

TESTIMONY OF
ROBERTA JACOBSON
DEPUTY ASSISTANT SECRETARY OF STATE
BUREAU OF WESTERN HEMISPHERE AFFAIRS
U.S. DEPARTMENT OF STATE
BEFORE
THE FOREIGN AFFAIRS WESTERN HEMISPHERE SUBCOMMITTEE AND
THE HOMELAND SECURITY BORDER, MARITIME, AND GLOBAL
COUNTERTERRORISM SUBCOMMITTEE
UNITED STATES HOUSE OF REPRESENTATIVES
MAY 27, 2010

Mr. Chairmen, Ranking Members, and Members of the Committee:

Thank you for the opportunity to testify, along with my interagency colleagues on the United States – Mexico relationship and the Merida Initiative.

The U.S.-Mexican bilateral relationship has never been stronger than it is right now. And it continues to grow stronger still, based not on personal ties or short-term projects but on the kind of strong, multi-layered institutional ties that endure and evolve.

On May 19, President Obama welcomed President Calderon to the White House. The Presidents reaffirmed their commitment to improving the lives of all citizens in both our countries, building upon our deep ties and working with mutual respect and mutual responsibility across a broad range of issues. These include economic competitiveness and clean energy, building a 21st century border, and reaffirming our mutual commitment to confront organized criminal organizations that represent a serious threat to the security and well-being of Mexicans and Americans. Presidents Obama and Calderon recognized that the United States and Mexico share responsibility for defeating and dismantling the illicit criminal networks that traffic drugs into the United States and illegal weapons and illicit revenues into Mexico, which fuel much of the crime and violence in Mexico today.

The Presidents reviewed and endorsed the work of the U.S.-Mexico Merida Initiative High Level Group, which met on March 23, 2010. The meeting was chaired by Secretary Clinton and her Mexican counterpart, in Mexico City, to lay out a shared vision for on-going and future security cooperation between the United States and Mexico.

These high-level meetings and joint efforts are a testament to the strength of the relationship between our two governments. In addition, it exemplifies the United States' commitment to assist Mexico and our responsibility to address transnational crime, including demand for drugs, and illicit traffic in firearms and bulk cash.

Security Situation

The unprecedented levels of violence in Mexico, especially along the shared border with the United States, undermine Mexico's economic recovery and rob young people of opportunities for education, work, and social advancement. The violence and the corruption engendered by the cartels also undermine the democratic institutions needed for governance that is accountable and responsive to the needs of its people. Since December 2006, over 22,000 people have been killed, and countless others wounded, kidnapped, extorted, or threatened in relation to this violence. We are seeing new and well-organized battle tactics with the criminals using stolen vehicles to block roads to prevent government reinforcements from arriving. In Ciudad Juarez, the Juarez drug trafficking organization has hired the violent cross-border Barrio Azteca gang to conduct its contract killings.

Merida Initiative

When it was launched in 2007, the Merida Initiative was a partnership among the governments of the United States, Mexico, and the countries of Central America to confront the violent transnational gangs and organized crime syndicates that plague the entire region. We have now broadened our focus to include the Caribbean under the Caribbean Basin Security Initiative, renamed our Central America efforts as "CARSI" (the Central America Regional Security Initiative), and are focusing on ways to improve citizen safety—something consistently ranked high among societal concerns in all countries of the region. The security challenges in the region are profoundly interconnected. Accordingly, our initiatives are grounded in a common strategic vision and coordinated through interagency meetings and working groups that ensure comprehensive and coherent planning and implementation. While these initiatives are mutually reinforcing, and share broad objectives, they reflect differing regional challenges and dynamics and thus vary considerably in size, level of U.S. support, complexity, and level of development. The combination of a common strategic approach and distinct, but interlocking, regional initiatives provides the necessary unity of effort as well as the flexibility necessary to help address unique circumstances that vary by country or sub-region.

Beginning with the Merida Initiative and moving “Beyond Merida” in Mexico, the United States has forged strong partnerships to enhance citizen safety in affected areas to fight drug trafficking, organized crime, corruption, illicit arms trafficking, money-laundering, and demand for drugs on both sides of the border. To do this a variety of U.S. federal agencies - including the Department of State, the U.S. Agency for International Development, the Department of Homeland Security, the Department of Justice, and the Department of Defense - are working with the Mexican government to implement the Merida projects.

At bilateral working group meetings in the past 18 months, culminating with the March 23 Merida High Level Group meeting in Mexico, the governments of the United States and Mexico agreed on new goals to broaden and deepen our cooperation to effect lasting change. We are accelerating our efforts to support stronger democratic institutions in Mexico, especially the police and justice sector, expanding our border focus beyond interdiction of contraband to include facilitation of legitimate trade and travel, and cooperating in building stronger communities that are resistant to the corrupting influence of organized crime. Future programs to increase Mexican capacity and to institutionalize our partnership will focus on four goals:

- **Disrupt Organized Criminal Groups:** The United States and Mexico will continue to collaborate to disrupt and dismantle organized criminal groups. Each country will continue to conduct security operations within its own territory, but we will coordinate our efforts and increasingly share the information necessary to combat drug trafficking organizations that do not respect borders. We plan to disrupt the Drug Trafficking Organizations (DTOs) by focusing our efforts on intelligence collection and analysis, training and equipping special units, enhancing police and prosecutors’ investigative capacity, conducting targeted investigations against money laundering, improving interdiction capability, and by supporting effective command and control centers across Mexico. We will put pressure on all aspects of the cartels’ business operations, interdicting the weapons used in the commission of their crimes and the illicit proceeds of their enterprises as well as the drugs and other contraband they traffic. Our two countries have already started work in these areas and we will deepen our cooperation in years to come.
- **Institutionalize Reforms to Sustain Rule of Law and Respect for Human Rights:** The United States will continue to support Mexico’s efforts to

institutionalize justice sector reforms to sustain the rule of law and respect for human rights. We will continue institution-building with security and justice sector institutions at the federal level and expand these efforts to include additional federal, state and local institutions. Federal constitutional reforms passed in 2008 require transformation of all state and federal systems from a written inquisitorial system to a more transparent oral and adversarial system by 2016. The United States has long supported Mexico's criminal justice reforms at the state level and we continue to do so, while also supporting federal criminal justice reform. We are providing assistance on a range of activities, including professionalization of justice sector personnel, systems development, access to justice, and strengthening respect for human rights. Projects to strengthen democratic institutions, centered on engagement with civil society and the promotion of respect for human rights, will help assure citizens that their justice systems are more effective and accountable. In the long term, this will serve to increase citizen trust in justice sector institutions, encouraging closer collaboration between government officials and citizens in the fight against organized crime. The capacity to quickly and efficiently prosecute those arrested, in accordance with due process, and to incarcerate those found guilty in secure and humane facilities must keep pace with the success of law enforcement efforts.

- **Create a 21st Century Border:** Our goal is to create a 21st century border that will advance citizen safety while increasing our global competitiveness through efficient and secure flows of two-way commerce and travel. Overall, our cooperation with Mexico is designed to intercept threats before they can cause harm to a country or its citizens. We are working to stop the flow of drugs and human trafficking to the north, and guns and cash to the south. In some cases, the most effective approach to security is to redistribute law enforcement resources to screen people and cargo before they near the actual border, or even arrive in North America. Interior checkpoints combined with secure transit corridors may be reinforced by modern technology that determines whether sealed containers have been opened or whether trains or trucks have stopped along route. These approaches aim to prevent flows of dangerous goods and people from getting to the border, thereby speeding legitimate trade and travel across the border itself. By seeking to institutionalize these improvements, and supporting the Government of Mexico's efforts to modernize both their customs and immigration capacities, we anticipate continuing enhancements in our joint management of the US-Mexico border.

- **Build Strong and Resilient Communities:** As Mexico addresses the social and economic needs of communities under threat by criminal organizations, within a framework based on the rule of law and respect for human rights, the United States will provide support for programs in targeted geographic areas. The recent downturn in economic growth and remittances underscores the importance of ensuring that communities see a net benefit from our joint efforts. With Mexico taking the lead, U.S. programs will leverage support for greater community involvement in developing a culture of lawfulness, as well as addressing socio-economic challenges in the community, including stemming the flow of potential recruits for the cartels by helping to promote constructive, legal alternatives for young people. Strong communities with confidence in local authorities to protect them are key partners in realizing our shared goals.

Broadly, and within this context, we are moving away from big ticket equipment and into an engagement that reinforces progress by further institutionalizing Mexican capacity to sustain adherence to the rule of law and respect for human rights, build strong institutions, promote full civil society participation, transform the nature of our borders, and by providing intensive technical assistance and training.

We have also agreed with the Government of Mexico to work together in several of the most affected Mexican communities, including Ciudad Juarez. In February, our governments held a bilateral planning session in El Paso, Texas to discuss options for improving the citizen security and violence situation in Juarez. Our discussions spanned various topics including: 1) improving intelligence collection and analysis and using the resulting information to lead law enforcement operations and investigations; 2) developing standard procedures for securing a crime scene and collecting evidence; 3) elaborating a plan for safe, secure and humane detention facilities; and 4) beginning a process to vet active state and local police officers and weed out corrupt actors.

We are beginning to determine with our Mexican partners where U.S. assistance could best be applied in Juarez, and we have offered a range of assistance, including, but not limited to, reform of state and local police, internal controls, assistance to prosecutors and judges, corrections work, as well as technical assistance. Our efforts in Ciudad Juarez are being taken in conjunction with President Calderon's plan "Todos Somos Juarez" (We Are All Juarez) which calls for new socio-economic opportunities providing choices for the beleaguered youth and citizens of the city. The plan has extensive programs in education, drug

demand reduction, health and security and includes a robust and regular consultation with civil society groups. One of the many complicating factors in Ciudad Juarez is that state and municipal elections are scheduled for July 4 and it is likely that many key interlocutors will change. This is not a deterrent to working in Juarez, but an additional challenge.

Implementation of Merida and Law Enforcement Successes

The United States is supporting Mexico's implementation of comprehensive justice sector reforms through the professionalization of police and prosecutors, systems development, judicial exchanges, and partnerships between Mexican and U.S. law schools. As of March 2010, 5,500 federal and state officials of all levels from law-enforcement and judicial agencies have participated in newly designed training programs. For example, over 4,300 police officers graduated from the Federal Police (SSP) Basic Investigation Techniques course in San Luis Potosi and are deployed throughout Mexico. Through expert-to-expert exchanges, programs, and workshops, Mexico's criminal-justice institutions are working with U.S. law-enforcement and prosecutorial offices to build capacity to combat organized criminal activities that impact both Mexico and the United States.

Mexican Customs, with U.S. Customs and Border Protection support, will establish a customs training academy in Mexico to promote professionalization of new customs inspectors. The Department of Homeland Security has provided assistance to Mexican Customs including: training of canine teams; training on inspection techniques; and curriculum development on customs investigations, with investigative training to begin this year. We have provided scanners, X-ray machines, and other non-intrusive inspection equipment to enhance Mexican authorities' ability to detect illicit goods at key checkpoints and land and air ports of entry. U.S. Immigration and Customs Enforcement (ICE) is developing an investigator training program for Mexican Customs officials. Training classes are scheduled to begin in August 2010.

The Office of National Drug Control Policy and the U.S. State Department co-hosted a Binational Drug Demand Reduction Conference in February 2010, which among other goals, sought a greater understanding of the use of media in successful demand reduction efforts as well as share best practices between the U.S. and Mexican participants. Twenty-three Mexican states are scheduled to offer a minimum of 60 hours of anti-corruption education during the 2009-2010 school year, targeting one million secondary school students.

Prompt implementation of the Merida Initiative and ensuring that U.S. taxpayer dollars are spent in an effective and efficient manner is a top priority for the Administration. As a result of the Merida Initiative, we have created new implementation structures with the Mexican government, a government unaccustomed to U.S. foreign aid requirements, in order to ensure increased inter-agency and binational communication. For example, we have developed a bilateral implementation working group between our two governments which meets monthly in Mexico City and have just opened our Bilateral Implementation Office, also in Mexico City.

With the signing of the Letters of Agreement and with additional personnel in place to monitor the new programs, the pace of implementation has increased dramatically. Our current estimate shows that over \$420 million of FY08 and part of FY09 funds are actively supporting equipment, training, and technical assistance through the Merida Initiative. A Letter of Agreement that obligated \$287 million in FY09 International Narcotics and Law Enforcement (INCLE) funds was just signed and will be used to further support equipment, training, and technical assistance. Five Foreign Military Financing-funded Bell helicopters were delivered in December 2009, after an expedited procurement process. Two additional Bell helicopters and three Blackhawk helicopters are scheduled to be delivered in October 2010, and nearly all aviation assets will be delivered by the end of 2011 – in some cases nearly two years ahead of ‘normal’ procurement timelines.

Non-intrusive inspection equipment has been delivered. Training equipment, polygraph units, and biometric equipment has also already been delivered. Justice sector programs and certain human rights activities, involving judicial exchanges, police, prosecutor and corrections training, assistance to victims and witnesses, and support to civil society groups working on citizen security, are also underway and will continue, as the pace of implementation continues to increase.

Finally, while the Merida Initiative does not fund any law enforcement operations, the enhanced cooperation and coordination that results from this enhanced bilateral relationship contributes to our fight against well known drug lords. For example:

- Arrest of Arturo Beltran Leyva, December 2009 (Beltran Leyva Cartel)¹
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In the United States, too, this cooperation has paid off. Operation Xccelerator resulted in the arrest in several countries of more than 750 individuals associated with the Sinaloa cartel in February 2009. Operation Coronado led to the arrest of 303 alleged members of the La Familia Michoacana in the U.S. in October 2009, with 1,186 arrests made over the 44 month project.

Fulfilling our Share of the Responsibility

It is also important to discuss the actions that this Administration is taking to fulfill its share of the responsibility to address factors within our borders that are contributing to this shared challenge: illicit flows of arms and ill-gotten profits to Mexico and our domestic demand for drugs.

ICE and the U.S. Bureau of Alcohol, Tobacco, Firearms & Explosives (ATF) are working jointly on weapons seizures through Armas Cruzadas and Project Gun Runner. ATF also rolled out the pilot of the bilingual “Spanish” eTrace to Mexico and Central America. This system allows Mexican investigators to trace weapons known to originate from the United States and will assist law enforcement officials in determining trafficking routes and major arms traffickers.

The United States Government (USG) has also taken an aggressive approach to combat illicit trafficking in arms by promoting the capabilities of states in the hemisphere to control, secure, and destroy excess national stockpiles as well as to mark and trace firearms. USG operational efforts have been complemented by Merida-funded equipment and capacity building efforts. Four Integrated Ballistics Identification Systems (IBIS) have been provided to forensics labs in Mexico to assist with tracing weapons used in crimes. Non-intrusive inspection equipment is also being provided to Mexican agencies to help with the detection of guns, money, and drugs. The USG has sponsored three bilateral

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conferences on arms trafficking, the first with the U.S. Departments of Justice, State and Homeland Security at the ministerial level, followed by two DOJ-organized programs at the working level focusing on Mexico's northern and southern borders.

The U.S. government has also launched several operational initiatives to disrupt the bulk cash smuggling that cartels use to bring the proceeds of drug sales in the United States back to Mexico. Through a Bilateral Money Laundering Working Group, Mexican and U.S. law enforcement agencies are cooperating to create the programs and strategies that will improve coordination in the area of investigations and prosecutions, bulk cash seizures, and the overall reduction of money laundering activities. The USG, through the Departments of Justice, Homeland Security and Treasury, are coordinating operational and capacity building programs with their Mexican counterparts.

Finally, the Administration is putting a renewed emphasis on reducing demand for drugs here in the United States, which is the largest driver of the cartel activity that threatens Mexico. These efforts, led by the White House Office of National Drug Control Policy, will, over the long term, reduce the market that brought these cartels into business in the first place.

The United States and Mexico are committed to improve the lives of all citizens in both our countries, building upon our deep ties, and working with mutual respect and mutual responsibility. We will continue to work closely with the Government of Mexico through the Merida Initiative and other avenues to achieve these goals.

Thank you for your support of the Merida Initiative. I look forward to continuing to work with the Congress and I will be happy to answer any of your questions.

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¹ N.B., Arturo Beltran Leyva was killed in the course of his attempted capture in December 2009 (Beltran Leyva Cartel)

conferences on arms trafficking, the first with the U.S. Departments of Justice, State and Homeland Security at the ministerial level, followed by two DOJ-organized programs at the working level focusing on Mexico's northern and southern borders.

The U.S. government has also launched several operational initiatives to disrupt the bulk cash smuggling that cartels use to bring the proceeds of drug sales in the United States back to Mexico. Through a Bilateral Money Laundering Working Group, Mexican and U.S. law enforcement agencies are cooperating to create the programs and strategies that will improve coordination in the area of investigations and prosecutions, bulk cash seizures, and the overall reduction of money laundering activities. The USG, through the Departments of Justice, Homeland Security and Treasury, are coordinating operational and capacity building programs with their Mexican counterparts.

Finally, the Administration is putting a renewed emphasis on reducing demand for drugs here in the United States, which is the largest driver of the cartel activity that threatens Mexico. These efforts, led by the White House Office of National Drug Control Policy, will, over the long term, reduce the market that brought these cartels into business in the first place.

The United States and Mexico are committed to improve the lives of all citizens in both our countries, building upon our deep ties, and working with mutual respect and mutual responsibility. We will continue to work closely with the Government of Mexico through the Merida Initiative and other avenues to achieve these goals.

Thank you for your support of the Merida Initiative. I look forward to continuing to work with the Congress and I will be happy to answer any of your questions.