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“Regional Security Cooperation: An Examination of the Central America Regional Security Initiative (CARSI) and the Caribbean Basin Security Initiative (CBSI)”

Chairman Salmon, Ranking Member Sires, and Members of the Subcommittee, thank you for the opportunity to appear before you today. I am grateful for the Subcommittee’s interest in the U.S. Agency for International Development’s (USAID) contribution to the Central America Regional Security Initiative (CARSI) and the Caribbean Basin Security Initiative (CBSI) and pleased to have this opportunity to hear your advice and counsel.

Mr. Chairman, with many of the countries with the world’s highest murder rates, Latin America and the Caribbean (LAC) ranks as the world’s most violent region.¹ USAID is focused on addressing the root causes of this condition, not only because of its implications for U.S. national security, but because the high levels of crime and violence threaten to stall economic and democratic progress in some countries. Analyses conducted by USAID and the Inter-American Development Bank confirm that crime and violence constrain growth by diverting investment away from productive sectors.² Drug trafficking through the region fuels the corruption of state institutions, and attacks by organized crime suppress press reporting and, when enabled by corruption and impunity, violate human rights.

In Central America, the heart of USAID’s work is in support for crime and violence prevention programs designed to complement and reinforce the efforts of the region’s governments to: improve rule of law; strengthen the capacity of municipalities to support youth and prevent crime; and create educational and employment opportunities for youth most susceptible to joining gangs and other criminal endeavors. To ensure that we can have the greatest impact on the most people, our CARSI efforts are largely focused in the high-crime regions and cities of El Salvador, Guatemala and Honduras, with smaller programs along Nicaragua’s Atlantic Coast. To be sure, we are not working in a vacuum -- the more traditional

¹ The region suffers from the highest homicide rate in the world, reaching over 25 deaths per 100,000 people, tripling the global average. (see Levy, Santiago “Advancing Citizen Security in Latin America and the Caribbean” presented at the IDB event “The costs of crime and violence in Latin America and the Caribbean: methodological innovations and new dimensions,” held in Washington D.C. from January 24-25, 2013.)

² *Idem*. Eight studies commissioned by the IDB and presented at the above-mentioned event reveal the dimensions to the economic costs of crime in Latin America and the Caribbean.

law enforcement and interdiction activities of interagency partners such as the Bureau of International Narcotics and Law Enforcement Affairs complement our efforts.

We are encouraged that the governments of Central America are largely abandoning the previous decade's failed *mano dura* or "iron fist" crime-fighting tactics in favor of prevention-based approaches. For example, the Government of Honduras declared 2013 the "Year of Prevention" and the Government of El Salvador recently launched a new Municipal Crime Prevention Policy that we think is a helpful framework within which to operate. Also, we were pleased to see that the Central American Integration System (SICA) included prevention as one of the four pillars of its regional security strategy.

To support such commitments on the part of stakeholders in the region, USAID is employing several novel approaches. First, because no single actor involved in this issue has all the answers, we are sharing with Central Americans lessons from cities around the region that have successfully reduced crime and gang activity. We are looking at countries like Brazil, Colombia and Mexico to understand what can be learned from their experience. Also, through an agreement signed last year with Los Angeles, USAID has been adapting the city's proven gang reduction and youth development tool in El Salvador, Honduras, Guatemala and Mexico to more effectively target our resources towards those youth most susceptible to joining gangs and organized crime. We are also helping city officials learn from the experiences of their counterparts in places like Arlington, Texas; Santa Ana, California; Pinellas County, Florida, and tailor successful models accordingly. To help communities resolve conflicts before they escalate into violence, we are supporting the training of violence interrupters in high-crime communities in Honduras by members of Cure Violence, a non-profit organization that has led successful mediation programs in Chicago and Baltimore.

As the family of international donors to the Western Hemisphere security grows, it is more important than ever to coordinate our respective efforts. USAID works closely with other donors to share information about our respective programs, agree on target areas/regions, and ultimately avoid duplication.

Donor investments are not enough to bring crime and violence under control and expand opportunities for Central America's youth. To make sustained progress, countries must generate and invest their own resources. That is why we are testing different models to stimulate increased revenue generation, particularly at the municipal level. In El Salvador and Honduras, where municipal governments are struggling to find resources to battle gangs and drug trafficking organizations, we have launched revenue challenge competitions among cities and towns. Those areas that significantly increase the collection of unpaid fees and other revenue streams receive modest subsidies from USAID to reinvest in crime reduction programs. Being self-sufficient is not only a cornerstone of long-term sustainability, it also invigorates local government ownership and capacity to play a greater role in community security.

Governments and donors are not the only stakeholders on security and therefore USAID is increasingly engaging the private sector. To create safer community spaces and provide productive and educational opportunities for students, we are partnering with Chevron, Hanes Brands and Starbucks to physically transform more than 150 schools across Honduras, El Salvador and Guatemala. In Honduras, Toms Shoes is providing needy youth with shoes so that they can attend school, and local telecom operator Tigo is offering free internet access to USAID-supported outreach centers.

The innovations spearheaded by these companies are as valuable to USAID as their financial contributions. In El Salvador, we are taking advantage of Qualcomm's mobile technologies and expertise to develop a wireless mobile and web-based crime system that enables law enforcement in five municipalities to track, report and analyze real-time crime data. We hope to replicate and scale up this system in other parts of Central America.

To ensure the sustainability of our efforts, USAID is relying more and more on local entities to implement prevention programs. In so doing, we build up their capacity to support at-risk youth and keep their own communities safe. Just recently, five of El Salvador's largest foundations joined USAID in our largest-ever alliance with a local organization. Its purpose is to combat insecurity and strengthen municipal responses to crime and violence in 50 high-crime communities. In Guatemala, we have joined forces with local organizations to provide jobs for talented youth from hard-hit areas, matching private sector needs with skilled people.

Our local capacity-building efforts go beyond organizations; we are also reaching mayors and other municipal officials and community leaders. To empower communities to share and implement their ideas for improving prevention, we support local Municipal Crime Prevention Committees comprised of local and national stakeholders who are charged with developing crime prevention plans. Ultimately, these plans serve as blueprints for the investments of governments, the private sector, and international organizations.

An effective judicial system is key to the success of our efforts to improve security. Crime and violence thrives in environments where corruption and impunity are allowed to fester. To help make El Salvador's criminal justice system more open and efficient, we are supporting its transition from a closed inquisitorial criminal justice system to a more transparent oral and accusatorial one. In Guatemala, where the legal system is overtaxed by heavy caseloads, USAID helped establish 24-hour courts and introduced alternative dispute mechanisms to speed up resolution of minor offenses and reduce pretrial detention. Since opening its doors in November 2012, one of these 24-hour courts, specializing in cases related to sexual and gender-based violence, has led to 125 arrests. And in Honduras, where juvenile offenders are often placed in adult prisons with hardened criminals, we are exploring ways to set up restorative justice programs to provide first-time juvenile offenders an alternative to incarceration.

Our programs under CARSI would have little impact if they were not embraced by youth eager to play a role in helping their countries return to a state of stability. To help them galvanize their peers, families and neighborhoods to help prevent violence, USAID supports the Central American Youth Movement Against Violence, which boasts chapters in all seven Central American countries. Its members advocate for peace and promote youth-oriented violence prevention policies and programs at home and abroad. In February of this year, 40 representatives of the regional movement were summoned by the Central American Presidents in Costa Rica to share their recommendations for a Central American violence prevention policy.

Collaboration with national authorities is crucial as well. In Honduras, we have helped revolutionize the Government's urban planning strategy through a methodology known as crime prevention through environmental design to identify crime hotspots and propose solutions to reclaim gang-controlled public spaces and improve perceptions of insecurity in communities. In Guatemala, to put muscle behind the Police Reform Commission's adoption of community policing, we have provided direct training on the model to police officers and designed the Police Academy's first university-level degree in community policing. And in El Salvador, we have directly supported the implementation of the Government's Municipal Crime Prevention Policy by strengthening Municipal Crime Prevention Committees and training police officers in community-based policing.

Our interventions through CARSI are already starting to bear fruit. A mid-term impact evaluation of USAID's CARSI-funded programs in El Salvador found that residents in communities benefiting from USAID programs reported witnessing and suffering from less crime, were more likely to report crimes to the police, and had higher levels of trust in local government, than people in communities without prevention programs. Close to 90,000 young people susceptible to recruitment into gangs and other criminal organizations in Central America have benefitted from our at-risk youth programs in Fiscal Year 2012 alone. And as we expand our network of Outreach Centers in tough neighborhoods, tens of thousands more young people have safe places to seek refuge from violence. In Honduras, more than 10,000 youth have taken advantage of these centers.

In the Caribbean, USAID works within the framework of the Caribbean Basin Security Initiative (CBSI), a partnership between thirteen Caribbean states and the U.S. USAID leads the effort in four areas: education and workforce development for at-risk youth and vulnerable populations; juvenile justice reform; community-oriented policing; and anti-corruption. Our Caribbean partner countries have much in common with Central America, such as high youth unemployment and a significant illicit trafficking problem, but in general they also have more mature governance structures and more resources to invest in their own development. Their overall crime levels also tend to be lower than Central America's.

Due to these differences, USAID programs under CBSI are similar in spirit to those in Central America, but focus more on primary prevention, including education, and government capacity building, working in close partnership with national and regional governments. In education, we fund A GANAR, a successful youth workforce development activity with strong national government support; for example, the Government of St. Kitts has taken on project implementation and promised to fund it once our funding has ended. In the area of governance, we work with Jamaica's Tax and Customs officials to stem trafficking and illicit financial flows by promoting a system-wide revision and targeted audits. The project, funded with \$7.3 million in a combination of CBSI and bilateral funds, has been instrumental to collecting debt arrears and increasing compliance from large taxpayers; in just one quarter of 2012 it increased revenue collection by over \$100 million. USAID also supports a global best-practice police reform initiative in Jamaica through a force-wide, change-management-focused community-oriented policing approach that has greatly improved the relationship between the police and communities.

Mr. Chairman, USAID continues to steadily devote increased assistance to the countries of Central America and the Caribbean across a range of sectors. That is because we believe that it will take more than an improvement in prevention or law enforcement alone to advance security in these countries. By keeping children in school and training out-of-school youth for work, connecting small farmers to markets, lifting rural poor out of poverty, preserving natural resources and reaching out to historically marginalized groups, we contribute to a broader effort to make the region more peaceful and prosperous.