

**ADVANCING U.S. INTERESTS IN THE
WESTERN HEMISPHERE: THE FY 2015
FOREIGN AFFAIRS BUDGET**

HEARING
BEFORE THE
SUBCOMMITTEE ON
THE WESTERN HEMISPHERE
OF THE
COMMITTEE ON FOREIGN AFFAIRS
HOUSE OF REPRESENTATIVES
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WEDNESDAY, APRIL 9, 2014

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

The subcommittee met, pursuant to notice, at 2 o'clock p.m., in room 2172 Rayburn House Office Building, Hon. Matt Salmon (chairman of the subcommittee) presiding.

Mr. SALMON. A quorum being present, the subcommittee will come to order.

I will start by recognizing myself and the ranking member to present opening statements. Without objection, the members of the subcommittee can submit their opening remarks for the record.

Now I yield myself as much time as I may consume to make my opening statement.

Good afternoon, and welcome to the hearing on the FY2015 budget and how the request advances U.S. interests in the Western Hemisphere. I am grateful to U.S. Assistant Secretary of State Roberta Jacobson and USAID Assistant Administrator Beth Hogan for coming here to testify before this subcommittee.

As you both know, in these times of tight budgets, our strategy and policy in the Western Hemisphere has got to be focused on and reflect our vital national interests. By virtue of our proximity and cultural ties, our economic relationship with much of the Western Hemisphere is strong and increasingly integrated. Our free trade agenda over the years has been instrumental in building peace, prosperity, and the rule of law in our region.

Since more than half of all of the free trade partners that we have are in Latin America, U.S. businesses and the American people stand to benefit from the strong trade and investment relationships that we enjoy with these wonderful neighbors.

Assistant Secretary Jacobson, I commend your efforts to build on these relationships, including your important work on the Mexico High-Level Economic Dialogue and ongoing Trans-Pacific Partnership negotiations. The work you and your colleagues do to support the Commerce Department's "Look South Initiative" is instrumental in helping U.S. small businesses to learn more about growing export opportunities that exist right here with our 12 hemispheric free trade partners. It has been a priority of mine that this

subcommittee be a loud voice in favor of exporting our values of free enterprise in open markets to promote economic growth and energy security in our region. And, I have long believed that we have a real opportunity to achieve energy independence right here in the Western Hemisphere, thanks to our own energy renaissance, Mexico's historic energy reforms that promise to increase production, and Canada's vast resources.

While the administration continues its efforts to combat climate change and reduce emissions in the Americas, it inexplicably stone-walls approval of the Keystone XL Pipeline project. The Keystone XL project would produce U.S. jobs and increase energy security, and State Department's own Environmental Impact Statement released in January concluded that it would not alter global greenhouse gas emissions.

I believe that we must balance our environmental stewardship with economic growth and energy security. My concern is that the environmental agenda reflected in the administration's budget for the region has not been balanced by a commitment to enhancing our energy security today. This is plainly seen in the administration's hostile delay of the approval of the Keystone XL pipeline, damaging our U.S. energy security and diplomatic ties with Canada, without, in the administration's own estimation, providing any commensurate benefits to climate or emissions reduction goals.

Our strategy for the Western Hemisphere should be to continue to promote free trade, economic growth, and prosperity. To achieve this, we have got to insist that our regional partners uphold respect for democratic institutions, values, and the rule of law. Without this, peace and prosperity are in peril.

Nowhere is this truth more evident than in Venezuela today, where opposition leaders and students are being imprisoned without charges, demonstrators beaten, and at least 39 people have been killed at the hands of Venezuelan police and paramilitary forces.

The Organization of American States, 40 percent funded by the American taxpayer, has been co-opted by the populist anti-democratic left of Latin America, and has been shamefully silent in the face of violence of impending economic catastrophe brought on by President Maduro's authoritarian policies.

As I said to Secretary Kerry at a recent hearing, it is increasingly difficult to justify to the American people the continued funding of such a feckless organization that actually works against our interests and our values. The United States must stand with the people of Venezuela with more than words, and I will be interested in learning what specifically the administration plans to do to compel Maduro to cease these attacks against his own people.

Meanwhile, a year after Cuba was caught red-handed violating U.N. sanctions and shipping weapons to North Korea through the Panama Canal, the U.N. has yet to take strong actions to punish Cuba for this egregious violation. And Cuba continues to repress its people, while exporting its repressive tactics around the region, fueling the anti-democratic policies of Maduro, Morales, and Correa.

Also among the region's authoritarian and anti-democratic bad actors we have Bolivia and Ecuador. In Bolivia, authoritarian pop-

ulist President Morales has made a political calculation to reject the United States, expelling our Ambassador, DEA, and USAID.

While right sizing of that Embassy has reduced the number of U.S. officials and family members dramatically, in my estimation we remain too large a presence for what the relationship with Bolivia gives us.

The Department maintains that it is important to keep a pilot light on in the eventuality of a new government. While it can be argued that the costs of moving officers and their families, paying for housing, utilities, and schools for their dependents is a drop in the bucket compared to the overall Western Hemisphere budget, our relationship with Bolivia does not, I don't think, warrant the current presence.

Moreover, the constant threat of being declared *persona non grata* makes the everyday work of a Foreign Service Officer very difficult. And, cowering for fear of expulsion from Bolivia should be beneath the United States.

In Ecuador, the administration has been looking for ways to engage President Correa. While I have yet to receive a good overview of Secretary Kerry's telephone call with Ecuador's Foreign Minister, I do know that the Government of Ecuador continues to systematically suppress freedom of expression, threaten opposition and crackdown on civil society groups.

Meanwhile, Ecuador is on the blacklist for its permissive money laundering environment and has been arbitrarily changing trade and investment rules, creating an unpredictable environment for U.S. business interests. I will be interested in learning what the administration's policy will be toward Ecuador going forward.

Like Bolivia, the current posture of keeping our heads down for fear of expulsion should not be the chosen route for dealing with authoritarian governments that systematically attack democratic values and rule of law in our hemisphere.

Recent subcommittee testimony revealed a growing Russian presence in the region, along with Iranian and Chinese influence. Just as Secretary Kerry declared an end to the Monroe Doctrine, Russia has announced their intention to set up strategic bases in Cuba, Nicaragua, and Venezuela. The American people want to know what the administration's strategy is in dealing with this increased presence of our adversaries.

Finally, I, personally, am concerned with parts of USAID's family planning focus in the region. As a father of four children, I do not object to helping underserved indigenous women obtain prenatal care. But when I learn we are providing morning after pills and sterilization services, I can't help but think this is merely pro-abortion and pro-sterilization activists using taxpayer money to spread their anti-life orthodoxy to the poorest region of the Americas. This, to me, is not only an affront to the taxpayer, but it is a sinister and shameless part of, I believe, this President's anti-life agenda.

We agree that the Western Hemisphere is vibrant and rich in resources, innovation, and human capital. With headlines mostly dominated by crises and challenges outside our hemisphere, it is imperative that we do not lose sight of the strategic importance of this region.

I know you all agree with that. I look forward to hearing your testimony and working closely with you to better address our strategic interests right here in our neighborhood.

And, with that, I would like to recognize our ranking member, and you may want to defer to our ranking member on the full committee.

Mr. SIREN. I don't think so.

Mr. SALMON. You don't think so? [Laughter.]

If only he wasn't such a great guy, we wouldn't want to do that, would we?

Mr. ENGEL. I thank the chairman, my friend from Arizona, and my buddy from New Jersey. As the ranking member of the Foreign Affairs Committee, I want to thank both Chairman Salmon and Ranking Member Sires for holding today's hearing. Myself, as the former chairman of the Western Hemisphere Subcommittee, I feel very much at home coming back here.

Let me first thank Secretary Jacobson for her continued excellent work in promoting an active U.S. policy in the Americas. We have worked closely together through the years, and I appreciate your hard work, your smarts, and your professionalism. So thank you very much.

The Obama administration has set a new tone of partnership in the region. I am particularly appreciative of Vice President Biden's important new role on Western Hemisphere issues. While U.S. attention has understandably been on Ukraine in recent weeks, we cannot ignore the brave student protesters in Venezuela who have been unjustly repressed by President Nicolas Maduro.

I am grateful for President Obama and Secretary Kerry's strong statements condemning the Maduro government's actions. At the same time, I am disappointed by the silence of OAS member states, many of which suffered domestic repression in the recent past.

As this subcommittee is well aware, our actions at home have a major impact on our neighbors in Latin America and the Caribbean. This is particularly true with regard to the massive U.S. demand for illegal drugs and the continued flow of firearms from the U.S. to Mexico.

Today I sent a letter to President Obama signed by 81 of my colleagues asking him to stop the import of military-style firearms into the United States as provided under the Gun Control Act of 1968. Enforcing this ban, as did Presidents George H.W. Bush and Clinton, would serve the dual purpose of improving public safety in the United States, and reducing drug-related violence in Mexico, where there have been approximately 70,000 organized crime-related deaths since December 2006, including the death of a young man in my district.

In addition, it has been 43 years since President Nixon declared a war on drugs. Our programs have recorded a mixed record of success, and I think the time has come for an unbiased expert review of America's counternarcotics policies in our hemisphere.

I, therefore, plan to reintroduce legislation, which passed our committee and the full House in 2009, to create an independent commission to evaluate U.S. drug policy in the Americas. I believe this commission will help us to better understand which counter-

narcotics policies work, which do not work, and how we can have a better counternarcotics policy moving forward.

I want to mention just two other things before I close, and that is what has always struck me about Latin America and the Caribbean is how a little bit of money goes a long, long way. U.S. foreign aid is less than 1 percent of our budget. And I know we are always looking to save money, but the fact of the matter is it could really make the difference in many of these countries, not only the difference in improving the lives of people living in these countries, but the difference in terms of forging a permanent and close working relationship with the United States. That is why I feel we should be expanding our aid in the Western Hemisphere. It really, really goes a long way.

And the last thing I want to raise is Cuba and Alan Gross, because he started his hunger strike, and I am totally in sympathy with him. We have got to find a way to bring him back. I think that there are many things which to me, through the years, have shown the brutality of the Castro regimes. I think the incarceration of Alan Gross is just par for the course, and we need to do everything we can to get this American citizen back home where he belongs, with his family.

So thank you, again, to the witnesses for being here today, and for your continued commitment to these important issues. Assistant Secretary Jacobson, Ms. Hogan, thank you both.

Thank you, Mr. Chairman.

Mr. SALMON. I thank the former chairman and ranking member. We are really thrilled to have you here today.

Mr. ENGEL. A lot of titles.

Mr. SALMON. Lots of titles.

And I am going to go out of order, and recognize the gentlewoman.

Ms. ROS-LEHTINEN. Thank you so much, Mr. Chairman. Welcome to our witnesses. I remain increasingly concerned over the lack of action by the Obama administration against the human rights abusers in Venezuela. According to reports, there are 39 people killed, nearly 60 reported cases of torture, more than 2,000 people unjustly detained, hundreds injured, and what do we get from the administration? Almost absolute silence.

Leopoldo Lopez, who has been unjustly detained in a military prison for almost 7 weeks, now faces a 14-year prison sentence just for protesting peacefully to promote democratic principles. And, again, from the administration, crickets. Has anyone from our Embassy even visited Leopoldo behind bars? Have we made that public? Will the U.S. accept the Venezuelan request to put an Ambassador in DC at the OAS?

As you know, opposition leader Maria Corina Machado was prevented from speaking the truth about the crisis in Venezuela, was stripped of her position in the legislature, and what was the response from the administration? Nada. It is shameful that the Obama administration continues to neglect the suffering of the Venezuelan people. Maduro has accepted this proposal by UNASUR to broker a peace talk between the government and certain factions of the opposition. It is not supported by the opposition as a group.

I remain very skeptical of this smoke and mirrors deal, because I don't believe that UNASUR is an honest broker. The Venezuelan opposition cannot negotiate if they have a gun pointed at their head. Brazil has shown time and time again its unwillingness to support human rights. Colombia is at the mercy of Venezuela and the Castro regime, due to its misguided negotiations with the FARC. In Ecuador, Correa remains on the side of Maduro also as he tramples on democratic reforms.

And yesterday Secretary Kerry testified in the Senate that the U.S. does not want to act in Venezuela because of these bogus negotiations. But these protests have been going on for 2 months. Now we are using this sham of negotiations as an excuse to not help the opposition, at least not take action to help them in any way.

The President, as we know, issued Executive Orders to sanction Russian violators of human rights abuses, and even up to last week, Mr. Chairman, the President issued an Executive Order authorizing sanctions for South Sudan. So I ask, "Why can the administration not issue the same order today on Venezuela and hold human rights violators accountable?"

And what kind of regime in Venezuela are we dealing with? As we know, it is a serial human rights abuser of a country. Our own GAO report states, "Venezuelan officials, including those in the National Guard, have been bribed to facilitate cocaine shipments across the border with Colombia." The Venezuelan National Guard poses the most significant threat because the Guard reports directly to the President.

This example illustrates the direct authority by the executive over the National Guard that is responsible for the killings in Venezuela with the help of the Castro regime and the involvement of narco-trafficking.

The administration could do so much, Mr. Chairman, as you know. It is shameful to have this silence, because Maduro hears this silence. Now we are going to use the excuse of this new negotiations period, but this negotiations ruse is a new trick. The protests have been going on for weeks, and we have not done anything.

And, lastly, Mr. Chairman, thank you for the time on Haiti. I was glad to lead a bi-partisan small delegation to Haiti, and we were very happy to see improvements in our program, but of course there is still so much work left to be done.

And I wanted to ask about two specific items that we saw in our trip. We visited the SONAPI Industrial Park. We met a factory owner named Stephan Coles, and his company is interested in expanding the operations to the north at our Caracol Industrial Park, and it provides good, quality jobs, but he believes that USAID has not cooperated fully in this matter.

And, secondly, we visited Project Medishare, which is Haiti's only critical care and trauma hospital, and is run by a constituent of mine, Dr. Barth Green, at the University of Miami. So the hospital is having electrical troubles, et cetera, wants to expand its operations, and I hope that your office is able to help both of these programs in Haiti.

Thank you very much for the time, Mr. Chairman. Thank you.

Mr. SALMON. I recognize the ranking member.

Mr. SIRES. Thank you, Mr. Chairman. Good afternoon, and thank you to our witnesses for being here today.

Today's hearing on the Western Hemisphere's Fiscal Year 2015 budget appropriately follows the subcommittee's previous discussion on U.S. engagement in the hemisphere. That debate, and today's discussion, occur in the context of exceedingly greater and complex foreign policy challenges in a region that has evolved to become increasingly less reliant on the United States.

While I do not believe the U.S. is implicitly attempting to disengage from the Western Hemisphere, years of focus elsewhere have come at the expense of a policy toward the Americas. Hence, otherwise laudable achievements have been overshadowed by the combination of an increasingly independent, ideologically diverse region, and new and lingering challenges, challenges to democracy and citizen security, and decreasing U.S. foreign aid.

The administration's Fiscal Year 2015 request of \$1.3 billion is 10 percent below the 2014 estimate, and 27 percent lower than Fiscal Year 2012, all of which has given way to the perception that the United States is not paying appropriate attention to our hemisphere.

As the foreign landscape evolved, so, too, has our respective diplomatic, economic, and security policies. The U.S. may have been preliminary in the direct foreign aid business, but as countries have demonstrated the economic and institutional maturity to carry out activities on their own, the U.S. has appropriately adopted its programs to support these countries' capacities to address their challenges independently.

This is particularly true in countries like Mexico and Colombia, which together with Haiti, remain the three largest recipients of Fiscal Year 2015 requests, receiving more than 52 percent of the region's funding. They also comprise the largest cuts to the budget. Compared to Fiscal Year 2014 estimate, Mexico's Merida Initiative is being cut by \$70 million, as focus is shifting to lower cost rule-of-law programs and as Colombia has taken ownership of the security programs, U.S. assistance is decreasing by \$44 million.

We must try to strike a balance between citizen security initiatives and traditional development programs that can ensure peace and economic prosperity. Drug trafficking and organized crime that plague the northern triangle of Central America have spilled over into the Caribbean. Yet, compared to Fiscal Year 2014, funding for CARSII will be cut by 20 percent to \$130 million, and the Caribbean Basin Secure Initiative will be cut by 11 percent to \$57 million.

There are, however, slightly reassuring aid increases at the individual country level. Peru will see a 25-percent increase of \$94 million to support counternarcotics and alternative development. El Salvador, Guatemala, and Honduras will also see increases for traditional development programs to reinforce security objectives. On the whole, the region is a mixed bag of hope, opportunity, disparity, and insecurity.

There are new regional associations, such as ALBA and CELAC, that exclude the United States but have mostly been utilized as a medium to espouse anti-Americanism.

China's economic expansion and Russia's dubious meddling is concerning. However, the U.S. is Latin America's largest trading partner and source of foreign investment. In fact, the U.S. sells more goods to Latin America than China.

Total U.S. trade with the region rose from \$663 billion in 2010 to \$846 billion in 2013, a 27-percent increase. Additionally, cultural norms are being reinforced by trade, travel, and immigration. And U.S. energy cooperation with the region has expanded, but not enough to counteract Venezuela's destabilizing Federal dollars and diplomacy.

Without a doubt, significant challenges remain. Alan Gross remains in jail while Joanne Chesimard roams freely in Cuba. Disparity is abundant, with nearly 30 percent of the region's population living in poverty. Each year hundreds die along our southern border in their aspiration to a better life through crossing into the United States, while others remain threatened by cartel violence.

With the exception of Cuba, democracy in the region has progressed, but is still threatened by organized crime and leaders that have abused executive power. The OAS is divided and has been co-opted by factious or member states that have either abandoned their democratic principle or have all but forgotten their own history with military dictatorships. And every day in Venezuela anti-government demonstrators continue to express their frustration with the deteriorating economic, political, and security conditions in the country.

Finally, in regards to the story regarding U.S. and Cuba's Twitter program, what we have is an attempt toward mystery and intrigue to USAID's human rights and democracy-promoting initiatives, grossly exaggerating the facts. It would be a shame if the intent of this story was rooted in an effort to air grievances with the current U.S. policy or to discredit the hardworking men and women of our foreign, diplomatic, and aid agencies for non-related matters.

It is also unfortunate that some of the media are far more worried about the program that dares to provide the means for the Cuban people to freely communicate instead of highlighting the poor economic human rights condition the Cuban Government imposes on its people.

I commend and wholeheartedly support USAID's democracy promotion efforts in Cuba and wish we could do more to support the desire for freedom of Cubans and the countless others around the world that yearn for democracy in the future.

Thank you.

Mr. SALMON. Thank you.

Mr. Duncan?

Mr. DUNCAN. Thank you, Mr. Chairman. I don't have an opening statement. I will just wait for the questions. I yield back.

Mr. SALMON. Thank you. Mr. Meeks?

Mr. MEEKS. Thank you, Mr. Chairman, and I will be brief. First, I want to thank both Ms. Hogan and Assistant Secretary Jacobson for the fine work that you do, and all of the men and women at the State Department. I think oftentimes the work that you do is unheralded, and you really represent our nation well, as our State Department does as a whole. I think it makes all of the difference in the world.

Earlier today, the full committee had a hearing, Administrator Shah was here, and I think that there was a good feeling, I received anyways, from the work that USAID has been doing around the world in trying to make sure that we are curing diseases and stopping young people from dying. We found out we are getting the best bang for our buck when we work in countries, and especially undeveloped countries, in that way as opposed to circumstances where we have to go to war or anything of that nature.

So I just, first, want to thank both of you for the work that you do here in your capacity, with reference to others like you who are similarly situated in the State Department.

Now, as to the Western Hemisphere, we need to make sure that we focus, and I think that we are starting to do that, on building strong relationships. It is our hemisphere; we share it with the countries in Central and South America and Canada.

And sometimes I think it seems like we spend a lot of time worrying about what other countries are doing in Latin America. The number one factor, I believe, affecting U.S. relations with Latin America is how the United States conducts itself in the region.

So we have to spend, I believe, less time worrying about other countries and more time getting our own policies right in a post-Cold War period. Given what is taking place there now, I might not be able to say "post-Cold War" again, but I just think that how we deal with our neighbors, especially to our south, that it should not be in the same manner that we dealt with them when there was a Soviet Union. I can say that.

You know, during my time in Congress, the world has changed. Latin America, indeed, has changed, and I think that the region is now more capable, more economically secure, and more open to the world. It is not just us, and I think that is good for us in the United States, and we should see the fact that Latin America has a broader set of international relations as an overall positive and not a negative.

Now, not every country in the region is going to agree with us on every issue. I understand that, and I think that is okay. But part of building a partnership means listening to what our other partners want, and trying to understand their point of view. That is what has to happen. So I commend the administration on building strong relationships with some of the more like-minded countries. That is tremendously important. We have got to build upon that.

But I also hope that you keep trying to establish common ground with countries where the relationship is not so easy. Our growing focus should be on issues like education and entrepreneurship and making sure we are also focused on capacity-building. That is another good way to do it.

I think that we are doing it in a good way with a number of our countries who are part of TPP, as we do those negotiations. That is going to help the whole region.

So I will yield back the rest of my time here, but I just want to stop by saying I think that the glass is not half empty; I think it is half full, and I just want to keep filling it up. And I think that we would be better and safer in this hemisphere by working collectively together on that manner.

Thank you, and I yield back the balance of my time.

Mr. SALMON. I thank the gentleman.

Pursuant to committee rule 7, the members of the subcommittee will be permitted to submit written statements to be included in the official hearing record. And, without objection, the hearing record will remain open for 7 days to allow for statements, questions, and extraneous materials for the record, subject to the length limitation of the rules.

I would like to now introduce the panel. First of all, The Honorable Roberta Jacobson is Assistant Secretary for the Western Hemisphere Affairs at the Department of State. She also served as a Senior Coordinator for Citizen Security Initiatives in the Western Hemisphere and as Deputy Chief of Mission at the U.S. Embassy in Lima, Peru.

Ms. Jacobson holds an M.A. in law and diplomacy from the Fletcher School of Law and Diplomacy and a B.A. from Brown University.

Ms. Hogan is the Acting Assistant Administrator for U.S. Agency for International Development, Bureau for Latin America and the Caribbean. Previously, she served as the Director of the agency's Haiti Task Team, overseeing reconstruction efforts after the 2010 earthquake.

Ms. Hopkins holds an M.A. in international public policy from Johns Hopkins University School of Advanced International Studies and an M.A. in national security policy from National War College.

You have all worked with the lighting system many, many times, and understand that when you come to the last minute the light will go amber, and when it turns red we are out of time. If you go a little bit over, I am not going to really call you on it. So say what you need to say. This is too important to not hear everything that has to be said.

So, with that, I would like to recognize Undersecretary—or Assistant Secretary Jacobson.

STATEMENT OF THE HONORABLE ROBERTA S. JACOBSON, ASSISTANT SECRETARY, BUREAU FOR WESTERN HEMISPHERE AFFAIRS, U.S. DEPARTMENT OF STATE

Ms. JACOBSON. Thank you for the promotion, but I am fine where I am.

Chairman Salmon, Chair Ros-Lehtinen, and Ranking Member Sires, Mr. Engel has left, but I was happy to see him again. I am really happy to be back in front of you. It has been a little while since we have talked, but I want to start out by saying how much we appreciate the interest of everybody on this subcommittee.

We have continued to talk in between hearings, and I am so pleased to be here today and speak with you about the priorities for the Western Hemisphere. This subcommittee's support for U.S. assistance, our policies and our engagement in the region have been crucial.

The Western hemisphere, as I think we have all noted, is a vitally important region for the United States. It is home to robust democracies, and our closest trading partners. But the converse is

also true. The United States remains the most influential and essential partner for nearly every country in the hemisphere.

I am well aware of the critique that the United States is not paying enough attention to the Western Hemisphere. And, honestly, I can't recall a time when an administration that I served, either Republican or Democratic, was not accused of paying Latin America less attention than it deserves.

This administration has maintained a remarkable level of engagement on hemispheric issues by the President, the Vice President, Secretary Kerry, and other members of the cabinet. The President returned recently from his fifth trip to Mexico and met last year with the leaders of Central America, Haiti, Colombia, Peru, and Chile.

The Vice President has made seven trips to the region, four in the last year, and the Secretary three, including an OAS General Assembly. This high-level attention has allowed us to advance a pragmatic, well-integrated, results-oriented agenda.

Every available metric—public opinion polls, levels of trade and investment, culture and family ties, security cooperation, and the lively democratic debate in many countries—supports the view that the United States' engagement and influence in the hemisphere is not waning, but actually on the rise.

There are places like Cuba, Venezuela, and Ecuador where we have less than the full and productive relationship we would like, but the people in those countries admire and respect the United States for who we are, for our values, for our social mobility, and for our diversity.

We are particularly concerned with the deteriorating situation in Venezuela where the United States has forthrightly called on the Venezuelan Government to respect human rights and the rule of law and begin a peaceful, inclusive dialogue that will reduce the current tension.

President Obama, Vice President Biden, and Secretary Kerry have each made clear our view that political prisoners must be released and steps taken to halt the violence, including by government-backed groups. I know the committee shares our concern, and we welcome the strong support for democracy in Venezuela.

Our commitment to democracy and human rights is unwavering and remains the center of gravity of our strategy in the region. Even as we work for a peaceful end to the crisis in Venezuela, we are actively promoting our core priorities throughout the hemisphere, creating jobs and prosperity, expanding education and innovation, promoting energy cooperation, and defending democratic values.

We have placed our economic engagement at the center of this strategy. Our current efforts, as noted, include focusing on the Trans-Pacific Partnership negotiations that include Chile, Peru, and our NAFTA partners.

At the North American Leaders Summit in Mexico in March, President Obama and his counterparts highlighted a shared continental vision, providing new opportunities for job creation and investment and deepened global cooperation. While millions of people have benefitted from Latin America's economic progress, millions

also have been left behind, and we must ensure they, too, can benefit from the tide of economic prosperity.

Youth involvement is vital to our entrepreneurship initiatives, including the Small Business Network of the Americas, the Women's Entrepreneurship in the Americas Initiative, and 100,000 Strong in the Americas Education Initiative.

But prosperity cannot exist without security, and that is why we will continue to invest in security cooperation with Mexico, Central America, the Caribbean, and Colombia, with a focus on strengthening democratic institutions and the rule of law to capitalize on earlier investments in equipment.

A more vigorous and focused energy diplomacy is another core priority. The shift in the world's energy map to the Americas has created huge openings for greater cooperation on energy matters, including collaborating regionally to promote energy security with responsible environmental stewardship.

Mr. Chairman, let me close by saying, again, that I am very grateful for the support that this committee has provided in the hemisphere and its leadership. I believe that we are united in our vision of seeking to advance democracy, human rights, social development, security, and economic prosperity in the region, and that we have established a basis for strong bipartisan cooperation to the great benefit of our nation.

Thank you very much, and I look forward to answering your questions.

[The prepared statement of Ms. Jacobson follows:]

**Remarks as prepared to the House Foreign Affairs Committee, Subcommittee
on the Western Hemisphere
Testimony**

**Roberta S. Jacobson
Assistant Secretary, Bureau of Western Hemisphere Affairs
Washington, DC**

April 9, 2014

Chairman Salmon, Ranking Member Sires, Members of the Committee, I am pleased to speak with you about the Administration's priorities in the Western Hemisphere. I appreciate this subcommittee's support for U.S. assistance and our policies and engagement in the region.

The Western Hemisphere is a vitally important region for the United States. It is home to robust democracies and our closest trading partners. The Americas are at the center of the world's new energy map and many countries are becoming increasingly relevant actors on the global stage. And the converse is also true: the United States remains the most influential and essential partner for virtually every country in the hemisphere.

I am well aware of the critique that the United States is not paying enough attention to the Western Hemisphere. Indeed, during my nearly thirty-year career at the State Department, I cannot recall a time when an administration that I served – under both Republican and Democratic presidents – was not accused of paying Latin America less attention than it deserves. Today the United States faces an increasingly complex international environment with no shortage of foreign policy challenges – which means that the hard work of our many talented diplomats to build and maintain critical, productive partnerships in the Western Hemisphere often do not lead the news cycle or make the headlines. But that marked progress is itself newsworthy and should be seen as a sign of the hemisphere's positive trajectory and the success of more than 20 years of U.S. policy.

At the same time, this Administration has maintained a remarkable level of engagement on hemispheric issues by the President, the Vice President, and members of the Cabinet. The President returned recently from his fifth trip to Mexico and met in the last year with the leaders of Central America, Haiti, Colombia, Peru, and Chile. The Vice President has made seven trips to the region, four of which he's made in the last year. And these are more than just trips and

meetings – this high-level attention has allowed us to advance a pragmatic, well-integrated, results-oriented agenda. We are building on shared values and goals to address the big challenges that still impede far too many of the hemisphere’s citizens from reaching their full potential. Almost every available metric – public opinion polls, levels of trade and investment, cultural and family ties, security cooperation, and the lively democratic debate in many countries – supports the view that the United States engagement and influence in the hemisphere is not waning – but on the rise. And when I say U.S. engagement, I am not speaking merely of our official bilateral relationships. There are indeed places, like Cuba, Venezuela, Ecuador, and others where we have less than the full and productive government relationship we would like. But at the same time, the people in these countries admire and respect the United States for who we are, for our values, for our social mobility, and for our diversity.

Let me discuss in more detail a few of these challenges in the hemisphere. The quality of democracy is about much more than elections; it’s about an approach to governance and respect for diversity of opinions that reflects a genuine commitment to democratic values. We are particularly concerned by the deteriorating situation in Venezuela, where the United States has forthrightly called on the Venezuelan government to respect the human rights and the rule of law and begin a peaceful inclusive dialogue that alleviates the current tension. President Obama, Vice President Biden, and Secretary Kerry have each made clear our view that political prisoners should be released and steps taken to halt the violence, including by government-backed groups. I know that this committee shares our concerns, and we welcome your strong support for democracy in Venezuela.

Several countries in the region see threats to democratic governance and freedom of expression. We defend human rights activists and fundamental freedoms around the world, including in challenging environments like Nicaragua, Bolivia, Ecuador, Venezuela, and Cuba. Our commitment to democracy and human rights is unwavering and remains the center of gravity for our strategy in the region.

Even as we work for a peaceful end to the crisis in Venezuela, we are actively promoting our core priorities throughout the hemisphere -- creating jobs and prosperity, expanding education and innovation, promoting energy cooperation, and defending democratic values.

We have placed our economic engagement at the center of this strategy. With the successful passage of the Colombia and Panama Free Trade Agreements, there are twelve free trade partners in the hemisphere. Our current efforts are focused on

concluding the Trans-Pacific Partnership negotiations that include our NAFTA partners plus Chile and Peru. At the North American Leaders' Summit in Mexico, President Obama and his Mexican and Canadian counterparts highlighted a shared continental vision, provided new opportunities for job creation and investment, and deepened global cooperation. We have a sustained economic policy dialogue with Brazil and are strengthening our ties with Pacific Alliance members Mexico, Chile, Colombia, and Peru. Our effort to promote a more economically integrated Central America recognizes that only by working together can these nations succeed. More broadly, while millions of people have benefited from Latin America's economic progress, millions more have been left behind – and we must ensure they too can benefit from the rising tide of economic prosperity.

Our economic focus in the hemisphere is committed to an inclusive opportunity agenda, with a special emphasis on youth and innovation. Youth involvement is vital to our entrepreneurship initiatives, through the Small Business Network of the Americas, the Women's Entrepreneurship in the Americas Initiative, the Latin America International Diaspora Engagement Alliance, and *100,000 Strong in the Americas*.

Of course, prosperity cannot exist without security. That is why we continue to invest in security cooperation with Mexico, Central America, the Caribbean, and Colombia, with a focus on strengthening democratic institutions and rule of law to capitalize on earlier investments in high-tech equipment. Mexico's recent success in capturing some of the most wanted drug kingpins demonstrates that our cooperation is producing tangible results that protect Mexican and U.S. citizens. In Central America we have adapted our strategy to focus equally on governance, prosperity, and security, recognizing the need for a more balanced approach. Our support in Colombia remains critical as this valued partner strives toward a peace accord. A Colombia at peace will be of even greater assistance in helping our neighbors build capacity to confront transnational crime.

A more vigorous and focused energy diplomacy is another core priority. The shift in the world's energy map to the Americas has created huge openings for greater cooperation on energy matters in the Western Hemisphere, including collaborating regionally to promote energy security with responsible environmental stewardship. We are working with our North American partners – at a moment when our own energy production is increasing – to offer an environmentally sound energy lifeline to the Caribbean and Central America, both of whom require assistance in coping with high energy costs. Under the Energy and Climate Partnership of the Americas and Connecting the Americas 2022, the United States is strengthening

regional energy security through initiatives that will increase energy efficiency, reduce emissions, and combat climate change.

Mr. Chairman, let me close by saying that I am sincerely grateful for the support that the House Committee on Foreign Affairs has provided to our core foreign policy interests in this hemisphere. While we may have occasional differences on policy, I believe that we are fully united in our core strategic interests in seeking to advance democracy, human rights, social development, security, and economic prosperity in the region. Overall, I believe we have established a basis for strong, bipartisan cooperation where it matters most between the State Department and this committee, as well as among this Committee's Members and staff, to the great benefit of our nation.

Thank you, and I look forward to answering your questions.

Mr. SALMON. Thank you.
Ms. Hogan, you are recognized.

STATEMENT OF MS. ELIZABETH HOGAN, ACTING ASSISTANT ADMINISTRATOR, BUREAU FOR LATIN AMERICA AND THE CARIBBEAN, U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Ms. HOGAN. Thank you very much. Mr. Chairman, Ranking Member Sires, and distinguished members of the subcommittee, it is an honor for me to testify before you today on behalf of USAID. I am grateful for the committee's support of our programs in Latin America and the Caribbean, and I welcome your interest in reviewing our progress and our challenges that we continue to face.

As Administrator Shah, who testified before you earlier today had stated, our mission across the globe is to partner to end extreme poverty and promote resilient, democratic societies. Our best partners in this effort are democratic states, because their commitment to growing their economies and investing in their people makes our investments go further.

Increasingly, we have such partners in Latin America and the Caribbean region where open societies, sensible policies, and smart donor investments have helped fuel impressive social, political, and economic progress. However, the continued progress in the region is threatened by a persistent wave of crime and violence that, if not addressed, will impede efforts to promote inclusive growth, reduce poverty, bolster resilience, and strengthen democracy. Central to USAID's strategy in the region is crime and violence prevention.

Our at-risk youth programs, community policing, and justice reform efforts complement the traditional law enforcement and interdiction activities of our interagency partners.

Our prevention programs are also reinforced by education interventions, which prioritize early grade literacy and youth-focused workforce development for at-risk youth. There are signs that our programs are making a critical difference. Preliminary findings from the impact evaluation of our crime prevention programs provide statistically significant evidence that crime rates are lower and public perception of security higher in the communities where we work.

As you well know, crime and violence does more than threaten public safety and constrain growth. Equally as dangerous is its corrosive effect on democracy. Despite the region's impressive progress, we are witnessing democratic backsliding in some countries. This includes constraints on civil society, limits on press freedoms, and increasing executive overreach. USAID remains steadfast in its support for those who strive to build more open, responsive democracies in this region.

To empower citizens to voice their opinions and hold governments accountable, we continue to support civil society groups and human rights organizations, while training journalists to protect themselves and their sources.

The region is dealing with yet another threat to its economic environmental resilience—the negative impact of global climate change. Under the President's Global Climate Change Initiative, we work on two fronts to help countries manage this challenge.

First, we help reduce emissions by promoting investments in renewable energy and energy efficiency. Second, we help countries adapt to changes in climate by upgrading critical infrastructure, protecting potable water supplies, and developing risk mitigation measures.

Our efforts to end extreme poverty and promote resilient democratic societies converge in Haiti where 65 percent of the population is considered extremely poor. Today, the Government of Haiti is leading a successful multi-national effort to attract investment and strengthen its economy.

The United States Government is starting to deliver concrete development dividends. Thousands of farmers are earning higher incomes and increasing crop yields. New businesses are creating jobs for the poor. Perhaps most importantly, Haitian institutions are playing a more prominent role in their own development.

While we are encouraged by this progress, the United States and other donors can only do so much. Ultimately, the job of creating the conditions under which businesses can thrive, create jobs that eliminate poverty, depends on Haiti's leaders. Only they can pass and implement legislation to fight corruption, attract investment, modernize the justice sector, and hold long-delayed municipal and parliamentary elections.

To strengthen the ability of countries to manage their own development, we are increasingly using local entities to implement programs and provide assistance. Perhaps nowhere else in the world does USAID have as dynamic a set of private sector partners as in this region. Increasingly, we are joining forces with the likes of Cisco, Hanes, Intel, Microsoft, and Starbucks, just to name a few, that will spur growth, create jobs, open opportunities for youth, and alleviate poverty. Over the last 2 years alone, we have leveraged \$150 million through public-private partnerships.

In sum, our development approaches include strengthening local capacity, facilitating south-south cooperation, investing in innovation, leveraging the private sector, and prioritizing science and technology. We believe that these approaches will help enable countries to leapfrog their biggest security, environmental, and governance challenges, and join us as partners around areas of mutual interest.

Again, thank you for your leadership and for your support of the work that we do in this region. I have submitted a statement for the record, and I look forward to your questions.

[The prepared statement of Ms. Hogan follows:]

ELIZABETH HOGAN
ACTING ASSISTANT ADMINISTRATOR FOR LATIN AMERICA AND THE
CARIBBEAN, U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT
HOUSE COMMITTEE ON FOREIGN AFFAIRS WESTERN HEMISPHERE
SUBCOMMITTEE
“Advancing U.S. Interests in the Western Hemisphere: The FY 2015 Foreign Affairs
Budget”
Wednesday, April 9, 2014

Mr. Chairman, Ranking Member Sires, and members of the Subcommittee: Thank you for the invitation to testify today. I am grateful for the Committee’s interest in the U.S. Agency for International Development’s (USAID) approach in Latin America and the Caribbean and pleased to have this opportunity to update you.

As Administrator Rajiv Shah, who testified before you earlier today has stated our mission across the globe is to partner to end extreme poverty and promote resilient, democratic societies.

Our best partners in this effort are democratic societies – mature governments, active civil societies and dynamic private sectors – because their commitment to growing their economies and investing in their people makes our investments go farther.

Increasingly, we have such partners in the Latin American and Caribbean region, where sensible policies and smart donor investments have helped fuel impressive social, political and economic progress. Many countries have experienced successive years of economic growth; businesses are creating jobs; citizens are healthier, better educated and politically empowered; and poverty is declining. These gains have enabled us to focus our assistance on new and evolving development challenges that could upend their continued progress.

However, the growth and development of several Latin American and Caribbean countries are threatened by a persistent wave of crime and violence that, if not addressed will combine to impede our efforts to promote inclusive growth, reduce poverty, bolster resilience and strengthen democracy through the region.

Central to USAID’s strategy is investing in opportunities for youth and their communities and strengthening the institutions charged with administering justice and keeping people safe.

We do so through the Central America Regional Security Initiative (CARSI), the Caribbean Basin Security Initiative (CBSI) and the Merida Initiative. Our at-risk youth services, job training, community policing, safe urban spaces and juvenile justice programs complement the more traditional law enforcement and interdiction activities led our inter-agency partners. In Central America and the Caribbean, citizen security programs are further complemented by our education interventions, which prioritize improving early grade literacy and increasing the workforce development opportunities for out-of-school youth.

Our emphasis on addressing the root causes of criminality and violence aligns with the prevention-oriented strategies of the region's governments. Significantly, President Hernandez of Honduras recently publicly committed to allocating 30% of the funds collected through Honduras' new Security Tax to supporting prevention programs. He has already started to make good on that promise by providing such funds to USAID to expand the network of youth outreach centers across the country.

There are signs that our programs are having an impact. Preliminary findings from the impact evaluation of our prevention programs in Central America provide statistically significant evidence that crime rates are lower and public perception of security higher in our targeted communities in El Salvador and Guatemala. Increasingly, thousands of youth are able to retreat from violence and receive valuable job training through our expanding network of over 120 outreach centers in Central America. In Honduras alone, more than 17,000 youth vulnerable to the lure of crime received assistance through 40 such centers operating in four of the country's most violent cities. And in Jamaica, police attribute a significant drop in major crime in an especially violent area to a USAID community oriented program.

Further south, continued economic growth and development are also constrained by insecurity. We are working closely with the Colombian government and private sector to improve the lives of the poor and vulnerable in remote areas by helping to reinstitute state presence and bring services and investment to conflict zones; to promote respect for human rights and access to justice; and to provide reparations and land to victims of the conflict. If the Colombian government reaches a peace agreement with FARC guerillas, we will be ready to respond quickly to assist with implementation of the peace accords. In Peru, we continue to work

with the government and partner with the private sector to further our alternative development work to help coca-growers transition to producing legal crops like cocoa and coffee.

Crime and violence does more than threaten public safety and constrain growth; equally as dangerous is its corrosive effect on democratic institutions and practices. Across the region, USAID supports government-led reforms intended to improve the effectiveness of these institutions at delivering the benefits of democracy to their people, including municipal service delivery, fiscal and civil reforms, and effective justice and security institutions. For example, we are supporting Mexican states as they transition to a more open and transparent criminal justice system. Those states most advanced in the transition are prosecuting criminals at higher rates and reducing pre-trial detentions. USAID-supported Justice Houses in the Dominican Republic -- modelled on our successful *Casas de Justicia* in Guatemala and Colombia -- are providing legal assistance to nearly 40,000 poor clients and the government has begun to support the *Casas de Justicia* itself.

Despite the region's impressive democratic progress, we are witnessing backsliding in some countries including -- constraints on civil society, limits on freedom of the press and media, and increasing executive overreach over other branches of government. We are seeing this now in Venezuela. USAID remains steadfast in its support for those who strive to build more resilient and responsive democracies in Latin America. To empower the citizens of the region to voice their opinions and hold their governments accountable, we are maintaining our support to civil society groups and human rights organizations, while training journalists to better protect themselves and their sources.

Nowhere else in this hemisphere are democratic rights and freedoms more curtailed than in Cuba. USAID remains committed to support Cubans who want to exercise the most basic internationally recognized rights -- express an opinion without fear of retribution; vote in a free and fair election; access information freely -- information available without restrictions almost everywhere else in the world. We are particularly proud that in its most recent report on our programs -- in 2013, the Government Accountability Office (GAO) recognized USAID for the management improvements to the program. Significantly, the GAO had no recommendations for USAID.

Elsewhere in the region, countries are dealing with another threat to their economic and environmental resilience – global climate change. Powerful storms in the Caribbean wipe out local food supplies and key infrastructure, and unseasonal temperature and rainfall patterns damage small-scale and commercial agriculture in Central America. These events threaten the livelihoods of the poor most profoundly, as well as put pressure on already stretched national budgets.

To help countries manage this challenge, we work on two fronts: First, we assist with reducing emissions caused by deforestation and land use patterns by promoting investments in renewable energy and energy efficiency. In Peru, we are helping local communities sustainably manage over 1.5 million hectares of forest, reducing deforestation and sequestering nearly 830,000 tons of carbon. In Central America, where energy costs remain stubbornly high, more and more electricity is moving across a USAID-supported regional grid, which is expected to lower prices and encourage investment in clean energy. Second, we help especially vulnerable countries adapt to changes in climate. In Guatemala, we are safeguarding and restoring watersheds in regions that are critical for farming and irrigation. In the vulnerable island-nations of the Caribbean, we're helping communities and local authorities upgrade critical infrastructure, protect potable water supplies, and develop risk mitigation measures in concert with the private sector.

Our efforts to end extreme poverty and promote resilient, democratic societies converge in Haiti, where 65 percent of the population is considered extremely poor. Four years after the earthquake, nearly all of the rubble has been removed, close to 90 percent of Internally Displaced Persons in camps moved into alternative housing, and cholera rates are down 83 percent since 2011.

Today, the Government of Haiti is leading a successful multinational effort to attract investment and strengthen the economy. The U.S. government's Post-Earthquake Strategy follows the government's plan for national recovery and development, which is aimed at strengthening the country's economy, building the capacity of Haitian institutions, and raising living standards. To spur economic activity and the job-creating potential of medium and small businesses we provide credit to microfinance institutions lending to underserved populations and

businesses. With more than half of Haiti's population involved in agriculture, our Feed the Future Initiative seeks to improve the livelihoods of 100,000 farmers. And to contain the spread of disease and improve health standards, we continue to invest in health services delivery and systems upgrades.

Our strategy is starting to deliver development dividends for Haiti's poor. Tens of thousands of farmers are earning higher incomes and experiencing impressive increases in crop yields — 448 percent for corn, 94 percent for beans, 139 percent for rice, and 56 percent for plantains from 2009 to 2013. Small and medium sized businesses are spurring economic activity among the poor. For instance, a tiny electronics assembly business that received USAID seed funds in 2013 to explore the development of an affordable low-cost android tablet for the Haitian market, has grown from 4 to 50 employees and is assembling over 5,000 such tablets per month for the local and regional market. Perhaps most importantly, Haitian institutions are also playing a more prominent role in their own development. As of February of this year, USAID had channeled more than \$84 million through 500 local entities through sub-contracts and sub-grants.

While we are encouraged by the progress in Haiti, we recognize that the United States, other donors, and the philanthropic community can only do so much. Ultimately, the long-term job of creating the conditions under which businesses can thrive, create jobs and pull people out of poverty, depends on Haiti's leaders. Only they can pass and implement key legislation to fight corruption, attract investment, modernize the justice sector and hold long delayed municipal and parliamentary elections.

To hasten progress in our mission to end extreme poverty and promote resilient and strong democracies in Haiti and the rest of the region, we have dramatically shifted our development approach. Today, because of the region's increasing maturity, we serve as catalysts for governments, the private sector and civil society to improve the lives of their own people.

To strengthen the ability of countries to manage their own development, we are increasingly using local entities to implement our programs and provide assistance and training. In Guatemala, for example, two entities that formerly received USAID assistance are now implementing our flagship food security project, by far our largest local award in that country.

We are convinced that by using more local systems to deliver our assistance, we leave behind more sustainable development gains. We have seen encouraging signs that we are on the right track in places like Peru's San Martin province, where we provide funds directly to the regional government to provide licit livelihoods to the heavy coca-growing area. In 2012, that region experienced a 67 percent decline in poverty, and coca cultivation fell drastically from 22,000 to around 1,200 hectares. In the region, as in San Martin, prior to providing assistance to local a government, USAID undertakes a rigorous assessment of the government's financial management capacity so that any identified issues can be addressed and proper safeguards instituted to ensure the funds are used for their intended purpose.

International donors have no lock on transformational development. Increasingly, we see that the global private sector, social entrepreneurs, and academia are driving innovative solutions to some of the most stubborn development challenges. To encourage innovation throughout the region, we provide grants to help nontraditional partners discover, test and scale their best ideas. For instance, to develop alternative fuel sources in Haiti, we are evaluating the commercial viability of using agricultural waste for energy. These solutions not only tackle some of the region's most intractable problems, they do so at a fraction of the usual cost and if successful, have the potential to reach millions in need.

Arguably some of the best ideas for reducing poverty and building resilient democracies emanate from the countries themselves. For example, Brazil is extending its agricultural innovations to improve food security in Haiti, Honduras and Mozambique; and Chile is sharing its agricultural expertise with the countries of Central America. Colombia and Mexico, too, are joining the family of donors.

Perhaps nowhere else in the world does USAID have as dynamic a set of private sector partners as we do in this region. Increasingly, we are joining forces with the likes of Cisco, Hanes, Intel, Microsoft, Qualcomm, and Starbucks to assist with spurring inclusive growth and poverty alleviation. For instance, Starbucks is partnering with us in poor, remote and conflicted regions of Colombia to improve yields and open markets for 25,000 small-scale coffee farmers. A new alliance with the local Heineken subsidiary in Haiti, Branha, is opening up market opportunities for 18,000 sorghum farmers. To provide at-risk youth in eighteen Latin American

and Caribbean countries with better educational, training and employment opportunities, we partner with the Inter-American Development Bank, FIFA, the Nike Foundation, Coca Cola, Pepsico, Sandals Hotels and others. To date, 65 percent of graduates acquire jobs, return to school or start their own businesses within a year of graduation.

The local private sector is also stepping up. In El Salvador, thirty-four local companies are partnering with us to upgrade over a hundred public schools in some of El Salvador's poorest communities, benefitting some 100,000 students.

To help us make greater strides in facilitating inclusive economic growth and better governance, we are prioritizing investments in scientific and technological innovations. In Colombia, for instance, we are partnering with NASA's Jet Propulsion Laboratory to estimate forest loss in 1.2 million hectares of tropical forest. This work enables a more accurate measurement of forest carbon available for offsets that can be traded on the global market generating income for Afro-Colombian communities in the area. And through an alliance with Colombia's largest bank, we are extending financial services to far-flung cocoa farmers via mobile technologies.

Our efforts to enhance citizen security, strengthen democracy, address climate change and rebuild Haiti, do more than advance USAID's core mission and accelerate the region's development – they also improve the prosperity and well-being of our own people. We believe that these approaches -- strengthening local capacity; collaborating with regional donors; investing in innovation; leveraging the private sector; and prioritizing science and technology – will enable countries to leapfrog their biggest development challenges and join us as partners around areas of mutual interest.

Thank you for your time. I look forward to your questions.

Mr. SALMON. Thank you very much.

Before we begin with questions, I would like to ask for your help. I know that subcommittee staff has asked for information in the past, and I have been disappointed with how long it has taken to provide them with a response. And I know you both understand how important it is to have a strong collaborative relationship, so we can work on responses and maybe improve those times going forward. I would really appreciate it.

Assistant Secretary Jacobson, several of us up here have spoken about concerns with Maduro's Venezuela and people that have been massacred in the streets, as well as human rights violations galore. The gentlewoman from Florida has talked about how testimony before the OAS was rebuffed and not allowed.

I am asking, what can we do? What is the administration planning to do concretely beyond just announcing Maduro's violent tactics? What is our game plan?

Ms. JACOBSON. Thank you, Mr. Chairman. I appreciate the question, and I think it is important. Obviously, part of the strategy moving forward to get Venezuela—really, to get Venezuelans talking to each other, which is what is necessary, is rhetorical, is to respond to each repressive tactic by the government and to support the notion that Venezuelans have decreasing amounts of space in which to act, and, therefore, they need an opening, an area where they can pursue their goals and their dreams. The opposition needs much greater space, whether it is in the National Assembly or the media, et cetera.

But a great deal of what we are trying to do is working with other countries in the hemisphere, some of which are in agreement with us in support of a more open system in Venezuela, and some of which are clearly not. We have seen that. But there are quite a few countries who are extremely concerned about what is going on in Venezuela, and coordinating with those countries is important.

We have said from the beginning that what we think is most important is having an external presence for a real dialogue, so that Venezuelans can talk to each other with some sense of confidence, because the situation is so polarized.

Right now, you have the UNASUR countries, many of the foreign ministers, in Venezuela. We have been encouraging that process, but we also believe that it is very important that the opposition feels confidence in the process moving forward, and that whatever third party mediator or mediators, if there are multiple—and there has been some obvious discussion in the press about the Vatican—that those people create a space in which everyone can have confidence to pursue their agenda.

This seems to be getting underway. We have worked closely with a number of countries around the hemisphere and outside on this possibility, and we hope that that will begin to make a difference.

Mr. SALMON. I know the ranking member and I have both expressed our frustration with the goings-on with OAS, and you and I spoke privately about it as well. I think we have to send a very clear message to them, at least from this body, that not only are we watching but we are growing tired of their shenanigans and their lack of response to important issues.

And there may be a time—I hope we don't have to do this, but there may be a time when this Congress is going to have to vote with its pocketbook. And I think they have to understand that—we understand that dialogue and a free flow of ideas is important, but this body is there to protect freedom and democratic views and opportunities for the protection of human rights.

And while I understand that there are a lot of the subgroups within that body that do some good things, the leadership at the top is impotent and ineffective. And, I—rather than just wait them out, I think that they have to know that our patience is wearing very, very thin, and I hope that you all will share that message back with them, that it becomes increasingly more difficult for us to justify to our taxpayers that we are funding 40 percent of that organization when the returns aren't very great.

I have another question real quick. It is regarding President Obama's visit to Mexico for the North American Leaders Summit. Ranking Member Sires and I sent him a letter expressing some of our hopes for the summit. One of them was establishing a High-Level Security Dialogue, much like the High-Level Economic Dialogue that we have with Mexico.

And I understand that some progress has been made. You have denoted some of that in your comments. I hope you will provide the committee with some details of how the dialogue on the security cooperation with Mexico is going, and what progress you see happening, and what more needs to be done.

Ms. JACOBSON. Absolutely. And I appreciate the question. As you know, I have been involved in the Merida Initiative since its inception, and I continue to believe that this is an incredibly important part of our bilateral relationship.

I think you have seen, Mr. Chairman, that in recent weeks there have been some significant strides in cooperation that have resulted in the arrest of Chapo Guzman of the Sinaloa Cartel, and I think that in the past year the cooperation with Mexico has become ever-more fluid and more routine, and that is a very good thing.

We had a mechanism under the previous Mexican Government called the high-level group, which met on security. It included about five different cabinet members. We needed to wait until this new government felt comfortable that all of the procedures were in the right place.

But I think led by Rand Beers at the NSC, and others, from the Homeland Security perspective, as well as the NSC, the State Department is beginning to talk with our Mexican counterparts about how we can restart the highest level security dialogue, because, frankly, the other members of the team at the undersecretary and other levels have really been working pretty productively over the last year, and I think you are beginning to see the fruits of that, but it is definitely not forgotten in the emphasis on the economic.

Mr. SALMON. My time has expired.

I recognize the gentleman from New Jersey.

Mr. SIRES. Thank you, Mr. Chairman.

Assistant Secretary, I have had a few Members that have come to me, because they are not on the Foreign Affairs Committee, and they are very concerned about the violence in Mexico. And I know

the State Department travel warnings for Tamaulipas, Mexico, and the southern border reflect the dire security situation. Just last week, eight people were killed in Matamoros, and the decapitated body of a former mayor of Nuevo Laredo was found.

When can we expect the Mexican Government to respond in a fashion similar to its previous actions in Juarez and Tijuana, Mexico?

Ms. JACOBSON. Mr. Sires, I certainly appreciate the question, and this is obviously of great concern, and our travel warning does outline for American citizens what we think is critical that they know before they go to Mexico. Levels of violence in Mexico are still far higher than we would like to see them, far higher than the Mexican Government would like to see certainly.

And what you see—and I think you implied as much in your question—there was a time when Juarez was the place you could not walk alone. You couldn't walk outside; it was terribly violent. It is considerably better now. The question is: How do you keep responding to transnational criminal organizations which move and shift and don't have to respect the law? And I think some of the models that the Mexican Government and we are working on, especially with AID in strengthening communities, is one of the most important things we can do.

We also have begun to work at the state level with Mexico, in areas of Mexico, on the police. We have done very good work at the Federal level, but the vast majority of policy in Mexico are at the state and local level. So I think that this government really does embrace a lot of the work that is critical to making places safer, working with communities, accelerating the judicial reform to make sure that cases are dealt with and people convicted for crimes, and making the police more effective and more respectful of those communities.

But I think it is a continuing sort of hard slog. We have been encouraged, certainly, by our partnership with the Mexicans in areas that have developed into very high crime, such as Nuevo Laredo, as well as Michoacan and other areas, and are beginning to work with them on the southern border.

Mr. SIRES. Well, I would suggest many members are concerned about the violence, and I think we have to relay that to the government, that somehow this is impacting not just life in Mexico but life in America also.

Ms. Hogan, do you think the USAID program is a proper venue to set up Twitter programs in some of these countries? I am not going to ask if you have a replacement for the Twitter program in Cuba. I am not asking you that. I am just want to know if it is the proper venue.

Ms. HOGAN. I believe that anything that helps Cubans have an increase in their ability to share information amongst themselves is a good thing. I think what we have done in Cuba over the past many years to promote information exchange, both within the island and to get unfettered information from outside the island, has helped to support activists in Cuba who are pressing for broader democratic space.

I think this was a successful test, that there really is interest there within Cuban society to have these kinds of new technologies available to them, and I hope that they will going forward.

Mr. SIRES. I am starting to see in my district a great deal of people from Venezuela. Obviously they are looking for security, but the stories that I am hearing in terms of the groups of people that come down on the demonstrators, and beating them and, I mean, they actually have left because some of the members of their families have been trampled by these groups.

So I hope that this dialogue works, but I am not so hopeful. I understand Cuba has 30,000 troops or 30,000 members in Venezuela. Obviously, they also have—one of the elitist brigades that they have, they call it Avispas Negas, which is called the Black WASP group, which is in charge of maintaining order in Cuba.

So I would urge you, and I would hope that the OAS would say something about this—they are talking about us interfering in other countries. Here you have a country with 30,000 members, and another one within our hemisphere, and I am concerned about the Russians, the excursions in the region, the Iranians in the region. I hope we are tracking all of this.

I think it was a bad mistake to say that the Monroe Doctrine is not in effect anymore. I think we needed that ace in the hole.

Thank you.

Mr. SALMON. I thank the gentleman.

Recognize the gentlewoman from Florida.

Ms. ROS-LEHTINEN. Thank you so much, Mr. Chairman.

Madam Secretary, to continue on the issue of Venezuela, has anyone from our office even visited Leopoldo Lopez who is behind bars in a military prison? Will the U.S. accept the Venezuelan request to put an Ambassador in DC? And, if so, why?

Secretary Kerry is now hiding behind the proposed UNASUR talks to keep from acting. So, Madam Secretary, what has been your excuse for the past 2 months for not acting before this false negotiation sham? Why can the administration not issue an Executive Order today on Venezuela to hold human rights violators accountable?

And I wanted to bring to your attention—I am sure that you have already seen it—the statements made by Nicolas Maduro, the supposed President of Venezuela, who won by fraud, he says that he does not need to negotiate, and these are his quotes: “There is no negotiations in Venezuela. I will not participate in one.” He says, “I don’t have anything to negotiate with anyone about, and I will not negotiate the Socialist Revolution.”

And the countries that are pushing this sham of negotiations are countries that have remained totally silent or else complicit in the murderous rage of Nicolas Maduro. Brazil has not supported any of the student-led protests siding with Maduro. Colombia, silence; Ecuador, silence or siding with Maduro.

So these are the countries that are leading the negotiations, and they have already taken their position in favor of Maduro and have voted that way with him in the OAS. And these are the leaders of the negotiations, and these are his quotes from today—Nicolas Maduro. So now we are saying we can’t push because we have got these negotiations. They are false. Only one group of the opposition

is for these negotiations. The vast majority are not for it because they know Maduro says, "I don't need to negotiate with anyone."

And yet, so I ask you, have we visited Leopoldo Lopez? If not, why not? Are we going to accept a Venezuelan Ambassador in DC? Why would we? And why don't we put in the Executive Order, as we have done in Russia, who have violated the human rights of folks in Ukraine. We have barred them from entry into the United States. We have frozen their accounts. We have blocked their properties. The President has done so. He has taken action in South Sudan as recently as just a few days ago.

Why are the Venezuelan people not deserving of this help from the United States?

Ms. JACOBSON. Thank you, Madam Chair. Let me start out and take these sort of in order. We have made very clear that we do not believe Leopoldo Lopez should be in prison. We believe he should be released. We will continue to make that assertion.

Ms. ROS-LEHTINEN. Have we visited him?

Ms. JACOBSON. No, we have not.

Ms. ROS-LEHTINEN. Have we made any attempt to visit him?

Ms. JACOBSON. We have not visited him. I don't—

Ms. ROS-LEHTINEN. Do you consider him a political prisoner or a common criminal?

Ms. JACOBSON. Well, we certainly don't believe that he should be in prison. I do think that he is being penalized for peaceful protest. And if they have charges against him, which they have now finally brought at the end of the 45-day period, I don't see any reason why he should not be allowed out of prison, frankly, to continue peaceful work.

Ms. ROS-LEHTINEN. Have you put out a statement of support for Leopoldo Lopez or calling for—are we going to send anyone from our Embassy to visit him? What a strong statement that would make because, as you know, he is not going to be the only one who is going to be held in jail. If Maduro sees that the U.S. does nothing when somebody is brought up on trumped-up charges, Maria Corina Machado is next, and so will other leaders.

Ms. JACOBSON. And two mayors have already been relieved of their position and charged with crimes.

Ms. ROS-LEHTINEN. And we did what?

Ms. JACOBSON. And we will continue to speak out in opposition to those kinds of actions. I think it unlikely we would be allowed to visit Leopoldo Lopez.

Ms. ROS-LEHTINEN. We don't know if we don't try.

Ms. JACOBSON. I understand that. But we have been very clear about our opposition to the repressive tactics that this government has used against people trying to conduct their job as mayor or peacefully protest. And we will continue to be strongly on the side of—

Ms. ROS-LEHTINEN. We have visited Alan Gross. We regularly visit Alan Gross in prison, and those trumped-up charges. Leopoldo Lopez, as you stated, are trumped-up charges. He is a political prisoner. We should send a message by visiting him.

Ms. JACOBSON. I appreciate that perspective. We are able to see Alan Gross because he is an American citizen, and we have that right under the Vienna Convention.

But let me just go through some of the other items. You talked about the proposal to put a Venezuelan Ambassador in the United States. We feel very, very strongly that this is not about the bilateral relationship between the United States and Venezuela, and, therefore, we are not taking action to allow a Venezuelan Ambassador in the United States yet because we think the action needs to be in Venezuela, with Venezuelans talking to each other and our doing everything we can to facilitate that, not to allow the distraction of charges against us or making this about the United States and our bilateral relationship.

Ms. ROS-LEHTINEN. I only have 30 seconds left.

Ms. JACOBSON. I am sorry.

Ms. ROS-LEHTINEN. What about the Executive Order? We have acted in other countries. Are the Venezuelan people not deserving of having their violators held accountable?

Ms. JACOBSON. They surely are, ma'am, and that is one of the reasons why, as the Secretary and I have both said, we are holding in abeyance implementation of any restrictions, be they visa sanctions or revocations or further sanctions, which we believe we have the authority to take, while we see, in support of the opposition, whether these conversations are going to go anywhere.

Ms. ROS-LEHTINEN. But these conversations, you will agree, are just brand new. That is the new excuse. So that is why Secretary Kerry—I know my time is up, so I won't belabor the point. But that is the new excuse. The protests have been going on for 2 months while the administration remains silent.

Thank you, Mr. Chairman.

Mr. SALMON. Thank you.

The chair recognizes Mr. Meeks.

Mr. MEEKS. Thank you, Mr. Chairman.

Let me turn the area of focus for a second. I have been concerned about African-Colombians and those that are indigenous to Central and South America. These groups have been substantially marginalized in the hemisphere.

And I will ask Ms. Hogan, and then also if you want to answer, Assistant Secretary Jacobson—but my question is, what programs have you provided to promote greater social inclusion for those traditionally marginalized groups in the hemisphere?

Ms. HOGAN. Thank you very much for that question. In fact, just Friday of last week, we signed a new memorandum of understanding with a very popular Latin rock star named Carlos Vives, who is going to be the first Ambassador for inclusion, focusing specifically on Afro-Colombians. He is from Colombia. He is not Afro-Colombian, but he is very dedicated to showcasing the rich cultural heritage and music heritage that Afro-Colombians are contributing to Colombia and to the world.

And so he wants to use his celebrity to shine a light on that. And working directly with him, we are going to help organize conferences and events whereby we can actually help raise resources to invest in Afro-Colombian communities.

I know this morning Dr. Shah talked to you about the work that we are doing with Afro-Colombians in the private sector in terms of training them for modern economy jobs. We thus far have seen

1,000 Afro-Colombians move into jobs in 100 companies. And by the end of 2016, we hope that number will grow to 10,000.

But in other parts of the region, we are also very much focused on the indigenous populations. In fact, in Guatemala, almost our entire program is focused on the western highlands, which is predominantly indigenous. And we have focused our health resources, education resources, food security sources, to help them reach parity with other Guatemalans who share middle income status. And so we are doing it there, we are doing it in Peru, and we are doing it in Honduras as well.

So it is a very important part of our program, because as we see development gains in the region, we also see certain vulnerable populations falling behind. And so we are all about promoting inclusive growth. And if we want to do that, we need to reach out to these indigenous communities, and we are doing so.

Mr. MEEKS. Thank you for that, and that is tremendously important, and throughout the region, because I did say African-Colombians, which I have been focused on, but those of African descent throughout, and those who are indigenous, because they all have been marginalized. And, as a result, one of the things that I see, and I can equate because we still have educational problems here in the United States, and trying to make sure people are educated, I know how we pushed ourselves up.

I think that there is a critical need to develop education in some of these communities also throughout that has been marginalized, and this is something that I think that, as I have traveled throughout the region, many of these countries are struggling with.

So my question is, what can we in the United States do better to address the education and the skills gaps in all of the Americas?

Ms. JACOBSON. If I could start. This is incredibly important, and I think it is one of the things that really is central to all of the other issues, because unless we address the education gap you can't provide real economic opportunity, and that obviously has led to some of the security problems.

One of the things that I think is working particularly well is, as part of 100,000 Strong for the Americas, the Educational Exchange Initiative, but also as part of our dialogues in both Brazil and Colombia on the elimination of discrimination and racism, we have been able to promote exchanges and interactions between educational institutions with historically black colleges and universities in the United States, with the Indian Tribal Colleges, as well as with Hispanic institutions in the U.S.

All of those give a perspective on the United States that isn't always widely known in the hemisphere, and offer opportunities for those communities to access education in the United States.

The other thing that we really need to do is focus on community colleges, which we know in the United States provide an invaluable opportunity for those who may not go to a 4-year university. This is a concept which is not well-known or understood in Latin America, and we are providing opportunity for kids who would never have had the option of coming to a school in the United States to learn a trade or a vocation before.

Mr. MEEKS. Let me try to sneak in one last question, if the chair—I beg his indulgence. Just the thought of this—we had con-

versations about the problematic governments that we have, et cetera. I was wondering whether or not there has been any areas of success in our engagements with problematic governments, because we are having this conversation and whether there is anything.

Ms. JACOBSON. I guess what I would say real quickly is just there are always areas that I think we can cooperate in. With Ecuador, most recently, they are very interested in doing more on education. So we have been able to continue programs on indigenous languages in Bolivia that AID and others work on.

So my own view is places like Nicaragua where we work with the police in counternarcotics quite effectively, there are bright spots even in some of the toughest places, and we have to try and continue to hold to our principles in those countries and speak loudly about them, but look for areas where our interests do overlap.

Mr. SALMON. Thank you.

The chair recognizes Mr. Duncan.

Mr. DUNCAN. Thank you.

Thank you for being here. The administration requested \$1.3 billion for Latin American and Caribbean region. This is about 10 percent below the FY14 estimate, and about 27 percent lower than the amount provided in 2012. This budget also reflects cuts to the three largest U.S. security programs in the region—the Colombia Strategic Development Initiative, the Merida Initiative in Mexico, and the Central American Regional Security Initiative.

But it increases things like development assistance and clean energy initiatives and family planning programs. So as chairman of the Oversight Subcommittee on the House Homeland Security Committee, I have heard of the importance of the security programs in the Western Hemisphere and their impact on U.S. border security efforts, et cetera.

Further, when we consider the documented efforts of Russia, China, North Korea, and Iran to establish footholds and increase their influence in this region of the world, and then we hear from Commander of US SOUTHCOM in his testimony back in February, he admitted to U.S. intelligence gaps and truly knowing the full awareness of Iranian and terrorist support networks in the region, so I am baffled, really, at the priorities that are reflected in this budget.

So how does cutting worthwhile security programs, while beefing up development, citizen security, clean energy initiatives, family planning programs, how does that secure—serve U.S. security and our foreign policy interests?

Ms. JACOBSON. Thank you, Congressman Duncan. I think one of the things that I want to be clear on is, while there have been reductions in the Merida Initiative with Mexico and the Colombia security programs, in both of those cases those were anticipated reductions as partners became better able to take over their own security.

With the Colombians now, it is critically important that we not reduce our programs too abruptly, but they are increasingly able to do things after a number of years of working with them. In fact, they are able to deliver security, training, and experience in capac-

ity-building even in places like Central America, which has made them an invaluable partner.

So I think that we are going to continue to see just as much engagement and just as much progress in those places even with lower investments in a tough budgetary environment.

On Central America, the only thing that I would say is I know it has been reduced somewhat, but it is still a very high level in Central America because there the challenges have been resistant in some respects to change. So we did not take that down any lower than a level that we felt would continue to provide engagement with each of the individual countries which are still confronting terrible problems. I will let my colleague deal with some of the other development content.

Ms. HOGAN. Thank you very much. I would just like to underscore what Roberta said about government stepping up and investing more in their own development. In Mexico, as an example, the Mexican Government puts in \$10 for every \$1 that we invest there under the Merida Initiative. And in Colombia, for the government institutional programs that we support, like the Victims Assistance Unit, like the Reparations Unit, et cetera, et cetera, we are putting in only 1 percent of what the Colombian Government is putting in itself.

As I mentioned in my opening statement, we also see the rise of private sector actors engaging in this region and investing more heavily in not just corporate responsibility but also, as I mentioned, workforce development, because they see it in their interest to train youth who don't have the skills they need to come in to work for them. And so increasingly we are seeing that as our investment glides downward, it is being picked up by both governments and the private sector.

I wanted to talk about family planning for a moment to simply say that it has been a success story in our region in that back in the '70s when statistics were first collected only 1 in 10 women had access to voluntary, safe, affordable, high quality family planning assistance. Today it is over 67 percent, which is why we phased out of family planning in most of the countries in the region. We are only doing it in three countries—Guatemala, Honduras, and Haiti. And we are also going to be phasing out of Honduras very soon.

And then, finally, on global climate change, the reason we are investing heavily in global climate change is because it is not only affecting people's lives but their livelihoods. In Haiti, as an example, we saw 1 year where after having significant gains in agricultural yields through our Feed the Future Program, our Food Security Program, they had two droughts and a hurricane, and it completely wiped out all of those gains that were made.

And so adapting to climate change through the use of new seed varieties, for example, and energy efficiency and alternative energy is a way in which they can reduce their economic loss as well as the loss of life which exists in Haiti after these kinds of violent weather events.

Mr. DUNCAN. Speaking of energy, we can have a whole hearing on whether climate change is manmade and whether we can have any impact on that or not and what the policy of the administration is doing to further an agenda.

But I would like to hear how you are proposing to work with Latin American region countries on energy. And, look, I understand the solar panels that you have put up in areas that don't have electricity, and how you can improve the quality of life, and all of that. You don't need me to go there; I am with you on that. Okay? I understand a lot of that.

But I would like to know, how are we working with Mexico? How are we working with some of these other countries on energy security? And let us focus south because Keystone Pipeline, the chairman has already mentioned I believe. So I would love to hear what some of the priorities are there.

Ms. JACOBSON. Thank you. I really appreciate that question. I think actually the future, in terms of energy and energy self-sufficiency, in this hemisphere is one of the most exciting areas we are looking at. But there is no doubt that when you talk about energy security and energy improvements, right, whether it is in North America where all of the countries are producing more energy, or in Brazil where you are looking at presalt deposits, or Argentina which has both oil and shale gas, you have big sections of this hemisphere which do not have energy resources, and which need support to make sure that they can try and access sustainable economic growth with energy that is not always going to be imported oil.

In particular, in Central America and the Caribbean, we are looking—the North American countries need to look very carefully at how we can help those countries. Central American countries, some of it is connectivity. We have this Connecting the Americas 2022 Program, which is designed to connect the grids and make sure that electricity gets further out in these countries.

In some places, that runs up against tough government resistance because of entrenched interests, but there is energy throughout the hemisphere that we can help bring—depending on the regulatory environment and bringing investors to countries, so that they are not as dependent on a single source of energy such as many in the Caribbean are on Petrocaribe.

Mr. DUNCAN. So just finishing up here, how about export of LNG to the Caribbean countries?

Ms. JACOBSON. This was a subject that was of great interest to all of the Caribbean countries when they have met with both the President and the Vice President. And both have told the Caribbean countries and the Central American countries that they have heard that request, and they are definitely going to take it into consideration as we make determinations on export of LNG.

Mr. DUNCAN. Thank you, Mr. Chairman. I went over time, and I appreciate your lenience.

Mr. SALMON. Thank you.

Mr. DeSantis, you are recognized.

Mr. DESANTIS. Thank you, Mr. Chairman.

How would you characterize Russia's influence in the region and given what we are seeing with Putin, his impulses vis-à-vis Eastern Europe? Do we foresee him continuing to try to increase his presence and his ability to project power in the Western Hemisphere?

Ms. JACOBSON. Thank you for the question, Congressman. I think that what we have seen over the recent past is the Russian relationship with the hemisphere has been both economic, commercial, and, to some extent, military—that is, weapons and other equipment sales. And some of those have increased, although I would emphasize that the balance in the hemisphere has not changed. It is still very low in terms of Russian equipment or military sales.

We have also seen the Russian comments recently, or others in the hemisphere, talking about renewed Russian presence. As you probably know, Russia closed its last base in the hemisphere in Cuba in 2002. In many countries in the hemisphere, it is constitutionally prohibited to have foreign bases.

And our information thus far is that no country we have spoken to is in the process of opening any Russian bases in the hemisphere, but you can be certain that it is something we are continuing to watch very closely.

Mr. DESANTIS. And so what would the administration's policy be if, for example, Russia wanted to reestablish a base in Cuba and Cuba was supportive of that?

Ms. JACOBSON. I am always wary of hypotheticals. But it is something that we have made clear we would have difficulty with, and we certainly hope the countries in the hemisphere are not looking at that possibility. But right now we don't see that happening.

Mr. DESANTIS. With respect to Venezuela—and I join some of my colleagues who would like to see some more movement there—I think that those folks are really fighting against a corrupt regime. Can you give us a sense as to the extent to which, as it stands now, that regime is being propped up by Castro's regime in Cuba?

I mean, I know I have read that there are tens of thousands of Cuban troops that are in Venezuela. So what is the administration's position on the extent of Cuban influence in this Venezuelan situation?

Ms. JACOBSON. Well, certainly we have seen the same information that I think all of you have in terms of the numbers of Cubans in Venezuela. They are high. There are a lot of Cubans there. Whether that has had a determinative effect on how Venezuelan decisions have been made is not entirely clear, quite honestly, but obviously it is something that concerns us.

Similarly, though, it is very clear that Cuba is highly dependent on Venezuela's oil, and so that is a relationship in which each of them obviously has a great deal at stake. At this point, that is one of the reasons we think it is so important for all Venezuelans to have a voice, because it is important that the decisions ultimately be made by Venezuelans, not by any outside country.

Mr. DESANTIS. Absolutely. I look at a place like Bolivia, and it just seems like there is a lot of bad actors that have really a leftist government. I know there is Cuban influence, Venezuela influence. I have read, and I wanted to get your thoughts on the extent to which the Iranians are trying to exert influence in the region generally, but I specifically have heard reports with respect to Bolivia.

Ms. JACOBSON. We watch the Iranian presence very carefully, because as has been said before by my bosses, we do not consider it

benign in the hemisphere. It is something we do watch and worry about and monitor.

At this point, we don't see an enormous amount of Iranian influence in countries like Bolivia or Venezuela, not necessarily for lack of trying. There are lots of agreements signed and there are visits. What we don't necessarily see is implementation or completion of those agreements. They tend to be more rhetorical, designed to convey a sense of influence that we don't necessarily see taking place on the ground.

But that does not mean that we are not going to be watching it very closely. And as we have done in the past, when there have been entities in the hemisphere that have engaged with Iranian ways that either violate U.S. sanctions or U.N. sanctions we will take action to sanction those organizations as we have done with a number of organizations in Venezuela over the years.

Mr. DESANTIS. Great. Well, thank you for that.

And I am about out of time, so I will yield back the balance to the chairman.

Mr. SALMON. I thank the gentleman.

If you have time, I know the ranking member and I each have another question. And if you have another one also, Mr. DeSantis, that would be great.

Just a comment on Mr. Duncan's concerns about LNG and the Caribbean. I don't think the issue is the State Department. The State Department I think is very, very helpful where we have been considering that. Every time I have talked to your folks, they have been very, very supportive. The problem is the Department of Energy and getting the permits going.

And I have also had numerous meetings with folks from our energy industry, oil and gas industry, and they are capping the gas off. And they are burning off excess gas because we have so much surplus right now.

And it seems like it would be an incredible opportunity for us not just to be able to create jobs from the sale of that gas, but also from a geopolitical perspective, it would be so great. We would be able to further enhance our trade relationship with those countries in the Caribbean. So any chance you get to talk with your counterparts in DOE, we would really appreciate your thoughtful suggestions to them to maybe get off the dime a little bit.

Assistant Secretary, you mentioned the 100,000 Strong Program, and I noted that included in the list of countries eligible to participate is Ecuador. And we have discussed they are not necessarily a real good partner as of late, and not really heading in the right direction.

Yet Paraguay is not included among the eligible countries, and they have been making a lot of reforms, trying to be a good partner in the region. And I am concerned about the message that sends to the people of Paraguay. Is there something we can do about that.

Ms. JACOBSON. No. Let me clarify. Everyone is eligible to participate, and certainly Paraguay is. I was actually just in Paraguay about 10 days ago—a great relationship, a lot going on, and definitely a place where we want to increase the educational exchanges, among other things.

Mr. SALMON. Okay. Well, that is good, because I have had folks from Paraguay expressing some concern. And so if that is the case, then maybe it is just a lack of understanding.

Ms. JACOBSON. We had a conversation about it when I was there, and I think there was a bit of a miscommunication, and we are now working to move ahead on increased partnerships. Thank you for that.

Mr. SALMON. Okay. That is great.

Mr. Sires.

Mr. SIRES. I just have one question. I was wondering why, as I look through my notes, we are increasing funding to El Salvador, where they also may receive a second Millennium Challenge Corporation Compact worth \$277 million. Why hasn't the administration decided to prioritize aid to El Salvador as compared to other countries in Central America?

Ms. JACOBSON. Let me just start that off, and Beth may have some additional comments. First of all, the approval of a second compact for MCC—and I don't like to speak for them—but it is my understanding that the approval of the second compact for MCC was quite a few months ago. And because elections were coming up in El Salvador, it was important to hold off on moving ahead because there was going to be a new government.

So that has been held, and we now do have a government that will be taking office in June, I think, is the inauguration, and then we will see about moving forward on that. But El Salvador had met all of the criteria for a second compact. El Salvador is also a partnership for growth country, and, obviously, that is something that is more Beth's lane than mine.

Obviously, we are hopeful that we are going to be able to work with this new government, and there are some signs that some of the people being appointed to positions such as from the private sector into the economic team, that there is a real understanding of the importance of working with the private sector.

El Salvador still faces huge challenges. Its murder rate has gone back up. And so there is a real desire I think to work with El Salvador and on the issues that they face. But, obviously, with the new government coming in, we will have to see how that relationship plays out.

Mr. SIRES. They still have a big gang issue.

Ms. JACOBSON. Yes. No. I mean, that is a huge issue and one that is important to us, because we see the connections to it here in the United States. As Beth noted, the communities where we have worked have seen reductions in crime, and our hope is that the new Salvadoran Government can try and replicate those models to reduce some of the gang violence and some of the prevention for young people going into gangs in the first place.

But let me assure you, frankly, that Honduras and Guatemala remain extremely high priorities for us. It is not really a question of one or the other. All of them confront huge challenges.

Mr. SIRES. Ms. Hogan?

Ms. HOGAN. Well, I would just like to add a point to elaborate a little bit on the decrease that we are seeing in crime and violence in the communities in which we are working. We are going through

a comprehensive evaluation of our citizen security programs, particularly our violence reduction programs.

And what we—we have finished the Guatemala—excuse me, the El Salvador chapter of this study, and what we have seen is that in the communities where USAID has invested in crime and violence reduction strategies, there has been a 33-percent drop in robberies, a 67-percent decrease in homicides, and a 110-percent decrease in extortions and bribery.

So we have got a model that is working. We are also doing these evaluations in other countries, and we look forward to bringing you that evaluation when it is available and briefing you on it, because I think, we have found a model that works.

Mr. SIRES. Thank you very much.

Thank you, Mr. Chairman.

Mr. SALMON. Thank you.

Mr. DeSantis, did you have an additional question?

Well, I think we have asked the questions that have been on our minds, and we really appreciate all of your thoughtful responses.

There is no further business, so this subcommittee is adjourned.

Thank you.

[Whereupon, at 3:28 p.m., the subcommittee was adjourned.]

A P P E N D I X

MATERIAL SUBMITTED FOR THE RECORD

SUBCOMMITTEE HEARING NOTICE
COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515-6128

Subcommittee on the Western Hemisphere
Matt Salmon (R-AZ), Chairman

April 2, 2014

TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

You are respectfully requested to attend an OPEN hearing of the Subcommittee on the Western Hemisphere, to be held in Room 2172 of the Rayburn House Office Building (and available live on the Committee website at <http://www.ForeignAffairs.house.gov>):

DATE: Wednesday, April 9, 2014
TIME: 2:00 p.m.
SUBJECT: Advancing U.S. Interests in the Western Hemisphere: The FY 2015 Foreign Affairs Budget
WITNESSES: The Honorable Roberta S. Jacobson
Assistant Secretary
Bureau for Western Hemisphere Affairs
U.S. Department of State

Ms. Elizabeth Hogan
Acting Assistant Administrator
Bureau for Latin America and the Caribbean
U.S. Agency for International Development

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.



COMMITTEE ON FOREIGN AFFAIRS

MINUTES OF SUBCOMMITTEE ON the Western Hemisphere HEARING

Day Wednesday Date 04-09-2014 Room 2172 RHOB

Starting Time 2:02 p.m. Ending Time 3:28 p.m.

Recesses (___ to ___) (___ to ___) (___ to ___) (___ to ___) (___ to ___) (___ to ___)

Presiding Member(s)

Chairman Matt Salmon

Check all of the following that apply:

Open Session

Electronically Recorded (taped)

Executive (closed) Session

Stenographic Record

Televised

TITLE OF HEARING:

"Advancing U.S. Interests in the Western Hemisphere: The FY 2015 Foreign Affairs Budget"

SUBCOMMITTEE MEMBERS PRESENT:

Chairman Matt Salmon, Rep. Ileana Ros-Lehtinen, Rep. Jeff Duncan, Rep. Ron DeSantis, Ranking Member Albio Sire, Rep. Gregory Meeks, and Rep. Theodore Deutch.

NON-SUBCOMMITTEE MEMBERS PRESENT: *(Mark with an * if they are not members of full committee.)*

Ranking Member Eliot Engel.

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.)*

N/A

TIME SCHEDULED TO RECONVENE _____

or

TIME ADJOURNED 3:28 p.m.


Subcommittee Staff Director