



# Central America's Northern Triangle: Challenges for U.S. Policymakers in 2021

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Instability in El Salvador, Guatemala, and Honduras (the Northern Triangle of Central America; see **Figure 1**) is among the most pressing challenges for U.S. policymakers in the Western Hemisphere. The United States historically has played a prominent role in the political and economic development of the region, which has long struggled with widespread insecurity, fragile democratic institutions, and high levels of poverty and inequality.

Already difficult living conditions have deteriorated over the past year due to the Coronavirus Disease 2019 (COVID-19) pandemic and two hurricanes. The World Bank *estimates* the Honduran economy contracted by 9.7% in 2020, and the Salvadoran and Guatemalan economies contracted by 7.2% and 3.5%, respectively. More than 3.5 million people in Central America are now facing crisis levels of *food insecurity*. Although the pandemic and government lockdowns initially disrupted criminal activities, reports *suggest* domestic violence increased, and gangs and illicit trafficking groups quickly adapted to the changed circumstances. Some government officials have sought to take advantage of the disorder, allegedly engaging in *corruption*, repressing *dissent*, and undermining the *rule of law* to advance their personal and political interests.

These interrelated socioeconomic, security, and political challenges could have far-reaching implications for the United States. Mixed migration flows of asylum-seekers and economic migrants from the region may swell over the course of 2021, especially once governments ease COVID-19-related border restrictions. Some Hondurans have already formed large-scale “*caravans*” to make the journey north. Conditions in the region also could affect illicit trafficking patterns, as some analysts *warn* that criminal organizations may take advantage of the devastation in the region to further tighten their grip on the “economies, people, and politics” of the Northern Triangle.

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**Figure I. Map of Central America**

Source: Congressional Research Service.

Since FY2016, Congress has appropriated more than \$3.6 billion of foreign assistance through the [U.S. Strategy for Engagement in Central America](#) to improve conditions in the region and address the underlying drivers of migration. The Obama Administration devised the strategy after a surge of unaccompanied minors from the Northern Triangle arrived at the Southwest border in 2014. The Trump Administration maintained the initiative but [suspended](#) most foreign assistance for the Northern Triangle in March 2019. It reprogrammed \$396 million to other foreign policy priorities and withheld most of the remaining assistance for more than a year while it negotiated a series of [border security and asylum agreements](#) with the Northern Triangle governments. The aid suspension resulted in U.S. agencies closing or scaling back programs throughout the region.

U.S. policy in Central America is now at a crossroads. The United States-Northern Triangle Enhanced Engagement Act (P.L. 116-260, Division FF, Subtitle F), signed into law in December 2020, directs the State Department, in coordination with other U.S. agencies, to develop a new five-year strategy to advance inclusive economic growth, combat corruption, strengthen democratic institutions, and improve security conditions in the region. During his campaign, President Biden pledged to develop a comprehensive, four-year \$4 billion [strategy](#) for the region. To that end, the President issued [Executive Order \(E.O.\) 14010](#) on February 2, 2021, directing the Administration to begin preparing a strategy to address the root causes of Central American migration.

As U.S. policymakers formulate a new strategy and consider potential authorization and appropriations legislation, they may assess the effectiveness of the programs implemented under the U.S. Strategy for Engagement in Central America. It is difficult to evaluate the full impact of that strategy because congressional holds on funding [delayed implementation](#) until mid-2017, and the Trump Administration suspended funding for many programs less than two years later. Nevertheless, a 2020 State Department and U.S. Agency for International Development (USAID) progress [report](#) suggests U.S. programs produced mixed results. For example, crime and violence prevention efforts, which U.S. agencies had been refining for more than a decade, appear to have contributed to improved security conditions in the Northern Triangle. Conversely, U.S. support for specialized law enforcement units did not result in increased seizures of illicit narcotics.

U.S. efforts to foster structural changes in the Northern Triangle have faced significant resistance from a small but powerful group of elites who benefit from the status quo. Their opposition to anti-corruption and good governance reforms has left Northern Triangle institutions without the [resources](#) or capabilities necessary to respond to the region's challenges and susceptible to [cooptation](#) by private and criminal

interests. Accordingly, many analysts [argue](#) that combatting systemic corruption should be the U.S. government's top priority in the region. Among other policies, they [recommend](#) increasing political and financial support to reformers inside and outside of government while using diplomatic pressure and targeted sanctions to spur political will among those resistant to change. Although Congress has placed anti-corruption conditions on assistance to the Northern Triangle governments and has created other [anti-corruption sanctions authorities](#), prior Administrations have appeared reluctant to use those policy tools in the region. The United States-Northern Triangle Enhanced Engagement Act requires the President to produce an annual list of corrupt actors, due by June 2021, and directs the President to impose visa sanctions on those identified.

Significantly, sustainable improvements in conditions in the region—and at the Southwest border—likely would require years of concerted efforts by the Northern Triangle countries and international donors. Although there is some [evidence](#) that foreign assistance can alleviate some drivers of forced displacement, such as violence and food insecurity, economic migration appears to be more linked to long-term demographic and development trends. To manage migration pressures in the near-term, some analysts [argue](#) that policymakers should increase legal U.S. pathways for temporary laborers and asylum-seekers while working with partners throughout the Western Hemisphere to strengthen humanitarian protection systems. [E.O. 14010](#) directs the Administration to consider actions along those lines as part of a new collaborative migration management strategy. Pursuant to the executive order, the State Department [suspended](#) the 2019 asylum agreements with the Northern Triangle countries. The Biden Administration and Congress may consider additional executive actions or [legislation](#) to reestablish in-country refugee processing programs in Central America, extend or expand [Temporary Protected Status \(TPS\)](#) for Northern Triangle nationals, and adjust the status of TPS holders.

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