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The Curse of Socialism in Central America and Caribbean
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Chairman Salazar, Ranking Member Castro, members of the committee, thank you for the opportunity to testify today.

I am pleased to outline our overall approach to Central America and the Caribbean and to specifically discuss how the Administration addresses Cuba and Nicaragua as we work to build a more democratic, prosperous, secure and climate resilient Western Hemisphere.

Our work in Central America is guided by the Root Causes Strategy which addresses long-term, structural challenges. We are proud of our work on the Root Causes Strategy where we see results across the board, including in the fight against corruption. A key part of our strategy is the Vice President's Central America Forward initiative which has generated \$5.2 billion in new private sector commitments.

In the Caribbean, our focus is on strengthening regional and civilian security cooperation and promoting economic prosperity, including through enhanced climate resilience and adaptation, energy independence, digital connectivity, and disaster preparedness.

In Cuba, our policy focuses on support for the Cuban people, including their human rights and fundamental freedoms and their political and economic well-being.

The Cuban regime holds approximately 1,000 unjustly detained political prisoners behind bars. This includes hundreds of peaceful protestors from July 11, 2021. We continuously push for their unconditional and immediate release through bilateral and multilateral channels.

Following those protests, the Administration imposed Global Magnitsky sanctions on components and personnel of Cuban military and Ministry of Interior responsible for the crackdown on peaceful protestors. The State Department also imposed visa restrictions on 28 Cuban officials who enabled unjust detentions and sham trials of peaceful protesters. We continually make it clear to the Cuban government that human rights remain the top priority in our bilateral relationship.

Communism failed in Cuba. The Cuban people are eager to control their own economic destiny. Today, more than one third of Cuba's labor force works in one of the island's 11,000-plus private businesses.

Despite Russian efforts to guide the development of Cuba's private sector, the Cuban people still view the United States as their preferred partner. We cannot cede this space to Russia or China and must continue to foster the growth of the private sector.

We recognize that this will not turn Cuba into a capitalist democracy overnight, but we believe that Cuba's dynamic private sector offers ordinary Cubans opportunity for a better life.

In Nicaragua, we are committed to promoting accountability for the Ortega-Murillo regime's brutal repression of civil society, blatant disregard for human rights, efforts to fuel irregular migration towards our southwest border and deepening ties with malign actors. Our efforts have helped to disrupt migratory flows and stymied access to resources that enable the regime to hold its grip on power.

We continue to take aggressive measures to curb irregular migration throughout the hemisphere and disincentivize use of the Managua airport by those seeking to profit off of vulnerable migrants.

In November 2023, we implemented a new visa restriction policy that targets individuals running charter flights into Nicaragua designed primarily

to facilitate irregular migration to the United States. We have used this new policy to hold bad actors accountable.

Together with the Departments of Homeland Security and the Treasury, we issued a May 15 policy alert notifying commercial airline carriers, air charter operators, travel agents, and service providers of abuse by migrant smuggling and human trafficking organizations operating in and through Nicaragua.

We also are focused on Russia's malign efforts to forge military and security relationships with countries in the region aimed at undermining democracy and weakening Western influence.

To address this challenge, on May 15, the Administration sanctioned the Russian Police Training Center in Managua for its role in enabling the Nicaraguan National Police's repression of the Nicaraguan people.

The Biden-Harris Administration continues to take actions to ensure the Nicaraguan regime's ill-gotten gains cannot be used to further its brutal repression of civil society. In March, we designated Nicaragua's Attorney General, who has played a role in the regime's property seizures. And in May, we designated two Nicaraguan gold mining companies that allowed the regime to profit from corrupt operations, adding to the list of 12 other entities and 50 individuals sanctioned by the Department of the Treasury under Presidential Executive Order 13851 as amended by E.O. 14088. In addition, the State Department has taken steps to impose visa restrictions on more than 1,400 individuals connected to attempts to silence the voices of Nicaraguans through repression, unjust detentions, and trials lacking fair trial guarantees.

Chairman Salazar, Ranking Member Castro, members of the committee, thank you for the opportunity to testify before you today. I look forward to your questions.