

**Testimony of  
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“US Disengagement from Latin America: Compromised  
Security and Economic Interests.”**

**Mr. Chairman and Members of the Committee: I thank you for the opportunity to come before this Committee once again to address a phenomenon that, if ignored, could threaten the security of our country: the increasing anti-Americanism and radicalization of some governments in the region, and the lack of effective response by our government.**

**In the past few years the US government has neglected parts of the western hemisphere while adopting a misguided approach toward others. For example, in 2009 the Obama Administration seemed more determined to reach out to unfriendly governments such as Cuba, Venezuela, Bolivia, and Ecuador, than to friendlier states, such as Mexico, Colombia, Peru and Chile. That sent confusing signals to friend and foe alike.**

**Some say that the Administration believed that if it could get our adversaries to just listen to our earnest message, then they would stop their hostile behavior. That is not diplomacy; that is self-delusion. As we have seen with Russia, North Korea, Syria and Iran, wishful thinking does not make for an effective foreign policy. The same reasoning applies in our part of the world.**

**For example, in its first year in office the Obama Administration unilaterally lifted financial sanctions against the military dictatorship in Cuba, thus allowing the Castro**

brothers to capture several billion dollars per year in travel and remittances that had been previously denied their regime. It offered Venezuela's Hugo Chavez and Bolivia's Evo Morales a clean slate and exchange of Ambassadors; it later sent Secretary of State Hillary Clinton to Ecuador to dine with and convince President Rafael Correa to tone down his anti-Americanism.

What the Administration received in return for this outreach was rejection and disappointment. Chavez and later his successor Nicolas Maduro continued their harsh anti-American actions and rhetoric, their close ties with Iran, Syria, and Hezbollah, their purchases of Russian weapons, their four billion dollar subsidies of Castro's Cuba, their relentless march toward a closed society in Cuba's image. Ecuador's Correa similarly rejected US entreaties: he closed the US anti-narcotics monitoring base at Manta, expelled the American Ambassador and other diplomats, put independent news outlets out of business through threats and lawsuits, and directed his cousin Pedro Delgado, the head of the Central Bank, to establish covert business ties with Russia and Iran, which included opening secret bank accounts in Moscow and meetings with Iranian officials in both Tehran and Quito.

For months in 2009 the Obama Administration tried to have Honduras' Manuel Zelaya, an ally of Hugo Chavez, Fidel Castro and Daniel Ortega, and whom had been accused of corruption and of violating national laws, restored to the presidency, even though Zelaya had been removed from office for violating Honduras' constitution by a unanimous vote of that nation's Supreme Court, a decision that was subsequently ratified by nine of every ten members of Honduras' National Assembly.

Conversely, in the same year of 2009 the Administration inexplicably slowed down the implementation of the Merida Initiative, a collaborative anti-narcotics program with Mexico whose success holds obvious benefits for both our countries. In addition, the Administration waited nearly three years to submit to Congress the Free Trade Agreements (FTA) with Colombia and Panama, and then only after pressure from this Congress, which held hostage Administration nominees and legislative initiatives. By delaying policy initiatives with such obvious benefit to the US and its friends as the FTA's, the Merida Initiative and others, while offering unearned favors to our adversaries, the Administration's policy has confused our friends and emboldened our enemies.

The Administration unwisely believes that the Castro brothers will see our generosity as a sign of good will, not realizing that they run the island as the Mafia runs its enterprises, and that they therefore saw these offerings as a desire by the US to overlook Cuba's 5 decades of anti-Americanism, internal repression and sponsorship of international terrorism. Regardless of what self-professed experts in US universities or think tanks may say, the Castro brothers know very well that for the past 55 years they have engaged in some of the most criminal, violent and illicit activities of any nation across three continents - and they know that we know it.

So, imagine the Castro brothers' glee when the new President of the US, while getting nothing in return, grants them an unexpected windfall: the ability to capture billions of US dollars from overseas relatives of their captive island population, who send money or travel to the island to visit family that cannot leave. Naturally, Castro responded to President Obama's magnanimity by increasing repression

against peaceful dissidents in Cuba and by arresting a US citizen on trumped-up charges, holding a kangaroo trial in which he was sentenced to 15 years in jail for taking – on behalf of the US Agency for International Development – commercial computer and telephone equipment to the remnants of the Jewish community in Cuba so they could communicate with the outside world. To add insult to injury, the Castro government and its apologists are suggesting that the hostage aid worker be exchanged for Cuban intelligence agents duly convicted in US court of espionage against US military installations.

The Castro's saw the Obama Administration's removal of sanctions as a sign of the acceptance of their half-century of criminal activity just as they had seen the Carter Administration's similar efforts in 1977. That year President Carter renewed diplomatic relations with Castro after a 17-year hiatus; Castro then responded by increasing Cuban military support for communist guerilla movements and governments in 14 African countries.

Part of the price of US disengagement from Latin America can now be seen in such reprehensible spectacles as those witnessed this month at the Organization of American States (OAS) in which, for example, a member of the elected Venezuelan legislature representing the peaceful dissident movement and duly invited by an OAS Member State, was not allowed to speak, while earlier a majority of the OAS members voted to support the violent repression that the entire world has seen on video: uniformed soldiers, plain-clothes police and government-organized militia beating, shooting and killing unarmed civilians, mostly students and even a pregnant woman.

Another increasingly visible element of the US disengagement has been the unwillingness to confront the rampant official corruption that prohibits legitimate US businesses from winning contracts because their competitors routinely bribe foreign officials responsible for the awards. This corruption is not limited to anti-American nations; it takes place in far too many countries, some of which pretend to be pro-free market and profess friendship with the US. Although corruption is non-ideological, it has particularly thrived in those countries whose governments have consolidated power and decision-making in hands of a few privileged anti-American populists. Corruption has grown in those countries because their rulers have eliminated the free press that serves as a watchdog of government abuse while at the same time politicizing the judiciary which no longer acts as an arbiter of justice but rather as a defender of the government and the powerful.

We may better understand the current situation in Latin America by focusing on the relationship between Cuba and Venezuela, the two countries that have been respectively providing the ideological and financial resources for most of the recent anti-American trend. What we see happening in Venezuela and elsewhere is largely due to Cuba transforming Venezuela into its mirror image and to the US largely ignoring it.

It is worth restating that Cuba is a totalitarian military dictatorship, a one-party state controlled by the Communist Party of Cuba, listed on the US State Department's list of State Sponsors of Terrorism, and run for 55 years by an organized crime family whose patriarch, Fidel Castro, has become so wealthy that he was catalogued on Forbes' list of the "World's Richest People."

The Castro family rules Cuba through the usual mechanisms of a totalitarian dictatorship, including: absolute control of all branches of government, the Armed Forces and the police; violent repression of any dissidence to include assassination; excessive prison terms under inhuman conditions; unrestricted surveillance of all citizens; state ownership of the means of production and distribution; and complete lack of the individual liberties guaranteed by the Universal Declaration of the Rights of Man, of which Cuba is, of course, a non-compliant signatory.

Throughout the Americas, Cuba's ruling family has been involved in illicit business such as narcotics trafficking, kidnapping, bank robbery, and money laundering. By his own admission, Castro has trained and supported terrorists for what he calls "wars of national liberation" in every corner of the western hemisphere. It is his willingness to use mobster tactics against his adversaries that has protected Castro from criticism by democratic leaders; most of whom are afraid to suffer the fate of those whom Castro has singled out for punishment (one of the first targets was the then-president of Venezuela, Romulo Betancourt, in the early 1960's, who refused Castro's attempted extortion).

Although Cuba never stopped exporting its model of one-party dictatorship to Latin America, it has changed its methods. Until the end of the massive Soviet economic subsidies in 1989, it supported revolution through armed means. When the USSR disappeared and Chavez's money replaced the USSR's, Castro switched to supporting a much more deceptive and therefore insidious method: supporting allies who could win a democratic election, and then changing the rules so that there would never again be another free and fair election in the ally's "socialist" country. That is what we are seeing today in the ALBA alliance

created by Fidel Castro and Hugo Chavez, in the so-called “21<sup>st</sup> Century Socialist States” such as Ecuador, Bolivia, Nicaragua and Venezuela. That is what we might have seen in Honduras had the Administration not seen the error of its policy and reversed course with Zelaya. However, we may still see this occur in El Salvador, with the recent election to the presidency of a former top commander of the Marxist-Leninist FMLN guerrilla army who has been implicated in numerous assassinations during the war and the official corruption of the current FMLN government.

From the start of his 14 years in power in Venezuela, Hugo Chavez willingly turned over to Fidel Castro the management of much of Venezuela’s national security and the fruits of its oil revenues. You don’t have to take my word for it. Last month the man that has been called Chavez’s ideological mentor and most important Cabinet Minister, Luis Miquilena, said:

*“Venezuela today is a country that is practically occupied by the henchmen of two international criminals, Cuba's Castro brothers. They have introduced in Venezuela a true army of occupation. The Cubans run the maritime ports, airports, communications, the most essential issues in Venezuela. We are in the hands of a foreign country.”* [***El Nacional***, 3/4/13]

Under Venezuela’s Constitution, the Minister of Interior is not only in charge of all internal security, but also served as Acting President in the absence of the President, for example, on the latter’s international travel or temporary incapacitation. Miquilena was later head of Venezuela’s National Assembly, or Congress. His opinion, therefore, carries much weight and can be equated to that of a US Vice President or Speaker of the House.

The roots of the Cuban domination of Venezuela go back to the very start of Castro's half-century rule over Cuba. On January 8, 1959, a week after the departure of the outgoing dictator, Fulgencio Batista, Castro rode into Havana atop a captured army tank. Exactly 15 days later he flew to Venezuela and asked the then-president, Romulo Betancourt, for \$300 million (equivalent to about \$2.5 billion today) to undermine the US in the western hemisphere. A surprised Betancourt turned Castro's request down flat, telling the Cuban that Venezuela was still a poor country in spite of its oil wealth, while Cuba was a "rich country." Castro never forgave Betancourt. Three years later Castro sent a covert military expedition against Venezuela to support a communist guerilla war against the democratically elected Betancourt government. The guerilla lasted the rest of that decade. It was not the first and would not be the last of Castro's many military interventions in Venezuela or the rest of Latin America.

Like its patron Cuba, Venezuela has also become an organized crime state. Top politicians and high-ranking military officers have been implicated in drug trafficking, support of terrorism and other illicit activities. Corruption runs rampant, with fortunes in the hundreds of millions and billions of dollars having been illegally acquired by a few well-placed government officials and their private business associates.

Again, don't take my word for it: The US Treasury Department has designated a number of senior Venezuelan officials as "Significant Foreign Narcotics Traffickers" under the Drug Kingpin Act. The individuals so accused include what in the equivalent US government position would be the US Attorney General, the Director of a combined FBI and

CIA, the Director of the Defense Intelligence Agency, the Secretary of Homeland Security and commanders of strategic military units. All stand accused of “materially assisting the narcotics trafficking activities of the FARC” the Spanish acronym for the Revolutionary Armed Forces of Colombia, a guerrilla army designated as a “Foreign Terrorist Organization” by the US State Department and European counterparts.

Other overwhelming and convincing evidence has been gathered from multiple sources to prove without doubt that some of the highest ranking officials of the Maduro and Chavez governments have supported terrorism through involvement in narcotics trafficking - just as Castro’s Cuba has done and trained them to do.

Moreover, Chavez’s apprentice and appointed successor, Nicolas Maduro, has been violently repressing peaceful dissent in the streets of Venezuela for all the world to see. Still there are some who defend that government. Some Hollywood celebrities still do and until recently members of this Congress did.

But the evil influence of the Cuba-Venezuela axis does not stop at its borders. Other ALBA nations and their accomplices are also repressing their populations, eliminating free enterprise, destroying press freedoms and other basic liberties, and supporting terrorists and racketeers. The illicit activities of these countries are well-known to our government but not to the vast majority of the American people. And their criminal activity is reaching our shores. Arrests have been made on US soil of agents of some of those countries, as they attempted to blackmail or extort foreign citizens that had refused to submit to their demands before seeking refuge here. They are also bringing ill-gotten

money to acquire legitimate properties and businesses that would allow the culprits to launder their dirty profits in our open economy.

What should the US do:

First the good news: to turn our policy around and start supporting our friends and opposing our enemies no new budget allocations are necessary. We should:

Establish a diplomatic equivalent of the “IFF” device used on airplanes and radars. IFF stands for “Identification Friend or Foe.” Our support should be reserved for our friends. Not all states are friends and we shouldn’t pretend they are. Some governments, like North Korea’s, Iran’s, or Syria’s, cannot be dealt with as if they were normal. The same can be said for Cuba and Venezuela. Unordinary conditions call for unordinary measures.

Implement a foreign policy version of the Hippocratic Code. Doctors are taught to “first, do no wrong.” The US must examine its economic and political relations with the nations of this hemisphere to make sure we are not, wittingly or unwittingly, helping anti-American governments to survive the blunders of their own doing. If they are going broke because they are corrupt, are following Marxist economic policies, buying huge quantities of weapons, supporting terrorism or otherwise subverting neighboring countries, then they are most likely anti-US; do not throw them a life preserver. If we find that we are providing aid, credits, trade or immigration or any other political or economic preference to anti-US nations, we should find legal ways to reduce or eliminate them.

Once we know who they are, we must be more proactive in supporting our friends and opposing our adversaries. Notice I say proactive, not vocal: we should not engage in spitting contests with cobras or in verbal battles with deceitful Third World autocrats. But when our resources are limited it is self-defeating to treat friends and enemies alike. That is what we have done for the past few years and the result is evident in what is happening at the OAS now. A majority of member states supported Venezuela's effort to keep the people of the hemisphere's democracies from learning the truth about chavista repression.

The ALBA nations have said that they will defeat the US through "asymmetric" warfare; we should take up the challenge. They think we have no options but to either accept their imposition of neo-communist, Cuban-style dictatorships or to strike at them militarily. They reason that, since the US has a military force unequalled in the world, our use of it would represent a "lose-lose" strategy. That is, if we use military force to defeat them, then we will have lost the battle of ideas. On the other hand, if we refrain from using it, then their superior ideology will triumph.

The fact is that that their violent, dictatorial ideology is a proven failure. It failed in the 20<sup>th</sup> Century when it was called "National Socialism" in Germany and Italy, or international socialism by the Soviet Bloc. And has been a failure in the 21<sup>st</sup> Century, in Cuba, Venezuela, and any other place where individual initiative is replaced by collectivism.

Use our economic power: The reason the US is the single most successful economic power in history is because it relies on free enterprise and free individuals for economic decisions, the very freedom that those failed ideologies destroy. We should therefore not provide economic oxygen

to governments that asphyxiate their own populations' freedoms.

We should use non-military instruments, not force, to ensure that they do not succeed in establishing dictatorships or exporting violence. Those instruments include: judicious use of US economic power; non-violent but imaginative intelligence activities; open, assertive engagement in the battle of information and ideas (possibly through the re-establishment of a US Information Agency). And targeted sanctions aimed at those government officials who repress their people and the business associates who help keep them in power while they profit from the autocracy's corruption.

Those corrupt officials and their private sector enablers must be the target of US anti-corruption sanctions, such as those comprised in the International Emergency Economic Powers Act; Section 212 of the Immigration and Nationality Act; Presidential Proclamation 7750 (the "anti-kleptocracy act") and other laws and regulations that are not being sufficiently enforced.

Instead of constantly trying to put out fires in our neighborhood, it would better for the US to take the matches and the gasoline away from the arsonist. The chief arsonist in the western hemisphere for the half-century has had the last name of Castro. After 55 years observing Castro destroy his own economy, enslave his people and export violence, the US Government has more than enough viable ideas as to how to stop him than I can list in this document. What has been lacking in Washington is political will.

In this hemisphere at the present time there are nine nations that have joined the Castro-Chavez alliance called ALBA (Bolivarian Alternative of Our Americas). The purpose of

that group is to spread the kind of economic, political and social system that has ruled Cuba for the past 55 years. Presidents of ALBA member governments, such as Ecuador's Rafael Correa, Bolivia's Evo Morales and Nicaragua's Daniel Ortega, have publicly stated their admiration for and loyalty to the ideology espoused by Castro and Chavez. Even absent their anti-US speeches, their anti-US actions speak volumes. There is no reason to continue treating those nations as though they were friendly. Again, there is no reason to undertake any war-like action against them, but at what point does their continued hostility and support for our enemies warrant a reaction?

Finally, there are those other nations like Argentina, Brazil, Dominican Republic and some the English-speaking Caribbean that have supported the Cuba-Venezuela axis on many occasions (such as at the OAS). While they have not yet actively become anti-American, they are also not defending freedom in the hemisphere. Moreover, many have some of the most corrupt governments in the region, thus shutting out US firms from domestic competition because of US laws that prohibit bribery. The laws against them are on the books; they must be enforced.