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Central America Regional Security Initiative: Background and Policy Issues for Congress

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Summary

Central America faces significant security challenges. Criminal threats, fragile political and judicial systems, and social hardships such as poverty and unemployment contribute to widespread insecurity in the region. Consequently, improving security conditions in these countries is a difficult, multifaceted endeavor. Since U.S. drug demand contributes to regional security challenges and the consequences of citizen insecurity in Central America are potentially far-reaching—as demonstrated by the increasing number of migrants, asylum seekers, and refugees arriving at the U.S. border—the United States is collaborating with countries in the region to implement and refine security efforts.

Criminal Threats

Well-financed drug trafficking organizations, gangs, smugglers, and other criminal groups are threating citizen security and the rule of law in Central America. The isthmus has become a major transshipment point for illicit drugs as counternarcotics efforts in Colombia and Mexico have disrupted other trafficking routes to the United States. At the same time, clashes between street gangs have paralyzed cities and intensified violence. Several Central American countries now have homicide rates that are among the highest in the world. The resulting desperation has created opportunities for smugglers and traffickers to prey on Central Americans attempting to travel, or to send their children, to the United States.

Social and Political Factors

Throughout Central America, underlying social conditions and structural weaknesses in governance inhibit efforts to improve security. Persistent poverty, inequality, and unemployment leave large portions of the population susceptible to crime. Given the limited opportunities other than emigration available to the expanding youth populations in Central America, young people are particularly vulnerable. The failure to fully implement post-conflict institutional reforms that were initiated in several countries in the 1990s has left police, prisons, and judicial systems weak and susceptible to corruption. Recent scandals that have led to the resignations of the president of Guatemala and senior officials in Honduras demonstrate the extent to which criminality has infiltrated state institutions.

Central American Security Policies

Central American governments have attempted to improve security conditions in a variety of ways. The Honduran government has taken a hardline approach to crime, deploying military forces to carry out policing functions. The Salvadoran government is pursuing similar policies after the truce it brokered between criminal gangs broke down. The Guatemalan government has also embraced a larger role for the military in public security while simultaneously working with the U.N.-backed International Commission Against Impunity in Guatemala (CICIG) to strengthen its investigative and prosecutorial capacities and root out corruption. Other Central American governments have emphasized modern policing strategies and prevention activities, such as programs that focus on strengthening families of at-risk youth. Recognizing the transnational nature of the threats they face, Central American governments have also sought to improve regional security cooperation.

U.S. Assistance

Since FY2008, the U.S. government has supported security efforts in Central America through the Central America Regional Security Initiative (CARSI). The initiative provides the seven nations of the isthmus with equipment, training, and technical assistance to support immediate law

enforcement operations. CARSI is also designed to strengthen the long-term capacities of Central American governments to address security challenges and the underlying social and political factors that contribute to them. Since FY2008, Congress has appropriated nearly $1.2 billion for Central America through CARSI. As of the end of FY2015, $457 million of the funds allocated to CARSI had been expended.

The Obama Administration requested $286.5 million for CARSI in FY2016 as part of a broader $1 billion request to support a new "U.S. Strategy for Engagement in Central America." Although the Consolidated Appropriations Act, 2016 (H.R. 2029) would not fully fund the Administration's request for Central America, it would provide $750 million for the region, including $348.5 million for CARSI. The bill would also place a number of conditions on the assistance, requiring governments in the region to take steps to improve border security, combat corruption, increase revenues, and address human rights concerns, among other actions.

Contents

Introduction 1
Background: Central American Security Challenges 3
Underlying Societal Conditions 4
Structural Weaknesses in Governance 5
Criminal Threats 7
Drug Trafficking Organizations 7
Gangs 8
Other Criminal Organizations 9
Central American Policy Approaches 10
Mano Dura and Militarization 10
Law Enforcement and Institutional Reform 12
Prevention 13
Regional Cooperation 14
U.S. Policy 15
Background 15
Central America Regional Security Initiative 16
Funding 16
Implementation 18
Programs 19
Results 21
Additional Issues for Congressional Consideration 22
Strategy and Funding Levels 22
Human Rights Concerns 24
Relation to U.S. Domestic Policies 26
Drug Demand 26
Illicit Financial Flows 26
Arms Trafficking 27
Deportations 27
Outlook 28

Figures

Figure 1. Map of Central America 2
Figure 2. Crime Victimization Rates in Central America and Mexico: 2014 4
Figure 3. Central American Drug Trafficking Routes 8
Figure 4. CARSI Allocations by Country 18

Tables

Table 1. Estimated Homicide Rates in Central America and Mexico: 2008-2013 3
Table 2. Central America Social Indicators 5
Table 3. CARSI Funding: FY2008-FY2016 17

Appendixes

Appendix. CARSI Appropriations Legislation: FY2008-FY2015 29

Contacts

Author Information..... 32

Introduction

The security situation in Central America[1] has deteriorated over the past decade. Gangs, drug traffickers, and other criminal groups have expanded their activities, contributing to escalating levels of crime and violence that have alarmed citizens and overwhelmed governments. Violence is particularly intense in the "northern triangle" countries of El Salvador, Guatemala, and Honduras, which have some of the highest homicide rates in the world. Citizens of those nations now rank crime as the top problem facing their countries,[2] and an increasing number have sought refuge abroad. Crime and violence also take an economic toll on the countries of the region, which is estimated to range from 2.5% of gross domestic product (GDP) in Costa Rica to 10.5% of GDP in Honduras.[3]

While some analysts argue that the growth of organized crime in Central America poses challenges to U.S. strategic interests and may present a greater threat to regional security than the civil conflicts of the 1980s,[4] U.S. policymakers have only recently begun to offer increased attention and financial support to the region. During the 1980s, U.S. economic and military assistance to Central America averaged nearly $1.4 billion (inflation-adjusted 2013 dollars) annually to prevent potential Soviet allies from establishing political or military footholds in the region.[5] U.S. attention to the region declined significantly in the early 1990s, however, as the civil wars ended and Cold War concerns faded. The U.S. government continued to provide Central American nations with some assistance for narcotics interdiction and institutional capacity building, but the funding levels were comparatively low.

U.S. security assistance to the region did not increase substantially until FY2008 with the introduction of the Mérida Initiative,[6] a counterdrug and anticrime assistance program that focused primarily on Mexico but also included some funding for Central America. In FY2010, Congress and the Obama Administration re-launched the Central America portion of the Mérida Initiative as the Central America Regional Security Initiative (CARSI). Whereas most U.S. security efforts in Central America since the 1990s have focused on preventing illicit narcotics from reaching the United States, CARSI is designed to address a broader array of security concerns. While it continues to support immediate law enforcement and interdiction operations, it also aims to strengthen the capacities of communities and governmental institutions to address security challenges and the underlying conditions that contribute to them. Since FY2008,

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[1] For the purposes of this report, "Central America" includes all seven countries of the isthmus: Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama.

[2] Elizabeth J. Zechmeister, ed., *The Political Culture of Democracy in the Americas, 2014: Democratic Governance Across 10 Years of the Americas Barometer*, Vanderbilt University, Latin American Public Opinion Project (LAPOP), December 2014, p. 13 (hereinafter, Zechmeister, 2014).

[3] United Nations Development Programme (UNDP), *Citizen Security with a Human Face: Evidence and Proposals for Latin America*, Regional Human Development Report 2013-2014, November 2013, p. 6.

[4] U.S. Congress, House Committee on Foreign Affairs, Subcommittee on the Western Hemisphere, *Regional Security Cooperation: An Examination of the Central American Regional Security Initiative (CARSI) and the Caribbean Basin Security Initiative (CBSI)*, prepared statement of Michael Shifter, 113th Cong., 1st sess., June 19, 2013, p. 1; Steven S. Dudley, *Drug Trafficking Organizations in Central America: Transportistas, Mexican Cartels and Maras*, Woodrow Wilson International Center for Scholars Mexico Institute and the University of San Diego Trans-Border Institute, Working Paper Series on U.S.-Mexico Security Collaboration, May 2010, p. 27 (hereinafter, Dudley, May 2010).

[5] U.S. Agency for International Development (USAID), *Foreign Aid Explorer: The Official Record of U.S. Foreign Aid*, https://explorer.usaid.gov/index.html.

[6] For information on the Mérida Initiative in Mexico, see CRS Report R41349, *U.S.-Mexican Security Cooperation: The Mérida Initiative and Beyond*, by Clare Ribando Seelke and Kristin Finklea.

Congress has appropriated nearly $1.2 billion for the seven nations of Central America through the Mérida Initiative and CARSI.

Although more than seven years have passed since Congress first appropriated funding for the initiative, Central America continues to face significant security challenges. As Congress evaluates budget priorities and considers additional assistance for the region, it may examine the scope of the security challenges in Central America, the current efforts being undertaken by the governments of Central America to address those challenges, and how the United States has supported Central American efforts. This report provides background information about these topics and raises potential policy issues regarding U.S.-Central America security cooperation that Congress may opt to consider, such as the strategy and funding levels necessary to achieve U.S. objectives, how best to promote and protect human rights, and how U.S. domestic policies impact security conditions in the region.

Figure 1. Map of Central America

Source: CRS.

Note: The "northern triangle" countries (El Salvador, Guatemala, and Honduras) are pictured in orange.

Background: Central American Security Challenges

As in neighboring Mexico, the countries of Central America—particularly the northern triangle countries of El Salvador, Guatemala, and Honduras—are dealing with escalating homicides and generalized crime committed by drug traffickers, gangs, and other criminal groups. While drug trafficking-related violence in Mexico has captured U.S. policymakers' attention,[7] the even more dire security situations in many Central American countries have received considerably less focus or financial support from the United States.[8] In 2013, the homicide rate per 100,000 people in Mexico stood at 18.9, a rate exceeded by those of El Salvador (39.8), Honduras (84.3), and—according to local sources—Guatemala (39.3)[9] (see **Table 1**).[10]

Table 1. Estimated Homicide Rates in Central America and Mexico: 2008-2013

Homicides per 100,000 inhabitants

Country	2008	2009	2010	2011	2012	2013
Belize	35.1	32.2	41.8	39.4	45.1	Not available
Costa Rica	11.3	11.4	11.3	10.0	8.4	8.4
El Salvador	51.7	70.9	64.1	70.2	41.5	39.8
Guatemala	46.1	46.5	41.6	38.9	34.6	Not available
Honduras	60.8	70.7	81.8	91.8	91.0	84.3
Nicaragua	13.0	14.0	13.5	12.5	11.3	Not available
Panama	18.4	22.6	20.6	20.3	17.2	17.2
Mexico	12.2	17.0	21.8	22.8	21.5	18.9

Source: U.N. Office on Drugs and Crime (UNODC), "Intentional Homicide, Counts and Rates per 100,000 Population," April 13, 2015.

Note: 2013 is the most recent year for which data are available from UNODC at this time.

Common crime is also widespread. According to 2014 polling data, nearly a fifth of Salvadorans, Hondurans, Nicaraguans, and Guatemalans had been victims of a crime within the past year (see **Figure 2**).[11] Multiple studies have found that those who have been victims of crime or who perceive that crime is increasing in their countries express less support for the political system and the rule of law than other citizens.[12] In extreme cases, some people—including on- and off-duty police—have carried out vigilante killings of those suspected of committing crimes. Recent killings of suspected gang members in El Salvador appear to be one recent manifestation of that phenomenon.[13]

[7] For information on drug trafficking-related violence in Mexico, see CRS Report R41576, *Mexico: Organized Crime and Drug Trafficking Organizations*, by June S. Beittel.

[8] From FY2008 to FY2015, Congress appropriated more than $2.5 billion in counterdrug and anti-crime assistance to Mexico under the Mérida Initiative and nearly $1.2 million to Central America through Mérida and CARSI.

[9] This figure is from Guatemala's National Forensics Institute.

[10] U.N. Office on Drugs and Crime (UNODC), "Intentional Homicide, Counts and Rates per 100,000 Population," April 13, 2015.

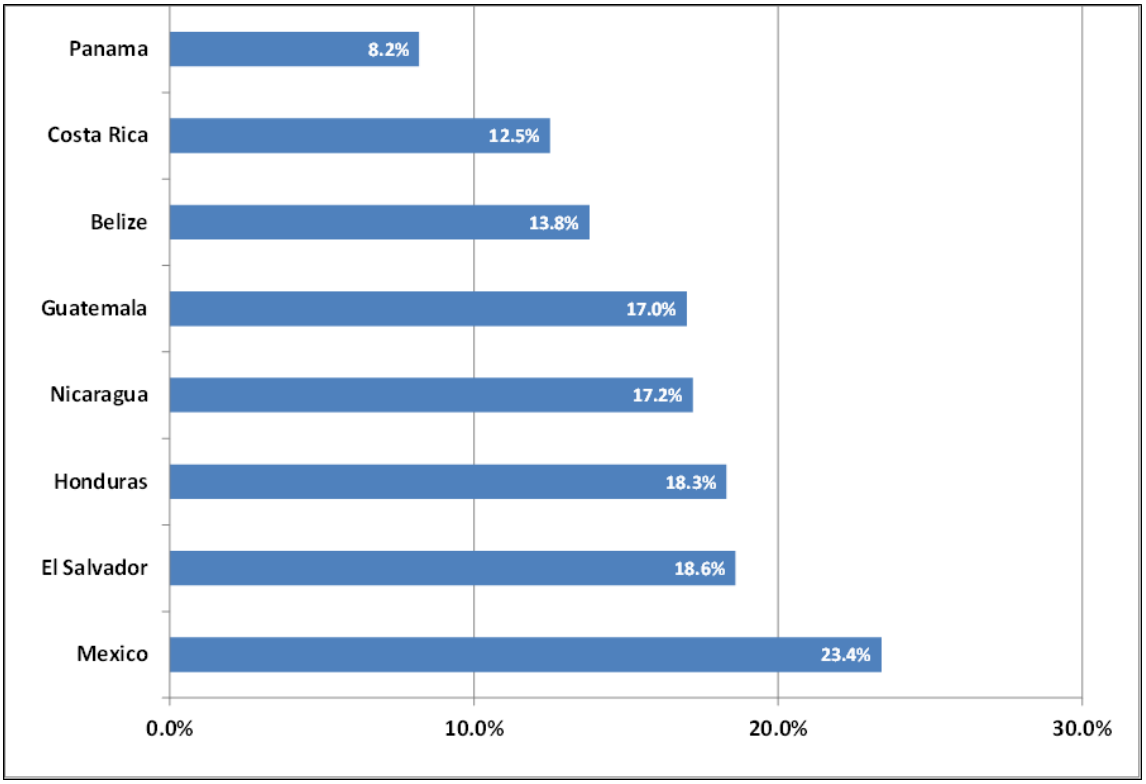
[11] Zechmeister, 2014, op. cit., p. 17.

[12] See, for example, Daniel Zizumbo-Colunga, *Crime Corruption and Societal Support for Vigilante Justice: Ten Years of Evidence in Review*, Vanderbilt University, Latin America Public Opinion Project, 2015.

[13] U.S. Department of State, *Country Report on Human Rights Practices for 2014*, June 2015.

Figure 2. Crime Victimization Rates in Central America and Mexico: 2014

Percentage of people reporting they were victims of a crime in the past year



Source: CRS presentation of data from Elizabeth J. Zechmeister, ed., *The Political Culture of Democracy in the Americas, 2014: Democratic Governance Across 10 Years of the Americas Barometer*, Vanderbilt University, Latin American Public Opinion Project, December 2014, p. 17.

Underlying Societal Conditions

The social fabric in many Central American countries has been tattered by persistent poverty, inequality, and unemployment, with few opportunities available for growing youth populations. With the exceptions of Costa Rica and Panama, the countries of Central America are generally low-income countries with high levels of poverty (see **Table 2**). They are also highly unequal societies with income disparities exacerbated by the social exclusion of ethnic minorities and gender discrimination. The U.N. Office on Drugs and Crime (UNODC) has found that countries with large income disparities have homicide rates that are four times higher than those of more equal societies.[14] Poverty and inequality have been reinforced by the lack of social mobility and persistent unemployment and underemployment in many Central American countries. With limited opportunities at home, many Central Americans have emigrated abroad.[15] The resulting family disintegration has further weakened the social fabric in the region.

[14] UNODC, *Global Study on Homicide: Trends, Contexts, Data*, 2011, p. 30.

[15] While emigration from Mexico has decreased in recent years, emigration from Central America has accelerated, including migration by family units and unaccompanied minors. Since FY2012, the majority of unaccompanied minors apprehended at the U.S.-Mexico border have been from the northern triangle of Central America rather than Mexico. In FY2014, U.S. Customs and Border Protection (CBP) apprehended an unprecedented 51,700 minors from Guatemala, El Salvador, and Honduras. U.S. apprehensions of unaccompanied minors decreased by 42% in FY2015, largely due to

With the exceptions of Belize and Costa Rica, Central American countries have also had long histories of armed conflicts and/or dictatorships. A legacy of conflict and authoritarian rule has inhibited the development of democratic institutions and respect for the rule of law in many countries. Protracted armed conflicts also resulted in the widespread proliferation of illicit firearms in the region, as well as a cultural tendency to resort to violence as a means of settling disputes.[16] Some former combatants have put the skills they acquired during their countries' armed conflicts to use in the service of criminal groups. In El Salvador, for example, illicit networks that smuggled arms and other supplies to both sides involved in the armed conflict have been converted into transnational criminal networks that smuggle drugs, people, illicit proceeds, weapons, and other stolen goods.[17]

Table 2. Central America Social Indicators

Country	Population	Life Expectancy at Birth	Adult Literacy Rate	Per Capita Gross Domestic Product	Population Living in Extreme Poverty	Gini Coefficient
Belize	359,000	70.5 years	82.7%	$4,815	Not available	Not available
Costa Rica	4,978,000	79.6 years	97.8%	$10,072	7.2%	0.512
El Salvador	6,405,000	73.2 years	88.4%	$3,954	12.5%	0.453
Guatemala	16,158,000	72.3 years	79.3%	$3,719	29.1%	0.585
Honduras	8,378,000	73.8 years	88.5%	$2,378	45.6%	0.573
Nicaragua	6,236,000	73.6 years	82.8%	$1,919	29.5%	0.478
Panama	3,989,000	78.1 years	95.0%	$11,845	12.2%	0.527

Source: U.N. Economic Commission for Latin America and the Caribbean.

Note: The Gini coefficient is a commonly used measure of income concentration: a value of 0.0 represents absolute equality; a value of 1.0 represents absolute inequality.

Structural Weaknesses in Governance

In recent years, much has been written about the governance problems that have made many Central American countries susceptible to the influence of drug traffickers and other criminal elements and unable to guarantee citizen security. Many governments do not have operational control over their territories. As an example, the Mexico-Guatemala border is 600 miles long and has only eight formal ports of entry, but as many as 350 informal crossings.[18] This lack of territorial control is partially a result of regional security forces being undermanned and/or ill-

Mexico dramatically increasing its enforcement efforts, but still exceeded the FY2013 level. CBP, "Southwest Border Unaccompanied Alien Children," http://www.cbp.gov/newsroom/stats/southwest-border-unaccompanied-children/fy-2015.

[16] Tani Marilena Adams, *Chronic Violence and its Reproduction: Perverse Trends in Social Relations, Citizenship, and Democracy in Latin America*, Woodrow Wilson International Center for Scholars, March 2012.

[17] Douglas Farah, *Organized Crime in El Salvador: The Homegrown and Transnational Dimensions*, Woodrow Wilson Center for Scholars, Working Paper Series on Organized Crime in Central America, February 2011.

[18] CRS correspondence with Mexican embassy official in Washington, DC, May 1, 2014. Since mid-2014, Mexico has increased government surveillance and immigration enforcement along its southern border. Those efforts have included increased operations against alien smugglers and other criminal groups. See CRS In Focus IF10215, *Mexico's Recent Immigration Enforcement Efforts*, by Clare Ribando Seelke.

equipped to establish an effective presence in remote regions or to challenge well-armed criminal groups.[19] Resource constraints have persisted over time as governments have often been unwilling to increase tax collection. Tax revenue in Central America averaged 17.8% of GDP in 2013, ranging from a low of 13% of GDP in Guatemala to a high of 22% of GDP in Costa Rica.[20]

Resource constraints aside, there have also been serious concerns about corruption at all levels of the police, prisons, judicial, and political systems in Central America. This is partially a result of several countries' failures to fully implement post-conflict institutional reforms in the 1990s.[21] Criminal groups' efforts to influence public officials and elections, particularly at the local level, have also contributed to corruption. According to Transparency International's 2014 Corruption Perceptions Index, citizens in nearly every Central American country perceive high levels of public sector corruption.[22] In 2015, Guatemala's Attorney General, with support from the U.N. Commission Against Impunity in Guatemala (CICIG), uncovered massive corruption in the customs and social security systems. Those revelations ultimately led to the resignation of Guatemalan President Otto Pérez Molina as well as other top-level officials.[23] Large-scale corruption scandals have also emerged in Honduras, where several prominent officials have been arrested on corruption charges and President Juan Orlando Hernández is accused of financing his 2013 election campaign with funds embezzled from the country's social security institute.[24]

Weak state presence, corruption, and criminal infiltration have contributed to widespread impunity, which has further eroded public confidence in Central American governments. Of all the homicides committed in Honduras between 2010 and 2013, for example, only 4% resulted in convictions.[25] With crime victimization rates on the rise and conviction rates remaining stubbornly low, Central Americans express little confidence in law enforcement and other governmental institutions. Many businesses and wealthy individuals in the region have turned to private security firms to ensure their safety. One study found that the number of authorized private security personnel in Central America exceeds 160,000, with private security agents outnumbering police in every country in the region.[26] Perhaps more alarmingly, non-state actors such as drug trafficking organizations and gangs are increasingly exercising governance in areas where national governments have failed to establish effective state presence.[27]

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[19] The U.S. Department of Defense has sought to help Guatemala stand up an inter-agency unit along part of its border with Mexico. For an assessment of that effort, see Gillian S. Oak, *Building the Guatemalan Interagency Task Force Tecún Umán: Lessons Identified*, RAND Corporation, 2015.

[20] Belize is not included in this calculation. Inter-American Centre of Tax Administrations, Inter-American Development Bank, Economic Commission for Latin America and the Caribbean, and Organisation for Economic Co-operation and Development, *Revenue Statistics in Latin America: 1990-2013*, March 10, 2015.

[21] On police reform, see Washington Office on Latin America (WOLA), *Protect and Serve? The Status of Police Reform in Central America*, June 2009. On the judicial sector, see Due Process of Law Foundation, *Evaluation of Judicial Corruption in Central America and Panama and Mechanisms to Combat It*, 2007.

[22] According to Transparency International's 2014 Corruption Perceptions Index, citizens in nearly every Central American country perceive high levels of public sector corruption. On a scale of 0-100 (highly corrupt-very clean), the countries scored as follows: Honduras (29), Nicaragua (28), Guatemala (32), Panama (37), El Salvador (39), and Costa Rica (54). Belize is not included in the index.

[23] For more information, see CRS Insight IN10354, *Guatemala: President Pérez Resigns; Runoff Presidential Election on October 25*, by Maureen Taft-Morales.

[24] For more information, see CRS Report RL34027, *Honduras: Background and U.S. Relations*, by Peter J. Meyer.

[25] "Homicidios en Honduras Impunes en un 96%," *El Heraldo* (Honduras), November 24, 2014.

[26] RESDAL, *Public Security Index, Central America: Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama*, Buenos Aires, October 17, 2013.

[27] Douglas Farah and Carl Meacham, *Alternative Governance in the Northern Triangle and Implications for U.S. Foreign Policy*, Center for Strategic & International Studies (CSIS), September 2015.

Criminal Threats

Many different types of criminal actors are taking advantage of the instability and institutional weakness in Central America, as well as the large informal economies in the region, to conduct a wide range of illicit activities. Those activities include, but are not limited to, crimes that impact people's daily lives, such as extortion, robbery, rape, and small-scale drug distribution. They also include transnational criminal activities, such as money laundering, weapons smuggling, drug trafficking, migrant smuggling, and human trafficking. Criminal organizations tend to generate violence when rivals or government security forces challenge their control of territories and illicit markets.

Drug Trafficking Organizations

Since the mid-1990s, the primary pathway for illegal drugs, including Andean cocaine, entering the United States has been through Mexico. Nevertheless, as recently as 2007, only a small amount of the cocaine that passed through Mexico first transited through Central America. This has changed in recent years, as stepped-up enforcement efforts in Mexico and instability in certain Central American countries have provided incentives for traffickers to use the region as a transshipment point. Traffickers now use overland smuggling, littoral maritime trafficking, and short-distance aerial trafficking through Central America instead of directly transporting cocaine from South America to Mexico (see **Figure 3**). According to the U.S. State Department, about 84% of cocaine trafficked to the United States passes through Central America and Mexico.[28] A large but unknown proportion of opiates, as well as foreign-produced marijuana and methamphetamine, also flow through the same pathways. In September 2015, President Obama identified all seven Central American nations as "major drug transit" countries for the fifth consecutive year.[29]

In the past, Mexican and Colombian drug trafficking organizations (DTOs) tended to contract local drug trafficking groups in Central America, sometimes referred to as *transportistas*, to transport drugs through that region. More recently, drug transshipment activities have increasingly been taken over, often after violent struggles, by Mexican drug traffickers, such as the Sinaloa DTO and the Zetas, and their affiliates. Mexican DTOs have been most active in Guatemala, where they are battling each other and family-based Guatemalan DTOs for control over lucrative drug smuggling routes. Mexican DTOs have paid *transportistas* and gangs—who sometimes serve as enforcers (or hit men)—in product, which has increased drug consumption in many countries and sparked disputes between local groups over control of domestic drug markets.[30] The DTOs, particularly the Zetas, have also taken control of many migrant smuggling routes originating in Central America, enacting harsh penalties on those who fail to work for them or pay them quotas.[31]

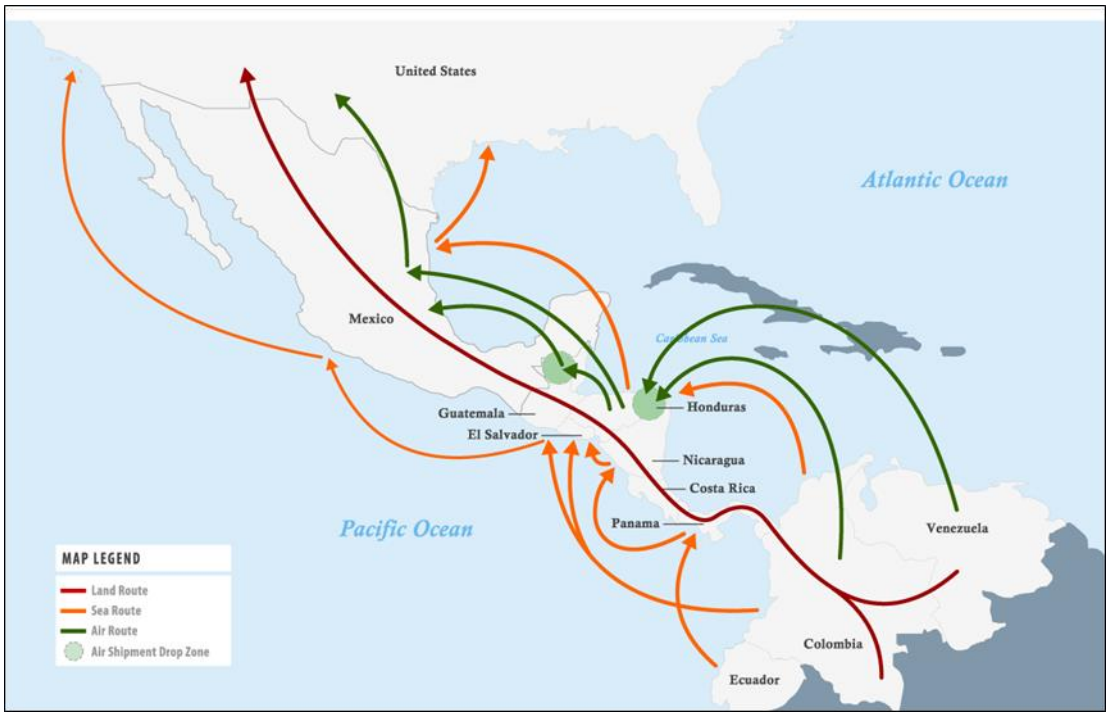
[28] U.S. Department of State, *2015 International Narcotics Control Strategy Report (INCSR)*, March 2015, p. 10 (hereinafter, *INCSR*, March 2015).

[29] President Barack Obama, "Presidential Determination on Major Drug Transit or Major Illicit Drug Producing Countries for Fiscal Year 2015," September 15, 2015.

[30] Dudley, May 2010, op. cit.

[31] Tim Johnson, "Violent Mexican Drug Gang, Zetas, Taking Control of Migrant Smuggling," *McClatchy Newspapers*, August 12, 2011.

Figure 3. Central American Drug Trafficking Routes



Source: Douglas Farah and Carl Meacham, *Alternative Governance in the Northern Triangle and Implications for U.S. Foreign Policy*, Center for Strategic & International Studies (CSIS), September 2015, p. 7, http://csis.org/files/publication/150911_Farah_AlternativeGovernance_Web.pdf.

Gangs[32]

In recent years, Central American governments, the media, and analysts have attributed, sometimes erroneously, a significant proportion of violent crime in the region to transnational youth gangs, or *maras*, many of which have ties to the United States. The major gangs operating in Central America with ties to the United States are the "18th Street" gang (also known as M-18) and its main rival, the *Mara Salvatrucha* (MS-13).[33] The 18th Street gang was formed in the 1960s by Mexican youth in Los Angeles who were not accepted into existing Hispanic gangs. MS-13 was created during the 1980s by Salvadorans in Los Angeles who had fled the country's civil conflict. Both gangs later expanded their operations to Central America. This process accelerated after the United States began deporting illegal immigrants, many with criminal convictions, back to the region after the passage of the Illegal Immigrant Reform and Immigrant Responsibility Act (IIRIRA) of 1996.[34]

Estimates of the overall number of gang members in Central America vary widely. A top State Department official estimated that there were 85,000 MS-13 and 18th Street gang members in the northern triangle countries (El Salvador, Guatemala, and Honduras) in 2012.[35] UNODC has

[32] For background, see CRS Report RL34112, *Gangs in Central America*, by Clare Ribando Seelke.

[33] For the history and evolution of these gangs, see Tom Diaz, *No Boundaries: Transnational Latino Gangs and American Law Enforcement* (Ann Arbor, MI: University of Michigan Press, 2009).

[34] IIRIRA expanded the categories of illegal immigrants subject to deportation and made it more difficult for immigrants to get relief from removal.

[35] U.S. Department of State, "Gangs, Youth, and Drugs – Breaking the Cycle of Violence," remarks by William R.

estimated total MS-13 and M-18 membership in El Salvador, Guatemala, and Honduras at a more modest 54,000. According to UNODC, in 2012 there were roughly 20,000 gang members in El Salvador, 22,000 in Guatemala, and 12,000 in Honduras. El Salvador has the highest concentration of gang members, with 323 for every 100,000 citizens, double the level of Guatemala and Honduras.[36] Nicaragua has a significant number of gang members, but does not have large numbers of MS-13 or M-18 members, perhaps due to the fact that Nicaragua has had a much lower deportation rate from the United States than the "northern triangle" countries.[37] Belize, Costa Rica, and Panama also have local gangs.

Central American officials have blamed gangs for a large percentage of homicides committed in recent years, particularly in El Salvador and Honduras. The actual percentage of homicides that can be attributed to gangs in Central America remains controversial, but analysts agree that the gangs have increasingly become involved in extortion; kidnapping; and drug, auto, and weapons smuggling.[38] Gangs have extorted millions of dollars from residents, bus drivers, and businesses in cities throughout the region. Failure to pay often results in harassment or violence.

There is some evidence that the MS-13 and M-18 have expanded their geographic presence and the scope of their illicit activities. Certain gang cliques (*clicas*) in El Salvador have established ties with gangs in Los Angeles and Washington, DC.[39] Likewise, regional and U.S. authorities have reported increasing gang involvement in drug trafficking. In Honduras, the 18th Street gang still generates most of its income from extortion, whereas the MS-13 is now generating more income from local drug dealing.[40] A transactional relationship between DTOs and gangs appears to be present in El Salvador, where the MS-13 works with *transportista* groups who in turn collaborate with transnational DTOs.[41] Some MS-13 members are reportedly being contracted on an ad hoc basis by Mexican DTOs to carry out revenge killings. Still, UNODC maintains that the term *transnational gangs* is misleading when used to describe the *maras*, as their primary focus continues to be on local issues, such as dominating a particular extortion racket or local drug distribution area.[42]

Other Criminal Organizations

Much less information is publicly available about what analysts have termed "other criminal organizations" than about DTOs or gangs operating in the region. Criminal organizations included in this catchall category may be involved in a wide variety of illicit activities, including, but not limited to, arms trafficking, alien smuggling, human trafficking, and money laundering.

Brownfield, Assistant Secretary, Bureau of International Narcotics and Law Enforcement Affairs, at the Institute of the Americas, press release, October 1, 2012.

[36] UNODC, *Transnational Organized Crime in Central America and the Caribbean: A Threat Assessment*, September 2012, p. 29 (hereinafter, UNODC, 2012).

[37] Dennis Rodgers et al., "Gangs of Central America: Causes, Costs, and Interventions," *Small Arms Survey*, Occasional Paper 23, May 2009.

[38] Arron Daugherty and Elyssa Pacheco, "El Salvador Gangs Involved in Arms Trafficking Network," *Insight Crime*, June 19, 2015.

[39] Matthew D. LaPlante, "Gang Leaders in El Salvador Testing Limits of Their Power in L.A., Rest of U.S.," *Los Angeles Daily News*, September 12, 2015; Hector Silva Avalos, "The Ties Between the MS13 in the US and El Salvador," *Insight Crime*, July 13, 2015.

[40] Insight Crime and Asociación para una Sociedad más Justa, *Gangs in Honduras*, November 20, 2015.

[41] Douglas Farah and Pamela Phillips Lum, *Central American Gangs and Transnational Criminal Organizations: The Changing Relationships in a Time of Turmoil*, International Assessment and Strategy Center, February 2013.

[42] UNODC, 2012, op. cit., p. 28.

Some organizations specialize in one type of crime, such as human trafficking, while other enterprises engage in a range of criminal activities. Although most of the income-generating activities of these criminal organizations are illicit, some groups receive revenue through ties to legitimate businesses as well.

Some criminal enterprises active in Central America focus only on a certain neighborhood, city, or perhaps region in one country, while others, often referred to as "organized crime,"[43] possess the capital, manpower, and networks required to run sophisticated enterprises and to penetrate state institutions at high levels. The more organized criminal groups in Central America include both domestically-based and transnational groups.[44] In Guatemala, for example, much has been written on the ongoing influence and illicit activities of domestic criminal organizations, often referred to as "hidden powers," whose membership includes members of the country's political and economic elite, including current and former politicians and military officials.[45] While the dominant transnational criminal organizations may vary from country to country, some transnational criminal groups appear to be active throughout the region.

Central American Policy Approaches[46]

Confronting the increasing threats posed by both domestic and transnational organizations has become a central concern of governments throughout Central America. Governments in the northern triangle countries have tended to adopt more aggressive approaches than those in the rest of the region, enacting tough anti-gang laws and deploying military forces to help police perform public security functions. In general, such policies have been put in place in reaction to rising violence rather than formulated as part of proactive, forward-looking strategies to strengthen citizen security. They have failed to stave off rising crime rates and have had several negative unintended consequences. Experts have urged Central American governments to adopt more holistic approaches,[47] leading some countries to experiment with alternative policies, such as gang truces, and to place more emphasis on modern policing techniques and crime and violence prevention programs. While national strategies have diverged, Central American governments have continued to pursue closer regional coordination.

Mano Dura and Militarization

In the early 2000s, governments in the northern triangle countries adopted *mano dura* (strong-handed) anti-gang policies in response to popular demands and media pressure for them to "do

[43] The definition of what constitutes "organized criminal organizations" varies significantly from country to country. For example, the Mexican government refers to DTOs as organized crime, whereas the U.S. government has historically considered drug trafficking and organized crime as distinct for programmatic purposes. Similarly, the Salvadoran government considers gangs as transnational organized crime, while the Nicaraguan government seems to view gangs as a local problem to be addressed primarily by youth crime prevention programs.

[44] UNODC, 2012, op. cit.

[45] See, for example, Susan C. Peacock and Adriana Beltrán, *Hidden Powers in Post-Conflict Guatemala*, WOLA, September 2003; and Hal Brands, *Crime, Violence, and the Crisis in Guatemala: A Case Study in the Erosion of the State*, Strategic Studies Institute, May 2010.

[46] For more on individual nations' public security strategies, see CRS Report R43616, *El Salvador: Background and U.S. Relations*, by Clare Ribando Seelke; CRS Report R42580, *Guatemala: Political, Security, and Socio-Economic Conditions and U.S. Relations*, by Maureen Taft-Morales; and CRS Report RL34027, *Honduras: Background and U.S. Relations*, by Peter J. Meyer.

[47] Holistic approaches to addressing gang-related violence may include prevention programs for at-risk youth, interventions to encourage youth to leave gangs, and the creation of municipal alliances against crime and violence.

something" about an escalation in gang-related crime. *Mano dura* approaches typically involve incarcerating large numbers of youth (often those with visible tattoos) for illicit association and increasing sentences for gang membership and gang-related crimes. While early public reactions to the tough anti-gang reforms enacted in El Salvador and Honduras were extremely positive, the long-term effects of the policies have been largely disappointing. Most youth arrested under *mano dura* provisions were subsequently released for lack of evidence that they committed any crime. Some youth who were wrongly arrested were recruited into the gang life while in prison. Moreover, studies have shown that, as happened in the United States, gang leaders in Central America have used prisons to increase discipline and cohesion among their ranks.[48]

Given the failure of *mano dura* policies to produce sustainable reductions in violence, some governments have experimented with alternative policies. In Belize and El Salvador, governments supported efforts to broker truces between warring gangs. Those efforts were short-lived, however, as the truce launched in Belize in 2011 broke down in 2012, and the truce negotiated in El Salvador in 2012 unraveled in 2014. (See the text box, "The Salvadoran Gang Truce and Dissolution," below).

The Salvadoran Gang Truce and Dissolution

With support from El Salvador's Minister of Justice and Public Security David Munguía Payés, a Catholic bishop and a former legislator (who was the minister's aid in the defense ministry) brokered a truce between the MS-13 and 18th Street gangs. In March 2012, Munguía Payés agreed to transfer high-ranking gang leaders serving time in maximum security prison to less secure prisons in order to facilitate intra-gang negotiations. Munguía Payés denied his role in facilitating the truce until September 2012.[49]

Between the time the prison transfers took place and May 2013 (when Munguía Payés was removed from his post), the Salvadoran government reported that homicide rates dramatically declined (from an average of roughly 14 murders per day to 5.5 per day). Gang leaders pledged not to forcibly recruit children into their ranks or perpetrate violence against women, turned in small amounts of weapons, and offered to engage in broader negotiations. However, they never agreed to give up control over their territories or to stop extortions. While some praised the truce, many others expressed skepticism, maintaining that disappearances increased after it took effect.

The truce began to unravel after the administration of President Mauricio Funes withdrew its support for the truce mediators and reduced communication between imprisoned gang leaders and gang members in the streets in mid-2013. By April 2014, average daily murder rates had risen to some nine murders a day; gang attacks on police also occurred with increasing frequency. These trends have worsened considerably in 2015. Church leaders have voiced support for renewed dialogue with gang members; however, the current Sánchez Cerén administration opposes negotiating with the gangs—directly or indirectly—and has classified them as "terrorist organizations."[50]

In recent years, Central American governments have increasingly turned to their militaries to provide public security. While most Central American countries have made significant progress in subordinating military forces to civilian control since the end of dictatorships and armed conflicts in the 1990s, they have made much less progress in defining proper military-police roles and relationships.[51] El Salvador, Guatemala, and Honduras have deployed thousands of troops to help their often underpaid and poorly equipped police forces carry out public security functions,

[48] Carlos Garcia, "Tracing the History of Failed Gang Policies in US, Northern Triangle," *Insight Crime*, December 3, 2015.

[49] Carlos Martínez and Jose Luis Sanz, "The New Truth About the Gang Truce," *Insight Crime*, September 14, 2012.

[50] For more information, see CRS Insight IN10382, *Escalating Violence in El Salvador*, by Clare Ribando Seelke.

[51] Richard L. Millett and Orlando J. Pérez, "New Threats and Old Dilemmas: Central America's Armed Forces in the 21st Century," *Journal of Political and Military Sociology*, vol. 33, no. 1 (Summer 2005).

without clearly defining when those deployments might end. In Guatemala, 21,000 troops are deployed to "maintain security" throughout the country.[52] In El Salvador, the government created three new "rapid reaction" military battalions in May 2015; some 7,000 troops were already involved in public security.[53] In Honduras, the government has heavily relied on a 3,000-member military police force, as well as regular military units, to perform law enforcement tasks. This trend has led many observers to raise concerns about the "re-militarization" of Central American societies and to predict an increase in human rights abuses since military personnel are ill-trained to perform police work. Evidence also indicates that military involvement in public security functions has not reduced crime rates significantly.[54]

Law Enforcement and Institutional Reform

The U.S. government has advised Central American nations to employ "intelligence-led policing" and has called on legislatures in the region to give police and prosecutors new law enforcement tools. The governments of Costa Rica and Panama, for example, are adopting comparative statistics (COMPSTAT) systems, which allow for real-time mapping and analysis of criminal activity.[55] Every country in the region has enacted wiretapping legislation, which assists police and prosecutors in gathering evidence and building successful cases. Central American nations are also in the process of implementing laws that enable governments to fund law enforcement entities with assets seized from criminal organizations.

Many security analysts maintain that governments in the region still need to carry out far-reaching institutional reforms to improve the investigative capacity of police and the conviction rates secured by public prosecutors' offices. Improving trust, information-sharing, and coordination between police and prosecutors is an important component of the reform process. Building that trust will require proper recruiting, vetting, and training of police and prosecutors, as well as robust systems of internal and external controls in both institutions to detect and punish corruption. Such reforms have generally not been undertaken, however, because of limited resources and political will to do so. Recognizing the challenging nature of institutional reform, some governments have sought outside assistance. (See the text box, "The International Commission Against Impunity in Guatemala: A Regional Model?" below.)

The International Commission Against Impunity in Guatemala: A Regional Model?

In August 2007, the Guatemalan Congress ratified an agreement with the United Nations to establish an independent investigative entity to support Guatemalan institutions in the identification, investigation, and prosecution of illegal security groups and clandestine criminal organizations that are tied, directly or indirectly, to the Guatemalan state. The International Commission Against Impunity in Guatemala (CICIG) is a unique hybrid body that operates completely within the Guatemalan legal system, includes 148 local and international staff, and is funded entirely through international donations. CICIG's mandate, which was originally for two years, has been extended four times and is now scheduled to end in September 2017.[56]

CICIG has produced notable results in its eight years of operations. Together with the Guatemalan Public Prosecutor's Office, CICIG has launched over 200 investigations involving 33 criminal structures and 161 government officials. Those investigations have produced convictions of cabinet-level officials, high-ranking members of the police and military, drug traffickers, businessmen, and politicians, including a former president. As noted previously, a 2015 investigation into corruption in Guatemala's customs and social security systems ultimately led to the resignation of President Otto Pérez Molina and other top-level officials. CICIG has also helped prevent a number of individuals with significant ties to corruption and/or organized crime from being appointed to senior positions in the Guatemalan government and has recommended numerous legislative reforms, several of which have been adopted. Some proponents of CICIG argue that perhaps its greatest achievement has been to demonstrate to the public that Guatemala's high impunity rates are not inevitable, and the criminal justice system can be made to work, even against powerful individuals who have long been considered "untouchable."[57]

Given the success of CICIG, civil society groups in El Salvador and Honduras have called upon their governments to establish similar entities. Salvadoran and Honduran officials, some of whom are likely concerned that they could become targets of independent investigators, have been less supportive. The Salvadoran government has ruled out establishing an international commission, and observers are concerned that the Salvadoran Congress may reelect an attorney general who has failed to advance several major investigations and who has been accused of corruption.[58] The Honduran government is working with the Organization of American States (OAS) to establish what appears to be a more limited Mission to Support the Fight Against Corruption and Impunity in Honduras (MACCIH). The MACCIH would reportedly include a group of international judges and prosecutors to "supervise, advise, and provide support" to Honduran institutions charged with investigating and prosecuting acts of corruption.[59] It remains unclear, however, whether or not they would be able to act independently of the Honduran government. While some sectors of Honduran civil society have rejected the OAS mission as insufficient, other organizations have expressed cautious support, asserting that the MACCIH could be successful if it has an independent budget and the authority to select, prioritize, and investigate corruption cases autonomously.[60]

Prevention

In the past few years, Central American leaders, including those from the northern triangle countries, appear to have moved, at least on a rhetorical level, toward more comprehensive approaches to dealing with gangs and crime. Every country in the region has created institutional bodies to design and coordinate crime prevention strategies and has units within their national police forces engaged in prevention efforts. Some governments, with support from the U.N. Development Program (UNDP) and other donors, have also begun to encourage municipalities to develop crime prevention plans. However, government-sponsored prevention programs have tended, with some exceptions (such as Nicaragua's national youth crime prevention strategy), to be small-scale, ad hoc, and underfunded. Governments have been even less involved in sponsoring rehabilitation programs for individuals seeking to leave gangs, with most reintegration programs funded by church groups or nongovernmental organizations.

Central American officials have generally cited budgetary limitations and competing concerns as major factors limiting their abilities to implement more extensive prevention and rehabilitation programs. This may be changing, however, as the government in El Salvador has increased funding for prevention programs and sought international assistance to fund large-scale reinsertion programs to reduce gang violence. The Honduran government has also moved toward a more comprehensive security strategy, dedicating a third of the funds raised from seized assets to crime and violence prevention programs.[61] Experts have long argued that it is important to

[52] Just the Facts, "Militarization of Law Enforcement in Guatemala," July 24, 2013.

[53] Hector Silva, "Violence and Risky Responses in El Salvador," *AULA Blog*, April 23, 2015.

[54] Orlando J. Pérez, "Militarizing the Police Undermines Democratic Governance," *Latin America Goes Global*, August 3, 2015.

[55] *INCSR*, March 2015, op. cit.

[56] CICIG, *Informe de la Comisión Internacional Contra la Impunidad en Guatemala Con Ocasión de su Octavo Año de Labores*, November 13, 2015.

[57] WOLA, *The International Commission Against Impunity in Guatemala (CICIG): An Innovative Instrument for Fighting Criminal Organizations and Strengthening the Rule of Law*, June 2015.

[58] "El Salvador: Mild Alternative to the CICIG Model," *Latin American Security and Strategy Review*, November 2015; and Hector Silva, "Elección de Fiscal Salvadoreño Llega a Washington," *La Prensa Gráfica*, December 8, 2015.

[59] OAS "What Is the MACCIH?," press release, November 9, 2015.

[60] Alliance for Peace and Justice, *APJ Position on MACCIH, Proposed by the OAS*, October 15, 2015.

[61] *INCSR*, March 2015, op. cit.

offer educational and job opportunities to youth who are willing to leave gangs. It is also critical, they argue, for intervention efforts to focus on strengthening families of at-risk youth.[62]

Regional Cooperation

Some analysts maintain that the increasing threat posed by transnational organized crime has led to greater security cooperation among Central American countries; others disagree, maintaining that many obstacles to regional efforts remain. While most governments appear to agree on a theoretical level that they need to work together on security issues, they continue to differ as to the biggest threats facing the region and the best ways to combat those threats. The need to cooperate on shared security challenges has also sometimes been overshadowed by unrelated disputes among the countries.

Central American leaders and officials have regularly met over the past few years, often accompanied by their U.S. and Mexican counterparts, to discuss ways to better coordinate security efforts and information sharing on gang members and other criminal groups. Most of the regional security meetings have been organized by the Security Commission of the Central American Integration System (SICA).[63] SICA member states began developing a regional security strategy in 2006, which was subsequently revised in 2011 with assistance from the United States and a collection of other international donors known as the Group of Friends of Central America.[64] While the international community pledged roughly $1.1 billion in funding for specific projects and the Central American Security Strategy at a donors' conference in Guatemala City in June 2011,[65] SICA has not demonstrated the institutional capacity necessary to manage projects across the region, and the results of its projects remain unclear.

In response to the massive exodus of family units and unaccompanied minors that occurred in 2014, the governments of El Salvador, Guatemala, and Honduras worked with the Inter-American Development Bank (IDB) to draft a plan to address the security and economic problems that are fueling emigration from the region. In September 2014, they proposed the "Plan of the Alliance for Prosperity in the Northern Triangle."[66] The five-year, $22 billion plan seeks to (1) stimulate the productive sector, (2) develop human capital, (3) improve public safety, and (4) strengthen institutions. The three northern triangle governments intend to fund about 80% of the plan, but are seeking private sector and international donor support to finance the rest.

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[62] Bernardo Kliksberg, *Mitos y Realidades Sobre la Criminalidad en America Latina* (Guatemala City: F & G Editores, 2007); James Bargent, "Violence Prevention Report Contains Key Lessons for Latin America," *Insight Crime*, December 12, 2014.

[63] The Central American Integration System (SICA), a regional organization with a Secretariat in El Salvador, is composed of the governments of Belize, Costa Rica, El Salvador, Guatemala, Honduras, and Panama. The Security Commission was created in 1995 to develop and carry out regional security efforts.

[64] The Group of Friends of Central America originally included Canada, Spain, the United States, the European Commission, the Inter-American Development Bank (IDB), the Organization of American States (OAS), the United Nations, and the World Bank.

[65] In addition to the aforementioned donors, Colombia, Finland, Germany, Israel, Italy, Japan, South Korea, Mexico, and Norway signed on to a joint statement in support of the new Central American Security Strategy. See U.S. Department of State, "Joint Press Statement of Support for the Central American Security Strategy," press release, June 21, 2011, and "Central America Gets More Than Expected to Spend on Its Public Security Strategy," *Latin American Security and Strategic Review*, June 2011.

[66] The Plan of the Alliance for Prosperity in the Northern Triangle is available at http://www.iadb.org/en/news/news-releases/2014-11-14/northern-triangle-presidents-present-development-plan,10987.html.

U.S. Policy

Given the geographic proximity of Central America, the United States has long been concerned about potential security threats from the region and has provided Central American nations with assistance to counter those threats. Central America was a major focus of U.S. policy during the Cold War, but attention to the region waned in the 1990s following the dissolution of the Soviet Union and the end of the region's civil conflicts. U.S.-Central American engagement has increased again over the past decade, as U.S. policymakers have become concerned by rising levels of violence and increasing emigration from the region. The principal component of this renewed engagement, until recently, has been the Central America Regional Security Initiative.

Background

During the Cold War, the United States viewed links between the Soviet Union and leftist and nationalist political movements in Central America as a potential threat to U.S. strategic interests. To prevent potential Soviet allies from establishing political or military footholds in the region, the United States heavily supported anti-communist forces, including the Salvadoran government in its battle against the leftist insurgency of the Farabundo Martí National Liberation Front (FMLN), and the *contra* forces seeking to overthrow the leftist government of the Sandinista National Liberation Front (FSLN) in Nicaragua.[67] Between 1979, when the Sandinistas seized power in Nicaragua, and 1992, when peace accords were signed to end the civil war in El Salvador, U.S. economic and military assistance to Central America averaged over $1.3 billion (inflation-adjusted 2013 dollars) annually.[68]

In the aftermath of the Cold War, preventing narcotics from reaching the United States became the primary focus of U.S. security efforts in the Western Hemisphere. In an attempt to reduce the supply of illicit drugs, the bulk of U.S. security assistance in the region was concentrated in Colombia and the other cocaine-producing nations of South America. The United States provided some support for counternarcotics and other security efforts elsewhere in the hemisphere, but the funding levels were comparatively low. Between FY1993 and FY2007, U.S. economic and military assistance to Central America averaged $514 million (inflation-adjusted 2013 dollars) annually, a little over a third of what had been provided in the previous 14 years.[69] The majority of U.S. assistance during that time period was directed toward economic and political development, as the United States sought to encourage the spread of free-market economic policies and the consolidation of democratic governance. Of the security-related assistance that the United States provided to the region following the end of the Cold War, a substantial portion was dedicated to U.S. Agency for International Development (USAID) rule-of-law programs, which provided support for justice sector reforms in several Central American nations.[70]

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[67] U.S. Congress, Joint Economic Committee, *The Caribbean Basin: Economic and Security Issues*, committee print, *Central America: Continuing U.S. Concerns*, study paper prepared by Nina M. Serafino of the Congressional Research Service, 102nd Cong., 2nd sess., January 1993, S.Prt. 102-110 (Washington, DC: GPO, 1993), pp. 173-178.

[68] U.S. Agency for International Development (USAID), *Foreign Aid Explorer: The Official Record of U.S. Foreign Aid*, https://explorer.usaid.gov/index.html.

[69] Ibid.

[70] USAID, Bureau for Democracy, Conflict, and Humanitarian Assistance, Office of Democracy and Governance, *Achievements in Building and Maintaining the Rule of Law*, Occasional Papers Series, November 2002.

Central America Regional Security Initiative

U.S.-Central American security cooperation has increased significantly over the past decade. In March 2007, then-President George W. Bush traveled to Central America and Mexico. Concerns over an increase in narcotics flows and the rapid escalation of crime and violence in the region reportedly dominated the President's conversations with his counterparts, as well as follow-on consultations between U.S., Central American, and Mexican officials. To capitalize on the emergence of a cohesive security dialogue among the seven nations of Central America and the Mexican government's willingness to address the issues of drug trafficking and organized crime, the Bush Administration began to develop the framework for a new regional security partnership.

In October 2007, the Bush Administration requested funding for a security assistance package designed to support Mexico and the countries of Central America in their fight against organized crime, to improve communication among the various law enforcement agencies, and to support the institutional reforms necessary to ensure the long-term enforcement of the rule of law and protection of civil and human rights.[71] This security assistance package was originally known as the Mérida Initiative, named after the location in Mexico where President Bush had met with President Calderón.

Congress and the Obama Administration re-launched the Central America portion of the Mérida Initiative as the Central America Regional Security Initiative (CARSI) in FY2010. As currently formulated, CARSI provides the seven nations of the isthmus with equipment, training, and technical assistance to support immediate law enforcement operations. It is also designed to strengthen the long-term capacities of Central American governments to address security challenges and the underlying conditions that contribute to them. The five primary goals of CARSI are to

1. create safe streets for the citizens of the region;
2. disrupt the movement of criminals and contraband to, within, and among the nations of Central America;
3. support the development of strong, capable, and accountable Central American governments;
4. establish effective state presence, services, and security in communities at risk; and
5. foster enhanced levels of coordination and cooperation among the nations of the region, other international partners, and donors to combat regional security threats.[72]

Funding[73]

From FY2008 to FY2015, the U.S. government allocated nearly $1.2 billion to the countries of Central America under what was formerly known as the Mérida Initiative and is now known as CARSI. Nearly 66% of the funds were appropriated under the International Narcotics Control and Law Enforcement (INCLE) foreign aid account, which is managed by the State Department's

[71] U.S. Congress, House Committee on Foreign Affairs, *The Merida Initiative: Assessing Plans to Step Up Our Cooperation with Mexico and Central America*, testimony of Thomas A. Shannon Jr., Assistant Secretary of State for Western Hemisphere Affairs, 110th Cong., 1st sess., November 14, 2007.

[72] U.S. Department of State, Bureau of Western Hemisphere Affairs, "The Central America Regional Security Initiative: A Shared Partnership," fact sheet, March 5, 2014.

[73] See **Appendix** for information on annual appropriations legislation.

Bureau of International Narcotics and Law Enforcement Affairs (INL). Another 31% of the funds were appropriated under the Economic Support Fund (ESF) account, most of which is managed by USAID. A small portion (3%) of the funding appropriated from FY2008-FY2015 was provided through the Nonproliferation, Anti-Terrorism, De-mining and Related programs (NADR) and Foreign Military Financing (FMF) accounts.

Table 3. CARSI Funding: FY2008-FY2016

In millions of U.S. dollars

Fiscal Year	ESF	INCLE	NADR	FMF	Total
FY2008	25.0	24.8	6.2	4.0	60.0
FY2009	18.0	70.0	0.0	17.0	105.0
FY2010	23.0	141.0	0.0	7.0	171.0
FY2011	30.0	71.5	0.0	0.0	101.5
FY2012	50.0	85.0	0.0	0.0	135.0
FY2013	50.6	95.6	0.0	0.0	146.2
FY2014	61.5	100.0	0.0	0.0	161.5
FY2015 (est.)	100.0	170.0	0.0	0.0	270.0
Total FY2008-FY2015	**358.1**	**757.9**	**6.2**	**28.0**	**1,150.2**
FY2016 (req.)	81.5	205.0	0.0	0.0	286.5
H.R. 2029	126.5	222.0	0.0	0.0	348.5

Source: U.S. Department of State; explanatory statement accompanying the Consolidated Appropriations Act, 2016 (H.R. 2029).

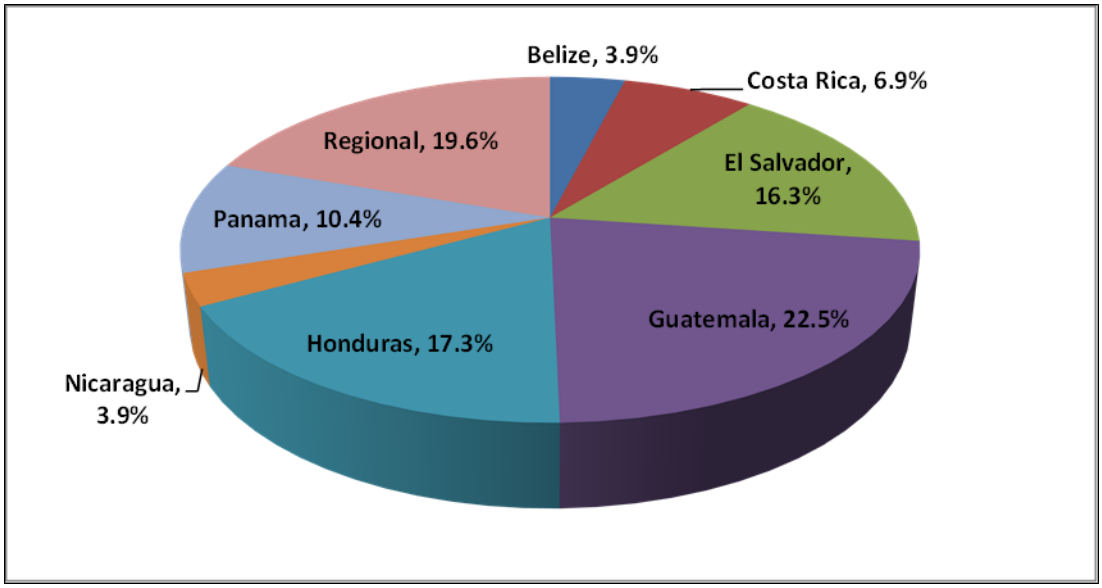
Notes: ESF = Economic Support Fund; INCLE = International Narcotics Control and Law Enforcement; NADR = Nonproliferation, Anti-Terrorism, De-mining and Related Programs; and FMF = Foreign Military Financing.

The Obama Administration requested $286.5 million for CARSI in FY2016 as part of a broader $1 billion request to implement a new "U.S. Strategy for Engagement in Central America."[74] Although the Consolidated Appropriations Act, 2016 (H.R. 2029) would not fully fund the Administration's request for Central America, it would provide $750 million for the region, including $348.5 million for CARSI (see **Table 3**). The bill would also place a number of conditions on the assistance, requiring the State Department to withhold 75% of the funds for the central governments of El Salvador, Guatemala, and Honduras until the Secretary of State certifies that those governments are taking effective steps to improve border security, combat corruption, increase revenues, and address human rights concerns, among other actions.

[74] For more information on the FY2016 request for Central America, see CRS Insight IN10237, *President Obama's $1 Billion Foreign Aid Request for Central America*, by Peter J. Meyer and Clare Ribando Seelke.

Figure 4. CARSI Allocations by Country

Of funding appropriated from FY2008-FY2012



Source: CRS analysis of data from U.S. Government Accountability Office (GAO), Central America: *U.S. Agencies Considered Various Factors in Funding Security Activities, but Need to Assess Progress in Achieving Interagency Objectives*, GAO-13-771, September 25, 2013.

According to a 2014 report by the U.S. Government Accountability Office (GAO), a slight majority of the funding Congress appropriated for CARSI between FY2008 and FY2012 was allocated to the northern triangle nations of Central America; 22.5% was allocated to Guatemala, 17.3% was allocated to Honduras, and 16.3% was allocated to El Salvador. In comparison, 10% was allocated to Panama, 6.9% was allocated to Costa Rica, and 3.9% was allocated to both Belize and Nicaragua. Nearly 20% of CARSI funding appropriated in the first five years of the initiative was allocated to regional programs that benefit multiple countries (see **Figure 4**).[75] The State Department has not publicly disclosed how CARSI assistance has been distributed among Central American nations since FY2012, but reports that a majority of the funding has been allocated to the northern triangle nations.[76]

Implementation

A number of U.S. and partner nation agencies are involved in developing, supporting, and implementing CARSI activities. While the vast majority of funding is managed by the Department of State and USAID, other agencies and sub-agencies involved in implementing programs include the Department of Defense (DOD); the Department of the Treasury; the Department of Homeland Security (DHS); Immigration and Customs Enforcement (ICE); Customs and Border Protection (CBP); the Coast Guard; the Department of Justice (DOJ); the Federal Bureau of Investigation (FBI); the Drug Enforcement Administration (DEA); the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF); and the Office of Overseas Prosecutorial Development, Assistance and Training (OPDAT). CARSI working groups within U.S. embassies

[75] GAO, *Central America: U.S. Agencies Considered Various Factors in Funding Security Activities, but Need to Assess Progress in Achieving Interagency Objectives*, GAO-13-771, September 25, 2013.

[76] CRS correspondence with State Department official, November 30, 2015.

include representatives of the relevant agencies present at each post and serve as the formal mechanism for interagency coordination in the field.[77] The U.S.-SICA dialogue serves as the forum for regional coordination, while bilateral coordination varies by country.

Of the nearly $1.2 billion appropriated for CARSI between FY2008 and FY2015, $984 million (86%) had been obligated (i.e. agencies had entered into contracts or submitted purchase orders for goods or services) and $457 million (40%) had been expended (i.e., agencies had made payments for goods or services) as of September 30, 2015.[78] A number of challenges have slowed the implementation of CARSI, including delayed enactment of annual appropriations bills, the time-consuming U.S. government procurement process, insufficient staff to administer programs, and legislative withholding requirements that prevent some funds from being released until certain reporting requirements are met. The need to negotiate agreements with seven different countries has also proved challenging, as changes in governments and top-level officials have required U.S. officials to restart negotiations and delay program implementation.[79]

Programs[80]

Through CARSI, the United States funds a variety of activities designed to support U.S. and Central American security objectives. U.S. agencies provide partner nations with equipment, technical assistance, and training to improve narcotics interdiction and disrupt criminal networks that operate in the region, as well as in the United States. CARSI-funded activities also provide support for Central American law enforcement and justice sector institutions, identifying deficiencies and building their capacities to ensure the safety and security of the citizens of the region. Additionally, CARSI supports prevention efforts that seek to reduce drug demand and provide at-risk youth with educational, vocational, and recreational opportunities. Many of the activities funded by CARSI build on previous security efforts in the region. U.S. officials have repeatedly asserted that CARSI allows the United States to set up pilot programs that demonstrate potentially successful approaches to improving security conditions, but that it is up to Central American nations themselves to sustain and replicate such programs.

Narcotics Interdiction and Law Enforcement Support

Some U.S. assistance provided through CARSI provides Central American nations with equipment and related maintenance, technical support, and training to support narcotics interdiction and other law enforcement operations. In addition to the provision and refurbishment of aircraft, boats, and other vehicles, CARSI provides communications; border inspection; and security force equipment such as radios, computers, X-ray cargo scanners, narcotics identification kits, weapons, ballistic vests, and night-vision goggles. Although the types of equipment and training vary according to the capabilities and needs of each Central American nation, in general, the assistance is designed to extend the reach of the region's security forces and enable countries

[77] GAO, *Mérida Initiative: The United States Has Provided Counternarcotics and Anticrime Support But Needs Better Performance Measures*, GAO-10-837, July 2010 (hereinafter, GAO, July 2010).

[78] CRS correspondence with State Department official, November 30, 2015.

[79] GAO, July 2010, op. cit.

[80] Unless otherwise noted, information in this section is drawn from U.S. Department of State, *FY 2010 Appropriations Spending Plan: Central America – Central America Regional Security Initiative*, July 29, 2010; *Congressional Notification for the Central America Regional Security Initiative*, August 11, 2011; *Fiscal Year 2012 Congressional Spending Plan: Central America Regional Security Initiative*, June 19, 2012; and *FY 2013 Spend Plan – Central America Regional Security Initiative*, September 10, 2013; and USAID, *Regional Program Narrative: Central America Regional Security Initiative*, November 20, 2014.

to better control their national territories. For example, an aviation support program provided helicopters to Guatemala to enable security forces to rapidly reach areas of the country that would otherwise be too difficult or dangerous to access and thereby limit sanctuaries for DTOs.

U.S. assistance provided through CARSI also supports specialized law enforcement units that are vetted by, and work with, U.S. personnel to investigate and disrupt the operations of transnational gangs and trafficking networks. FBI-led Transnational Anti-Gang (TAG) units, which were first created in El Salvador in 2007, have now expanded into Guatemala and Honduras with CARSI support. In 2013, the Salvadoran TAG unit gathered evidence that led to the arrest and extradition of the first MS-13 member from El Salvador to stand trial in the United States.[81] DEA, ICE, and INL also have vetted unit programs throughout Central America. Among other activities, they conduct complex investigations into money laundering; bulk cash smuggling; and the trafficking of narcotics, firearms, and persons. In Honduras, the U.S. government supports a violent crimes task force that investigates high-profile crimes, such as attacks against journalists and prosecutors.[82]

Institutional Capacity Building

In addition to supporting immediate law enforcement efforts, CARSI provides funding to identify deficiencies and build long-term capacity within law enforcement and justice sector institutions. INL and USAID community-policing programs are designed to build local confidence in police forces by converting them into more community-based, service-oriented organizations.[83] One such program, the *Villa Nueva* model precinct in Guatemala, is being replicated in other Central American communities with CARSI funding. To improve the investigative capacity of Central American nations, CARSI has supported assessments of forensic laboratories, the establishment of wiretapping centers, and the creation of criminal investigative schools. CARSI funding has also supported the implementation of ATF's Electronic Trace Submission (eTrace) System to track firearms and the expansion of the FBI's Central America Fingerprint Exchange (CAFE), which assists partner nations in developing fingerprint and biometric capabilities.

CARSI also seeks to reduce impunity by improving the efficiency and effectiveness of Central American judicial systems. U.S. agencies provide training and technical assistance designed to enhance prosecutorial capabilities, improve the management of courts, and facilitate coordination between justice sector entities. In Honduras, for example, CARSI funding has supported assessments designed to identify weaknesses in justice sector institutions and recommend policy changes. U.S. agencies also provide training and technical assistance to improve prison management, which repeatedly has been identified as a major weakness throughout the region.

Prevention

Beyond providing support for law enforcement and institutional capacity-building efforts, CARSI funds a variety of prevention programs designed to address underlying conditions that leave communities vulnerable to crime and violence. U.S. officials assert that Central American youth often see few alternatives to gangs and other criminal organizations as a result of the social and economic exclusion that stems from dysfunctional families, high levels of unemployment,

[81] FBI, "First MS-13 Member Extradited from El Salvador to United States Convicted for Role in Attempted Murders of Two Individuals," press release, February 12, 2014.

[82] *INCSR*, March 2015, op. cit.

[83] CRS interview with USAID officials in El Salvador, January 18, 2011.

minimal access to basic services, ineffective government institutions, and insufficient access to educational and economic opportunities.

USAID supports prevention programs designed to address these issues by providing educational, recreational, and vocational opportunities for at-risk youth. Although projects vary by country, nearly all are community-based and municipally led as a result of lessons learned through previous efforts in the region.[84] In El Salvador, for example, USAID's Community-Based Crime and Violence Prevention Project works in municipalities to strengthen the capacities of local governments, civil society organizations, community leaders, and youth to address the problems of crime and violence. Prevention councils in each municipality analyze problems within the community and develop prevention plans to address those problems through activities ranging from vocational training to social entrepreneurship projects.[85] Region-wide, CARSI funds have been used to establish more than 120 community outreach centers that provide employment resources and other opportunities for at-risk youth.[86] INL offers additional assistance to at-risk youth through its Gang Resistance Education and Training (GREAT) and Drug Abuse Resistance Education (DARE) programs.

Results

There is little information publicly available about the impact of most CARSI programs; however, the programs that have been rigorously evaluated appear to be producing positive results in the communities where they are being implemented. USAID contracted the Latin American Public Opinion Project (LAPOP) at Vanderbilt University to evaluate the impact of the community-based crime and violence prevention programs that USAID is implementing with CARSI funding. The study randomly assigned 127 neighborhoods within municipalities in El Salvador, Guatemala, Honduras, and Panama to either a "treatment" group, which received USAID programming, or a "control" group, which did not, and compared changes in perceptions of security over time. The study found statistically significant evidence that outcomes in the treatment communities improved more (or declined less) than they would have without USAID interventions. Residents of communities where USAID implemented crime and violence prevention programs reported 19% fewer robberies, 51% fewer extortion attempts, and 51% fewer murders than would be expected. Likewise, their perception of neighborhood insecurity was 5% lower and their trust in police was 9% higher than would be expected.[87]

Although two-thirds of the funding appropriated though CARSI is managed by the State Department's INL Bureau, there is little information available about the impact of INL programs. INL asserts that it regularly evaluates the impact of its CARSI-funded programs, but it has not publically released the metrics used to assess their performance. For example, INL asserts that communities targeted by its community policing programs show reduced homicide rates, including more than 60% reductions in Lourdes and Santa Ana, El Salvador.[88] It is unclear over what time period those reductions occurred or how representative they are of municipalities

[84] Ibid.

[85] USAID, "Community-Based Crime and Violence Prevention Project," news bulletin, October 2010.

[86] U.S. Congress, House Committee on Foreign Affairs, Subcommittee on the Western Hemisphere, *Advancing U.S. Interests in the Western Hemisphere: The FY 2015 Foreign Affairs Budget*, prepared statement of Elizabeth Hogan, Acting Assistant Administrator for Latin America and the Caribbean, USAID, 113th Cong., 2nd sess., April 9, 2014.

[87] Susan Berk-Seligson, Diana Orcés, and Georgina Pizzolitto, et al., *Impact Evaluation of USAID's Community-Based Crime and Violence Prevention Approach in Central America: Regional Report for El Salvador, Guatemala, Honduras and Panama*, Vanderbilt University, LAPOP, October 2014.

[88] CRS correspondence with State Department official, November 4, 2015.

receiving INL support. Outside assessments suggest that other INL-backed programs, such as vetted units, have produced relatively mixed results.[89] INL asserts that it has augmented its monitoring efforts in the past year by hiring an experienced monitoring and evaluation contractor and funding an independent study of citizen perceptions of security, justice, and corruption in all seven Central American countries to help measure the impact of INL programs.[90]

Despite indications of progress in certain communities, most country-level security indicators have yet to show significant improvements. While some Central American countries have experienced declining homicide rates in recent years (see **Table 1**), others, such as El Salvador, have experienced a significant escalation in violence.[91] The number of Salvadorans, Guatemalans, and Hondurans seeking asylum in the United States has increased 410% from about 8,000 in 2010 to more than 41,000 in 2014, suggesting that security conditions have deteriorated for many citizens of the northern triangle.[92] Moreover, polling data indicate that most Central Americans have yet to experience the benefits of U.S.-backed efforts to strengthen institutions since they continue to express low levels of confidence in their police forces and justice systems.[93]

Additional Issues for Congressional Consideration

Although more than seven years have passed since Congress first appropriated funding for CARSI, Central America continues to face significant security challenges. As Congress continues to oversee the implementation of CARSI and considers additional funding for the initiative, there are a number of issues it might opt to examine. These include the strategy and funding levels necessary to achieve U.S. objectives in Central America, how best to promote and protect human rights, and how U.S. domestic policies impact security conditions in the region.

Strategy and Funding Levels

Over the past year, Congress has been reexamining the strategy and funding levels necessary to achieve U.S. objectives in Central America. As previously noted, the U.S. government has set forth five broad goals for CARSI: (1) create safe streets for the citizens of the region; (2) disrupt the movement of criminals and contraband to, within, and among the nations of Central America; (3) support the development of strong, capable, and accountable Central American governments; (4) establish effective state presence, services, and security in communities at risk; and (5) foster enhanced levels of coordination and cooperation among the nations of the region, other international partners, and donors to combat regional security threats. While many analysts have welcomed these ambitious goals, they have noted that the U.S. government has not put forward a comprehensive strategy, including priorities and measurable benchmarks, for achieving them.[94]

Critics contend that without a strategy, CARSI is effectively a collection of individual security assistance programs that focus on issues ranging from citizen safety to drug trafficking to human

[89] Eric L. Olson, Cristina Equizábel, Matthew C. Ingram, et al., *Crime and Violence in Central America's Northern Triangle: How U.S. Policy Responses are Helping, Hurting, and Can Be Improved*, Woodrow Wilson International Center for Scholars, Reports on the Americas #34, December 2014 (hereinafter, Olson, 2014).

[90] CRS correspondence with State Department official, November 4, 2015.

[91] For more information, see CRS Insight IN10382, *Escalating Violence in El Salvador*, by Clare Ribando Seelke.

[92] Mimi Yagoub, "Northern Triangle Asylum Seekers Up 400% Since 2010: UN," *Insight Crime*, December 10, 2015.

[93] CRS analysis of 2006-2014 survey data from Vanderbilt University, LAPOP, http://www.vanderbilt.edu/lapop/survey-data.php.

[94] Olson, 2014, op. cit., p. 38.

smuggling. They maintain that many programs are stove-piped, with each agency implementing its own activities and pursuing its own objectives. As a result, U.S. agencies may occasionally work at cross purposes.[95] For example, as USAID and INL have been working with Central American governments to strengthen justice-sector institutions by removing corrupt officials, some U.S. law enforcement agencies reportedly have been willing to overlook corruption in order to protect assets or preserve certain programs.[96] Inter-agency coordination appears to be improving, however, as USAID and INL recently adopted a "place-based strategy" that integrates prevention efforts and law enforcement interventions in the most-at risk communities.[97]

U.S. officials have acknowledged that CARSI, as it is currently formulated and funded, is not capable of substantially altering the security situation in Central America. According to Assistant Secretary of State for Western Hemisphere Affairs Roberta Jacobson,

> "Over the past five years of implementing our Central America Regional Security Initiative, we've learned a great deal about what works and what doesn't work on security in Central America.... What we learned most of all was that unless we focus on improving the ability of governments to deliver services efficiently and accountably, and improve economic opportunities, especially for young people, as integral parts of security, nothing we do to make things safer will be sustainable."[98]

Accordingly, the Administration drafted a new "U.S. Strategy for Engagement in Central America," that includes a series of initiatives designed to promote prosperity, enhance security, and improve governance in the region.[99] The Administration requested $1 billion of assistance, including $286.5 million for CARSI, to implement the new strategy in FY2016.[100]

Although some Members of Congress have embraced the new strategy, others argue that security should remain the primary focus of U.S. efforts in Central America. As noted above, the Consolidated Appropriations Act, 2016 (H.R. 2029) would provide $750 million to implement the U.S. Strategy for Engagement in Central America, including $348.5 million for CARSI. While the bill would not fully fund all aspects of the Administration's request, it would significantly increase the amount of assistance available to address socioeconomic and governance concerns. The bill would also require the State Department to develop a multi-year spending plan that includes objectives, indicators to measure progress, and a timeline for implementation of the new strategy. Congress supported increased security cooperation with Central America in the FY2016 National Defense Authorization Act (P.L. 114-92). The legislation calls on the U.S. Department of Defense to increase its efforts to prevent illicit trafficking into the United States, build partner capacity, support inter-agency activities that address instability, and promote respect for human rights in the region. It also provides $30 million above the FY2016 request for U.S. Southern Command operations in Central America.

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[95] Ibid.

[96] Héctor Silva Ávalos, *The United States and Central America's Northern Tier: The Ongoing Disconnect*, Inter-American Dialogue, working paper, March 2014, p. 11.

[97] U.S. Department of State, Bureau of International Narcotics and Law Enforcement Affairs, "Place-Based Strategy for Violence Prevention," February 2015.

[98] U.S. Congress, House Committee on Appropriations, Subcommittee on State, Foreign Operations, and Related Programs, *Assistance to Central America*, remarks of Roberta S. Jacobson, Assistant Secretary of State for Western Hemisphere Affairs, 114th Cong., 1st sess., March 24, 2015.

[99] The "U.S. Strategy for Engagement in Central America" is available at https://www.whitehouse.gov/sites/default/files/docs/central_america_strategy.pdf.

[100] For more information, see CRS Insight IN10237, *President Obama's $1 Billion Foreign Aid Request for Central America*, by Peter J. Meyer and Clare Ribando Seelke.

There is considerable agreement among analysts and U.S. policymakers that even if the U.S. government significantly scales up its assistance for Central America, improvements in security conditions will ultimately depend on Central American nations carrying out substantial internal reforms. While many analysts are skeptical that leaders in the region are committed to structural changes, especially in light of recent corruption scandals, governments in the region have begun to enact some significant reforms. Without continued progress on these issues, CARSI and other U.S. initiatives in Central America could meet the same end as previous U.S.-backed programs in the region, which simply faded away once U.S. assistance declined.[101] As noted previously, the Consolidated Appropriations Act, 2016 (H.R. 2029) would require the State Department to withhold 75% of the funds for the central governments of El Salvador, Guatemala, and Honduras until the Secretary of State certifies that those governments are taking effective steps to improve border security, combat corruption, increase revenues, and address human rights concerns, among other actions. It also would require the Secretary of State to review periodically the progress of each of the Central American governments in addressing those concerns and suspend assistance if progress has been insufficient.

Human Rights Concerns

Members of Congress have expressed concerns about how alleged human rights abuses committed by military and police forces in some Central American countries are investigated and punished, the transparency of judicial systems in the region, and whether security forces accused of committing past abuses are being held accountable for their actions. Like all countries, Central American nations are subject to legal provisions (Section 620M of the Foreign Assistance Act of 1961, as amended, and a recurring provision in the annual DOD appropriations bill) that require the State Department and DOD to vet assistance for foreign security forces and prohibit funding for any unit if there is credible evidence that it has committed "a gross violation of human rights."[102]

From FY2008 to FY2011, appropriations legislation that provided funding for Mérida Initiative and CARSI programs contained additional human rights conditions on security aid to the region. Specifically, P.L. 110-252, P.L. 111-8, P.L. 111-117, and P.L. 112-10 required that 15% of INCLE and FMF assistance be withheld until the Secretary of State reported in writing that the governments of Central America were taking action in three areas: (1) establishing police complaints commissions with authority and independence to receive complaints and carry out effective investigations; (2) implementing reforms to improve the capacity and ensure the independence of the judiciary; and (3) investigating and prosecuting members of the federal police and military forces who have been credibly alleged to have committed violations of human rights. Congress did not include the 15% withholding requirement in the appropriations legislation (P.L. 112-74) that provided funding for CARSI in FY2012 and did not restore the provision in FY2013, FY2014, or FY2015. Congress has placed separate human rights conditions on assistance to security forces in Honduras since FY2012 (see the **Appendix**).[103]

As noted previously, the Consolidated Appropriations Act, 2016 (H.R. 2029) would prevent the obligation of 75% of assistance for the central governments of El Salvador, Guatemala, and

[101] See, for example, GAO, *Drug Control: Interdiction Efforts in Central America Have Had Little Impact on the Flow of Drugs*, GAO/NSIAD-94-233, August 2, 1994, http://www.gao.gov/assets/230/220056.pdf, op. cit.; and GAO, *International Programs Face Significant Challenges Reducing the Supply of Illegal Drugs But Support Broad U.S. Foreign Policy Objectives*, GAO-10-921, July 21, 2010, p. 6, http://www.gao.gov/assets/130/125042.pdf.

[102] For more information, see CRS Report R43361, *"Leahy Law" Human Rights Provisions and Security Assistance: Issue Overview*, coordinated by Nina M. Serafino.

[103] For more information, see CRS Report RL34027, *Honduras: Background and U.S. Relations*, by Peter J. Meyer.

Honduras until the Secretary of State certifies that the governments of those countries are taking effective steps to address a variety of concerns. Among other actions, the northern triangle governments must

- implement reforms, policies, and programs to improve transparency and strengthen public institutions, including increasing the capacity and independence of the judiciary and the Office of the Attorney General;
- investigate and prosecute in the civilian justice system members of military and police forces who are credibly alleged to have violated human rights, and ensure that the military and police are cooperating in such cases;
- cooperate with commissions against impunity, as appropriate, and with regional human rights entities; and
- protect the right of political opposition parties, journalists, trade unionists, human rights defenders, and other civil society activists to operate without interference.

The bill also would require the Secretary of State to periodically review the progress of each government and suspend assistance if it is insufficient.

Human rights organizations have generally lauded the inclusion of human rights conditions on assistance to Central American nations. The State Department's annual report on human rights practices notes that security forces in several Central American countries continue to be implicated in human rights violations, including extrajudicial killings, and that many of the alleged abuses are never properly investigated.[104] Given continued reports of abuses and potential criminal infiltration of security forces,[105] some analysts argue that U.S. assistance could prove counterproductive unless the recipients are thoroughly vetted and assistance programs are properly sequenced. A recent study of U.S. counternarcotics assistance to Latin America from 1984 to 2005, for example, found that such aid was positively associated with increased human rights violations.[106]

U.S. officials have privately and publicly complained about restrictions placed on assistance to the region. When combined with the delays in enacting appropriations legislation for each of the past several fiscal years, consultations with congressional appropriators related to human rights conditions have contributed to significant delays in funds being released and have slowed program implementation. U.S. officials also maintain that legislative restrictions hinder security cooperation by limiting the ability of the United States to fully engage with partners in the region.[107] While some officials acknowledge that aid restrictions give them leverage with partner governments in pursuing improvements in human rights practices, they argue that such restrictions should be tied to objective criteria rather than subjective assessments.

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[104] U.S. Department of State, Bureau of Democracy, Human Rights and Labor, *Country Reports on Human Rights Practices for 2014*, June 25, 2015.

[105] See, for example, Geoffrey Ramsey, "Cable: Honduran Military Supplied Weaponry to Cartels," *Insight Crime*, April 25, 2011.

[106] Horace A. Bartilow, "Drug Wars Collateral Damage: US Counternarcotics Aid and Human Rights in the Americas," *Latin American Research Review*, vol. 49, no. 2 (2014).

[107] U.S. Southern Command, *Posture Statement of General John F. Kelly, United States Marine Corps, Commander, United States Southern Command, Before the 114th Congress, Senate Armed Services Committee*, March 12, 2015.

Relation to U.S. Domestic Policies

An innovative component of the Mérida Initiative, as it was originally conceived, was the principle of "shared responsibility," or the idea that all countries involved in the initiative—the United States, Mexico, and the seven nations of Central America—would take steps to tackle domestic problems contributing to crime and violence in the region.[108] The Mexican and Central American governments committed to address corruption and reform their law enforcement and judicial institutions. For its part, the U.S. government pledged to address drug demand, money laundering, and weapons smuggling.[109] While President Obama and other Administration officials have reiterated the importance of "shared responsibility" on a number of occasions, Mexican and Central American officials have periodically challenged the U.S. government's commitment to matching words with deeds.[110] When debating future support for CARSI, Congress may consider the extent to which the U.S. government needs to modify aspects of its domestic policies in order to fulfill its pledges to its partners in Mexico and Central America and achieve its objectives in the region.

Drug Demand

In November 2015, the Administration released the 2015 National Drug Control Strategy, which continued to emphasize the need to reduce U.S. drug demand.[111] Although cocaine consumption in the United States steadily declined from 2007 to 2012, the number of cocaine users has remained relatively stable in recent years and the number of heroin users appears to have increased significantly.[112] The Administration's FY2016 drug control budget request included $1.4 billion for prevention activities, a 6% increase over the FY2015 funding level, and $11 billion for treatment programs, a 7% increase over the FY2015 level. Nevertheless, supply reduction activities such as domestic law enforcement, interdiction, and international programs accounted for 55% of the funding request.[113] While drug policy experts have praised the Administration's focus on reducing consumption, some argue that it should further shift the balance of drug control efforts toward treatment and other demand reduction programs.

Illicit Financial Flows

In the past few years, U.S. Customs and Border Patrol (CBP) and U.S. Immigration and Customs Enforcement (ICE) have worked together to increase operations against bulk cash smuggling and other forms of money laundering. CBP has increased southbound inspections of vehicles and trains for bulk cash flowing into Mexico and Central America. In December 2009, ICE opened a

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[108] U.S. Department of State and Government of Mexico, "Joint Statement on the Mérida Initiative: A New Paradigm for Security Cooperation," October 22, 2007.

[109] For more information, see CRS Report R41349, *U.S.-Mexican Security Cooperation: The Mérida Initiative and Beyond*, by Clare Ribando Seelke and Kristin Finklea.

[110] See, for example, Sofia Miselem, "Grupo de Tuxtla Demanda a EEUU Frenar Flujos de Recursos del Narcotráfico," Agence France Presse, December 4, 2011.

[111] That strategy is available at https://www.whitehouse.gov//sites/default/files/ondcp/policy-and-research/2015_national_drug_control_strategy_0.pdf. For more information on the National Drug Control Strategy and the Office of National Drug Control Policy (ONDCP), see CRS Report R41535, *Reauthorizing the Office of National Drug Control Policy: Issues for Consideration*, by Lisa N. Sacco and Kristin Finklea.

[112] *INCSR*, March 2015, op. cit.

[113] White House, "President Requests Historic Levels of Funding for Public Health Responses to Illicit Drug Use," press release, February 2, 2015.

bulk cash smuggling detection center to assist U.S. federal, state, and local law enforcement agencies in tracking and disrupting illicit funding flows. Despite these efforts, the vast majority of illicit monetary transfers and shipments continue to flow southward undetected.

Arms Trafficking

The Department of Justice and its Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) have made efforts to staunch the flow of illegal guns from the United States to Mexico and Central America. They have stepped up enforcement of domestic gun control laws and have sought to improve coordination with law enforcement bodies in the region. The ATF maintains a foreign attaché in Mexico City and a Regional Firearms Advisor in El Salvador to support firearms-related investigations throughout the region. For example, the ATF trains Central American law enforcement officers how to use the eTrace program, through which investigators are sometimes able to determine the origin and commercial trail of seized firearms, identify gun trafficking trends, and develop investigative leads.[114] In 2014, almost 8,200 guns were seized in Central America and submitted to the ATF for tracing, nearly 3,300 of which originated in the United States. The ATF notes that the firearms submitted for tracing do not constitute a random sample and may not be representative of firearms used in the region.[115]

Analysts have identified a variety of ways U.S. policymakers could reduce arms trafficking to Central America, ranging from executive actions to tighten certain regulations to ratifying the Inter-American Convention Against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives, and Other Related Materials (CIFTA, Treaty Doc. 105-49).[116] CIFTA was signed by the United States in 1997 and submitted to the Senate for its advice and consent in 1998; the Senate has never acted on the treaty. Others note that military and police stockpiles in El Salvador, Guatemala, and Honduras are the largest sources of illegal firearms in the region.[117] They argue that while concerns about international arms trafficking are legitimate, Central American governments need to exercise better oversight over government stockpiles, improve record keeping, destroy excess arms, and prosecute corrupt officials that illegally sell and traffic weapons.[118]

Deportations

In addition to the issues mentioned above, policymakers in Central America have consistently expressed concerns that increasing U.S. removals ("deportations") of individuals with criminal records are exacerbating the gang and security problems in the region. Analysts do not necessarily agree. Many argue that while deportations in the 1990s appear to have contributed to the spread of gang violence in Central America, recent deportations have had a minimal effect on security conditions in the region. The Central American countries of Guatemala, Honduras, and El Salvador have received the highest numbers of U.S. deportees (after Mexico) for the past several fiscal years. In FY2014, ICE removed 54,423 Guatemalans, 40,695 Hondurans, and 27,180

[114] U.S. Department of State, Bureau of Western Hemisphere Affairs, "U.S. Actions to Combat Trafficking in Arms in the Western Hemisphere," fact sheet, June 21, 2011.

[115] ATF, Office of Strategic Intelligence and Information, "Central America" Firearms Tracing System, March 10, 2015.

[116] Julia Sweig, *A Strategy to Reduce Gun Trafficking and Violence in the Americas*, Council on Foreign Relations, Policy Innovation Memorandum No. 36, July 29, 2013.

[117] UNODC, 2012, op. cit., p. 61.

[118] Ibid.; Robert Muggah and Steven Dudley, "The Latin American Gun Leak," *Los Angeles Times*, January 16, 2015.

Salvadorans.[119] About 33% of Guatemalans, 45% of Hondurans, and 45% of Salvadorans deported in FY2013 (the most recent year for which data are available) had prior criminal convictions.[120]

For a number of years, Central American officials have asked the U.S. government to consider providing a complete criminal history for each deportee who has been removed on criminal grounds, including whether he or she is a member of a gang. DHS has used some CARSI funding to develop the Criminal History Information Sharing (CHIS) initiative, which allows the U.S. government to provide Salvadoran, Guatemalan, and Honduran law enforcement officials with relevant criminal history records of deportees before they are removed from the United States. El Salvador and Honduras also receive detailed information on gang members through another CARSI-funded initiative known as the Criminal History Information Program (CHIP).[121]

Outlook

The seven nations of Central America face significant security challenges. Well-financed and heavily armed criminal threats, fragile political and judicial systems, and persistent social hardships such as poverty and unemployment contribute to widespread insecurity. From FY2008 to FY2015, Congress appropriated nearly $1.2 billion under what is now known as the Central America Regional Security Initiative (CARSI) to support security efforts in the region. While some CARSI programs have contributed to improved security conditions in certain communities, there is little information available about other CARSI-funded efforts. Country-level security indicators remain poor in several Central American nations, and the Obama Administration now asserts that a broader U.S. effort, including substantially more resources, will be necessary to improve conditions in the region.

As Congress evaluates budget priorities and debates the form of assistance to Central America, it might take into consideration the opinion of many analysts that improving security conditions in the region will be a difficult, multifaceted endeavor. Central American leaders will need to address long-standing issues such as incomplete institutional reforms, precarious tax bases, and the lack of opportunities for young people. International donors will need to provide extensive support over an extended period of time. And all of the stakeholders involved will need to better coordinate their efforts to support comprehensive long-term strategies that strengthen institutions and address the root causes of citizen insecurity. Absent such efforts, conditions are likely to remain poor in several Central American countries, contributing to periodic instability that—as demonstrated by the increasing number of migrants, asylum seekers, and refugees from the region arriving at the U.S. border—is likely to affect the United States.

[119] ICE, *ICE Law Enforcement and Removal Operations Report, Fiscal Year 2014*, December 19, 2014.

[120] Department of Homeland Security, Office of Immigration Statistics, *2013 Yearbook of Immigration Statistics*, August 2014.

[121] CRS correspondence with State Department official, August 4, 2015, and December 7, 2015.

Appendix. CARSI Appropriations Legislation: FY2008-FY2015

FY2008 Appropriations

When announcing the Mérida Initiative, the Bush Administration originally requested $50 million for the countries of Central America. All of the funds were requested in the INCLE account and were designated to be used for public security and law enforcement programs. Members of Congress, some of whom expressed considerable disappointment that they were not consulted as the plan was being formulated,[122] dedicated additional funds to Central America and broadened the focus of the initiative.

Through the FY2008 Supplemental Appropriations Act (P.L. 110-252), Congress appropriated $60 million for Central America and divided the funds among the INCLE, ESF, NADR, and FMF accounts. Congress allotted $25 million in ESF funds for the creation of an Economic and Social Development Fund for Central America, $20 million of which was to be administered by USAID and $5 million of which was to be administered by the State Department to support educational and cultural exchange programs. Congress also allotted $1 million to support the International Commission Against Impunity in Guatemala. The act required the State Department to withhold 15% of the INCLE and FMF assistance appropriated for the countries of Central America until the Secretary of State could report that the Central American governments were taking steps to improve respect for human rights, such as creating police complaints commissions, reforming their judiciaries, and investigating and prosecuting military and police forces that had been credibly alleged to have committed human rights violations.

FY2009 Appropriations

In the FY2009 Omnibus Appropriations Act (P.L. 111-8), Congress provided $105 million in funding for Central America. It required that at least $35 million of the funds appropriated for the region be used to support judicial reform, institution building, anti-corruption, and rule-of-law activities. The explanatory statement to the act directed that $70 million of the funds for the region be provided through the INCLE account, that $15 million of the FMF funds support maritime security programs, and that $12 million in ESF aid support USAID's Economic and Social Development Fund for Central America. The FY2009 funds were subject to the same human rights conditions as the funds provided through the FY2008 supplemental.

FY2010 Appropriations

In the FY2010 Consolidated Appropriations Act (P.L. 111-117), Congress appropriated "up to" $83 million for the countries of Central America "to combat drug trafficking and related violence and organized crime, and for judicial reform, institution building, anti-corruption, rule of law activities, and maritime security." After consultations with Congress, the State Department allocated an additional $12 million in ESF from funds appropriated to its Western Hemisphere Regional account to crime and violence prevention programs administered by USAID. The State

[122] U.S. Congress, House Committee on Foreign Affairs, *The Merida Initiative: Assessing Plans to Step Up Our Security Cooperation with Mexico and Central America*, 110th Cong., 1st sess., November 14, 2007, Serial No. 110-135 (Washington, DC: GPO, 2008).

Department later reprogrammed an additional $76 million in INCLE funding to the region, bringing total FY2010 CARSI funding to $171 million.[123]

The conference report to the act (H.Rept. 111-366) split Central America funding from the Mérida Initiative and placed it under a new Central America Regional Security Initiative (CARSI). The Obama Administration embraced the change as a way to focus more attention on the situation in Central America and U.S. efforts in the region. In addition to subjecting CARSI funds to the same human rights conditions as previous years, the conference report to the act directed the Secretary of State to submit a report within 90 days of enactment detailing regional threats or problems to be addressed in the region, as well as realistic goals for U.S. efforts and actions planned to achieve them.

FY2011 Appropriations

After a series of continuing resolutions, the FY2011 Department of Defense and Full-Year Continuing Appropriations Act (P.L. 112-10) was signed into law on April 15, 2011. The legislation had no accompanying report and did not designate a funding level for CARSI. It did, however, direct the Obama Administration to report back to Congress within 30 days on its proposed allocations of the appropriated funds. After consultations with Congress, the Department of State allocated $101.5 million for CARSI in FY2011.[124] The funds were subject to the same human rights conditions as previous years.

FY2012 Appropriations

President Obama signed the Consolidated Appropriations Act of 2012 (P.L. 112-74) into law on December 23, 2011. Although the legislation did not designate a funding level for CARSI, the accompanying report (H.Rept. 112-331) noted the conferees' support for the Obama Administration's budget request, which was $100 million. The report also directed the Secretary of State to submit a spending plan for CARSI noting "activities that were conducted with prior year appropriations, achievements associated with the expenditure of such funds, and activities that will be funded in fiscal year 2012, including goals to be met." The State Department submitted the FY2012 CARSI spending plan to Congress in June 2012. According to the spending plan, CARSI funding for FY2012 was increased to $135 million.[125]

Neither the legislation nor the accompanying report included the human rights provisions from previous years that required the Department of State to withhold a portion of CARSI funding until certain conditions were met. The legislation did include a new Honduras-specific provision, however, that required the Department of State to withhold 20% of the funds for Honduran military and police forces until the Secretary of State could report that the Honduran government was (1) implementing policies to protect freedom of expression and association, and due process of law; and (2) investigating and prosecuting military and police personnel who are credibly alleged to have violated human rights. The provision did not apply to assistance intended to promote transparency, anti-corruption, and the rule of law within the military and police forces.

[123] CRS correspondence with State Department official, July 2015.

[124] U.S. Department of State, *Congressional Notification for the Central America Regional Security Initiative*, August 11, 2011.

[125] U.S. Department of State, *Fiscal Year 2012 Congressional Spending Plan: Central America Regional Security Initiative*, June 19, 2012.

FY2013 Appropriations

After enacting a six-month continuing resolution (P.L. 112-175) in September 2012, Congress approved the Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6) on March 21, 2013. Signed into law by the President on March 26, 2013, the act provided funding for federal programs through the end of FY2013. The act did not include a specific funding level for CARSI. Nor did it include any restrictions on CARSI aid. However, it did maintain the human rights conditions on security assistance for Honduras that were enacted in FY2012. After consulting with Congress, the State Department allocated $145.6 million for CARSI in FY2013.[126] The State Department later reprogrammed an additional $600,000 in INCLE funding to the region, increasing total FY2013 CARSI funding to $146.2 million.[127]

FY2014 Appropriations

After an appropriations lapse that resulted in a 16-day U.S. government shutdown and two short-term continuing resolutions (P.L. 113-46 and P.L. 113-73), the President signed into law the Consolidated Appropriations Act, 2014 (P.L. 113-76) on January 17, 2014. The joint explanatory statement accompanying the act stipulated that $61.5 million in ESF aid and $100 million in INCLE assistance should be provided through CARSI in FY2014.[128] The act did not include broad restrictions on CARSI aid. It did, however, alter the restrictions on security aid to Honduras (originally enacted in FY2012) by increasing the withholding requirement from 20% to 35%, increasing the number of human rights conditions that need to be certified by the State Department, and slightly broadening the exception so that the withholding requirement does not apply to border security funding.

FY2015 Appropriations

President Obama signed into law the Consolidated and Further Continuing Appropriations Act, 2015 (P.L. 113-235) on December 16, 2014. The explanatory statement accompanying the act stipulated that $100 million in ESF aid and $160 million in INCLE assistance should be provided through CARSI in FY2015.[129] After consultations with Congress, the State Department increased INCLE funding for CARSI to $170 million.[130] The act maintained restrictions on security aid to Honduras (originally enacted in FY2012), but reduced the withholding requirement from 35% to 25% and broadened the exception so that the withholding requirement does not apply to programs related to maritime security or human trafficking.

The explanatory statement directed the Administration to use CARSI funding to implement a "strategy to address the key factors in the countries in Central America contributing to the migration of unaccompanied, undocumented minors to the United States." It stipulated that ESF-funded programs should "improve prosperity in the region by focusing on education, vocational training, and employment opportunities, and should seek to strengthen families, including by reducing child abuse and neglect and facilitating foster care and adoption." It also stipulated that

[126] U.S. Department of State, *FY 2013 Spend Plan – Central America Regional Security Initiative*, September 10, 2013.

[127] CRS correspondence with State Department official, July 1, 2015.

[128] The explanatory statement is available at https://www.congress.gov/congressional-record/2014/01/15/house-section/article/H475-2.

[129] The explanatory statement is available at https://www.congress.gov/congressional-record/2014/12/11/house-section/article/H9307-1.

[130] CRS correspondence with State Department official, October 7, 2015.

INCLE funding should support "enhanced border security initiatives, anti-trafficking and anti-gang programs, and counternarcotics and law enforcement activities."

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