Prepared Testimony of John Barsa Assistant Administrator for Latin America and the Caribbean United States Agency for International Development (USAID) Before the House Foreign Affairs Committee Subcommittee on the Western Hemisphere, Civilian Security, and Trade Wednesday, October 23, 2019

Chairman Sires, Ranking Member Rooney, and members of the Subcommittee, thank you for the invitation to testify today. I am grateful for the Committee's support for the work of the United States Agency for International Development (USAID) in Latin America and the Caribbean, and am pleased to have this opportunity to present our plans outlined in the Fiscal Year (FY) 2020 President's Budget Request. Continued United States engagement in Latin America and the Caribbean is a priority for the Trump Administration and USAID; in fact, Administrator Mark Green has already made eleven trips to the region to advance our policy and development objectives. I, too, have visited the region twice in my first four months on the job, and have plans for at least two more trips in the next four months.

Introduction

USAID's FY 2020 request for the Latin America and Caribbean region is \$547 million for programs that advance U.S. national security and economic prosperity, demonstrate American generosity, and promote a path to recipient self-reliance and resilience in support of the Administration's foreign-policy objectives, including the <u>National Security Strategy</u> and the Department of State-USAID Joint Strategic Plan. Where other countries' assistance models further dependence or unsustainable debt, the United States' model is one of partnership with the governments, civil society, and private sector in countries in which we work. Our development assistance promotes a country's own Journey to Self-Reliance, consistent with U.S.-supported universal values and interests.

As mentioned, USAID has proven time and time again that we are a dependable partner, especially when disaster strikes. On my recent trip to The Bahamas, I witnessed first-hand the destruction of Hurricane Dorian on the Abaco Islands and Grand Bahama, where the storm affected an estimated 76,000 people. While in The Bahamas, Administrator Green announced an additional \$7.5 million to help with relief and recovery, which brought USAID's total humanitarian assistance to more than \$33 million. I am proud of the work USAID has done to provide critically needed assistance to people affected by Hurricane Dorian, and we are committed to working on disaster resilience throughout the region.

As Administrator Green has said, "Our ultimate goal is a future in which foreign assistance is no longer needed. We are working toward a world of safe, prosperous, self-reliant, and economically integrated countries that work together to solve common problems."

Addressing a Crisis of Historic Proportions: Venezuela

No discussion about the current state of affairs in the Western Hemisphere can be complete without a discussion of Venezuela. The crisis caused by Nicolás Maduro's mismanagement has overflowed the borders of Venezuela and now affects the vast majority of countries in the region. Inept political and economic policies, combined with his regime's rampant corruption and monstrous use of fear and violence against those who oppose them, have caused a humanitarian and political crisis.

Along with a systematic consolidation of power into the hands of corrupt regime members came the steady decline and collapse of the Venezuelan economy, health care system, justice system, and any other Maduro-controlled institutions designed to serve and protect the people of Venezuela. Venezuelans face unimaginable conditions. Inflation has risen to such a degree that it is nearly impossible to put food on the table, medicine is in scarce supply, and people have nowhere to go if they are sick or suffering. Basic social services such as water and electricity are unreliable, and often unavailable. Those who exercise their democratic rights face exile, repression, torture, imprisonment, and even murder at the hands of the regime. As a result, nearly 4.5 million Venezuelans have fled their country to date as refugees and other displaced persons - the largest outmigration in the history of the Western Hemisphere.

I saw these effects firsthand when I was in Cúcuta, Colombia, in August. I spoke with young mothers who had to walk from Venezuela to find diapers, food, and life-saving medicine for their children. The real tragedy is that this situation did not need to happen; it is the result of Maduro's corruption and mismanagement.

The United States firmly supports the Government of Interim President Juan Guaidó, and stands in solidarity with Venezuelans who are suffering and those who seek to restore democracy in their country. Since 2017, the United States has provided nearly \$644 million in humanitarian and development assistance to support the people of Venezuela inside their country as well as vulnerable displaced Venezuelans and host communities throughout the region. USAID works with governments, faith-based and community organizations, and international partners in neighboring countries as they support the influx of Venezuelan refugees through an immediate humanitarian response that connects to medium- and long-term support. We will continue to provide urgently needed food, medicine, and other essentials to these vulnerable people and the communities that are generously hosting them.

And we will continue to elevate the plight of Venezuelans on the world stage. We know that lasting political and economic reforms are the only real solutions to the crisis. Just last week, Administrator Green signed a Development Objective Agreement with Interim President Guaidó's Ambassador to the United States, Carlos Vecchio, with an initial approximately \$98 million. With this funding and the resources and authorities that we are requesting for FY 2020, USAID will continue programs that support human rights, civil society, independent media, electoral oversight, and the National Assembly, and add new ones in health and agriculture. Thank you for your bipartisan support for this funding.

Following a democratic transition, which will pave the way for a government that is open to accepting the international assistance needed to address this crisis, USAID is ready to provide immediate food, medical care, and other life-saving aid at a scale that can more adequately address the needs inside Venezuela. The people of Venezuela deserve a return to democracy and the rule of law, and a peaceful, prosperous, hopeful future. We are grateful for the bipartisan support we have received from Congress for our efforts.

Supporting Democracy in the Face of Dictatorship: Nicaragua and Cuba

Another topic on which we have a tremendous amount of bipartisan support in Congress is Nicaragua. While most of the news within the Hemisphere tends to focus on Venezuela, Daniel Ortega and his wife Rosario rule over an authoritarian government doing precisely what we have seen in Venezuela. As this Committee well knows, they have manipulated elections; flagrantly trampled on human rights; monopolized media, stepped on civil society; and jailed or murdered dissenters, protesters, and students.

About 18 months ago, we saw protesters go to the streets against Ortega, only to be bullied, beaten, jailed, and, in some cases, killed. The Ortegas and their thugs are still using brutal tactics, based on a model patented in Cuba, to stymie political activism and civil society. With Congress's help, USAID has been able to support organizations and media that track the abuses of the regime, while promoting visions of democratic order, free elections and human rights. We remain committed to helping Nicaraguan non-governmental organizations (NGOs) and political activists as they continue in their effort to seek change in peaceful, democratic ways.

An area we will watch closely is related to humanitarian need. Staying on the theme of "lessons learned" from both Cuba and Venezuela, the Ortega regime has forced tens of thousands into exile over the last year and a half, which is creating cross-border tensions with Costa Rica.

USAID commends the bravery of Nicaraguan students, journalists, human rights defenders, members of civil society, religious leaders, campesinos, and indigenous groups who have united their voices in a call for justice, rule of law, and a return to democratic order in Nicaragua. The United States calls on the Ortega regime to cease the repression of democratic freedoms immediately, unconditionally release all remaining political prisoners in Ortega's gulags, and heed the demands of the people of Nicaragua for a citizen-responsive government under new transparent and free elections.

USAID also helps to maintain an operating space for those in Cuba who seek to preserve their freedoms of expression, religion, and peaceful assembly and association, and their democratic voice. Thousands of Cubans are detained arbitrarily, harassed, beaten, and arrested by the Cuban regime for peacefully exercising their fundamental rights. USAID's programs in Cuba support human rights, the free flow of information, civil society, and humanitarian assistance in the form of food and medicine to political prisoners and their families.

Ensuring Continued Progress: Colombia, Mexico, Brazil, Perú, and Paraguay

Colombia is USAID's largest program in Latin America and the Caribbean and one of our highest priorities in the region. As Administrator Green has said, "There is no more important relationship in this Hemisphere." I agree, which is why I chose Colombia as my first destination as Assistant Administrator for the Bureau for Latin America and the Caribbean. I was heartened that each Colombian official whom I met on my trip reiterated the commitment of President Duque and his Administration to a strong relationship with the United States.

USAID's resources continue to advance U.S. national security and prosperity with programs in Colombia that further a just and sustainable peace, promote rural economic development and citizen security, and bolster the growth of licit economies and a culture of legality in former

conflict zones. Our programs expand access to justice and human rights, strengthen citizenresponsive governance at the local and national levels, foster reconciliation among those affected by the conflict, build civil-society capacity, and increase rural economic development. And because all sectors of society are fundamental to Colombia's stabilization and development, I sought to meet with women's groups, Afro-Colombians, and indigenous leaders to assess the status of progress on inclusion efforts and see where improvement can occur. For example, I met with Marino Córdoba, the Director of the National Association of Displaced Afro-Colombians, as well as other leaders in Bogotá, Cúcuta, and Riohacha. These groups are core partners in our development projects. While heartened by the progress to date, and the demonstrated commitment to a more inclusive Colombia by the Duque Administration, I firmly believe we must double down on our commitment to the people of Colombia as they seek to shore up their fragile peace.

México is another key partner to the United States as we seek to disrupt the activities of transnational criminal organizations. In support of the Mérida Initiative, our programs work with at-risk youth to prevent crime, improve access to justice and victims' services, strengthen civil society, and enable communities to become more effective in combating crime and violence.

In Brazil, USAID has worked for decades to conserve biodiversity while also advancing prosperity through responsible economic development. Our efforts further a private-sector-led, financially viable, and scalable approach that is critical to promoting economic opportunities for local communities while also protecting the Amazon's precious natural resources and biodiversity. Thanks to the resources generously appropriated by Congress, USAID continues to work with the Government of Brazil, civil society, and the private sector to increase investment in healthy forests, creating incentives to protect these critical natural resources, including through creation of the first-ever biodiversity-focused impact-investment fund for the Brazilian Amazon.

In Perú, USAID's assistance helps reduce the production and trafficking of illicit drugs into the United States and third countries. We support the Peruvian Government's efforts to combat the drug trade through alternative-development programs that support licit, economically viable alternatives to growing coca; complement security assistance; and help to sustain reductions in the cultivation of coca in targeted areas. We are currently exploring how to expand our support to include programs in the highest coca-growing regions in the country as the Government moves into them. We also work with communities affected by illegal gold mining - which is more lucrative than the production of coca and breeds child labor, human trafficking, violence, and land grabs - by helping them to address social conflicts and rehabilitate affected land. More and more, our role in Perú is changing from a traditional donor to a strategic partner and advisor as the National Government increases its capacity to manage the country's development on its own, in conjunction with the private sector.

Paraguay is at a critical point in its still-emerging democracy. Unprecedented levels of transparency have unveiled considerable, high-profile corruption, but a still-weak and politicized judicial system enables pervasive impunity, which undermines Paraguayans' public support for democracy. USAID's resources combat impunity and encourage citizen-responsive governance to foster trust in democracy. These programs will help to disrupt the influence of transnational organized crime, as weak institutions are ineffective against arms smuggling, drug dealing, and

the financing of terrorist organizations, especially in Paraguay's tri-border area with Brazil and Argentina and in its Northern Zone. Paraguay is the only country in the world in which USAID's portfolio is entirely in the hands of local organizations.

El Salvador, Guatemala, and Honduras

USAID has worked with the people of Central America since our earliest years to improve their livelihoods, strengthen democratic institutions, and advance security. Since 2015, our work in El Salvador, Guatemala, and Honduras has included programs to address the root causes of illegal immigration to the United States by improving citizen security, growing prosperity, and addressing corruption and impunity to advance citizen-responsive governance. This has been important work, and I am extremely proud of, and grateful to, the men and women of USAID--both American and local staff--who have shepherded these many programs.

While these programs have addressed some of the root causes of illegal immigration, we are seeking to tie programmatic performance more closely to illegal immigration. We have begun adding migration as a specific indicator to evaluate the impact of our programs so we can ensure that we are effectively and responsibly advancing the policy objective of reducing irregular outmigration; the first results are expected in the coming months.

But USAID's programs alone cannot solve the issue of illegal immigration to the United States. In El Salvador, Guatemala, and Honduras, stemming outmigration depends on the leadership and political will of the host-country governments to strengthen good governance, improve economic opportunity, and enhance citizen security. We need the active partnership of these governments to help our programs be effective in preventing illegal immigration to the United States. As Administrator Green has said, we cannot want it more than they do.

For these reasons, we welcome the recent decision to partially move forward with certain targeted U.S. foreign assistance activities to deter illegal immigration from El Salvador, Guatemala, and Honduras. As Assistant Administrator for the Bureau of Latin American and Caribbean, I am committed to working with our dedicated partners in El Salvador, Guatemala, and Honduras to address the root causes of illegal immigration.

Implementing the U.S. Strategy for Engagement in the Caribbean

The U.S. Government also places a high priority on our engagement with the countries of the Caribbean. The 2017 <u>U.S. Strategy for Engagement in the Caribbean</u> consistent with the U.S.-Caribbean Strategic Engagement Act (P.L. 114-291), identifies the region as the "third border" to the United States. USAID's work in the region aligns with the six pillars of the <u>Strategy</u>: security, diplomacy, prosperity, energy, education, and health. Through programs that build resilience in the face of natural disasters, prevent crime and violence, foster citizen-responsive governance, and promote economic growth and good health, we are advancing the security and prosperity of the Caribbean and the United States alike.

USAID supports the Caribbean Basin Security Initiative (CBSI) programs in Jamaica, the Dominican Republic, and the countries of the Eastern and Southern Caribbean (Antigua and Barbuda, Dominica, Grenada, St. Lucia, St. Vincent and the Grenadines, St. Kitts and Nevis, Barbados, Trinidad and Tobago, Suriname, Guyana, and The Bahamas). Our work under CBSI strengthens the enabling environment necessary to prevent crime and violence; and advances community-level interventions to prevent crime and violence among young people, including a positive-youth-development approach focused on engagement for civic and economic opportunity for young people. These programs will help us to secure our "third border" while promoting our shared security and prosperity.

USAID's increased engagement in the Caribbean includes a focus on reducing Caribbean nations' vulnerability to natural disasters and their reliance on external sources for energy. Working together with host-country and regional partners, community organizations, and the private sector, we are helping countries to develop skills and procedures that will reduce their risk before a disaster, and recover quickly if one hits. Because energy security is critical to building resilience, USAID is leading the Caribbean Energy Initiative (CEI) with an initial investment of \$5 million of a planned five-year, \$25 million program, which will reduce electricity prices, increase the quality of service, and make electricity systems in the Caribbean more resilient. In FY 2020, we have requested \$2.5 million to continue this regional energy work. Part of the U.S. Government's *America Crece / Growth in the Americas* initiative on energy and infrastructure, CEI builds on USAID's recent energy programs in Jamaica, the Eastern Caribbean, and Haiti, as well as on recent efforts by other U.S. Government Departments and Agencies, the private sector, and other donors.

Haïti

USAID's most-extensive development program in the Caribbean is in Haïti, where political instability and violence in recent years and playing out before our eyes today reminds us that progress continues to be fragile. In support of the Journey to Self-Reliance, USAID's resources address poverty, promote good governance, improve food security and nutrition, fight infectious disease, strengthen primary health care, and advance transparent and accountable government institutions. A more prosperous, stable, and democratic Haïti is mutually beneficial, as it reduces illegal immigration to the United States, lowers the humanitarian costs of recurring disasters and crises, reduces transnational crime, and improves a business climate that provides economic opportunities to American businesses.

Ecuador and Bolivia

I am particularly excited about the recent developments in our relationship with Ecuador. Because of Ecuador's former leader Correa's policies, USAID closed our Mission in 2014. For five years, we continued to support the people of Ecuador with programs that helped civil society, independent media, and human-rights defenders maintain a democratic space in the country. Thanks to President Moreno's reengagement with the United States, Administrator Green signed a Memorandum of Understanding with the Government of Ecuador in May 2019 and we plan to reopen an office in the next year. This past August, I traveled to Ecuador for the first of regular dialogues with the Government that will help shape our future programs; these will likely include economic growth, environment, democracy and governance, education, and support to help with the influx of Venezuelan refugees and displaced persons. We are encouraged by this progress, and look forward to advancing development for the people of Ecuador. USAID also continues to monitor the extensive development needs and political situation in Bolivia. Bolivia's leader Morales expelled USAID in 2013 and we closed our Mission in La Paz. Unlike the partnership that we have seen with President Moreno, President Morales has given no indication that he is willing to work with the United States to help build a healthier, more prosperous future for the Bolivian people. However, because of the good that it did for the Bolivian people and the fragile Amazon rainforest, we are grateful that he recently requested assistance from USAID to fight the Amazon fires. We hope that this could help to lay the groundwork for potential future cooperation that will bring a brighter future for all Bolivians.

Partnerships

To maximize taxpayer investments, guard against duplication, and ensure greater sustainability, USAID ensures that governments, civil society, and the private sector in our partner countries are invested in their own development. We coordinate and leverage the work of other donors, universities, including many U.S. land grant institutions, and non-governmental organizations, including faith-based organizations. We are forging agreements with Mexico, Chile, Brazil, and Colombia to tackle shared challenges in the region. We also increasingly engage with the American and regional private sector to co-create, co-design, and co-finance our projects so that we can further development more effectively in the region. In FY 2017, 59 U.S.-based private sector organizations engaged in active partnerships with USAID in the region, including companies like Chevron, Starbucks, Johnson & Johnson, and CISCO.

Monitoring and Evaluation for Learning and Accountability

As a United States taxpayer-funded agency, USAID takes seriously our responsibility to transparent, evidence-based oversight and management of our programs. Using a broad range of monitoring-and-evaluation tools, we regularly assess our progress at multiple levels to ensure we are meeting our goals, maximizing outcomes, and adapting to changing contexts. On average, USAID conducts approximately 20 performance and impact evaluations in Latin America and the Caribbean each year.

Conclusion

USAID's work in Latin America and the Caribbean prioritizes the challenges that affect the United States most directly. We are addressing the urgent situation caused by Maduro's illegitimate regime in Venezuela, while confronting the long-term challenges of corruption and the influence of transnational criminal organizations. We will continue to work on the prosperity, security, and good governance programs that encourage people to build better societies for their families and home communities. I thank this Subcommittee for its interest in, and support for, our work, and look forward to collaborating with you to address the challenges and opportunities in the region.