WHAT IS DRIVING FAMILIES TO FLEE CENTRAL AMERICA?

Dangerous levels of violence, political instability, and poverty are key factors driving families to make the risky journey from Central America without any guarantee of safety. Until recently, El Salvador and Honduras had among the highest murder rates in the world, and studies have found a striking correlation: for every 10 additional murders in Honduras, El Salvador, and Guatemala, 6 additional children sought safety in the United States.

Another factor driving recent migration has also been economic conditions and food security. In Guatemala and Honduras, half the country lives in poverty, and in all 3 countries nearly one-third of the youth is unemployed and not in school. Following the devastating El Niño drought in 2014, many were forced to flee with people declaring “no food” as the top reason they left their homes.

IS AMERICA WORKING TO ADDRESS THE ROOT CAUSES OF VIOLENCE AND MIGRATION?

The United States is working with Central American countries and Mexico to help them address the root causes of migration including brutal violence, hunger, and instability in communities. Funded through the International Affairs Budget, these programs recognize that success will depend on countries being committed to their own security and economic development. In Fiscal Year 2017, the U.S. provided approximately $837 million in foreign assistance to Central America and Mexico for such programs.

- **NORTHERN TRIANGLE:** In 2014 in response to the crisis of unaccompanied minors being sent to the U.S. southern border, the United States launched the “Alliance for Prosperity” initiative to help these countries improve security and economic opportunity. When the U.S. committed $420 million to the “Northern Triangle” countries of Honduras, Guatemala and El Salvador in Fiscal Year 2017, the governments of these countries committed more than ten times that amount – $5.4 billion of their own resources – to support investments in their own people and to strengthen public safety. Guatemala, El Salvador, and Honduras are also partners in the Central American Regional Security Initiative (CARS), which has provided some $2.1 billion in assistance since 2008 to support efforts to increase security and bolster the rule of law.

- **EL SALVADOR:** The United States provided $103 million in U.S. assistance for El Salvador In Fiscal Year 2017, 40% of which focused on citizen security and rule of law. In addition, the Millennium Challenge Corporation (MCC) successfully completed a five-year $461 million compact in 2012 that enabled more than 33,000 households to gain access to electricity, 7,200 households to improve sanitation, and 2,250 additional girls to enroll in MCC-supported schools. A second compact of $277 million entered into force in September 2015, with the El Salvadorian government contributing $88 million to the five-year compact. The compact aims to improve the competitiveness of the country’s labor force, strengthen regulatory policies, and improve transportation infrastructure.

- **GUATEMALA:** The U.S. provided $215 million in assistance to Guatemala in 2017 to help address migration challenges. Guatemala is also the recipient of a $28 million threshold program from the MCC, which is being used to improve tax administration, stimulate private funding for infrastructure, and train Guatemalan youth in valuable vocational skills.
HONDURAS: The United States provided $147 million in U.S. assistance for Honduras in 2017, roughly half of which focused on promoting security, human rights, and governance. The MCC also has a threshold program with Honduras of $15.6 million that prioritizes an improved financial management system and a more effective public-private partnership process.

MEXICO: The Merida Initiative aims to strengthen Mexican judicial and security institutions by countering drug trafficking – including dangerous synthetic opioids such as fentanyl, organized crime, corruption, illicit arms trafficking, and money laundering – while reducing the demand for drugs in both countries. A relatively new element of the Merida Initiative is to help Mexico secure its southern borders with Guatemala and Belize. The U.S. has invested close to $3 billion since 2008, though funding levels have steadily declined year-over-year as Mexico has increased its own budget for these efforts.

* Country-specific sectoral data is taken from foreignassistance.gov, using “spent” levels for 2017.

HAVE AMERICAN TAXPAYER-FINANCED PROGRAMS IN LATIN AMERICA WORKED?

Despite ongoing challenges, U.S. support has not only worked, but also delivered a return on our investment for the American taxpayer. Homicide rates declined by 42% in El Salvador, 13% in Guatemala, and 23% in Honduras from 2015 to 2017. By 2017, American assistance helped improve security and economic conditions throughout the region, and border-crossing apprehensions had fallen to their lowest point since 1971.

COLOMBIA: Plan Colombia, a bipartisan initiative begun in 1999, is widely regarded as a major success in combating violence and insecurity by helping to train Colombian law enforcement and rebuild the economy. The United States made a $10 billion investment over 15 years, and Colombia now exports $15 billion each year to the United States, up 400% since 2000. Colombia has seen a significant reduction in violence and recently ended the longest conflict in the Western Hemisphere. Colombia has also become a key security partner by using lessons from its own experience to help Central American countries tackle similar challenges in their nations.

EL SALVADOR: In neighborhoods where USAID worked in El Salvador, homicides declined by an average of 45% from 2015 to 2017. With the help of USAID trade and investment programs, foreign direct investment grew more than seven-fold in El Salvador between 2000 and 2010. Additionally, through a $5 million USAID investment in reforming El Salvador’s tax system, the El Salvadorian government was able to increase its annual revenue by $350 million and increase its annual social spending by $160 million between 2005 and 2013.

GUATEMALA: In the Western Highlands region of Guatemala, an area especially prone to migration based on data from U.S. Customs and Border Protection, USAID agricultural programming helped increase rural farmers’ sales by 51% and created 20,000 jobs in the agriculture sector. Through Feed the Future, U.S. assistance in Guatemala also leveraged more than $7 million in private investment while reaching 230,000 children under the age of 5 with nutritional support.

HONDURAS: USAID’s community policing and youth programs with the State Department’s Bureau for International Narcotics and Law Enforcement (INL) helped reduce homicide rates in at risk communities up to 73 percent between 2013 and 2016. Through Feed the Future, USAID investments in agriculture have helped lift 89,000 people out of extreme poverty while also encouraging a $56 million co-investment by the Honduran government in the program.
WHAT PERCENTAGE OF U.S. FOREIGN ASSISTANCE GOES TO OUR SOUTHERN HEMISPHERE?

U.S. assistance to Central America is just 0.00035% of entire U.S. federal budget and has decreased by 20% in last two years.

In the past, temporary increases have come in response to natural disasters, such as the 1976 earthquake in Guatemala and Hurricane Mitch that struck Honduras and Nicaragua in 1998. The most significant upswing in American assistance came in the 1980s during the conflicts in El Salvador and Nicaragua. In response to the surge in unaccompanied minors in 2014, Congress significantly increased funding for countries in Central America as a complement the Alliance for Prosperity initiative. But overall, Central America and Mexico remain small recipients of U.S. foreign assistance.

WHAT ABOUT CONCERNS OF CORRUPTION?

Corruption is a challenge in many countries and Central America is no exception. A number of U.S. investments specifically focus on strengthening the capacity of government institutions to counter fraud and corruption within their ministries and in their broader societies. Nevertheless, it is a mixed picture. In the MCC’s Fiscal Year 2018 scorecard, El Salvador scored roughly at the median on the corruption indicator, while performing well on regulatory quality (93%), political rights (83%), civil liberties (63%), and government effectiveness (60%). While Honduras and Guatemala both scored below the median for control of corruption in the most recent MCC scorecard, they both had strong scores for political rights, civil liberties, trade policy, and fiscal policy.

As a safeguard, the U.S. maintains increasingly strong transparent oversight and evaluation capabilities to constantly monitor aid resources in order to ensure they are used for their intended purposes. For example, in response to multiple coup attempts and an ongoing corruption scandal in Honduras, the MCC did not sign a large second compact with the nation and instead created a $15 million “threshold” compact that required the Honduran government to lead on policy reforms if they wished to benefit from further assistance.