

## **ISSUE BRIEF**

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## Five Priorities for the Trump Administration's Conference on Prosperity and Security in Central America *James Jay Carafano*

O n June 15–16, Vice President Mike Pence, Secretary of State Rex Tillerson, Secretary of Homeland Security John Kelly, and Secretary of Treasury Steven Mnuchin will go to Miami for the Conference on Prosperity and Security in Central America. They will join the presidents of El Salvador, Guatemala, Honduras and the U.S.'s conference co-hosts, Mexico's Secretary of Interior Miguel Angel Osorio and Secretary of Foreign Affairs Luis Videgaray. The conference will be the launch pad for the Trump Administration's Latin America policy. The two-day meeting is also a chance for the U.S. and Mexico to strengthen their partnership and advance shared economic and security interests.<sup>1</sup>

The Conference on Prosperity and Security in Central America is a unique opportunity for the Trump Administration to advance its "America First" agenda by reasserting the U.S.'s leadership role in the hemisphere and setting regional policy on a proper course.

Advancing U.S. interests means working alongside regional partners to promote economic growth and citizen security, and thus address the key causes of migration and instability.

Below are five ways the Conference can make a lasting impact.

This paper, in its entirety, can be found at http://report.heritage.org/ib4714

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- 1. Strengthen the bilateral relationship with Mexico. Few things are more "America First" than having a friendly, prosperous, and secure neighbor on the U.S.'s southern border. From cooperation on transnational organized crime to migration and trade, Mexico is an invaluable partner for the U.S.<sup>2</sup> Yet the relationship can grow stronger. From the quickly deteriorating situation in Venezuela to the crises in Central America, greater success will be found in a joint U.S.-Mexico effort. The North American Free Trade Agreement is in its twentythird year of existence and should be updated to include sectors that did not exist at the time of its signing.<sup>3</sup> Barriers counterproductive to economic growth, like burdensome environmental and labor regulations, should be reined in.
- 2. Support Central America's economic development by encouraging economic freedom. In The Heritage Foundation's Index of Economic Freedom, which looks at the economic freedom of countries throughout the world, the economies of El Salvador, Guatemala, and Honduras have room for improvement.<sup>4</sup> While El Salvador and Guatemala are ranked "Moderately Free," at 12th and 15th, respectively, out of the 32 countries in the region, Honduras is ranked 21st and "Mostly Unfree." Out of the 186 countries measured worldwide, Honduras's "Rule of Law" scores are amongst the lowest. Indicators factored include property rights ranked at 112th, judicial effectiveness at 108th, and government integrity at 126th. "Regulatory Efficiency" rankings, particularly in regard to business freedom and labor freedom, are quite low, at 136th and 180th, respectively. El

Salvador and Guatemala register similar "Rule of Law" and "Regulatory Efficiency" rankings.

- **3. Develop a framework for U.S.-Mexico collaboration in Central America.** Mexico's shared 541-mile-long border with Guatemala puts the northern triangle security crisis directly at its doorstep. As such, the U.S. and Mexico have a shared interest and, in some cases, a shared responsibility to achieve stability and security in the region. The factors causing high levels of insecurity, like transitional criminal organizations, are not confined within territorial borders. Additionally, shared problems like weak government institutions and socioeconomic disparities present a regional challenge. The respective governments should capitalize on natural areas of agreement.
- **4. Plan on involving civil society and municipal level governments in future conferences.** Much like the U.S., civil society groups throughout Central America play an important role in influencing government initiatives. Buy-in at the municipal level, particularly in light of the governance challenges pervasive in the region, is critical. Future conferences should include stakeholders from the respective groups and local-level government officials.
- **5.** Political appointees must take ownership of the forum. The Conference is taking place in the early stages of the Trump Administration, and very few Latin America policy appointments have been made. As personnel is policy, the small numbers could give the impression the Obama Administration's indifference to Latin America will continue. However, that is clearly not the case, particularly with the nomination of Secretary Kelly, former commander of USSOUTHCOM. The appointees of the Trump Administration demon-

strate a clear shift from the previous Administration's negligence of the U.S.'s own hemisphere.

## **Continuity Is Key**

Mexico and the northern triangle of Central America are facing a dire security and economic crisis. Transnational criminal organizations, violent gangs, and the U.S.'s insatiable demand for drugs have fueled homicide rates to world-record highs. In turn, these circumstances have depressed economic development, corrupted government institutions, and served to drive migration northward to the U.S.

The Conference on Prosperity and Security in Central America should serve as the first step in a strategy of sustained engagement. The U.S., Mexico, and the Northern Triangle bloc have a shared responsibility in addressing the destabilizing factors in the region. President Trump's prioritization of economic prosperity and national security should serve to reassure the U.S.'s regional partners.

-James Jay Carafano, PhD, is the E. W. Richardson Fellow and Vice President of the Kathryn and Shelby Cullom Davis Institute for National Security and Foreign Policy at The Heritage Foundation.

<sup>1.</sup> Press release, "Conference on Prosperity and Security in Central America," U.S. Department of State, June 2, 2017, https://www.state.gov/r/pa/prs/ps/2017/06/271529.htm (accessed June 5, 2007).

<sup>2.</sup> Ana Quintana, "America Needs a Strong Partnership with Mexico," *Real Clear World*, January 26, 2017, http://www.realclearworld.com/articles/2017/01/26/america\_needs\_a\_strong\_partnership\_with\_mexico\_112192.html (accessed June 5, 2017).

<sup>3.</sup> Bryan Riley, "Three Recommendations for Renegotiating NAFTA," Heritage Foundation *Issue Brief* No. 4654, February 6, 2017, http://www.heritage.org/trade/report/three-recommendations-renegotiating-nafta.

<sup>4.</sup> Terry Miller and Anthony B. Kim, 2017 Index of Economic Freedom (Washington, DC: The Heritage Foundation, 2017), http://www.heritage.org/index/.