and now Brazil, and Iran continues to expand its influence.

I am concerned of the Argentina's joint truth commission with Iran to investigate the horrific bombing of the Jewish Community Center, and its continued harassment of the Falkland Islands is worrisome.

I remain determined to maintain pressures on Cuba's authoritarian regime, expose its continued human rights and press for freedom—and press freedoms violations, and press for the release of Alan Gross, a U.S. citizen.

While I am hopeful for the day of a post-Castro Cuba, I remain vigilant on a possible post-Chavez Venezuela. Venezuela is our

14th largest trading partner, with \$56 billion in trade during 2011; thus, the fate of Venezuela is critically important to us. If Chavez dies, we must be ready to work with the allies in the region for a peaceful transition of power and support the citizens' of Venezuela

demand for democracy and constitutional accountability.

As you know, Colombia is our strongest regional ally. I am closely following the peace talk negotiations of President Santos with the FARC. If successful, Colombia will free itself from a long-standing obstacle to peace and economic prosperity. I believe that we should continue to lend our support to Colombia now and especially after the fate of the negotiations.

While overall security conditions have improved in Colombia, the levels of insecurity and corruption that has plagued weak Central America nations like Honduras and El Salvador is very troubling. In light of the declining foreign aid levels, I am particularly worried to ensure that money spent is simply not encouraging corrupt practices and acting as a rubber stamp to governments that treat America's firms unfairly.

In regards to Mexico, I am waiting to see how determined President Pena Nieto will be in combating drug trafficking. In this regard I am looking forward to discussing the result of the Merida, the Central America Regional Security Initiative, and the Caribbean Basin Security Initiative programs and the implications that imminent spending cuts may have on their effectiveness.

Our foreign policy with the Western Hemisphere has to be both relevant and practical to the needs of everyday people. Geographic proximity alone cannot dictate the importance of our relationship and the relationships we have with our southern neighbors.

The region has made significant political and economic advances; however, the lack of inclusive participation by all members of society in the growing economic prosperity of the region has made the Americas vulnerable to antidemocratic forces. I look forward to working with the chairman to advance these important U.S. regional interests and discussing with our witnesses how we can better address these concerns. I am hopeful that together we can work together to ensure these challenges do not overshadow the opportunity that lies before us.

Thank you, Mr. Chairman.

Mr. SALMON. Thank you, Mr. Sires.

[The prepared statement of Mr. Sires follows:]

House Committee on Foreign Affairs Subcommittee on the Western Hemisphere

Hearing on the Overview of U.S. Interests in the Western Hemisphere: Opportunities and Challenges Thursday February 28, 2013

Congressman Albio Sires (D-NJ)

Ranking Member Subcommittee on the Western Hemisphere

OPENING STATEMENT

Thank you, Mr. Chairman, for holding this hearing. And thank you, to the witnesses, for being here today. I want to express my appreciation to you, Mr. Chairman, for reaching out earlier this week and meeting with me to discuss how we can work together. We share many of the same concerns and aspirations for the Western Hemisphere. And I feel encouraged by our similar desire to achieve meaningful results in a constructive, bipartisan manner. Additionally, I commend you, Mr. Chairman, in setting the theme of this, our first hearing for this subcommittee, and recognizing that while there are many challenges facing the hemisphere, there are indeed many opportunities as well that we can capitalize on. And so, I look forward to working with you and the members of this subcommittee to address and overcome our nation's most pressing issues in the hemisphere.

I believe it is fair to acknowledge that since 9-11, our foreign policy has focused on crises emanating from the Middle East, Asia, and back again. While certainly understandable, this focus has come at the detriment of our policy towards the Americas. Unfortunately, we have not paid appropriate attention to an area that is right next door

Some analysts have likened our foreign policy toward Latin America as adrift and far too narrow in scope. I agree that as problems have risen, our responses have been reactive rather than proactive. And while I commend the strides that have been made in the areas of democracy and development at the country level, we have yet to articulate a strategic, cohesive policy for the region as a whole. A patchwork of initiatives is insufficient and unsustainable for a region that is rapidly evolving and that is today, second to Asia, amongst the most economically vibrant regions in the world.

Today, Latin American and Caribbean immigrants account for over 50 percent of the U.S. foreign-born population. Today all nations in the hemisphere, with the exception of Cuba, are elected democracies. Economically, the U.S. accounts for roughly 40 Percent of the region's imports and exports valued at nearly \$400 Billion and \$450 Billion respectively. Canada is our number one trading partner, Mexico, a close third after China, and the rest of Latin America combined is fourth.

Yet today China has become the largest trading partner for some of Latin America's largest economies. From 2000 to 2009, annual trade between China and Latin America grew more than 1,200 percent from \$10 billion to \$130 billion. There are new regional associations, such as ALBA, the Bolivarian Alliance of the Americas, and CELAC, the Community of Latin American and Caribbean States, that exclude the United States. Russia has increased its arms sales with Venezuela and now Brazil. And Iran continues to expand its influence.

I am concerned of Argentina's joint truth commission with Iran to investigate the horrific 1994 bombing of the AMIA Jewish Community Center and its continued harassment of the Falkland Islands is worrisome.

I remain determined to maintain pressures on Cuba's authoritarian regime, expose its continued human rights and press freedoms violations, and press for the release of U.S. citizen, Alan Gross. While I am hopeful for the day of a post-Castro Cuba, I remain vigilant on a possible post-Chavez Venezuela. Venezuela is our 14th largest trading partner with \$56 billion in total trade during 2011, thus the fate of Venezuela is critically important to us. If Chavez dies, we must be ready to work with allies in the region for a peaceful transition of power and support the citizens of Venezuela's demand for democracy and constitutional accountability.

As you know, Colombia is our strongest regional ally. It is also a country very dear to me. I travel there annually to support an orphanage outside of Bogota and I recently traveled with a Congressional Delegation alongside the President to attend the Summit of the Americas in April. I am closely following the peace talk negotiations of President Santos with the FARC. If successful, Colombia will free itself of a longstanding obstacle to long term economic prosperity. I believe we should continue to lend our support to Colombia now and especially after the fate of the negotiations.

While overall security conditions have improved in Colombia, the levels of insecurity and corruption that has plagued weak Central American nations like Honduras and El Salvador is very troubling. In light of declining foreign aid levels, I am particularly worried to ensure that monies spent are simply not encouraging corrupt practices and acting as a rubber stamp to governments that treat American firms unfairly. I am also concerned with the balloon type effect of drug related gang violence and government corruption that has spread to the Caribbean, especially the Dominican Republic.

In regards to Mexico, I am waiting to see how determined President Peña Nieto will be in combating drug trafficking. In this regard, I am looking forward to discussing the results of the Merida, Central American Regional Security Initiative, and Caribbean Basin Security Initiative programs and the implications that spending cuts may have on their effectiveness.

Our foreign policy with the Western Hemisphere has to be both relevant and practical to the needs of everyday people. Geographic proximity alone cannot dictate the importance of the relationships we have with our southern neighbors. As members of this Subcommittee, I believe these relationships are amongst the most important for the safety and economic security of our nation.

The region has made significant political and economic advances. However, the lack of inclusive participation by all members of society in the growing economic prosperity of the region has made the Americas vulnerable to anti-democratic forces. Additionally, weak state presence and corrupt governance has allowed drug traffickers to act with impunity, while economic and fiscal insecurity has dampened sustainable progress and further encouraged immigration into this country.

I look forward to working with the Chairman to advance these amongst other important U.S. regional interests and discussing with our witnesses how we can better address these concerns. I am hopeful that, together, we can work to ensure that these challenges do not overshadow the opportunities that lie before us.

Mr. SALMON. The Chair now recognizes the gentleman from Florida Mr. Radel for a 1-minute opening statement.

Mr. RADEL. Thank you, Mr. Chairman, Ranking Member Sires. Thank you so much. It is great to be here on the Western Hemi-

sphere.

In my previous life I was a journalist, so I have traveled extensively all over the Western Hemisphere, Canada, its majestic cities. In order to learn Spanish, I strapped on a backpack as a young man, traveled around Mexico, parts of Latin America, where I have a deep, deep affinity for.

We do have challenges, but today in moving forward, I am really excited to focus on the tremendous opportunities that we have culturally, economically, all over the Western Hemisphere, Colombia in particular; just such a shining example of how we can work together where foreign aid plays such an important, important role.

So it is great to be here. I just hope that we can use the information today to ensure that we in the United States have kind of a comprehensive strategic plan moving forward to again face those challenges, but, most importantly, the tremendous opportunity for partnership and growth.

Thank you.

Mr. SALMON. Thank you, Mr. Radel.

The Chair now recognizes the gentleman from New York Mr.

Meeks, and a heck of a traveling companion.

Mr. Meeks. Thank you, Mr. Chairman, and I am delighted to work with you, and look forward to working with you in the 113th Congress and Ranking Member Sires as we move forward on the

Western Hemisphere.

And I know this morning and throughout the 113th Congress, we are going to be talking about some issues like our great relationship with Canada, and how we move forward with them and continue that trade arrangement and agreement; that we are going to be dealing with hot-button issues. We will hear about the rise of China's influence and developments in Cuba or the lack thereof. We will hear about Venezuela, and Hugo Chavez, and the status of that nation. We will hear about Iran's influence, I am sure, and migration, and drugs, and violence, and energy, and environmental concerns, and trading.

We are going to hear a lot and we are going to be able to do a lot, I think, on this committee. But I hope that as we go down this long list of important issues, we also spend a significant amount of time speaking about the plight of Afro descendants and indige-

nous communities in the region.

I strongly believe that progress, real progress, on matters of mutual interest with regional partners, it is not possible unless we address the inequality, the violence, the disparity, and the discrimination that these often isolated and marginalized groups experience. We cannot see progress if millions in our hemisphere do not see a way out of abject poverty, don't have access to quality education, and have no hope that they can move beyond the station of life in which they have been born.

Our witnesses today have outlined in their written testimony areas of focus for the Obama administration promoting inclusive economic growth, increasing citizen security, promoting clean energy and democracy. Those are indeed all critical areas of interest to the United States. Notably they are also areas that intersect with the needs of Afro descendants and indigenous communities.

Our Nation's objectives and the desire of nations in the region for greater security and economic and global advancement are all critically linked to these communities, and I have visited the remote areas of Colombia, for example, where drug traffickers, FARC, and paramilitary gangs prey on the geographically isolated Afro Colombians and indigenous communities that have little means of protection and alternatives. In nations where the situation is dire for all citizens, like the Honduras, for example, it is almost always more dire for indigenous and Afro Latino persons.

I would like to submit, Mr. Chairman, for the record, an OAS report entitled "The Situation of People of African Descent in the Americas." The inequalities and disparities are too many to enumerate in my opening remarks, but this report highlights the major obstacles in the advancement that remain. And I hope that with today's hearing and as we move forward during this 113th Congress, that we discuss what must be done to adequately address the many issues that plague disadvantaged groups whose status in society is so critically linked to our own interests and our

Mr. Salmon. Thank you. Without objection, this will be entered into the record.

[Note: The OAS report submitted for the record, "The Situation of People of African Descent in the Americas," is not reprinted here but is available in committee records or on the Internet at http://www.oas.org/en/iachr/afro-descendants/docs/pdf/AFROS

2011 ENG.pdf. (Accessed 4/17/13.)]
Mr. Salmon. The Chairman now recognizes the gentleman from

American Samoa Mr. Faleomavaega.

Mr. FALEOMAVAEGA. Mr. Chairman, thank you so much for calling this hearing. I certainly want to commend you and our ranking member Mr. Sires for putting this hearing together.

I do want to associate myself with the comments made earlier by our ranking member as well as my colleague from New York, Mr. Meeks.

And I would like to extend a warm welcome to our witnesses this

morning, Ms. Jacobson and also Mr. Feierstein.

Historically, Mr. Chairman, the United States, with much success, has focused its attention on developing and strengthening local economies, security, energy, education, and democratic governments. However, a demographic that is continually overlooked in the Western Hemisphere, which includes Canada, by the way,

is the indigenous community.

Tens of millions of indigenous people suffer from the consequences of historic injustice, including colonization, dispossession of their lands and resources, oppression and discrimination, and a lack of autonomy. Their right to development has been largely denied by colonial and even modern states in the pursuit of economic growth. As a consequence, indigenous peoples often lose out to more powerful actors, becoming among the most impoverished groups throughout Latin America, as I say, which includes Canada, somewhat of the same challenges that were faced in our treatment of the indigenous Native Americans here in the United States. They live shorter lives. They have poor health care and education, endure higher unemployment rates, and are victims of increasing violent crimes and, as I said earlier, alienation of their native lands. The benchmark of our success in this region must include

those who originally occupied these lands.

I look forward to working with the members of our subcommittee, and also look forward to hearing from our witnesses if they by chance—and by the way, I did have a chance to review the statements of our witnesses, and unfortunately, I was not able to find anything relative to my concerns about how we are looking at the needs of indigenous populations throughout the Western Hemi-

Thank you, Mr. Chairman. I yield back. Mr. Salmon. I thank the gentleman.

And now, pursuant to rule 7, the members of the subcommittee will be permitted to submit written statements to be included in the official hearing record. Without objection, the hearing record will remain open for 14 days to allow statements, questions, and extraneous materials for the record, subject to the length limitation in the rules.

Now I would like to introduce the witnesses. First I would like to introduce the Honorable Roberta S. Jacobson. Roberta S. Jacobson was sworn in as Assistant Secretary of State for Western Hemisphere Affairs on March 30th, 2012. Previously Ms. Jacobson was the Acting Assistant Secretary since July 18, 2011. She served as Principal Deputy Assistant Secretary for the Western Hemisphere Affairs from December 2010 until July 2011, with responsibility for regional, political, and economic issues; management and personnel; and regional security issues. From June 2007 until that date, she was Deputy Assistant Secretary for Canada, Mexico, and NAFTA issues in the Bureau. She served as the Director of the Office of Mexico Affairs from December 2002. From 2000 to 2002, she was Deputy Chief of Mission at the U.S. Embassy in Lima, Peru, and between 1996 and 2000, Ms. Jacobson was Director of the Office of Policy Planning and Coordination in the Bureau of Western Hemispheric Affairs, covering issues such as civil/military relations, human rights, foreign assistance, and counternarcotics throughout the hemisphere.

Ms. Jacobson has also served as Coordinator for Cuban Affairs within the Bureau of Western Hemisphere Affairs; executive assistant to the Assistant Secretary, 1993 and 1994; special assistant to the Assistant Secretary, 1989 to 1992; and the National Security

Council, 1988.

Ms. Jacobson holds a master's of arts in law and diplomacy from the Fletcher School of Law and Diplomacy—in 1986 she got that

degree—and a bachelor of arts from Brown University.

I would also like to introduce the Honorable Mark Feierstein. Mark is Assistant Administrator for the Bureau of Latin America and the Caribbean. He previously served as the principal and vice president of the international polling firm, Greenberg Quinlan Rosner. He has overseen public opinion research in over 30 countries, gaining insights into the views of citizens around the world on a whole range of topics.

Before joining Greenberg Quinlan Rosner, Feierstein served as Director of USAID's Global Elections Office. He also worked in the State Department as a special assistant to the U.S. Ambassador to the Organization of the American States, where he negotiated with diplomats from the Americas on an array of regional issues.

Prior to that he was director for Latin America and the Caribbean at the National Democratic Institute for International Affairs, overseeing programs to strengthen democratic institutions in devel-

oping countries.

He is fluent in Spanish, has worked as a journalist in the United States and in Mexico, has published articles on international issues for leading major newspapers and journals. He received his B.A. magna cum laude from Tufts University, and his M.A. from Fletch-

er School of Law and Diplomacy.

I would like to say that it is obvious from these terrific resumes that we have professionals in every sense of the word, and we are just thrilled to be working with you, excited. I look at my colleagues on both sides of the aisle, and I am really excited. I think we have got a true bipartisan group here that is more interested in furthering U.S. interests than in a partisan squabbling. I am very excited about that. I think we have got a wonderful group. I think we have wonderful leaders to help guide us through.

Let me explain the lighting system real quick. I am going to explain the lighting system in front of you. I know I probably don't need to, you have done it many times, but they tell me I got to do

it, so I am going to do it.

You will each have 5 minutes to present your oral statement. When you begin, the light will turn green; when you have 1 minute left, the light will turn yellow; and when your time is expired, the light will turn red. I ask you conclude your testimony when the red light comes on.

After all witnesses testify, all members will have 5 minutes to ask questions, and I urge my colleagues to try to stick to the 5 minutes to ask questions. I would like to give everybody the opportunity to ask the questions that they have.

So let us begin. I would like to start with Assistant Secretary Jacobson, and you are recognized. Thank you.

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

Ms. Jacobson. Thank you, Chairman Salmon, and Ranking Member Sires, and members of the committee. It is a real privilege to be back in front of this subcommittee, and I really look forward to working with all of you, old and new members. I am very grateful for this subcommittee's abiding support for the administration's efforts to take advantage of the opportunities we see in the Western Hemisphere.

U.S. relations with our neighbors are on a positive trajectory. We have fulfilled President Obama's commitment at the 2009 Summit of the Americas by pursuing constructive, balanced partnerships. We focussed on four areas: Fostering inclusive economic growth, increasing citizen security, promoting clean energy, and strength-

ening democracy.

In the past 15 years, 56 million households in the region have joined the middle class. Over 40 percent of U.S. exports go to the Western Hemisphere, more than any other region of the world. We are working to increase those numbers through trade promotion agreements with Colombia and Panama. Last summer Canada and Mexico joined the Trans-Pacific Partnership negotiations, which also include Chile and Peru. We hope to conclude these negotiations as quickly as possible. These developments translate into more jobs, better and cheaper goods and services, and rising prosperity on Main Streets across the United States.

However, in some countries policy reforms are needed to accelerate economic expansion and create greater opportunity to make sure that prosperity is more widely shared, and that is a shorthand way of talking about vulnerable populations, such as Afro descend-

ants, indigenous, women, LGBT persons.

In order to counter the threat posed by criminal gangs and violence, we have expanded and linked our four citizen security programs, the Merida Initiative, the Central American Regional Security Initiative, the Caribbean Basin Security Initiative, and the Colombia Strategic Development Initiative. Through a whole-of-government approach, we are focusing on institution and capacity building, while encouraging economic development.

U.S. assistance has helped create a dramatically improved security situation in Colombia. In Mexico, our partnership with President Pena Nieto's administration is off to a strong start, with both sides committed to addressing crime and violence through durable, long-term cooperation. We are partnering with Colombia and Mexico and others to help Central America address its security chal-

lenges.

Today I would like to highlight three particular areas of challenge and opportunity: Energy, education, and the defense of de-

mocracy.

The Western Hemisphere is increasingly a global supplier of energy. Companies and entrepreneurs who never focused on the region are waking up to its enormous potential. At the 2012 Summit of the Americas, the United States and Colombia launched Connect 2022, a hemispheric initiative to provide universal access to affordable electricity within a decade. This complements President Obama's Energy and Climate Partnership of the Americas in which we and 33 other partners promote efficiency, encourage renewable energy, and support adaptation and mitigation to climate change.

Education really underpins all of our goals in the Americas. Expanding educational opportunities is crucial to ensuring all citizens share in the region's prosperity. That is why President Obama launched 100,000 Strong in the Americas to increase educational exchanges between the United States and Latin America and the Caribbean to 100,000 in each direction each year. To meet that goal we must double the current flow of students at a time when our own budget constraints—our own budget constrains us. So we are partnering with academic and private-sector institutions to meet that goal.

Our commitment to true partnership and shared responsibility calls for an honest reexamination of areas where this hemisphere once led, but now falters. In some countries, populist leaders who

are impatient with or even disrespectful of democracy's processes are closing down and subjugating independent media and seeking to control courts and legislatures. The leaders of many of today's democracies in the Americas were fighting for these rights not so

We are working through the Origination of American States to protect freedom of expression. We will continue to seek out to de-

fend strong, independent institutions of democracy.

In sum, our policy of partnership and shared responsibility has produced real progress. Although positive news stories rarely make the front page, they abound in the Americas, where inclusive economic growth is transforming the region, and several of our partners are emerging as real players on the global stage.

There is, of course, a great deal more to do to foster the peaceful, prosperous, and democratic hemisphere we all want to see and ensure everyone is part of that prosperity. But I look forward to working with you and other members of this committee to advance U.S. interests in the hemisphere.

Thank you very much.

Mr. Salmon. Thank you, Assistant Secretary Jacobson.

[The prepared statement of Ms. Jacobson follows:]

Statement of the Honorable Roberta S. Jacobson
Assistant Secretary of State
Bureau of Western Hemisphere Affairs, U.S. Department of State
Hearing Before the Subcommittee on the Western Hemisphere of the Committee on
Foreign Affairs, House of Representatives
February 28, 2013, 9:30 A.M.

Thank you, Mr. Chairman. Chairman Salmon, Ranking Member Sires, members of the committee, it is a privilege to join you today. I appreciate the invitation. I have had the pleasure of working with many of you in the past and I look forward to getting to know the concerns and perspectives of the new members of the committee. I am grateful for this subcommittee's abiding support for the Administration's efforts. I would like to focus my remarks on the opportunities we see in the Western Hemisphere.

In pursuit of our national interests abroad, foreign policy is as much about seizing opportunities as it is about as countering threats. We are fortunate in the Western Hemisphere to have far more opportunities than threats. Opportunities to achieve energy self-sufficiency and to address climate change. To improve education. To increase trade and create jobs. To consolidate the democratic gains of the last 30 years. We are working hard to take advantage of these opportunities.

U.S. relations with our hemispheric neighbors are on a positive trajectory. We have fulfilled President Obama's commitment at the 2009 Summit of the Americas by pursuing flexible, balanced partnerships. We focus on four areas: promoting inclusive economic growth; increasing citizen security; promoting clean energy; and strengthening democracy.

In the past 15 years, 56 million households in the region joined the middle class. Over 40 percent of U.S. exports go to the Western Hemisphere, more than to any other region. During the past three years, U.S. exports to the Americas increased by more than \$250 billion, to nearly \$700 billion in 2011. U.S.-Mexico bilateral trade alone supports nearly six million U.S. jobs. We are working to increase those numbers through trade promotion agreements with Colombia and Panama. Last summer, Canada and Mexico joined Chile and Peru in the Trans-Pacific Partnership negotiations, which we hope to conclude expeditiously.

These developments and trends all translate into more jobs, better and cheaper goods and services, and rising prosperity on Main Streets across the United States. That is good news.

Admittedly, not all of the news is good. In some countries, policy reforms are needed to accelerate economic expansion, regional integration, and greater opportunity for prosperity to be more widely shared. Many countries and people in the region remain under pressure from criminal gangs and violence. In response, we expanded and linked our four citizen security programs: the Merida Initiative, the Central American Regional Security Initiative, the Caribbean Basin Security Initiative, and the Colombia Strategic Development Initiative. Through a whole-of-government approach we are focusing on institution and capacity building while encouraging economic development for those most at-risk.

U.S. assistance has helped bring a dramatically improved security situation in Colombia, where the Santos administration is engaged in well-designed discussions on peace with the FARC that could result in the end of the longest running insurgency in the region and the FARC giving up drug trafficking. In Mexico, our partnership with President Peña Nieto's administration is off to a strong start with both sides committed to addressing crime and violence through durable, long-term cooperation on institution building and social development. We are partnering with Colombia, Mexico, and others to help Central America address its security challenges.

I am focused on the challenges and opportunities of three key issues: energy, education, and the defense of human rights and democracy.

The Western Hemisphere is increasingly a global supplier of energy. Companies and entrepreneurs who never focused on the region are waking up to its enormous potential.

At the 2012 Summit of the Americas, the United States and Colombia launched Connecting the Americas 2022, a hemispheric initiative to provide universal access to affordable electricity within a decade. This complements President Obama's Energy and Climate Partnership of the Americas (ECPA), in which we and 33 partners promote efficiency, encourage renewable

energy, reduce the carbon footprint of heavy oils, and put Latin American cities on a more sustainable path. ECPA promotes adaptation and mitigation to climate change, in particular in the Andean Amazon and the Caribbean, where we are working to reduce net deforestation and greenhouse gas emissions without inhibiting economic growth and development.

Education underpins our other goals in the Americas. We can expand the momentous economic gains of the past decade only if we improve education. That's why President Obama launched "100,000 Strong in the Americas," to increase educational exchanges between the United States and Latin America and the Caribbean to 100,000 in each direction each year.

To meet that goal, we must double the current flow of students at a time when our own budget constrains us, so we are partnering with academic organizations and the private sector.

Our push on education complements our interest in promoting greater social inclusion. Expanding educational opportunity is crucial to ensuring all citizens share in the region's recent prosperity.

Our commitment to true partnership and shared responsibility calls for an honest re-examination of areas where this hemisphere once led, but now falters.

In some countries, populist leaders who are impatient with or even disrespectful of democracy's processes are closing down or subjugating independent media, and seeking to control courts and legislatures. We understand the aversion to unwarranted interventionism. That said, this hemisphere has been a global leader in setting standards of what democracy looks like. The leaders of many of today's democracies in the Americas were fighting for these rights in their own countries not so long ago.

Attacks on freedom of expression require a principled response. We are working through the Organization of American States and its Special Rapporteur for Freedom of Expression to protect these rights. We will continue to speak out to defend strong, independent institutions of democracy, including by using the March 22 OAS special General Assembly on the hemispheric

human rights system to voice strong support for the continued independence of the Inter-American Commission on Human Rights.

In sum, our policy of partnership and shared responsibility has produced real progress. Though positive stories rarely make the news, they abound in the Americas, where inclusive economic growth is transforming the region and several of our partners are emerging as players on the global stage. There is of course still more to do to foster the peaceful, prosperous and democratic hemisphere we all want to see.

Again, thank you Mr. Chairman. I look forward to working with you and other members of this committee to advance U.S. interests in the hemisphere.

Mr. SALMON. The Chair will now recognize Administrator Feierstein.

STATEMENT OF THE HONORABLE MARK FEIERSTEIN, ASSIST-ANT ADMINISTRATOR, BUREAU FOR LATIN AMERICA AND THE CARIBBEAN, U.S. AGENCY FOR INTERNATIONAL DEVEL-OPMENT

Mr. FEIERSTEIN. Thank you, Mr. Chairman.

Mr. Chairman, Ranking Member, and members of the committee, I am grateful for your interest in USAID and pleased to have the opportunity to discuss the Obama administration's development

policy in the Americas.

I am also honored to be testifying with my good friend and former graduate school classmate Roberta Jacobson. You know, back in grad school when a professor posed a tough question, I would generally defer to Roberta. I suspect, though, that approach might not fly with the panel today or, for that matter, with Roberta.

Mr. Chairman, I have submitted my full written statement for

the record and will now share a condensed version, if I may.

Early in his first term, President Obama reminded us that the purpose of development is to help countries reach the point at which they no longer need foreign assistance. In much of Latin America and the Caribbean, we are on our way to achieving our goal of largely graduating countries from foreign assistance by the year 2030.

The days in which USAID provided direct assistance in the region are largely over. Today our principal role is to strengthen the capacity of countries to provide for their own people, and USAID

is employing new approaches to accelerate this process.

Historically USAİD has hired large contractors to provide assistance. Today we are channeling more resources through institutions in foreign countries so that we leave behind entities equipped to oversee development programs on their own.

The most important source of development funding for nearly every country is not donors, but internally generated revenue. That is why we are instituting programs to help governments raise their

own funds for development.

The private sector is also adding its financial muscle and business expertise to promote development. USAID is increasingly partnering with companies to enhance our assistance and deliver

long-term development dividends.

As we succeed in creating the conditions under which foreign assistance is no longer necessary, the family of donor nations will grow. Countries where USAID made significant investments in the past, such as Chile and Brazil, are now collaborating with us in third countries.

Just as our approach to development has changed, the nature of the development challenge in the Americas has evolved as well. Continued economic and democratic progress is now impeded in many countries by violence and criminality. Reducing crime and violence requires a range of tools. The government increasingly recognizes the importance of prevention programs and investments in youth and communities. USAID is helping countries to draw on lessons from U.S. cities that have been so successful in reducing crime. Last year the USAID Administrator, Rajiv Shah, signed an agreement with Los Angeles mayor Antonio Villaraigosa to train Central American officials on methods that have worked in L.A.

In South America, Peru and Colombia face security challenges of their own. In Colombia, our effort to help the government defeat guerilla groups and reduce drug production now includes helping the Santos administration implement historic land reforms and compensate victims of the conflict. In Peru, we are working with the government to expand a successful program that has helped coca farmers transition to legal crops.

As violence and criminality emerge as threats to democracy, there are still traditional practices being employed to undermine it. To protect democracy we are ramping up our support for a wider

cross-section of local civil society organizations.

We carry out such initiatives because, as President Obama declared, "Our interests and our conscience compel us to act on behalf of those who long for freedom." In the Americas nowhere is that longing for freedom more suppressed than in Cuba. Today in Cuba, the government not only imprisons Cubans who try to exercise basic rights. Alan Gross, a U.S. citizen, has languished in a Cuban jail for more than 3 years for helping people to access the Internet.

Elsewhere in the Caribbean, hopes are rising despite considerable challenges. Haiti, where USAID invests the most resources in the Americas, is making progress in building back from the earth-quake. Rubble has largely been cleared, the number of people living in tent camps has fallen substantially, and a new industrial park has opened.

USAID is implementing programs to create jobs and boost the standard of living in Haiti. As we implement our programs, we will increasingly rely on Haitian institutions to carry out the work to help the country reach the point where it can lead and finance its own development.

Haiti is particularly vulnerable to a phenomenon that threatens every country: Global climate change. In Haiti and elsewhere, we support political and business leaders to reduce and adapt to the effects of climate change.

Mr. Chairman, this agenda may sound ambitious, but it is also achievable. Never before have governments, private-sector companies, and civil society in the region been as willing and well equipped to partner with us on these issues of mutual interest.

Thank you. I look forward to your questions.

[The prepared statement of Mr. Feierstein follows:]

MARK FEIERSTEIN ASSISTANT ADMINISTRATOR FOR LATIN AMERICA AND THE CARIBBEAN, U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT HOUSE COMMITTEE ON FOREIGN AFFAIRS

Thursday, February 28, 2012

"Overview of U.S. Interests in the Western Hemisphere: Opportunities and Challenges"

Mr. Chairman, Ranking Member, and Members of the Committee: Thank you for the invitation to testify today. I am grateful for the Committee's interest in the U.S. Agency for International Development's (USAID) approach in Latin America and the Caribbean and pleased to have this opportunity to discuss the Obama Administration's development policy in the Americas. As always, I am eager to hear your advice and counsel as well.

Early in his first term, President Obama reminded us that the purpose of development is to help countries reach the point at which they no longer need foreign assistance. Secretary Kerry echoed this sentiment last week when he noted that, "Our goal is to use assistance and development to help nations realize their own potential, develop their own ability to govern and become our economic partners." In much of Latin America and the Caribbean, we are well on our way to achieving the USAID goal of largely graduating countries in the region from foreign assistance by 2030. Thanks to sensible policies advanced by leaders in the region and smart investments by USAID and other donors, economies are growing, fewer people live in poverty, citizens are healthier and better-educated, and voters are better represented by their elected leaders.

The days in which USAID provided direct assistance – like vaccinations and food aid – in Latin America and the Caribbean are largely over. Today, our principal role is to strengthen the capacity of countries to provide for their own people. We serve as catalysts – for foreign governments, the private sector, and civil society – to deepen and improve their ability to better people's lives. In the Americas, as throughout the world, USAID is employing new approaches to accelerate this process.

Historically, USAID has hired large contractors to provide assistance or training in foreign countries. That model produces results, but it also can perpetuate dependence on foreign aid, rather than enhance the capacity of countries to drive their own development. We are therefore increasingly channeling resources through institutions in foreign countries so that we not only raise short-term economic and political standards, but leave behind entities that are better equipped to oversee development programs

on their own. In Guatemala, for example, local organizations rather than foreign contractors are now implementing our signature agricultural project. Programs like these will translate into savings for USAID, and the American taxpayer, and more sustainable developments gains.

The most important source of development funding for nearly any country is not USAID, or any other donor, but internally generated revenue. Absent sufficient host country funding, donors alone will not produce sustained prosperity and opportunity. That is why we are initiating new programs to help national and local governments raise revenue. In El Salvador and Honduras, municipal governments are not only on the frontlines in battling gangs and drug trafficking organizations; they are also on the hook to pay for it. We, therefore, created a competition among cities and towns to improve its revenue collection. Winners receive modest subsidies from USAID to finance programs to reduce crime. In Haiti, where local governments are similarly cash-strapped, we piloted a tax collection program that enabled a mid-sized city to improve its revenue collection by 500 percent. We are now working with the Government of Haiti to replicate this model nationally.

To supplement tax revenue, the private sector is adding its financial muscle and business expertise to promote development. USAID is increasingly partnering with private companies to supplement our assistance, create durable local enterprises and deliver long-term development dividends. The roster of companies joining USAID efforts reads like a Who's Who of the Fortune 500: WalMart, Cisco, Coca Cola, Intel, Kimberly Clark, Chevron, Qualcomm and Microsoft, to name a few. In the Mexican cities of Ciudad Juarez, Monterrey and Tijuana, Cisco and Intel are training at-risk youth from tough neighborhoods for productive employment in the technology and construction fields. Local private sector companies are stepping up as well. Two weeks ago in El Salvador, I announced the largest public-private partnership with local companies in USAID history to reduce crime in 50 communities.

As we succeed in creating the conditions under which foreign assistance is no longer necessary, the family of donor nations will grow. Countries where USAID made significant investments in the past, such as Chile and Brazil, are now collaborating with us in third countries. Chile is sharing its agricultural expertise with Paraguay and Guatemala and is exploring doing the same with the Dominican Republic, and Brazil is extending its agricultural innovations to Haiti, Honduras and Mozambique. We plan to pursue similar arrangements with other countries, such as Colombia and Mexico, which have valuable lessons to share in other sectors.

These four approaches – strengthening local capacity; mobilizing local revenue; leveraging private sector resources; and collaborating with other donors – were once novel, but are now simply how USAID does its business. They will make us more successful, more quickly, as we advance the Administration's development priorities.

Just as our approach to advancing development has changed, the nature of the development challenge in the Americas has evolved as well. Continued economic progress is now impeded in many countries by a wave of violence and criminality. Economists point to crime as a leading obstacle to economic growth, while advocates for democracy and human rights are increasingly concerned about the extent to which criminal groups are penetrating government institutions or threatening freedom of expression. At USAID, we have concluded that if crime and violence are not reduced, the success of our development programs will be limited.

Reducing crime and violence requires a range of tools, but governments in the region are increasingly recognizing that prevention programs and investments in youth and communities must be a central part of the strategy. Countries that had tried heavy-handed *mano dura*, or iron fist, tactics now embrace programs like job training for at-risk youth, community policing, the establishment of safe urban spaces and juvenile justice reform. President Porfirio "Pepe" Lobo of Honduras has declared 2013 the Year of Prevention, and he and his Central American counterparts recently summoned leaders of the USAID-supported Central American Youth Movement Against Violence to solicit their recommendations for fighting crime.

USAID is also helping countries in the region to draw on lessons from U.S. cities that have been successful in reducing crime. Last year, USAID Administrator Rajiv Shah signed an agreement with Los Angeles Mayor Antonio Villaraigosa to train certain Central American officials on methods that have worked in Los Angeles, particularly in preventing youth from joining gangs. Officials with the Cure Violence, formerly Cease Fire, program in the United States are also collaborating with USAID in the region to train outreach workers in urban areas to interrupt potential violence.

It is early yet, but we are already seeing signs that our programs are working. In El Salvador, municipalities where USAID is implementing crime prevention programs are experiencing declines in crime. Mexican states that are transitioning to the more open and transparent oral accusatorial system with USAID assistance are prosecuting criminals at higher rates and reducing excessive pre-trial detention. In Jamaica, police attribute a dramatic drop in major crime in a particularly violent area to a USAID community-oriented policing program.

In South America, Peru and Colombia face their own security challenges that are curbing inclusive economic growth. Illegal groups engage in violence against the state and citizens, traffic in drugs, and market illegal timber. In Colombia, our decade long effort to help the government defeat guerrilla groups, reduce drug production and consolidate a civilian presence in former conflict zones is now also focused on helping the Santos Administration implement historic land reforms and compensate victims of the conflict. If the Colombia Government reaches a peace agreement with the FARC guerrillas, we will be prepared to help implement the accord. In Peru, we are working with the government to expand

a successful regional program that has helped coca farmers transition to legal crops and effectively eliminate coca production in one zone of the country.

The beneficiaries of these security programs are not only in Latin America and the Caribbean. USAID's programs enhance security in *this* country. Coca grown in South America and transited as cocaine to the United States contributes to violence and drug addiction in our towns and cities and saps the social and economic vitality of our communities. Gangs operating in Mexico, Central America and the Caribbean have bases in our communities too.

As violence and criminality emerge as threats to democracy in the region, there are still more traditional practices being employed to undermine democracy, albeit in a more sophisticated manner than in the past. Actions that had seemingly been relegated to the history books – electoral fraud, unconstitutional breaches of power, intimidation of human rights defenders, harassment of civil society and restrictions on the press – are occurring more frequently in some countries. To empower citizens to push back against these encroachments, we are ramping up our support for a wider cross section of local civil society organizations. In the coming months, for example, we will launch a new program to protect beleaguered journalists and assist them in reaching wider audiences.

We carry out such initiatives because, as President Obama declared in his second inaugural address, "our interests and our conscience compel us to act on behalf of those who long for freedom." In the Americas, nowhere is that longing for freedom more suppressed than in Cuba. USAID continues to support Cubans who desire to exercise the most basic internationally recognized rights – express an opinion without fear of retribution; vote in a free election; inform oneself, including via the internet. This program had faced administrative challenges in years past, but last month the GAO issued a report free of recommendations for USAID and noted improvements under this Administration.

Today in Cuba, the government not only imprisons Cubans who try to exercise their internationally recognized rights; it targets foreigners as well. Alan Gross, a U.S. citizen and resident of Maryland, has languished in a Cuban jail for more than three years for helping a small community of Jews on the island to access the internet. As nearly every country in the world races to take advantage of technology to benefit its citizens, the Government of Cuba erects barriers to progress. But those barriers cannot stand.

Elsewhere in the Caribbean hopes are rising despite considerable challenges. Haiti, where USAID invests the most resources in the Americas, is making notable progress in building back from one of the most destructive earthquakes in history. Rubble from the quake has largely been cleared, the number of people living in camps has fallen substantially, and a new industrial park with the potential for 65,000 new jobs has opened on the country's northern coast. A recent health survey shows health standards

improving, with the prevalence of underweight children decreasing and the share who are fully vaccinated rising.

USAID is in the midst of implementing a five-year strategy designed to create jobs and boost the standard of living in Haiti. With more than 60 percent of Haitians reliant on agriculture for income, USAID will help boost the productivity and incomes of more than 100,000 small-scale farmers. To accelerate the job-creating potential of local small and medium enterprises, we are providing seed capital and financing options. To make the country more attractive to investment, we continue to invest in upgrades to roads and utilities.

To be sure, there is much more to do in Haiti. No country, especially one of the poorest in the world, can rebuild in three years following an earthquake that kills more than 2 percent of its population, injures 3 percent, displaces 15 percent more into camps, and damages every government ministry but one.

As we implement our programs, USAID will increasingly rely on Haitian institutions to carry out the work. Our goal in Haiti, as it is everywhere, is to help the country reach the point where it can lead and finance its own development. We plan to provide fewer funds to non-Haitian NGOs to deliver services and invest instead in strengthening the capacity of key state institutions, like the Ministries of Health and Finance, to receive and coordinate donor assistance and provide services.

We have learned from experience that donors and the Haitian government need to be ready to manage unexpected obstacles to our work. Already since the earthquake, Haiti has confronted a cholera epidemic that has killed almost 8,000 people and devastating rains and a drought that set back agriculture production yields that, with USAID assistance, had risen by as much as fourfold. Today, up to 3 million Haitians are at risk of hunger because of the destruction to farmland wrought by weather-related disasters coupled with rising global food prices. USAID has reacted quickly, providing emergency food supplies, as well as agricultural inputs to thousands of farmers.

It will be important to avoid man-made crises and manufactured obstacles to development as well. As significant as our role and that of other donors in Haiti, creating the conditions under which businesses of all sizes can thrive and create jobs in the long term depends upon Haiti's leaders. Only Haitian politicians can form the electoral council needed to call elections to fill critical vacant positions. Only the Haitian government can name justices to ensure the rule of law. Only Haitian legislators can pass pending legislation to facilitate investment and fight money laundering.

Haiti is particularly vulnerable to a phenomenon that threatens every country in one way or another – global climate change. President Obama recently reminded us that we betray our children and future generations if we do not act to stem the impact of changes in climate. As he noted, "some may deny the

overwhelming judgment of science, but none can avoid the devastating impact of raging fires and crippling droughts and more powerful storms."

In Haiti and elsewhere in the region, we are supporting political and business leaders to reduce, and adapt to, the wide-ranging effects of global climate change. Powerful hurricanes in the Caribbean damage crucial infrastructure and wipe out food supplies; unseasonable shifts in temperature and rainfall damage lucrative export crops in Central and South America; and extended torrential rains in the Southern Cone flood farm and ranch lands and displace thousands of people. The increasing frequency of these events is putting greater and greater pressure on countries' already stretched budgets.

USAID's work on global climate change in the Americas is twofold. First, we help countries that are significant contributors to global climate change to reduce their carbon emissions. In Mexico, Colombia and Guatemala we are providing advice on economic strategies that promote rapid economic growth while advancing industries and measures that produce fewer emissions. In countries across the region, we are helping to reduce the rate of deforestation, a principal cause of carbon emissions.

Second, we assist countries that are particularly vulnerable to the impact of climate change to adapt to the effects. In the Eastern Caribbean, we are helping local communities and authorities upgrade critical infrastructure to protect potable water supplies. In the Andean region where millions of people, agriculture and industry are dependent on glaciers for water, we are helping to counter the negative effects of glacial melt.

Just as in the effort to enhance citizen security, we are collaborating with the private sector to address climate change. Together with the international reinsurance company, SwissRe Americas, we are designing weather-indexed crop insurance for small farmers in the Dominican Republic. To preserve valuable forests, offset carbon emissions, and help local communities to make a legal living, we are partnering with Bunge Limited, an international agribusinesses company, to support small-scale cacao production.

The beneficiaries of these programs include of course citizens of our own country. When neighboring countries employ clean energy and preserve their forests, our air and rivers are cleaner. When other countries are able to prepare for and respond to extreme weather events, the United States is not called upon to provide costly reconstruction and humanitarian assistance.

Mr. Chairman, this USAID agenda for the Americas – enhancing citizen security to promote inclusive economic growth, supporting democracy, rebuilding Haiti, and reducing global climate change – may sound ambitious. But it is also achievable. Never before have the governments, private sector companies, and civil society in the region been as willing and as well-equipped to partner with us, and lead, on these issues of mutual interest. The day in which foreign assistance ceases to be part of the regular parlance of U.S.-Latin American relations should not be that far off.

Thank you. I look forward to your questions.

Mr. SALMON. Thank you both very much. I would like to now yield myself 5 minutes to ask my questions, and then we will proceed with those that arrived in order of attendance along with se-

niority.

Assistant Secretary Jacobson, you mentioned in your testimony that the administration hoped to conclude negotiations in the Trans-Pacific Partnership expeditiously, and I hope that is the case. Can you tell us, though, how, if at all, will the negotiations for our Trans-Pacific Partnership affect the rules governing NAFTA? Could you submit that in writing, and maybe not answer it right now? Maybe just submit that in writing, because I do have a couple of other questions maybe I would like to get to.

The information referred to follows:

Written Response Received from the Honorable Roberta S. Jacobson to QUESTION ASKED DURING THE HEARING BY THE HONORABLE MATT SALMON

The inclusion of Canada and Mexico in the TPP provides the United States with an opportunity to work with two of our largest trading partners to shape a new, high-standard trade agreement for the 21st century. We are seeking in the TPP to include commitments on new and emerging issues, as well as commitments that go beyond the NAFTA in such priority areas as labor and environment—which is one of the many important benefits of including Mexico and Canada in TPP. The relationship between TPP and other agreements, including NAFTA, is a subject of discussion among the TPP negotiating partners. Our goal is to ensure a trading regime that provides for the most favorable treatment of goods, services, and investments.

Mr. Salmon. What opportunities do you see for greater U.S.-Mexican energy cooperation, and how might the U.S.-Mexico Transboundary Hydrocarbons Agreement on managing resources in the Gulf of Mexico advance that cooperation? And does the Obama administration plan to seek congressional approval of the Agreement this fiscal year?

And then one other question: I am concerned that the administration continues to block the full construction of the Keystone XL pipeline when the economic benefits that would result from the completion of the pipeline have been very well supported and just really make sense intuitively. I really have not seen any overwhelming or compelling evidence that we would face catastrophic climate change as a result of the pipeline, but I have seen evidence that the project will create a lot of jobs at a time when we sure could use a lot of jobs.

The State Department is heading the review of the pipeline, so I am wondering if you could tell the subcommittee where you are in the review process and whether we can expect approval of the project in the very near future.

Madam Secretary.

Ms. JACOBSON. Thank you very much, Mr. Chairman, and thank you for letting me off the hook on that first part of the question, enabling me to get back to you in writing, since I probably wouldn't have done a terrific job on that one in specifics, orally anyway.

Let me take the second part of your question on U.S.-Mexico energy relationship, which I think has enormous potential for progress and for exciting cooperation.

The transboundary hydrocarbons agreement, which I was in Cabo San Lucas for the signing of last year, really was a breakthrough agreement; not really as much in what it may permit us to do, which I think is going to be very positive, but in demonstrating to both of our publics that we can work together on energy issues, including on oil issues. This is an area of the gulf that has long been left unexplored because there wasn't legal certainty about such exploration. And what we were able to achieve with Mexico, I think to the benefit of both countries, is going to be in-

credibly important.

So let me assure you that this will be coming in front of Congress. I hope that we can count on everyone's support. And we hope to do that as expeditiously as possible. Obviously Mexico did approve the agreement last year, and so we are certainly hoping to do that as quickly as we can. We also think it has enormous potential. And I also think the relationship shows enormous potential in nontraditional nonfossil fuel renewable areas. There is more and more cooperation on wind energy, and cross-border wind energy which can supply our grid as well.

So I think there are a lot of exciting projects going on, areas like biomass, solar, as well as wind, and the Mexicans have great interest in that, and I think there is a lot that we can do together on

that front.

Finally, on Keystone you are obviously well versed in the process. We are in the middle of this process. The next thing that will happen is the environmental impact statement. The supplemental environmental impact statement will be produced. I am hoping that that will happen very soon, and then we will proceed to the next stage of this process, which is the determination to be made thereafter.

So we are hoping that that process will play itself out as soon as possible, but as the process is unfolding, I can't tell you anything about the particulars of it, largely because I am not involved in the day-to-day of the production of the individual documents that will be part of the process.

Mr. Salmon. Thank you, Madam Under Secretary.

Mr. Feierstein, one quick question regarding Haiti. With regards to Haiti specifically, but also in general throughout the region, what steps has USAID taken to mitigate the real problem of corruption when disbursing funds? Is there an effective vetting process, and how do you measure the extent to which aid is being siphoned off by corrupt governments, NGOs, or contractors?
Mr. Feierstein. Well, thank you, Mr. Chairman, very much. I

appreciate that question.

You know, in Haiti and throughout the hemisphere, we have mechanisms in place to assure that all U.S. taxpayer funds are managed, are administered appropriately, and we would not give a dime to any organization in the United States or any other country unless we are assured that they have those mechanisms in place.

What we do is we do a vetting process in which we assess organizations, whether it is—or entities, whether it is a government, or an NGO, or the private sector. For those organizations that may not have the systems in place, we provide training. But we do understand that as we move toward funding or channeling resources through more organizations overseas, again with the goal of strengthening local capacity and accelerating the process of which they can take care of their own development, that does mean that

we need to spend time putting in place those mechanisms, ensuring that all of these entities have the appropriate systems in place. So we are confident that we are doing that.

Thank you.

Mr. Salmon. Thank you, Mr. Feierstein.

My time is expired. I recognize the gentleman from New Jersey, Mr. Sires.

Mr. SIRES. Thank you, Mr. Chairman.

You know, as we head into a period where we are going to have to do more with less in some of these regions, I am concerned that we are going to have to rely more on the private sector going in and building, and promoting, and doing certain things in some of these countries. I am concerned about the corruption aspect of it. When we have American companies or American investors going into some of these countries and working with these governments, they get to a process, and then basically some of them are shaked down before they finish the process.

I wonder if you could talk a little bit about the corruption in some of these places when you have the private sector investing in

some of these countries.

Ms. Jacobson. Thank you. I think you are reflecting, obviously, on a problem that we see throughout the hemisphere. It is not a problem that is exclusive to this hemisphere. It is obviously something that Americans and other companies confront in lots of places in the world. But it is an area that, along with many of our programs on security, the goal of which is to have a level playing field for everybody and access to justice, and to have institutions that are clean and not corrupt. And while we may focus on the impact of that on street crime, or transnational criminal organizations, in fact, that is critically important for private investment and for the private sector to do business in those countries. So that it is very important that we work with countries on improving their mechanisms for transparency, for openness, and for anticorruption measures. So it is a priority for us as a government, both in our assistance programs, as Mark laid out, but also in our dealings with governments on private investment and private-sector operations.

We obviously work with American companies very aggressively around the hemisphere to make sure that they can have a fair shot at whether it is contracts or operating on a level playing field, and in many cases we are working with governments in the hemisphere to reduce corruption significantly. Countries are looking at how well they are doing in that area. As they look at a World Bank ranking for doing business or Transparency International's ranking, they know that levels of corruption impede their own development. And so we are finding more and more partners in this fight, but it does not mean, obviously, that we have had complete success

yet anywhere, even in the United States.

Thank you.

Mr. SIRES. Do you have anything to add? Mr. FEIERSTEIN. Yes, sir, Congressman.

I appreciate your reference to our need to do more with less, and, as a result, we are doing much more with the private sector and establishing alliances not only with the private sector in the United States, but also overseas.

I was in El Salvador 2 weeks ago, had an opportunity to announce the largest public-private partnership in the history of USAID involving the local private sector. And that was with a consortium of foundations funded by the private sector in El Salvador, and we will be working in communities to help to reduce crime. So I think we are seeing both U.S. companies and countries in the region to step up.

We are also seeing countries themselves recognizing they need to put more resources into development. In Honduras, for example, a new security tax was approved. Again, you know, these are funds

that will be devoted to security.

So I think that we are managing to leverage our funds in a con-

siderable way.

Mr. SIRES. And, of course, I could not let you go without asking a question about Cuba. Can you tell me where we are with Alan Gross? And let me ask the question, where we are with Joanne Chesimard? That is a big issue in New Jersey, as you know. There

is a million-dollar bounty on her head in New Jersey.

Ms. Jacobson. Thank you, Congressman. And I wish I had a better story to tell you on the situation with Alan Gross. As Assistant Administrator Feierstein said, he remains in prison after 3 years. We have pushed very hard for his release. We believe his imprisonment is not warranted, and, more importantly, he has a situation which warrants a humanitarian gesture by the Cuban Government. His mother is 90 years old and has cancer. His wife lost her mother recently. He has been in prison while his daughter battled breast cancer.

This is a story where a man should be sent home to be with his family, and we continue to push on that with allies and partners in the hemisphere on the Cuban Government, directly when we interact with the Cuban Government, and with others who have come to us and wanted to help. Unfortunately we have not seen a

response yet from the Cuban Government.

On Joanne Chesimard, you know that being from New Jersey I am very well familiar with the case, and it is an issue that we raise regularly with the Cuban Government. I raised it myself the last time I was there 2 years ago when we had migration talks, the importance we place on the return of U.S. fugitives in particular, those like Joanne Chesimard, William Morales, and others who have committed terrible crimes and should be returned to the United States.

Mr. SIRES. Thank you. I think my time is up.

Mr. Salmon. Thank you. The gentleman's time is expired.

The Chair will now recognize the gentleman from Florida Mr. Radel.

Mr. RADEL. Thank you, Mr. Chairman.

A question on Colombia. As I had said earlier in the opening statements, it is such a bright, shining example of cooperation, culturally, economically, between our countries. And the numbers are staggering.

We have worked closely with Colombia to combat drug trafficking, terror activities, poverty. In about the last decade, we have seen achievements, such as a reduction of 90 percent in kidnappings and terror attacks, 45 percent reduction in homicides.

Again, in about the past 12, 13 years, another positive development, the poverty and inequality have dramatically decreased. The population living in poverty decreased 44 percent in 2002. Again,

huge decreases more recently as well.

Are there any kind of lessons that we can learn about our relationship with Colombia, and apply them to other countries? One in particular, Mexico, we see the struggles and challenges that they are dealing with today. Do you see any kind of areas where we would be able to apply that?

I will start with you, Ms. Jacobson. Ms. Jacobson. Thank you, Congressman, and it is a great question.

I think we do see many lessons. The issues confronting Mexico are in some ways structurally different than they may have been in Colombia. Mexico is also a Federal system, which Colombia is not. But there are many similarities, and there were clearly lots of things learned by Colombia during that period of time, things that work, and, frankly, things that don't work and that you need to do

differently.

And I am very, very pleased that Mexico and Colombia have been cooperating so closely over the last number of years—frankly, sometimes with our help and encouragement, and lots of times without it-including training of police and helicopter pilots in terms of sharing information, because these are often organizations, as you know, that are transnational, not just into Central America, but on into South America. And so there is a great deal that can be learned.

And I would particularly note that the Colombians have been doing an enormous job with Central America countries where they have been asked for help because of their success. And they can often do things better than we can, frankly, in terms of training, and the experiences that they have had. They have trained over 14,000 police in 25 countries in the hemisphere.

So we think that the investment that we made in Colombia and the cooperation that we develop is paying huge benefits in Colombians' understanding how to combat some of these problems and continuing to work with us elsewhere in the region and in the

world.

Mr. RADEL. And you have to forgive me. I did have to leave for a second and come back. Could you produce your last name for me?

Mr. Feierstein. Sure, Feierstein.

Mr. RADEL. Feierstein, got it. Mr. Feierstein, go ahead.

Mr. Feierstein. Okay, thank you.

Well, First, it is an honor to meet a former journalist as well, a fellow journalist. And I also learned my Spanish in Mexico trav-

eling through there.

I think there are a number of lessons we can draw from Colombia. First is the importance of political will. The Colombians were clearly as committed as we were, obviously, to initially Plan Colombia and the programs that have succeeded since then.

Another key has been the Colombians have put in resources equal to what we put in, really in many ways well beyond. And, for example, in the case of USAID, there are programs that we were fully funding at the beginning of this process about a dozen years ago, and now the Colombians have taken over. And it is real-

ly a model for us in many ways.

I mean, also, in the context of the Colombia, you have seen very strong interagency cooperation within the U.S. Government. And it has been vital, for example, for USAID to work very closely with our military as well as the Colombian military to ensure coordination and collaboration as we help to extend the Colombian civilian presence.

And specifically with regard to Colombia and Mexico, you know, I mentioned in my statement, you know, the example of Los Angeles in terms of their success in reducing crimes. But Medellin, for example, is an extraordinary success story, which not so long ago was, you know, seen as the drug capital of the world. A couple of weeks ago it was featured in the New York Times travel section as the place to go these days.

So I think there is a lot to learn from what has been done not only at the national level in Colombia, but the local level as well.

Thank you.

Mr. RADEL. Yeah, just for the record, if I can get it in writing, maybe we could perhaps later focus on the growing influence of Iran in some of the open relationships we have seen with Venezuela in particular. We now see this so-called truth commission regarding the bombing of the Jewish Community Center in Argentina, that President Kirchner is now working with them. This is basically, in my opinion, adding insult to injury given that in 1999, Argentina had enough compelling evidence that INTERPOL issued arrest warrants for five officials tied to Tehran, just to get that in the record. We will get that in writing later. Thank you both for your time today.

[The information referred to follows:]

WRITTEN RESPONSE RECEIVED FROM THE HONORABLE ROBERTA S. JACOBSON TO QUESTION ASKED DURING THE HEARING BY THE HONORABLE TREY RADEL

The Iranian government's interest and engagement in this hemisphere has potentially serious implications for our security and that of our neighbors. The U.S. government continues to monitor the relationships closely, with a view to ensuring that violations of U.S. law or international sanctions are quickly detected and appropriate action taken. We also have an effective diplomatic strategy that has raised awareness and concern about Iranian activities with Western Hemisphere countries, and we can see the results. For example, Argentina, Brazil, and Chile voted with the November 2011 IAEA Board of Governors' resolution calling on Iran to address the international community's concerns regarding its nuclear program. Mexico and Brazil voted in favor of the creation of a U.N. Human Rights Council Special Rapporteur for Iran in March 2011.

Currently, the focus of the Venezuela/Iran relationship is largely diplomatic and

Currently, the focus of the Venezuela/Iran relationship is largely diplomatic and commercial. Both governments frequently discuss closer cooperation and have signed a number of agreements, but few of the joint initiatives and projects have

been implemented.

Where merited, the U.S. government has taken targeted action. In October 2008, the Treasury Department designated both the Export Development Bank of Iran and its wholly-owned subsidiary the Banco Internacional de Desarrollo for providing or attempting to provide financial services to Iran's Ministry of Defense and Armed Forces Logistics. This designation prohibits all transactions between the designees and any U.S. person, and freezes any assets the designees may have under U.S. jurisdiction.

In May 2011, the Department of State announced sanctions pursuant to the Iran Sanctions Act as amended by the Comprehensive Iran Sanctions, Accountability and Divestment Act (CISADA) against the Venezuelan state-owned oil company,

Petroleos de Venezuela (PDVSA) for its \$50 million in sales to Iran of reformate, which is a gasoline blending component. The sanctions prohibit PDVSA from competing for U.S. government procurement contracts, from securing Export-Import Bank financing, and from obtaining U.S. export licenses for controlled items.

Also, in February 2012, the Department of State announced the renewal of sanctions against the Venezuela Military Industries Company (CAVIM) under the Iran, North Korea, and Syria Nonproliferation Act. The sanctions prohibit CAVIM from any U.S. government contract, assistance, military sales, or new export licenses.

Our position on the AMIA bombing is clear and remains unchanged. For the last 18 years, we and the international community have joined the Argentine govern-

ment and victims of this horrific attack in seeking justice.

Iran's record of cooperation with international authorities is profoundly deficient, which raises doubts that its engagement on the AMIA case through the announced Argentina-Iran agreement will prove to be a means of achieving justice. Based on developments thus far, we remain skeptical that a just solution can be found by this

mechanism.

We understand the commission will comprise five members (two appointed by each country, the president via mutual agreement, and none allowed to be either Argentine or Iranian nationals) who will reportedly travel to Tehran to "interrogate" the seven Iranian nationals Argentina indicted for their suspected role in the bombing. The Iranian foreign ministry spokesperson said Iran had not agreed to the questioning of any specific government official.

His comments directly contradicted the Argentine Foreign Minister's repeated statements regarding the specific questioning of Iranian Defense Minister Ahmad

Vahidi by an Argentine judge in Iran.

Argentina's Jewish community representatives—in AMIA and DAIA—stated their unified opposition to the agreement and their lack of confidence in Iran as a diplomatic interlocutor. On February 28, Argentina's Congress approved the memorandum.

A legal advisor at the Iranian foreign ministry told a major Argentine radio station that Iran's parliament could yet reject the new Argentina-Iran memorandum, and appeared to indicate that the issue was not considered pressing and thus could well be put at the bottom of the Iranian legislature's agenda.

Mr. Salmon. Thank you. The gentleman's time is expired.

I recognize the gentleman from New York Mr. Meeks.

Mr. Meeks. Thank you, Mr. Chairman.

Let me join the gentleman in saying that I, too, look at the remarkable work that has been taking place in Colombia from when I first got elected to Congress, when you dared not travel to Colombia, to where people are traveling to Colombia from all over the world. It is now you go to-Cartagena is one of the major destination vacation cities in the world. So you have to take your hat off to the people of Colombia when you look at their elections and where they are moving forward. It is just absolutely fantastic.

The issue, though, that I do want to bring up because it was so successful when you look at what Medellin now is just unbelievable and how we have focused there, but we have changed the plan or Plan Colombia, agreed now to also help with making social change. And I am wondering can you tell us where we are with that?

For example, you know, when I visit Colombia, not only do I visit Medellin, or Bogota, or Cartagena, I go to Tumaco; I go to Buenaventura; I go to Choco; I go to Cali, and some of these-the drug cartels have pushed out into some of these areas. There isclearly when I go, sometimes I have to take a brigade of police with me because for security reasons, and these people tell me that this is what they live with. So can you tell us where we are and how we are moving forward with the moneys that are now going socially so that we can make a difference in those areas?

Ms. Jacobson. Thank you, Congressman, and thank you for your continued commitment to Colombia. And I am going to let Assistant Administrator Feierstein answer much of this.

But you are absolutely right. The Colombia program has to adapt to the reality and, indeed, much of its success, and now there are challenges that are different that we need to be addressing with the Colombian Government, which I believe President Santos has

begun to address.

But there is no doubt that Afro Colombian communities in the areas that you have mentioned still have a long way to go before they feel safe and before they have economic development that really brings them the benefits that we have seen in those macroeconomic statistics that are so positive. It is one of the reasons why we have a joint action plan on elimination of racism and working on Afro-descending communities with Colombia, trying to focus on small communities, how we can help with business, how we can help women entrepreneurs, and how we can help with protection issues.

This is very much an issue that we work on with Colombia now, and one that I think we have to continue to commit to, as well as ensuring that we focus on in all of our programs—not just ones under the joint action plan, but in all of our programs—that we focus on these vulnerable communities as part of those recipients.

Mr. FEIERSTEIN. Thank you, Congressman. You raise some vital issues. In fact, our support in Colombia has evolved as the challenges there have evolved. The Santos administration is currently implementing some historic reforms, first in terms of land, to restitute land to those people who lost their land as a result of the conflict and have been displaced. And USAID helped to draft that legislation, is now helping implement that law.

Second, with regard to victims, there is an effort to compensate the millions of victims in that conflict. And again, we helped to draft that legislation and are now helping to set up the entities

that will carry that out.

Specifically with regard to the challenge of Afro Colombians, we have a large program in Colombia. It has been ongoing for a number of years. We have just initiated a new part of that. But we recognize the special challenge that Afro Colombians face.

You mentioned some of the places you have traveled to, Tumaco, Choco. I have also been to those. We would be delighted to show

you some of our programs in those areas.

We have very much focused on helping Afro Colombian communities to improve their governance. We provided some economic assistance to help them with their livelihood, and we have a strong human rights component in that program as well, because we recognize the special challenges that both Afro Colombians and indigenous people in Colombia face.

And we are working, with regard to human rights, both with government institutions to help them to better protect Afro Colom-

bians and others, but also with—

Mr. MEEKS. I don't want to interrupt you, but I am running out of time, and I am really going to want to talk to you so we could follow up on that. You know, send me some of what we are doing in writing, but we have been working—and I know Ms. Jacobson,

we have been working very closely, and so we look forward to doing that.

But I just wanted to quickly raise, because I was just reading yesterday, a comment by—going to Haiti quickly—President Martelly, where he is talking about roughly 350,000 people still live in camps, and many others simply have moved back to the same shoddy-built structures that proved so deadly during the disaster; and that Martelly has said that the relief effort is uncoordinated, and projects hatched from good intentions have undermined his government. He said, we just don't want the money to come to Haiti anymore. Stop sending money, he says. He said, let's fix it. He says, referring to the international, let's fix it. What would your comments be about that?

Mr. Feierstein. You know, thank you, Congressman.

One of the biggest challenges that we face in Haiti in the reconstruction effort is to find housing for the people who are living in tent camps, and there is some good news to report. You know, at the height of this, there were 1.5 million Haitians living in tent camps. There are now about 300,000. So there is still a ways to go. And USAID has done a lot in the area of housing. We are building some new housing. We provided some transitional shelter in the immediate aftermath of the quake. We have been supporting the government with some new mortgage-finance programs. We have had some housing-subsidy programs in place.

But ultimately the real key is going to be to create jobs. And when we have done surveys in Haiti among those living in tent camps, those outside, everyone, including people living in tent camps, say their number one priority is jobs, not housing. And we can construct housing anywhere, but people won't move to those places unless there are jobs, unless there are community services like health care and education.

So we are putting a great effort now in trying to strengthen the Haitian economy. We have just helped to open a new industrial park in the north, which we anticipate will employ up to 65,000 people once all the tenants are there.

We have a very strong agricultural production program in place. We are reaching nearly 100,000 farmers, helping them to increase production, access markets both domestic and international.

You know, certainly Haiti is challenging, but, you know, it has been 3 years since the earthquake, but this is a long-term challenge, and we have a long-term plan in place. And if we consider, you know, where Haiti was even before the earthquake and the extraordinary damage that was done, I think that the progress we have seen in the last 3 years has actually been quite considerable.

Thank you.

Mr. SALMON. Thank you. The gentleman's time is expired. I recognize the gentleman from South Carolina, Mr. Duncan. Mr. Duncan. Thank you, Mr. Chairman. I have got an opening

Mr. DUNCAN. Thank you, Mr. Chairman. I have got an opening statement I would like unanimous consent to submit for the record.

Mr. Salmon. Without objection.

Mr. DUNCAN. Thank you.

I am glad Colombia was sort of the center of the focus today. I was down there last year to the Summit of the Americas in Cartagena, where I met the Secretary, I think, for the first time.

And it was interesting to hear the conversation about the security. and FARC, and narcoterrorism. We were down there in August of last year as well looking at what the Air Assault Division and the money we talked about earlier the U.S. has helped Colombia with, the helos, and the helicopter training. And so I see some successes down there.

But when the ranking member and I were in Cartagena, we met with the members of the Colombian Congress, and we asked them the secret of their success, because we saw prosperity, and this is what they said, I thought it was very interesting: Low taxes, government spending to—limiting government spending to 4 percent of GDP or less. Now, they have got some room for improvement there. I believe they could spend more on GDP. But 4 percent of GDP or less, and just enough government to support the free markets. That was what the Congressmen said in there. And I wrote it down. I tweeted it out that day, put it on Facebook, because that is what made this country great. So maybe we need to go back and take a lesson from Colombia.

The area I would like to focus on is an area that was conspicuously absent in the written testimonies of Secretary Jacobson and Administrator Feierstein, and that is the issue of Iran's growing in-

fluence and activity in the Western Hemisphere.

The gentleman from Florida mentioned Argentina and the Reuters article today about Argentina's Congress approved early on Thursday an agreement with Iran to investigate the 1994 bombing, and that is concerning me. I believe Iran is a growing threat in the Western Hemisphere. We have got the bill passed last year, Countering the Iran in the Western Hemisphere Act, signed by the President.

So the question I have for Secretary Jacobson, have you personally been overseeing the Bureau of Western Hemisphere Affairs' implementation of the Iran strategy, and if not, who has?

Ms. JACOBSON. Thank you, Congressman. It is nice to see you

Let me assure you that I am overseeing that process, I think it is a very important process, but that our writing of the report and the strategy in response to that request really for me is part of an ongoing effort that I and the entire Bureau are making to make sure that we know as much as possible working with the Intelligence Community, and that we are constantly monitoring, being vigilant and responding to on occasion when sanctions are breached the Iranian activities in the hemisphere.

Mr. DUNCAN. Okay, let me ask this: Has the State Department consulted with our allies in the region and other countries, and the partners, which I believe this is a partnership of our neighbors here in this hemisphere to assess this threat and counter that. So what are we doing with Nicaragua, and Honduras, and Argentina, and Paraguay, and Uruguay on this issue?

Ms. JACOBSON. Thank you. In fact, a big part of what we think is critical in responding to Iranian activities is working with the other countries in the hemisphere both to ensure that we can both evaluate the threats, see how we see it. If there are differences in how we evaluate it, if there is information that we can share, we can do that. That is not always possible. But also that we make sure that they understand our view on this, and that they understand, you know, how they, too, can detect and monitor, if you will, themselves, because some countries are concerned that they may not have the same information that we do.

So we do have conversations with all of our partners in the hemisphere and, frankly, anyone who wishes to talk about that subject with us to monitor actively the Iranians' activities. There obviously are also a lot of diplomatic agreements and activities that Iran signs in the hemisphere, most of which, I have to say, seem not to be coming to fruition, seem not to be delivered on.

So we have active conversations with leaders in the hemisphere

about this issue.

Mr. DUNCAN. Well, I appreciate that. I look forward to the report, and I look forward to this committee having a hearing based on that report and possibly traveling down to see the implementation in the Western Hemisphere.

Just one final thing, and this is for Administrator Feierstein. With ICE's recent release of the detainees, how do you expect this action to be viewed by the South and Central American countries?

Mr. Feierstein. I am sorry, can you please repeat the question? Mr. Duncan. ICE released a bunch of illegal aliens this week due to sequestration. So how do you think that is going to be viewed by our neighbors?

Mr. FEIERSTEIN. I think that issue might fall beyond the purview of USAID. You know, we do have a program in place in Haiti, for example.

Mr. Duncan. Well, let me redirect, then, my time to the Sec-

retary.

Ms. Jacobson. To the best of my knowledge, these were not criminal detainees. I don't know how countries—I don't think they have responded to that release. Obviously I think ICE as well as other agencies in the U.S. Government are doing everything they can under tough budget circumstances to ensure national security is maintained. But I don't know that we have seen a formal response from countries or that they will have a strong reaction to it.

Mr. DUNCAN. Thank you. I yield back.

Mr. Salmon. Thank you. The gentleman's time is expired.

The Chair will now recognizes the gentleman from American Samoa Mr. Faleomavaega.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman.

I am impressed by the fact that 40 percent of U.S. exports to the world goes to the Western Hemisphere. And I also want to say that I am impressed with all of the accomplishments, the high technology, and everything there is that is making our relationship with the Western Hemisphere a dynamic one. But correct me if I am wrong, are there about 500 million people that live in the Western Hemisphere?

Ms. JACOBSON. I think we are nearing 1 billion, including the

United States and Canada.

Mr. FALEOMAVAEGA. A billion. No, no, no, don't include the U.S., because the U.S. alone is 320 million, so—

Ms. Jacobson. Right. In Latin America it is over 600 million.

Mr. FALEOMAVAEGA. Alone.

Ms. Jacobson. Yes.

Mr. FALEOMAVAEGA. I sound somewhat simplistic in talking about populations. But you are suggesting the whole Western Hemisphere is about a billion people. And out of that number would it be safe for me to say that maybe perhaps 200 million are indigenous Indians?

Ms. Jacobson. I am not sure I know that.

Mr. FALEOMAVAEGA. Can you provide that for the record? I would deeply appreciate that.

Ms. JACOBSON. Certainly, sir.

[The information referred to follows:]

WRITTEN RESPONSE RECEIVED FROM THE HONORABLE ROBERTA S. JACOBSON TO QUESTION ASKED DURING THE HEARING BY THE HONORABLE ENI F.H. FALEO-MAVAEGA

Based on estimates published by international and non-governmental organizations that focus on the region, the indigenous population in Latin America and the Caribbean numbers around 40 or 50 million and makes up between 8 and 11 percent of the population. Bolivia, Peru, Mexico, Guatemala, Colombia, and Ecuador have the largest indigenous populations in Latin America. In addition, Canada's indigenous population numbers approximately 1.2 million.

Census information related to indigenous populations in Latin America is often difficult to verify due to: the lack of census surveying in areas affected by conflict where large proportions of Latin American indigenous people reside; varying ethnic or race classifications for indigenous populations; and migration into cities or

through porous borders.

Mr. Faleomavaega. As I said in my statement earlier in our hearing, all the dynamics of the success in our trade, economics, political, and all of this, but somehow hardly anything seems to be coming through and to say, "What are we doing in dealing with the indigenous inhabitants of this region?"

I say this because we have a similar situation. We have 565 Indian tribes in this country that we have to deal with, 5-point-some million people, and of all of the different groups living in our own country, the worst off in education, the worst off in poverty and ev-

erything else are Native American Indians.

And I would like to ask both of you, do we have any kind of data or information as it relates to how these countries in the Western Hemisphere treat indigenous Indians, just like my friend here who is looking very concerned about the treatment of Afro descendants?

Ms. Jacobson. Thank you, Congressman.

I think—I am not sure that we have a report or data ourselves that would reflect exactly the situation of indigenous populations in the hemisphere. I know that other international organizations and development organizations do work on that and probably do

have data. I will leave that to my colleague.

But let me just say that I think part of what you saw at the end of the first term, and certainly Secretary Clinton and now Secretary Kerry are committed to this-and maybe our shorthand is not appropriate, maybe it is not as understandable as it should be—is we talk a great deal and have moved on programs for social inclusion, and we talk about expanding economic opportunity. Let me be clear that what we mean by that is to populations who have not had access to that prosperity before. A big part of that are indigenous communities.

Mr. FALEOMAVAEGA. All right. I realize there may be instances, too, when I raised the issue, and it has always been referred to as a domestic, internal problem that we really don't have much a say on.

Ms. Jacobson. Well, I don't think we feel that way. I think we feel this is very much an issue of our foreign policy and the relationship we have with these countries. When we talk about the ability to start a small business, or working with women's organizations, or working with groups that have been disadvantaged, we mean working directly with indigenous groups.

Mr. FALEOMAVAEGA. Madam Secretary, we may be doing this, but I am not getting a sense, based on your statements, in really addressing this very thing that I am saying. If you are talking about 200 million indigenous people, and the worst situation, in my opinion, the treatment of these people among all of the countries, I would say basically most of the countries in Latin America has been poor and shameful.

Now, you can tell me if I am wrong on this, but, please, I would really would like to ask if you could provide for the record exactly what data, what information the State Department has on how indigenous populations throughout this hemisphere have been treated.

Ms. JACOBSON. Certainly, I would be happy to. [The information referred to follows:]

WRITTEN RESPONSE RECEIVED FROM THE HONORABLE ROBERTA S. JACOBSON TO QUESTION ASKED DURING THE HEARING BY THE HONORABLE ENI F.H. FALEO-MAVAEGA

Despite laws and policies that prohibit discrimination based on ethnic origin in a number of Latin American and Caribbean countries, indigenous people are among the most marginalized groups in the Western Hemisphere. They face challenges to full political and economic participation and access to education. These challenges affect poverty rates and educational attainment. According to the UN Department of Economic and Social Affairs, indigenous people are two to seven times more likely to make up the poor or extremely poor in countries such as Paraguay, Guatemala, and Mexico. The Economic Commission on Latin America and the Caribbean reported that primary school attendance rates for indigenous peoples is lower than non-indigenous people in both urban and rural areas. According to reports by the Inter-American Commission on Human Rights (IACHR), indigenous people and African descendants in Colombia have been more vulnerable to attacks by illegal armed groups and more often targeted in extrajudicial killings than other populations. In a separate IACHR report on Honduras, members of the indigenous community have been subject to threats and intimidation, and, along with African descendants, experience higher rates of poverty than the rest of the population. The Pan-American Health Organization noted that indigenous Peruvian women experience a maternal mortality rate of 489 out of 100,000 live births, more than four times the rate in the population as a whole.

In the Bureau of Western Hemisphere Affairs, the Race, Ethnicity, and Social Inclusion Unit coordinates bilateral action plans to promote racial and ethnic equality with Brazil and Colombia, and promotes similar initiatives in the region. We engage indigenous communities in Bolivia as they seek greater social inclusion and integration into political processes. Programs promote interaction between U.S. Native Americans and indigenous peoples, as well as counter negative stereotypes of Americans and build greater support for U.S. policies among the Bolivian public. The Department sponsored exchange programs between the Choctaw, Cherokee, and Chickasaw nations and Bolivian indigenous university students, educators, and entrepreneurs. In addition, through the College Horizons Outreach Program, we offer English language training, academic advising, and mentoring to increase opportunities for indigenous and African descendant high school students to pursue higher

education.

We have facilitated partnerships with U.S. Historically Black Colleges and Universities that benefit indigenous people, African descendants, and women, especially with academic opportunities in science, technology, engineering, and math fields. We facilitated technical exchanges with the Minority Business Development Agency and seminars aimed at helping indigenous- and Afro-Brazilian-owned business to take advantage of economic opportunity in the upcoming World Cup and Olympic Games.

Our Pathways to Prosperity initiative promotes inclusive economic growth and shared prosperity by ensuring the benefits of free trade are equitably shared among all peoples. Through this initiative, the Department of State has supported entrepreneurship programs in Colombia with indigenous and Afro-Colombian women business-owners in Buenaventura and Bucaramanga, to expand their access to regional cooperation on economic development and competitiveness, exchange best practices on labor standards, and implement measures to ensure the sustainability of their businesses.

Mr. Faleomavaega. Especially on the areas of education, areas of poverty, economics, whatever it is that they have on this, because I seem to see a similar pattern in terms of how we are having problems in our treatment of Native American Indians as well. And maybe Mr. Feierstein can—oh, I am sorry, Mr. Chairman, I think I am going over my time. But maybe Mr. Feierstein can help me on this; 30 seconds, 20 seconds.

Mr. Salmon. Okay.

Mr. FEIERSTEIN. Well, first, Congressman, thank you very much for raising the issue because it is absolutely vital. And you are referring to the numbers, and the numbers overall are impressive. And certainly if we focus on particular countries, you know, Guatemala, for example, Peru, Bolivia, and others, the numbers are overwhelming.

We do have a number of programs in place that are, in fact, focused on indigenous populations, they may not be advertised as such, but, for example, our program in Guatemala working the western highlands, where we are focusing on poor farmers and

helping them to produce, to help them increase production.

Mr. FALEOMAVAEGA. My time is up. I hate to say this, but of the 100,000 that want to do this educational exchange or whatever it is, I hope you include the indigenous Indians, who have the same—

Mr. Feierstein. Absolutely.

Mr. FALEOMAVAEGA [continuing]. Because I am not hearing it. Thank you, Mr. Chairman, I am sorry. I didn't mean to go over the time.

Mr. SALMON. Thank you. I thank the gentleman.

I recognize the gentleman from Florida Mr. DeSantis.

Mr. DESANTIS. Thank you, Mr. Chairman.

Thank you all for testifying. I am going to ask about Cuba. I don't know if you have covered that. I have been going back and forth with meetings, so please indulge me.

You know, this has obviously been a major concern for folks in my State for a long time. The extent to which the Castro regime has upset the livelihoods of people, taken their property, infringed their freedoms is something that is very real to a lot of people in my State. It is something that I care about a lot.

Obviously we have seen transition to the brother, and then now with this recent announcement that the brother was going to set a date when he would step down, and I am very concerned. I mean, I think Cuba has a chance to really do well if it embraced democ-

racy, if it embraced human rights, if it embraced free-market economics and turned its page on, you know, this 50 years of repressive rule. But I don't know how the dynamics are shaping up and whether we are going to have an opportunity to shape that in a positive direction.

So, Ms. Jacobson, can you give me your thoughts on how you see Cuba in our policy? Well, not necessarily our policy, but what is

going to happen in Cuba over the next 5 years?

Ms. Jacobson. Congressman, I wish I had that crystal ball. I really do. It would be useful. But I do think that when you look around the world, you see countries that were closed for a very long time, which, frankly, have succumbed, have eventually opened up to the global marketplace and the global pressure for democ-

racy, human rights, political rights.

We don't yet see that in Cuba. My hope is that the time is coming that within that 5-year period, there will be changes on the political side, because the changes that are being made now are not affecting political rights. They are on the economic side. And so my hope is that we will see some of that change in the next 5 years certainly. Our goal is to do everything that we can to ensure that Cubans have the right to determine their own future, to make their own decisions.

Mr. DESANTIS. What is your sense of—I know that our Government has been involved in promoting democratic ideals amongst the population. You know, how widespread? Are those ideals something that the Cuban people embrace? I would imaging that many of them would like a change, but do we have any sense on, if there was an opportunity for new leadership, whether the majority of Cubans would be supportive of a freer government?

bans would be supportive of a freer government?

Ms. Jacobson. Well, I think, as you can understand, the first thing I would say—and my colleague is actually a better expert on polling issues than I am—but I would guess that, you know, the data that exists or that we have is not very revealing in terms of what Cubans may think privately and what they may wish and

hope for.

But I think all citizens, you know, globally want that right to determine their own future, want that right to be able to vote freely for their leadership. And certainly, that is our hope for Cubans. But I also think that increased contact with Americans, American church groups, American cultural organizations, Americans there in educational exchanges—and I would certainly hope that Cubans would be allowed to come and study here, which has not always been the case—I would hope that that would be helpful as well in promoting some of the ideas that have been universally accepted for democracy and for human rights.

Mr. DESANTIS. Well, thank you. And I would just say, you know, and I will yield back the balance of my time, I think, you know, to have a dictatorship like that so close to our country, it is just a very sad thing that it has happened after all of these years. And we haven't seen positive changes from that regime. They are politically repressive. They don't honor any type of individual freedom. And, you know, I yearn for the day when we get a—where we get a better outcome there.

Thank you, Mr. Chairman.

Mr. Salmon. I thank the gentleman.

I recognize the gentleman from Florida Mr. Deutch.

Mr. DEUTCH. Thank you, Mr. Chairman. Mr. Chairman, I ask unanimous consent that my opening statement be inserted into the record.

Mr. Salmon. Without objection.

Mr. Deutch. Secretary Jacobson, I wanted to follow up on this discussion of Cuba and get back to the exchange earlier about Alan Gross, the exchange that you had with Mr. Sires. You said that at this point, despite all of our efforts, we haven't seen a response from the Cuban Government.

What is it that we are doing? What is it specifically that we are asking our allies to do, those who have closer relationships with the Cuban Government? What is it that we are doing, and are we doing as much as we can to ensure that Alan Gross can become a free man?

Ms. Jacobson. Thank you, Congressman.

I should, I guess, be clear about the response that we seek from the Cuban Government, which is the release of Alan Gross. That is the appropriate response. We have—when we talked with our allies and partners, including with the Vatican before the Pope went and others outside the governmental sphere, our goal and our request is the same: Please ask the Cubans to take the humanitarian gesture to release Alan Gross. That really is what we are asking. Can you help make that a reality?

But in addition, frankly, we are concerned about Mr. Gross' health, and we have repeatedly asked for the Cuban Government to permit a doctor of the Gross family's choosing to examine him.

So we have also asked others to help us achieve that.

Mr. Deutch. I am sorry, what was the response to that request?

Ms. JACOBSON. That has not been approved.
Mr. DEUTCH. What kind of care is he receiving? Who has been permitted to see him?

Ms. JACOBSON. He has obviously been seen by Cuban doctors, and he has been treated or advised in Cuba. There was an American who visited him not long ago who was a medical doctor and also a rabbi, but he was not a doctor of the Grosses' choosing and really wasn't able to do a physical examination of the sort that the Gross family would like and would reassure them that he was getting adequate medical treatment.

Mr. Deutch. And of all of the requests that we make—and certainly, certainly, we believe he should be released. We can't—there must be some way that, working with our allies, our partners, the Vatican, that at least on a humanitarian basis together they can convince the Cuban Government to allow a physician of the family's choosing to come in to see him, to support what they claim is the case that he is receiving the care that he needs. I mean, on a humanitarian level that is not possible?

There are all sorts of issues around this case that are frustrating and that are outrageous. But how it is that we can't-that the world can't compel the Cuban Government to at least allow a doctor in to see him? I don't understand that.

Ms. Jacobson. Congressman, all I can tell you is that I share your frustration and your outrage, and it has not been possible up to date, but it has not been for lack of trying with some very helpful and, I think, quite powerful partners.

Mr. Deutch. I appreciate that.

Just to shift gears for a second, I want to—rather dramatic—I want to thank the administration for making the promotion—and you spoke about this earlier, Madam Secretary—the promotion of clean energy and environmental sustainability a priority for the U.S. and Latin America.

One of the region's most overlooked challenges, though, is deforestation, particularly in the Amazon rainforest. As 50 percent of the world's plants and animals can be found in the rainforest, it is vital that the United States be a leader in helping to protect these valuable resources.

So can you tell us more about the administration's efforts to promote environmental sustainability and to protect the rainforest in Latin America?

Ms. Jacobson. I am going to speak in sort of more general policy terms real quickly, and then I would like to turn to my colleague,

if that is okay.

Obviously the environment—the Energy and Climate Partnership of the Americas, or ECPA, it now has about 40 or 45 projects. They are relatively small-scale. All of them are designed to move us to both clean energy, or to look at adaptation and mitigation for climate change. But among those are work with countries on promoting the reduction of deforestation and maintain habitat for biodiversity.

We have also, obviously, opened conversations with our Brazilian partners, with other Amazon countries, Colombia, Ecuador, Peru, as well as others around the hemisphere, on how we can do more cooperatively in global fora as well as regional fora on reducing deforestation.

Mr. DEUTCH. Mr. Chairman, if Mr. Feierstein could have just 30 seconds to respond?

Mr. Salmon. Sure.

Mr. FEIERSTEIN. Thank you, sir.

In the area of global climate change, we work both with countries to help mitigate the impact to reduce their carbon emissions. We

also work with countries to adapt to the effects.

Particularly with regard to deforestation, we do have programs in place, for example, in Peru, also in Brazil. Working with indigenous people. We have carbon credit programs in place, but also helping to train in terms of forest management to manage this challenge. But I would be happy to discuss these at length with you at some time.

Mr. DEUTCH. I hope you will. Thank you.

Thank you, Mr. Chairman. Mr. SALMON. Thank you.

We have a little bit more time, and we will try to get through a second round of questions for each of the members. We will probably be called to vote around 11:15. I would like to just ask two quick questions.

One, may I ask each of you to provide the subcommittee with a preview of each of your Fiscal Year 2014 budgets? We haven't seen the President's budget yet, and we would like to get an idea of

what your budget priorities are. And that can be submitted later, obviously.

[The information referred to follows:]

WRITTEN RESPONSE RECEIVED FROM THE HONORABLE ROBERTA S. JACOBSON TO QUESTION ASKED DURING THE HEARING BY THE HONORABLE MATT SALMON

I cannot speak to the FY14 Budget numbers at this time, as they have not been released, but we are happy to brief the committee on this topic at a future date.

Mr. Salmon. But also, with some of the things that have happened in the last year, especially in other parts of the globe regarding Embassy security, I would like to ask a question. How do you feel about the security of our Embassies in the Western Hemisphere, and what potential needs do you have that we should address ahead of the curve? Thank you.

Ms. Jacobson. Mr. Chairman, thank you so much for that question. And I want to say that I think all of us post-Benghazi, if we weren't paying enough attention before, we certainly are now. Whether it is focus on the ARB's recommendations and ensuring that those are implemented not just in the Middle East, but globally, or a review of our own situation in every country in the world, we take this extremely seriously.

I think we have legitimately recognized that the Western Hemisphere happily does not face the same level or the same kind of threat that we do in the Middle East, but we are never complacent about that, and we don't mean that there are no threats.

So we have reviewed all of our posts, we have talked with all of our Ambassadors, we have ensured that they have reviewed all of their emergency action planning to be sure that we are on top of these issues, and that when threats arise, that we take none of

them lightly.

We are lucky enough to have in many parts of the hemisphere buildings that were built either to Inman standards or are even newer. I am going to see our new consulate in Tijuana in the next couple of weeks, something that was long overdue because our Mexican border posts did concern us at one time, but there have been either new buildings built or plans put in place to rectify that.

The other thing I want to say is I am very confident that in countries of this hemisphere, we have the cooperation of the governments, the host governments. Even in places where our political relationship may not be terrific, we have found extremely good cooperation with security services in order to protect our people. So we have been very confident that we can work together to make sure that our people are always safe, because that is our number one priority.

Mr. Salmon. That is great to know that we are getting very, very good cooperation from the member countries. Obviously, that is paramount. So even with some of the countries where we have somewhat strained relations, such as Venezuela and Nicaragua, we have good relations with member countries on security.

Ms. JACOBSON. Yes, sir. I think we have been very pleased with the response of those countries.

Mr. SALMON. Thank you.

I am going to yield back the balance of my time. The Chair recognizes Mr. Sires.

Mr. SIRES. Thank you, Mr. Chairman.

I read a curious article yesterday, I think it was in The Washington Post, where the Hezbollah was following the Israeli vacationers in Cyprus. I will get to how this leads into South America, and Central America and the Western Hemisphere in a second. But they were tracing these tourists in Cyprus. And there is a concern that Hezbollah—obviously Iran is training these spies to follow the Israelis as they go in different places, eventually, obviously, to do a terrorist act.

I know that at the end of last year, we had the Western Hemisphere Act of 2012, which basically you are supposed to give us a report. Iran, had to combat Iran's influence in the Western Hemisphere, and they are a growing influence in the Western Hemisphere. Can you talk a little bit about that report? Where are you, and when are we going to get this report in 2013? You know, I haven't seen it, so I don't know if you gave it, or maybe I just missed it. But I just thought it was curious that Iran is training this terrorist organization, Hezbollah, to follow Israelis into Cyprus, and I am just wondering if maybe they are setting the same thing up in the Western Hemisphere?

Ms. JACOBSON. Congressman, you haven't missed anything. We have not submitted that report. We will do so by June. I think it is in June when the deadline is for submitting it, and we are working on it now. I think that it is—you know, the most important thing for us is to make sure that we have looked at all of the information that we possibly can, and then that we react to that information in a way that is well founded, not downplaying any threat, but also making sure that we have consulted with our experts in both the security and the Intelligence Community to be sure we have, frankly, looked at the most credible information we can.

I think that in the end what we are going to hopefully provide you will help you know what we are doing to respond to concerns that we may have, and where we believe there is no evidence to support some of the concerns that have been mentioned publicly. I do believe that a good percentage of the report will be classified, but I know there is an unclassified part required, and we will do our best to convey our actions in that, because, as I say, we are not complacent. We saw, you know, a bus bombing in Bulgaria. And so these things do have to be looked at, obviously, after the AMIA and the Israeli Embassy bombing in Argentina. We don't consider anything impossible, and the Arbabsiar case of the Saudi Ambassador with the person from Mexico. So we will be getting back to you soon.

Mr. SIRES. All right. Thank you.

Mr. SALMON. Thank you.

The Chair recognizes Mr. Radel. Mr. RADEL. Thank you, Mr. Chair.

We have been kind of openly discussing the challenges that we have with Venezuela and sometimes the rhetoric coming out of President Chavez there, whose health right now is in question.

When we look at the possibility of a post-Chavez Venezuela, is there a role—this is directed, by the way, to Assistant Secretary Jacobson—is there a role that the United States can play, that we should play, possibly can play, in terms of ensuring free, fair, and transparent elections in the country of Venezuela?

Ms. JACOBSON. Thank you, Congressman. And actually, if I could, I think it is a question for both of us.

Mr. RADEL. Great.

Ms. Jacobson. USAID has terrific election programs.

I do think there is a role for the United States. In some ways there has always been a role with the Venezuelan people, and there will continue to be. We engage actively with Venezuelans of all stripes and will hope to continue to do so. We will talk about the importance of an even playing field, commitments that all of us have made in the inter-American system to open, free and fair elections. And I am hopeful that with a small amount of foreign assistance that we have had on the books for a number of years, we will be able to help in more concrete ways.

Mr. Feierstein. Thank you, Congressman, for the question.

In Venezuela, we do have a long-standing program in place to support those who are advocating and fighting on behalf of democracy and human rights in Venezuela. We support civil society. These are nonpartisan programs. As Roberta noted, we have had electoral programs in place in the past and are prepared to do so in the future as well; helped Venezuelan groups to monitor the process to encourage people to vote; and we have also been supportive of human rights groups that have documented the human rights situation there, and we are prepared to continue those under any scenario.

Thank you.

Mr. RADEL. Thank you.

I yield the remainder of my time. Thank you, Mr. Chair.

Mr. Salmon. Thank you.

The Chair recognizes Mr. Meeks.

Mr. Meeks. Thank you, Mr. Chairman.

I have two questions. Number one, could you give me, tell me what the success is or the failures or the weaknesses of CBSI; whether or not, you know, they are having the social impact that we thought that they would have; whether it is helping, you know, combat drugs, et cetera? So if you could give me your opinion on CBSI.

And secondly, give me your thoughts and your opinion on the progress of the negotiations between the Colombian Government and the FARC that is currently taking place.

So those two.

Ms. JACOBSON. Thank you very much, Congressman.

On CBSI, I think I would say to you that the jury is still out. There is a lot of work still to be done. I think we are making

progress.

One of the things I am most pleased about is the process that we have undertaken to implement programs through CBSI. It was slow in some ways, but that was because it was incredibly collaborative, coming together with that many separate Caribbean countries to decide what the priorities were and where the programs were going to be carried out, which also, I think, was important for sustainability, for governments to be doing what they thought was important as well as we thought.

I do think that in some places we have seen increased information sharing; increased cooperation on operations, especially maritime; and some inroads that we have begun to make in whether it be reduction of caseload in the judicial area, or working with prosecutors and others in areas to improve judicial responsiveness.

We have also seen a lot of effectiveness here of the donor coordination. Our own funds are not as large as we might like, but we have been able to partner with both the U.K. and with Canada to get extra prosecutors in, and to work with them to kind of leverage increased cooperation and make sure we are all working on the same areas.

Mark, you probably have more specifics.

Mr. FEIERSTEIN. Sure. In the case of CBSI, USAID is, of course, one of the many agencies responsible for implementing our programs. We operate in three areas in particular: First, supporting efforts with at-risk youth; providing education, workforce development to provide alternative and positive lifestyles for youth who might otherwise be lured into a life of crime.

Secondly, we are very much involved in the area of juvenile jus-

tice reform.

And then finally, also with regard to community policing, we are supporting a number of countries in that area. That is probably the area that we have seen the most success. For example, in Jamaica, we have had a long-standing community-based police assistance program where we have seen in the areas where it has been instituted murder rates, crime rates generally have had a dramatic decline. So we are hopeful in the coming years we will see a couple of successes elsewhere.

Thank you.

Ms. Jacobson. And let me just say, Congressman, on Colombia, I think you know that our position has been to strongly support the Santos administration's efforts on the peace process. I know those efforts are ongoing, and the talks continue. We hope that they will prove successful, it would be enormously important for Colombia, and we will do all that we can to support President Santos, who I think, you know, himself has said that he hopes things can move along; that he is looking for movement. And my guess is that like most peace processes, there are frustrations, and there are successes and gains. And we will do everything we can to support that process moving ahead.

Mr. SALMON. I thank the gentleman.

I recognize Mr. Faleomavaega.

Mr. FALEOMAVAEGA. Am I the last of the Mohicans? Thank you, Mr. Chairman.

I appreciate your willingness to work with us on this situation dealing with the indigenous communities throughout Latin America.

Would it be possible for the Obama administration to announce about 100,000 projected exchanges in education, that some provision ought to include to seek getting indigenous scholars? Because I have always said that this is probably one of the most important aspects if we are ever going to lift the status politically, economically, and everything of indigenous peoples, and that is through education. And I am sure Mr. Feierstein probably has a good grasp

of that in terms of how the USAID program—I know I don't have the time, but if I could get that information, and I will follow up on that as well.

Ms. Jacobson. Yes, absolutely. I just want to say that we have begun exchanges of indigenous students with students from American Indian universities in Bolivia and elsewhere. They have been incredibly positive, and we want to do a lot more of them.

[The information referred to follows:]

Written Response Received from the Honorable Roberta S. Jacobson to Question Asked During the Hearing by the Honorable Eni F.H. Faleo-MAVAEGA

Although the Department of State captures a student's nationality through his visa application, we do not ask students to identify by ethnicity or race. As such, we do not have statistics on the number of indigenous students or scholars who study in the United States. We do know, however, that minority and indigenous populations are generally underrepresented in study abroad overall.

Through 100,000 Strong in the Americas, we seek to encourage greater diversity in international study on all levels—more diverse students, more diverse locations of study, and more diverse types of degrees and academic institutions. This includes creating more opportunities for indigenous students from Latin America and the Caribbean to study in the United States, and for Native American students in the United States to study in the Western Hemisphere. We are reaching out to consortiums of minority serving institutions, including Historically Black Colleges and Universities, Hispanic-Serving Institutions, and Native American Tribal Colleges and Universities, to promote a more diverse profile of students who participate in educational exchanges.

Mr. FALEOMAVAEGA. I was in Rapa Nui. I don't know if my colleagues know where Rapa Nui is. It was last year. It is also called Easter Island. I say this because these are my cousins that live there. I am from the Samoan Islands. I don't know who the idiot was that classified us as Polynesians. But anyway, we are people from the islands.

In a very similar fashion, I wanted to know if you could include and make sure that opportunities in education are also given. And I have got some real good exchanges with the leaders of Chile since

Chile has jurisdiction over the people of Rapa Nui.

I want to break away just with a quick question, because this issues is going to be tied in quite closely in terms of the situation of the drug cartel situation between Mexico and the United States. Years ago I shared with my colleagues on the committee a statement made by one of the Presidents in Latin America to the effect that "if you Americans would just stop your high demand for drugs, then maybe there would be no incentive to supply you with this serious situation," which has become a multibillion-dollar industry. And I believe it was 2 or 3 years ago that Secretary Clinton commented on the fact that if there wasn't so much demand from the United States for drugs, then maybe we wouldn't have the cartels and everybody doing this, which has become, what, a \$20 billion industry now? Probably even more.

And my understanding is that 85 percent of the guns, and I suspect most of them assault weapons, found in Mexico come from the United States. Does that make any sense? And there are some thousands of firearms businesses along the Mexican-U.S. border selling these weapons and, unfortunately, killing the Mexicans be-

cause of these drug cartels that have been going on.

What is the status of the drug cartel situation between Mexico and the United States?

Ms. Jacobson. Congressman, thank you. And I do think that it has been very important that we have talked openly with Secretary Clinton and now Secretary Kerry, and certainly the President, about our responsibility in this; that shared responsibility really does mean shared responsibility. And that is why the administration has increased the amount of money that they have put toward prevention and treatment.

It is also important to note that over the last 30 years, we have seen dramatic decreases in drug usage in the United States, and we think there has been progress on the demand side, but obviously more needs to be done. And ultimately that is the answer to this problem.

In the meantime the cooperation that we have had with Mexico, obviously the situation in terms of the level of violence has been horrific and is not acceptable. But the pressure that has been put on the cartels in Mexico is showing, is making a difference in terms of their ability to operate, the costs they have to incur, but we need to continue working on that.

The cartels have clearly fragmented into more cartels, more numbers, and ultimately we want to get to a point where law enforcement in the United States and law enforcement in Mexico cooperating together can ensure not that drug groups don't exist, but that we get that level of violence and the level of drugs that they are able to move down to something that law enforcement can prosecute and handle.

Mr. FALEOMAVAEGA. Well, it is unfortunate. You are talking about 60,000 Mexicans who have died as a result of the drug cartel situation since 2006. That is bad.

Thank you, Mr. Chairman, and I thank our witnesses for their testimony.

Mr. SALMON. Thank you.

And just to follow up, I don't have a question, but I want to thank you both for your participation. I would like to summarize some of the things that you all have presented as well as some of the priorities of this subcommittee.

Mr. Faleomavaega, in your last statement, you raise a very real concern not just with the United States, but globally with the drug cartels and the proliferation of drugs. In our conversations over the last few days, I am very encouraged that we are doing more to try to help the countries that are actually growing the drugs—the co-caine—to transition to other kinds of crops. And those are positive things. I think that—

Mr. FALEOMAVAEGA. Will the gentleman yield?

Mr. Salmon. Yes, absolutely.

Mr. FALEOMAVAEGA. They are growing it in California. Do you believe this?

Mr. SALMON. That is right.

Mr. FALEOMAVAEGA. You don't have to go to Mexico. They are growing it in California.

Mr. Salmon. I thank the gentleman.

But also, you know, there are major challenges throughout the region, but also major opportunities. As we look toward fostering

a healthier relationship with each of these countries, our desire is to try to work more closely with those governments and institutions, the NGOs that work with those governments in some of the countries that are, you know, kind of teetering a little bit on their support of that relationship with the United States, like Ecuador and possibly Bolivia, and see if we can kind of turn the tide with enhanced diplomatic dialogue and a presence, and a willingness on our part to try to stave off, you know, bad blood.

Also, as we work with countries like Brazil, who have done so many things right when it comes to economic development and government reforms, there is still more to be done, obviously, but let's

praise the good and not always just single out the bad.

As we look at Colombia, we see a phenomenal success story. Amazing things have happened there in the last 10 years. In fact, if you would have told me when I was in Congress before that the Colombia of today would exist, I would have called you a liar. But they have done phenomenal things, and we should praise that and try to foster future improvement of that government and that society.

As we look at Mexico and the new administration that is in place right now, we are cautiously optimistic that some of the reforms by the past administration will be built upon, and that the fight with the cartels—the war with the cartels—will ultimately eradicate them and all of the terrible things that go along with cartels; not just the drug proliferation, but also the suffering of humanity.

I think Mr. Faleomavaega correctly points out that there are numerous deaths that have occurred in Mexico because of cartel activity. And I have got to wonder aloud, is the illegal immigration that is happening in the United States, much of it from Mexico, simply due to the desire for economic prosperity, or is it due to fear over some of the terrible, horrific things that are happening in the streets of Mexico because of these cartels?

And we need to do a better job, I think, helping Mexico move toward reforms, rule of law, and anticorruption efforts, as well as helping their government provide more and better economic opportunities for their citizens so that they can feel more comfortable staying in their country of origin and prospering economically and living without fear.

And so, these are all things that we look at as we try to grow our relationships in the Western Hemisphere. This is not to forget Canada and the phenomenal economic relationship and ties that we have with them, economic ties that we have with them, and the very symbiotic relationship that we have toward economic growth and prosperity. Those are all important things as we look forward in this committee.

We share the concerns the gentleman from South Carolina expressed about Iran's increased influence in the region, and, as he aptly pointed out, there was legislation passed last year. We look forward to working with you, Madam Under Secretary, toward finding out how we are improving that situation, and I believe we will have future hearings that focus on that.

And I thank you both for your wonderful testimony. We look forward to working with you, and look forward to working on both

sides of the aisle. And without anything further, I will go ahead and adjourn this meeting. Thank you very much.
[Whereupon, at 11:10 a.m., the subcommittee was adjourned.]

APPENDIX

MATERIAL SUBMITTED FOR THE HEARING RECORD

SUBCOMMITTEE HEARING NOTICE COMMITTEE ON FOREIGN AFFAIRS U.S. HOUSE OF REPRESENTATIVES WASHINGTON, D.C. 20515-6128

Subcommittee on the Western Hemisphere Matt Salmon (R-AZ), Chairman

February 20, 2013

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 by the Subcommittee on the Western Hemisphere in Room 2172 of the Rayburn House Office Building (and available on the Committee website at www.foreignaffairs.house.gov):

DATE:

Thursday, February 28, 2013

TIME:

9:30 a.m.

SUBJECT:

Overview of U.S. Interests in the Western Hemisphere: Opportunities and Challenges

WITNESSES: The Honorable Roberta S. Jacobson

Assistant Secretary

Bureau of Western Hemisphere Affairs

U.S. Department of State

The Honorable Mark Feierstein

Assistant Administrator

Bureau for Latin America and the Caribbean U.S. Agency for International Development

NOTE: Witnesses may be added.

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 atternative formats and assistive listening devices) may be directed to the Committee.

COMMITTEE ON FOREIGN AFFAIRS

MINUTES OF SUBCOMMITTEE ON			The Western Hemisphere		HEARING	
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Rep. Jeff Duncan Opening Statement for WHEM Hearing

"Overview of U.S. Interests in the Western Hemisphere: Opportunities and Challenges"

February 28, 2013

Chairman Salmon, thank you for holding this very important hearing. I want to focus on an issue that was conspicuously absent in the written testimonies Secretary Jacobson and Administrator Feierstein provided to this subcommittee – the issue of Iran's growing influence and activity in the Western Hemisphere. Last year, the House of Representative and the U.S. Senate passed H.R. 3783, the Countering Iran in the Western Hemisphere Act. President Obama signed it into law on December 28, 2012 as Public Law 112-220. This law states that the policy of the U.S. is:

To use a comprehensive government-wide strategy to counter Iran's growing hostile presence and activity in the Western Hemisphere by working together with the U.S. allies and partners in the region to mutually deter threats to U.S. interests by the Government of Iran, the Iranian Islamic Revolutionary Guard Corps (IRGC), the IRGC's Qods Force, and Hezbollah.

This law also calls for the Secretary of State to conduct an assessment of the threats posed by Iran and its proxies in the Western Hemisphere and a strategy to address Iran's activity in the Western Hemisphere within 180 days.

Last Congress, many Congressional committees held several oversight hearings on the threats posed to the U.S. through Iran's expanding influence in the Western Hemisphere through its pursuit of economic, diplomatic, and security agreements; doubling its embassies in the

region; connections with drug trafficking organizations; fundraising operations of Hezbollah and IRGC agents, and increasing cooperation with the ALBA countries.

This law received widespread bipartisan support last Congress, and we understand that the Bureau of Western Hemisphere Affairs is taking the lead on implementing the requirements of P.L. 112-20. As we have heard testimony that Iran's presence and activities in Latin America is asymmetric, we do expect any strategy to have a developed asymmetric response. We look forward to working with you on this critical issue. I yield back, Mr. Chairman.

Congressman Ted Deutch Opening Statement Overview of U.S. Interests in the Western Hemisphere: Opportunities and Challenges February 28, 2013

Mr. Chairman and Ranking Member Sires, thank you for holding our subcommittee's first hearing of the 113th Congress. I look forward to serving on this committee.

I am encouraged by some of the positive trends we see in Latin America. Strong economic growth has enabled Latin America to increasingly build a free market economy, combat drug trafficking, and lift its populations out of poverty.

As a representative from South Florida, I remain extremely concerned about Haiti. It's been more than three years since the massive earthquake that devastated the country. As the sequester looms, I am worried about the impact these cuts will have on foreign aid for the region and on Haiti's recovery. If sequestration takes place, approximately 34,000 Haitians could lose access to food aid through sequestration cuts to Title II programming. Partisan politics in Washington is putting lives at risk in Haiti, and that is not acceptable.

Additionally, I would like to recognize our special relationship with Canada. Not only is Canada the United States' largest trading partner, but they are our ally and partner in international security. I specifically want to thank Prime Minister Harper for his continued and unwavering support of Israel and Foreign Minister Baird for his statement at the UN condemning the Palestinian Authority's unilateral attempts at statehood in November. The Canadians also deserve recognition for annually raising and leading the Iran Human Rights Resolution and bringing the world's attention to Iran's abysmal human rights record. We are fortunate to have such a strong partner as our neighbor, and we need to acknowledge it more often.

Thank you. I look forward to discussing the region with our panel.

Questions for the Record Submitted to Assistant Secretary Roberta Jacobson by Representative Chris Smith House Committee on Foreign Affairs February 28, 2013

Question:

Ms. Chaya Weinberger, a constituent who resides in my district in New Jersey, is the daughter of Mr. Jacob Ostreicher, an entrepreneur from New York who went to Bolivia in 2010 to manage a rice growing operation in which he had invested near Santa Cruz. Mr. Ostreicher proved to be an outstanding rice grower. His operation was on track to becoming the biggest rice producer in Bolivia.

Mr. Ostreicher was arrested by the Bolivian Government in June 2011 on suspicion – but with no evidence that he actually committed the crimes - of money laundering and association with criminal organizations. He was thrown into the infamous Palmasola Prison in Santa Cruz, a prison run by hardened criminals serving life sentences, where cocaine use is rampant, garbage and sewage line the streets, and murders are commonplace.

Between June 2011 and December 2012 – over 19 months – Mr. Ostreicher had 30 court hearings on his case. On December 18th, he finally was released on house arrest where he remains in Santa Cruz today. Although members of his family have visited him, the separation obviously is painful and he has not seen his grandchildren for over 20 months. Tragically, Mr. Ostreicher has contracted Parkinson's disease, probably due to the extreme and sustained stress to which he has been subjected.

In November, it was determined by Bolivian officials that he has been the victim of an extortion network in the Santa Cruz justice system, and numerous government officials have been arrested in the case and imprisoned.

I have held two hearings in my subcommittee on Mr. Ostreicher's case, and visited him twice in Bolivia. I also met with several Bolivian government officials as well as officials at our embassy in La Paz. I am convinced that

Mr. Ostreicher is innocent of the charges against him, and he is, as a retired FBI agent who investigated his case has described it, the victim of a government-sponsored kidnapping.

But my reason for raising this case today with you, Ms. Jacobson, is not to go into the details about the gross injustice that has been and continues to be perpetrated against Mr. Ostreicher by the Bolivian Government. Instead, I would like to express my extreme disappointment and frustration with the way the U.S. State Department is handling the case of this U.S citizen.

In a statement submitted to the Senate Judiciary Committee in July 2011, then-Secretary of State Hillary Clinton stated that, "the State Department has no greater responsibility than the protection of U.S. citizens overseas — particularly when Americans find themselves in the custody of a foreign government, facing an unfamiliar, and at times unfair, legal system." I could not agree more, and yet officials of the State Department have repeatedly demonstrated both a disturbing lack of understanding about Mr. Ostreicher's case and a refusal to advocate for his human and due process rights under both Bolivian and international law. I will only mention a couple of examples here.

You may recall that I sent you a letter in June of last year asking you to publicly and assertively raise Mr. Ostreicher's case with Bolivian officials in the context of your participation in the OAS General Assembly which was held in Cochabamba, Bolivia. Unfortunately, you did not do so, though I was informed in writing that you urged Bolivian officials privately "to provide a rapid judicial process and adequate detention conditions." With all due respect, these requests were absurd, given that Mr. Ostreicher had already been denied judicial due process for an entire year and had been detained under horrendous conditions for that period of time. They certainly did not convey to the Bolivian official any serious concern for Mr. Ostreicher's welfare, and actually ignored the traumatic abuses to which he was being subjected.

The other example arises from President Morales's visit to the United Nations in New York just last week on February 20th. During a press conference there, the President was asked a question about Mr. Ostreicher. The President responded by referencing Mr. Ostreicher's "suspicious" fortune, and called on him to show in court where he got all his money. First, Mr. Ostreicher has submitted evidence that all the money he took into

Bolivia went through the Bolivian central bank, and therefore could not have been laundered. But secondly, the President ignored Bolivian and international law by inferring that Mr. Ostreicher is guilty unless he proves himself innocent. Such blatantly misleading and offensive comments made by the Bolivian President, only a few miles from Mr. Ostreicher's home, should have been met with an immediate public response and clarification from the State Department on Mr. Ostreicher's behalf. But no response was made.

Mr. Ostreicher has now been held for nearly 21 months, in violation of Bolivia's own law, with no evidence presented that he has committed a crime. The State Department needs to start fulfilling its "greatest responsibility" and assertively defend Mr. Ostreicher's due process and human rights. Ms. Jacobson, how will you and other responsible State Department officials do so going forward?

Answer:

You correctly point out that we have no higher priority than looking to the treatment of American citizens abroad, particularly those who encounter legal problems. Mr. Ostreicher's case is a matter of significant priority for the Department. I have repeatedly – in writing, in face-to-face conversations, and in telephone calls – expressed our dismay at the delays in the case to Bolivian officials, and urged them to either bring charges against Mr. Ostreicher or release him.

Mr. Ostreicher was released on bail December 18 and is currently under partial house arrest. Since your visit to Bolivia in December, our Chargé d'Affaires has met with senior Bolivian officials to discuss Mr. Ostreicher's case at least 17 times and has had numerous phone

conversations with them regarding the case. Our Chargé d'Affaires and our Consular Agent in Santa Cruz speak with Mr. Ostreicher often, at a minimum weekly. Mr. Ostreicher's wife thanked them for their dedication and the tremendous effort they have put into his case. I assure you that we will continue to press Bolivian officials to bring a just conclusion to the case.

Questions for the Record Submitted to Assistant Secretary Roberta Jacobson by Representative Jeff Duncan (#1) House Committee on Foreign Affairs February 28, 2013

Question:

Given that the Chavez-inspired Bolivarian Alliance (known as ALBA) has been the gateway for Iran into Latin America, how does the near death of Hugo Chavez and the impending transition of the Castro's in Cuba affect the considerations being made when developing the Iran strategy required by P.L. 112-220? Do you expect the White House to adopt a more confrontational or accommodating approach to Venezuela in the coming months?

Answer:

The Iranian government's engagement in this hemisphere has potentially serious implications for our security and that of our neighbors. Iran has serially defied the will of the international community and is a State Sponsor of Terrorism. We and our interagency partners in the intelligence community remain vigilant of Iranian engagement in the Western Hemisphere and have in place a robust strategy to counter it. We assess that Iran's principal motivation in its outreach to Latin America is to overcome its growing international isolation. At best, Iran has had limited success in that regard, in part because it has overpromised and under-delivered,

particularly in terms of its official development assistance to Latin American countries.

Regardless of Iran's limited success, we take Iran's presence in the Western Hemisphere seriously, and have a three-part strategy to address it. First, we use traditional bilateral and multilateral diplomacy to engage with governments to ensure they understand the depth and nature of our concerns. This has produced solid results. In 2012, Argentina, Brazil, and Mexico voted for the IAEA Board of Governors' resolutions calling on Iran to cooperate with the IAEA and address the international community's concerns regarding its nuclear program. Argentina, Brazil, Chile, Guatemala, and Mexico voted in favor of the creation of a UN Human Rights Council Special Rapporteur for Iran in April 2011 and Argentina, Brazil, Chile, Costa Rica, Guatemala, and Peru voted to renew the Special Rapporteur's mandate in March 2013.

Second, when appropriate, we use the very effective tools provided by Congress to sanction or designate persons found to be working with or helping Iran. In May 2011, the Department announced sanctions under the Comprehensive Iran Sanctions, Accountability and Divestment Act against the Venezuelan state-owned oil company, Petroleos de Venezuela (PDVSA), for \$50 million in sales to Iran of a gasoline blending component. In

February 2013, the Department announced the renewal of sanctions against the Venezuela Military Industries Company under the Iran, North Korea, and Syria Nonproliferation Act.

Third, we continue to regularly engage with the intelligence community to jointly monitor Iran's relationships closely, to ensure that violations of U.S. law or international sanctions are quickly detected and appropriate action taken.

We assess that the focus of the Iran-Venezuela relationship is largely diplomatic and commercial. Much of it was the result of former president Chavez's personal relations with Iranian leaders. Both governments frequently discuss closer cooperation and have signed a number of agreements, but most of the joint initiatives and projects remain unrealized. Iran's military engagement with Venezuela has also been similarly nascent. Venezuela purchased from Iran a limited number of unarmed surveillance drones and equipment for explosive-related factories. The Venezuelan stateowned airline Conviasa previously operated a Caracas-Damascus-Tehran route, but the Tehran leg was suspended in September 2010 and the Caracas-Damascus leg in spring 2012. Joint ventures that appear to have been completed only include a bicycle plant, car assembly plant, a cement plant, and several housing projects.

With regard to the Iran-Cuba relationship, both governments share an antipathy towards the United States. Other than taking similar positions in international fora, there have been few concrete results from their bilateral engagement.

The Department, in collaboration with interagency partners, is working on a mandated report of Iran's activities and presence in the region under the "Countering Iran in the Western Hemisphere Act of 2012," Public Law 112-220. The report will serve to complement our frequent briefings to Congress on Iranian engagement efforts in the hemisphere and provide an opportunity for us again to outline our comprehensive strategy to confront it.

Questions for the Record Submitted to Assistant Secretary Roberta Jacobson by Representative Jeff Duncan (#2) House Committee on Foreign Affairs February 28, 2013

Question:

Venezuela, Belize, Cuba, Bolivia, Ecuador, and other countries in the region have proven to have the ability to create fraudulent identities (passports) for Islamic radicals. What operational security measures are being put in place within our U.S. consular affairs sections — in conjunction with DHS — to mitigate this threat?

Answer:

Consular sections worldwide conduct personal interviews and collect fingerprints in the course of the visa application process to establish the identity and bona fides of visa applicants. All consular adjudicators are trained to understand local conditions and to identify fraud indicators in the visa application and during the interview. In addition, every embassy and consulate in the world has a fraud prevention manager responsible for a post-specific fraud prevention program. Most high volume posts also have an Assistant Regional Security Officer – Investigator (ARSO-I) assigned to the consular section. The ARSO-I is a Diplomatic Security federal law

enforcement agent whose mandate is to conduct criminal investigations into visa and passport fraud.

To support the consular officers adjudicating visas, the Department coordinates the global collection of intelligence on possible terrorists and shares that information broadly through the Visas Viper process. The Visas Viper Program is a mechanism to prevent terrorists from entering the United States by entering their names and aliases routinely and consistently in the Department's Consular Lookout and Support System (CLASS) and other lookout systems such as Customs and Border Protection's (CBP) Interagency Border Inspection System. This information is augmented by the full range of intelligence shared with the Bureau of Consular Affairs and operationalized via CLASS system namechecks, as well as through fingerprint and facial recognition checks on visa applicants.

We also work closely with Immigration and Customs Enforcement domestically and abroad and with other domestic elements of the Department of Homeland Security, such as CBP's National Targeting Center. We collaborate to ensure that once a mala fide traveler is known to any agency, be it by name, face, or fingerprint, it will be known to the consular officer adjudicating the visa.

Questions for the Record Submitted to Assistant Secretary Roberta Jacobson by Representative Jeff Duncan (3) House Committee on Foreign Affairs February 28, 2013

Question:

How do you expect the Sequester to affect our ability to have a sustained and persistent presence with Latin American countries as a whole and to actively compete with bad actors (such as Iran)? Would you clarify what exactly the political-military strategy for the region is?

Answer:

Our political-military strategy in Latin America seeks to strengthen the capacity of partner military personnel to control their sovereign territory, and participate in peacekeeping and coalition operations, while upholding the highest professional standards, including protecting civilian populations and human rights of all citizens. In some countries, we work with military institutions that are temporarily supporting domestic law enforcement, judicial actors, communities, and civil society as they build strong democratic institutions that respond to the needs of citizens, prevent crime, prosecute criminals effectively, and maintain the peace.

The sequester will indiscriminately cut across the broad spectrum of the Department's budget. It will impact every appropriations account and program. Similarly, our partner agencies such as the Departments of Defense, Justice, and Homeland Security are finding their international engagement programs and operations must be curtailed or scaled back. However, the Department and its partners across the government are committed to mitigating operational risks, while sustaining our core national security, diplomacy, and development missions. Nor will we lose our focus on closely monitoring Iran's activities in the region, which is primarily a function on intelligence liaison.

While we do not yet have details on specific sequester related reductions for Latin American and Caribbean foreign assistance resources, we are concerned about the potential impact of drastic cuts in many areas of our political-military engagement in the Americas. These include our ability to detect and interdict U.S.-bound drug shipments and our ability to train and build relationships with law enforcement and military personnel, among many other areas.

Questions for the Record Submitted to Assistant Secretary Roberta Jacobson by Representative Jeff Duncan #4 House Committee on Foreign Affairs February 28, 2013

Question:

I understand there is legislation in the Brazilian Parliament that is similar to the Antiterrorism and Effective Death Penalty Act of 1996 (P.L. 104-132) that was signed by President Clinton. I understand that the Brazilians are having some troubling implementing this law and could use U.S. advice and assistance. Can you explain what the United States is doing to provide help?

Answer:

We are not aware of any Brazilian legislation that closely resembles P.L. 104-132. In recent years the Brazilian Chamber of Deputies considered two counterterrorism bills pending in committee; one would deny visas to persons convicted or accused of a terrorist act in another country, and the other would provide the authority to investigate and prosecute terrorist organizations and prevent them from infiltrating Brazil. If the Brazilian legislature passes this legislation, the United States will offer implementation assistance.

Questions for the Record Submitted to Assistant Secretary Roberta Jacobson by Representative Jeff Duncan (#5) House Committee on Foreign Affairs February 28, 2013

Question:

There are currently 37 countries participating in the Visa Waiver Program (VWP). However, none of these countries are in the Western Hemisphere. Has the State Department been in discussions with the Department of Homeland Security to consider if any countries in the Western Hemisphere meet the requirements for VWP?

Answer:

The VWP is administered by the Department of Homeland Security (DHS), in consultation with the Department of State. Both agencies work closely together to assess whether a country meets the statutory requirements of the VWP. DHS and State are engaging the Government of Chile on the program. Although it has made progress, Chile does not currently meet the program's requirements, including not issuing e-passports. DHS and State have discussed the VWP criteria with the Governments of Brazil and Uruguay. While Brazil does not meet the statutory VWP requirements, we expressed a desire to continue to meet annually to discuss these issues on an ad hoc basis. Uruguay does not yet meet the statutory requirements for VWP, but continues ad hoc discussions with DHS and State regarding its

efforts to meet VWP requirements. DHS and State look forward to other countries' participation in the program once they meet the requirements established through U.S. law and regulation.

Questions for the Record Submitted to Assistant Secretary Roberta Jacobson by Representative Jeff Duncan (#6) House Committee on Foreign Affairs February 28, 2013

Question:

Have you had discussions with DHS to expand the U.S. Custom and Border Protection's Global Entry and Trusted Traveler Programs to more countries in the Western Hemisphere? What responses have you received from DHS and/or any interested countries in the Western Hemisphere?

Answer:

The President's January 19, 2012, Executive Order 13597 —
Establishing Visa and Foreign Visitor Processing Goals and the Task Force on Travel and Competitiveness, made expansion of trusted traveler programs such as Global Entry a priority for the United States government. DHS administers Global Entry, and we refer you to DHS for specific information on its efforts to expand it to other countries in the Hemisphere. We have worked with other governments in the region to include their citizens in Global Entry and to develop their domestic trusted traveler capabilities.

Mexican citizens, who have long been eligible for DHS's SENTRI trusted traveler program on the land border, are eligible for Global Entry. The

Department of State, through Embassy Mexico City, has provided approximately \$4 million in hardware and software to help Mexico establish its own trusted traveler program, which it calls Viajero Confiable. Viajero Confiable's systems are comparable with Global Entry, and if the U.S. and Mexican governments can resolve legal issues and establish data sharing protocols, the Global Entry and Viajero Confiable systems could work together to facilitate travel for citizens of both countries as they travel back and forth.

Questions for the Record Submitted to
Assistant Administrator for Latin America and the Caribbean Mark Feierstein by
Representative Jeffrey D. Duncan
Subcommittee on State, Foreign Operations
Committee on Appropriations
February 28, 2013

Question:

How do you expect the Sequester to affect our ability to have a sustained and persistent presence with Latin American countries as a whole and to actively compete with bad actors (such as Iran)? Would you clarify what exactly the political-military strategy for the region is?

Answer:

As the President and Secretary Kerry have said, the sequester will dramatically affect our ability to advance peace, security, and stability around the world. Every appropriations account and program will be impacted, and Latin America will not be spared. Sequestration could limit our ability to increase job-creating opportunities for American business, invest in global health, fight hunger, reduce the threats of climate change, prevent conflict, and provide life-saving humanitarian assistance.

While the impact of sequestration on programs and operations is unavoidable, the Department of State and USAID are committed to mitigating operational risks, minimizing impacts on our workforce, and sustaining our core national security, diplomacy, and development missions.

In the Americas, this means we will continue to prioritize resources for reconstruction and development in Haiti, citizen security programming through the Central America Regional Security Initiative and the Caribbean Basin Security Initiative, and environment programs that help countries reduce their carbon emissions and mitigate the effects of climate change

We defer to the State Department with respect to the questions of political-military strategy and Iran.