

**STATEMENT BY MARCELA X. ESCOBARI  
NOMINEE FOR ASSISTANT ADMINISTRATOR FOR  
THE BUREAU FOR LATIN AMERICA AND THE CARIBBEAN  
UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT  
BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE  
February 11, 2016**

Chairman Gardner, Ranking Member Cardin and Members of the Committee,

Thank you for considering my nomination and for the opportunity to testify before you today. It is an honor to be nominated by President Obama to serve as Assistant Administrator for the Bureau for Latin America and the Caribbean at the United States Agency for International Development (USAID). I am grateful for the trust and confidence placed in me by Administrator Smith and Secretary Kerry at this critical time for the region. I also want to recognize the outstanding work being done by Beth Hogan, who has been leading the Bureau as acting Assistant Administrator.

I have had the opportunity to meet the dedicated staff of USAID, as well as those working for this Committee, and I have been inspired by their knowledge and commitment. I have devoted my career to the practice of international development and I remain deeply optimistic about the role that U.S. policy and development assistance can play in improving lives for the poorest communities in Latin America and the Caribbean. If confirmed, I will work hard to make good on the Agency's mission to create prosperous, democratic, and resilient societies.

My passion for development was sparked by growing up in Bolivia, one of the poorest countries in the region, as the daughter of two pediatricians who practiced in the country's ill-equipped public hospitals. They brought home the joys of making a difference one child at a time, but also the frustration of seeing children die more often from poverty than disease. As a teenager, I recall declaring my intent to follow in their footsteps and become a doctor, to which they looked at each other with mild concern. They counseled me to instead focus on the "more structural forces" that keep people in poverty. At the time, I had no idea what they meant; only that it sounded much less fun than being a doctor. I soon figured out that they were encouraging me to tackle the root causes-not simply the symptoms- of the deprivation endured by the children they helped on a daily basis. I know that my parents, who are watching today from afar, are proud to see me here hoping to do just that.

I want to thank them, my husband Beran, our sons Nico and Lucas, and all of our friends and family, whose unwavering support and love are the reason I can sit before you today.

Throughout my career, I've had the opportunity to observe and work on international development challenges from many different perspectives. An early memory – and one that impacted my career choice – was volunteering in an orphanage while in high school. There, I remember caring for a two year old child who could barely sit up because the staff had no resources to provide the most basic human interactions to foster his development. I knew even then, that his suffering was and should be preventable.

Years later, as an investment banker working in Latin America, I saw the win-win potential of foreign direct investment and the transfer of knowledge across borders. As a management consultant working on development projects in Africa and the Americas, I learned how structuring effective partnerships among the private sector, governments, and local institutions can help create economic opportunities. Most recently, as the executive director of an international development research center at Harvard University, I have overseen numerous research projects on how to spur economic growth that is inclusive, and build the capacity of governments to execute more effectively. Experiencing the practice of development from these different perspectives – some up close as a volunteer and some from afar in the private sector and academia – has taught me a number of lessons I plan to bring to this job, if confirmed.

First, I believe that *there are no silver bullets*. Solving poverty is among the most complex challenges of our time. Making progress requires a long list of ingredients- ranging from access to quality education and healthcare to reliable roads and functional ports. It requires jobs that provide both sustenance and dignity, and a viable transport system that allows people to get to those jobs. We also know that overcoming poverty requires intangibles. It requires effective governance. People must feel a basic sense of safety in their neighborhoods, they must believe in a future for themselves and their children; they must have faith in the rule of law and an impartial justice system. The list of course continues.

But here's what we also know: it is *possible* to prevail. History has shown us that progress is attainable. The economies of countries like the U.S. have grown twenty times in the last two hundred years, while others have remained stagnant for decades. By studying their experiences, we have learned a lot about what drives growth, and we have had to confront the difficult truth that a one-size-fits-all approach will not work. The varying histories, cultures, capacities, government structures and even geographic locations of countries means that the path to prosperity for El Salvador will be different from that of Haiti.

Second, I believe that the answers to the complex challenge of development must be grounded in *evidence*. Effective policy requires a relentless, data-driven approach to learning – and learning fast. We must start from the humble position that there is a lot that we still don't know. New technologies have given us the ability to experiment, gather data, and harness new insights at an accelerated pace. If confirmed, I will build on ongoing USAID innovations and evaluations efforts to bring this data driven approach to bear on initiatives to deliver results.

Third, I have experienced first-hand the transformative power of *partnership* for development. Growth requires a thriving private sector that creates opportunities for its citizens -- and one works *together* with an accountable public sector and vibrant civil society. Early in my career I worked on a project in Rwanda to help reconstruct the economy after the genocide. The project helped to transform a coffee sector that produced mostly green, low-value coffee into a competitive global exporter of Arabica coffee beans that are of such high quality that they are now sourced for Starbucks. Success depended on many factors: on entrepreneurs willing to venture into new export markets, on a government that could provide widespread technical assistance to farmers, on USAID's ability to provide a loan guarantee that helped establish the first coffee washing station. This 10-year, cross-sector partnership resulted in tripling the incomes of some of Rwanda's poorest coffee farmers, helping them to send their children to

school and envision a new future for them. These outcomes would not have been possible without multiple actors working together on a unified strategy.

In the end, nations can only provide opportunities for their people if they have competitive firms that produce goods the world wants to buy. While leading the Latin American and Caribbean practice for an international consulting firm, I witnessed what happens when local producers became globally competitive. Whether in manufacturing, tourism or music, the challenge is harnessing the specific advantages of local industry and effectively connecting them to global markets. These linkages provide jobs for the unemployed, increase wages for the poor, and ultimately drive sustainable growth and development – impacts that go well beyond a nation’s own borders. I very much support USAID’s focus on leveraging the investments of the private sector, and I believe that it is in the best interest of the American people to help build resilient economies that are integrated into the global marketplace. This is particularly true in our neighboring economies in Latin America and the Caribbean.

Finally, I understand that economic growth alone is not enough. Development requires strong and transparent institutions that provide basic services to people, ensure that rule of law and public safety are maintained, that universal rights are respected, and that governments are accountable to their citizens. If confirmed, I will work diligently to advance the U.S. government’s long-standing commitment to promoting democracy, human rights and governance and supporting civil society to advocate for these conditions in Latin America and the Caribbean – from Cuba to Venezuela and beyond.

It is an important time for Latin America and the Caribbean. There are winds of change that are bringing hope to millions of people. Historic elections have taken place in Venezuela and Argentina. Judicial systems are holding the most powerful accountable in countries like Brazil and Guatemala. There is a peace accord on the table in Colombia that may finally bring an end to a brutal 50 year old civil war.

But it is also a time of fragility. Winds of change can quickly turn to destructive storms, and so we must continue to work skillfully with our partners in the region to ensure that these gains are sustained. In Venezuela, a humanitarian crisis is brewing amidst political turmoil. In Central America, we have seen the spillovers of escalating violence, stagnant growth and weak institutions. In Haiti, allegations of electoral fraud have brought the country to the brink of an institutional void. And while Colombia is on the verge of a milestone peace accord, the country has yet to move through the delicate process of disarming and reinserting former fighters into society. We need to combine hope with humility, and a hunger for progress with a clear-eyed recognition of what it takes to create sustainable progress in this complex world.

The region now faces a new threat – the Zika virus. While there is much we still do not know about this disease, I am encouraged by the U.S Government’s response and USAID’s plan to focus its efforts on mitigating the outbreak through mosquito control strategies, communicating with the public about the virus and how to control it, supporting women and families in affected countries, and innovating to enhance the response and prevent future outbreaks.

As we look for solutions and for ways to support the region's dreams of prosperity and stability, we must not only deploy our own capabilities but also the commitment, knowledge and resources of our partners throughout the region. The solution to some of Guatemala's malnutrition challenges may be found in techniques developed in Argentina's agricultural sector. The answer to the scarcity of employment opportunities in Haiti may be found in the economic zones next door in the Dominican Republic. Ideas to address Central America's insecurity may be found in our own cities or in other cities across Latin America. Our mission is a shared one in every sense, not just with the American people -- as an extension of their will and with the burden and privilege of their trust--but also with our neighbors in the region.

I was born in Bolivia, but circumstances gave me the incredible chance to become a citizen of this great country. I fell in love with a wonderful man, but I was also drawn to the United States' core values, its belief in every individual's intrinsic dignity, in our right to pursue our own happiness and prosperity in an environment where our freedoms are protected and the rules apply equally to everyone.

I believe that these values are the source of our nation's strength and that they must be reflected in our foreign policy. It would be an honor to give back to a country that has given me so much and advance those values as Assistant Administrator for the Bureau for Latin America and the Caribbean at the United States Agency for International Development. Thank you again for considering my nomination and I look forward to answering your questions.