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Bureau
Senate Foreign Relations Committee Western Hemisphere Subcommittee

Examining Causes of and USG Responses to Corruption and Criminal
Networks in the Western Hemisphere
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Chairman Kaine, Ranking Member Rubio, esteemed members of the Committee, thank you for this timely hearing to discuss how the Department of State addresses corruption and transnational organized crime in the Western Hemisphere.

Mr. Chairman, since the beginning of the Biden-Harris Administration, our approach in the Western Hemisphere has focused on making democracy deliver for the region's citizens and addressing the challenges that threaten the foundations of that democracy.

At the center of these threats lie corruption and transnational organized crime, challenges that transcend borders and resonate globally. The link between organized crime and corruption in our hemisphere is undeniable. Corruption facilitates organized crime, and together they undermine trust in institutions, hamper economic development, erode social cohesion, and threaten U.S. national security. Addressing these issues requires robust engagement with regional partners and targeted efforts to promote transparency and accountability, build the capacity of independent judiciaries, and counter criminal networks.

President Biden and Secretary Blinken have prioritized countering corruption globally using all tools at our disposal. The Western Hemisphere Affairs Bureau, in collaboration with Department and interagency colleagues, has taken concrete actions against corruption in the Americas using diplomatic engagements, sanctions, visa restrictions, law enforcement cooperation, justice sector programming, capacity-building for journalists and civil society organizations, and other mechanisms to promote accountability and dissuade future acts of corruption and undemocratic actions in our hemisphere.

Since 2023, we have designated over 40 former and current foreign officials in the Western Hemisphere and their family members as ineligible for entry into the United States, per Section 7031(c) of the Department of State, Foreign Operations, and Related Programs Appropriations Act. Designations under this authority deny safe haven to corrupt actors and help protect the U.S. financial system from their ill-gotten gains. We reiterate that merits of the case and not political affiliation direct our implementation of Section 7031(c) or any of our other visa restriction or sanctions authorities.

The United States also imposed visa restrictions against individuals in Honduras, Guatemala, and Venezuela for engagement in corruption, under INA 212(a)(3)(C). In Nicaragua alone, we have taken steps to impose visa restrictions under several authorities on more than 1,200 individuals and to sanction 51 individuals and 11 entities for undermining rule of law through corrupt acts and obstructing democratic processes.

We listed 53 individuals in the Section 353 “Corrupt and Undemocratic Actors” report for engagement in corruption and undermining democratic processes or institutions under the United States-Northern Triangle Enhanced Engagement Act. Under the Global Magnitsky sanctions program, the United States also designated nine individuals and entities for corruption in the hemisphere.

The intricate relationship between government corruption and criminal elements has deep consequences for the region’s stability, security, and socio-economic development. Corrupt officials facilitate other criminal activities by turning a blind eye or actively participating in them. Bribes, extortion, and illicit deals create an enabling environment for organized crime and an unwelcome environment for U.S. business. When corruption infiltrates law enforcement and the judiciary, criminals operate with impunity.

Across Latin America and the Caribbean, transnational criminal activity has expanded to include firearms and human trafficking, irregular migration, and illegal mining. From Mexico’s Sinaloa Cartel to Venezuela’s Tren de Aragua (TDA), we are keenly aware of Transnational Criminal Organization’s (TCOs) destabilizing effects in the region. In Colombia, Clan del Golfo, a powerful criminal organization involved in drug trafficking, violence, and corruption, has had a

devastating impact on Colombian society. This TCO operates across borders and wields immense power and wealth, even deriving a lucrative income stream from smuggling migrants through the Darién Gap. Addressing these criminal elements throughout our hemisphere has been at the center of our engagements with partners, through robust dialogues that address our security cooperation and by providing technical assistance, capacity building, and resources to counter crime and corruption.

Corruption and transnational crime form a vicious cycle, perpetuating violence, undermining institutions, and hindering efforts to combat drug trafficking and related criminal enterprises. Since 2021, the United States and Mexico have held three High-Level Security Dialogues under the Bicentennial Framework to guide binational actions in pursuit of the security, health, and development of our societies. These engagements have been essential for building Mexican support for implementation of projects focused on strengthening rule of law, public trust in law enforcement, and rooting out corruption.

Violence and insecurity perpetuated by TCOs and gangs contribute to waning faith in democratic institutions, suppress economic opportunities, drive irregular migration, and directly threaten the security of the United States. The Central American Regional Security Initiative and the Caribbean Basin Security Initiative build community, local, and national crime and violence prevention capacity, as well as provide critical social, educational, and economic opportunities to youth to reduce their risk of involvement in crime and violence. Additionally, they have improved regional capacity to collect and analyze data on crime and violence and to increase transparency and effectiveness of the criminal justice system, decreasing the opportunity for corruption.

Venezuela's humanitarian crisis, economic collapse, widespread corruption, and political unrest have created an environment where transnational criminal organizations operate unchecked. Public diplomacy exchanges and campaigns remain key to our efforts to address these challenges. In 2023, eight municipal leaders from Venezuela participated in an International Visitor Leadership Program (IVLP) examining how transparency and accountability in government can enhance public trust and how civil society can serve as a catalyst for the creation and maintenance of accountable government institutions.

In recent months, Ecuador faced unprecedented violence and instability at the hands of gangs and other criminal actors. In March, the Department held the fourth U.S.-Ecuador High-Level Dialogue, where the United States expressed strong support for Attorney General Salazar as she prosecutes TCO violence and investigates far-reaching corruption among the judiciary and political class.

Nowhere is the threat to democracy from gangs and pervasive corruption more acute today than in Haiti. Corruption, impunity, and poor governance have eroded the rule of law, pushing state institutions close to collapse. That is why the deployment of a Multinational Security Support Mission remains a critical part of our strategy to restore security, laying the groundwork for a democratic transition of power. We have also leveraged both U.S. and United Nations sanctions authorities, as well as visa restrictions, to promote accountability for gang leaders and those who support them.

Chairman Kaine and Ranking Member Rubio, confronting corruption and transnational crime in the Americas demands collective action, unwavering commitment, and close cooperation with our partners in the region.

Governments, law enforcement agencies, and civil society must collaborate to dismantle criminal networks, strengthen judicial systems, and promote transparency. By fostering a culture of accountability, promoting anti-corruption measures, and bolstering security cooperation, the Department of State remains committed to creating a safer and more resilient hemisphere.

Thank you for the opportunity to testify before this Committee and I look forward to your questions.