

ADVANCING U.S. INTERESTS IN THE WESTERN HEMISPHERE

TESTIMONY OF
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Chairman Royce, Ranking Member Engel, and Members of the Committee:

Thank you for the opportunity to testify on the Administration's approach to the Western Hemisphere.

We know that a democratic, prosperous, and secure Western Hemisphere enhances our national security and benefits our economy. We build our policies towards the region upon that premise. The United States shares common values, strong economic bonds, and geographic proximity with the countries in this region. These connections bind us to the nations of the Western Hemisphere more closely than to any other region.

Our economic engagement with the Americas cannot be overstated. The United States is the top trading partner for more than half of the countries in the region. We trade more than twice as much with the hemisphere as we do with China. The United States has free trade commitments with 20 countries worldwide – 12 of those countries are in the Western Hemisphere. We traded \$1.8 trillion in goods and services within the hemisphere last year, supporting millions of U.S. jobs and leading to a \$12 billion goods and services trade surplus with the region in 2017. We believe in strong and fair trade that will create more opportunities for U.S. businesses.

Our economic engagement is underpinned by shared values. Latin America has largely transformed itself into a region of vibrant and peaceful democracies. Costa Rica, Paraguay, Colombia and, most recently, Mexico elected new presidents in 2018, and Brazilians will head to the polls later this year. We look forward to working with these newly-elected administrations.

The United States reaffirmed its commitment to our partnership with the Americas at the Eighth Summit of the Americas in Lima in May. The central theme of the Summit was “Democratic Governance against Corruption.” Corruption corrodes institutions and trust in democracy in the region and globally. Citizens across the Americas have demonstrated increasing intolerance for corruption.

At the Summit of the Americas, leaders adopted the Lima Commitment. It marks a watershed in the willingness of leaders to acknowledge their responsibility to address corruption. The Commitment provides a roadmap outlining steps to curb corruption and promote transparency, including furthering a culture of citizen participation in anti-corruption efforts.

The region’s institutions are also responding. A money laundering investigation entitled “Operation Car Wash” in Brazil revealed a regional corruption case that implicated at least 10 Latin American countries. This case was not brushed aside or ignored; instead, Brazil’s ability to share evidence related to the Odebrecht bribery case accelerated a wave of activity on the case across the Hemisphere.

In Central America, the International Commission against Impunity in Guatemala (CICIG) (SEE-sig) and the Organization of American States (OAS) Mission Against Corruption and Impunity in Honduras (MACCIH), (MAH-see) play important roles in supporting the attorneys general in Guatemala and Honduras to strengthen the rule of law, fight impunity, and combat corruption.

Unfortunately, corruption is not the only challenge we must confront together in the hemisphere. Another pressing issue we face is transnational crime.

We rely on strong hemispheric partnerships to fight transnational criminal organizations, and we work with our partners to disrupt illicit networks and trafficking routes.

The U.S. Strategy for Central America; our partnership with Mexico; and the Caribbean Basin Security Initiative are essential tools in addressing this threat. Continued bilateral cooperation with Colombia, Peru, and others is also important. At the U.S.-Colombia High-Level Dialogue in March, the United States and Colombia agreed to expand counternarcotics cooperation to reduce the alarming growth of Colombia’s cocaine production and coca cultivation to 50 percent of current levels by 2023.

Because our mutual security and prosperity are connected, we continue to work together to counter the illicit activity and poverty that drive illegal immigration to the United States. As Vice President Pence said during his visit to Brazil and Guatemala last month, it is of paramount importance that the citizens of our hemisphere have a chance to build a better life for themselves in the land of their birth. As such, the United States is renewing its commitment to address the root causes of Central American migration.

In the Caribbean, our Caribbean 2020 strategy guides our engagement, which focuses on security, prosperity, energy, diplomacy, education, and health.

Sustaining economic growth and ensuring security in the region requires strong democratic institutions that safeguard fundamental freedoms.

While most of the region enjoys democratic rule, Venezuela, Cuba, and Nicaragua continue to undermine the region's shared vision for effective democratic governance as enshrined in the Inter-American Democratic Charter.

The United States remains committed to standing with the people of Cuba, Nicaragua, and Venezuela in their struggle to achieve the liberty they deserve.

In Cuba, the regime continues its repressive hold on power and authoritarian rule despite the recent transition to President Diaz-Canel. President Trump's June 2017 Cuba policy emphasizes advancing human rights and democracy, and aims to ensure the benefits of U.S. engagement flow to the Cuban people rather than Cuba's military, security, or intelligence services. This policy amplifies efforts to support the Cuban people through the expansion of internet services, free enterprise, free association, free press, and lawful travel.

In Nicaragua, we condemn the violence and the excessive force used against demonstrators, resulting in at least 215 deaths and hundreds more wounded since protests began in mid-April.

We call on the Government of Nicaragua to end the government-sanctioned attacks and intimidation campaign against peaceful protesters, fully implement the recommendations of the independent Inter-American Commission on Human Rights, and act upon its findings to ensure accountability and justice for human rights abuses and violations. We urge Nicaragua's government to strengthen

democratic processes and institutions and to respect human rights and fundamental freedoms and support the proposal for early free and fair elections.

We support a broad-based dialogue to resolve the conflict, and urge the Nicaraguan government to negotiate in good faith to achieve a democratic future for all Nicaraguans. On June 7, the Department of State adopted visa restrictions on those responsible for human rights abuses or undermining democracy in Nicaragua, barring their entry into the United States. On July 5, the Treasury Department sanctioned three individuals pursuant to Executive Order 13818 as responsible for serious human rights abuses against the Nicaraguan people or significant corruption at their expense.

In Venezuela, the Maduro regime has completely undermined democracy. We join the nations of the world in standing with the Venezuelan people as they seek to return to the stable and prosperous democracy they deserve.

We were pleased to join with our partners to issue a Declaration on Venezuela at the Summit of the Americas. Despite calls at the Summit of Americas for a free and fair election, the May 20 elections in Venezuela were a sham. We joined the EU, the Lima Group, the Vatican and over 40 countries in condemning them.

At the June 4-5 OAS General Assembly, the United States and 18 other countries delivered a strong statement on Venezuela by passing a resolution that condemned the May 20 elections and denounced the rupture of democratic order they represent. The resolution set the procedural steps for Venezuela's expulsion from the OAS under the Inter-American Democratic Charter, as Vice President Pence had called for in May remarks to the OAS.

The OAS resolution also called on member states and OAS permanent observer states to implement economic and political measures to apply pressure on the Maduro regime until it restores Venezuela to genuine democracy and provides access for the international humanitarian aid that the Venezuelan people so desperately need.

President Trump has made it clear: the United States of America will not stand idly by as Venezuela crumbles. We are using the full range of diplomatic and economic tools to support the Venezuelan people's efforts to restore their democracy and return to prosperity.

We have sanctions in place designed to pressure those in the Maduro regime responsible for abuses, while limiting their ability to use our financial system to conceal their stolen wealth. We have imposed strict financial sanctions on more than 50 current or former Venezuelan government officials. We sanctioned the “Petro” cryptocurrency and announced additional sanctions to ensure that Venezuelan state assets are not further liquidated by the corrupt Maduro regime at the expense of the Venezuelan people.

We are also addressing the humanitarian component of the Venezuelan crisis by supporting the Venezuelans who are deprived, suffering, and increasingly forced to flee their homes,

Every day, some 5,000 Venezuelans flee the land of their birth, in the largest cross-border mass exodus in our hemisphere’s history. The International Organization on Migration (IOM) estimates approximately 2.3 million Venezuelans fled to other countries in Latin America and the Caribbean over the past three years. An outflow of another 1.8 million is expected by the end of this year.

Vice President Pence announced nearly \$16 million dollars of direct aid for the regional response to the Venezuela crisis at the Summit of the Americas. In May, Deputy Secretary Sullivan announced an additional \$18.5 million in bilateral assistance for the Government of Colombia’s efforts to address the influx of Venezuelans seeking safety. On June 26, during an official visit to Brazil, Vice President Pence announced \$9.6 million in additional U.S. government humanitarian assistance for emergency response efforts related to the Venezuela regional crisis. Overall, the United States is providing nearly \$31 million in humanitarian and development assistance to Venezuelans in the region. Despite this clear signal that the United States, in conjunction with the international community, is here to help, the Maduro regime continues to callously refuse to accept desperately needed humanitarian aid for its people.

We will continue to work with our regional partners to help restore democracy to Venezuela, Nicaragua, and Cuba, and to build a democratic, prosperous, and secure Western Hemisphere that enhances our national security and benefits our economy.

I look forward to your questions. Thank you.