

**Testimony of Juan S. Gonzalez,  
Senior Fellow, Penn-Biden Center for Diplomacy and Global Engagement  
Before the House Committee on Foreign Affairs  
Subcommittee on the Western Hemisphere, Civilian Security, and Trade  
“Assessing the Impact of Cutting Foreign Assistance in Central America”**

**September 25, 2019**

Mr. Chairman, Mr. Ranking Member, and distinguished members of the Committee, thank you for the opportunity to testify before you on “Assessing the Impact of Cutting Foreign Assistance in Central America.” It is an honor to appear today with former U.S. Ambassador to Guatemala Stephen McFarland, whom I first got to know when I was a Peace Corps Volunteer in the Western Highlands of Guatemala during his tour as Deputy Chief of Mission. Ambassador McFarland, thank you for your service to our country under both Democratic and Republican Administrations, and especially for your work in combating corruption and defending human rights in Guatemala.

Ambassador McFarland’s testimony laid out in clear terms the dimensions of the crisis along the Southwest border of the United States, as tens of thousands of first unaccompanied children and now families with children leave the Northern Triangle of Central America to travel through Mexico to the United States. In brief, current migration trends are the result of economic and social conditions in Guatemala, Honduras, and El Salvador – countries where poverty, corrupt and ineffective public institutions, and violence are compelling people to begin the dangerous journey to the United States.

I was asked to focus on the lessons we drew upon when designing the original U.S. Strategy for Central America, as well as progress achieved, recommendations for U.S. policy, and the tangible impacts of cutting aid to the Northern Triangle. As such, my testimony outlines a few of the many lessons learned (good and bad) from my time as Special Advisor to Vice President Joe Biden from 2013-2015, when he led the international response to the 2014 surge of unaccompanied children across our border, and then as the Deputy Assistant Secretary of State with responsibility for executing the strategy in the final year of the Obama-Biden Administration. The bottom line as it relates to this hearing is that U.S. foreign assistance provides effective leverage to protect our national security interests and promote democratic values in Central America. Cutting it undermines U.S. regional influence.

The first lesson we learned early on was that to prevent irregular migration from the Northern Triangle we needed to focus on the drivers of migration. An analysis from the Office of Management Budget estimated that it cost the federal government approximately \$1.5 billion to address the 2014 surge of unaccompanied migrants. It was obvious: we could spend \$1.5 billion in U.S taxpayer money to play line-defense indefinitely, or we could invest a fraction in a strategy to combat rampant violence and poverty at the source. A number of independent studies validated our approach, and to date at least two bipartisan congressional reports argue that a

border-security-only approach will not work without a strategy to address the root causes of migration.

Second, Northern Triangle governments are unable to prevent outbound migration on their own without equal parts pressure and support from the United States. Political pressure is key, as no amount of U.S. foreign assistance will make a lasting difference without political will on the part of regional governments. That requires senior Administration officials to engage in candid discussions with regional governments and their respective private sectors and to press for reforms that (in many cases) go against vested interests. I recall one such conversation during a March 2015 visit to Guatemala when Vice President Biden pulled the leaders of Guatemala, Honduras, and El Salvador into a private discussion to press them into taking major steps to justify U.S. taxpayer expense. We measured political will in terms of concrete commitments on near-term “bridging” actions (like targeting smuggling operations and strengthening the ability of governments to humanely reintegrate migrants into society) while advancing structural reforms to address these systemic challenges over time. Congress was key to maintaining pressure, most notably by including robust conditionality into the appropriations bill.

Third, large and complex strategies cannot be managed solely from Washington. The Vice President, the State Department, and USAID set the priorities, negotiated political commitments, established metrics, and briefed anyone and everyone on the Hill willing to listen. But when it came to program design and implementation, we empowered our country teams under Chief of Mission authority. Multi-stakeholder models are also the best way to secure buy-in from host governments, as they provide the government, private sector, and civil society with a seat at the table and an opportunity to identify common national priorities. I will admit, we undertook this effort with varying degrees of success. The process worked best in El Salvador, partly because of the size of the USAID Mission and the benefit of our previous experience with the Partnership for Growth initiative. Unfortunately, the political fault lines in Guatemala and Honduras were much more difficult to manage, and they remained works in progress when we left office in January 2017.

Fourth, migration is the byproduct of a broader problem set in the Northern Triangle: all three countries suffer from a predatory elite that benefit from the status quo. For generations, they have opposed reforms that would, to name a few examples, lead to increased tax collection, open competition, and the fairer provision of public services. Corruption is so endemic, that the steps we took to increase transparency and accountability inevitably threatened senior levels of government. Guatemala, Honduras, and El Salvador are also historic rivals, and regional cooperation and integration efforts require the United States to set the pace. In this regard, migration is a sort of canary in a coalmine, foreshadowing much worse things to come if these countries are unable to maintain the rule of law, create a stable workforce, and generally provide alternatives to criminality.

I cannot emphasize enough just how central combatting corruption was to our entire approach, or how disappointing it is to see the Central American anti-corruption movement in retreat. Today, the forces of corruption are winning in Guatemala after successfully ending the mandate for the UN-backed Commission Against Impunity in Guatemala (known by its Spanish acronym

CICIG), following years of strong backing from both Republican and Democratic administrations. So too is the continued erosion of democracy in Honduras that culminated in a questionable presidential election result in November 2017. If the United States is not leading the battle against corruption in Latin America and the Caribbean, nobody will.

Lastly, and most importantly, bipartisan congressional support is the only way to institutionalize a multi-year strategy to reduce irregular migration at the source. Vice President Biden ingrained in all of us the need to consult regularly with Democrats and Republicans alike to ensure the strategy reflected the intent of Congress and, where we disagreed with lawmakers, to make the best argument possible for our position. He took the oversight role of the U.S. Congress very seriously, and that trickled down to the Departments and Agencies working on Central America.

We learned that most Members of Congress supported addressing the root causes of migration from the Northern Triangle, albeit with varying degrees of nuance. Republicans, for the most part, preferred a focus on security assistance and called for robust monitoring and evaluation mechanisms. Democrats, skeptical of the region's political will, pushed for increased conditionality related to human rights and emphasized the importance of supporting justice and rule-of-law institutions over procuring hardware and relaxing restrictions on military support to countries like Guatemala. We argued for balance, using our experiences with Plan Colombia and the Merida Initiative to make the case that affecting positive change requires sustained international assistance that balances both security and development, and is accompanied by strong political will (and a significant amount of resources) from regional governments and private sectors. Such open and fact-based policy debates on strategy and approach are vital. They help ensure congressional oversight and produce the best policy outcomes.

By contrast, ignoring congressional intent, as the Administration has by arbitrarily cutting off assistance to Central America, only serves to undermine the role of the U.S. Congress in foreign policymaking. It also removes a crucial piece of leverage over host governments and limits our ability to support civil society organizations that share our democratic values.

The migration crisis at our Southern border serves as a stark reminder that the state of security and prosperity in Central America, and Latin America and the Caribbean writ large, has significant implications for our national security. Without active leadership and support from the United States, the situation in Northern Triangle will only continue to deteriorate. As Vice President Biden has said on numerous occasions, "the cost of investing now in a secure and prosperous Central America is modest compared with the costs of letting violence and poverty fester." We cannot play line defense indefinitely, it is vital to our interests to provide foreign assistance and exert pressure on regional governments to create the necessary conditions for migrants to stay home, and I urge Congress to continue its bipartisan support for the U.S. Strategy in Central America.

Thank you again for the opportunity to address this committee. I look forward to answering your questions.