

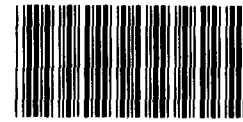
GAO

Report to the Chairman and Ranking
Minority Member, Committee on
Government Operations, House of
Representatives

December 1992

DRUG WAR

Drug Enforcement
Administration Staffing
and Reporting in
Southeast Asia



148214

**National Security and
International Affairs Division**

B-251112

December 4, 1992

The Honorable John Conyers, Jr.
Chairman
The Honorable Frank Horton
Ranking Minority Member
Committee on Government Operations
House of Representatives

As requested, we reviewed the Drug Enforcement Administration's (DEA) staffing and intelligence reporting in Southeast Asia, specifically Burma, Laos, Thailand, Hong Kong, and Singapore. We examined the (1) factors affecting the size, location, and operations of DEA offices in these areas; (2) contributions and qualifications of DEA intelligence analysts assigned to Southeast Asia; (3) analytical support provided by the Commander in Chief, U.S. Pacific Command (USCINCPAC), to DEA intelligence programs in Southeast Asia; and (4) adequacy of DEA intelligence reporting in Southeast Asia. We provide detailed information on the fourth objective in a classified report issued separately.

Background

Heroin currently ranks second in priority to cocaine as a drug problem in the United States. In 1991, an estimated 58 percent of the heroin available in the United States originated from Southeast Asia's Golden Triangle, an area formed by the conjunction of Burma, Laos, and Thailand, and the remainder originated from Southwest Asia and Mexico. The national heroin strategy addresses the heroin threat on a worldwide basis and does not provide a regional framework for coordinating U.S. law enforcement, military, and other counternarcotics activities in Southeast Asian countries.

DEA offices in Southeast Asia work to stem the flow of heroin by, among other things, gathering and reporting intelligence on the production, distribution, and financial components of Southeast Asian trafficking organizations and providing investigative leads to local law enforcement units for arrests of traffickers or seizures of their drugs or assets. DEA country offices report directly to DEA headquarters for operational and administrative matters rather than to a regional office. Country offices in Southeast Asia are located in Rangoon, Burma; Bangkok, Thailand; Manila, Philippines; and Kuala Lumpur, Malaysia; Hong Kong; and Singapore. DEA also has resident offices in Chiang Mai, Songkhla, and Udorn, Thailand, which report directly to the Bangkok office. As of April 1992, DEA had 35 special agents and 4 intelligence analysts assigned to its offices in Burma, Hong Kong, Singapore, and Thailand.

Special agents in foreign offices provide expertise and guidance to foreign agencies on narcotics enforcement programs and help plan criminal investigations conducted by host-country law enforcement personnel. They may also develop sources of, collect, and analyze narcotics trafficking information. DEA policies, however, generally prohibit them from performing investigative activities that may result in their engaging or participating in an arrest made by a foreign official. Intelligence analysts in foreign offices are responsible for initiating, directing, and reporting on comprehensive research projects on narcotics trafficking and organized criminal groups in an assigned geographical area.

Results in Brief

DEA has not fully staffed its Southeast Asia offices with effectively performing intelligence analysts. Since 1989, transfers of, and reduced performance by, some intelligence analysts have resulted in lower overall intelligence contributions from the Southeast Asia offices and unmet reporting objectives for some special field intelligence programs in the region.

Various political and administrative factors, rather than only the extent of the narcotics problem in each location, have generally influenced the size, location, and operations of DEA offices in Southeast Asia. For example, DEA conducts limited activities in Burma, the world's largest producer of illicit opium and heroin, due to political conditions there. After a 1988 military coup, the U.S. government discontinued all liaison and narcotics enforcement activities in Burma. Although DEA resumed some enforcement activities in mid-1990, its operations are still limited by U.S. policy towards Burma and the Burma government's lack of cooperation in counternarcotics activities.

In addition, DEA operates no office in Laos, the second largest producer of opium in Southeast Asia, due to a lack of Lao cooperation with DEA enforcement activities. Further, DEA was unable to add two intelligence analyst positions in Thailand because of administrative limits imposed by the U.S. Ambassador on the number of permanent U.S. personnel positions in that country. These constraints, however, do not fully explain how the staffing levels and mix of agents and analysts are determined. We specifically question DEA's decision in 1991 to change an intelligence analyst position in Burma to a special agent position because of the limited level of DEA activities in Burma. Appendix I provides detailed information on factors affecting staffing and activities in the selected Southeast Asian countries.

Three of the four DEA intelligence analysts assigned to Southeast Asia have not initiated, directed, or reported on comprehensive intelligence projects, as specified in their position descriptions. DEA headquarters officials acknowledged the poor performance of the three analysts but disagreed with our conclusion that such performance was occurring largely because the analysts in question lack the regional or area knowledge, skills, and abilities needed to accomplish their tasks. Two of the three analysts had almost no relevant education or work experience in Southeast Asia or heroin trafficking, and none of the three had demonstrated through recent work experience that they could do independent analyses and report writing or initiate and direct comprehensive intelligence projects. Regardless of the cause, the overall quality of the contributions of DEA intelligence analysts assigned to Southeast Asia has declined significantly since the late 1980s.

According to an official from DEA's Office of Personnel, DEA has no criteria, other than time-in-grade requirements, for determining whether applicants for intelligence analyst positions have the knowledge, skills, and abilities needed to do the work specified in position descriptions. Moreover, according to an official from DEA's Office of Intelligence, DEA headquarters considers all analysts who receive fully successful performance ratings as qualified for assignment to Southeast Asia, without regard to the work or educational experience of the applicant. Appendix II provides information on the qualifications and contributions of DEA intelligence analysts in Southeast Asia. In the future, DEA plans to provide area training, which is not currently being done, prior to their assignment.

Since June 1990 USCINCPAC has assigned intelligence analysts to Southeast Asia as a means of fulfilling USCINCPAC's counternarcotics mission. As of September 1992, two USCINCPAC analysts were assigned on a temporary basis, at no direct cost to DEA, to DEA offices in Bangkok and Hong Kong. These analysts have filled some gaps in DEA's intelligence programs; however, DEA officials expressed varying degrees of satisfaction with the analysts' intelligence reporting. DEA has postponed indefinitely the assignment of additional USCINCPAC intelligence analysts while it assesses each country attache's request and justification, on a case-by-case basis, for analytical support in Southeast Asia. Appendix III provides detailed information on USCINCPAC's support to DEA offices in Southeast Asia.

Of the five special field intelligence programs that DEA funded in Southeast Asia between fiscal years 1989 and 1992, three did not meet the reporting objectives of their operational plans for several reasons, including

decreased levels of support and an increased focus on enforcement activities rather than the collection and analysis of intelligence. For example, our review of program documents showed that the quality and quantity of reporting declined under the program in Burma as a result of DEA's changing the intelligence analyst position there to a special agent position. A DEA headquarters official stated that reporting from Burma did not decline as a result of the position change. In addition, other DEA offices in Southeast Asia did not initiate needed intelligence projects because of the decline in analytical support capability. Furthermore, these offices did not provide intelligence support activities for a heroin enforcement program due to changes in headquarters personnel administering the program and the lack of a clearly defined intelligence strategy. A separate classified report provides a more detailed assessment of these activities.

Recommendation

DEA has not adequately identified its requirement for intelligence analyst support or staffed its Southeast Asia offices with fully performing intelligence analysts. We therefore recommend that DEA (1) conduct a comprehensive assessment of its need for intelligence analysts in Southeast Asia, both from DEA and USCINCPAC, and (2) reevaluate its recruitment selection and training process for intelligence analysts selected for assignment in Southeast Asia.

Scope and Methodology

We interviewed officials from DEA headquarters' Offices of Intelligence, International Programs, and Personnel; Heroin Investigations Section; and Planning and Inspection Division in Arlington, Virginia. We also interviewed the last DEA intelligence analyst to serve in the DEA office in Burma and DEA and USCINCPAC intelligence analysts in Honolulu, Hawaii; Bangkok and Chiang Mai, Thailand; and Hong Kong. We also interviewed USCINCPAC officials responsible for narcotics intelligence activities in Honolulu, Hawaii; the Singapore country attache; the Deputy Chief of Mission, intelligence analysts' immediate supervisors, and office managers in Bangkok and Chiang Mai, Thailand; and the Deputy Principal Officer and the country attache in Hong Kong.

We reviewed files containing the applications of best qualified applicants for the last three intelligence analyst position openings in Hong Kong and Thailand as well as personnel files for current and prior DEA intelligence analysts assigned to Burma, Thailand, and Hong Kong. We also reviewed program files for special field intelligence programs, documentation

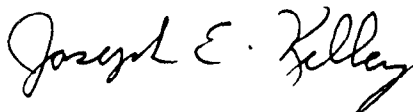
related to USCINCPAC's counternarcotics strategy, and intelligence reports of DEA and USCINCPAC intelligence analysts.

We did not address overall program issues included in an ongoing Department of State Inspector General review of U.S. counternarcotics programs in Southeast Asia. We did not review the contributions and qualifications of all DEA intelligence analysts to determine whether the performance, knowledge, skills, and abilities of DEA intelligence analysts in Southeast Asia are typical of those elsewhere.

We conducted our work between June and October 1992 in accordance with generally accepted government auditing standards. As requested, we did not obtain written agency comments on this report. However, we discussed the contents of the report with DEA headquarters officials, who disagreed with several of our conclusions. We incorporated their comments into our report where appropriate. We also discussed the report with officials from USCINCPAC and the Departments of Defense and State and included their comments where appropriate.

As arranged with your office, unless you announce this report's contents earlier, we plan no further distribution until 30 days after its issue date. At that time, we will send copies of the report to other appropriate congressional committees, the Secretaries of State and Defense, the Administrator of the Drug Enforcement Administration, and the Directors of the Office of National Drug Control Policy and the Office of Management and Budget. We will also make copies available to other interested parties on request.

Please contact me at (202) 275-4128 if you or your staff have any questions concerning this report. Major contributors to this report are listed in appendix IV.



Joseph E. Kelley
Director, Security and International
Relations Issues

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Abbreviations

DEA	Drug Enforcement Administration
DOD	Department of Defense
USCINCPAC	Commander in Chief, U.S. Pacific Command

Size, Locations, and Operations of DEA Offices in Southeast Asia

As of April 1992, the Drug Enforcement Administration (DEA) offices in Southeast Asia were authorized 4 intelligence analyst positions and 39 special agent positions, most of which were located in Thailand. The positions in Southeast Asia accounted for 13 percent of all special agent and intelligence analyst positions in foreign offices.

Table I.1: Authorized Staffing Levels for DEA Special Agents and Intelligence Analysts in Southeast Asia

Location	1990		1991		1992	
	Agents	Analysts	Agents	Analysts	Agents	Analysts
Burma	2	1	3	0	3	0
Laos	0	0	0	0	0	0
Thailand						
Bangkok	14	2	14	2	14	2
Chiang Mai	5	1	5	1	5	1
Songkhla	4	0	4	0	4	0
Udon ^a	2	0	2	0	2	0
Hong Kong	4	1	5	1	5	1
Singapore	2	0	2	0	2	0
Malaysia	2	0	2	0	2	0
Philippines	2	0	2	0	2	0
Total	37	5	39	4	39	4

Note: All figures are as of April of the respective year.

^aUdon office opened in May 1990.

In foreign locations, DEA offices operate under political and administrative constraints that affect their structure and activities. For example, although DEA managers in foreign offices are responsible for all daily activities, the U.S. Ambassador has full authority over all DEA personnel and may disapprove or suspend any DEA activity the Ambassador believes may run counter to U.S. foreign policy interests. State Department and U.S. embassy officials informed us that the Ambassador also has the authority under a national security decision directive to limit the number of permanent U.S. personnel positions in each country. Further, DEA policies prohibit its personnel in foreign countries from engaging or participating in unilateral investigative activities outside the scope of agreements between the United States and the host government.

Table I.2 illustrates how the investigative activities of DEA offices in Burma, Thailand, Hong Kong, and Singapore compare with those of field offices in the United States. Special agents assigned to offices in Thailand,

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Singapore, and Hong Kong spent the largest portion of their time on class I case investigations, as did their counterparts in the United States. DEA categorizes cases into four classes to indicate the level of the investigation based upon the significance of the violator: class I investigations target the most significant violators and class IV investigations target the least significant violators. DEA's foreign offices open cases when they (1) provide information or funds to host-country enforcement actions that lead to an arrest of an individual or a seizure of drugs, (2) actively participate in a cooperative enforcement action that leads to an arrest or a seizure of drugs, or (3) assist DEA offices in the United States on a domestic case.

DEA offices in Southeast Asia, particularly the office in Burma, which had limitations on the extent to which it could interact with the host government, spent significantly more time collecting information for general file investigations than did their counterparts in the United States. These investigations include the collection and reporting of intelligence information on narcotics trafficking trends and information on an individual or a business firm that does not justify the opening of a case, that is, information that will not directly lead to an arrest of an individual or a seizure of drugs.

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Table I.2: Percentage of Total Work Hours of DEA Special Agents Assigned to Field Offices in Southeast Asia and the United States (Fiscal Year 1991)

Activity	Burma	Thailand	Hong Kong	Singapore	United States^a
Case investigations					
Class I	0	36	42	39	42
Class II	0	2	2	0	11
Class III	0	0	0	0	6
Class IV	0	0	0	1	1
General file investigations	56	31	21	18	7
Subtotal	56	69	65	58	67
Administration ^b	24	11	8	23	11
Other activities ^c	7	15	23	14	18
Other time ^d	13	5	4	5	4
Subtotal	44	31	35	42	33
Total	100	100	100	100	100
Total work hours^e	4,827	46,957	7,753	5,566	6,483,310

^aIncludes DEA field offices in the Bahamas, Barbados, the Dominican Republic, Haiti, Jamaica, Puerto Rico, and the U.S. Virgin Islands, all of which are part of the Miami field division, and DEA field offices in the United States.

^bFor supervisory personnel, includes supervisory, management, and staff activities; for nonsupervisory personnel, includes activities such as preparation of non-investigative reports, studies, maintenance of official automobiles and equipment, and attendance at staff meetings.

^cIncludes integrity and misconduct investigations, nondrug investigations, regulatory compliance programs, collection of broad intelligence that is not accounted for under general file investigations, liaison with other law enforcement agencies, training, public appearances, and all leave except holiday leave.

^dIncludes holiday leave and time that agents do not apply to other categories of activities.

^eIncludes administratively uncontrollable overtime and scheduled overtime

The following section discusses how political and administrative factors affect DEA structure and activities in Burma, Laos, Thailand, Hong Kong, and Singapore.

Burma

Burma, which produces about 80 percent of the heroin from Southeast Asia, is the world's largest source of illicit opium and heroin. Following the suspension of U.S. assistance after a military coup in September 1988, U.S. counternarcotics activities in Burma were reduced. As a result, the primary function of the DEA's office in Burma is intelligence collection, analysis, and reporting. Therefore, according to DEA statistics, special agents assigned to Burma spent no time on enforcement activities and case investigations in fiscal year 1991. Despite the lack of these investigations

and the importance of the office's intelligence function, DEA decided to change its intelligence analyst position to a special agent position in early 1991. This change did not address the Rangoon office request to USCINCPAC for an intelligence analyst to analyze the large amount of data it was collecting. On the basis of our review of the records for the Burma program, we concluded that the absence of an intelligence analyst led to a decline in the quantity and quality of DEA intelligence reporting in Burma. A DEA headquarters official stated that DEA headquarters was unaware of the DEA Rangoon office's request to USCINCPAC and that there was not a decline in reporting as a result of the change in position. On the basis of this and other factors discussed in this section, we question DEA's justification for this change.

In the late 1980s, according to DEA and State Department reports, the military government in Burma took actions that reduced the amount and effectiveness of its narcotics enforcement activities. First, in 1988 it shifted its police and army resources from eradication and drug law enforcement efforts to suppression of domestic political opponents. Further, the military government reached accommodations with insurgent groups that engage in narcotics trafficking. In doing so, the military government granted the groups autonomy over their areas—the major opium poppy growing and narcotics refining areas of Burma—and conceded local security functions to them, thereby severely limiting its ability to exercise law enforcement in those areas.

Following the coup, the U.S. government suspended all assistance, including narcotics assistance, to the military government, and the Ambassador directed DEA to discontinue all liaison and enforcement activities. In early 1990, DEA resumed liaison activities with the military government and in mid-1990, DEA resumed limited enforcement activities. However, the U.S. government has continued to rank human rights, not counternarcotics, as the primary U.S. policy concern in Burma. In an October 1991 statement to Congress, the Deputy Assistant Secretary of State for East Asian and Pacific Affairs said that while the U.S. government would like to be able to respond to opportunities that could arise to reduce the flow of heroin from Burma, it would do nothing that might undercut the U.S. government's strong stance against human rights abuses.

A senior DEA official told us that DEA and the State Department disagree over the U.S. government's policy priorities in Burma; DEA believes that counternarcotics should have a higher priority. A DEA report on Burma, dated April 1991, cites the State Department's emphasis on human rights

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as the probable cause of the U.S. government's determination that Burma has not cooperated in counternarcotics activities,¹ rather than a lack of cooperative actions or comprehensive narcotics enforcement efforts on the part of Burma's government. This document cites activities such as drug burns and refinery destructions as examples of the Burma government's efforts to reduce narcotics production and trafficking.

The State Department questions the legitimacy and effectiveness of these and other counternarcotics activities conducted by the military government in Burma, particularly in light of the military government's accommodations with insurgent groups and lack of opium eradication efforts since the coup. In March 1991 and February 1992, the President cited these issues in his determination that Burma's government had not cooperated fully with the United States or taken adequate steps on its own to control narcotics production and trafficking during 1990 and 1991.²

We received different explanations for DEA's decision in early 1991 to change the intelligence analyst position in Burma to a special agent position. According to the last intelligence analyst from the Rangoon office, DEA changed the position after a professional disagreement with the Rangoon country attache over the attache's representation of the military government's counternarcotics activities. The intelligence analyst stated that the country attache wanted to report the military government's drug burns and heroin refinery destructions in 1990 as sincere and significant counternarcotics efforts, even though the Rangoon office's intelligence information showed that the military government and narcotics traffickers had prearranged these events in an effort to justify the resumption of U.S. and other international counternarcotics assistance to Burma.³ In contrast, the intelligence analyst's assessment of these activities agreed with the assessment of the State Department and the Presidential Determination.

¹Section 481 (h) of the Foreign Assistance Act of 1961, as amended, requires the President to annually determine and certify to Congress that each major illicit drug producing or drug transiting country has cooperated fully with the United States or has taken adequate steps on its own to control narcotics production, trafficking, and money laundering as a prerequisite for obtaining full U.S. assistance under the Foreign Assistance Act or the Arms Export Control Act. For countries that would not qualify for certification, full U.S. assistance can still be provided if the President determines that it is in the vital interests of the United States to do so. The President last certified Burma as cooperating in narcotics activities in 1988.

²Presidential Determinations 91-22 and 92-18.

³We asked DEA headquarters for an opportunity to verify this information through an interview with the former Rangoon country attache. A DEA headquarters official, however, denied our request for this interview, stating that DEA headquarters made the decision to change the positions.

DEA's stated rationale was that DEA changed the positions due to an operational requirement for a third special agent in Burma who could conduct certain activities in remote areas that an intelligence analyst could not. However, neither DEA documentation nor DEA headquarters officials provided specific or convincing information to justify why the office would need a third special agent in view of the limited level of DEA activities. While not indicated by agency work hour statistics, DEA headquarters officials told us of five cases conducted by the Rangoon office's two special agents in fiscal year 1991.⁴ They could not provide an estimate of the amount of time agents spent on those cases. They also told us of one case in fiscal year 1992 in which the third special agent was a factor in DEA's decision to approve the investigation. These officials, however, did not say that DEA would not have approved this investigation if it were conducted without a third special agent.

We further question the DEA rationale because, according to a USCINCPAC official, the Rangoon country attache asked USCINCPAC to assign an intelligence analyst to the Rangoon office around the time that DEA changed the position. The country attache told this official that the office needed an intelligence analyst to analyze the large amounts of data it was collecting. In addition, according to an official from DEA's Office of Intelligence, DEA in 1991 requested two additional intelligence analyst positions in Thailand, one of which would have provided analytical support to the Rangoon office.

Laos

DEA operates no offices in Laos, the second largest opium producer in Southeast Asia and the third largest opium producer in the world. According to the March 1992 International Narcotics Control Strategy Report, the U.S. government will consider the establishment of a DEA office in Laos when the level of the Lao government's cooperation with DEA activities warrants it. Currently, DEA collects and analyzes information on Lao narcotics trafficking and conducts limited liaison activities with the Lao government from its offices in Bangkok and Udorn, Thailand.

According to the strategy report, the Lao government in 1991 appeared willing to begin cooperating with DEA by agreeing to establish a special police unit dedicated to counternarcotics duties. The report states that the U.S. government is seeking to establish a regular system of information exchange and cooperative liaison relationship between this unit and DEA

⁴The third special agent transferred to the Rangoon office on March 19, 1992.

personnel in Udorn, Thailand. However, according to DEA officials in Bangkok, as of July 1992 the Lao government had not yet established the counternarcotics unit and had shown no signs of increasing its level of cooperation with DEA in enforcement activities. According to State Department officials, the Lao government in August 1992 approved the establishment of the counternarcotics unit, and in September 1992 the United States and Laos signed an agreement which calls for the United States to provide support for this unit.

Thailand

Thailand is a major transit area and a minor producer of heroin from the Golden Triangle. The operations and staffing of DEA offices in Thailand depend on the level of cooperation of local law enforcement units and U.S. administrative limits on the number of personnel permanently stationed in the country.

DEA had cooperative working relationships with Thai law enforcement units in Bangkok, Chiang Mai, and Songkhla, which enabled DEA to conduct case investigations in 1991. The DEA office in Udorn, which opened in 1990 to work with the Lao government and proposed Lao counternarcotics unit, had no Lao counternarcotics unit with which to conduct cooperative enforcement activities and no working relationship with Thai units. As a result, the main function of this office was and continues to be collecting intelligence on the narcotics trafficking situation in Laos and northeastern Thailand, rather than conducting cooperative enforcement actions. In fiscal year 1991, special agents in the Udorn office spent only 2 percent of their total work hours on case investigations, unlike special agents from other offices in Thailand, who spent 30 percent or more of their time on case investigations.

In 1991, the Bangkok office informally requested that its staffing be increased by two additional intelligence analyst positions, one of which would have provided analytical support to DEA's office in Burma. The Ambassador denied this request, citing limits on the number of permanent U.S. personnel positions in Thailand. Although the Ambassador would have allowed DEA to change special agent positions to intelligence analyst positions, DEA did not do so for operational reasons. According to a DEA official in Bangkok, DEA needed existing special agent positions to support criminal investigations throughout Thailand.

According to an official from DEA's Office of Intelligence, DEA is planning to hire an intelligence analyst who is moving to Bangkok as a dependent of

another U.S. government employee. This analyst would be considered a local hire that would not count against the limit on permanent U.S. personnel positions in Thailand if the analyst worked less than full time. According to a State Department official, this hire will require the Ambassador's approval.

Hong Kong

Hong Kong is a major transit location for heroin leaving Southeast Asia and a money laundering center for narcotics-related proceeds. The Hong Kong office's area of responsibility includes Taiwan and China, two locations with no DEA office. Although DEA increased to five the number of special agent positions in the Hong Kong office, it has not yet been able to fully staff the office, according to DEA, because of budget constraints. The Hong Kong country attache expects to fill all vacant special agent positions by the end of calendar year 1992.

According to the Hong Kong country attache, the Hong Kong office received an additional special agent position in 1991 to handle the office's increasing liaison activities with Taiwan, an area that is growing in importance as a narcotics transit route and a safe haven for narcotics fugitives, as well as to augment the office's other operations. The office had also increased its staff by a special agent position in 1990 to work exclusively on developing cooperative enforcement activities with China, which is also growing in importance as a narcotics transit route.

As of September 1992, the Hong Kong office was understaffed by two special agents because DEA did not have the funds to replace agents who transferred from the office in November 1991 and June 1992. After a special agent unexpectedly transferred in 1991, the office's liaison activities with Taiwan temporarily declined until the country attache assigned responsibility for Taiwan to the agent responsible for China. The understaffed office, however, was able to continue its current level of activities with China, which had begun to decline prior to the time the office added the special agent position for China. According to the country attache, the office's enforcement activities with China decreased significantly in 1990 because the government of China withdrew its active support after one of its nationals, who was arrested in China for narcotics trafficking, was brought to the United States to testify in a narcotics case and then requested political asylum.

After a special agent transferred in June 1992, the office decreased the amount of time it spends on a financial enforcement operation that targets

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narcotics-related proceeds under a U.S.-Hong Kong agreement⁵ because it could no longer assign a special agent full-time to the operation. The country attache expects the office to increase the amount of time it spends on this operation after it fills a vacant special agent position in November 1992.

Singapore

Singapore is used by international heroin traffickers as a storage and transit area for heroin and as a money laundering center. According to the Singapore country attache, in September 1992 the Singapore government passed a drug trafficking and asset forfeiture bill, which if enacted into law, may increase the level of DEA operations in Singapore.⁶ Although the Singapore country attache believes the office requires an intelligence analyst position, the country attache does not expect to fill this position due to a shortage of DEA intelligence analysts.

According to the country attache, in 1991 the Singapore office informally requested an intelligence analyst position from DEA headquarters. The country attache planned for the analyst to collate and analyze financial data on money laundering in Asia and the United States, data which the office had collected under a special enforcement operation on the Chinese underground banking system, known as Operation CUBS. DEA headquarters disapproved the request for an intelligence analyst, citing a shortage in intelligence analyst positions throughout DEA. An official from DEA's Office of Intelligence told us that another factor was the need to use these limited resources against cocaine trafficking, the highest counternarcotics priority, rather than against heroin trafficking.

The country attache told us that the office still has a requirement for an intelligence analyst, which the country attache is attempting to fill with a USCINCPAC analyst. However, according to a DEA headquarters official, as of October 13, 1992, the Singapore office had not yet justified its requirement for an intelligence analyst.

⁵This agreement, implemented in January 1991, allows U.S. law enforcement agencies to submit information on narcotics-derived assets in Hong Kong, such as bank accounts and property, to Hong Kong authorities for possible forfeiture action under the Hong Kong Recovery of Proceeds Ordinance passed in September 1989.

⁶The Singapore office's area of responsibility includes Indonesia, a location with no DEA office. DEA closed its office there in July 1987 for operational reasons. According to the Singapore country attache, drug trafficking through Indonesia has little impact on the United States.

Contributions and Qualifications of DEA Intelligence Analysts Assigned to Southeast Asia

Three of the four DEA intelligence analysts in Southeast Asia have not completed the comprehensive intelligence projects specified in their position descriptions. DEA headquarters officials acknowledged poor performance by these analysts. However, they did not adequately explain the reasons for the poor performance and further disagreed with our conclusion that the analysts in question lack the knowledge, skills, and abilities recommended for their positions. Nevertheless, the overall quality of the contributions of DEA intelligence analysts assigned to Southeast Asia has declined significantly since the late 1980s.

DEA Intelligence Analyst Requirements

According to their position descriptions, DEA intelligence analysts in Southeast Asia are responsible for initiating, directing, and reporting on comprehensive research projects. These research projects cover narcotics trafficking and organized criminal groups in an assigned geographical area. In doing so, the analysts should

- apply their understanding of trafficking patterns and conditions and knowledge of current and past situations to develop and project data, draw conclusions, and estimate probabilities;
- identify areas needing further intelligence collection and develop the methodology for collecting required data; and
- use their expertise, whether in such areas as language, area studies, or knowledge of a particular trafficking organization, to debrief and evaluate informants who provide intelligence information.

Only one of the four DEA intelligence analysts in Southeast Asia has successfully initiated, directed, or reported on this type of comprehensive intelligence project. This intelligence analyst is currently managing a successful special field intelligence program in Thailand. The other three analysts have not yet demonstrated their ability to do this type of comprehensive intelligence collection and reporting in their current positions.

According to DEA officials in Thailand and Hong Kong, intelligence analysts in Southeast Asia need to have certain attributes to successfully complete the comprehensive intelligence projects specified in their position descriptions. These attributes include strong analytical skills, a background knowledge of narcotics trafficking in Southeast Asia, and the ability to work autonomously on intelligence projects.⁷

⁷According to DEA officials in Thailand, the Bangkok country office has no role in establishing selection criteria or selecting intelligence analysts for offices in Thailand.

However, according to a DEA headquarters official, DEA has no criteria for determining whether applicants for intelligence analyst positions in Southeast Asia have the regional or area knowledge, skills, and abilities needed to do the work specified in the position descriptions, other than the time-in-grade requirements stated on vacancy announcements. Further, according to an official from DEA's Office of Intelligence, DEA headquarters considers all applicants with performance ratings of fully successful or above as qualified for positions in Southeast Asia, regardless of their area of expertise.

Reduced Performance of DEA Analysts in Southeast Asia

DEA officials in Bangkok and Hong Kong agreed with our conclusion that three of the four intelligence analysts have not successfully fulfilled the reporting requirements specified in their position descriptions. In contrast to the analyst who successfully initiated, directed, and reported on a comprehensive intelligence project, these three analysts did not have, according to DEA field office officials, the recommended knowledge, skills, and abilities before transferring to Southeast Asia. For example, two of the three analysts had almost no relevant education, foreign language skills, or work experience in Southeast Asia or heroin trafficking, nor did they receive adequate training in those areas prior to their transfer to Southeast Asia.⁸ In addition, none of the three had demonstrated through recent work experience that they could do independent analyses and report writing or initiate and direct comprehensive intelligence projects before transferring to an office in Southeast Asia.

While DEA headquarters officials agree that three of the four analysts are not performing to DEA's expectations, they maintain that DEA considers all analysts currently assigned to Southeast Asia as qualified for their positions. An official also told us that DEA wants to develop intelligence analysts as generalists rather than area specialists. However, this official told us that on the basis of our comments DEA now plans to provide 3 to 4 months of area training to intelligence analysts selected for future position openings in Southeast Asia.

DEA officials in headquarters and field offices believe that foreign language skills should not be used as a selection criterion for intelligence analyst positions in Southeast Asia because such a requirement would severely restrict the size and makeup of the applicant pool. However, officials in Thailand believe intelligence analysts should demonstrate a working

⁸One analyst attended a 2-week training course in Chinese transliteration; the other analyst attended a 3-month Chinese language course.

**Appendix II
Contributions and Qualifications of DEA
Intelligence Analysts Assigned to Southeast
Asia**

knowledge of the local language or an aptitude for languages before their selection. They said that, once selected, the analyst should receive Thai language training before transferring to Thailand. These officials believe a knowledge of the Thai language would assist intelligence analysts in debriefing informants. Neither of the last two intelligence analysts assigned to Thailand received Thai language training before their transfers.

According to DEA headquarters officials, DEA did not have the time or money for Thai language training for the most recent two intelligence analysts assigned to Thailand. These officials told us that analysts assigned to Thailand do not require Thai language skills in order to successfully fulfill their reporting responsibilities. In order to direct field work, however, special agents do currently receive this training before they transfer to Thailand.

**Quality of DEA Intelligence
Analysts Has Declined**

The overall quality of DEA intelligence analysts in Southeast Asia in terms of analytical abilities, area expertise, and language skills has declined over the past few years. Four of the five analysts assigned to offices in Burma, Thailand, and Hong Kong in early 1989 were recognized by DEA officials in headquarters and in Southeast Asia as outstanding analysts. These four analysts, including the intelligence analyst removed from Burma, used their area expertise in reporting on various aspects of Southeast Asian heroin trafficking. The current group of four intelligence analysts includes only one analyst recognized as outstanding. This intelligence analyst was also part of the early 1989 group.

DEA is scheduled to select three intelligence analysts for positions that will open when analysts transfer from the Bangkok, Chiang Mai, and Hong Kong offices in mid-1993. One of the intelligence analysts scheduled to transfer is the only successful DEA intelligence analyst assigned to Southeast Asia. Unless DEA recruits fully qualified intelligence analysts that are capable of performing for these upcoming position openings, DEA's intelligence analyst capability in Southeast Asia will further decline.

USCINCPAC's Analytical Support

The fiscal year 1989 National Defense Authorization Act made the Department of Defense (DOD) responsible for (1) serving as the single lead federal agency for detecting and monitoring aerial and maritime transit of illegal drugs into the United States; (2) integrating U.S. command, control, communications, and technical intelligence assets dedicated to drug interdiction into an effective communications network; and (3) approving and funding state governors' plans for expanded use of the National Guard to support drug interdiction and enforcement operations. The Congress also directed DOD to increase its support to drug law enforcement agencies, including intelligence to promote detection and monitoring and to support interdiction efforts.

In August 1992, after exploring ways of meeting this counternarcotics mission, USCINCPAC approved a counternarcotics strategy for the Pacific theater, an area spanning from the west coast of the United States to the east coast of Africa and from the Arctic to the Antarctic. USCINCPAC developed the strategy as a multiagency, multinational cooperative strategy to impede the flow of heroin, the primary drug threat in the Pacific theater. As a step in fulfilling this strategy, USCINCPAC has assigned intelligence analysts to DEA foreign offices within the Pacific theater. According to DEA headquarters officials, DEA has not agreed to the USCINCPAC strategy, and USCINCPAC and DEA have no formal agreement covering the assignment of these intelligence analysts to DEA offices. In the past, DEA has agreed to the assignment of USCINCPAC intelligence analysts on a case-by-case basis. Although USCINCPAC analysts have made contributions to DEA offices, DEA officials said the analysts' reporting did not meet DEA expectations in all cases. DEA headquarters has postponed the assignment of additional USCINCPAC analysts while it conducts an assessment of DEA's field offices' requests for analysts in Southeast Asia.

USCINCPAC'S Counternarcotics Strategy Focuses on Intelligence Collection for Detection and Monitoring

According to USCINCPAC's counternarcotics strategy, the Pacific theater's vastness, lack of geographic choke points, and large number of ports and transit modes require an integrated intelligence effort to fulfill USCINCPAC's detection and monitoring operations. The strategy calls for the integration of narcotics trafficking information at an intelligence fusion center at Joint Task Force Five in Alameda, California, which has been in place since 1989. It also contains a counternarcotics analysis team at the Joint Intelligence Center, Pacific, in Honolulu, Hawaii, which was established in June 1992 to generate narcotics-related intelligence from all sources, including USCINCPAC intelligence analysts assigned to DEA foreign offices. From fiscal years 1990 through 1992, USCINCPAC spent about \$3.5 million

for these intelligence systems, including operational, automated data processing, and communications support.

Specifically, the USCINCPAC counternarcotics strategy consists of

- building consensus for a cooperative multiagency, regional approach to counternarcotics efforts;
- locating USCINCPAC intelligence analysts in U.S. embassies to support country team counternarcotics priorities;
- maintaining a responsive intelligence and operational structure in the rear (at Joint Task Force Five and the Joint Intelligence Center, Pacific) to support the forward-deployed intelligence analysts;
- providing automated analytic and communications capabilities to support robust, theater-wide counternarcotics activities; and
- conducting coordinated counternarcotics activities in accordance with the national counternarcotics strategy.

USCINCPAC's strategy also provides a framework for impeding the flow of narcotics on a regional basis in five major source and transshipment areas, including Southeast Asia. The framework for combatting heroin in Southeast Asia consists of

- assigning USCINCPAC intelligence analysts to DEA foreign offices to provide dedicated analytical support and serve as liaisons to the Joint Intelligence Center, Pacific, and Commander, Joint Task Force Five;
- providing support and training to host nation counternarcotics units; and
- detecting and monitoring aerial and maritime smuggling targets, using information generated from current and new intelligence systems.

USCINCPAC assigned the first intelligence analyst to Southeast Asia in June 1990. In 1991 and 1992, USCINCPAC analysts were assigned to DEA offices in Bangkok, Thailand, and Hong Kong.⁹ Each intelligence analyst is assigned for a 6-month period; DEA has the option of requesting additional 6-month assignments for each analyst. The intelligence analyst in Thailand began his third such assignment in July 1992, while the intelligence analyst in Hong Kong plans to return to a military unit at the end of his second assignment in October 1992. The analysts are provided at no direct cost to DEA. According to an USCINCPAC official, USCINCPAC will have spent about \$117,000 for the two intelligence analysts' travel and expenses through December 1992.

⁹USCINCPAC also assigned an intelligence analyst to the DEA office in Tokyo, Japan, during 1991-92.

Contributions of USCINCPAC Analysts

DEA officials in the Bangkok and Hong Kong offices believe USCINCPAC intelligence analysts have made significant contributions to each office; however, they expressed different degrees of satisfaction with the analysts' products. According to officials from the Bangkok office, the USCINCPAC analyst has made significant contributions to the office's intelligence program that covers narcotics trafficking organizations in northeastern Thailand and Laos. On the other hand, the Hong Kong country attache believes the USCINCPAC intelligence analyst, who was selected primarily for his Chinese language skills, has made significant contributions to the office in such areas as computerizing data bases and translating documents but has not met all DEA expectations for analytical reporting. These two analysts had different background knowledge and skills, which affected their ability to complete DEA intelligence projects successfully.

Since 1991 USCINCPAC and DEA foreign offices have helped increase the contributions of the USCINCPAC intelligence analysts by redefining their selection criteria and improving management systems. For example, according to USCINCPAC officials, the first USCINCPAC intelligence analyst assigned to Southeast Asia performed unsatisfactorily because he did not have a clear chain of command within the embassy and could not integrate effectively with the DEA country team. This situation improved after USCINCPAC replaced the analyst with one who had experience working with law enforcement agencies and DEA and USCINCPAC reassessed the analyst's chain of command and required him to report directly to a DEA supervisor in the Bangkok office for day-to-day tasking.

DEA Is Evaluating Analytical Requirements in Southeast Asia

We obtained differing views from DEA headquarters and Southeast Asia field offices on DEA's need for and the responsibilities of USCINCPAC intelligence analysts. Although USCINCPAC intelligence analysts have made contributions to DEA's intelligence activities, as of October 1992, DEA has not determined whether DEA offices in Southeast Asia need the assistance of USCINCPAC analysts.

According to a DEA headquarters official, DEA is assessing its analytical requirements in Southeast Asia because DEA offices there have not yet justified their need for additional analytical support. In November 1989, USCINCPAC proposed that it support DEA operations in Southeast Asia. According to USCINCPAC officials, DEA headquarters and field offices agreed on a case-by-case basis to assign USCINCPAC intelligence analysts to DEA offices in the Pacific theater. In early 1992 DEA appointed a new Deputy Assistant Administrator for International Programs, who in July 1992

postponed the assignment of a USCINCPAC analyst to the Singapore office in order to evaluate the office's need for and responsibilities of the analyst. He believed the analyst position had not yet been properly justified. This assessment had not been completed as of October 13, 1992. The Deputy Assistant Administrator plans to visit with the country attaches and assess their requests for intelligence analysts on a case-by-case basis. However, according to the Singapore country attache, the Singapore office requested a USCINCPAC intelligence analyst after DEA headquarters denied its request for a DEA analyst, citing a shortage of intelligence analysts throughout DEA. DEA officials in Burma, Bangkok, and Hong Kong offices also expressed a need for additional USCINCPAC intelligence analysts.

In August 1992 DEA headquarters officials asked USCINCPAC to assign intelligence analysts to DEA headquarters, rather than to DEA's foreign offices, because they believe this support would be better utilized in headquarters. According to USCINCPAC officials, USCINCPAC informed DEA headquarters that USCINCPAC analysts had to be assigned within the Pacific Theater. In September 1992, the Deputy Assistant Administrator postponed the assignment of a replacement USCINCPAC analyst to the Hong Kong office because DEA is assessing its requirement for analytical support there. According to this official, the fact that USCINCPAC currently provides analysts at no cost to DEA will not be a factor in his assessment of DEA's analytical requirements.

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