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GUATEMALA AT A CROSSROADS

HEARING

BEFORE THE

SUBCOMMITTEE ON
THE WESTERN HEMISPHERE

OF THE

COMMITTEE ON FOREIGN AFFAIRS
HOUSE OF REPRESENTATIVES

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GUATEMALA AT A CROSSROADS

TUESDAY, JUNE 9, 2009

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON THE WESTERN HEMISPHERE,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The subcommittee met, pursuant to notice, at 2:21 p.m., in room 2172, Rayburn House Office Building, Hon. Eliot L. Engel (chairman of the subcommittee) presiding.

Mr. ENGEL. The subcommittee will come to order. I am told that Mr. Burton is on his way and will be here. He is filling in for Mr. Mack who is away this week from Congress. And when Mr. Burton comes I will give him his due accolades, because he used to be the ranking member of the subcommittee and, indeed, even the chairman of the subcommittee, and we have always worked together very well.

So I am pleased to welcome everyone to today's hearing on Guatemala and I am very glad that Ambassador Villagran is here. So welcome, Mr. Ambassador.

Recent media attention in Latin America has focused overwhelmingly on Mexican President Calderon's battle against Mexico's drug cartels. Meanwhile, Mexican cartels have moved more aggressively than ever into Guatemala, a country with weaker institutions than its neighbor to the north. Last Thursday, 3,800 bullets and 563 grenades that were seized from Mexican cartels in Guatemala in April were determined to have originally been the property of the Guatemalan army. In the April seizure, police also found 8 antipersonnel mines, 11 M60 machine guns, bulletproof vests and two armored cars.

Drug-related violence in Guatemala unfortunately complicates an already difficult situation. Guatemala has a long history of violence and one of the highest murder rates in Latin America. In a report to the Guatemalan Congress, the country's Human Rights Ombudsman noted that 2008 was, and I quote, "the bloodiest year of our history," with 6,292 homicide victims. Illegally armed groups, drug cartels and youth gangs are contributing to spiraling violence. On May 18th, a priest from the United States living in Guatemala, Lorenzo Rosebaugh, was brutally killed during a robbery. I believe it is time to say enough is enough.

Last month, I sent a letter to Secretary of State Hillary Clinton urging her to focus greater attention and resources on Guatemala. While I am pleased that the Merida Initiative includes funding for Central America, at my insistence, I believe that much more must

be done to support our partners in Central America, and particularly Guatemala.

In my letter, I outlined three key areas where the United States can intensify our support for Guatemala. First of all, we must continue to focus Merida Initiative efforts on police training and reform. This should include an increase in the number of U.S. Government permanent staff and detailees offering police training in areas such as crime-scene protection and evidence collection.

Secondly, since its creation in 2007, I have been one of Congress' strongest supporters of the U.N. International Commission against Impunity in Guatemala, known as CICIG, an independent body created with the support of the Guatemalan Government to investigate the country's serious problems of organized crime and clandestine security networks. We need to build on current U.S. support to the CICIG. This means providing details to the CICIG from the FBI and other U.S. agencies on a case-by-case basis, to offer investigatory expertise, as well as helping the CICIG to build up its witness and victim protection programs.

Thirdly, there needs to be a greater focus in my opinion on the prevention side of youth gang violence.

My hope is that today's hearing will serve as a call to action for all of us to help our friends in Guatemala to emerge from the current cycle of violence and impunity.

The challenges that Guatemala faces should serve as a stark reminder that we must develop a more holistic strategy to combat drugs and violence in the Western Hemisphere than currently exists. As we focus more intensely on Guatemala, let us not lose sight of history. Each time we work with our partners in the Americas to go after drug cartels and drug-related violence, the cartels inevitably move on to the next country. A more holistic approach means not simply fighting yesterday's battles but also looking ahead to vulnerable countries like Honduras. I just was in Honduras last week with Hillary Clinton at the OAS meeting. Finally, as I have said time and time again, a more holistic approach means doing more within our own borders to curb our own country's demand for drugs and to stop the illegal trafficking of guns and weapons down south from the United States that fuel violence throughout the region.

I would be remiss not to mention the tragic May 10th murder of Guatemalan lawyer Rodrigo Rosenberg. For those of us in the international community, the murder of Rodrigo Rosenberg and the allegations surrounding his death should not become an exercise in finger pointing. Instead we must support the CICIG as it carries out its investigation. Rosenberg's murder and the political chaos that it has created only reinforces the need for a stronger justice system and an end to impunity in Guatemala. Particularly the Rosenberg murder, where he had written something on paper saying that if I am murdered, this is who murdered me; I certainly think that needs to be investigated very carefully.

[The prepared statement of Mr. Engel follows:]

Opening Statement
Chairman Eliot L. Engel

House Foreign Affairs Subcommittee on the Western Hemisphere

Guatemala at a Crossroads

Tuesday, June 9, 2009

I am pleased to welcome you to today's hearing on Guatemala. Recent media attention on Latin America has focused overwhelmingly on President Calderon's battle against Mexico's drug cartels. Meanwhile, Mexican cartels have moved more aggressively than ever into Guatemala, a country with weaker institutions than its neighbor to the north. Last Thursday, 3,800 bullets and 563 grenades that were seized from Mexican cartels in Guatemala in April were determined to have originally been the property of the Guatemalan army. In the April seizure, police also found eight anti-personnel mines, 11 M60 machine guns, bulletproof vests and two armored cars.

Drug-related violence in Guatemala unfortunately complicates an already difficult situation. Guatemala has a long history of violence, and one of the highest murder rates in Latin America. In a report to the Guatemalan Congress, the country's Human Rights Ombudsman noted that 2008 was the "bloodiest year of our history" with 6,292 homicide victims. Illegally armed groups, drug cartels and youth gangs are contributing to spiraling violence. On May 18th, a priest from the United States living in Guatemala – Lorenzo Rosebaugh – was brutally killed during a robbery. It's time to say "enough is enough."

Last month, I sent a letter to Secretary of State Hillary Rodham Clinton urging her to focus greater attention and resources on Guatemala. While I am pleased that the Merida Initiative includes funding for Central America, I believe that much more must be done to support our partners in Central America, and particularly Guatemala.

In my letter, I outlined three key areas where the United States can intensify our support for Guatemala. **First,** we must continue to focus Merida Initiative efforts on police training and reform. This should include an increase in the number of U.S. government permanent staff and detailees offering police training in areas such as crime scene protection and evidence collection. **Second,** since its creation in 2007, I have been one of Congress's strongest supporters of the U.N. International Commission against Impunity in Guatemala (CICIG), an independent body created with the support of the Guatemalan government to investigate the country's serious problems of organized crime and clandestine security networks. We need to build on current U.S. support to the CICIG. This means providing detailees to the CICIG from the FBI and other U.S. agencies on a case-by-case basis to offer investigatory expertise, as well as helping the CICIG to build up its witness and victim protection programs. **Third,** there needs to be a greater focus on the prevention side of youth gang violence.

My hope is that today's hearing will serve as a call to action for all of us to help our friends in Guatemala to emerge from the current cycle of violence and impunity.

The challenges that Guatemala faces should serve as a stark reminder that we must develop a more holistic strategy to combating drugs and violence in the Western Hemisphere than currently exists. As we focus more intensely on Guatemala, let us not lose sight of history. Each time we work with our partners in the Americas to go after drug cartels and drug-related violence, the cartels inevitably move on to the next country. A more holistic approach means not simply fighting yesterday's battles, but also looking ahead to vulnerable countries like Honduras. Finally, as I have said time and time again, a more holistic approach means doing more within our own borders to curb our country's demand for drugs and to stop the illegal trafficking of weapons that fuel violence throughout the region.

I would be remiss not to mention the tragic May 10th murder of Guatemalan lawyer Rodrigo Rosenberg. For those of us in the international community, the murder of Rodrigo Rosenberg and the allegations surrounding his death should not become an exercise in finger pointing. Instead, we must support the CICIG as it carries out its investigation. Rosenberg's murder and the political chaos that it has created only reinforces the need for a stronger justice system and an end to impunity in Guatemala.

I am now pleased to introduce our distinguished witnesses. Eduardo Stein is the former Vice President and Foreign Minister of Guatemala. Anita Isaacs is the Benjamin R. Collins Professor of Social Science at Haverford College. Mark Schneider is the Senior Vice President of the International Crisis Group and a former Director of the Peace Corps. And, last but certainly not least, Stephen Johnson is a former Deputy Assistant Secretary of Defense for Western Hemisphere Policy.

With that, I would like to call on the Ranking Member for his opening statement.

Mr. ENGEL. I would like to, before I introduce our witnesses, give our members who are here, if they desire—they don't have to—a chance to make an opening statement.

Ms. Lee declines.

Mr. Sires.

Okay, everyone is cooperating today.

So I am pleased to introduce our witnesses. Eduardo Stein is the former Vice President and Foreign Minister of Guatemala. Anita Isaacs is the Benjamin R. Collins Professor of Social Science at Haverford College. Mark Schneider is the Senior Vice President of the International Crisis Group and a former Director of the Peace Corps. And last, but certainly not least, Stephen Johnson is a former Deputy Assistant Secretary of Defense for Western Hemisphere Policy.

And so why don't we start with testimony. Why don't we start with Mr. Stein.

STATEMENT OF HIS EXCELLENCY EDUARDO STEIN BARILLAS, FORMER VICE PRESIDENT, REPUBLIC OF GUATEMALA

Mr. STEIN. Thank you very much for the invitation and thank you very much as well for the interest in my country. As an expression of that solidarity I think your introduction, Mr. Chairman,

gave a very good panoramic view of what we are up against and what we are undergoing in Guatemala.

We have indeed reached a critical point in unveiling the weaknesses of our institutional scaffolding within the criminal justice system, as well as the barriers of impunity that have been brewing for years since the internal armed conflict, and which have grown to intolerable proportions in recent years due to the deep penetration of our public and private institutions by power structures which compromise not only the most basic public services to Guatemalan society but which truly menace to impede the very existence and functioning of a democratic state. The tightening of the overall fight against an eradication of the narcotic-related criminal organizations in Colombia and Mexico have triggered a dangerous migration to the drug cartels into Central American countries which have resulted in portions of our territory under their control. The country is indeed in an immediate risk of being overtaken by the cartels.

The commotion created in Guatemala by the International Commission against Impunity in recent months is a natural sequence of its mandate, a natural evolution of its investigative work, and the result of the very obstacles found in some people within the institutions responsible for providing an equitable and efficient criminal justice system. The extreme weakness and the penetration of our institutions have become evident. But this commotion has helped to clarify the picture and sift through the complex national and regional agenda to pinpoint the most urgent and transcendental objectives to pursue in the next few months and years. That is, in strengthening our justice system and, through this route, to demand our justice system to redeem the Guatemalan state with the involvement of all other branches of government and organized sectors of society. The executive branch cannot do it alone.

So as a Guatemalan citizen and as a former government official who has been distinguished with the invitation to appear before this committee, and under whose administration the CICIG was promoted and created, I make a plea to the U.S. Congress, and, through you, to the U.S. Government to keep up the support of the revamping of our institutions and the support of CICIG.

The new U.S. administration and the new U.S. Congress have to renew their commitment to help strengthen our democratic institutions and help CICIG in its second term of its extended mandate. We cannot expect to get different results by doing the same things we have been doing in the past. There might be a need as well to touch up the Merida Plan in this regard, widen and diversify the strategic vision, focus the scope in the case of the so-called northern triangle of Central America—that is, Honduras, El Salvador and Guatemala—and maybe beef up the institutional strengthening elements of the plan which are there—and very intelligently drafted, by the way. But we will need the participation of U.S. institutions that have the experience, the dexterities and the know-how of criminal investigation and prosecution. We need the participation of the Department of Justice.

We have heard rumors, Mr. Chairman, that some instances would like to take down CICIG to a lower profile and reduce its scope and agenda to mere technical training activities for judges,

prosecutors, and police investigators and detectives. We have had that for years, without any substantial changes in our justice system. The true innovation of CICIG is that they can implement criminal investigations to support the General Attorney's Office and our District Attorneys, and can become an associate part of the prosecution throughout the full length of a trial; that they can help our state authorities in deciphering, spelling out, and dismantling the cists of impunity embedded in our public institutions. That is what we requested from the U.N. That is what we agreed upon. That is the mandate that we have extended. To back away from that would be to betray and violate the mandate of CICIG.

This is no time for doubting and weakness, Mr. Chairman. This is the time when the weaknesses of our system are exposed, and we need to act together to overcome the obstacles, remedy the shortcomings, strengthen our justice system and fortify our democratic state. This is the time to acknowledge what has been accomplished and to renew and invigorate the commitment. This is the time when the U.S. and the international community, both bilaterally as well as through the OAS and the U.N., can help us constructively to eradicate impunity and put up a fight which is truly transnational.

Thank you, Mr. Chairman.

[The prepared statement of Mr. Stein follows:]

Eduardo Stein Barillas
(Former Vice President and former Foreign Minister of Guatemala)
June 9, 2009
"Guatemala at a Crossroads"

HOUSE COMMITTEE ON FOREIGN AFFAIRES,
Subcommittee on the Western Hemisphere
U.S. Congress

The present Situation in Guatemala

Guatemala is undergoing again a very serious political crisis with a complex mixture of old and new problems which mainly stem out from its own history of conflict, inequality and exclusion, institutional weakness, corruption and impunity, all of which have been slow to curb down after ending, just 13 years ago, an internal armed conflict which lasted 36 years and took a heavy toll in human lives and overall development. In spite of democratic progress nurtured by the Peace Accords and recent economic growth, the above difficulties have been further complicated by the spread of citizen insecurity and violence -not of a political kind-, as well as organized crime which has deeply penetrated private and public institutions.

The recent economic downturn, although slow to hit the Guatemalan economy if compared to other Latin American countries, has already made an impact in employment, family income, prices in basic products and services, and is increasing the percentage of population falling below the levels of poverty and extreme poverty.[1] In a country with a low tax burden to start with, government's income through taxes has fallen dramatically (According to central bank figures, in this tendency, the Government will not be able to meet the payroll by October). All of which threatens to evaporate recent gains in reduction of poverty and multiplication of opportunities, and worsen significantly the political stability of the country.

The most recent political earthquake caused by the video accusations of the assassinated lawyer blaming top level administration officials of his death as well as two other previous killings, with the knowledge and acquiescence of the President and the first Lady, must be placed in the context of the aforementioned ingredients, mainly the increasing ineffectiveness of the justice system. The most salient shortcomings of the criminal investigation and prosecution capacities of the country

[1] The 5% reduction of poverty in Guatemala, economic growth of 5.4% of GDP, and single digit inflation acknowledged by the World Bank in 2007, was all but lost in 2008. According to UNDP predictions, another 5.3 of the population will descend below the poverty line in 2009.

have been dramatically exposed by the work of the International Commission against Impunity, CICIG, through less than two years' work on a few emblematic cases.[2]

Some crucial elements of the Crisis

We are facing a combination of economic, social and political crises in which has been labeled by some as a governance crisis. Most institutions of the state are being questioned because there have been constant signs that personal, group or partisan interests do not allow for the proper functioning of government. Evidence of corruption and impunity, denounced by individuals, by organized sectors of society and by the news media, vary rarely result in complete criminal investigations and court convictions. Corruption reaches everywhere, not only public institutions. Some social and political scientists have even gone so far as to conclude that the very architecture of the Guatemalan State has been thought out and designed precisely for that purpose: so that power structures can milk the state institutions and take advantage of state resources.

In any case, our weak institutions do not allow us to deal effectively with the major challenges of corruption and violence. On the one hand, we have been experiencing a widespread increase of youth gangs called "maras" (together with Mexico, Honduras and El Salvador). On the other, organized crime has increased in local and regional capacities and has come to virtually control territories, with the help of local communities, with enormous wealth and corruptive abilities as well as immediate reach of communications and transport technologies as well as firepower.

The combined capacities of youth gangs and organized crime have yielded a formidable combination resulting in increased vulnerability of ordinary citizens and institutions alike. In many cases, however (and in many countries to varying degrees), it is not only a law enforcement problem, but a complex web of difficulties, with diverse probable causes, and vast terrible outcomes, that are already having economic and political consequences. Citizen insecurity not only limits individual and collective freedom, threatens their personal integrity and patrimony, but has become a public safety and community problem that in several countries challenges the legitimate authority of the state.

We have reached a Critical Point

We have reached a Critical Point in unveiling the weaknesses of our institutional scaffolding within the criminal justice system, as well as the barriers of impunity that have been brewing for years since the internal armed conflict, and which have grown to intolerable proportions in recent years, due to the deep penetration of our public and private institutions by power structures which compromise not only the most basic public services to Guatemalan society, but which truly menace to impede the very existence and functioning of a democratic state. The tightening of the overall fight against and eradication of the narcotic related criminal organizations in

[2] In an independent study with Swedish funding, requested by the previous Administration, on the handling of homicides by the Guatemalan criminal investigation institutions and the justice system, only 2% were brought to trial.

Colombia and Mexico, have triggered a dangerous migration of the drug cartels into Central American countries which have resulted in portions of our territory under their control. The country is in an immediate risk of being overtaken by the cartels.

The commotion created in Guatemala by CICIG in recent months, is a natural consequence of its mandate, a natural evolution of its investigative work and the result of the very obstacles found in some people within the very institutions responsible for providing an equitable and efficient criminal justice system. The extreme weakness and the penetration of our institutions have become evident. But this commotion has helped to clarify the picture and sift through the complex national and regional agenda to pinpoint the most urgent and transcendental objectives to pursue in the next few months and years: that is in *strengthening our justice system*, and through this route, to demand our justice system to redeem the Guatemalan State with the involvement of all other branches of government and organized sectors of society. The Executive branch alone cannot do that.

A call for Support

As a Guatemalan citizen and as a former government official who has been distinguished with the invitation to appear before you, -and under whose administration the CICIG was promoted and created-, I make a plea to the U.S. Congress and through you to the U.S. Government, to keep up the support of the revamping of our institutions and the support of CICIG. The new U.S. Administration and the new U.S. Congress have to renew their commitment to help strengthen our democratic institutions and help CICIG in its second term of its extended mandate. We cannot expect to get different results by doing the same things we have been doing. There might be a need to touch up the Mérida Plan in this regard, widen and diversify the strategic vision, refocus the scope in the case of the so called "northern triangle" (Honduras, El Salvador and Guatemala), and maybe beef up the institutional strengthening elements of the Plan. We will need the participation of U.S. Institutions that have the experience, the dexterities and the know how of criminal investigation and prosecution. We need the Participation of the Department of Justice.

We have heard rumors that some instances would like to tame down CICIG to a lower profile and reduce its scope and agenda to mere technical training activities for judges, prosecutors and police investigators and detectives. We have had that for years without any substantial changes. The true innovation of CICIG is that they can implement criminal investigations to support the General Attorney's Office and our District Attorneys ("Ministerio Público"), and can become an associate part of the prosecution throughout the full length of a trial. That they can help our state authorities in deciphering, spelling out and dismantling the cists of impunity embedded in our public institutions. That is what we requested from the UN. That is what we agreed upon. That is the mandate we have extended. To back away from that would be to betray and violate the mandate.

This is no time for doubting and weakness. This is the time when the weaknesses of our system are exposed and when we need to act together to overcome the

obstacles, remedy the shortcomings, strengthen our justice system and fortify our democratic State. This is the time to acknowledge what has been accomplished and to renew and invigorate the commitment. This is the time when the U.S. and the international community, both bilaterally as well as through the OAS and the UN, can help us constructively to eradicate impunity and put up a fight which is truly transnational.

Mr. ENGEL. Well, thank you Mr. Stein.

Dr. Isaacs. And let me just say that if people would want to summarize their testimony, we would put the official written testimony into the record as well. Dr. Isaacs.

STATEMENT OF ANITA ISAACS, PH.D., BENJAMIN R. COLLINS PROFESSOR OF SOCIAL SCIENCE, ASSOCIATE PROFESSOR OF POLITICAL SCIENCE, HAVERFORD COLLEGE

Ms. ISAACS. Thank you, Mr. Chairman. I am summarizing the testimony and would request that it be submitted for the written record.

Thank you for the opportunity to appear before this subcommittee today to contextualize the current situation in Guatemala and also suggest how Congress might craft future U.S. policy.

As a political science professor at Haverford College, I bring an outside-the-Beltway and outside-Guatemala perspective. For the past 12 years I have analyzed Guatemala's efforts to build durable peace and democracy, following 36 years of war which claimed over 200,000 lives and which the country's Truth Commission declared a genocide against the country's Maya population.

My research takes me to Guatemala roughly five times a year, where I divide my time equally between poor rural communities, hard hit by the conflict, and the capital city. I was there, a week after the assassination of lawyer Rodrigo Rosenberg, to observe the popular protests his murder sparked and to speak with analysts, opponents and supporters of the government. Had I appeared before you 2 months ago, I would have described how Mexican traffickers, pushed into neighboring Guatemala, are establishing an operation center in regions already destabilized by conflict pitting foreign mining corporations against rural indigenous communities. These communities claimed the right to consultation guaranteed by international treaties. The companies were press community leaders and the government continues to grant concessions, turns a blind eye to the escalating violence, and brands peaceful protestors "terrorists." Drug lords step into the mix, promising to defend communities whose resistance to violence borne of 36 years of hard conflict is now eroding.

This conflict, however, has been overshadowed by the more dramatic events surrounding the Rosenberg assassination. The posthumous release of a video in which the lawyer forecasted his murder and accused the President, his wife and his inner circle of the homicide and of acts of corruption have thrown the country into turmoil. It has generated sustained mobilization involving two sharply polarized sides, characterized in an oversimplified way as

pro- and anti-government. The so-called anti-government protest I observed rallied a crowd of some 30,000. Distinguished by its urban white and predominantly wealthy makeup, joined by political opposition members, these protestors demanded peace and justice and called alternatively for the President's resignation, a general strike and even military intervention.

A 5-minute drive away but a world apart, I also observed the government's mobilization of several hundred thousand supporters. Bussed in from its political base in less affluent parts of the capital and rural areas that have benefited from cash transfer programs, these marchers were largely poor and indigenous. Their banners and the official speeches that day angrily warned of sustained mobilization to protect the regime from elite sectors intent on destabilization.

Let me be blunt. Guatemala faces its most serious political crisis since the December 1996 signing of peace. The two conflicts I have mentioned bring into sharp relief key challenges and fault lines of democratic governance that, left unattended, could generate renewed civil strife; briefly, startling levels of violence and citizen insecurity: The numbers of homicides have hovered around 6,000 a year since 2006; a judicial system in which 98 percent of all crimes go unsolved, and society is rightly cynical about the capacity of their institutions and the will of their leaders to ensure the administration of justice; a leadership that, instead of channeling protests through political institutions, calculates the advantages to be gained by either weakening or propping up a regime through street mobilization and appeals for extra systemic action. A fragmented civil society and a polarized citizenry in which divisions are layered and politicized and the indigenous majority face discrimination, comprises the bulk of Guatemala's poor and politically excluded and/or manipulated.

By including Guatemala in the Merida Initiative in supporting the International Commission against Impunity in Guatemala, the CICIG, U.S. policy acknowledges the challenges posed by insecurity and impunity.

Summarizing the recommendations I lay out more fully in my written statement, U.S. policy as it looks forward should: One, stand firm in support of police reform and against a policy of remilitarization; two, secure rural and indigenous buy-in for justice reform by focusing diplomatic attention on the repression of peaceful protestors, providing information and resources for the investigation of war crimes and enhancing access to justice; three, apply a mix of pressure and support for an ample political and civil society dialogue on democratic preservation and strengthening; and four, promote the citizenship rights of indigenous Guatemalans to income generating and educational programs. These are ambitious and comprehensive proposals designed to address the symptoms as well as the manifestations and consequences of the current violence.

Regional security and the future of Guatemala democracy together hang in the balance. Thank you for your time, and I would be happy to answer any questions you may have.

[The prepared statement of Ms. Isaacs follows:]

Statement of
Anita Isaacs, Ph.D.
Benjamin R. Collins Professor of Social Science
Associate Professor of Political Science
Haverford College
June 9, 2009
House Committee on Foreign Affairs
Subcommittee on the Western Hemisphere
Chairman Eliot Engel

Mr. Chairman and Members of the Subcommittee:

Thank you for the opportunity to appear before this Subcommittee today to contextualize the current political situation in Guatemala and suggest how Congress might craft future US policy toward Central America.

As a professor of political science at Haverford College, I bring an outside-the-beltway and outside-Guatemala perspective to this topic. Nonetheless, my research has consistently focused on understanding the challenges of democratic governance in Latin America, and how the United States can most effectively contribute to democratic stability. For the past twelve years I have analyzed Guatemala's efforts to build durable peace and democracy following 36 years of brutal armed conflict, which claimed over 200,000 lives and which, according to the country's UN-sponsored truth commission, constituted a genocide against the country's majority Mayan population. My research takes me to Guatemala roughly five times a year, where I divide my time equally between poor, rural communities in areas hard hit by the armed conflict, and the capital city. Over the years, I have developed close ties to individuals from diverse sectors of society, including politicians, the military, the business community and civil society at the national, regional and community levels. I was in Guatemala conducting research most recently in March 2009, and also returned last month, a week after the assassination of Guatemalan lawyer, Rodrigo Rosenberg, to observe the popular protests sparked by his murder and to speak with political analysts, opponents and supporters of the Colom government.

Let me be blunt: Guatemala faces its most serious political crisis since the December 1996 signing of peace accords. Rosenberg's assassination reveals the fragility of a democracy, plagued by violence, impunity and polarized political mobilization, superimposed on a historically divided, unequal and unjust society. While the outcome is hard to predict, it is impossible to rule out renewed civil strife.

Innovative US policy, pursued through the Merida Initiative and support for the International Commission Against Impunity in Guatemala (the CICIG) acknowledges the challenges posed by violence and impunity. Yet the present political situation

argues for adjusting current initiatives, while pursuing an even more comprehensive response. Anchored in the need to preserve and strengthen democracy, a US policy designed to promote the citizenship rights of all Guatemalans would address the symptoms as well as the manifestations and consequences of current violence, curtailing Guatemala's relapse into renewed conflict and serving US interest in national security and in curbing illegal immigration.

Had I come before you two months ago I would have alerted you to a worrisome situation unfolding under the radar screen by highlighting the ways in which Guatemala is rapidly becoming a casualty of US anti-narcotic efforts in Mexico. The recent crackdown has pushed Mexican traffickers south into neighboring Guatemala. Their new operations center is located in regions destabilized by intensifying conflict pitting foreign mining corporations who seek to exploit subsoil resources against rural indigenous communities who insist on their right to be consulted on the use of land historically theirs. The mining companies have enlisted a clandestine security apparatus that includes former members of the police and the military to repress communal resistance, while the government continues to grant concessions, turns a blind eye to the escalating violence, and brands peaceful indigenous protestors as terrorists. This situation creates fertile recruiting ground for drug lords who promise to defend indigenous communities in their struggle against multinational corporations and their state allies . Survivors of a brutal armed conflict, indigenous resistance to a return to violence is slowly being eroded.

Because Guatemala finds itself in the midst of a political crisis that has captured media attention, I will instead center my analysis in the events surrounding the Rosenberg assassination. The posthumous release of a video in which the lawyer forecasts his murder and accuses President Alvaro Colom, his wife and members of his inner circle of the homicide and of acts of corruption linked to the recent assassination of his client, Khalil Musa and Musa's daughter and American citizen, Marjorie, have thrown Guatemala into weeks of political turmoil. This chronicle of a death foretold has generated sustained political mobilization. Some has been on a grand scale, involving two visible and sharply polarized sides -- characterized as pro and anti-government.

Both the rural and the current national political conflict bring into sharp relief key challenges and fault-lines of democratic governance in Guatemala, notably spiking levels of violence and insecurity, a weak judicial system, and a deeply divided society in which the rights of the country's poor and indigenous majority are either denied or politically manipulated.

Violence: Although the Rosenberg killing is particularly dramatic, murder is commonplace in a country where violence is spiraling out of control. Guatemala's homicide rate registered a 95 percent increase between 2001 and 2008, an all the more starling statistic given the fact that 3,230 murders were committed in 2001 and that the numbers have hovered around 6,000 a year since 2006, which

represents a daily average of 17 homicides. Killings are both targeted and indiscriminate. Their victims include human rights defenders, journalists, unionists and peasant leaders, as well as the newest sub-group -- public transit operators, their passengers and passer-bys. Organized criminal groups, private security agencies, gang members and the police are all presumed to bear some measure of criminal responsibility -- at times acting in concert with one another, their functions occasionally overlapping.

Impunity: Presuming is about the best one can do, however, in a country in which 98 percent of all crimes go unsolved. Lacking confidence and trust in both the police and the judicial system, rural victims rarely report crime. Those anti-government protestors galvanized by Rosenberg's murder, who have not already pronounced President Colom and his entourage guilty, are taking to Facebook and the streets insisting on what has long seemed beyond the reach of Guatemala's inefficient, corrupt and politicized judicial system. They are demanding an end to impunity, adamant that those responsible be found, brought to trial and punished. Differences aside, these groups share a cynicism about both the capacity of their legal institutions and the will of their political leaders to ensure the rule of law.

Polarization: The massive demonstrations organized the week after Rosenberg's assassination highlight how historical divisions that fueled the armed conflict remain close to the surface twelve years after the signing of peace. The anti-government protest rallied a crowd of some 30,000, distinguished by its urban, white and predominantly wealthy makeup. Political opposition members mingled among a crowd that paraded banners, some demanding peace and justice, others labeling Colom an assassin or superimposing his head upon the torso of a gang member. Speeches from the dais called alternatively for Colom's resignation, a general strike and even military intervention.

A five-minute drive away but a world apart, the government mobilized several hundred thousand supporters. Bused in from the less affluent parts of the city and rural areas; these beneficiaries of cash transfer programs that have solidified Colom's political base; these marchers were largely poor and indigenous. Their signs and chants expressed anger towards "the rich" for trying to unseat the "President of the Poor." Speeches delivered from the balcony of the presidential palace were tinged with an accusatory tone, warning of sustained popular mobilization to protect the regime from conspiracies by elite sectors intent on destabilization.

Political Crisis, Risk and Opportunity

A swift, firm and unified international response has - if temporarily - defused the political crisis. To his credit, President Colom responded by requesting FBI assistance soon expected to be in place and by immediately turning the criminal investigation over to a willing CICIG. Both the US Ambassador and the Secretary General of the OAS have appealed for adherence to a democratic process respectful of the rule of law. For now, the political opposition has mostly backed off its demand

the President resign and turned its focus towards ensuring that the crime be solved. Furthermore, both Congress and the Executive have been jolted into approving a more transparent and, hopefully, meritocratic process for selecting members of the judiciary, legislation that had been sidelined because it threatened political interests and generated political infighting.

At the same time, international pressures cannot erase the significant political dangers highlighted by the tense interplay between violence, injustice and political mobilization on display over the past few weeks on the streets of Guatemala City, as it has for years off camera, in rural communities. The Rosenberg assassination could have afforded a moment of unity. Civil society could have come together to denounce uncontrolled levels of violence that target all Guatemalans and to collectively demand judicial reform from a leadership that has long prevaricated. Instead, Guatemalan society divided into two antagonistic camps. And rather than intervening to defuse the situation or to channel it through existing institutions, the political leadership encouraged mass demonstrations, calculating the political advantages to be gained by either weakening or propping up a regime through street mobilization and appeals for extra systematic action.

Herein lies the political risk. For starters, it reveals the immaturity and fragility of Guatemalan political institutions. Additionally, the visible differences dividing the two protesting groups are layered rather than cross cutting – mostly white, urban Guatemalans of economic means squaring off against a government seemingly aligned with a massive rural, poor and indigenous base at once grateful and dependent on its social programs. In such a context, it is not difficult to imagine how mobilization can become unhinged. It can produce violent confrontation that speaks to deeper fears as traditional elites seek to maintain a historical control over the levers of power perceived as threatened by this administration, while the historically excluded majorities acting on a populist government's behest, use the power of their numbers to resist elite opposition.

Fortunately, while the social and political landscape thus described may be the most visible, Guatemalan political and social structures are more complex. Neither the country's elites, nor its poor constitute an undifferentiated mass. Mingling among the anti-government protesters are human rights defenders who have long labored for judicial reforms that protect the rights of all Guatemalans. A younger, often foreign- educated elite has kept a careful distance but express an eagerness to contribute to a peaceful, institutional resolution to the current crisis. Large segments of Guatemalan civil society, urban and rural, representatives of poorer and indigenous sectors, appreciate the regime's social democratic commitment. At the same time, they also criticize the lack of transparency and the sloppiness of state-administered social programs, they denounce the government's populist ambitions, and they strive to maintain their own autonomy and gain political access.

These provide openings for a US response that builds on recent policy demonstrating resolve respect and resourcefulness in addressing a worsening

security situation in the region. US support for the CICIG and for including Central America within the Merida Initiative have been welcomed, especially by civil society but also by significant segments of Guatemala's political class. These actors understand the urgency of addressing untenable levels of violence and impunity. They also appreciate the focus on strengthening civilian institutions, through police and judicial reform. They endorse a changing mindset that displaces the military as the locus of US support, and concentrates instead on institution building, the rule of law and development as responses to security challenges. Even Guatemalans who felt lukewarm towards the CICIG and/or Merida, have extended a much warmer embrace over the past few weeks as they watch a grave political crisis unfold. The same can be said of attitudes towards the United States. Ambassador McFarland's firm yet respectful appeal for political calm and for the preservation of democratic processes and institutions, coupled with US willingness to assist the investigation, have cast the US in the role of honest broker, and provided tangible evidence of strong and unwavering US support for Guatemalan democracy.

Faced with crisis, risk and opportunity, therefore, the following recommendations address the three sets of interrelated challenges highlighted by the rural and national scenarios sketched out here: security, impunity and political polarization. Recognizing that a mix of firmness and caution are required, they are designed to build on the growing recognition within Guatemalan society that the country faces a serious political crisis, as well as the goodwill the US has cultivated over the past year. They affirm and tweak existing policy initiatives while also underscoring the significance of enacting policies that empower disenfranchised groups.

Security: The distinction between the police and the military as agents of security is losing its edge in the more violent and conflict-ridden areas of Guatemala. Citizens in these communities fear the police much as they once feared the military. They see their members as corrupt and violent, as predators rather than as protectors of citizen security. An ineffective and abusive police force, engaged in criminal activity, means that victims do not turn to the police to resolve crimes, but turn away from them, rightly fearing that they will be doubly victimized should the police be called upon to intervene.

This has also meant that both a younger generation which did not experience military repression during the war and a political leadership frustrated with the difficulties of creating an honest and efficient civilian police force, have fallen back on the military to provide security – and a redeployed military in many communities has in turn resorted to its tried and true repressive tactics in the guise of establishing order.

The focus on strengthening the police rather than the military is thus more urgent than ever, with the multi-pronged focus on police reform and community policing.

It is important that the US resist the frustrated appeals for a hard-line, military response as violence continues to escalate.

Justice: Judicial reform is absolutely critical to eradicating organized criminal networks, whether constituted by drug traffickers or by gang members. Current initiatives could be strengthened by an emphasis on capacity building. Additionally, the focus, reach and scope of justice must be broadened if it is to enhance respect for and adherence to the rule of law.

Capacity Building: The CICIG and Merida are rightly focused on strengthening core judicial actors and institutions -- the police, prosecutors and judges. The renewed emphasis on developing legal instruments, notably witness protection programs, is also much welcomed. Training in the use of these legal instruments by the actors who will employ them and by civil society members who will exercise oversight is a remaining missing ingredient, key to the effectiveness of judicial reform.

Focus: A violence not always the work of organized criminal networks must also be confronted. Individual citizens, private security agents, prison guards and members of the police, for instance, all perpetrate violent crimes. This is reflected in the nature of the victims, who include women, children and prison inmates, as well as the patterns of violence, which include lynching, social cleansing and femicide.

Reach: Special attention should be paid to the rural poor who, in the absence of a police force and a judicial system that they can access and trust, will continue to be victimized by criminals and resort to alternative, violent means of retribution. Additional resources could bolster the public defenders program, expand pilot programs involving mobile and 24 hour courts and increase the numbers of bilingual defenders, prosecutors and judges.

Scope: The widely touted claim that anti-government protestors are calling for justice, whereas government supporters favor impunity, misrepresents the differences between the two groups and underplay injustices in the judicial system. Many of those mobilized by the government are victim-survivors of the armed conflict whose appeals for accountability go unheeded. Furthermore, there do exist real biases in the administration of justice. Political repression of human rights defenders and peasant and trade union leaders, including assassinations that have followed Rosenberg's, do not generate much local or international interest.

If Guatemalans are to support the means and the ends of judicial reform, however, all citizens need to see justice as not only, to paraphrase a traditional saying in Latin America, serving the rich. By focusing diplomatic attention on the repression of peaceful protesters and by providing information and resources for the investigation of war crimes, the US could simultaneously enhance its image as an honest broker and secure buy-in for forward-looking efforts to build a society governed by the rule of law.

Strengthening Democracy
Urgent attention should be paid to addressing the political challenges currently threatening Guatemalan democracy. Policy initiatives should promote adherence to democratic processes and institutions, strengthen civil society and enhance the citizenship rights of all Guatemalans.

Political Leadership: Building on the critical role they played in defusing the more confrontational and intransigent oppositionist stance, international actors should now seek to engage government and political opposition leaders in a constructive dialogue, designed to affirm a shared commitment to the preservation of democratic practices and procedures and to establish the basis of a common agenda and framework for addressing current political challenges.

Civil Society: Over the past decade, human rights and democracy NGOs have become increasingly active and outspoken political advocates. Although their members have common objectives, their effectiveness is at times compromised by disagreements and infighting. There may be a role for the US to play in partnership with other international actors (governmental and non-governmental) convening these organizations to discuss their differences and areas of agreement and to develop an agenda designed to preserve, strengthen and shepherd democracy through this crisis.

The US should also broaden its cast of Guatemalan civil society partners, by developing collaborative relations with rural and, especially, indigenous associations. There is an understandable tendency among donors to develop working relationships with a select group of civil society actors with a proven track record. In the Guatemalan case, this translates into support for Guatemala City-based organizations with a mostly non-indigenous leadership and constituency. This occurs, moreover, in the context of a society in which the deep ethnic divisions and racial mistrust that risk undermining democratic governance are mirrored in the composition and attitudes of civil society organizations.

Citizenship Rights:

Some 91 percent of Guatemalans queried in a survey released in May 2009 consider their country to be racist, with just under half stating that racism has worsened in recent years, and over three quarters that the indigenous population as suffering the greatest levels of discrimination. These perceptions reflect a reality in which the citizenship rights of the majority Mayan population are regularly denied, sparking resentment, weakening the fabric of democracy, fueling immigration and threatening public security.

The indigenous population is excluded from positions of leadership. Having campaigned as the candidate with an indigenous face, Colom rewarded his Mayan

supporters with a single cabinet position, that of Minister of Culture and Sport. The Congress counts just 18 indigenous deputies, equivalent to 11 percent of the Chamber, and only one Supreme Court justice is Mayan.

The rural indigenous also constitute the bulk of the country's poor. Although Guatemala witnessed a modest decline in levels of poverty between 2000 and 2006, progress has been confined to urban areas and inequality levels remain virtually unchanged. Whereas roughly half the population continues to live in rural communities, 70 percent of Guatemala's poor are rural, and 75 percent are indigenous. The rural indigenous poor also have significantly less access to health care and education. On average the most educated member of an urban household has 4.78 years of education, as contrasted with 3.26 years for his or her rural counterpart. Given this scenario, it is hardly surprising that government cash transfer programs have generated a clientelistic base, easily mobilized to staunchly defend a Colom administration under attack.

Their support, however, is not unconditional. Mayan civil society activists denounce a government that both ignores their demands to be consulted on development projects that affect indigenous lands and is complicit in a campaign of repression targeting their leadership. Nonetheless, their ability to organize is sharply constrained by lack of education and poverty. Tellingly in this regard, given a free bus ride to the capital to show their support for the government, one group of community leaders brandished a sign praising the President of the Poor, while also seizing the opportunity to remind him of their petition for land rights and demand the release of a communal leader unjustly imprisoned.

Because rural communities are keen on avoiding becoming caught up again in the political crossfire, a policy response designed to enhance the political and economic rights of rural, indigenous Guatemalans could offset both the escalating rural violence and its attendant security threats. In that vein:

Diplomatic pressure should persuade the government to curtail rural repression and engage in dialogue with indigenous communities. Government respect for historic, cultural, economic and political rights, guaranteed by international treaties to which Guatemala is a signatory, would foster a more inclusive democracy, while also diminishing the likelihood that these communities will turn to drug traffickers for protection.

Development assistance should complement efforts to empower the rural poor in ways that serve intertwined democratizing and security objectives. Contemplated as part of Merida, Economic Support Funds should be swiftly released and carefully targeted. Consideration should be given to funding:

a) income-generating activities in violent or violence-prone rural areas. Government social programs seek to break the cycle of poverty by conditioning cash transfers on parental willingness to provide for the educational and health needs of their

children. Expanding upon a model enacted in urban areas to address gang violence, a rural-focused, income-generating program, long the mainstay of US development aid, could complement efforts to alleviate poverty, curbing further penetration of the drug trade.

b) educational opportunities for indigenous Guatemalans. Those programs could focus on improving literacy, and enhancing elementary and secondary school completion rates. As significant a contribution, however, which the Guatemalan government can ill afford, would target indigenous Guatemalans for post-secondary, graduate and professional training, the latter focused on particular fields, such as public administration and public policy, specialized legal training (criminal and constitutional law) and security studies. Such a program could contribute significantly to leveling social, economic and political playing fields, affording an entrée into leadership positions from which the Mayan population has historically been excluded.

These are ambitious proposals designed to confront a severe political crisis in which regional security and the future of Guatemalan democracy together hang in the balance. Thank you for your time and I would be happy to answer any questions that you may have.

Mr. ENGEL. Thank you very much Dr. Isaacs.

Director Schneider.

STATEMENT OF THE HONORABLE MARK SCHNEIDER, SENIOR VICE PRESIDENT, SPECIAL ADVISER ON LATIN AMERICA, INTERNATIONAL CRISIS GROUP (FORMER DIRECTOR OF THE PEACE CORPS)

Mr. SCHNEIDER. Thank you very much, Mr. Chairman. I thank the committee for the opportunity to appear here today and to speak on the current crisis of insecurity in Guatemala. You have my full testimony and some slides that I have prepared, and I hope they will be included in the record.

Mr. ENGEL. Without objection.

Mr. SCHNEIDER. I want to applaud the committee's renewed focus on Central America and the recommendations in your letter to the administration that you outlined in your statement today.

I appear here on behalf of the International Crisis Group. Our work extends from Afghanistan to Zimbabwe in attempting to prevent conflict and resolve conflict. In the Americas, while we focus on the Andes and Haiti, the board of trustees has asked us to assess conditions in Guatemala. For that reason I traveled to Guatemala 3 months ago, after a hiatus of a few years, although I have visited frequently during periods of military rule, civil conflict, peace negotiations and the immediate post-conflict reconstruction years when I was at AID.

On this trip I have to say that I was simply stunned by the magnitude of drug trafficking crime and impunity and the expressions of government officials and former officials of being overwhelmed by these threats to the rule of law.

Essentially, you have drug cartels that have taken up residence in a broad swath of Guatemalan territory, and they now dominate perhaps 40 percent of rural Guatemala. They control or intimidate local authorities and municipalities that extend from the northern provinces which border Mexico down through the center of the country, through Coban to the Caribbean coast. The same holds true in the Peten and along the Pacific coast. In an increasing number of these cases, we are told that they are the municipal authorities. Hundreds of small landing strips, many on private property, dot the countryside throughout those areas and provide easy access to traffickers. Go-fast boats land on the Pacific coast and fishing boats along the Caribbean coast, undaunted by Guatemala's limited naval capacity.

These same well-financed, well-armed networks of traffickers also penetrated into the high echelons of law enforcement institutions. More of the cocaine coming to the United States is stopping first on the Guatemalan coast, Caribbean and Pacific sides, repacked and reshifted into the hands of the cartels going north. In Guatemala there has been an increase of 47 percent in cocaine transiting the country over the past 2 years.

Another important amount, probably far more than currently estimated, stops in another Central American country and then travels on to Guatemala before entering Mexico.

For many years the Sinaloa cartel essentially was unchallenged until the arrival of the Gulf cartel a very few years ago with its

paid assassins, the Zetas. The results are reflected in what you have already heard: A 50-percent increase in homicides in Guatemala between 2004 and 2006 and maintaining that level.

The exact amount of cocaine passing through Central America and the Mexican corridor to the United States is subject to much debate. What is not debated is that about 85 percent of the cocaine coming from South America uses that corridor. And what is not debated now is that the first stop of entry for cocaine leaving South America is no longer Mexico. It is Central America. And the single largest transit country in Central America undoubtedly is Guatemala.

Can I have the second slide.

You have different estimates of the volume of cocaine flowing toward the U.S. based on different calculations. The State Department in its annual report stated that 400 metric tons of cocaine flowed across Guatemala and Mexico to the United States. That is probably a very low figure. It is based on cultivation and production figures in the Andes, and that is their estimate of transit activity based on that.

The Interagency Assessment of Cocaine Movement (IACM) hosted by the Defense Intelligence Agency reported a high degree of confidence in a figure of 545 metric tons of cocaine in 2007 passing through Central America and Mexico toward the United States. What you see on the board there is a much higher estimate but also agreed to by the same interagency committee of 1,174 metric tons transiting the region in 2008.

The Joint Interagency Task Force South in Key West which operates radar, tracking, intelligence, air and sea interdiction, described this as the best transit analysis of the interagency community of the actual documented movement of cocaine departing Central America in 2008 and headed mostly for the United States through Mexico and Central America.

What these estimates show, regardless of which one you use, is that U.S. counterdrug policies are not stopping the flow of great volumes of cocaine toward the United States. Clearly, given these figures, and the next slide, which essentially shows in blue the amount of cocaine that stops first in Mexico; in red, the bar shows the amount of cocaine stopping first in Central America. Now, as you can see, last year there was a fundamental shift. Interdiction ideally should take place before cocaine enters Mexico, not after.

Now, traveling with that illicit commerce are the killers who murdered most of the 6,300 Guatemalan victims of homicide last year, as many homicides as in Mexico, a country nine times larger.

The amount of money involved is also huge. At wholesale prices in Guatemala in 2006 according to the U.N., the 180 metric tons of drugs that I indicated earlier passing through Guatemala has a value of $2.4 billion. And if you think about just 10 percent of that being used for expenses, it is clear that they have huge resources to pay for bribery, corruption and murder.

Now, for many Guatemalans it is not just drug traffickers who produce the violence. There are other threats, particularly in urban areas. In Guatemala City, as you may know, taking a bus is a calculated risk; 171 bus drivers were murdered last year and some 60 this year as part of organized crime efforts to extort money from

both bus companies and unions. Not surprisingly, polls show the Guatemalans see themselves as having a culture of violence and as a nation of impunity, since 98 percent of the killings go unpunished, and, in most cases, uncharged.

Reform of the police, but not just the police, the judiciary as well, all institutions of the rule of law, is fundamental. And while there has been a start, more decisive action is required from the Guatemalan authorities and more support is required from the United States and the international community.

First we would argue that Guatemalans must make the decision to end impunity, and build effective, independent and competent law enforcement institutions. In the past several days we have seen 30,000 protestors demanding an investigation and prosecution and conviction in the murder of well-known attorney Rodrigo Rosenberg. Hopefully that will mark an historic public turn to demand respect for the rule of law.

Second, as you know, Guatemala has requested and the U.N. has extended for 2 years, to 2011, the mandate of CICIG, the International Commission against Impunity, but they need more help. Judge Carlos Castresana who heads CICIG has indicated that he needs additional support for investigators, prosecutors, and there are a couple of specific things. The United States should detail FBI agents, Spanish-speaking prosecutors and forensic specialists, not just helping to bring the murderers of Rosenberg to justice, but to help CICIG help Guatemala build institutions of the rule of law.

Mr. ENGEL. Mr. Schneider, could I ask you to please sum up?

Mr. SCHNEIDER. Yes. The other is that they really do need to provide support for high-impact courts, protect witnesses, protect the judges, protect the prosecutors.

And finally, simply let me say, Mr. Chairman, that there is a need for fundamental changes in U.S. drug policy. Your bill to create a Western Hemisphere drug policy commission hopefully will produce a more effective policy to reduce the demand here, supply in South America, and transit through Central America and the Caribbean. Thank you.

[The prepared statement of Mr. Schneider follows:]

Testimony by Mark L. Schneider, Senior Vice President, International Crisis Group on "Guatemala at a Crossroads" to the House Committee on Foreign Affairs' Subcommittee on the Western Hemisphere

9 June 2009
Washington, DC

I appreciate the opportunity to testify again before the House Committee on Foreign Affairs and I want to thank the Chairman of the Committee Representative Howard Berman, and the chairman of the Western Hemisphere Subcommittee Representative Eliot Engel for the invitation to appear here today. The hearing title "Guatemala at a Crossroads" is accurate but arguably far less dramatic than the actual situation facing the citizens and democratic institutions in that nation.

My first visit to Guatemala was four decades ago and I marveled then at the richness of its culture and the beauty of its countryside. Since then I have returned to Guatemala many times, during long periods of repression and fear, when many of those who hold office today could not participate in political life, during the conflict and during the Central American peace negotiations that began in Esquipulas, Guatemala. I visited the graves of massacred villagers, the victims of a 34-year war, which the Commission for Historical Clarification wrote "eliminated entire Mayan rural communities" and saw the "persecution of the urban political opposition, trade union leaders, priests and catechists". I also supported the efforts of Central Americans who finally negotiated the accords that brought peace to the countries of the Isthmus and as a member of the U.S. delegation witnessed the signing of the Accord for Firm and Lasting Peace in Guatemala City on 29 December 1996.

I appear here today on behalf of the International Crisis Group, the independent, non-partisan, non-governmental organization that provides field-based analysis, policy advice and advocacy to governments, the United Nations, OAS and other multilateral organizations on the prevention and resolution of deadly conflict. Crisis Group publishes annually around 90 reports and briefing papers, as well as the monthly CrisisWatch bulletin. Our staff are located on the ground in twelve regional offices and seventeen other locations covering between them over 60 countries and focused on conflict prevention and post-conflict stabilization. It maintains four advocacy offices, in Brussels (the global headquarters), Washington, New York and London; and as liaison presences in Moscow and Beijing.

In the Americas, the International Crisis Group has been actively engaged in Colombia and the Andean countries and in Haiti in recent years, seeking to identify the drivers of conflict, to analyze their origins and objectives and to offer policy recommendations to resolve them through political and diplomatic rather than violent means. We had hoped that improving conditions in Central America in the aftermath of the Cold War conflicts would have made our engagement unnecessary. In the Crisis Group reports on drug trafficking *Latin America Drugs I: Losing the Fight* and *Latin America Drugs II: Improving Policy and Reducing Harm* published in March 2008 we already had noted

that the vast majority of the cocaine coming into the U.S. entered through the Central America/Mexico corridor and described the porous border between Guatemala and Mexico. We also argued that the fight against drugs had to be fought differently—with a lot better aim at demand reduction in consumer countries, rural poverty reduction in the supply countries, addressing what Paul Collier describes as the youth tsunami, strengthening law enforcement and governance in both supply and transit countries and targeting interdiction where it can be most effective. However, increasing reports of worsening conditions in Guatemala with respect to citizen security, organized crime, drug trafficking and impunity resulted in our Board of Trustees agreeing that we assess the situation in that country.

It is with that background that I want to describe to the members of the Western Hemisphere Affairs Subcommittee my dismay at the devastating state of insecurity, corruption and impunity that I found in a visit to Guatemala this yea for the Crisis Group. Drug cartels have taken up residence in a broad swath of rural Guatemala that extends from the Mexican border to the Caribbean. Government, civil society and diplomats estimated that the cartels dominate 40% of the national territory—the Northern provinces bordering Mexico, down through Coban to the Lake Izabal area on the Caribbean coast, throughout the jungle and archeologically and mineral rich Petèn, and along the Pacific coastal region.

Hundreds of small landing strips, many on private property, dot the countryside throughout those areas and provide easy access to traffickers. Go-fast boats land along the Pacific coast and fishing boats along the Caribbean coast—undaunted by Guatemala's limited naval capacity. Traffickers control municipalities and local authorities by virtue of their coercive power and financial resources. In an increasing number of cases, we are told they are one and the same. These same well-financed and well-armed networks of traffickers also have penetrated into the high echelons of law enforcement institutions.

For many years, Guatemala was the domain of the Sinaloa cartel so far as cocaine trafficking was concerned. That era came to an end when the Gulf cartel arrived to challenge those territorial rights bringing with it, the "Zetas" – paid assassins. The rising levels of homicides since 2004 tracks that competition with nearly a 50% increase between 2004 and 2008 in homicides in Guatemala, according to UN-sponsored International Commission against Impunity (CICIG) officials.

The State Department's 2009 International Narcotics Control Strategy Report (INCSR) and the conclusions of the UN Office on Drugs and Crime are clear: "Guatemala is a major transit country for ....South American cocaine headed towards the United States and other global markets." The amount of cocaine flowing north to the U.S. is variably estimated at 400 metric tons (MT) in the 2009 State Department INCSR, 545 to 707 MT by the Interagency Assessment of Cocaine Movement (IACM) and 1174 metric tons heading toward the U.S. and other global markets based on transit seizure analyses at the Joint Interagency Task Force South, (JTIAF-S). Of those totals, IACM estimates are that at least 180 MT of cocaine passes through Guatemala. Last year only 2.2 MT were seized by the Guatemalan police and military and another 1.2 MT by the ports police. A vetted

Guatemalan naval unit with U.S. support under the Merida Initiative is just beginning to function but its reach is limited. Guatemala also is a small producer of opium poppy with Mexican cartels providing seed, guaranteeing purchase at harvest and then processing the opium gum into heroin in labs inside Mexico.

The real southern border for the U.S. must protect does not stop at the 2000 mile long stretch with Mexico where President Calderon has mobilized the entire Mexican capacity to block the traffickers but is much further south. Interdiction ideally should take place before cocaine enters Mexico, not after.

A significant shift took place last year in the decision-making of drug traffickers on the best routes into the U.S. According to JTIAF-South, the joint operations center in Key West, using intelligence, radar tracking and air and sea interdiction, for the first time, the primary movement in 2008 of cocaine from South America—the first port of illegal entry---was Central America, not Mexico. Previously most of the shipments from South America, mainly Colombia, stopped first in Mexico. But last year some 65% of the shipments stopped first in Central America. Guatemala is the preferred stop and it saw a 47% hike in cocaine trafficking between 2006 and 2008, with 147 MT estimated to land first in Guatemala before heading on to Mexico. Another substantial but undefined amount of cocaine that stops first in other Central American countries, makes a stopover in Guatemala, before heading to Mexico and the U.S. markets. The current admittedly soft estimate by U.S. authorities of the grand total transiting Guatemala in 2008 was some 180 metric tons.

The amount of money from the transiting cocaine in Guatemala is staggering. Using the 2006 typical wholesale price for cocaine in Guatemala registered in the 2008 World Drug Report of the UN Office of Drugs and Crime (UNODC) of $13100 is used, that means the value of the 180 metric tons transiting Guatemala is close to $2.4 billion. Even if only 10 percent of the value of those cargos turns out to be available for corruption, hiring hit men, and paying other gang related bribes, it would be more than double all US foreign assistance for Guatemala. Many suspect that more cocaine than is currently estimated stopping first in other Central American countries actually stops a second time in Guatemala before joining the flow of illicit drugs, migrants and legitimate commerce "al norte".

Equally worrisome is the estimate that at least two percent of the cocaine transiting Central America is staying to be consumed in those countries, adding a major health threat to those young people. Another undefined portion of the cocaine stopping in Central America may also be diverted now toward more lucrative markets in Western Europe beyond the totals that pass directly from the Andean countries, transiting Venezuela and the Caribbean from Colombia, or Brazil and Argentina from Peru and Bolivia.

There is little question that the drug trafficking cartels are responsible for much of murder, coercion and corruption that is the greatest concern today in Guatemala of its citizens and its government. However, their presence is as much a symptom of the weak

institutions of justice in that country as a cause. While the headlines and sudden international attention to Guatemala is focused on the shocking murder last month of a respected lawyer, Rodrigo Rosenberg, and his video accusations against the country's president, the evidence of out-of-control violence in Guatemala even before that event was overwhelming.

Some 6300 Guatemalans were murdered last, as many as in Mexico, a country with nine times the population. Similarly, the overall rate of 48 homicides per 100,000 in 2008 may well have put Guatemala in the unenviable position of challenging for worst in the hemisphere. The hemisphere average is 27.5/100,000 and the world average is 8.8/100,000.

For many Guatemalans in urban areas, the level of insecurity is identified most visibly by the simple fact that taking a bus is placing your life at risk. Last year, organized gangs seeking protection money from other bus companies, driver-owned buses, and bus driver unions murdered 171 bus drivers, most in Guatemala City. Kidnapping doubled as well in 2008 to 438 reported cases.

Another statistic that illustrates the challenge facing Guatemala in preserving the rule of law is that there are now more than 150,000 private security guards, many times greater than the 20,000 Guatemalan police. Norms, standards and controls on those private security forces, registration of the weapons they carry and monitoring of their conduct are virtually non-existent. In many ways, they reflect the failure of the state to fulfill its basic function to protect its citizens, holding a monopoly on the legitimate use of armed force.

The level of impunity in Guatemala almost surely again places it as the most unlawful in the hemisphere since 98 percent of the murderers go free, according to Guatemala's Human Rights ombudsman, and verified by the CICIG. The reasons for the failure of the institutions of justice to protect its citizens and defend the law are numerous, but they constitute a weakness and corruption of the state that jeopardizes the rule of law and democratic processes.

As a result, Guatemalans see themselves as the most violent country in the region and identify crime and lack of public security as the most important problem they face. The anecdotes reported by government officials, diplomats and security analysts underscore the findings of Transparency International, Latinbaròmetro and other surveys that find Guatemalans have the least regard in Latin America for the honesty of police—on Transparency's 1-5 ranking where 5 is extremely corrupt—Guatemalans average 4.3. And they also have the highest percentage, 66%, who believe that corruption in the next three years will likely increase.

In some ways, the vast array of commitments in the peace accords which ended Guatemala's civil conflict contained both the seeds of peace and the seeds of insecurity. The guerrilla combatants were demobilized and while the army was reduced in size, part of the peace process meant virtual immunity from prosecution for the army, the intelligence apparatus and the police—together identified as responsible for more than 90

percent of the 200,000 killings during the war. Many of those same ex-security officials then morphed into private security agencies. Too little was done in implementing key reforms aimed at obtaining an impartial and effective police force, non-political judges and access to justice for the indigenous and poor majority in the country.

While much of the current violence may well involve gang on gang combat for territory, civilians are often the victims. In addition, the linkages and overlap between narcotics cartels, organized crime and maras is clear, as has been pointed out in Guatemala's unique newspaper of investigative journalism "el periodico" as well as in the work of the Washington Office on Latin America and others, who have focused on the phenomenon of gang violence and how best to respond.

Over time, there have been progressive reforms attempted of the security forces—the most recent in 2008 according to CICIG under the Colom administration that removed 1700 police for corruption, including 50 police commissioners and the deputy director of the national police. After CICIG complained of the lack of cooperation from the attorney general's office, the attorney general resigned and subsequently 10 of the main prosecutors also were "invited to leave." Since 1996, with U.S. and international support, there have been many, many talented Guatemalans, in civil society and in government who are both committed enough and brave enough to try and rescue the institutions of governance from the control of private interests, organized crime and drug traffickers.

What more can be done:

First, Guatemalans must make the decision to end impunity, build effective, independent and competent law enforcement institutions and expand impartial access to justice.It is their country, their families and their lives. Many of them have put their lives at risk in pursuit of a more just society. The rising level of public frustration and anger at what has occurred may have passed the trigger point to generate the kind of demand for change that produced the progressive era and the civil rights movement in this country. We already have seen 30,000 protestors demanding a real investigation, prosecution and conviction in the murder of Rodrigo Rosenberg.

Second, Guatemala has requested and the UN has extended for two years to 2011 the mandate of CICIG. The CICIG's Spanish Supreme Court Judge Carlos Castresana and his combined international and national force of investigators and prosecutors offer a short-term boost to Guatemala's capacity to end impunity. CICIG was formed to do three things: to determine the existence of illegal armed forces and clandestine criminal organizations; to collaborate in dismantling those structures through criminal investigation, prosecution and punishment for the crimes they have committed and to recommend public policies and assist, train and help Guatemalan institutions and civil society in implementing them to strengthen the Guatemalan capacity to protect its citizens. At this point, every analysis should be aimed at asking what more can be done to give CICIG the resources to help Guatemalans in those tasks.

- The U.S. should second FBI agents, Spanish-speaking prosecutors and forensics specialists to assist CICIG in bringing the murderers of Rosenberg and other recent homicides to justice.
- The Government of Guatemala should provide the same privileges and immunities to Guatemalan prosecutors and investigators working for CICIG as international employes and ideally, they all should be placed under the UN mantle.
- The U.S. and the international community with CICIG and the Guatemalan authorities identified by CICIG should determine the requirements for "high impact" courts recommended by CICIG and agreed to but not implemented by the Guatemalan authorities. Judges, prosecutors, and investigators to run those courts should be identified, vetted and protected.
- The U.S. and the international community, including the Inter-American Development Bank and the World Bank, should determine rapidly how to finance a maximum security prison and train a professional corrections staff to run it.
- With CICIG, the human rights ombudsman and Guatemalan authorities should identify the municipalities which have been taken over by drug traffickers and through prosecution of corruption, drug trafficking and crime, re-take those towns one-by-one. Law enforcement should be followed by integrated municipal development investments

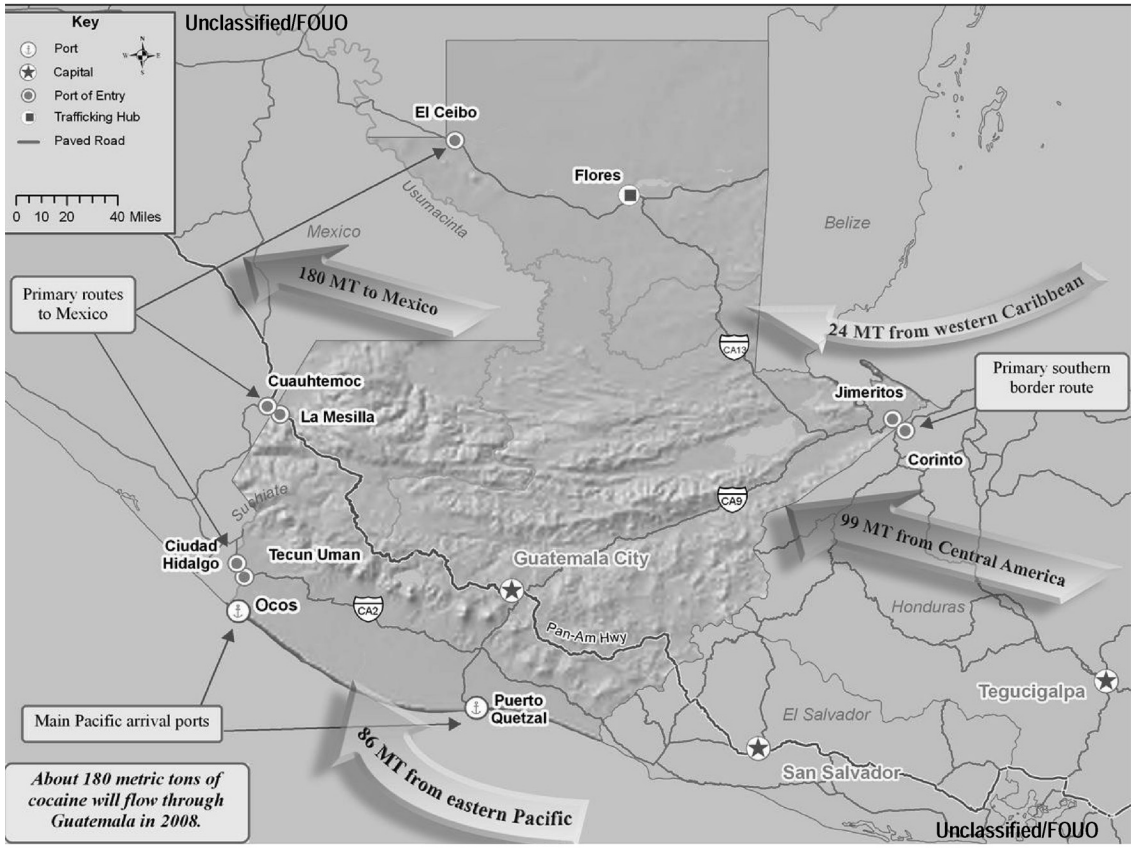
Third, after nearly a year of negotiations, the Colom administration reached agreement on a national justice and security pact with Guatemalan civil society and the guarantors are the Human Rights Ombudsman, the Catholic Cardinal, and the Bishop of the Evangelical church and the Rector of the San Carlos University. This expression of popular demand for security sector reform and strengthening justice is important and deserves support, but the more than 100 goals require prioritizing, an agreed time-table for action and periodic public evaluation.

Fourth, while there is much to do in building law enforcement to respond to drug trafficking, violence and crime, prevention should not be forgotten. The World Bank reports that only 14 percent of all indigenous children are enrolled in secondary school. And at 44 percent, Guatemala's child malnutrition rate is not only the highest in Latin America; it is among the worst in the world. In the cities, growing numbers of unemployed, unskilled youth are ready recruits for Maras and traffickers.
Paul Collier spoke recently about a youth tsunami building across developing countries where high percentages of young people with not enough skills to compete globally are now seeing their futures even more at risk from a global financial crisis that further restricts job creation. Guatemala faces a reduced export market in the U.S., declining remittances, already low tax revenues dropping further, thus making it harder to maintain, let alone increase state investment in education and a social safety net. Frustrated and feeling abandoned, Guatemalan youth are vulnerable to other illicit siren calls.

Successful efforts to produce stability and security will also require a new public private partnership to develop programs that rapidly improve the country's social indicators. Guatemala's elite simply has to allow taxes to rise and to pay the taxes they owe to fund needed schools, health clinics, rural development and justice. The peace accords that ended decades of civil conflict included commitments to drastically reduce poverty, particularly among indigenous Mayan peoples who comprise a majority of Guatemala's population. A decade later, Guatemala still has yet to reach the 12 per cent of GDP in tax revenues that was called for in those accords.

Finally, the U.S., as Secretary of State Hillary Clinton noted, has shared responsibility for the enormous threat of drug trafficking to Guatemalan security since it is the U.S. demand for cocaine that draws the cartels to Guatemala to stage their cocaine pony express route into Mexico and the U.S. Secretary Clinton also noted that those traffickers frequently obtained not only the cash that finances them through drug sales in the U.S. but also the weapons that they use to attack local police, intimidate local judges and kill Guatemalan citizens. The U.S. could help Guatemala substantially, as you have urged Mr. Chairman, by cutting off the flow of weapons south and by re-vamping its counterdrug policies from top to bottom, as your bill to create a Western Hemisphere Drug Policy Commission proposes.

Let me conclude by simply noting that there has been inadequate attention paid in recent years to the rising threats to security and democratic institutions in Central America and particularly in Guatemala. Year after year it seems that the killings go on and the killers go free. The people of Guatemala have the right to expect more. As Guatemala's Nobel Laureate for Literature, Miguel Angel Asturias said, "The eyes of the buried will close together on the day of justice, or they will never close."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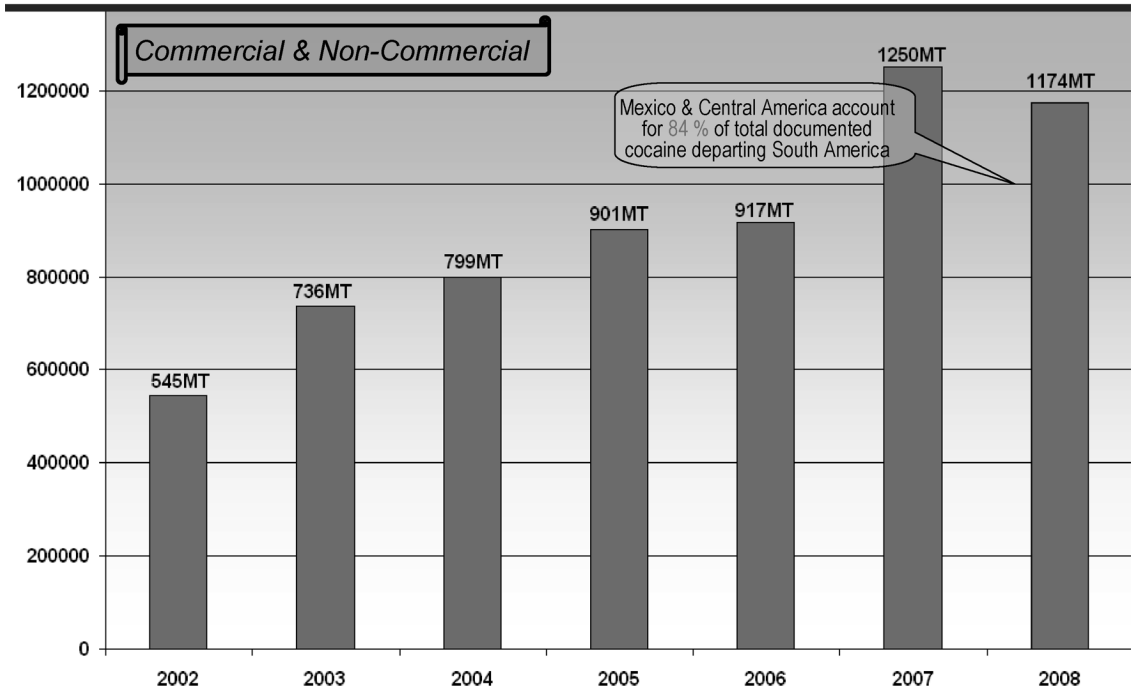
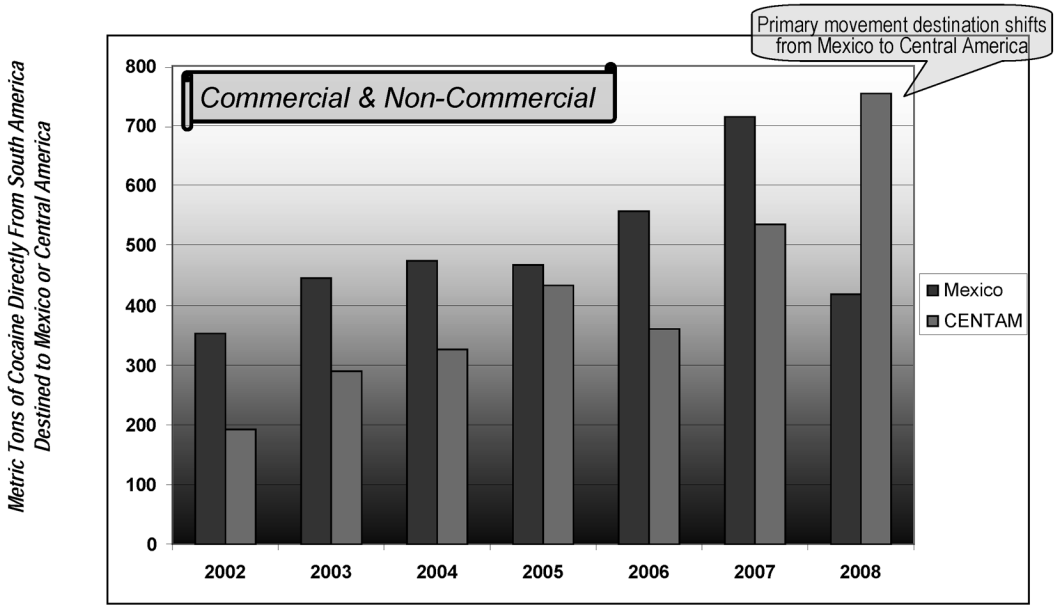
180 MT to Mexico
24 MT from western Caribbean
Primary routes to Mexico
Primary southern border route
Cuauhtemoc
La Mesilla
Jimeritos
Corinto
Suchiate
Ciudad Hidalgo
Tecun Uman
Guatemala City
99 MT from Central America
Ocos
Pan-Am Hwy
Honduras
Tegucigalpa
Puerto Quetzal
El Salvador
Main Pacific arrival ports
San Salvador
86 MT from eastern Pacific
About 180 metric tons of cocaine will flow through Guatemala in 2008.
Unclassified/FOUO

Mexico/Central America

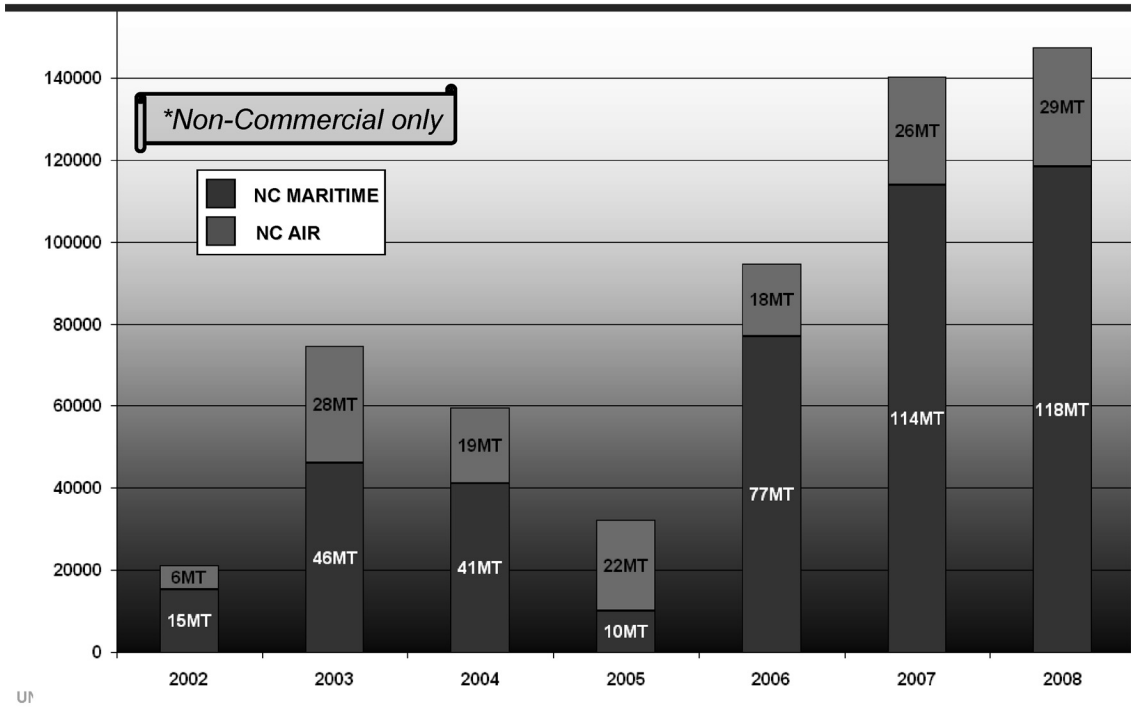
Predominant Corridor



Cocaine to Mexico/Central America From South America



NC Primary Flow into Guatemala
2002 - 2008



Mr. ENGEL. Thank you very much.
Secretary Johnson.

STATEMENT OF MR. STEPHEN JOHNSON (FORMER DEPUTY ASSISTANT SECRETARY OF DEFENSE, FOR WESTERN HEMISPHERE POLICY)

Mr. JOHNSON. Chairman Engel, Representative Burton, distinguished members of the committee, thank you for inviting me to testify on this important subject. You have my full statement before you, but I just would like to summarize that statement right now.

Transnational crime affects all of us and it is perhaps the most imminent security threat in the hemisphere. That is the one that affects the most people in their daily lives and currently poses the most danger to all of our governments.

Guatemala is one of the most vulnerable countries in Central America, as you have heard before in other testimony. It is in the middle of a massive drug trafficking route from the Andes to the North American markets. And besides that, its 36-year civil war, legacy of impunity, and attendant problems with human rights abuse imposed a decades-long moratorium on assisting its security forces that now struggle with outdated equipment and meager training.

Guatemala's immediate neighbors cannot supply very much aid. Some have experienced similar political turmoil and all have tiny economies comparable to small towns in the United States so that the scope of the problem is much greater than the resources that are available, at least among our allies and our partners.

Now, violent drug cartels in Mexico are extending their reach southward, taking over territory once controlled by Colombian and local traffickers. Ill prepared for the challenge, Guatemala offers a path of very little resistance.

Guatemala is not the only country struggling against transnational crime in the hemisphere. Public statements from the U.S. Office of National Drug Control Policy suggests that narcotics and arms trafficking extend north toward Canada and south toward Argentina. Drugs also move east from Colombia through Venezuela to Africa and Europe. Caribbean airspace and sea lanes from Venezuela to Hispaniola represent another huge corridor for illicit transport.

If the situation continues to spin out of control in Guatemala, however, it will weaken police efforts in neighboring countries and harm Mexico's campaign to reign in violent criminal cartels, potentially destabilizing that country of 100 billion persons on our southern border.

Although your hearing is focused on Guatemala's problems, we should bear in mind that drug trafficking is actually a global criminal enterprise involving hundreds of billions of dollars. Ultimately efforts to reduce its impact will be successful if as many neighboring countries as possible can work together contributing what special expertise each has according to the resources that each can reasonably apply.

Guatemala's leaders and leading citizens must be encouraged and supported in organizing their government better to reduce im-

punity, curb corruption, improve tax collection and strengthen law enforcement. Elites must exchange simple concern for individual well-being for communitarian values. Only Guatemalans can decide to fund a larger, more professional police force. Only Guatemalans can put more youths in schools and out of harm's way. And only they can encourage sons and daughters to study for careers in public service where expertise is sorely needed.

For our part, the United States should help Guatemala analyze all that it needs to do to attack the problem, not necessarily in terms of off-the-shelf solutions which we have used up to this point, but by engaging in new creative thinking. And the United States must be realistic about financing or donating equipment. The entire Fiscal Year 2009 Merida funding request for Guatemala, about $18 million, would buy just one helicopter. That is clearly not enough to make a difference. Interdicting smugglers, especially when you take a look at the maps that Mark presented, requires surveillance, intelligence collection, mobility, technical devices and a proper legal framework for law enforcement to stay ahead of criminals and not prey on innocent citizens. Progress is ongoing, but the rate may not be fast enough to overcome serious challenges.

I would be happy to answer any questions you might have. Thank you.

[The prepared statement of Mr. Johnson follows:]

Guatemala's Drug Crime Challenge:
How We Can Help It Cope

Testimony of

Stephen C. Johnson

Former Deputy Assistant Secretary of Defense for

Western Hemisphere Affairs

Before the

House Committee on Foreign Affairs, Subcommittee on the Western Hemisphere

Washington, D.C.

June 9, 2009

Stephen C. Johnson served as Deputy Assistant Secretary of Defense for Western Hemisphere Affairs from January 10, 2007 until January 20, 2009. After leaving the Department of Defense he has done consulting work for the Project on National Security Reform, a Congressionally-mandated program that has received a $3.9 million grant for FY 2009. During fiscal 2009, Mr. Johnson has received $13,000 from that organization.

Mr. Johnson is testifying as an individual discussing his own independent opinions. The views expressed are his own, and do not reflect any institutional position of the Project on National Security Reform, or the Department of Defense.

Chairman Engel, ranking member Mack, distinguished members of the Committee:

Thank you for inviting me to testify on this timely subject—an assessment of drug trafficking as one of the chief security challenges in Guatemala. For the record, I would like to state that the views I express are entirely my own and do not represent the U.S. Government or any entities or individuals with whom I consult.

Transnational crime affects all of us and it is perhaps the most imminent security threat in the hemisphere—that is, one that affects the most people in their daily lives and currently poses the most danger to governments. Your hearing comes at a time when smuggling patterns have shifted dramatically, Mexican cartels have come to dominate distribution networks, while smaller nation-states in the Western Hemisphere have marginal capacity to deal with it.

Guatemala is one of most vulnerable countries in Central America. It is in middle of a massive drug trafficking route from the Andes to North American markets. Besides that, its 36-year civil war, legacy of impunity, and attendant problems with human rights abuse imposed a decades-long moratorium on assisting its security forces that now struggle with outdated equipment and meager training. Guatemala's immediate neighbors cannot supply much aid—some have experienced similar political turmoil and all have tiny economies compared to the scope of the problem. Now, violent drug cartels in Mexico are extending their reach southward, taking over territory once controlled by Colombian and local traffickers. Ill prepared for the challenge, Guatemala offers a path of very little resistance.

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Although your hearing is focused on Guatemala's problems, we should keep in mind that drug trafficking is a global criminal enterprise involving hundreds of billions of dollars.[1] Ultimately, efforts to reduce its impact will be successful if as many neighboring governments as possible work together, contributing what special expertise we have, according to resources we can intelligently apply.

Guatemala's leaders and leading citizens must be encouraged and supported in organizing their government better to reduce impunity, curb corruption, improve tax collection, and strengthen law enforcement. Elites must exchange simple concern for individual wellbeing for

[1] "The United Nations International Drug Control Programme (UNDCP) estimates that the illegal drug trade generates retail sales of about $400 billion a year, nearly double the revenue of the global pharmaceutical industry or about ten times the sum of all official development assistance."—citation from a press release "Money Laundering," UN General Assembly Special Session on the World Drug Problem, 8-10 June 1998, UN Department of Public Information, May 1998, at *www.un.org/ga/20special/featur/launder.htm* (June 6, 2009).

communitarian values. Only Guatemalans can decide to fund a larger, more professional police force. Only Guatemalans can put more youths in school and out of harm's way. Only Guatemalans can encourage sons and daughters to study for careers in public service where expertise is sorely needed.

For our part, the United States should help Guatemala analyze all that it needs to do to attack the problem—not in terms of off-the-shelf solutions which were used up to this point, but by engaging in new, creative thinking. And the United States must be realistic about financing or donating equipment. The entire FY 2009 Merida funding request for Guatemala, about $18 million, would buy just one helicopter. That is clearly not enough to make a difference. Interdicting smugglers requires surveillance, intelligence collection, mobility, technical devices, and a legal framework for law enforcement to stay ahead of criminal actions. And, despite its abuses in the past, Guatemala's military must be improved and recognized as part of the solution, as they protect maritime, airspace, and border domains.

Background

A number of factors seem to have set-up Guatemala for the transnational crime problem it now has—historical, political, demographic, economic, and global. A legacy of military dictatorship that made society comfortable with impunity and a 36-year civil war left Guatemala open to crime as fledgling democratic institutions struggled to take over in the 1980s. Shortly thereafter, Colombian drug traffickers and local crime syndicates invaded northern Central America, as neighboring states were recovering from similar civil conflicts. At the time, Guatemala was concluding its peace process, reducing the size of its armed forces and abolishing and rebuilding its police—both institutions accused of egregious human rights abuses. Returning refugees and a growing number of deportees from the United States tested public order as did former soldiers and combatants who turned to crime for a living.

Today, Guatemala's government is still trying to catch up. Elites who influence the congress seem reluctant to pay for more competent administration. The National Civilian Police does not have enough officers and is under-resourced to the point that President Alvaro Colom has had to boost military troop strength so more soldiers could support local police units. Budgets over the last decade have fluctuated between $96 million to $140 million.[2] Leadership turnovers and frequent purges of ranks to weed out corruption continue to take a toll. The number of police in 2006 was 19,600—about 150 per 100,000 inhabitants. That compares somewhat unfavorably to 16,000 in less populous El Salvador, or a ratio of about 229 per 100,000.

The justice system is overwhelmed and subject to manipulation. In 1994, Guatemala introduced a new criminal code with oral, accusatorial trials—an important reform. However, the average case takes about a year to process according to the Justice Studies Center of the Americas—unusually slow I would think.[3] The Bush Administration and U.S. Congress backed a United Nations plan to establish the International Commission Against Impunity in Guatemala (CICIG) to investigate human rights abuses and government involvement in crime. In 2007, the Guatemalan government ratified it and put it into force. With help from the United States, Guatemala also created an autonomous forensics lab, implemented an organized crime bill, and

[2] "Policía," CEJA Americas, at *www.cejamericas.org/reporte/index.php?idioma=espanol* (June 4, 2009).
[3] Ibid., "Procedimiento penal."

enabled special judges to issue warrants in narcotics cases. However, these efforts will take time to bear fruit. In the meantime, accusations of corruption against government officials continue, involving even the current president in a murder investigation.

Despite a growing economy and some industrial development, half of the country lives under the poverty line and low educational attainment keeps many people from participating fully in a propitious market environment—it only takes 26 days to start a business there as opposed to Brazil's average of 152 days.[4] Lagging social integration of its majority indigenous peoples contributes to extensive rural poverty, out-migration, and attendant opportunities for crime. With a gross domestic product of $31 billion, a national budget of $5 billion,[5] and police and defense budgets between $100 million and $150 million[6] respectively, Guatemala is hard-pressed to take on global drug trafficking that makes hundreds of billions of dollars a year.

Guatemala is not alone. Mexico is finally attacking cartels that have been expanding over the last two decades and is paying a grim price with a death toll that has doubled over the last year. According to recent newspaper articles, Panama's Darien Peninsula is a no-man's land where Colombian guerrillas trade cocaine for arms and supplies.[7] Costa Rica is a transshipment zone according to local officials. Nicaragua is not as affected, but its well-trained police and military need better equipment for interdiction according to the Chief of Defense.

Drug trafficking by air has been a problem in Honduras since the 1980s and, from time to time, gangs helped elevate its murder rate to one of the highest in the hemisphere. El Salvador has similar problems but its police and military seem better organized to deal with them. Belize is a country the size of Massachusetts with 300,000 people and three light planes that could be used for patrol and interdiction. Overall, the region's radar coverage is limited, and countries must rely on monitoring from our Joint Interagency Task Force-South in Key West to alert them to possible illicit traffic. To the east, the Venezuelan coast to Hispaniola appears to comprise one of the most heavily used drug trafficking routes according to suspicious air and sea tracks.

A Recent Snapshot

As Deputy Assistant Secretary of Defense for Western Hemisphere Affairs, I visited Guatemala in 2008 and met with then Defense Minister Marco Tulio Garcia Franco and other military officials. Minister Garcia said that the military took on support to law enforcement activities only reluctantly because the 1996 peace accords had specified an external defense mission for the armed forces. He pointed out frequent changes in leadership in law enforcement and defense and predicted that they would continue until Guatemala developed a pool of skilled civilian public administrators who could bring management expertise to government. He cautioned that such careers were not popular choices with young people, however.

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[4] "Starting a Business," *Doing Business*, The World Bank Group, at *www.doingbusiness.org/ExploreTopics/StartingBusiness* (June 6, 2009).

[5] "Guatemala," CIA World Factbook, *www.cia.gov/library/publications/the-world-factbook/print/gt.html* (June 5, 2009).

[6] "Guatemala," *A Comparative Atlas of Defence in Latin America/2008 Edition,* The Security and Defense Network of Latin America (RESDAL), *www.resdal.org/atlas/atlas-cap17-ingles.pdf* (June 6, 2009).

[7] Chris Kraul, "Panama could become next narco battleground," *Los Angeles Times*, May 24, 2009, at *www.latimes.com/news/nationworld/world/la-fg-panama-drugs24-2009may24,0,2545721.story* (June 6, 2009).

The armed forces perform counternarcotics functions as part of their territorial defense role. However, their efforts often extend to apprehension because police are largely concentrated in the capital and are often unable to quickly deploy to rural crime scenes. For now, drug traffickers transfer contraband in two zones, by air in the environmentally sensitive Petén region in northern Guatemala, and generally by boat off the Pacific coast to the south. In both cases, drugs are moved overland or by waterway to Mexico. Few people live in the Petén, a vast ungoverned space and airplanes often arrive under the cover of darkness to land on crude strips illuminated by vehicle headlights. Or crews simply crash land in open savannah, abandon the wreckage, and take the drugs with them. Overflying the region, I saw numerous makeshift strips and dozens upon dozens of wrecks scattered over the wilderness.

Key to more effective interdiction would be to expand Guatemala's own surveillance radar coverage to track smugglers more accurately once they are over national territory and to improve mobility for anti-narcotics police to reach landing sites in time to catch smugglers *in flagrante delicto*. It seemed to me that the Guatemalan Air Force could use a more modern, standardized helicopter fleet, a more robust fixed-wing transport capability to provide police mobility, and a modern patrol and interdiction platform that could keep up with the turboprops and light jets that drug traffickers often use.

At Puerto Quetzal, the Pacific Naval Command conducts coastal patrol missions, search and rescue, as well as maritime drug interdiction. The State Department's 2008 International Narcotics Control Strategy Report describes cooperation with U.S. Coast Guard patrols as willing and positive. That said, Guatemala's patrol boat inventory seemed aging and slow. However, larger vessels in the 85 to 100 foot range can support smaller launches for multi-day operations. The Command's effectiveness also could be enhanced by improving signal intercept capabilities and by adding air patrols.

Mexico appears to be cooperating with Guatemala by sharing information, while it is my understanding that Belize has agreed in the past to joint border patrols. However, Guatemalan defense authorities seemed anxious to expand multilateral cooperation so that it becomes more routine. Even with that, interdiction is often a matter of searching for a needle in a haystack—although it could be better informed.

Recommendations

Guatemala's crime and violence problems are multifaceted and require complex solutions. Narcotics trafficking is one aspect. Drug dealing, gang violence, extortion, and kidnapping are other plagues visited by hundreds of criminal groups now operating in the country. The obvious answer is to strengthen security, but Guatemala must do so while making government more accountable, by mending the divides that block social cohesion, and by supplying programs to keep youth out harm's way—denying time and space for criminal youth gangs to operate.

In general, Guatemalans themselves must:

- Support a tax base and government capable of providing for public safety and rule of law, instead of relying on private security firms to do the job, as a significant portion of the

nation's elites now do.

- Help government become a welcoming home for bright minds and able stewards of the public trust, as it has in Colombia. Guatemala's educators and civic leaders must inspire youth to prepare for public service as an expression of their citizenship.

The United States and other neighbors can help Guatemala through diplomacy, development assistance, and security cooperation by:

- Helping it analyze what it needs to reduce transnational crime and violence, basing assistance on those conclusions, not necessarily on what is available. Beyond equipment needs, analysis should review organizational structures, training, and legal frameworks.
- By promoting multilateral charters and partnerships, such as CICIG and the U.S.-Central American Integration System (SICA), that can supply guidance and cooperation as Guatemala's justice system and operational capabilities catch up. And,
- By funding the Merida Initiative and follow-on assistance to leverage the development of Guatemalan law enforcement capabilities beyond 2010. As of this year, the U.S. Congress has appropriated some $800 billion for Iraq and Afghanistan. The Merida Initiative is a small expense by comparison.

For its part, the United States should:

- Do more to reduce drug abuse at home.
- Take international interdiction efforts seriously. The United States must analyze what it needs to do to work with partners more efficiently, smartly, and cheaply, moving beyond legacy systems that can be thrown at a problem in a pinch. New generation radars, remote sensing, and unmanned aerial vehicles point the way ahead for greater awareness of illicit activity in air, sea, and border domains.
- Consider existing recommendations contained in studies of foreign defense needs such as U.S. Southern Command's Regional Air Modernization Program. And,
- Improve inter-agency coordination by considering State, Defense, Justice, and Treasury Department transnational crime and counternarcotics initiatives in the larger context of national strategy.

Conclusion

Guatemala's spike in criminal violence is not a "war" anyone can win. It is a crime control and public safety problem that can be as devastating as war if badly prosecuted. Coming out of a decades-long civil conflict in 1996, Guatemala was unprepared for a crime wave fueled by globalization and advances in communications and transportation technology. Unfortunately, a lingering culture of impunity, underfunded government, and large tracts of ungoverned space block an easy solution. Guatemala must decide if it will sink or swim against a powerful tide. If it is the latter, the United States should be forthcoming. The immediate wellbeing of Mexico and other neighbors may depend on it. However, success depends on a comprehensive approach that will strengthen the Guatemalan people's trust in their government as well as more efficiently cut off the supply of resources to criminal bands.

Mr. ENGEL. Thank you very much.

And thank all of you for very good testimony.

Mr. Burton has joined us, and I would like to at this time give him an opportunity to make any remarks that he might wish to make.

Mr. BURTON. Mr. Chairman, I won't make any remarks right now. I would like to have my statement included in the record. But I would like to ask some questions of our panel after you ask yours.

Mr. ENGEL. All right. Thank you very much.

Mr. BURTON. And I apologize for my tardiness. I had an unexpected problem in my office. Thank you.

Mr. ENGEL. Well, let me just say it is nice to have you back again.

Mr. BURTON. My old buddy.

Mr. ENGEL. Let me ask the panelists, anyone who cares to answer can answer. Recent news reports about the heavy-duty weapons that Mexican drug cartels are using in Guatemala make clear the challenge that these cartels pose to the Guatemalan state itself. Some in Guatemala and in the international community would argue that the challenges posted by these cartels serve as a call to action for the Guatemalan military. Many others, however, argue that given the brutal role of a country's military in its 36-year civil war, it makes much more sense to utilize the country's police forces in going after drug cartels.

So let me ask you these questions. How would you evaluate the need for military versus police action to directly combat drug cartels operating in Guatemala? Let me just ask that question first. Anyone who cares to answer, I would be grateful. Mr. Schneider.

Mr. SCHNEIDER. I think that one of the fundamental needs in Guatemala is clearly on civilian law enforcement. It would be a major mistake to believe that the way to respond to the threat of drug trafficking and to organized crime is by bringing the military back into essentially internal police functions. What needs to be done is to strengthen the civilian police. There is one area where it seems to me that you do have the need, and that is in the area of Coast Guard, where there does need to be some additional capability. I believe, though, that the fundamental requirement is to do everything possible to reform, vet, train and support civilian law enforcement—police and judges.

Mr. ENGEL. Well, let me ask you in conjunction with that, because you said in your testimony that drug cartels dominate—I think you said 40 percent of national territory in Guatemala. So if that is accurate, what can the government do to regain control of its territory and to ensure that the cartels don't continue to deepen their presence in the countryside?

Mr. SCHNEIDER. Thank you, Mr. Chairman. I think in fact what you need is to reinforce CICIG, the International Commission against Impunity. Together with the international community, including the United States, CICIG representatives need to sit down with a vetted and determined Guatemalan civil law enforcement and identify those communities. We are talking about essentially sparsely populated rural areas. But Guatemalan officials know where those municipalities are, they know which ones are controlled and they know which ones essentially are under the control

of traffickers. They need to develop a plan to go one by one and to go in and to prosecute and to—they may need support, but they need to go after them with the idea of apprehending and bringing them to justice.

Mr. ENGEL. Well, many of you—I will give Dr. Isaacs a chance to answer. Go ahead.

Ms. ISAACS. I just wanted to answer the question about police versus military, and to suggest that it is a tougher nut than simply avoiding a remilitarization, as I stated in the summary of my written statement. And what I would like to underscore here is that in rural communities in particular, the distinction between the police and the military, that is clear to us, one being a civilian law enforcement institution and the other not, is actually far less apparent. And individual citizens in rural communities are really frightened of an abusive, corrupt, and inefficient police force.

So the challenge is not just strengthening the police force and not just community policing, but a challenge that remains—and I believe, as I said, that one should not remilitarize Guatemala, that there is a legacy that is very dangerous—but is to find a way of building trust in a police force that citizens feel that they can access and will actually deliver the security. The distinction that they see—there is no distinction in their minds virtually between the police and the military, just to underscore that, that we draw so clearly. And that is a challenge that needs to be addressed in the context of police reform.

Mr. ENGEL. Thank you. Mr. Vice President.

Mr. STEIN. Your question, Mr. Chairman, opens up a Pandora's box in Guatemalan politics and places myself in an awkward position, because during our administration we went ahead in reducing the numbers and the budget of the Guatemalan army, even beyond the numbers and percentages called for by the Peace Accords. We were convinced that there was a need to downsize the Guatemalan army and transform it into an agile and highly moveable modern professional army rather than a territorial control outfit. And that is why we opted for the strengthening of civilian organizations, not only the police, but the strengthening of our justice system.

Unfortunately, the actual Guatemalan President, Alvaro Colom, is of a different opinion, which poses serious contradictions even within the social democratic doctrine that this government professes. They decided to beef up the army again and increase their budget because they feel that civilian police forces are not capable of dealing with such a formidable challenge as that one posed by the drug cartels and their weaponry.

But I would revert to your statement, your opening statement, where there is a need for a holistic approach. And I would argue strongly in favor of going back to the strengthening of our civilian institutions. I am of the opinion, as many Guatemalans are, that just beefing up the army is not going to solve the problem. And the case that you alluded of the arms found under CICIG's control in Mexico, that came from Guatemalan arsenals, is a case in point. We wanted to downsize the army in Guatemala to prevent things like that from happening.

Mr. ENGEL. Thank you very much. Mr. Johnson, did you want to say anything?

Mr. JOHNSON. Mr. Chairman, I would just like to add that in many ways it is a question of roles and responsibilities. And there are some things that the police can do and should be doing better than the military, and there are some things that the military can offer, particularly in their constitutional role of providing border defense and airspace and maritime domain defense. That doesn't mean that the military needs to be involved in apprehensions.

But one of the weaknesses that the civilian defense has, or at least the police has, is that they don't have the mobility to be able to get to areas when operations are going down. For instance, the entire northern half of the country is pretty much difficult territory for them because they can't get to some of these strips and some of these areas where airplanes come in, crash land and then cruise, and people on board and people waiting for them take the drug cargos away and head for the Usumacinta River and then to Mexican territory. You have to be able to move very fast.

So in some ways there has to be some kind of cooperation between military and police, and the roles need to be established. There needs to be a legal framework for it. And there needs to be adequate funding so that they have the kind of equipment that they need.

There was one propeller-driven airplane that I saw on my last visit that was available for tracking, patrol, and interdiction. The helicopter fleet seems to be doing well. But if you are going to catch some of the airborne traffic in the north, you have to be able to travel fast. And in the south there is a lack of air patrol capability; and, overall in Guatemalan territory, very little radar coverage.

Mr. ENGEL. Thank you very much. Let me just ask one question which has some parts to it, but I want to raise it and then I am going to turn it over to Mr. Burton.

Many of you, I had mentioned CICIG in my opening statement and many of you mentioned it. And as I had mentioned, the U.N. International Commission against Impunity in Guatemala has widespread support both in Guatemala and throughout the international community.

So let me ask you specifically with regard to CICIG, how effective has the CICIG been? What constrains their ability to investigate and help prosecute crimes? To what extent are the various elements of the Guatemalan Government cooperating with the CICIG? As you know, they are not able to formally prosecute cases and need to rely on its partnership with the public prosecutor's office.

So has the public prosecutor's office proven to be a good partner for the CICIG? And besides continuing to assist the CICIG financially, what else can the Obama administration and Congress do to help ensure that the CICIG is able to successfully fulfill its mandate?

And let me add, Carlos Castresana, who is the head of the CICIG, he is leading the investigation into the murder of Guatemalan lawyer Rodrigo Rosenberg. And even Castresana has expressed doubts about his ability to resolve the case. The quote I have for him says, "I still have no wiretaps, no maximum security prisons, no far-reaching courts, so how do you expect us to resolve

the Rosenberg case or any other?" That is a quote from Carlos Castresana.

So, coupled with that what are the prospects for the successful prosecution of those responsible for the murder of Mr. Rosenberg and what are the real stakes in the Rosenberg case, how much does Guatemala's long-term stability depend on the case being successfully resolved? I know I have thrown out a lot there, but they are all connected. And any one of you who would like to take a shot at it, I would be grateful. Okay, Mr. Stein. Thank you.

Mr. STEIN. Mr. Chairman, those of us who are involved in promoting the creation of CICIG had a very complex set of legal questions to be solved before it came into being. And you mentioned one of them. The commission has no capacity to prosecute on their own. The idea of the commission was precisely to help strengthen the capacity of our own prosecutorial abilities within the general prosecutor's office, et cetera.

To the best of our knowledge, CICIG has been very successful in the half-dozen or so emblematic cases that they have put together for the General Attorney's Office to present to the court system. But we are weary and we are afraid that the penetration that I alluded to in my statement has weakened or has impeded our own institutions to comply with the kind of partnership that is needed. Not a single detention has been materialized in any of the cases of the emblematic cases that CICIG has presented. There is evidence or there are signs of complicity between personnel of the prosecutor's office and personnel of the court system to try to make CICIG fail in the cases that they are putting together.

So I think that CICIG would need not only a boost in resources in this second phase of the extension of their mandate, but also the technical capacities that other witnesses have mentioned.

But there is also a political commitment needed from top-level Guatemalan authorities in the three branches of government. We have seen, suddenly, like lights going off in the middle of investigations. And you mentioned some of the requests that Mr. Castresana has made to public authorities that do not materialize or take ages to materialize. Paying lip service to how well CICIG is doing is not enough. There is a need for institutional production of results within the Guatemalan Government.

Mr. ENGEL. Thank you. Dr. Isaacs.

Ms. ISAACS. I wanted to second what Eddie Stein just said, and say that the CICIG was chugging along quite happily until the Rosenberg murder, in fact. And people were kind of watching. I mean, there were these problems. But there was a sense of progress being made and sort of things being on the right track.

And then a curious set of things happened which I think reflect one of the thorniest challenges also that we face. First of all, there was a tremendous embrace. In the atmosphere after the Rosenberg assassination, there was a kind of general sigh of relief, which was thank God we have the CICIG, and now the CICIG can save us and save democracy in the country, save our institutions, et cetera, solve this crime.

Then a few weeks passed and a curious thing happened as the CICIG actually seemed to be ready to move forward and do this, to perform its task to kind of work forward toward resolving the

crime. And we see the evidence, sort of a very apparent tripping-up of the CICIG; an effort to undermine, an effort to block, an effort to stop the process.

This speaks to me to underscore that it is both a question of resources and a question of political will and commitment. And I think that where the U.S. can make a difference is in the area of sort of diplomatic pressure and sort of not letting up on that. And Ambassador McFarland in Guatemala has been very outspoken and effective on that front.

But I want to second, in particular to what has been said here, is that I would caution against saying CICIG is doing a good job, et cetera, et cetera, but would instead alert to the worries of tripping up and undermining the CICIG and paying attention to the ways in which its investigations are being blocked at the moment.

Mr. ENGEL. Thank you. Mr. Schneider.

Mr. SCHNEIDER. If I could, there is no question that CICIG has begun to come up against a structure of impunity that has in a sense corrupted much of the Guatemalan law enforcement establishment. Remember last year alone, there were 1,700 police who were thrown out because of corruption, including 50 police commissioners and the deputy director of the National Police. The CICIG indicated that it was not getting cooperation with the Attorney General. Ultimately, the Attorney General resigned, and ten public prosecutors as well. One would hope that the U.S.—not just the United States, but the international "Friends of Guatemala" in the diplomatic community would get together with CICIG and essentially establish these are the things that are needed for CICIG to do its job. And its job is not merely helping to solve the Rosenberg case. Its job is to dismantle the illegal armed groups and to help the Government of Guatemala establish a clean police force and judiciary in order to deal with the problems of organized crime.

And here your letter, Mr. Chairman, goes I think much of the way. If CICIG has, in fact, better capabilities in terms of FBI investigators, in terms of prosecutors. If the members of CICIG who are Guatemalans, and very brave Guatemalans—they don't have the same immunities and protections as international employees of CICIG—that needs to be done. That is a decision of Guatemala. At the same time it seems to me that one has to establish at least some, what the CICIG calls, high-impact courts; that is, courts where you have vetted the judges, vetted the prosecutors, protected them, protected the witnesses and then go after those who are most responsible for a lot of the corruption and crimes. That has not yet been done.

Mr. ENGEL. Thank you very much. Mr. Johnson, no need if you—okay.

I will now with pleasure turn over the questioning to Mr. Burton.

Mr. BURTON. You know, it is kind of troubling, you said that there appears to be collusion between the prosecutors and the judges. And according to what I have here in front of me, Mr. Rosenberg did a taping before he was killed and he accused the President and his wife and other close associates of having authorized a murder of one of the lawyer's clients concerned, and he would reveal their involvement and corruption in the partially state-owned rural development bank, Banrural. How in the world

are you going to get justice if the President was involved in this murder or murders, and his wife was, and if the prosecutor and the judges are working together? It sounds like to me you have got a real cabal that you have to deal with.

I mean, you are telling us here today that we ought to do this, we ought to do that, we ought to do this. But I mean, if you have got the top executive in the country and the prosecutorial staff and the judges all saying they are not going to do anything, they are going to cover this thing up, how do you anticipate changing that?

While you are thinking about that, let me ask another question. You know, we give Guatemala, according to my records here in front of me, they received $51.3 million in U.S. assistance in Fiscal Year 2007; $62.9 million in Fiscal Year 2008; and the total funding requested for 2009 is $77.4 million and $103.2 million. You know, that is a lot of money. And it seems to me that in addition to diplomacy, Mr. Chairman, we ought to be talking about maybe putting a hold on some of this money until they change things.

I mean, we had before this committee, I think when I was chairman or you were Ranking, women from down there that talked about women being taken off the streets, raped, killed, left in vacant lots, and there wasn't much being done about that. I presume there is a lot of that still going on; is that right? So that is still going on.

We have got a government, according to what we have heard here and what Mr. Rosenberg put in his videotape before he died, that they were involved—the President and his wife and others were involved in the murder, his murder, as well as others. And then you have got the prosecutorial staff and the judges that are working in cahoots with one another to stop justice from being meted out.

And so if we can't do anything, we ought to bring this to the attention of the Congress and the Appropriations Committee and say, hey, listen, we are giving these people a lot of money, and they want another $103.2 million next year, they are getting $77.4 million this year, and say, you know, until we see some manifest changes down there, we are going to try to put a hold on part of this. You know, money talks and baloney walks, and I think that might be one of the ways to bring about some positive changes, if anything will.

And with that, if you have any comments I would like to hear them. Mr. Vice President, I don't know if you are in a position to say anything because you might get shot next.

Mr. STEIN. First of all, I apologize if my choice of words was not precise enough, but I spoke of some judges and some prosecutors. Fortunately, not all of our justice system shows these signs of corruption.

Mr. BURTON. Well, let me interrupt you right there, Mr. Vice President. The President must have enormous power down there. And if he is trying to put the kibosh on this, quiet it down, and he has some political sway over the prosecutors involved in this case or the judges that he may or may not have had anything to do with getting elected or appointed, can he keep this thing under wraps, keep it under the covers?

Mr. STEIN. You are referring to four different political problems in one. I would like to set aside the Rosenberg case because you cannot argue with a dead person. And I know that there is an ongoing investigation by CICIG that is dealing deeply within the echelons of government to try to put some light on the accusations of Mr. Rosenberg, whom I knew personally.

Secondly, part of the problem, Mr. Burton, is precisely that the generalized weakness of the institutional scaffolding gives little leverage to any head authorities of any of the three branches of government. And one of the worries of the Guatemalan people is precisely if after what Mr. Rosenberg revealed in his state before he was murdered and after the alleged involvement of such high-level authorities, this government will be able to function for the 2½ years that still remain in their mandate and what they will be able to do in the 2½ years still running.

And in this regard, I think that CICIG has worked with competent prosecutors and has found some judges who are willing to do the justice work that needs to be done. But I mentioned purposely that there are indeed some judges and some prosecutors and some lawyer offices that are indeed working in conjunction to try to block the investigations.

So what the investigations might yield in terms of a solid case to be presented to a court system needs to be accompanied by other strengthening in other areas of the administration.

Mr. BURTON. I will let the rest of you comment, and then I will yield the floor.

The corruption level down there is pretty high. There are over 6,000 murders a year. And there is going to be 6,200 and some this year; at least that is what they estimate. We have got women who have been gang-raped and killed and thrown in vacant lots and everything else. That continues to go on. You have got a fellow who accused the President and his wife of a murder and possibly his own murder, and we have had testimony today that there are prosecutors, maybe not all, and there are judges, maybe not all, who are trying to block this.

And with the political climate being the way it is right down there and with the maras, the gangs down there having so much influence and the drug trafficking, is there any way that this is going to be handled; is there going to be justice? And are we supporting a corrupt government down there by sending all of our money? And is there any possibility of a positive change or outcome?

Go ahead, Doctor.

Ms. ISAACS. In my testimony I make a strong plea, which I would like to underline again today, highlight, which is that there are—I think the diagnosis that you make, I think I largely agree with it, but I think that one solution or one alternative that could be pursued is to find ways to support the strengthening of civil society that is fragmented, and many segments of civil society are totally excluded. And it is by looking underneath and supporting those actors that would be able to bring pressure to bear to hold their government accountable that might provide the beginning of a resolution to the kind of challenge that you very correctly lay out.

So I wouldn't argue for stopping funding; I would argue for a more comprehensive approach that tries to empower domestic actors who haven't traditionally been part of the political landscape or who have been marginal to the political landscape, so that they can bring their influence to bear and try to preserve, deepen, strengthen a very fragile democracy.

Mr. BURTON. Well, the chairman and I and others who have worked on the Western Hemisphere for a long time, we understand what you are talking about, what they are up against down there. It just seems to me that there ought to be some way to put some pressure on the government to bring about change, and if you are talking about civil government or civil society there being able to put pressure on the government to bring about change, I would like to, as a former chairman and as a member of this subcommittee, I would like to have your recommendations, and I think the chairman would as well, so that we can take a hard look at them and see if we can implement some of those to bring about change, because we are having a heck of a time right now, as the chairman knows, with the economy of the United States and the money that we spending. And we are going to spend a couple, $3 trillion or $4 trillion in the next 3, few years. And you know, this may seem like an insignificant amount of money, but if we can't straighten out a friend, a neighbor down there, and the governmental corruption that is taking place, then why not save that money and use it here.

Ms. ISAACS. Just to, can I quickly in 2 seconds just say that what I think the most effective, and I would be happy to assist in any way possible, but I think that the diplomatic pressure that the U.S. could bring to bear from above and coupled with mobilizing, galvanizing and empowering groups from below would actually go a long way to strengthening Guatemalan democracy. And I have all kinds of ideas about how to do that.

Mr. ENGEL. Well, thank you very much.

I am going to give Mr. Schneider a chance to be quick and answer, and then I am going to turn it over to Mr. Sires for questions.

Mr. SCHNEIDER. If I could, Mr. Burton, it seems to me that you can't do only one thing. Yes, support civil society. There was recently, the government agreed with the archdiocese and the university on a national accord for security and justice, about 100 good things, in terms of commitments and priorities. Yes, we should figure out a way how to support them using civil society as a mechanism.

But I don't think you can turn away from the work that CICIG has done. Remember, among their attorneys are very brave Guatemalans who are taking a risk in going after the corruption within the system. At the same time, there are some of those within the system who are trying to get rid of what remains, if you will, the stain from drug traffickers. So I don't think it is a question of either/or. But I agree with you that you need to be clear and focused in the message. And if anybody who is a significant power holder, whoever it is, is blocking that, the message from the U.S. needs to be quite clear.

But there is also, remember, there has been nothing yet that has proven that the statements or accusations in that video with respect to the President are accurate.

What I think you do have to do, though, is make sure that we provide the support to CICIG to go after whoever is responsible for that murder, as well as the others.

Mr. ENGEL. Thank you.

Mr. Sires.

Mr. SIRES. Thank you, Mr. Chairman.

As I sit here and listen to your comments, I just want to follow up on what Mr. Burton said. You know, we are looking at a country that is controlled 40 percent by the cartel. That is what somebody said before, 40 percent of the country is controlled by the drug lords.

Mr. SCHNEIDER. Territorial.

Mr. SIRES. Territorial.

You are looking at ineffective police. You are looking at corrupt officials.

You are not asking for the army to step in and try to do something about the situation. You feel that we should empower the police, but yet the police is not effective.

You talk about brave Guatemalans. How long are these brave Guatemalans going to be there if all of this is happening around them?

What I am getting at is, there is no one way of straightening this out. How do you straighten this out without the army getting involved, because the police are ineffective? Believe me, I am not a proponent of the army getting involved, but how do you fix the police? How do you fix the corrupt officials without a stronger arm?

I am looking at Colombia because Colombia a few years ago was going to be overrun, and I see the success that they have had.

Mr. STEIN. Mr. Sires, I think that what Mr. Johnson mentioned here is the correct approach. There is a role for each institution. What we are afraid of is that if Guatemala, as Dr. Isaacs mentioned, is remilitarized and we assign an overbearing responsibility to the generals and to the military, we are substituting some distortions for another set of distortions.

Mr. SIRES. But Mr. Vice President, I look at the situation in Mexico; you know, the police are part of the problem.

Mr. STEIN. And who guarantees that the army is made up of angels?

Mr. SIRES. Oh, no, believe me, that is not what I am thinking.

Mr. STEIN. Well, what I am saying, Mr. Sires, is that each institution should have a strategic role to play and a set of very clear-cut responsibilities under the proper oversight, which is another part of the problem. To strengthen that oversight capacity, Dr. Isaacs as well as Mr. Schneider have mentioned the strengthening of civilian institutions as overseers. So we need to work with our own congress as well.

A second set of questions that I think are in order is, how can we transmit to not only U.S. legislators but to other friends, congresses, the set of very delicate balancing acts within these weakened institutions in the face of colossal amounts of money which are many times over what the United States provides as a yearly aid package?

I know this is a big responsibility for each and every one of you to decide, not only on the aid for countries like Guatemala, but for

internal purposes as well, but the amounts of money that the drug cartels can put into service in corrupting private and public structures is of such a nature that we feel it is a typical transnational effort and that if we don't deal with it through a network of countries and governments, it will be impossible to really begin to solve those issues.

Mr. SIRES. So, just to get away from that, the border between Guatemala and Mexico, they basically work, the drug cartels, with impunity, right? There is nothing that stops them?

Mr. Johnson.

Mr. JOHNSON. Representative Sires, it is not to say that there is nothing going on on the borders. There is a lot going on in terms of patrols, and both the police and the military are involved. And the Mexican police and military are involved as well. In fact, Mexico provides a lot of air interdiction for Guatemala, so there is cooperation.

The question is, how much is there? Is it enough to attack the problem? And it really isn't because it is a resource question.

When you look at traffickers that are so well off that they are able to operate jets and turboprops, a lot of them stolen, grant you, but at the same time, if they are able to operate airplanes like that for one-time use, crash land them, and take the cargo across the river, or use semi-submersibles or mother ships out in the Pacific Ocean and then transfer cargos that way, you have got quite a problem.

And it soaks up resources for a country like Guatemala, which has a $5 billion national budget, of which the police get about $100 million and the military gets $150 million. So what they have to do to even begin to approach the problem is, they go back to their congress and say, how much money can you raise in taxes? And they are hearing from their constituents that they don't want to do that. There has to be a meeting of the minds, a consensus, to begin to attack problems like this; otherwise, they are going to be overwhelmed.

The other thing is, as we have seen with Colombia, we withdrew, and I know it is frustrating because there are not many tools to deal with it, but we withdrew from Colombia in terms of engagement in the mid-1990s, and then we had to come back on strong in 1999 and 2000 by supporting Plan Colombia, and it cost us a whole lot more.

The problem is, now, is that we have got Mexico and other countries on Guatemala's border that are also part of the overall equation.

Mr. SIRES. That was going to be my next question. What is the situation on the other borders El Salvador and Belize? Is that the other borders?

Mr. JOHNSON. Honduras.

Mr. SIRES. Honduras.

Mr. JOHNSON. El Salvador and Belize. And Belize is a country that has three light airplanes, a Cessna and two Britten-Norman aircraft, one of which crashed last year, to be able to use in interdiction. It has a long coastline, very little coast guard capability. A lot of the air traffic comes over Belize, and they can't do anything about it, and it goes right into Guatemala.

And then you have got Honduras. It has got the GDP of about Fort Collins, Colorado, to deal with this.

You have got El Salvador, they are doing a little better. But, again, they are hard-pressed just to take care of the situation in their own country. So it is a matter of resources. And when we are talking about that, we are not even getting into the other equation, which is just as important, and that is the administration of justice, civil society, and mending the divisions in society which are going to allow Guatemala and its government to function more effectively.

Mr. SIRES. So you need, in essence, a Plan Colombia for Guatemala?

Mr. JOHNSON. What I am saying is that the Plan Colombia model of comprehensive assistance seems to work a lot better than something that is just a silver bullet here, a silver bullet there.

Mr. SIRES. Thank you very much.

Ms. Isaacs, would you like to comment?

Ms. ISAACS. I want to comment on the range of issues that you have raised.

I think that Guatemala is quite different from Colombia because the history of the military and the history of the country is different. And we have a history of brutal repressive armed conflict perpetrated by the military, which is actually very recent. We also have a military that looks like the police. It suffers from all of the same faults as the police. It is repressive. It is corrupt. It is abusive, and it also resorts to strong arm tactics.

The problem is, for these programs and policies to be actually effective, it also needs to engage the cooperation of communities, and that won't happen.

The other issue that I also want to raise is that drugs aren't the only form of violence in much of rural Guatemala. It overlays a combustible mix that already exists there. And so you need both a Plan Colombia type of approach, perhaps, I mean I have to think that one through, but you need a comprehensive policy that understands the various rural conflicts that exist and the ways in which the military or the police might play into those.

I am thinking in particular of the conflict that I mentioned in my statement about the conflict between mining companies and hydroelectric dams and indigenous communities and the ways in which drug lords have been able to come in and take advantage, or are taking advantage. That, I think, is as a significant problem, nut to crack as it is to figure out who is going to provide the security.

Mr. ENGEL. Thank you very much.

Mr. Green.

Mr. GREEN. Thank you, Mr. Chairman.

I want to thank our panels. I have a district in Houston, and so we have a number of Colombian Americans who actually live in our area, and the relationship between our area and Guatemala is a great deal. It is interesting because about 2 years ago, some members from Foreign Affairs and Armed Services Committees went to Mexico to talk about, at that time, it was right after Merida was announced between President Calderon and President Bush, and we were requested to go there by the Congreso in Mexico, because of the concern that our two Presidents decided this, and now they

are coming to both the U.S. Congress and the Chamber of Deputies and the Senate in Mexico and without any forewarning or any negotiations or discussions with us.

To a person, the members from all three of the major parties in Mexico, the PRI, the PAN and the PRD, said we don't want Plan Colombia. We want something that is much different because of the same concern that I am hearing from our panelists about the army.

What we have now, in fact President Calderon has made the decision that, because of the problems with the police and literally the murders of police chiefs, literally hundreds of them, to utilize the army in Mexico, not just on the West Coast but on the border with the United States, particularly with Texas. And that is not popular in Mexico either any more than Guatemala, and they don't have the history of the military running the government, as in Guatemala.

But you need something different than Merida because, frankly, the amount of money for Central America is very small. In fact, we didn't get what we wanted for Mexico in the technology and things like that that we are trying to do.

It sounds like you are saying we need something like Plan Colombia but for the police forces. And the police forces can often be as brutal as an army, but you need to professionalize them and with that assistance.

Of course, here I am saying that here with Guatemala; we have that same problem with Afghanistan that we found out, although our country needs to learn, and we have learned it in Iraq and Afghanistan, and our closest friends and neighbors to the south, that the best way you can do it is ensure the secure and control for the crime, but also show how people can earn a living and support their families other than being displaced and the cities growing larger because of the displacement from the rural area, so you create poverty in the cities away from the rural area.

The military assistance in Guatemala is conditioned on Guatemala investigating the crimes and the allegations from earlier governments. Do you think that is a hindrance or a benefit to try and deal with some of the past problems, you know, because that is conditioned on the military assistance?

Mr. SCHNEIDER. Mr. Green, thank you very much for the question.

There are two parts, I think, to the answer. One is I think that the conditions do make sense. It is something the Guatemalans themselves in their own commission on historical clarification have asked for.

But your other point I think is even more important. A Plan Colombia that is overwhelmingly aimed at strengthening the military is simply not what Guatemala's history or the threats that Guatemala faces would call for.

In the case of Colombia, you had a major insurgency and not the same kind of threat to civil law from drug traffickers alone. So there was a combination that prompted an effort to provide more support to the military.

You don't have that in Guatemala. In Guatemala, you have a fundamental failure of civilian law enforcement and capability to prosecute and to bring to justice those who commit crimes. And

that needs to be where you start. You may need additional support, as you suggest, much more attention and much more resources and much more effort aimed at strengthening those institutions, that I would agree with.

And I also agree with your other point, that there needs to be an integrated process that deals with the other side, the prevention side, in terms of providing additional support for the rising number of young people who have no jobs, no education and no hope and are easily recruited, if you will, by the maras and by organized crime.

Ms. ISAACS. I think that the way you phrased it is actually terrific just now and the question that you posed. Maybe because it is music to my ears, and it is what I work on, but I want to say a resounding "yes" to the last part, that I think the connections between the two are central. And I would say they are central. As a political scientist, we talk about it in terms of something we call political learning.

And I see sort of the need to bring about a change in attitudes, and a change in the way that the institution behaves, and a change in the understanding of what is legitimate and illegitimate and acceptable and unacceptable patterns of behavior. It is one way in which the past connects to the present and the future in terms of the role of the military in society.

I would say it has two additional benefits. One is a more institutional version of reform that goes beyond attitudes to restructuring the roles of the institution in light of what we learn from prosecution of wrongdoing.

And the third element would be the purging of wrong-doers who still exist within military ranks.

I would also just, since I have this mike here, say that in terms of preventing sort of the recourse to violence, people joining gangs, people becoming involved with organized crime, I would say that there are two questions. One is poverty, which you rightly signal, and finding ways and alternatives out of that poverty. The other issue is political inclusion and political participation. For me, it is both social and economic, but it is also gaining political access.

Guatemala is really a society in which the majority of the population are effectively politically excluded.

Mr. GREEN. Mr. Chairman, if I could just ask, my concern is that sometimes we impose restrictions on military assistance and other things that actually is a hindrance to our country. I have heard that many times from the Department of Defense, but Vice President Barillas, that is not a problem in Guatemala?

Mr. STEIN. We have a long history of dealing with U.S. conditions in Latin America, not only toward aid packages but toward other kinds of packages.

As a Vice President in office, I visited Washington at least three times to try to convince legislators to change that and to allow for a fresher vision to sift through these impediments and allow for new technology and know-how to be able to be disbursed not only as dollars but know-how, really, in terms of the training of a new type of law enforcement people and the training of a new type of Army.

Sometimes these impediments are really the only way in which U.S. legislators find, through just stopping the disbursement of funds to a particular institution in one country, like the army in Guatemala, as a way to call for action in other areas within the Guatemalan state. We understand that.

But the nature, the scope, the depth and the gravity of the challenges that we are facing in security issues for all of Guatemalan society, I honestly think that they do call for a revision of those impediments, as long as they are dealt with in the kind of proposals that we have heard from the panel or the witnesses today.

Mr. GREEN. Thank you.

Mr. Chairman, maybe we need to look at that. I know on military assistance, but if we went past the military and went directly to local law enforcement, maybe those same conditions wouldn't apply, except oversight over that.

Mr. ENGEL. Thank you, Mr. Green.

Mr. Payne.

Mr. PAYNE. Thank you very much, Mr. Chairman, for calling this very important hearing, and it is certainly interesting listening to the witnesses.

I just have a question in the write-up we got from the Congressional Research Service. They mentioned that Guatemala has one of the highest murder rates in Latin America and that, by the end of 2008, even though the rate of murder decreased in the first 3 months of Colom's tenure, that the murder rate in 2008 increased 8.3 percent; and 2009, 15 percent above that. However, we did note that the election of the current President was more of a person that the poor, the rural poor, and others who were able to vote this time sort of unimpeded, sort of elected him.

So I am wondering, is there anyone who can explain to me, why do you feel there has been an increase? Do you think it is because of the drug cartel? Is it opposition to the current government? Does anybody have a fix on what might be attributed to the increase in murders?

Mr. SCHNEIDER. There is no question that the increasing encroachment of the cartels into Guatemala over recent years has been the major factor in increasing the number of homicides within the country. If you look at the trend line, in terms of the increase of homicides, it basically does follow the arrival of the Gulf Cartel to challenge the Sinaloa Cartel for territorial control, and an increase in the use of Guatemala as a transit point in moving drugs from South America north. It is not the only, but it is the major factor, I would say.

Mr. STEIN. Undoubtedly, organized crime plays a major role in this increase. But there is a much more complex grid of dynamics playing in the Guatemala situation. And as a matter of fact, in all of Latin America, where we have seen a considerable and dramatic increase of citizen violence over the last 12 or 13 years; in the case of Guatemala, where we have 18 homicides per day as an average, most of which are young males, what we are up against is a state of extreme inequality within Guatemalan society and extreme impunity, which none of those crimes are being properly investigated and prosecuted with the exception, according to this study that with Swedish funds that was made 4 years ago, only 2 percent of

the homicides get investigated enough to go to court and just 1 percent does ever merit a sanction.

So Guatemalan society has grown accustomed, throughout the 36 years of internal armed conflict and then the 13 years of democratic life after the conflict was over, to this generalized atmosphere of impunity in which, because crimes are not dealt with through the proper channels of authority, are not prosecuted and do not receive the proper legal punishment, then the population at large has resorted in this system of high inequality to other means of settling disputes, other means of securing their own well-being or the resources they need. Or if you have the look through the demographics of Guatemala in which 70 percent of the population out of 13 million inhabitants are below 30 years of age, it is an extremely young country. A quarter of a million youngsters go to the labor market every year, and the economy cannot absorb them. So they either migrate illegally to the north, or they have to become part of this illegal economic system that prevails.

Ms. ISAACS. I looked up a few statistics just to give you a sense of this, some of the most recent ones. And just to support what has been said here and then to say two other things, one is that the top 20 percent of the population in Guatemala gets two-thirds of all of the income of the country. So that gives you a sense of the degree of inequality that prevails.

The other thing I would say is that, in the context of impunity, impunity generates more crime. And in the case of Guatemala, it tends to generate more crime also because people tend to find their own violent ways of resolving, of solving conflicts. And they in turn, violence breeds more violence in the presence of impunity and the absence of a judicial system that you can either trust or access. So these are additional problems that Guatemala faces.

The other legacy of the armed conflict, which again is very, very recent, so this is coming in the context of this, is that there is a lack of respect for human life, which is a system that is very tolerant of violence, strikingly so if one goes to Guatemala.

Mr. PAYNE. Well, let me thank you very much.

From what I understand, Guatemala has one of the most inequitable distributions of wealth in the world, and it is kind of shocking. And I agree, when the authorities really have very little regard for people at the bottom, that is what they do, and you go about your business, which is unfortunate—well, hopefully we will be able to come up with some constructive ways to perhaps assist the new government.

At least we see that evidently the person elected President intends to, wants to, alleviate the problems of the poor. Of course, it is a gigantic task that it seems like he has before him. But we will certainly try to see whatever we can do to assist the situation.

Thank you, Mr. Chairman.

Mr. ENGEL. Thank you, Mr. Payne.

Let me ask one last question which doesn't have much to do with everything we have talked about. I think we have covered all of the important issues very, very quickly; very, very thoroughly I should say, and I appreciate that very much.

In his inaugural address, President Colom vowed to put what he called a Mayan face on his government in a country in which the

indigenous majority has often been excluded from the political mainstream.

Mr. Payne, of course, was referring to that.

Has the President lived up to his promise? And what more needs to be done? We find that we have this problem in many of the countries in the hemisphere where the indigenous population is pushed aside and taken for granted and not in the political mainstream at all.

Does anyone want to give that question a shot? Is a Mayan face on the government of President Colom?

Mr. SCHNEIDER. I mean, I think the answer from all of us is, not enough has been done. When you look at the disparity between access to education, and access to health care, access to jobs, access to justice, between the Mayan population and the general population, it is clear from every study, and the World Bank just did a study on poverty in Guatemala about 2 or 3 years ago, and it showed huge disparities in everything, including access to prenatal care. There is no area where there is anywhere near a similar access for the Mayan population to services as for the general population.

And while the government has begun to do certain things in the rural areas, much more needs to be done. And part of the response should be finding ways to engage the Mayan community itself in helping to define which programs are needed, which ones are most successful.

One of the ways we have argued, in response to the fiscal crisis now, is that Guatemala needs to look at the same thing that Brazil has had, a conditional cash transfer, that would go to the individual. That would provide additional resources to the poor and particularly to the most vulnerable, in this case the Mayan population. That kind of cash transfer would be somewhat of a safety net for the vulnerable populations.

Mr. ENGEL. Thank you.

Dr. Isaacs.

Ms. ISAACS. The answer here is also a resounding no. It is actually quite shameful, the distortion between the campaign promises and what has been delivered in the first year and a half. So there is one Mayan cabinet minister. There are 18 indigenous deputies in a chamber of 158, which is about 11 percent of the chamber, although the Mayans represent over half of the population.

As Mark Schneider said, we see the socioeconomic disparities that the Mayan community faces. There have been cash transfer programs that have been introduced, and the challenge remains, and I want to underscore what Mark said toward the end, is to find a way to empower Mayan communities so that somebody non-Mayan or somebody can purport to speak and to claim a Mayan face. The challenge, and I think U.S. policy can make a considerable difference there, is enabling Mayans with a Mayan face to speak for themselves.

And in the segment of my written statement where I talk about citizenship rights and access to education and higher educational opportunities, that Mayan communities, Mayan individuals desperately need so that they can find an entree into leadership positions in a variety of fields which will enable somebody else not to

assume that face but for them with a Mayan face to speak in concert with others.

I would also like to say that the election of Obama has proven a tremendous inspiration for Mayans in Guatemala. And they have, in fact, many of the people, my colleagues whom I know and have worked with for years, have done an about face in the past 2 years or so as they have watched the U.S. electoral campaign and the election of Obama. And they have moved from a vision of political power that was much closer to following in the footsteps of Evo Morales in Bolivia, to embracing a kind of post-racial order that Obama has so inspirationally put forward here in the United States.

So I think that if there was some way to encourage that, to enable that to come about in Guatemala, we would be looking at a society that would finally have overcome the historical divisions and historical polarization that has been the source of armed conflict for 36 years and long before. So I think it is a challenge that the United States is well suited to pursue in the Guatemalan case.

Mr. ENGEL. Well, Dr. Isaacs, I think we will let that be the last word, unless somebody has a great urge to talk, because I think that was—Mr. Stein, I don't know if your hand is up or not. I can't tell.

It is. Okay, we will let you have the last word.

Mr. STEIN. I am not perhaps the appropriate person to speak about President Colom's promise to give a Mayan face to his government because part of my responsibility as a Vice President was precisely to open up opportunities of participation to the Mayan people as well as the Xinca and Garifuna people in my country.

But going beyond the face, I think it is important to open up options for a voice and a thinking of those communities, and we have an enormous baggage of cultural and deep-rooted religious thinking in those communities that we have to learn from. Perhaps part of the divisions and part of the different sharp ravines that have existed could be bridged rather easily if we start looking at it from a different perspective, Mr. Chairman.

If you look at local governments, more than half of the mayors of the country are from indigenous origin. So it is just a matter of strengthening those opportunities for indigenous leaders to participate in decision-making decisions, but on their own right, not as a condescending position from the non-indigenous population.

Mr. ENGEL. Thank you very much. We will let that be the last word from the panel.

First of all, I want to thank all four of you for very excellent testimony. And you know, I have been doing this for a while now. And I was really struck by the fact that there was virtually no disagreement among the four of you. A little here and there, but not really. I think that speaks volumes for what really needs to be done in Guatemala.

The purpose of this hearing is for the subcommittee to obviously find out and explore and have expert witnesses come and tell us what they think. But it seems to me that we pretty much know what the problems are and what really could or should be done to get at the problems. I just was very taken by the fact that all of you not only contributed but all were in agreement. I think this is

a very good step in letting the Congress see the problem with Guatemala.

Obviously we haven't had hearings for each country in the hemisphere, and the fact that we singled out Guatemala, we did it because we know it is important. We know that while we are on the northern border of Mexico, they are on the southern border of Mexico. And, therefore, we know what happens in Guatemala affects the United States. There is no way that we can put our head in the sand and pretend that it is over there and doesn't affect us or touch our borders and therefore we can think about it as something that is far away. It is not far away. I think you all made that very, very clear. We need to do something about it.

I hope that the administration will take heed, and we will be working with them to coordinate policy, U.S. policy, for the region. I thank the witnesses for excellent testimony.

The subcommittee hearing is now closed.

Thank you.

[Whereupon, at 3:58 p.m., the subcommittee was adjourned.]

APPENDIX

Material Submitted for the Hearing Record

SUBCOMMITTEE HEARING NOTICE
COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C. 20515

SUBCOMMITTEE ON THE WESTERN HEMISPHERE
Eliot L. Engel (D-NY), Chairman

June 3, 2009

TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

You are respectfully requested to attend the following OPEN hearing of the Subcommittee on the Western Hemisphere to be held in Room 2172 of the Rayburn House Office Building:

DATE: Tuesday, June 9, 2009

TIME: 2:00 p.m.

SUBJECT: Guatemala at a Crossroads

WITNESSES: His Excellency Eduardo Stein Barillas
Former Vice President
Republic of Guatemala

Anita Isaacs, Ph.D.
Benjamin R. Collins Professor of Social Science
Associate Professor of Political Science
Haverford College

The Honorable Mark Schneider
Senior Vice President
Special Adviser on Latin America
International Crisis Group
(*Former Director of the Peace Corps*)

Mr. Stephen Johnson
(Former Deputy Assistant Secretary of Defense for Western Hemisphere Policy)

By Direction of the Chairman

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee as noted above.

COMMITTEE ON FOREIGN AFFAIRS

MINUTES OF SUBCOMMITTEE ON *The Western Hemisphere* MEETING

Day *Tuesday* Date *06/09/09* Room *2172 RHOB*

Starting Time *2:21 p.m.* Ending Time *3:58 p.m.*

Recesses [ ] (____ to ____)

Presiding Member(s) *Eliot L. Engel*

CHECK ALL OF THE FOLLOWING THAT APPLY:

Open Session [✓]
Executive (closed) Session [ ]
Televised [ ]

Electronically Recorded (taped) [✓]
Stenographic Record [✓]

TITLE OF HEARING or BILLS FOR MARKUP: *(Include bill number(s) and title(s) of legislation.)*

"Guatemala at a Crossroads"

SUBCOMMITTEE MEMBERS PRESENT:

Eliot L. Engel, Dan Burton, Albio Sires, Gene Green, Donald M. Payne, Barbara Lee

NON-SUBCOMMITTEE MEMBERS PRESENT: *(Mark with an * if they are not Members of HIRC.)*

HEARING WITNESSES: Same as meeting notice attached? Yes [✓] No [ ]
(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: *(List any statements submitted for the record.)*

ACTIONS TAKEN DURING THE MARKUP: *(Attach copies of legislation and amendments.)*

RECORDED VOTES TAKEN (FOR MARKUP): *(Attach final vote tally sheet listing each member.)*

Subject	Yeas	Nays	Present	Not Voting

TIME SCHEDULED TO RECONVENE _____
or
TIME ADJOURNED *3:58 p.m.*

Subcommittee Staff Director

Opening Statement of Congressman Dan Burton,
Subcommittee on the Western Hemisphere
Title: "Guatemala at a Crossroads"
June 9, 2009

On behalf of Ranking Member Connie Mack, who regrettably could not be here today, I would like to thank the Chairman for holding this hearing. I would also like to thank our distinguished witnesses for being here today and I look forward to hearing your thoughts on the current situation in Guatemala.

Mr. Chairman, you and I have a long history of working together on issues related to Guatemala going back to when I was fortunate enough to Chair this subcommittee. We spent a considerable amount of time particularly working to bring attention to crimes against women in Guatemala and to emphasize the necessity of institutions that establish justice. Without a transparent and effective justice system that protects victims and prosecutes the guilty, there is no rule of law. Those who have perpetrated violence against those who have only a small voice in government must be prosecuted to the fullest extent of the law.

I am glad that Guatemala continues to be a focus for this subcommittee because Guatemala still confronts many of the challenges that you and I have discussed in the past; including the fact that seventy-five percent of the population of Guatemala lives below the poverty line and only one-third of Guatemalan children ever attend secondary school.

At the same time, the drug trafficking, which is becoming more bold and violent throughout the hemisphere, thanks to the growing involvement of criminal transnational gangs or *maras*, has become part of everyday life for Guatemalans. Violence fueled by the powerful drug traffickers is a growing problem. In December of last year the Guatemalan army stated that parts of the country's territory are not under its control. More than 6,000 people were killed in Guatemala in 2008 and reports from police indicate that the majority of the killings were linked to the drug trade. Considering that Guatemala already had one of the highest murder rates in Latin America, at an average of 17 homicides per day, the spike in drug-related killing makes Guatemala one of the most dangerous and lawless countries in the entire region. In fact, right before his departure from office, our distinguished guest, Vice-President Stein, warned that Guatemala was on the brink of becoming a "narco-state." And if the allegations made against Guatemala's current President are even remotely true, he may be correct that the very fabric of Guatemala's institutional democratic system is at risk.

Once the drug traffickers take hold it is very hard to uproot them as evidenced by the bloody campaign President Calderon is waging to eliminate the drug cartels in Mexico; and we have seen improvements there. Unfortunately, as we all know, drug gangs are able to be more effective where the local law enforcement and legal infrastructure is not as sophisticated and located just southeast of Mexico, Guatemala is viewed as an ideal base of operations for the Mexican cartels. In fact intelligence reports indicate that since early 2008, organized Mexican drug gangs have infiltrated Guatemala's northern and eastern provinces. In addition, the State Department's 2009 International Narcotics Control Strategy Report now lists Guatemala as a

major transit country for cocaine and a producer of opium poppy that is processed into heroin in Mexico for sale in the United States.

Despite the misgivings of some, it is not in the best interests of the United States to allow Guatemala to become a narco-state or a failed state. Guatemala remains a strategic country, and a potential anchor for longer-term stability in Central America. The United States must pay close attention to this situation, considering Guatemala's position in Central America. I firmly believe that we must do whatever we can to strengthen the rule of law in Guatemala and help to establish programs that build a stable society. Programs to improve training for judges and local prosecutors, retrain current legal professionals, update law school curricula, build new courtrooms, and improve forensic technology can build more effective institutions of government, which bring about the rule of law without fear or favor; an essential criteria if Guatemala's democracy is to reach its full potential and benefit all members of society. Many on the margins of society will never acquire a stake in democracy and capitalism if these institutions are not strengthened. In addition, these institutions will not last if we do not ensure that law enforcement programs remain vital in the fight against these criminals.

The first step in bringing Guatemala back from the brink is to help reduce narco-violence in the country. The success of Plan Columbia proves that we can take back a country from the nacro-terrorists and criminals. I am cautiously optimistic that the Merida initiative in Mexico and Central America will ultimately prove as successful as Plan Columbia. However, as drug trafficking is a criminal enterprise without respect for borders, I suspect we're going to need to move beyond country specific programs to a more expansive regional perhaps even hemispheric effort in order to be truly successful.

For the moment, I look forward to hearing today some ideas from our distinguished panel on these and other important issues affecting the people of Guatemala.

Thank you.

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