

# Where Are the Northern Triangle Countries Headed? And What Is U.S. Policy?

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Central America has been a concern for U.S. foreign policy for more than a half century, spanning the Cold War, the Alliance for Progress, military regimes, and popular upheavals. Insurgencies had ideological roots, but most of the popular movements were aimed at securing democracy, justice, and economic change and were linked to ending elite dominance, corruption, and closed political systems. Only Costa Rica, and Panama since the removal of Noriega, have managed over the past three decades to see steady political and economic forward movement. Nicaragua remains mired in the throes of a despotic, discredited regime whose [disregard](#) for human rights and national well-being is beyond argument.

The Northern Triangle Countries (NTC) of El Salvador, Guatemala, and Honduras have loomed larger in national attention ever since 2014 when a [large number of unaccompanied minors](#) suddenly appeared on the southwest border of the United States. Migrants from these countries were not new. Total migration [had hit three million](#) even before 2014, perhaps half living in the shadows, undocumented and vulnerable. This migration had been driven by the civil conflicts of the 1980s, the deportation of violent gang members (who brought back organized crime and violence from their Los Angeles barrios), and a paucity of economic opportunity.

U.S. support for development efforts in the NTC since the end of the region's domestic civil conflicts more than 20 years ago has been marked by inconsistent attention, with sudden peaks in financial commitments combining development and security cooperation. Then as other crises loomed and the Central American isthmus seemingly mellowed, Washington lost interest, without ever recognizing that weak and corrupt justice systems, dysfunctional governance, and elite-dominated economies had not changed fundamentally.

In 2014, the unaccompanied minors issue brought a new focus and urgency to the challenges posed by the NTC for the United States as well as increased pressure to come up with a more effective and sustainable

policy than in previous decades. There was a realization that U.S. national security interests, including controlling migration, were and are linked directly to progress in development, citizen security, and strengthened governance in the Northern Triangle. There was also a clearer understanding of the nature of corruption and governance challenges in the NTC, with the increasingly ominous threat of “state capture” present, linked not only to narrow local economic interests in the NTC but also to networks of organized crime, both domestic and international. According to a recent [IDB Experts Report](#) on corruption in Latin America, the NTC has emerged as one of the prime examples of “state capture” in the region.

This phenomenon of “state capture” in the NTC—and beyond—needs to be studied in greater depth in order to be able to address it. A few examples related to the NTC help to illustrate this dangerous situation, some of which were cited by the [State Department](#) in its listing of officials engaged in corruption in response to a congressional mandate.

**In the case of Guatemala**, Mario Estrada, the Guatemalan presidential candidate for a significant political party, was arrested in Miami in June 2019 after U.S. authorities [reportedly](#) recorded him arranging with the Sinaloa crime cartel in Mexico to receive campaign contributions and recruit hit men to kill two other presidential candidates, including former Attorney General Thelma Aldana. In exchange, the cartel would be guaranteed police and military help to traffic cocaine into the United States if Estrada won the election.

**In the case of Honduras**, the [links](#) between government officials and drug trafficking have already resulted in: a 24-year sentence for the son of a previous vice president; cases now filed against former President Porfirio Lobo and several cabinet members; and the trial in the United States of the brother of current President Juan Orlando Hernandez and his being listed in prosecutorial documents as a subject of interest by the [DEA](#) in 2015 and recently as a [co-conspirator](#) in the trafficking and money-laundering case. Such corrupt linkages have also surrounded the killing of environmental activist [Berta Caceres](#). Even after the conviction for murder of the seven killers last November, none have been sentenced and suspicions abound that the [intellectual authors](#) of the murder have not been prosecuted.

**In the case of El Salvador**, while the country has avoided some of the direct transnational cartel linkages to state takeover, corrupt networks between traditional economic elites and suborned government officials have dominated for years. [Halting judicial](#) efforts to end impunity in recent years have resulted in three former presidents, two from the right and one from the left, and other high officials being indicted, tried, or convicted of stealing hundreds of millions of dollars in public funds. Former President Antonio Saca pled guilty to corruption and was sentenced to 10 years in jail and to repay some \$260 million of illicitly acquired assets.

Corruption including stolen revenues, fraudulent contracting, tax evasion, and bribery cost an estimated [five percent of GDP, according to the UN](#). In the NTC, El Salvador ranks 105 out of 180 on Transparency International’s [2018 Index perception of corruption](#), Honduras 134, and Guatemala 144. And some estimates reach far higher, massive amounts of lost resources with [high percentages of the population living in poverty](#) in those countries: [29.2 percent](#) in El Salvador, [60.9 percent](#) in Honduras, and [59.3 percent](#) in Guatemala, including [79 percent](#) of the indigenous population in Guatemala. The loss of state revenues from corruption means far more limited capacity to address poverty throughout the NTC.

## *U.S. Government Support for the NTC*

In the immediate wake of the 2014 unaccompanied minor crisis, the U.S. government pressed the Central Americans to produce a long-term strategic action plan that directly addressed the push factors of migration. The image in the minds of U.S. officials at the time was Plan Colombia, now a 20-year,

bipartisan policy initiative supporting Colombia's dual effort to combat a multi-headed insurgency and to control cocaine cultivation and trafficking. Plan Colombia was viewed as critical in successfully preventing an armed takeover of the Colombian state by the dominant insurgent group, the FARC, ultimately forcing its leaders to accept a negotiated accord that included their disarmament and demobilization.

In the NTC, the bipartisan goal of the administration and the Congress was to put forward something similar to Plan Colombia. A reform initiative entitled the [Plan of the Alliance for Prosperity \(A4P\)](#) for the Northern Triangle was announced in September 2014 with direct technical support and financing from the Inter-American Development Bank (IDB) and promise of U.S. funding. Since 2014, the governments of El Salvador, Guatemala, and Honduras have repeatedly reaffirmed their support for the A4P and rhetorically committed to implement its four strategic pillars: fostering the productive sector, developing human capital, improving citizen security and access to justice, and strengthening institutions and improving transparency. The Northern Triangle governments have committed approximately \$8.6 billion between 2016 and 2018 to implement the A4P.

In response to A4P, there was strong U.S. bipartisan ownership of the government-wide U.S. Strategy for Central America, to which the United States committed [approximately \\$2.6 billion](#) in foreign assistance to the NTC for fiscal years 2015 to 2018. The Trump administration voiced early support for the U.S. Strategy for Central America and for A4P and pursued close coordination with the Peña Nieto administration in Mexico in addressing the challenges of the NTC. Vice President Pence presided over the [First \(June 15-16, 2017\)](#) and [Second \(October 11-12, 2018\)](#) Conferences on Prosperity and Security in Central America, which brought leaders of the NTC together with senior officials of both the United States and Mexico.

However, from early on in the administration, President Trump proposed a significant scaling-back of USG financial support for the NTC. The Congress [rejected](#) these proposed cuts and [appropriated](#) \$754 million in FY 2016, nearly \$700 million in FY 2017, \$627 million in FY 2018, and \$536 million in FY 2019, all representing only marginal cuts from earlier-year appropriations. Then, unexpectedly, on March 29, 2019, President Trump [announced his intention](#) to halt all assistance to the NTC given the NTC governments' alleged lack of cooperation in stopping migration to the United States.

Diplomats, scholars, and longtime observers of the post-conflict history of El Salvador, Guatemala, and Honduras—Democrat or Republican, liberal or conservative, even Vice President Pence himself—agree that reducing violence, creating economic opportunity, and building less corrupt and more effective governance are the only ways to limit the push factors driving migration. CSIS recently [summarized](#) those basic requirements as: 1) GNP per capita reaches around \$8,000, which is slightly over double the current GNP per capita; 2) transnational crime, drug trafficking, and gang violence and activity are significantly reduced; and 3) the social contract is reset and basic needs such as jobs, education, health, infrastructure, and power are reliably delivered.

Efforts to reverse the president's surprise announcement were unsuccessful, and the State Department on June 17, 2019 laid out its plan to carry out the White House orders, refusing to spend \$185 million of the FY 2017 monies, some \$370 million planned for the NTC in FY 2018 and, unless a set of still unannounced executive branch conditions are met, none of the FY 2019 appropriated monies.

## *Role of the Congress*

As Congress intervened in support of greater USG support for the NTC than requested in the first years of the Trump administration, the reaction of Congress to the March 29 announcement of an assistance cutoff provoked strong bipartisan Congressional reactions. In a direct rebuttal to the administration, the

House adopted a provision to the then pending supplemental border appropriations bill converting its soft earmarks into hard earmarks in the FY 2017, FY 2018, and FY 2019 appropriations laws for the NTC. On July 15, [the House passed the United States-Northern Triangle Enhanced Engagement Act \(H.R. 2615\)](#), designating \$577 million of assistance to the NTC for FY2020 to address the root causes of migration by promoting greater security and economic opportunity in El Salvador, Guatemala, and Honduras.

Congress has further leverage, as overall government funding bills—including defense—remain pending. However, the current clash with the White House only underlines the complications of maintaining serious and sustained commitments to addressing the fundamental challenges of crime, corruption, and economic hardship facing the NTC.

### *Example of Plan Colombia*

Going back to the core concept of Plan Colombia would be one possible way for the U.S. government and the region to reenergize its approach to the NTC and to contribute to a coherent policy. Instead of the current disjointed policy decisions, the United States should consider renewing its conditional support for the A4P, through a long-term, bi-partisan, consistent, and coordinated Plan Colombia-like commitment.

One of the crucial elements of Plan Colombia was that it was not only a U.S.-Colombia partnership but was backed by other closely engaged multilateral agencies and bilateral partners. Coming up with a comprehensive “all-of-the-international community” approach for the NTC is not beyond the realm of possibility. Similar efforts were organized to support reconstruction and refugee return after the Central American conflicts. The NTC also have long been recipients of technical assistance in many areas of social, economic, and security development work from the IADB, the OAS, the World Bank, the UN, the European Union, and the CAF, among other international organizations, as well as from bilateral partners including European states, Canada, Japan, Korea, and others.

The new Mexican government of President Andres Manuel Lopez Obrador (AMLO), more than any previous Mexican administration, has recognized the critical connections between the issues of crime, corruption, and stymied development in Mexico and in the NTC. On his first day in office on December 1, 2018, AMLO signed a [Comprehensive Plan for Development for the NTC](#) with the three presidents of the NTC, with a target of \$30 billion in financing over 10 years. This comprehensive plan was developed by ECLAC with the close involvement of the IDB. At the same time, AMLO called for a new “Marshall Plan” for the NTC. AMLO and the ECLAC Executive Director Dr. Alicia Barcena presented a [detailed draft of the Comprehensive Plan](#) on May 20, 2019, with the promise to work for the plan’s financing and implementation in the coming months and years. In a late-July visit to El Salvador, Foreign Secretary Ebrard [committed \\$100 million](#) in Mexican assistance to its neighbor to promote development and help curb migration.

The growing collection of bilateral, multilateral, and international plans and strategies produced to address the deep development challenges faced by the NTC is a recognition by the region of the grave dangers posed by the security vacuum, rampant corruption, and state capture present in the NTC. A critical lesson learned with Plan Colombia is that multiple efforts need to be coordinated carefully and consistently if these efforts can be expected to have any impact on the complex security and governance challenges they are designed to address. Such international and regional coordination for the moment is clearly lacking. Various manifestations of NTC migration to the United States have served to motivate these well-intentioned efforts of ECLAC, the IDB, the United States, and Mexico, as well as other bilateral and multilateral efforts. However, without close international coordination and serious efforts to finance these efforts, little will come out of these plans. To date, these efforts are a far cry from the unified effort of the

international community in Plan Colombia over nearly two decades. This example should serve as a model for what needs to be done in the NTC.

### *Recommendations for the NTC, the United States, and the International Community*

These recommendations are being put forward with the realization that a new president now governs Mexico, another new president has just taken office in El Salvador, a new president will take office in Guatemala in January 2020, either a new or re-elected administration will take place in Washington in January 2021, and the next presidential election will take place in Honduras in 2021.

- Build strong and proactive bipartisan support on Capitol Hill for recommitting USG support to the NTC and to increasing the levels of this support. This support must take the form of at least a renewable five-year authorization with budget earmarks for each country so long as they meet basic governance, anti-corruption, and inclusive development conditions.
- Rapidly review evaluated successful projects and replicate and expand them, even before there is a final decision on overall funding for the NTC. Some of these successful projects were funded by USAID through the Central America Regional Security Initiative (CARSI). In El Salvador, for example, the 50 most violent municipalities saw the homicide rate cut by 60 percent over three years and saw a subsequent reduction of migration numbers as well. Others supported by Departments of State and Justice also need to be continued without allowing funding gaps to take place.
- Bring together the increasing number of independent plans and strategies for addressing the development and security challenges of the NTC, including the latest Comprehensive Development Plan for the NTC advanced by ECLAC, Mexico, and the IDB and the Alliance for Prosperity (A4P) of the NTC countries themselves, which had been backed since 2014 by the U.S. government's Strategy for Central America.
- Mexico should be asked to lead a "Group of Friends" of the NTC, including meetings with heads of state, periodic meetings of foreign ministers, and regular in-country ambassadorial meetings to assure that the single coordinated strategy is being implemented by the NTC governments and all partners and donors. The UN, OAS, CAF, and the World Bank also need to be fully engaged in this effort.
- A donor conference coordinated by the IDB and the World Bank to identify how a broadly agreed and coordinated strategy will be funded over the next decade should be an early step and might be the best way to demonstrate a committed international approach. Full U.S. participation in this process will be essential. The absence of the United States would doom the effort from the start.
- One of the inadequately addressed elements in existing NTC plans is governance and the rule of law, extending from an independent and clean criminal justice system to a transparent and competent regulatory framework for business, infrastructure, and human capital investment. Everything that the World Bank, IDB, UN, OAS, and USAID have discovered about post-conflict reconstruction with respect to the importance of governance and justice reform in development needs to be integrated into this new strategy for engagement.
- Respond rapidly and fully to the unique opportunity presented by the newly elected Bukele administration in El Salvador—and its openness to new approaches to fight corruption and crime—by moving forward quickly in engaging the new government in programs of cooperation (including "CICIES," South-South cooperation, and new USG funding for successful USG violence prevention initiatives).

- Develop a new approach to deploying internationally sponsored justice initiatives like CICIG and MACCIH, which have shown themselves to be international collaboration with positive impact. Serious thought needs to be given to new formats and approaches, including making a commitment to a CICIG/MACCIH process a part of IFI-lending conditionality.
- Promote innovative forms of technical assistance to address high levels of corruption and violence, including South-South cooperation along the lines described in the CSIS project initiated with the Chilean Agency for International Development Cooperation (AGCID) and the Uruguayan Agency for International Cooperation (AUCI), and also with civil society partners in Colombia and the NTC. Every effort needs to be undertaken to assure civil society and private-sector promotion of the rule of law and good governance, essential elements of legitimacy and national well-being.

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