

“REVIEW OF RESOURCES, PRIORITIES AND PROGRAMS IN THE FY 2016  
STATE DEPARTMENT BUDGET REQUEST”

TESTIMONY OF  
JOHN D. FEELEY  
PRINCIPAL DEPUTY ASSISTANT SECRETARY OF STATE  
BUREAU OF WESTERN HEMISPHERE AFFAIRS  
U.S. DEPARTMENT OF STATE  
BEFORE  
THE SUBCOMMITTEE ON WESTERN HEMISPHERE, TRANSNATIONAL  
CRIME, CIVILIAN SECURITY, DEMOCRACY, HUMAN RIGHTS, AND  
GLOBAL WOMEN’S ISSUES  
SENATE FOREIGN RELATIONS COMMITTEE

MAY 5, 2015

Mr. Chairman, Ranking Member Boxer, and Members of the Subcommittee:

Thank you for the opportunity to testify on the FY 2016 request for U.S. assistance for the Western Hemisphere.

Mr. Chairman, the Western Hemisphere is a top priority for the United States because important national interests are at stake. I am pleased to report that almost every available metric—including public opinion polls, levels of trade and investment, cultural and family ties, security cooperation, and shared democratic values— supports the view that the United States remains an influential actor and vital partner in the region. And this positive relationship with our neighbors is essential for the American people. It creates jobs. It links families. It promotes our common democratic values. The Obama administration’s policy aims to forge equal partnerships with the countries of the Americas to advance these shared values and our common interests. Today, we are not only working closely with our partners to address regional and hemispheric challenges, but we are increasingly working together on important global issues, such as climate change, combatting transnational criminal organizations, and promoting a prosperity agenda that begins at home.

Let me be very specific. In the Western Hemisphere, our top priorities are jobs and prosperity, education and innovation, energy cooperation, and promoting democratic values. We are also focused on improving citizen security with more

comprehensive policies that advance prosperity and innovation, deepening the successful North America relationship, and supporting Colombia's peace process.

Our FY 2016 budget request reflects the high level of importance that this administration gives to the Western Hemisphere. The request is \$1.99 billion, which is a 34.7 percent increase from FY 2014. Just over half the total request supports the U.S. Strategy for Engagement in Central America, a new, whole of government approach to enhance prosperity, governance, and security in Central America. Last summer's spike in the migration of unaccompanied children was a clear signal that serious and long-standing challenges in Central America remain and, in some instances, are worsening. In order to change this dynamic, we must adequately address the underlying factors driving migration or be prepared for what is likely to be an ongoing cyclical phenomenon - with significant impact and cost to the United States.

Our \$1 billion assistance request for Central America includes new investments for prosperity and governance consistent with our strategy, while maintaining and strengthening our current focus on security, including the investments we have made through the Central America Regional Security Initiative (CARSI). These funds are necessary to adequately address the complex web of causal factors that drive many Central Americans to seek out better opportunities in the United States, despite the obvious dangers of making this journey as an undocumented migrant. As the President and Vice President have emphasized, we must cooperate with our Northern Triangle partners to create the opportunities that will keep Central Americans at home, where they can contribute to the creation of a safe, secure, prosperous and middle class region. While this level of support represents a significant increase from previous years, we believe the cost of investing now in Central America's security and prosperity pales in comparison to the cost of addressing migration challenges here in the United States.

We are cognizant of the significance of this task and do not make this request lightly. We in the Executive branch must move quickly to demonstrate results and hold ourselves accountable. That means consulting closely with the members of this committee and your colleagues in the Senate and in the House, rigorously evaluating our programs, and crafting the most effective assistance package.

Most significantly, we believe the essential condition for success is in sight: political will in the region. Vice President Biden traveled to Guatemala to meet

with the presidents of El Salvador, Guatemala, and Honduras in early March. It was only the latest of his, the President's, and Secretary Kerry's engagement with these leaders. During months of intensive work with these three presidents of the Northern Triangle of Central America, it has been clear that the notion of "shared responsibility" is much more than a bumper sticker. I was pleased to join the Vice President during his most recent trip to the region earlier this spring, where the leaders agreed to a joint statement including a host of public commitments – with timelines – for continued progress. Together we committed to actions in Central America in order to promote a better business environment for investors and small business owners, to strengthen police and judicial systems, to increase government openness and transparency, to improve revenue collection and make streets safer. And we did so publicly, inviting scrutiny and accountability.

Our prosperity agenda for Central America fosters the integration of a regional market of 43 million people and the reduction of legal impediments that hamper competition and growth and only benefit small groups of closely held, entrenched economic forces. Six million young people will seek to enter the labor force in the next decade. Encouraging an environment that enables investment and growth will encourage talented people to stay at home, and create jobs and local businesses to participate in a bigger market.

Our strategy's governance agenda recognizes that economic growth and security are only sustainable when democratic institutions of government are transparent, accountable, and actually deliver services to all citizens– and when independent civil society and the media can play their rightful oversight roles. Citizens and investors will trust institutions once those institutions establish a pattern of transparency, accountability, and effectiveness. Thus, the prosperity and governance components of our Strategy are essential for the success of our security investments. At the same time, security remains a core priority. Our \$1 billion request for Central America includes \$286.5 million for CARSI to scale up proven community-based security models and advance police reform.

Beyond Central America, we must maintain investments in priority programs that are working. This past summer, Mexico was a key partner in the effort to stem the flow of migration to the United States. And nearly every week it captures important drug traffickers. But its serious security challenges have persisted, as we saw with the tragic disappearance of 43 students in Iguala. Therefore, our \$119 million request in continued Merida Initiative support emphasizes technical assistance, support to additional Mexican states in line with Mexico's priorities, and assists Mexico's southern border strategy. It advances

Mexico's efforts to strengthen the rule of law, combat corruption, build resilient communities, and protect human rights – all important priorities for the American people – especially those living in border states.

In Colombia, all eyes are on whether the peace process can bring an end to Latin America's longest-running conflict. But we can't take our eye off the ball, so our request includes \$288.7 million to support Colombia's efforts to secure the rule of law and support sustainable development, which will be crucial for a lasting and just peace. Our assistance to Colombia strengthens law enforcement, counternarcotics and rule of law, promotes human rights and humanitarian assistance, and expands support for economic development and social inclusion. The request also reflects Colombia's ability to provide for its own needs. However, our assistance will need to remain flexible as Colombia pursues negotiations to conclude its decades-long conflict. We appreciate Congress' longstanding bipartisan support for our partnership with Colombia and the Colombian people and we will absolutely continue to consult with Congress on this important bilateral policy.

In the Caribbean, our request includes \$241.6 million for Haiti and \$53.5 million for the Caribbean Basin Security Initiative (CBSI). Our request for Haiti focuses on investments in infrastructure and energy; food and economic security, health, and other basic services; governance, rule of law, and security. CBSI assistance seeks to stabilize and reduce rates of crime and violence, which threaten both U.S. and Caribbean security. The request for CBSI emphasizes regional law enforcement information sharing and cooperation, justice sector reform, and initiatives that address the root causes of crime and insecurity in targeted communities, with a focus on youth.

Peru is now the world's largest producer of cocaine, and the government will need our help to change that trajectory. Our request for Peru is \$95.9 million, which includes support for traditional counternarcotics activities. Additionally, these funds would support alternative development programs. Our model of coordinated counternarcotics and alternative development has reduced coca cultivation in Peru's San Martin region by 70% over the past decade, while simultaneously halving poverty, from 67% in 2001 to 30% in 2013. With USAID support, communities in San Martin now cultivate over 50,000 hectares of coffee, cacao, and other alternative crops for export markets in the United States and Europe. These proven models of success must go hand-in-hand with our law enforcement cooperation to help our committed Peruvian partners beat back the organized crime networks that grow, make, and ship illicit narcotics. This

assistance will continue our strong cooperation with the Humala Administration, which has demonstrated a clear commitment to partnership with the United States.

The request maintains important support for freedom of the press, human rights, and democracy efforts in the hemisphere, including in Cuba, Venezuela, Ecuador, and Nicaragua. And we will also continue to support a revitalized and strengthened Organization of American States, under the leadership of Secretary General-elect Almagro, so that the organization is able to proactively engage on issues of democratic governance and human rights in the region. Ensuring the independence of the Inter American Human Rights System remains a key part of these efforts at the OAS. The United States has a long history of supporting human rights and civil society. Our request continues this approach.

The United States remains firmly committed to engaging our regional partners on a positive agenda for the hemisphere. Our consistent vision is of a prosperous, democratic and stable region, which requires us to focus on areas such as Central America that are most vulnerable. The U.S. assistance that supports our policy makes a direct difference in the lives of citizens throughout the hemisphere and benefits the national interests of the United States.

I thank you for your consideration and look forward to your questions.