

CENTRAL AMERICA AND U.S. ASSISTANCE July 2019

WHAT IS DRIVING THE MIGRATION CRISIS AND IS U.S. ASSISTANCE EFFECTIVE?

Violence, instability, and poverty in Central America are driving a new wave of migration.

Dangerous levels of violence, political instability, and poverty are key factors driving families to make the risky journey from Guatemala, Honduras, and El Salvador without any guarantee of safety.

- In Guatemala and Honduras, half the country lives in poverty. In all three countries, there are close to 16 million people under the age of 24 and nearly one-third of the youth are unemployed.
- Northern Triangle countries are home to some of the highest murder rates in the world.
- Studies have found a striking correlation: for every 10 murders in Honduras, El Salvador, and Guatemala, 6 children sought safety in the United States.

U.S. foreign assistance works when we invest with sustainable diplomacy.

In response to the 2014 crisis of unaccompanied children arriving at America's southern border, the United States helped launch the "Alliance for Prosperity" – a regional initiative grounded in **tough U.S. diplomatic engagement** and **sustained, effective development investments**.

America committed an initial \$750 million and the Northern Triangle countries brought more than seven times that amount to bear – \$5.4 billion of their own resources – to help their own people. By 2017, American assistance helped improve conditions throughout the region and border-crossing apprehensions had fallen to their lowest point since 1971.

Unfortunately – prior to the most recent announced cuts – U.S. assistance to Central America has decreased by nearly 30% from 2016 to 2019, and today, assistance to the Northern Triangle is just 0.035% of the current federal budget.

Highlights of U.S. assistance to Central America include:

- **Declining Homicide Rates:** Homicide rates dropped by 42% in El Salvador, 13% in Guatemala, and 23% in Honduras from 2015 to 2017 with even higher declines of up to 66% in El Salvador and 78% in Honduras in at risk neighborhoods where USAID and the State Department targeted their programs.
- **Fighting Corruption:** The United States supports the Mission to Support the Fight Against Corruption and Impunity in Honduras (MACCIH), an independent, international anti-corruption body that has enabled the work of anti-corruption judges, prosecutors, and investigators.
- Creating Economic Development: 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 agriculture.

PLAN COLOMBIA

A bipartisan initiative launched in 1999, Plan Colombia was a major success in helping transform the once narco-terrorist state into key U.S. ally and economic partner. combating violence and insecurity by helping to train Colombian law enforcement and rebuild the economy. The United States made a \$10 billion investment over the course of a decade, and Colombia now exports \$15 billion each year to the United States, up 400% since 2000. Colombia has also become a key security partner, using lessons from its own experience to help Central American countries tackle similar challenges.

WHAT DOES U.S. ASSISTANCE DO IN CENTRAL AMERICA?

The vast majority of U.S. assistance goes directly to non-profit and civil society organizations that run programs that promote economic and agricultural development, combat violence and empower youth, and fight corruption.

Programs that support the efforts of Central American governments largely focus on strengthening law enforcement and security.

El Salvador: Strengthening Citizen Security and the Rule of Law

- As part of El Salvador's national security plan, USAID and State Department security programs targeted 50 municipalities by integrating law enforcement with community-level prevention. In neighborhoods where USAID worked in El Salvador, homicides declined by an average of 45% from 2015 to 2017.
- Through a \$5 million USAID investment to reform El Salvador's tax system, the El Salvadorian government increased its annual revenue by \$350 million and its annual social spending by \$160 million between 2005 and 2013.
- El Salvador successfully completed a five-year \$461 million compact with the Millennium Challenge Corporation (MCC) focused on education, energy, agriculture, rural business development, and infrastructure that is expected to benefit more than 700,000 people over 20 years including more than 33,000 households gaining access to electricity.
- A second MCC compact of \$277 million entered into force in 2015 and seeks to improve the competitiveness of the country's labor force, strengthen regulatory policies, and improve transportation infrastructure, with the El Salvadorian government contributing \$88 million to the five-year compact.

Guatemala: Promoting Economic Development and Fighting Poverty

- USAID agricultural programming helped increase rural farmers' sales by 51% and created 20,000 jobs in the agriculture sector.
- 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. Guatemala is a partner in a \$28 million threshold program with the MCC that seeks to improve tax administration, stimulate private funding for infrastructure, and train Guatemalan youth in valuable vocational skills.
- American assistance is also helping to transform Guatemala into an economic partner with U.S. agricultural exports to Guatemala increasing by 60% over the last decade.

Honduras: Promoting Security and Fighting Corruption

- USAID and State Department community policing and youth programs helped reduce homicide rates in at risk communities up to 73% 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.
- Honduras is a partner in a threshold program with the MCC that seeks to develop the capacity of small-holder farmers and is expected to benefit more than 350,000 people. In addition, the partnership aims to help rehabilitate key transportation systems.

WHAT LEADERS ARE SAYING ABOUT ASSISTANCE TO CENTRAL AMERICA

- House Foreign Affairs Chairman Eliot Engel (D-NY): "We will work with our colleagues in Congress to do everything in our power to push back on the President's misguided approach to Central America."
- House Foreign Affairs Ranking Member Mike McCaul (R-TX): "If we cut all this funding... it's gonna make things tragically worse not better" adding that "It's a great return on our investment, because if you can stabilize those nations then you can take the root causes of the problem away."
- Senate Foreign Relations Ranking Member Bob Menendez (D-NJ): "If carried out, President Trump's irresponsible decision to cut off our assistance to El Salvador, Guatemala, and Honduras would undermine American interests and put our national security at risk... From combatting drug trafficking and transnational criminal groups to helping establish safe communities with economic opportunities, U.S. foreign assistance addresses the factors driving migration from Central America."
- Senate Foreign Relations Committee Member Marco Rubio (R-FL): "Reducing support to CentAm & closing the border with Mexico would be counterproductive."
- House Appropriations Chair Nita Lowey (D-NY): "I urge the President to engage experts in his own executive branch, as well as Congress, to discuss a productive and less dangerous way forward that preserves our global leadership and our own national security interests."
- House Appropriations Ranking Member Kay Granger (R-TX): "I do not support a complete suspension of all aid, as the president has suggested."
- Five Former U.S Combatant Commanders of U.S. Southern Command: "Improving conditions in Honduras, Guatemala, and El Salvador is a critical way to address the root causes of migration and prevent the humanitarian crisis at our border. This is a solution to many of the drivers that cause people to leave their country and move north. Cutting aid to the region will only increase the drivers and will be even more costly to deal with on our border." General Craddock, General Hill, General McCaffrey, General Wilhelm, and Admiral Stavridis
- Former Senate Majority Leader Bill Frist (R-TN): In my years in the U.S. Senate and in treating patients in developing countries around the world, I have consistently found that our foreign assistance is not simply an altruistic gift but a strategic investment that benefits our own citizens. It strengthens economies and creates new trading partners, stabilizes governments and diminishes havens for terrorism, reduces the spread of global disease, and shows America at its best.
- President of El Salvador Nayib Bukele: "People don't flee their homes because they want to. They flee their homes because they feel they have to....We will make a country that is more prosperous and that can provide decent paying jobs for all of our people...so if people have an opportunity for a decent job, a decent education, a decent health care system and security, I know that forceful migration will be reduced to zero."
- Conservative commentator Eric Erickson: "What President Trump is doing now cutting aid is wrong. I must respectfully dissent. I used to believe we should just cut foreign aid from our budget. But I have realized we can, in situations like this, spend far less in these countries helping stabilize situations than we could on the border wall."