

**Testimony of Marcela X. Escobari**  
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**United States Agency for International Development (USAID)**  
**Before the House Foreign Affairs Committee**  
**Subcommittee for the Western Hemisphere**  
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Chairman Duncan, Ranking Member Sires, and members of the Subcommittee, thank you for the invitation to testify today. I am grateful for the Committee's support for the United States Agency for International Development's work in Latin America and the Caribbean, and am pleased to have this opportunity to testify before you today on our programming in Nicaragua.

**Development Context**

Under the *U.S. Strategy for Engagement in Central America* (the Strategy), USAID is working in Nicaragua to address the country's most urgent needs, including support for civil society, improved citizen security, and enhanced opportunity for youth, who make up 50 percent of the population. Our programs align with the priorities of the Strategy and are consistent with the Agency's mission of ending extreme poverty and promoting resilient, democratic societies while enhancing our prosperity and security. As the Government of Nicaragua increasingly consolidates its power through undemocratic means, this is a critical time to engage the people of Nicaragua in confronting the significant challenges they face.

The United States Government remains deeply concerned by the Nicaraguan Government's actions to close democratic space. According to the State Department's 2015 Human Rights report, independent media is increasingly muzzled and Nicaraguan citizens are regularly harassed for exercising their legal rights to free speech.<sup>1</sup> Since 2008, much of the international community has viewed national and local elections as flawed,<sup>2</sup> and the Nicaraguan government continues to demonstrate a troubling pattern of overreach. In January 2014, the Nicaraguan government instituted constitutional reforms to consolidate power in the executive branch, and in recent months, the Nicaraguan Supreme Court has taken even more dramatic steps to close democratic space and restrict electoral competition in advance of November 6, 2016 elections.

Nicaragua is the second poorest nation in the Western Hemisphere, with an estimated 30 percent of the population living below the poverty line.<sup>3</sup> Criminal activities and violence, particularly related to narco-trafficking, are on the rise along the country's Caribbean Coast. Between 2006 and 2012, the yearly homicide rate in the Southern Autonomous Caribbean Coast Region (RACCS) increased from 30 to 38 per 100,000 inhabitants (a 27 percent increase in six years), which put this region on par with Guatemala's homicide rate.<sup>4</sup>

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<sup>1</sup> U.S. Department of State Human Rights Report 2015

<sup>2</sup> USAID/Nicaragua Country Development Cooperation Strategy FY 2013-FY 2017

<sup>3</sup> CIA World Fact Book 2015

<sup>4</sup> Rodriguez, Mariana; Donoso, Juan Carlos. March 2016. Final Baseline Report on Citizen Security in the Northern Autonomous Caribbean Coast in Nicaragua and Targeted Municipalities of the Northern and Southern Borders.

Despite reported gains in access to basic services, Nicaragua remains one of the most economically unequal countries in the world, ranked 132 of 187 by the World Bank.<sup>5</sup> In the Southern Autonomous Caribbean Coast Region, one of two areas where USAID targets its citizen security and education programming, 45 percent of school-age boys and 40 percent of girls are not in school.<sup>6</sup>

### **Democracy and Governance**

USAID remains committed to supporting the Nicaraguan people, including civil society, as they demand a more open, transparent, and accountable government. Our democracy and governance programs, which account for 65 percent of our FY 2016 bilateral assistance to the country, seek to build an engaged citizenry that can address these challenges.

USAID's governance assistance helps civil society organizations advocate for citizen needs; promote democratic processes nationwide, such as the freedom of association; promote public policy dialogues; and demand accountability of public resources. Our programs also strengthen cohesion among civil society organizations to further enhance the effectiveness of their efforts.

Fifty percent of Nicaraguans are under the age of 25.<sup>7</sup> USAID's programs engage and empower the next generation to participate in democratic processes. We teach young people the rights and responsibilities of a democratic society, including the crucial need for meaningful political party presence and participation at the national and local levels. USAID has also developed specialized courses and leadership training for a core group of young political and civic leaders.

Alongside these efforts, USAID supports media programs that increase citizen advocacy for independent media, the right to freedom of expression, and access to public information. Our programs mentor young journalists, disseminate best practices for an independent media, and support media partners and civil society to better advocate for freedom of information.

Our efforts are making a difference. Of the more than 2,200 young leaders who have participated in youth leadership programs over the past five years, more than 300 have been promoted or appointed to key leadership positions in public and private organizations. Nearly 1,400 civic leaders representing 28 civil society organizations have received training on accessing public information, the municipal government budget process, and conducting social audits.

As a result of USAID's efforts, citizens are holding municipal governments accountable, exercising democratic practices at a local level. Nearly 200 proposals from citizens to extend services to youth, women, and the disabled have been submitted in nine municipalities. Nearly half of these proposals have been incorporated into municipal budgets, representing \$1.6 million.

Independent media outlets face increasingly restrictive regulations, as well as dwindling resources from private sector advertisers who pay a political cost for their support. With USAID support, the Nicaraguan Chamber of Radio Stations is standardizing its advertising rates and

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<sup>5</sup> World Bank 2013

<sup>6</sup> USAID 2012 Nicaragua Gender Analysis

<sup>7</sup> United Nations, Department of Economic and Social Affairs, Population Division. World Population Prospects: The 2015 Revision.

negotiating as a sector. This action is the first of its kind in the history of the Nicaraguan radio sector and represents a significant advance toward leveraging fair operating conditions.

### **Citizen Security and Opportunities for Youth**

While democracy and governance programming remains USAID's primary focus in Nicaragua, we are also supporting two crucial and interdependent activities that underpin a thriving, healthy democracy: citizen security and education. Although Nicaragua's crime rates are lower than those of its regional neighbors, violent crime, narco-trafficking, trafficking in persons, and transnational organized crime are growing, particularly in the autonomous Caribbean Coast regions where we target our citizen security and education programs. These challenges have an especially negative impact on Nicaraguan youth, who have limited opportunities for licit employment, high dropout rates, low literacy rates, and are at risk for drug use and gang recruitment. The decline of Nicaragua's security is of domestic and regional concern and of strategic importance to the United States.

USAID's education programs help improve early grade reading and teacher training, and encourage youth to stay in school, with the aim of becoming productive and engaged citizens in their communities. We leverage private sector investment in vocational training for at-risk youth in needed disciplines such as carpentry, plumbing, and automobile repair. These programs include hard and soft skills-building to help youth become employable and more self-sufficient, which in turn frees them from the political pressure that takes place if they turn to politicized government social programs for support.

USAID's programs also focus on civic education throughout primary, secondary, and technical vocational training, and intentionally incorporate critical thinking skills and civic participation and engagement. These programs are taught outside of the classroom with parents and community members as they prioritize and design community action plans to improve elements of community security and education.

### **Regional Approach**

USAID's regional programming supplements our bilateral assistance to Nicaragua to advance and promote human rights. We recently awarded a five-year \$24.9 million regional program to strengthen national human rights organizations in Central America, including in Nicaragua.

USAID is also supporting investigative journalists in Latin America by promoting safe online collaboration, and empowering journalists with the tools and skills they need for research and investigation. USAID also supports a regional clearinghouse for investigative journalism, linking national investigative journalism centers into a powerful regional voice for journalists.

### **Oversight**

USAID takes its responsibility to the United States taxpayer seriously, and we are committed to accountability, transparency, and oversight of our programs. Our Nicaragua Mission is guided by a five-year strategic plan and has developed a robust Monitoring, Evaluation, and Learning Plan. Monitoring and evaluation informs new program designs and where we need to make changes to existing programming.

USAID currently funds six democracy and governance activities in Nicaragua, the majority of which are operated by highly qualified U.S. organizations; the others are managed by leading local civil society organizations. In a country where there is an ever-present risk of government interference, we have partnered with organizations that combine the broad expertise of international democracy and governance organizations with local organizations with established presence and support base, making them harder to uproot. This blend of local and international expertise allows us to ensure that the gains that local civil society makes can be sustained.

As conditions deteriorate and power is consolidated in the Nicaraguan executive branch, the Agency will look at ways to adapt our programming to this new reality. We are considering new ways to support traditional civil society organizations to improve their efficacy in an increasingly hostile environment.

### **Conclusion**

The U.S. Government supports full participation by the people of Nicaragua in their government. We believe that elections should be free, fair, and transparent, and that every vote should count. We echo the values enshrined in the Inter-American Democratic Charter: “The peoples of the Americas have a right to democracy and their governments have an obligation to promote and defend it. Democracy is essential for the social, political, and economic development of the peoples of the Americas.”<sup>8</sup>

It is imperative that the U.S. Government continue to engage and stand by the people of Nicaragua, including youth and civil society, offering them a lifeline that helps them continue to advocate for their rights and freedom in an increasingly challenging time.

I would like to thank Members of Congress, and members of this Subcommittee in particular, for your continued leadership, interest in and support for our work. We look forward to collaborating with you to address long-standing challenges and new opportunities for reform. Thank you for your time; I welcome your questions.

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<sup>8</sup> Organization of American States, Inter-American Democratic Charter, 2001