El Salvador: Background and U.S. Relations

Updated August 14, 2019
Summary

Congress has had significant interest in El Salvador, a small Central American nation that has had a large percentage of its population living in the United States since the country’s civil conflict (1980-1992). During the 1980s, the U.S. government spent billions of dollars supporting the Salvadoran government’s counterinsurgency efforts against the leftist Farabundo Marti National Liberation Front (FMLN). The United States later supported a 1992 peace accord that ended the conflict and transformed the FMLN into a political party. Despite periodic tensions, the United States worked with two consecutive FMLN administrations (2009-2019), but bilateral efforts were unable to prevent significant outflows of migrants from the country.

Domestic Situation

On June 1, 2019, Nayib Bukele, a 37-year-old businessman and former mayor of San Salvador, took office for a five-year presidential term. Bukele won 53% of the vote in the February 2019 election, standing for the Grand Alliance for National Unity (GANA) party. Elected on an anticorruption platform, Bukele is the first president in 30 years to be elected without the backing of the conservative National Republic Alliance (ARENA) or the FMLN parties. Bukele succeeded Salvador Sánchez Cerén (FMLN), who presided over a period of moderate economic growth (averaging 2.3%), ongoing security challenges, and political polarization.

President Bukele has promised to reduce crime and attract investment, but his lack of support in the National Assembly (GANA has 11 of 84 seats) could present challenges. Bukele has proposed infrastructure projects that could help the country take better advantage of the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR); critics question how these projects will be financed. Bukele has criticized repressive governments in Venezuela, Nicaragua, and Honduras. During a July 2019 visit with Secretary of State Michael Pompeo, President Bukele vowed to improve relations with the United States by working bilaterally to address gangs, drugs, and immigration and seeking investment rather than U.S. assistance.

U.S. Policy

U.S. policy in El Salvador has focused on promoting economic prosperity, improving security, and strengthening governance under the U.S. Strategy for Engagement in Central America. Congress has appropriated nearly $2.6 billion for the strategy since FY2016, at least $410 million of which has been allocated to El Salvador. The Trump Administration has requested $445 million for the strategy in FY2020, including at least $45.7 million for El Salvador, and an unspecified amount allocated for the country under the Central American Regional Security Initiative (CARI).

Future U.S. engagement in El Salvador is uncertain, however, as the Administration announced in March 2019 that it intended to end foreign assistance programs in El Salvador, Guatemala, and Honduras due to continued unauthorized U.S.-bound migration. In June 2019, the Administration identified FY2017 and FY2018 bilateral and regional funds subject to withholding or reprogramming. It is unclear how funds appropriated for FY2019 in the Consolidated Appropriations Act, 2019 (P.L. 116-6) and FY2020 funds may be affected. Bilateral relations also have been tested by shifts in U.S. immigration policies, including the Trump Administration’s decision to rescind the temporary protected status (TPS) designation that has shielded up to 250,000 Salvadorans from removal since 2001. A House-passed bill, H.R. 6, would allow certain TPS designees to apply for permanent resident status.

The 116th Congress could influence the future of U.S. policy toward El Salvador. Legislative initiatives that have been introduced—including House-passed H.R. 2615, as well as S. 1445, and
H.R. 2836/S. 1781—would authorize foreign assistance for certain activities in Central America. Congress may consider initiatives to prevent the Administration from reprogramming FY2019 funds as it considers the Administration’s FY2020 budget request. The House-passed FY2020 minibus, H.R. 2740, would appropriate $540.9 million for the Central America strategy, including at least $45.7 million for El Salvador and additional funding for the country under CARSI.

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Introduction

A small, densely populated Central American country that has deep historical, familial, and economic ties to the United States, El Salvador has been a focus of sustained congressional interest (see Figure 1 for a map and key country data).

After a troubled history of authoritarian rule and a civil war (1980-1992), El Salvador has established a multiparty democracy, albeit with significant challenges, particularly related to insecurity. A 1992 peace accord ended the war and assimilated the leftist Farabundo Marti National Liberation Front (FMLN) guerrilla movement into the political process as a political party. The conservative Nationalist Republican Alliance (ARENA) ruled until 2009, before ceding power to two consecutive FMLN administrations. With both the FMLN and ARENA tarnished by revelations of corruption by former presidents, Salvadorans elected Nayib Bukele, an outsider who took office on June 1, 2019.

President Bukele, a businessman and former mayor of San Salvador, left the FMLN and captured a first-round victory standing for the Grand Alliance for National Unity (GANA) party in February 2019 presidential elections. Born in 1981, Bukele is the first president of El Salvador from a generation that did not come of age politically during the civil conflict in which more than 70,000 Salvadorans died. Buoyed by popular support, Bukele has a strong mandate to address the serious governance, security, and economic challenges that have fueled emigration from El Salvador. In contrast to the FMLN, President Bukele has adopted a pro-United States agenda, which he highlighted during a July 21, 2019, visit with U.S. Secretary of State Michael Pompeo (see “U.S. Relations,” below).

Bukele’s power is likely to be constrained, however, by GANA’s limited representation (11 of 84 seats) in the legislature.

This report examines political, economic, security, and human rights conditions in El Salvador. It then analyzes selected issues in U.S.-Salvadoran relations that have been of particular interest to Congress, including foreign assistance, migration, security cooperation in addressing gangs and counternarcotics issues, human rights, and trade.

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6 In Central America, mixed migration flows are occurring, which include economic migrants, refugees, asylum seekers, stateless persons, trafficked persons, and unaccompanied children who travel the same routes and use the same modes of transportation. Also termed irregular migrants; these individuals do not have the required documentation, such as passports and visas, and may use smugglers and unauthorized border crossings.
Politics and Governance

Postconflict Era of ARENA and FMLN Rule

Polarization between the FMLN, a party formed by former guerillas, and ARENA, a party aligned with the military, has been the primary dynamic in Salvadoran politics since the civil conflict. From 1994 to 2008, successive ARENA governments sought to rebuild democracy and implement market-friendly economic reforms. ARENA proved to be a reliable U.S. ally but did not effectively address inequality, violence, and corruption. Development indicators generally improved, but natural disasters, including earthquakes in 2001 and periodic hurricanes, hindered progress. Moreover, despite ARENA’s probusiness policies, economic growth averaged 2.4% over the postwar years in which it governed.8

Figure 1. Map of El Salvador and Key Country Data

| Geography | Area: 8,008 sq. mi. (about the size of Massachusetts) |
| Capital: San Salvador |
| Health | Life Expectancy: 73.8 years (WB, 2017) |
| Infant Mortality: 14.5 deaths per 1,000 births (WB, 2017) |
| Poverty: 29.2% (WB, 2017) |
| Economy | Gross Domestic Product (GDP): $26.0 billion (IMF, 2018) |
| GDP Composition by Sector: agriculture, 12%; industry, 27.7%; services, 60.3% (CIA, 2017) |
| Gross Domestic Product (GDP) per capita: $3,790 (IMF, 2017) |
| Key Export Partners: United States (44%), Honduras (15%), Guatemala (14%) (GTA, 2018) |
| Top Exports to the United States: Apparel and textiles, Electrical Machinery Parts, Sugar, Coffee (GTA, 2018) |

Source: Graphic created by CRS using data from the World Bank (WB), the International Monetary Fund (IMF), the Global Trade Atlas (GTA), and the CIA World Fact Book (CIA).

8 International Monetary Fund (IMF), World Economic Outlook Database, April 2019.
The attorney general’s office has brought cases against the two most recent ARENA presidents. Francisco Flores (1999-2004) passed away in January 2016 while awaiting trial for allegedly embezzling donations from Taiwan destined for earthquake relief. In August 2018, former president Anthony (“Tony”) Saca (2004-2009) pled guilty to charges of money laundering and embezzlement of some $300 million. Saca, who started the GANA party in 2010 after being expelled from ARENA, is now serving a 10-year prison sentence.

From 2009 to 2014, Mauricio Funes, a former journalist, served as El Salvador’s first FMLN president. Funes remained popular throughout his term, as his government reduced poverty and inequality (see “Economic and Social Conditions”). The government expanded crime prevention programs and community policing, but it also supported and then later disavowed a failed gang truce as it struggled to reduce gang-related violence (see “Security Conditions,” below).9 In 2016, the attorney general’s office began investigating Funes for allegedly embezzling more than $350 million in public funds. He received political asylum in Nicaragua in 2016, but Salvadoran officials have since sought to have him extradited.10

Salvador Sánchez Cerén (2014-2019), a former guerrilla commander, failed to implement most of his inaugural pledges to boost social and infrastructure spending due, in part, to El Salvador’s severe fiscal constraints and his party’s lack of a congressional majority. Many observers maintain that Sánchez Cerén, who faced health challenges, did not demonstrate strong leadership. During his term, El Salvador continued to contend with difficult security conditions despite reductions in homicides since 2015, low investment, and polarization between the executive and the ARENA-led National Assembly.11 Aggressive antigang efforts led to extrajudicial killings by security forces.12 The FMLN performed poorly in March 2018 legislative elections. In May 2019, only 15% of Salvadorans polled said that Sanchez Cerén had governed well.13

Under Sánchez Cerén, El Salvador continued to strengthen its ties with Cuba and Venezuela and abandoned long-standing ties with Taiwan to establish diplomatic relations with China. Illicit funds reportedly flowed from Venezuela’s state oil company, Petróleos de Venezuela, S.A. (PdVSA) to its Salvadoran subsidiary (Alba Petróleos) and some FMLN politicians, which raised U.S. concerns and resulted in U.S. sanctions on the company.14 The Trump Administration criticized the Salvadoran government’s August 2018 decision to abandon relations with Taiwan in favor of China, particularly for the “non-transparent” way in which the decision took place.15

9 “‘Traducing El Salvador’s Truce,’” The Economist, August 26, 2017.
11 According to the State Department, the Sánchez Cerén government is “generally perceived as unsuccessful at improving the investment climate.” U.S. Department of State, 2019 Investment Climate Statements: El Salvador, July 11, 2019.
12 Anna-Catherine Brigida, “El Salvador’s Tough Policing Isn’t What it Looks Like,” Foreign Policy, July 6, 2019.
13 Instituto Universitario de Opinión Pública (IUDOP), Los Salvadoreños y Salvadoreñas Evalúan el Gobierno de Gobierno de Salvador Sánchez Cerén y Demás Órganos del Estado Salvadoreño, June 2019.
Bukele Administration

On February 3, 2019, Nayib Bukele, standing for the GANA party, won 53% of the vote, well ahead of Carlos Calleja, a business executive running for an ARENA-led coalition, with 31.8%, and Hugo Martínez, a former foreign minister of the FMLN, with 14.4%. Bukele’s first-round victory occurred amid relatively low voter turnout (44.7%) during a peaceful electoral process observed by the Organization of American States and deemed free and fair. The scale of Bukele’s victory demonstrated voters’ dissatisfaction with both major parties.

Bukele led the presidential race from start to finish, despite releasing few specific policy proposals until late in the campaign and opting not to attend debates. In 2017, the FMLN expelled Bukele from the party for criticizing its leadership. Bukele tried to create his own political party, but El Salvador’s electoral court did not approve the new party’s registration in time to appear on the ballot for the 2019 election. He then became GANA’s presidential candidate.

As a candidate, Bukele communicated directly with potential voters using social media rather than relying on a party apparatus. He focused on addressing voters’ concerns about corruption, unemployment, and crime. Bukele pledged to use his experience as a businessman and as a mayor to attract investment, address the underlying causes of the gang phenomenon, and give Salvadorans hope so that they could envision a future in their country rather than emigrating. Despite GANA’s reputation for corruption, Bukele ran on an anticorruption campaign and called for the establishment of an international anticorruption commission in El Salvador similar to the U.N.-sponsored International Commission Against Impunity in Guatemala (CICIG). His opposition to efforts by the National Assembly to shield civil conflict-era human rights abusers from prosecution won praise from some domestic and international civil society groups.

Upon taking office, Bukele appointed a cabinet composed of individuals from a variety of parties that is equally balanced by gender. Vice President Félix Ulloa, a lawyer who has worked with many international institutions on rule-of-law and election issues, has taken the lead on international issues, including efforts to implement an international anticorruption commission. Foreign Minister Alexandra Hill formerly worked at the Organization of American States. Bukele appointed a navy captain as defense minister and promoted six colonels to run the army while pushing several army generals into retirement. Bukele’s minister of justice and security is a close political ally, and his police chief is a career officer who most recently oversaw specialized

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18 Due Process of Law Foundation, Three Years After the Annulment of the Amnesty Law, July 8, 2019.
units, including one implicated in extrajudicial killings of gang suspects. He kept the same finance minister as the previous government and selected an economy minister who used to work with the Inter-American Development Bank. Analysts predict these selections signal continuity for investors and a desire to seek support from multilateral institutions.

Since taking office, President Bukele has governed much as he campaigned, including using social media to make policy declarations and to pressure legislators to back his policy proposals. Although he has outlined and secured some legislative support for his security plans, he has yet to present his economic proposals. Bukele is seeking private investment to fund many infrastructure projects, including a new airport and railway line, included in his national development plan, Plan Cuscatlán. He is also seeking support from the Organization of American States and the United Nations to fulfill his pledge to create a commission against corruption despite skepticism from the private sector about what it sees as “international interventionism without control or supervision.”

Bukele also purged the government of employees related to former FMLN presidents and accused senior members of that party of paying gangs to carry out attacks on police, an assertion the party has strongly denied. Bukele’s supporters have praised these aggressive moves, many of which have been announced over social media. Critics fear that Bukele appears to have some authoritarian tendencies and have expressed concerns about statements he has made against journalists critical of his policies. Still others predict that Bukele may struggle to finance his initiatives to increase security, infrastructure, and education spending unless he is able to broker agreements with ARENA, which has 37 seats in the National Assembly.

President Bukele has shifted El Salvador’s foreign policy into closer alignment with the United States and asked the United States for “investments and great relations” rather than just foreign assistance. He has criticized repression in Venezuela and Nicaragua, a significant departure from the prior government’s position, while also condemning the erosion of democracy in Honduras. Bukele took responsibility for the June 2019 deaths of two Salvadoran migrants who drowned while trying to cross the U.S.-Mexico border rather than criticizing U.S. immigration policies.

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23 Economist Intelligence Unit (EIU), “Bukele Marks First Month in Office,” July 1, 2019.
24 María Eugenia Brizuela de Ávila and Domingo Sadurní, Nayib Bukele’s First Six Months, Atlantic Council, August 2019.
During the campaign he had pledged to reassess the Sánchez Cerén government’s August 2018 decision to abandon relations with Taiwan in favor of China. He recently announced, however, that for now, El Salvador’s relations with China are “confirmed and fully established.”

Security Conditions

El Salvador has been dealing with escalating homicides and generalized crime committed by gangs, drug traffickers, and other criminal groups for more than a decade. In 2015, El Salvador posted a homicide rate of 104 per 100,000 people—the highest in the world. Although the homicide rate has decreased by almost 50% since then to 50 per 100,000, it remains high by global standards (see Figure 2). In contrast to other Central American countries, El Salvador’s municipalities with high levels of violence have varied significantly over time and are located all over the country.

![Figure 2. Homicide Rate in El Salvador: 2003-2018](image)

Sources: Data for 2003-2017 are from U.N. Office on Drugs and Crime (UNODC), Global Study on Homicide, 2019; 2018 data are from El Salvador’s police.

In recent years, those homicides have included targeted killings of security forces by gangs, extrajudicial killings of gang suspects by police, and among the world’s highest rates of femicide (killing of a woman or girl, often committed by a man, because of her gender). In addition to the more than 3,300 homicides committed in 2018, the attorney general’s office received more than 3,000 reports of disappeared persons from January through October 2018. Many of the disappeared are never found but are suspected dead.

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33 Mario Herrera, Homicides in Central America: Towards a Better Understanding of Territorial Trends, Causes, and Dynamics, Woodrow Wilson Center’s Latin America Program, April 2019.
El Salvador has the highest concentration of gang members per capita in Central America. As a result, gangs are responsible for a higher percentage of homicides there than in neighboring countries.\(^\text{36}\) A government-facilitated truce between the country’s major gangs (the MS-13 or Mara Salvatrucha and the 18\(^{th}\) Street gang) that unraveled in 2014 may have strengthened the gangs’ internal cohesion.\(^\text{37}\) Gangs have been involved in a range of other criminal activities, including extortion, with individuals and businesses paying an amount equivalent to 1.7% of the country’s gross domestic product (GDP) annually in extortion fees.\(^\text{38}\) Although gangs engage in local drug distribution, they generally do not have a major role in transnational drug trafficking or human smuggling.\(^\text{39}\) Deportees have become targets for extortion and violence, with at least 70 deportees murdered between 2013 and 2018.\(^\text{40}\)

### Where Did the Gangs in El Salvador Originate?

The major gangs operating in El Salvador (and across Central America) with ties to the United States are the Mara Salvatrucha (MS-13) and two divisions of the 18\(^{th}\) Street gang, the Revolutionary and the Southerners. The 18\(^{th}\) Street gang was formed in the 1960s by Mexican youth who were not accepted into existing Hispanic gangs in the Rampart section of Los Angeles. It was the first Hispanic gang to accept members from all races and to recruit members from other states. 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 but remain active in the United States. According to the 2015 National Gang Assessment published by the U.S. Department of Justice, the 18\(^{th}\) Street gang is reportedly active in 20 states, whereas the MS-13 is present in 46 states and the District of Columbia.

The expansion of MS-13 and 18\(^{th}\) Street presence in Central America accelerated after the United States began deporting illegal immigrants, many with criminal convictions, back to the Northern Triangle region of Central America after the passage of the Illegal Immigrant Reform and Immigrant Responsibility Act (P.L. 104-208) of 1996. Many observers contend that gang deportees “exported” a Los Angeles gang culture to Central America (where local gangs were already present). Gangs have recruited new members from among vulnerable youth in poor neighborhoods and in prisons; forcible recruitment is common. 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. Estimates of gang membership in Central America vary widely, but all suggest that El Salvador has the highest concentration of gang members and those dependent on gang revenue in the region. According to a November 2018 International Crisis Group report, *Life Under Gang Rule in El Salvador*, the three largest gangs in El Salvador comprise some 65,000 members and those members support another 500,000 people, largely through revenue earned from extortion.

For additional information, see CRS Report RL34112, *Gangs in Central America*, by Clare Ribando Seelke; and CRS Report R45292, *MS-13 in the United States and Federal Law Enforcement Efforts*, by Kristin Finklea. See also National Gang Center at [https://www.nationalgangcenter.gov](https://www.nationalgangcenter.gov).

Gang-related violence has fueled internal displacement and irregular emigration. In August 2016, El Salvador’s civil roundtable against forced displacement attributed more than 85% of internal displacement to gang activity. In 2018, El Salvador recorded 246,000 newly internally displaced persons, the most of any country in Latin America that experienced displacement linked to

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conflict and violence.\textsuperscript{41} The government recently has acknowledged the phenomenon but struggled to address the needs of those fleeing violence. A 2018 study found that the probability that an individual intends to migrate is 10-15 percentage points higher for Salvadorans who have been victims of multiple crimes than for those who have not.\textsuperscript{42} (For more information on gang-related human rights abuses, as well as extrajudicial killings of gang suspects by security forces, see “Recent Human Rights Violations” section, below.)

Drug-trafficking organizations, including Mexican groups such as the Sinaloa criminal organization, have increased their illicit activities in El Salvador, albeit to a lesser extent than in Honduras and Guatemala.

\section*{Criminal Justice System}

El Salvador has a long history of weak institutions and corruption, with successive presidents and legislatures allocating insufficient funding to criminal justice institutions. With a majority of the national civilian police (PNC) budget devoted to salaries, historically there has been limited funding available for investing in training and equipment. The PNC has deficient wages, training, and infrastructure. It also has lacked a merit-based promotion system. Corruption, weak investigatory capacity, and an inability to prosecute officers accused of corruption and human rights abuses have hindered performance. A lack of confidence in the police has led many companies and citizens to use private security firms and the government to deploy soldiers to perform public security functions. President Bukele hopes to increase police salaries; he has redirected some funds to purchase new uniforms for the PNC and to support police (and military forces) carrying out his security strategy (see “Bukele’s Security Plan,” below).\textsuperscript{43}

The State Department maintains that in 2018 “impunity persisted despite government steps to dismiss and prosecute” some officials who had committed abuses, partially due to “inefficiency and corruption” in the judiciary.\textsuperscript{44} As police and prosecutors often do not work well together to build cases, fewer than 10\% of homicides have been prosecuted in recent years and fewer than 2\% have resulted in a prison sentence.\textsuperscript{45} Despite these challenges, observers have praised the probity section of the Supreme Court’s efforts to identify public officials who may have used their positions for illicit enrichment and the work of the attorney general’s office.\textsuperscript{46} After a referral from the probity section, the Supreme Court voted in July 2019 to refer a case involving alleged illicit enrichment by Sigfrido Reyes, former president of the National Assembly, to civil court.\textsuperscript{47}

Until the tenure of Attorney General Douglas Meléndez (2016-2018), a lack of political will and capacity to address corruption had fostered the embezzlement of state funds and corruption in

\begin{footnotes}
\item[41] Internal Displacement Monitoring Centre, \textit{Global Report on Internal Displacement 2019}.
\item[47] Reyes was unable to account for the origins of more than $370 million of his declared personal assets. Ricardo Flores, “A Juicio Sigfrido Reyes por Sospecha de Riqueza Ilicita,” \textit{La Prensa Gráfica}, July 31, 2019.
\end{footnotes}
public contracts. Under Meléndez, Salvadoran prosecutors, with U.S. support, brought corruption cases against the past three Salvadoran presidents and former attorney general Luis Martínez. Together, those presidents are estimated to have stolen more than $750 million. After some early setbacks, the attorney general’s office convicted police officers for aggravated homicides and for participating in a death squad, former president Saca for corruption, and a key gang truce mediator for extortion in 2018. Meléndez also issued new arrest warrants against former president Funes, former attorney general Martínez, businessman Enrique Raíz, and others for alleged involvement in a massive corruption scheme. Meléndez faced death threats throughout his term.

In December 2018, the National Assembly unanimously voted to replace Douglas Meléndez (who could have served a second term) with Raul Melara, a lawyer with ties to ARENA who had no experience in criminal prosecution. Under Melara, prosecutors have raided the offices of Alba Petróleos, a subsidiary of Venezuela’s state oil company that is facing U.S. sanctions. In recent interviews, Melara has suggested that resolving cases involving forced disappearances will be one of his priorities and stated that although his office is open to receiving international assistance, prosecutors will continue their work with or without an international commission. He and President Bukele continue to seek Funes’s extradition even though he has become a Nicaraguan citizen. Nevertheless, some are concerned that Melara’s deputy attorney general has been accused of corruption by witnesses in the case against former attorney general Martínez.

While some judges and courts in El Salvador have issued significant decisions, particularly in opening civil-war era cases of human rights abuses, others have proven to be subject to corruption. From January to August 2018, the Supreme Court heard cases against 57 judges accused of various irregularities, including collusion with criminal groups. In November 2018, after months of wrangling, legislators agreed on replacements for five Supreme Court justices whose nine-year terms ended on July 15, 2018. Those justices replaced four of the five judges on the constitutional chamber, a body that has issued several significant decisions. Although some of the constitutional chamber’s decisions have been controversial, others, including its 2016 decision to overturn the country’s 1993 Amnesty Law, received international praise.

Delays in the judicial process and massive arrests carried out during past antigang sweeps made under mano dura (heavy-handed) policing efforts have resulted in severe prison overcrowding.

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49 In August 2017, a judge dismissed the government’s case against former officials accused of illicit involvement in the 2012 gang truce. In September 2017, a judge acquitted five police that prosecutors had charged with committing the “summary execution” of a young man whom police claimed was a gang member in 2015. The attorney general’s office has appealed that acquittal.


56 Mano dura approaches have involved incarcerating large numbers of youth (often those with visible tattoos) for illicit association and increasing sentences for gang membership and gang-related crimes. A mano dura law passed by El Salvador’s Congress in 2003 was subsequently declared unconstitutional but was followed by a super mano dura package of reforms in July 2004. These reforms enhanced police power to search and arrest suspected gang members.
According to the U.S. State Department, prison capacity has increased in recent years but facilities remained 215% overcrowded as of August 2018.\(^{57}\) In addition to building new facilities, the government has channeled more prisoners into rehabilitation and job training programs, some of which have received U.S. support. Nevertheless, human rights groups maintain that sanitation and access to medical services have worsened since the government adopted more restrictive prison conditions for gang inmates in 2016.

Secure El Salvador Plan; “Extraordinary Measures” in Prisons

With support from the U.S. government and the United Nations, the Sánchez Cerén government formed a National Council for Citizen Security, which designed an integrated security strategy known as Secure El Salvador (El Salvador Seguro).\(^ {58}\) The implementation plan for the strategy, known as Plan Secure El Salvador (PESS), was applied in 50 of the country’s most violent municipalities and coordinated with U.S. crime prevention and community policing efforts. According to figures from the U.S. Agency for International Development (USAID), municipalities in which PESS and USAID programs operated saw a 61% reduction in homicides from 2015 to 2017 as compared to the 42% reduction in homicides recorded in other municipalities.\(^ {59}\) Critics have questioned why PESS bolstered security forces that continued to commit abuses and suggested that the homicide reductions recorded may have been due to other factors, such as gangs achieving territorial control over some areas.\(^ {60}\)

In April 2016, the Sánchez Cerén government started implementing “extraordinary measures” focused on moving gang leaders to maximum-security prisons, cutting off cell phone service around prisons and restricting visitors to those facilities. In August 2018, the National Assembly made permanent the “extraordinary measures,” which they had previously had authorized temporarily. Salvadoran officials and legislators maintain that the measures have helped reduce communications between inmates and the outside, including incidents of murders ordered from imprisoned gang leaders.\(^ {61}\) However, U.N. officials and human rights groups have raised concerns about the measures’ impact on inmates’ rights and health.\(^ {62}\)

Bukele’s Security Plan

On June 20, 2019, President Bukele launched the first phase of what he has said will be a seven-phase security plan, with $31 million reassigned from other budgetary priorities by the National Assembly. The first phase of the plan has involved deploying police and military forces into 17 high-crime communities and on public transportation and declaring a state of emergency in the 28

and stiffened penalties for convicted gang members, although they provided some protections for minors. For background, see Sonja Wolf, Mano Dura: the Politics of Gang Control in El Salvador (Austin, TX: University of Texas Press, 2017).

\(^{57}\) U.S. Department of State, Human Rights, 2019.

\(^{58}\) It included (1) violence prevention and job creation initiatives; (2) an increased state presence in the country’s 50 most violent municipalities, with the goals of improving public spaces, expanding community policing, and increasing student retention in schools; (3) improved prisons; and (4) increased services for crime victims.

\(^{59}\) USAID, USAID/El Salvador Country Fact Sheet, July 2018.


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prisons in the country. The state of emergency tightens the extraordinary measures already implemented in the prisons to include preventing all visitors, blocking communications networks in and around prisons, and transferring inmates to more secure facilities. As of July 12, 2019, the plan, which resembles the mano dura strategies that prior governments have implemented since 2003, had resulted in more than 4,600 arrests of reported “gang leaders and criminals.”

President Bukele has requested, but not yet received, $90 million to implement the second phase of his security plan. If funded, that phase intends to unite the efforts of many government agencies, nonprofits, and international donors to provide opportunities for youth to work, study, and engage in cultural and sports activities as alternatives to gangs. It also includes programs aimed at reinserting youth who are former inmates through participation in penitentiary farms or public works projects. In addition, Bukele has emphasized the plan’s focus on targeting the financing of the gangs, including “extortion and money laundering networks.”

Military Involvement in Public Security Efforts

For many years, El Salvador has deployed thousands of military troops to support the police. In April 2014, the Salvadoran Supreme Court upheld former president Funes’s 2009 decree that authorized the military to carry out police functions. Three battalions each made up of 200 police and elite members of the armed forces were deployed in 2015 to control gang violence. In April 2016, Sánchez Cerén deployed the El Salvador Special Reaction Force, a 1,000-member force made up of 400 police and 600 soldiers, into rural areas to which gang members had fled. In November 2016, El Salvador, Honduras, and Guatemala launched a trinational antigang force, comprised of military and police officers, to target gangs on the borders. According to U.S. estimates, roughly 8,000 of El Salvador’s 17,000 active-duty armed forces personnel are involved in public security at any given time. President Bukele has similarly tasked roughly 7,000 members of the armed forces with supporting his security plan.

Economic and Social Conditions

Although El Salvador faces significant economic challenges, the country has made some progress in recent years at tackling weaknesses in its economy. According to the International Monetary Fund (IMF), El Salvador posted an economic growth rate of 2.5% in 2018. The IMF predicts similar growth of about 2.5% this year. Record remittances, which were equivalent to 21% of GDP in 2018, low oil prices, and a growing U.S. economy have helped El Salvador’s economic performance. Nevertheless, natural disasters, including flooding in 2017 and a drought in 2018, have hindered agricultural output.

Economists have identified a lack of public and private investment in the economy as a primary reason for El Salvador’s moderate growth rates. According to El Salvador’s Central Bank, net inflows of foreign direct investment (FDI) stood at $849 million in 2018, with a total stock of

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66 IMF, World Economic Outlook Database, April 2019.
$9.7 billion. Experts maintain El Salvador needs to attract more than $1.2 billion annually in order to bolster growth.\(^{68}\) Despite El Salvador’s relatively low inflation and stable, dollarized economy, FDI in El Salvador has been lower than the average among Central American countries for several years. Low levels of FDI have been attributed to the country’s political polarization, complicated regulations and bureaucracy, security challenges (including violence and extortion), and ineffective justice system (discussed in “Criminal Justice System,” above).\(^{69}\)

Until 2017, El Salvador’s executive and legislature often clashed over how to respond to the country’s social and infrastructure needs and significant financing gaps. The government swapped short-term debt for longer-term debt rather than implement unpopular fiscal reforms. The legislature has been reluctant to approve multilateral financing requests from the executive branch for social programs. In addition, long-standing government practices that preceded but continued under FMLN rule—including cash payments to officials, a shielded presidential spending account, and diversion of government funds—exacerbated fiscal woes.

Since 2017, the IMF has credited the Salvadoran government with taking steps to improve the country’s fiscal situation and implementing “prorowth reforms.”\(^{70}\) A 2017 pension reform helped ease the financial burden on that system by raising both employee and employer contributions; the IMF urges a complementary reform to raise the retirement age and better target benefits. The IMF also credits a fiscal responsibility law with helping rationalize public spending and reduce the country’s public debt. Now that Bukele has taken office, IMF officials are urging him to secure a broader fiscal pact that could include excise taxes on luxury goods, better targeted social programs, a property tax, and/or a reduction in the size of some public sector agencies.\(^{71}\)

In its most recent *Ease of Doing Business* reports, the World Bank has credited El Salvador with implementing reforms to ease the process for businesses to obtain permits for new construction and pay taxes online, to increase access to electricity, and to speed up border crossings. El Salvador moved up 22 spots to 73rd out of the 190 countries ranked in 2018 before falling to 85th in the 2019 report (still the seventh-highest ranking received by a Latin American or Caribbean country).\(^{72}\) Nevertheless, the State Department cites the country’s “discretionary application of laws/regulations, lengthy and unpredictable permitting procedures, and customs delays,” as continuing to hinder the business environment.\(^{73}\) President Bukele has vowed to change that, arguing that an improved business climate should help him create 100,000 jobs a year as compared to the fewer than 10,000 a year created during the Sánchez Cerén government. Each year, the country needs to create roughly 50,000 jobs just to keep up with the growing labor force.\(^{74}\)

Insecurity and corruption are among the primary barriers to growth in El Salvador. A 2017 study by the Inter-American Development Bank (IDB) estimated the costs of crime and violence in El Salvador could reach 5.9% of GDP.\(^{75}\) El Salvador ranked last out of 140 countries evaluated in

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the World Economic Forum’s 2018 estimates of business costs due to crime and violence.\textsuperscript{76} Crimes against small- and medium-sized enterprises (SMEs), which employ 55% of El Salvador’s labor force, are of particular concern. According to estimates by the National Council of Small Enterprises cited by the IMF, some 90% of SMEs were extorted in 2017.

According to a study by El Salvador’s INCAE business school, corruption increases transaction costs and reduces the efficiency and effectiveness of the state.\textsuperscript{77} As an example, prosecutors recently charged former president Funes with paying a company over $100 million for a hydroelectric plant that it never completed in a region where access to water is vital.\textsuperscript{78} In addition to raising the costs of public works projects, corruption has limited resources available to respond to natural disasters and other challenges. As previously mentioned, President Francisco Flores (ARENA, 1999-2004) allegedly embezzled donations destined for earthquake relief.

Although progress in developing infrastructure, facilitating trade, and easing some regulations has occurred, another barrier to growth in El Salvador continues to be a lack of competitiveness in export sectors. El Salvador’s labor force lacks adequate education and vocational training to align with labor force needs, including English-language skills.\textsuperscript{79} In addition, the country has logistical and physical infrastructure deficiencies, including no direct access to Caribbean ports. El Salvador’s small size and high levels of informality (percentage of businesses that do not pay taxes, provide benefits to employees, or register with the government) are widely considered key factors in its reduced competitiveness.

In 2018, El Salvador took several steps that could affect its economic trajectory. In November 2018, El Salvador joined an existing customs union with Guatemala and Honduras and launched a ferry to Costa Rica to bypass instability in Nicaragua. Both moves could bolster intraregional trade. El Salvador’s decision to abandon relations with Taiwan and seek trade and investment from China could have long-term economic implications; it has already resulted in the announcement of $150 million in Chinese investment.\textsuperscript{80}

Social development indicators in El Salvador generally are better than in neighboring Honduras and Guatemala, yet challenges exist, particularly in rural regions. Under successive FMLN Administrations, poverty dropped from 50.1% in 2009 to 44.5% in 2014 to 26.3% in 2018; extreme poverty dropped from 17.1% to 11.7% to 5.7%.\textsuperscript{81} Income inequality has also declined due to growth in the income of the poorest 20% of the population aided by remittances.\textsuperscript{82}

According to World Bank data, most social development indicators in El Salvador improved from 2010 to 2017, but some health and education indicators worsened.\textsuperscript{83} The mortality rate for children under the age of five fell from 19 per 1,000 live births in 2010 to 15 per 1,000 in 2017.

\textsuperscript{81} Data are available at U.N. Economic Commission for Latin America and the Caribbean, https://estadisticas.cepal.org/cepalstat/WEB_CEPALSTAT/estadisticasIndicadores.asp?idioma=i
\textsuperscript{83} The data are available at http://databank.worldbank.org/data/views/reports/reportwidget.aspx?Report_Name=CountryProfile&Id=b450f57&tbar=y&dd=y&inf=n&zm=n&country=SLV.
By 2017, skilled health professionals attended nearly all births in El Salvador and the percentage of children underweight for their age fell to 5%. Despite this progress, immunization rates for children under the age of two fell to 85% (from 92% in 2010) and primary school completion rates declined to 85% (from 92% in 2010). Per-capita spending on social programs is higher in El Salvador than in neighboring Guatemala and Honduras, but still much lower than the regional average for Latin America. Gang-related intimidation and insecurity and teen pregnancies are two primary reasons why only about half of eligible Salvadoran youth attend 7th-9th grades; of these, only half complete secondary school. According to data from the International Labour Organization (ILO), El Salvador has the highest percentage of youth aged 15-24 who are not employed, in school, or in vocational training (28.4%) of any country in Central America.

Food insecurity, often caused by drought or other natural disasters, has become a major social issue and driver of emigration from El Salvador. Although family members who are left behind eventually may benefit from remittances sent by relatives living abroad, they are often saddled with debts owed to smugglers, an increased work burden (especially in agriculture), and emotional trauma. Additionally, households that receive remittances from relatives in the United States are often better able to deal with food insecurity and natural disasters, but observers maintain that they have been targets for extortion by gangs and corrupt police.

**Human Rights**

Violence and human rights abuses have been prevalent for much of El Salvador’s modern history. Salvadoran authorities are just beginning to investigate mass atrocities committed during the civil war (1980-1992), however, since the Supreme Court did not overturn a 1993 amnesty law until July 2016. Prior to Bukele’s inauguration, the National Assembly had been considering the enactment of a new amnesty law—a move opposed by Bukele, U.N. officials, and others—which would have provided impunity for past crimes, including emblematic cases such as El Mozote (a massacre in which U.S.-trained military forces killed almost 1,000 civilians).

In addition to past crimes, many of the most serious human rights abuses in El Salvador today are related to gender and intrafamilial violence, gangs and criminal groups, and the excessive use of force by security forces. Some of the tactics security forces employed in atrocities committed in the 1980s, such as sexual violence, continue to be used against women and children today. The Salvadoran government’s ability to address these challenges has been hindered by resource constraints, political polarization, and corruption.

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84 Bartenstein and McDonald, op. cit.
86 Data are from the International Labour Organization (ILO), ILOSTAT, accessed in June 2019.
88 World Food Program et al., Food Security and Migration, August 2017.
89 For information on how remittances can be harnessed for development, see Manuel Orozco, Central American Migration: Current Challenges and Development Implications, Inter-American Dialogue, November 2018. International Crisis Group, El Salvador’s Politics of Perpetual Violence, December 2017.
Recent Human Rights Violations

Since the end of the civil war, El Salvador has had a relatively free press and civil society. Nevertheless, journalists and some nongovernmental organizations focused on transparency have been harassed for reporting on corruption, police abuses, gangs, and drug trafficking. Human rights defenders have also suffered extortion and attacks, including Karla Avelar, a transgender advocate who reportedly received death threats in 2017.

Indigenous rights and land conflicts have not been as common in El Salvador as in neighboring countries, likely because only 0.2% of the population identified as Amerindian in 2007 (the most recent year available). Although a 2014 constitutional amendment recognized indigenous rights, no laws ensure that indigenous people benefit from natural resource development that occurs on land historically held by indigenous communities. Still, land rights advocates have praised El Salvador’s decision to ban all metal mining to protect communities’ water sources.

Women, children, and lesbian, gay, bisexual, transgender, and intersex (LGBTI) people often are targets of gang violence. Gang initiations for men and women differ. Whereas men are subject to a beating, women often are forced to have sex with various gang members. Female gang members tolerate infidelity from their partners, but women may be murdered if they are unfaithful. Non-gang-affiliated women and girls have been murdered as a result of turf battles, jealousy, and revenge. Those who have refused to help gangs or reported crimes are particularly vulnerable, as are those who are related to, or have collaborated with, the police. Harassment by gangs has led thousands of youth to abandon school, including some 39,000 in 2016. In August 2017, prosecutors from a newly established specialized unit of the attorney general’s office filed charges against eight gang members for murdering three transgender people.

Gang-related violence is part of a broader spectrum of violence in El Salvador that often affects women and children. Child abuse and spousal rape are major problems. According to a 2015 study, El Salvador had the highest rate of femicide (killing of women) in the world. Femicides have been linked to domestic disputes, gangs, and other crimes such as human trafficking; they resulted in the deaths of some 551 women in 2017. A 2019 survey of Salvadoran women deported from the United States found that violence, often gender-related, was the second-most frequent reason cited for having migrated to the United States. There is a total ban on abortion,
even in the case of rape or incest, and women in El Salvador have been imprisoned after suffering miscarriages that authorities have deemed illegal abortions.\textsuperscript{99}

Human rights groups and journalists have warned the Salvadoran government that its aggressive antigang policies have exacerbated human rights abuses committed by underpaid and ill-trained security forces, some of which the State Department and U.N. entities have documented.\textsuperscript{100} In June 2017, authorities arrested 4 police and 10 soldiers suspected of involvement in some 36 murders that occurred between 2014 and 2016.\textsuperscript{101} In August 2017, reporters released evidence of death squads operating within the police. In 2017, Salvadoran officials downplayed those developments in cases before the Inter-American Commission for Human Rights. In 2018, El Salvador’s attorney general secured convictions for four police officers for aggravated homicide and six others for participating in a death squad; critics maintain that much more progress needs to be made in reducing impunity for crimes committed by security forces.

**Confronting Past Human Rights Violations**

In 2013, 20 years after a U.N. Commission released its report on the war in El Salvador, Amnesty International issued a statement lamenting that the perpetrators of crimes identified in that report had not been brought to justice in El Salvador and that survivors had not received reparations.\textsuperscript{102} In October 2013, then-President Funes signed a decree creating a program to provide reparations to the victims of the armed conflict. It is unclear how much funding has been budgeted for that program and how many people it has assisted thus far.

In September 2017, President Sánchez Cerén launched a commission to help people find out what happened to their family members who disappeared.\textsuperscript{103} The commission includes two members proposed by families of the missing and is modeled after the government-sponsored national search commission that has located children who went missing during the conflict. In order for the commission to be successful, it is likely to need access to Salvadoran military records and some classified U.S. documents from the period of the conflict so that information collected from the testimonies of survivors and witnesses can be corroborated.

After the Supreme Court overturned the 1993 Amnesty Law in July 2016, Attorney General Meléndez created a small group of prosecutors to investigate past crimes. It has received technical assistance funded by USAID and implemented by experts from the Office of the High Commissioner for Human Rights.\textsuperscript{104} The group is providing complementary assistance to civil society organizations engaged in investigating historic crimes and carrying out transitional justice programs. In 2017, a Salvadoran judge ordered the case of the assassination of Archbishop Oscar Romero reopened. In October 2018, the judge issued a warrant for the arrest of a former military officer suspected of carrying out the killing whose whereabouts are unknown.\textsuperscript{105} The case against


\textsuperscript{103} This paragraph draws from Geoff Thale, “Tracking El Salvador’s Progress in Historic Human Rights Cases,” WOLA, October 27, 2017.

\textsuperscript{104} See “Rights and Dignity Project” on USAID/El Salvador, Country Fact Sheet, July 2019.

the intellectual authors of the 1989 murders of six Jesuit priests, their housekeeper, and her daughter also has been reopened but is proceeding slowly.\textsuperscript{106}

Private human rights attorneys have reopened the emblematic case against 17 surviving military officers charged with involvement in the El Mozote massacre carried out by an elite Salvadoran army battalion in December 1981 in Morazán that resulted in almost 1,000 deaths.\textsuperscript{107} Investigators have encountered difficulties, with the military refusing to turn over its historical records on its operations in that region.\textsuperscript{108} Still, the case is before a provincial criminal court whose judge expanded the case to include additional crimes of torture, forced displacement, and forced disappearance in July 2019.\textsuperscript{109}

Some remain skeptical that this and other emblematic cases will be solved. Parties on both the left and the right feel vulnerable to political or legal attack about abuses that took place during the war and might prefer that the crimes of the past remain unexamined. Shortly after the El Mozote case was reopened against former military officers, a private party filed a case against President Sánchez Cerén and several others for alleged kidnappings that occurred in the late 1980s.\textsuperscript{110} Despite President Bukele’s opposition, the National Assembly, which is still dominated by ARENA and the FMLN, could again try to replace the 1993 amnesty law with a newer version.

\section*{U.S. Relations}

U.S. relations with El Salvador remained cordial during the Sánchez Cerén government (2014-2019) and are poised to strengthen under the Bukele administration. As president-elect, Nayib Bukele promised to improve El Salvador’s image abroad to attract investment; tackle crime, unemployment, and other root causes of migration; and bring foreign policy into alignment with the United States. Bukele reiterated those pledges and his desire to repair a bilateral relationship that, in his view, had “eroded” under FMLN rule during a July 21, 2019, joint press conference in San Salvador with Secretary of State Pompeo.\textsuperscript{111} Rather than criticizing U.S. immigration policies or foreign assistance cutbacks, President Bukele aims to bolster bilateral efforts to tackle crime and attract U.S. investment. Nevertheless, migration could remain an irritant in bilateral relations, given the difficulty of reducing migrant flows in the short term and Bukele’s intention to advocate for Salvadoran migrants in the United States.

Congress plays a key role in appropriating bilateral and regional aid to El Salvador, overseeing implementation of U.S. assistance programs, and establishing and overseeing U.S. immigration policy, including the future of temporary protected status (TPS) for Salvadorans.\textsuperscript{112} Congress is likely to monitor how the Salvadoran government is or is not improving the investment climate in El Salvador, dealing with gangs, preventing emigration, and combating corruption.

\textsuperscript{111} U.S. Department of State, “Secretary of State Michael R. Pompeo and Salvadoran President Nayib Bukele at a Press Availability,” July 21, 2019.
U.S. Foreign Assistance

U.S. assistance to El Salvador is guided by the U.S. Strategy for Engagement in Central America, which is designed to promote economic prosperity, strengthen governance, and improve security throughout the region.113 The Obama Administration launched the strategy following a surge in apprehensions of unaccompanied migrant children from Central America along the southwestern border in 2014. Congress has appropriated nearly $2.6 billion to support implementation of the strategy from FY2016 to FY2018, including at least $410 million for El Salvador, either as bilateral assistance or through the Central American Regional Security Initiative (CARI) (see Table 1). This assistance has been subject to two sets of conditions in an attempt to bolster political will in the region and improve the effectiveness of U.S. programs.114 Much of the assistance appropriated in FY2018 may never be delivered, however, due to the Trump Administration’s decision to end most foreign assistance programs to the Northern Triangle countries of Central America—El Salvador, Guatemala, and Honduras (see “Suspension of Assistance,” below).

U.S. assistance has supported a range of development efforts in El Salvador. In recent years, bilateral assistance has funded programs to improve the quality of the education system, facilitate economic reforms, boost private-sector productivity, strengthen the rule of law, support civil society, and promote human rights protection and government accountability. El Salvador has also received assistance through the Central America Regional Security Initiative (CARI) to support justice sector reform, police unit vetting, border security, anti-gang efforts, and violence prevention programs, among other measures.

Table 1. Funding for the U.S. Strategy for Engagement in Central America:
FY2016-FY2020

<table>
<thead>
<tr>
<th>Foreign Assistance Account</th>
<th>FY2016 (planned)</th>
<th>FY2017 (planned)</th>
<th>FY2018 (planned)</th>
<th>FY2019 (est.)</th>
<th>FY2020 (req.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>El Salvador Bilateral Assistance, Subtotal</td>
<td>67.9</td>
<td>72.8</td>
<td>57.7</td>
<td>NA</td>
<td>45.7</td>
</tr>
<tr>
<td>Development Assistance</td>
<td>65.0</td>
<td>70.0</td>
<td>55.0</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Economic Support and Development Fund</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>45.0</td>
</tr>
</tbody>
</table>

113 This section draws from CRS Report R44812, U.S. Strategy for Engagement in Central America: Policy Issues for Congress, by Peter J. Meyer.

114 For example, the Consolidated Appropriations Act, 2018 (P.L. 115-141) stipulated that 25% of the “assistance for the central governments of El Salvador, Guatemala, and Honduras” could not be obligated until the Secretary of State certified that each government was (1) informing its citizens of the dangers of the journey to the southwest border of the United States; (2) combating human smuggling and trafficking; (3) improving border security, including preventing illegal migration, human smuggling and trafficking, and trafficking of illicit drugs and other contraband; and (4) cooperating with U.S. government agencies and other governments in the region to facilitate the return, repatriation, and reintegration of illegal migrants arriving at the southwest border of the United States who do not qualify for asylum, consistent with international law. The State Department certified that all three countries met those conditions in FY2016, FY2017, and FY2018, issuing the most recent certifications in August 2018. From FY2016 to FY2018, annual appropriations legislation, including the Consolidated Appropriations Act, 2018 (P.L. 115-141), further stipulated that 50% of the assistance for the central governments of El Salvador, Guatemala, and Honduras “could not be obligated until the Secretary of State certified that each government met an additional 16 conditions. The State Department issued certifications related to those conditions for all three countries in FY2016 and FY2017 but has not yet certified any of the countries for FY2018.
<table>
<thead>
<tr>
<th>Foreign Assistance Account</th>
<th>FY2016</th>
<th>FY2017 (planned)²</th>
<th>FY2018 (planned)²</th>
<th>FY2019 (est.)³</th>
<th>FY2020 (req.)³</th>
</tr>
</thead>
<tbody>
<tr>
<td>International Military Education and Training</td>
<td>1.0</td>
<td>0.9</td>
<td>0.7</td>
<td>—</td>
<td>0.7</td>
</tr>
<tr>
<td>Foreign Military Financing</td>
<td>1.9</td>
<td>1.9</td>
<td>1.9</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>El Salvador CARSI Assistance, Subtotal</td>
<td>73.4</td>
<td>70.2</td>
<td>68.0</td>
<td>NA²</td>
<td>NA</td>
</tr>
<tr>
<td>Economic Support Fund</td>
<td>35.5</td>
<td>28.5</td>
<td>28.0</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>International Narcotics Control and Law Enforcement</td>
<td>37.9</td>
<td>41.7</td>
<td>40.0</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td><strong>El Salvador, Total</strong></td>
<td><strong>141.3</strong></td>
<td><strong>143.0⁴</strong></td>
<td><strong>125.7³</strong></td>
<td><strong>NA³</strong></td>
<td><strong>45.7³</strong></td>
</tr>
</tbody>
</table>


**Notes:** CARSI=Central America Regional Security Initiative; NA = Not available.

a. FY2017 and FY2018 figures are subject to revision given the Administration’s intention to withhold and reprogram some assistance for El Salvador.

b. For FY2019, Congress designated most foreign assistance for Central America as regional funding, giving the State Department flexibility in allocating the resources. CARSI allocations for FY2019 are not yet available.

c. CARSI allocations for FY2020 are not yet available.

**FY2019 Appropriations Legislation**

In the Consolidated Appropriations Act, 2019 (P.L. 116-6), Congress appropriated $527.6 million to continue implementing the U.S. Strategy for Engagement in Central America. The act gives the State Department significant flexibility in allocating assistance among the seven nations of the isthmus. The conference report (H.Rept. 116-9) accompanying the act asserts that the Secretary of State should take into account the political will of Central American governments, including their commitment “to reduce illegal migration and reduce corruption and impunity,” when deciding where to allocate the funds. The act allocates $20 million that is to be split among the attorneys general offices of El Salvador, Guatemala, and Honduras.

Like prior appropriations measures, the act places strict conditions on assistance to the Salvadoran government. It requires 50% of assistance for the central government of El Salvador to be withheld until the Secretary of State certifies that the government is meeting 16 conditions. These include improving border security, combating corruption, countering gangs and organized crime, supporting programs to reduce poverty and promote equitable economic growth, protecting the right of political opposition parties and other members of civil society to operate without interference, and resolving commercial disputes.¹¹⁵

**Suspension of Assistance and FY2020 Appropriations**

In March 2019, the Trump Administration announced its intention to end foreign aid to the Northern Triangle due to the continued northward flow of migrants and asylum-seekers from the region. The Sánchez Cerén government expressed concerning regarding the potential aid cuts.

¹¹⁵ See Section 7045(a)(1) of P.L. 116-6 for the full list of conditions.
noting that joint security efforts had resulted in significant progress over the past three years. President Bukele has refrained from publicly criticizing the decision, maintaining that his government is more interested in investment than “handouts.”

After reviewing more than 700 foreign assistance programs in the Northern Triangle, the State Department announced in June 2019 that it is withholding $49 million in FY2017 assistance that it previously had obligated for programs in El Salvador. The State Department also announced that it has begun to reprogram $103.9 million of FY2018 assistance that had been planned for El Salvador. Approximately $21.7 million of FY2018 assistance is not subject to reprogramming; those funds reportedly will support the priorities of the Departments of Justice and Homeland Security, such as programs intended to help the Salvadoran government counter transnational crime and improve border security and vetted units that work with U.S. law enforcement agencies (see “Security Cooperation,” below).

It is unclear whether the Trump Administration intends to withhold assistance appropriated in FY2019 or revise its FY2020 budget request of nearly $46 million for El Salvador. The State Department has declared that it will not provide any new foreign aid funding to El Salvador or its neighbors until it is “satisfied the Northern Triangle governments are taking concrete actions to reduce the number of illegal migrants coming to the U.S. border.”

Congress appears to have provided the President with significant authority—in appropriations legislation (P.L. 115-141) and the Foreign Assistance Act of 1961, as amended (22 U.S.C. §§2151 et seq.)—to reprogram assistance that had been planned for El Salvador. However, Congress could enact legislation to restrict the Administration’s ability to transfer or reprogram assistance. For example, the Labor, Health and Human Services, Education, Defense, State, Foreign Operations, and Energy and Water Development Appropriations Act, 2020 (H.R. 2740, H.Rept. 116-78), passed by the House in June 2019, would appropriate “not less than” $540.85 million for Central America, including at least $55 million for El Salvador. It also would strengthen the funding directives for FY2017, FY2018, and FY2019 foreign aid appropriations for the region.

Two authorization bills also would increase congressional influence over U.S. policy in Central America. The House-passed United States-Northern Triangle Enhanced Engagement Act (H.R. 2615) would authorize $577 million for Central America in FY2020, including “not less than” $490 million for the Northern Triangle. It also would place conditions on assistance to the central governments of El Salvador, Guatemala and Honduras, and require any funds withheld pursuant to those conditions to be made available for other programs in the Northern Triangle. The Central America Reform and Enforcement Act (S. 1445), introduced in May 2019, would authorize $1.5 billion for Central America and prohibit the Administration from reprogramming any of the funds appropriated for the Northern Triangle nations since FY2016.

**Millennium Challenge Corporation (MCC) Investment Compact**

El Salvador signed a second $277 million compact on September 30, 2014, to focus on improving transportation infrastructure, employment opportunities, and the investment climate. The Salvadoran government committed to match that contribution with $88 million in complementary

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in response to some lingering concerns expressed by board members, the Salvadoran government designed a Priority Action Plan that was then agreed to by both governments to be completed prior to the compact’s signing. The action plan required the Salvadoran government to (1) appoint a director and deputy director to a newly established financial crimes investigation unit in the police; (2) approve an asset forfeiture law; (3) approve reformed anti-money-laundering legislation that meets international standards; (4) approve reforms to the country’s public-private partnership law to make it attractive to investors; and (5) issue a revised decree on how corn and bean seed are procured that is consistent with CAFTA-DR. The fifth condition was subsequently removed. The compact entered into force in September 2015.120

Key compact projects include the following:

- **Investment Climate Project ($42 million MCC funds/$50 million Salvadoran funds):** seeks to help the government develop and implement regulatory improvements and to better partner with private investors to build infrastructure and provide public services.

- **Human Capital Project ($100.7 million MCC funds/$15 million Salvadoran funds):** supports full-day schooling; reforms to the policies and operations that govern teacher training and student assessment; and a new technical, vocational, education, and training system that is aligned with labor market demands.

- **Logistical Infrastructure Project ($109.6 million MCC funds/$15.7 million Salvadoran funds):** will widen the part of El Salvador’s coastal highway that connects the airport and the ports of La Unión and Acajutla and improve border crossing facilities into Honduras at El Amatillo. The project is estimated to benefit more than 170,000 people.

**Department of Defense Assistance**

The Department of Defense (DOD) provides security cooperation to train and equip the Salvadoran defense ministry in border and maritime interdiction capabilities with its 10 U.S.C. §333 appropriations. DOD assistance totaled $3.0 million in FY2017, $6.5 million in FY2018, and $3.2 million in FY2019. DOD plans to allocate $6.5 million to El Salvador for the purpose stated above.121

**Migration Issues**

Migration is a major issue in U.S. relations with El Salvador. As of 2017, some 1.4 million people born in El Salvador resided in the United States, and an estimated 600,000 of them (50%) were in the country without authorization.122 In 2018, remittances sent from Salvadorans abroad were equivalent to 21% of El Salvador’s GDP, according to the World Bank.123 Recent unauthorized

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120 For information on results to date, see MCC, “El Salvador Investment Compact Monitoring and Evaluation,” available at https://www.mcc.gov/where-we-work/m-and-e/el-salvador-investment-compact.


123 See https://data.worldbank.org/indicator/BX.TRF.PWKR.DT.GD.ZS.
migration from El Salvador has been fueled by a combination of poverty, natural disasters, poor security conditions, and a desire for family reunification.124

Recent Migration Flows

The number of migrants and asylum-seekers arriving at the U.S. border from El Salvador has fluctuated in recent years, with a record number of Salvadorans apprehended during the first nine months of FY2019 after two years of declining apprehensions (see Figure 3). Despite the increase in arrivals from El Salvador in FY2019, Salvadorans have accounted for only 13.8% of the 511,000 apprehensions of migrants from Northern Triangle countries during the first nine months in 2019. Although on a smaller scale than migrants from Honduras and Guatemala, the U.S. Department of Homeland Security (DHS) has apprehended increasing numbers of family units from El Salvador, many of whom are seeking humanitarian protection. These increases have occurred despite bilateral efforts to combat human trafficking and alien smuggling, campaigns to warn potential migrants about the dangers of the journey, and Trump Administration policy changes to tighten migrant access to the asylum system.

In 2018, U.S. and Salvadoran officials cited reductions in crime rates as a major reason why illegal emigration from El Salvador to the United States declined from FY2016 to FY2018.125 Although the number of single adults and unaccompanied children apprehended has remained lower in FY2019 than in FY2016, the number of family units who were apprehended exceeded 44,100 during the first nine months of FY2019 as compared to 27,144 for all of FY2016.

Figure 3. U.S. Apprehensions of Salvadoran Nationals: FY2009-FY2019


Notes: Unaccompanied children = children under 18 years of age without a parent or legal guardian at the time of apprehension. Family units = total number of individuals (children under 18 years of age, parents, or legal

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guardians) apprehended with a family member. FY2019 includes the first nine months of the fiscal year (October 2018-June 2019).

Human Trafficking and Alien Smuggling

The U.S. Department of State has acknowledged El Salvador for its efforts to combat human trafficking, giving the country a Tier 2 ranking in its annual Trafficking in Persons reports since 2008. In 2018, El Salvador investigated 74 cases, including three forced labor cases; convicted seven sex traffickers; and identified 53 victims of trafficking.\(^{126}\) Services for adults, boys, and LGBTI victims remained lacking, and investigations into corrupt government officials accused of involvement in human trafficking failed to advance. In August 2018, the State Department certified that El Salvador had met the conditions related to combating human trafficking, alien smuggling, and other migration-related topics on assistance provided in P.L. 115-141.\(^{127}\)

Removals, Temporary Protected Status, and Deferred Action for Child Arrivals

Some 15,440 Salvadorans were removed (deported) from the United States in FY2018, making El Salvador the fourth-largest recipient of U.S. deportees worldwide.\(^{128}\) Salvadoran officials have expressed concerns about their country’s ability to absorb deportees, as it is often difficult for those returning to the country to find employment and deported gang members may exacerbate security challenges.\(^{129}\) El Salvador has received some part of roughly $44 million that USAID has provided to help northern triangle governments receive those removed from the United States or Mexico and reintegrate them into their communities, but services remain limited, particularly at the municipal level.\(^{130}\) Deportees have become targets for extortion and violence, with at least 70 deportees reportedly murdered from 2013 to 2018.\(^{131}\)

The Bukele administration, like its predecessors, is advocating for Salvadoran migrants in the United States, including the up to 251,000 nationals who have temporary protected status (TPS).\(^{132}\) TPS is a form of temporary protection from removal for foreign nationals from countries that DHS designates as unsafe for return because of armed conflict, natural disaster, or other extraordinary conditions.\(^{133}\) Congress originally designated El Salvador for TPS in 1990,

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\(^{132}\) Data provided to CRS by USCIS. These data reflect individuals with an approved TPS application as of November 29, 2018; the data include some individuals who have since adjusted to another status (excluding those who became U.S. citizens), may include individuals who have left the country or died, and do not necessarily include all nationals from the specified countries who are in the United States and are eligible for the status. The Salvadoran government has estimated that some 195,00 Salvadoran citizens currently have TPS. Government of El Salvador, “Salvadoran Population in the United States Under Temporary Protected Status (TPS),” July 2019.

\(^{133}\) For more information, see CRS Report RS20844, Temporary Protected Status: Overview and Current Issues, by Jill H. Wilson.
but the designation expired 18 months later. In March 2001, following three earthquakes in El Salvador, the George W. Bush Administration designated the country for TPS. That designation was extended by multiple administrations until January 2018 when the Trump Administration—arguing that conditions that originally warranted the designation no longer exist—announced it would terminate TPS for El Salvador, effective September 19, 2019. A court injunction, however, allows Salvadorans and nationals of three other countries whose TPS designation was terminated to continue living and working in the United States beyond the expiration date set by the Administration pending the outcome of the case. On June 4, 2019, the House passed the American Dream and Promise Act of 2019 (H.R. 6), which would provide a path to permanent resident status for some TPS holders.

Many reports predict the end of TPS could have negative consequences for the Salvadoran economy (declining remittances, increasing fiscal demands by repatriated individuals), however the IMF maintains that the overall economic impact probably will be minimal. The government is nevertheless working with USAID, other donors, and the private sector to reintegrate former TPS beneficiaries who may return voluntarily or face removal. The State Department also is preparing to be able to provide consular services to the U.S. citizen children of TPS beneficiaries (estimated to number more than 190,000) who may return to the country.

In addition, Salvadoran officials are concerned about the future of some 26,500 young Salvadorans currently protected from deportation through their participation in the Deferred Action for Child Arrivals (DACA) initiative. If DACA ends and its Salvadoran beneficiaries return, they could have difficulty continuing their education or obtaining employment, as the country is already struggling with high levels of youth unemployment. On September 5, 2017, DHS announced its decision to rescind the DACA initiative. The future of the DACA initiative remains uncertain, as dueling lawsuits are under way in federal courts to preserve DACA and to force its termination.

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134 To comply with the court order, DHS issued an extension of TPS-related documentation through January 2, 2020, for El Salvador and three other countries. This date could change, depending on the outcome of the case. See U.S. Department of Homeland Security, U.S. Citizenship and Immigration Services, “Continuation of Documentation for Beneficiaries of Temporary Protected Status Designations for Sudan, Nicaragua, Haiti, and El Salvador,” 84 Federal Register 7103-7109, March 1, 2019. For more information on the lawsuit, see CRS Legal Sidebar LSB10215, Federal District Court Enjoins the Department of Homeland Security from Terminating Temporary Protected Status, by Hillel R. Smith.

135 For more information on TPS and potential legislative measures to alter the program, see CRS Report RS20844, Temporary Protected Status: Overview and Current Issues.


137 Olson and Wachter, op. cit.


139 Deferred Action for Child Arrivals (DACA) is a program the Obama Administration implemented in 2012 to provide temporary relief from removal and work authorization to certain unlawfully present individuals who arrived in the United States as children. See CRS Report R44764, Deferred Action for Childhood Arrivals (DACA): Frequently Asked Questions, by Andorra Bruno.

140 CRS Legal Sidebar LSB10216, DACA: Litigation Status Update, by Ben Harrington.
Security Cooperation

Counternarcotics

Although El Salvador is not a producer of illicit drugs, it does serve as a transit country for narcotics, mainly cocaine and heroin, cultivated in the Andes and destined for the United States. In September 2018, President Trump included El Salvador on the annual list of countries designated as “major” drug-producing or “drug-transit” countries for the eighth consecutive year. A country’s inclusion in the list, however, does not mean that its antidrug efforts are inadequate.

From January through November 2018, Salvadoran officials seized around 12.5 metric tons of cocaine, a 120% increase from the same period in 2017. The government seized $550,000 in bulk cash and arrested nearly 3,000 individuals on drug trafficking-related charges. Bulk cash seizures decreased due to authorities’ focus on antigang efforts, but successful maritime efforts and coordination with other countries pushed drug smugglers out of Salvadoran waters. According to the State Department, El Salvador needs to maintain funding for antidrug security forces and the attorney general’s office and continue to combat corruption if it is to maintain successful antidrug efforts.

In June 2017, some Members of Congress asked the Treasury Department to consider making José Luis Merino, a high-ranking FMLN party official and deputy minister of foreign affairs, subject to U.S. sanctions under the Foreign Narcotics Kingpin Designation Act. Over the past decade, Merino has amassed a fortune and served as the intermediary between Venezuela, ALBA Petróleos, and the party. He also reportedly has ties with the Revolutionary Armed Forces of Colombia (FARC) guerrillas and drug traffickers. In August 2018, some Members of Congress asked the Treasury and State Departments to examine whether Merino and a business executive named José Aquiles Enrique Rais López could be subject to sanctions under the Global Magnitsky Act for engaging in corruption. In April 2019, pursuant to the FY2019 National Defense Authorization Act (P.L. 115-232), the State Department sent a report to Congress identifying officials from the three Northern Triangle countries, including nine Salvadorans, known to have committed corruption or to have benefited from illicit campaign funding. None of these individuals have been made subject to U.S. sanctions.

Gangs

U.S. agencies have engaged with El Salvador and other Central American governments on gang issues for more than a decade, with some regional efforts housed in the U.S. Embassy in San


El Salvador. In July 2007, an interagency committee announced the U.S. Strategy to Combat Criminal Gangs from Central America and Mexico, which emphasized diplomacy, repatriation, law enforcement, capacity enhancement, and prevention. Between FY2008 and FY2016 (the most recent year available), Congress provided nearly $50 million to support a variety of antigang efforts in the northern triangle countries.

On the law enforcement side, U.S. funds support vetted police units working on transnational gang cases with U.S. law enforcement. In cooperation with vetted law enforcement units in El Salvador, U.S. law enforcement has brought criminal charges against thousands of MS-13 members in both countries. Since 2012, antigang cases have been bolstered by the establishment of an electronic monitoring center in San Salvador and efforts to target the financing of MS-13, designated by the Treasury Department as a Transnational Criminal Organization subject to U.S. sanctions pursuant to E.O. 13581.

National-level programs have been complemented by municipal-level model police precincts, which are designed to build local confidence in law enforcement by converting police forces into more community-based, service-oriented organizations. In addition to the model precincts, the State Department’s Bureau of International Narcotics and Law Enforcement Affairs (INL) has sponsored educational programs to keep kids from joining gangs that are taught by police and police-run athletic leagues to improve police-community relations. According to a survey of municipalities in which those leagues are active, more than 98% of participants expressed increased confidence in the police. INL’s policing initiatives have been integrated in a “place-based” strategy with USAID prevention programs and focused on municipalities targeted by the Salvadoran government’s Plan Secure El Salvador.

Ensuring that antigang efforts are not carried out using police tactics that violate human rights and supporting efforts to have civilian police rather than military forces in public security efforts are major goals of U.S. programs. The State Department has donated body cameras and other equipment to the internal affairs unit within the police that investigates reported abuses. According to a September 2018 Government Accountability Office report, U.S. police training in El Salvador and the other northern triangle countries had not established consistent human rights-related objectives in its police professionalization programs.

USAID has used CARSI funds to implement a variety of crime- and violence-prevention programs. USAID interventions include primary prevention programs that work with communities to create safe spaces for families and young people, secondary prevention programs that identify the youth most at risk of engaging in violent behavior and provide them and their families with behavior-change counseling, and, most recently, “tertiary” prevention programs that seek to reintegrate juvenile offenders into society. Youth in violent communities are also some of

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the beneficiaries of the 22,000 jobs USAID’s economic programs have helped generate. Due to the aforementioned sanctions on MS-13, the State Department and USAID had to obtain a waiver from the Treasury Department to carry out programs involving former or inactive MS-13 members; the agencies reportedly did not receive a license for those types of programs until 2017. Since 2015, USAID programs have complemented the government’s Plan Secure El Salvador efforts in the 50 most violent municipalities. Violence has been reduced by 61% in municipalities where USAID works, as compared to 42% nationally.

Trade Relations

In December 2004, El Salvador became the first country to sign the CAFTA-DR trade agreement and to pass its required legislative reforms, implementing CAFTA-DR on March 1, 2006. CAFTA-DR has eliminated tariffs on all consumer and industrial goods and is scheduled to phase out tariffs on nearly all agricultural products by 2020. Since CAFTA-DR’s implementation, the volume of U.S.-Salvadoran trade has tended to follow trends in growth rates in the United States, with a variety of factors inhibiting the performance of Salvadoran exports vis-à-vis the other CAFTA-DR countries. Those factors have included a continued dependence on the highly competitive apparel trade, low levels of investment, public security problems, and broader governance concerns (see "Economic and Social Conditions").

The United States is El Salvador’s main trading partner, purchasing 44% of its exports and supplying 32% of its imports in 2018. Salvadoran exports to the United States, valued at $2.5 billion in 2018, include apparel, electrical equipment, coffee, and sugar. El Salvador’s top imports from the United States, valued at $3.4 billion in 2018, include fuel oil, electrical machinery, nuclear reactors and parts, plastics, and cereals. In 2018, the United States ran a $888 million trade surplus with El Salvador.

Although U.S. Trade Representative Robert Lighthizer has asserted that CAFTA-DR and other trade arrangements throughout Latin America “need to be modernized,” the Trump Administration has not yet sought to renegotiate the agreement.

Human Rights Cases: Former Salvadoran Officials Tried in the United States

Although the amnesty law made bringing cases against human rights abusers from the war era nearly impossible to do in El Salvador, some former Salvadoran military leaders who have resided in the United States have faced judicial proceedings regarding their immigration statuses. In recent years, the Human Rights Violators and War Crimes Unit within the Bureau of

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156 CRS In Focus IF10394, Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR), by M. Angeles Villarreal.
157 Trade data contained in this section are from Global Trade Atlas.
Immigration and Customs Enforcement (ICE) of the Department of Homeland Security (DHS) has conducted investigations focused on past human rights violations in El Salvador.159

- In February 2012, an immigration judge ruled that former Salvadoran Defense Minister Carlos Eugenio Vides Casanova could be removed (deported) from the United States based on his role ordering the torture of Salvadoran citizens, the 1980 killings of four American churchwomen, and the 1981 killings of land reformers. That decision was upheld in March 2015, and Vides Casanova was deported to El Salvador on April 8, 2015.
- In September 2012, Colonel Inocente Orlando Montano, one of the officials named by a Spanish judge as responsible for the aforementioned Jesuit murders, pled guilty to immigration fraud. Montano had hidden his military past when applying for TPS in the United States. He was sentenced to 21 months in prison. In August 2017, a federal judge approved a lower court ruling that Orlando Montano could be extradited to Spain to face charges for his role in the 1989 killing of six Jesuit priests, most of whom were Spanish. The extradition took place in November 2017; he remains in a Spanish prison.
- In February 2014, a federal judge determined that a former Salvadoran defense minister, General José Guillermo García, could be removed based on his role in brutal human rights violations. The judge ruled that he “assisted or otherwise participated” in 11 violent incidents, including the 1980 killing of Archbishop Óscar Arnulfo Romero. He was deported to El Salvador in January 2016.
- In February 2017, the U.S. Attorney in the Eastern District of Texas filed a civil lawsuit against Arnoldo Antonio Vasquez, a Salvadoran who misrepresented his past in order to obtain U.S. citizenship. According to an investigation conducted by ICE, Vasquez failed to acknowledge his involvement as a military officer in the extrajudicial killing of 10 civilians in San Sebastian, El Salvador, in 1988.160 Both the prosecution and the defendant have submitted their written arguments, but the judge has not yet ruled on this case.

Outlook

El Salvador has made some progress in reducing violence, improving its fiscal situation, and combating corruption over the past few years. Nevertheless, Nayib Bukele’s first-round presidential victory in February 2019 elections demonstrated popular disenchantment with the FMLN and ARENA parties that have governed during the postconflict period. The scale of Bukele’s victory, combined with his continued popularity, have given him a strong governing mandate, but his party lacks support in the National Assembly. Aside from initial support for Bukele’s security plan, it remains to be seen whether legislators will back his reformist agenda and investors will respond to his pledges to adopt a probusiness agenda and improve the country’s security situation.

Analysts predict that U.S.-Salvadoran relations will improve under a Bukele administration, with leaders from both countries pledging to focus on combating gangs, drug trafficking, and illegal immigration. Tensions could occur, however, should U.S. assistance to El Salvador be permanently suspended or TPS be terminated for Salvadorans. Although President Bukele has

159 For an update on pending cases, see http://www.cja.org/article.php?list=type&type=199.
expressed a desire to collaborate with the United States rather than seek investment or foreign assistance from China, he may have limited room to maneuver given the country’s economic and security challenges.

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