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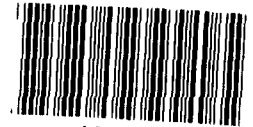
United States General Accounting Office 132186

Briefing Report to the Honorable Frank
H. Murkowski, United States Senate

January 1987

DRUG CONTROL

International Narcotics Control Activities of the United States



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United States
General Accounting Office
Washington, D.C. 20548

National Security and
International Affairs Division

B-225282

January 30, 1987

The Honorable Frank H. Murkowski
United States Senate

Dear Senator Murkowski:

In response to your request of June 19, 1986, we are reviewing the U.S. international narcotics control program. As agreed with your office, our primary objectives are to (1) provide an overview of federal efforts to curb the international cultivation and production of illicit narcotics and (2) examine the administration of these efforts in two recipient countries. This briefing report addresses the first objective by providing information on the roles and programs of organizations involved in international narcotics control. It also provides information on the linkage of U.S. foreign assistance to progress made by recipient governments in controlling narcotics production and trafficking. A subsequent report will examine the administration and implementation of U.S. narcotic control programs in Pakistan and Thailand.

The United States has had a long history of support for international narcotics control. It was not until 1967, however, that the United States began to actively support international efforts to control the cultivation and production of narcotics. Current efforts to curb the extent and impact of drug abuse in the United States are guided by the 1984 National Strategy for Prevention of Drug Abuse and Drug Trafficking. This provides a broad framework for the U.S. drug abuse control program which, for fiscal years 1985 and 1986, was funded at a level of approximately \$1.7 billion a year. The National Strategy links the five major elements of the administration's drug program--international cooperation, drug law enforcement, drug abuse education and prevention, medical detoxification and treatment, and research. Estimated budget outlays for the three major federal agencies involved in international narcotics control (see page 2) amounted to \$121 million, or 7 percent of the total federal drug abuse control effort.

Through its international narcotics control program, the United States (1) seeks to convince foreign governments to control the cultivation, production, and refinement of illicit drugs and (2) provides aid for narcotics crop control and other law enforcement activities.

U.S. ORGANIZATIONS INVOLVED IN
INTERNATIONAL NARCOTICS CONTROL

Although nine federal agencies are involved in U.S. international narcotics control and enforcement, major responsibilities for the program are assigned to three agencies: the Department of State's Bureau of International Narcotics Matters (INM), the Drug Enforcement Administration (DEA), and the Agency for International Development (AID).

Through statutory mandates and delegated authorities, INM is responsible for developing, coordinating, and implementing the overall international narcotics control strategy of the United States. Its strategy for controlling narcotics is based on enlisting the cooperation and support of foreign governments. This is accomplished by diplomatic efforts, assisting in crop control and interdiction, training foreign personnel, participating in international organizations, and providing technical assistance to reduce international demand. During fiscal year 1986, INM budgeted \$60 million in assistance to 10 major narcotic producing and transit countries, 2 international organizations, and several lesser producing countries through its regional programs. Approximately \$118.4 million has been appropriated for fiscal year 1987 INM activities. This includes a supplemental appropriation of \$53 million provided primarily to carry out the provisions of the International Narcotics Control Act of 1986. Table 1 lists the major recipients of INM assistance during fiscal year 1986.

Table 1: Major Recipients of INM Assistance, Fiscal Year 1986

<u>Country</u>	<u>INM assistance</u> <u>(millions)</u>
Mexico	\$11.6
Colombia	10.6
Burma	6.3
Bolivia	3.9
Peru	3.7
Thailand	3.6
Pakistan	3.4

INM has placed its highest priority on crop control in source countries and its second priority on interdicting drugs as they are transported to the United States. INM spent 74 percent of its funds on these two efforts during fiscal year 1986.

As the lead federal agency for drug law enforcement, DEA plays an important role in U.S. efforts to control the international flow of narcotics. DEA provides expertise, technical assistance, and training to drug law enforcement officials in foreign countries; participates in collecting and sharing international narcotics intelligence; and, where authorized, assists in investigations. DEA helps host governments to develop programs aimed at reducing the supply of drugs at or near their agricultural source, immobilizing foreign laboratories, identifying export staging areas, and interdicting illicit drug shipments. DEA's international efforts are conducted in 42 foreign countries by 242 special agents. These activities were funded at a level of \$42.3 million during fiscal year 1986.

AID has two efforts underway that address drug problems in narcotic-producing developing countries: area development projects and a narcotics awareness program. While not strictly targeted toward narcotics control, area development projects attempt to improve the overall quality of life of those living within the confines of the project. When located in a narcotics producing region, this type of project may include aid on agricultural research, providing alternative or substitute crops, and roads and irrigation systems. AID currently has four area development projects in Bolivia, Peru, Pakistan, and Thailand. These projects were funded at an estimated level of \$14.4 million in fiscal year 1986. First initiated in fiscal year 1985, AID's narcotics awareness program is designed to inform opinion leaders and the general public of source countries about the harmful effects of narcotic production, trafficking, and abuse on their own societies. Narcotic awareness programs have been initiated in seven countries and were funded at an estimated level of \$1.3 million in fiscal year 1986.

LINKING FOREIGN AID LEVELS
TO NARCOTIC CONTROL EFFORTS

In some instances, the United States needs to take additional action to gain host-country cooperation in curbing the flow of illicit drugs to the United States. When this situation arises, the United States has several ways of gaining additional host-government

support, to include linking foreign assistance to the recipient's narcotic control efforts. This link is achieved through (1) annual certifications by the executive branch that the foreign aid recipient is taking adequate steps to control illicit narcotics production and trafficking, (2) legislative restrictions or sanctions on foreign aid levels, and (3) the inclusion of various narcotic-related conditions in foreign aid project agreements.

As most recently amended by the International Narcotics Control Act of 1986 (Public Law 99-570)¹, section 481 of the Foreign Assistance Act of 1961 generally requires the withholding of 50 percent of the economic and military assistance allocated to illicit drug producing countries. This is automatic unless the President certifies to the Congress that a country has cooperated with the United States or has taken adequate steps on its own to control illicit narcotics distribution into the United States. According to the Department of State, section 481 has been invoked only once. This occurred in 1980 when, for numerous reasons, assistance to Bolivia was temporarily suspended.

Legislative sanctions are also used to encourage countries to curb the cultivation and production of illicit narcotics. The most recent example of this approach occurred in 1985 when Congress showed its displeasure with the narcotic control efforts of Bolivia and Peru. Through legislation, selected types of foreign economic and military assistance were tied to the attainment of certain predetermined narcotic control actions by these two countries. While Peru was able to meet its 1986 goals and receive full funding, Bolivia was able to receive only half of its fiscal year 1986 economic support fund and military assistance allocation.

At the project level, the United States attempts to encourage foreign aid recipients to curb the cultivation of narcotics by including various narcotic related requirements in project assistance agreements. If narcotic plants are growing within the confines of a proposed project, conditions in the agreement tie project funding to certain narcotic control efforts by the recipient government. Examples of this approach may be found in AID's Chapare Regional Development Project in Bolivia, which conditions project funding on such host-government actions as (1) establishing, training,

¹This act is part of the Anti-Drug Abuse Act of 1986.

and deploying a narcotics enforcement unit to the project area and (2) developing and implementing a U.S.-approved coca eradication plan.

In those project locations where no narcotic plants are growing, a "poppy/coca clause" is included in the project agreement. These clauses are designed to deny project benefits to areas in which narcotics are grown by providing for the termination of U.S. assistance if poppy/coca cultivation begins in areas receiving U.S. funds. According to AID, the poppy clauses have been invoked only one time during the past 5 years, and that was for a Pakistani project.

REPORTED STATUS OF
INTERNATIONAL NARCOTICS CONTROL

International narcotics control has been the topic of numerous GAO reports (see appendix VI). These reports have highlighted such problems as the need for stronger host-country commitment to narcotics control, the general lack of resources to address the problem, the need for greater information sharing and coordination among federal agencies, and the many constraints facing crop substitution programs. While some progress has been made by source countries in their efforts to curb drug production, many of the problems identified in past GAO reports continue to confront U.S. and source country efforts. For example, INM reports that some source country efforts to reduce and/or control the production of illicit drugs continue to be hampered by such constraints as the lack of a strong commitment to curb narcotics production, corruption within the law enforcement sectors, the lack of resources within the criminal justice system, a failure to enforce existing laws, and source countries' lack of control over major drug producing regions.

While many problems remain in the effort to curb the cultivation, production, and transport of illicit narcotics, some progress has been made. For example, INM cites progress in eradicating marijuana in Belize, Colombia, and Jamaica; progress in developing and testing herbicides for use against coca in Colombia; progress in attacking cocaine refining and production facilities in Peru; and progress in eradicating opium poppy in Burma and Thailand. INM also cites the much publicized joint U.S.-Bolivian operation against cocaine laboratories and the expanded U.S.-Mexican opium and marijuana eradication campaign as examples of recent narcotics control initiatives.

Recent setbacks to U.S. narcotics control efforts have occurred in some source countries, most notably Mexico and Pakistan. Mexico is now the largest source of marijuana and heroin imported into the United States. Mexican marijuana production, for example, has increased from a range of 300 to 500 metric tons in 1981 to a range of 3,000 to 4,000 metric tons in 1985. According to the National Drug Enforcement Policy Board and INM, this increase is primarily the result of inefficiencies in the Mexican eradication program and corruption.

Efforts to suppress opium cultivation in Pakistan suffered a severe setback in early 1986 when, in the face of violent protests by farmers, the Pakistani government halted belated efforts to enforce a ban on the growing of opium poppies. This was one of several factors that caused opium production to increase from an estimated 40 to 50 metric tons in the 1984-85 growing season to 100 to 150 metric tons in the 1985-86 season. INM has stated that U.S. concerns over this increased level of opium production have been made known to the Pakistani government, which has recently reaffirmed its commitment to opium poppy eradication.

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In conducting our review, we interviewed representatives and reviewed records from INM, AID, and the DEA in Washington, D.C. We reviewed applicable foreign aid legislation, congressional reports, and congressional hearings. We obtained and analyzed studies and prior GAO reports relating to the U.S. international narcotics control effort. We also reviewed past and present narcotics control strategy reports and documents used to develop these reports. We did not attempt to determine the overall effectiveness of the U.S. international narcotics control program nor did we verify the information contained in the various international narcotics control reports.

We discussed a draft of this report with appropriate agency officials, who generally agreed with the report's contents. As requested by your office we did not obtain official agency comments. We conducted our work in accordance with generally accepted government auditing standards.

Unless you publicly announce its contents earlier, we plan no further distribution of this report until 10 days from its date. At that time, we will send copies to the Senate Committee on Foreign Relations, the House

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Committee on Foreign Affairs, and other appropriate House and Senate Committees; the Director, Office of Management and Budget; the Secretary of State; the Attorney General; the Administrators of the Agency for International Development and the Drug Enforcement Administration; and other interested parties.

Sincerely yours,

A handwritten signature in cursive script that reads "Frank C. Conahan". The signature is written in dark ink and is positioned above the typed name.

Frank C. Conahan
Assistant Comptroller General

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ABBREVIATIONS

AID	Agency for International Development
ARS	Agricultural Research Service
DEA	Drug Enforcement Administration
GAO	General Accounting Office
INM	Bureau of International Narcotics Matters
NNBIS	National Narcotics Border Interdiction System

BACKGROUND AND INTRODUCTION TO
INTERNATIONAL NARCOTICS CONTROL

Drug abuse is a major national and international problem with adverse social, political, and economic impacts on producer, transit, and consumer nations. Initially viewed as a problem primarily in industrialized consumer nations, drug abuse is now recognized as a major concern in many narcotic producing countries. For example, while Pakistan reported a negligible heroin addict population in 1980, a recent Pakistani study estimated the addict population to be as high as 300,000 persons in 1985. The costs associated with drug abuse can be high, both in its direct effects (e.g., impact on a nation's economic production or increased health care costs) and indirect effects (e.g., widespread corruption, disruption of the judicial process, or links to subversion and organized crime). The international community has agreed that drug abuse issues must be dealt with comprehensively at a global level.

THE INTERNATIONAL RESPONSE
TO DRUG ABUSE PROBLEMS

The United States is not alone in its efforts to curb illicit drug production and abuse. Numerous developed and less developed countries and international and regional organizations have joined in efforts to address the drug problem. Foreign governments have long recognized the international implications of drug abuse and have entered into numerous international treaties and conventions to control the cultivation, manufacture, and distribution of illicit narcotics. Two of the most well known conventions of which the United States is a signatory are the 1961 Single Convention on Narcotic Drugs and the 1971 Convention on Psychotropic Substances.¹ As of December 1986, 118 countries were parties to the 1961 Convention and 84 countries were parties to the 1971 Convention.

International concern over drug-related matters has recently increased. At the Bonn Economic Summit of Industrialized Countries in May 1985, the heads of state and governments from

¹The Single Convention on Narcotic Drugs provides the mechanism for international cooperation through essentially voluntary restraints on the cultivation, production, manufacture, and import and export of opium and opium products. The Convention on Psychotropic Substances is aimed at limiting the manufacture, distribution, and use of mind-altering drugs, such as LSD, mescaline, amphetamines, barbiturates, and tranquilizers, to legitimate medical and scientific purposes.

seven nations (Canada, Federal Republic of Germany, France, Italy, Japan, United Kingdom, and the United States) agreed on the need for a higher priority on narcotic control measures. The Summit was followed by further narcotics-related discussions at the May 1986 Tokyo Economic Summit. The drug issue was also the subject of several regional and international conferences during 1986.

Several international undertakings that could affect the control of illicit narcotics are planned for the near future. For example, the United Nations Commission on Narcotic Drugs has established the framework necessary for developing a new international convention on narcotics trafficking. The convention will address such issues as asset forfeiture and seizure, extradition, mutual legal assistance, and money laundering. The Department of State reports that the Secretary General of the United Nations has also called for a world conference on narcotics and drug abuse, which will be held in June 1987 in Vienna.

INITIAL U.S. EFFORTS TO CURB THE INTERNATIONAL FLOW OF NARCOTICS

The United States has a long history of support for international narcotics control. Until the early twentieth century, however, U.S. interest in the international drug problem centered on humanitarian concerns, particularly on missionary-inspired interests in the welfare of the people of China. The Department of State, although involved from the onset, has been the primary coordinating agency for international drug policy only since the early 1970's, and only since 1978 has the Department been responsible for implementing programs overseas.

Initial U.S. involvement in international narcotics production control began in 1967 when the Agency for International Development (AID) allocated funds to provide enforcement assistance and agricultural equipment for opium poppy control and crop substitution in Turkey. Between 1971 and 1973, AID financed, managed, and implemented the majority of U.S. international narcotics control assistance. Congress first appropriated funds specifically for international narcotics control for fiscal year 1974, and in November 1973, the Secretary of State delegated the responsibility for administering the program to a Senior Advisor in the Department of State. This program provided technical assistance, equipment, supplies, and training to key producing and trafficking countries. Most of the expenditures, however, were programmed, implemented, and monitored by AID.

During fiscal year 1978, the Department of State assumed those narcotic control functions previously performed by AID, and in October 1978, Congress approved creation of the Bureau of International Narcotics Matters (INM) in the Department of State. The Bureau is responsible for planning and coordinating foreign drug control activities, through diplomatic efforts and targeted economic assistance programs, and provides the focus for integrating narcotic control considerations within the general foreign policy of the United States. INM is funded at a level of \$118.4 million for fiscal year 1987.

THE NATIONAL STRATEGY AND
INTERNATIONAL NARCOTICS CONTROL

Federal efforts to curb the extent and impact of drug abuse in the United States are guided by the 1984 National Strategy for Prevention of Drug Abuse and Drug Trafficking. The National Strategy links the five major elements of the administration's drug program--international cooperation, drug law enforcement, drug abuse education and prevention, medical detoxification and treatment, and research. The National Strategy, which is published by the White House Drug Abuse Policy Office, provides a broad framework for the overall U.S. drug abuse control effort. The policy document is augmented by National Drug Enforcement Policy Board² plans and reports and the State Department's annual International Narcotics Control Strategy Report.³ The National Strategy also outlines numerous U.S. government domestic and international efforts to reduce the supply of and demand for illicit drugs and clarifies the roles of the 37 federal departments and agencies involved in drug enforcement and drug abuse prevention. Nine of these federal agencies are involved in international narcotics control and enforcement.

As shown by table I.1, the federal effort to control drug abuse centers around drug law enforcement activities, which accounted for over four-fifths of the \$1.7 billion to be spent on drug abuse control during fiscal year 1986. Approximately \$121 million, or 7 percent of the total federal effort, will be spent in the area of international narcotics control during this period.

²The National Drug Enforcement Policy Board is a cabinet-level board, chaired by the Attorney General, designed to improve narcotics policy development and coordination (see p. 32).

³The International Narcotics Control Strategy Report is a legislatively mandated annual report prepared by the Department of State's Bureau of International Narcotics Matters. This report provides a country-by-country analysis of the narcotics situation in producing and transit countries.

Table I.1: Federal Drug Abuse Budget Expenses

	Fiscal year				
	1982	1983	1984	1985	1986 (est.)
	-----(millions)-----				
Federal Drug Law Enforcement					
International					
Narcotics Control	\$ 75.20	\$ 84.20	\$ 84.46	\$ 107.20	\$ 120.90
Border Interdiction	385.60	528.70	579.50	636.70	649.00
Federal Criminal					
Investigation	174.40	275.10	304.40	312.20	313.20
Corrections	85.30	92.90	134.55	154.85	156.80
Regulatory and					
Compliance	63.40	72.10	78.90	78.20	84.90
Federal Prosecution	21.20	34.40	47.70	56.50	59.40
Intelligence	20.65	28.65	29.25	29.95	30.65
State and Local					
Assistance	20.30	22.00	25.40	29.90	23.60
Research and					
Development	7.20	7.94	8.30	10.53	8.32
Subtotal	\$ 853.25	\$ 1,145.99	\$ 1,292.36	\$ 1,416.03	\$ 1,446.77
Federal Health-Related					
Drug Abuse Programs	\$ 308.80	\$ 223.70	\$ 222.90	\$ 267.20	\$ 279.10
Total, Federal Drug Abuse Budget	\$ 1,162.05	\$ 1,369.69	\$ 1,515.26	\$ 1,683.23	\$ 1,725.87

Source: Federal Drug Abuse Budget Summary, May 17, 1985.

The federal drug abuse effort has been expanded by the recent enactment of the Anti-Drug Abuse Act of 1986 (Public Law 99-570). This act authorizes additional funds for drug enforcement, eradication and interdiction, and for education, treatment, and rehabilitation programs.

The importance of international narcotics control is highlighted by the fact that more than 90 percent of the marijuana, cocaine, heroin, and related drugs consumed in the United States is produced in other nations. Congress has increased the appropriation to the Department of State for international narcotics control assistance from approximately \$57.5 million for fiscal year 1986 to \$118.4 million for fiscal year 1987. (See p. 16.) The United States believes that unless international supplies are curtailed, efforts to control drug abuse in the United States will not be successful. The National

Strategy, therefore, places primary emphasis on controlling drug production at its source, with enforcement against drug trafficking occurring as close to the production source as possible.

The U.S. international narcotics control program seeks to (1) convince foreign governments to control the cultivation, production, and refinement of illicit drugs and (2) the assist in narcotics control by providing aid for crop control and other law enforcement activities, which may be complemented by appropriate development activities. Through these international efforts, the United States hopes to encourage mutual concern and shared responsibility with other nations that will provide long-term improvement in the international effort to control drugs.

The National Strategy calls upon world leaders and governments to condemn illegal drugs and to take aggressive action to stop the production, transportation, and use of such drugs. It is important to note that in those instances where it may be necessary and/or appropriate, the National Strategy calls for the United States to tie decisions on foreign assistance and other such matters as debt refinancing to the willingness of the recipient country to execute an enforcement program against narcotics traffickers.

U.S. ORGANIZATIONS INVOLVED IN
INTERNATIONAL NARCOTICS CONTROL

U.S. efforts to encourage foreign governments to control the cultivation, production, and refinement of illicit drugs involve the coordinated activities of several federal agencies. These agencies and their respective roles and activities in the international control of narcotics are outlined in the 1984 National Strategy for Prevention of Drug Abuse and Drug Trafficking and summarized below.

1. The Department of State is responsible for coordinating all U.S. drug control efforts, diplomatic initiatives, and bilateral and multilateral assistance for crop control and interdiction overseas.
2. The Drug Enforcement Administration (DEA) is the lead agency for drug law enforcement. It provides technical assistance and training (funded by the Department of State) to foreign drug law enforcement officials and promotes the collection and sharing of international narcotics data.
3. AID provides development assistance to source countries to generate alternative sources of income and employment and improve living standards in narcotics producing areas. AID also attempts to inform opinion leaders and the general public of source countries about the adverse effects of drug production and abuse.
4. The U.S. Information Agency provides public affairs support through its posts in U.S. embassies in countries where illicit drug production and/or trafficking has been identified as a priority issue.
5. The Department of Agriculture, through the Agricultural Research Service, assists in crop substitution programs and research on agricultural alternatives to narcotics crops and offers advice on herbicidal eradication programs.
6. The Central Intelligence Agency provides strategic narcotics intelligence and is responsible for coordinating foreign intelligence on narcotic matters.
7. The National Institute for Drug Abuse provides technical information to international health service officials on treatment and prevention practices and epidemiological methods and findings.
8. Units within the Departments of Justice, State, and Treasury are concerned with offshore banking practices and extradition treaties.

Although not initially considered a primary federal department in the international narcotics control effort, the Department of Defense has become more involved by providing support for recent drug interdiction activities in Bolivia. The Department's involvement in "Operation Blast Furnace" was initiated by a request for narcotics control assistance by the Bolivian government and a certification by the Attorney General and the Deputy Secretary of Defense that an emergency justifying U.S. military assistance existed in Bolivia. During this operation, the Department provided logistical support to the joint DEA-Bolivian national police effort to destroy cocaine processing and drug storage sites. (See p. 44.)

While numerous federal agencies are involved in international narcotics control and enforcement, the major responsibilities are assigned to three agencies: the Department of State's Bureau of International Narcotics Matters, DEA, and AID. Of the three, INM has the lead role, as it coordinates all U.S. international drug control efforts. A more detailed discussion of the roles and programs of these primary agencies, as well as those of other organizations, appears on pages 17 through 32.

The international narcotics control program will greatly expand in fiscal year 1987 as additional funds have been made available. The 1987 Foreign Assistance and Related Programs Appropriations Act (Public Law 99-591) appropriates \$65.45 million to the Department of State for international narcotics control. This is an increase of approximately \$8 million over the level appropriated for fiscal year 1986. Additional funding for this activity is provided by the Omnibus Drug Supplemental Appropriations Act of 1987 (Public Law 99-591), which appropriates an additional \$53 million to the Department of State. This act also appropriates \$2 million to the U.S. Information Agency for drug education abroad and \$3 million to AID for its narcotic awareness activities.¹

Foreign assistance funds have also been earmarked for narcotic control purposes. For example, the International Narcotics Control Act of 1986 (Public Law 99-570) earmarks \$2 million in international military education and training funds for the training of personnel in the operation and maintenance of narcotics control aircraft.

The 1987 Foreign Assistance and Related Programs Appropriations Act also provides incentives for countries that are notably

¹The Foreign Assistance and Omnibus Drug Supplemental Acts are both parts of the Continuing Appropriations for fiscal year 1987.

responsive to U.S. narcotics concerns. This act allows for the provision of up to \$20 million in economic support funds to those countries already receiving international narcotics control assistance and making progress in efforts to control illicit drugs. These funds are designed to provide (1) a positive encouragement for those countries making serious progress in drug eradication and interdiction and (2) a positive incentive for countries to accelerate programs for illicit drug control.

DEPARTMENT OF STATE

Although narcotics control has been a foreign policy issue since the early 1970's, a Department of State bureau dedicated to international narcotics control has existed only since 1978. Initial U.S. involvement in programs aimed at the international control of narcotics began in 1967 when AID authorized a \$3 million loan to provide enforcement assistance and agricultural equipment for opium poppy control and crop substitution in Turkey. Between 1971 and 1973, AID, using contingency funds provided by the Foreign Assistance Act of 1961 (as amended), financed, managed, and implemented almost all U.S. narcotics assistance. During 1974 the policy formulation and program coordination aspects of the international narcotics control program were transferred to the Department of State, which assumed responsibility for providing technical assistance, equipment, supplies, and training to key producing and trafficking countries. Funding and program implementation responsibility, however, continued to reside with AID. In 1978, the Department of State assumed those narcotic control functions previously performed by AID.

According to the Department of State, INM is the only organizational unit of its senior rank or size dedicated to drug control in any foreign ministry. The Department notes that the program was initially the responsibility of an advisor to the Secretary of State, then a senior advisor, and then, effective in 1978, an Assistant Secretary of State. INM inherited the advisory function and the foreign grant assistance program component of AID's Public Safety Program (effectively abolished by Congress in 1974). Like the Refugee Bureau and the Counter-Terrorism Office, INM is a programming bureau, fully integrated into the Department of State.

Goals and Objectives

The Department of State is the pivotal agency in the planning, implementation, and monitoring of U.S. international anti-drug policy. Through statutory mandates and delegated authorities, INM is responsible for developing, coordinating, and implementing the overall international narcotics control

strategy of the United States. One of the primary functions of INM is to ensure that the issue of narcotics control is considered a priority on the foreign policy agendas of the United States and other nations. Through a program of negotiating and supporting bilateral agreements to eradicate illicit crops, and by supporting enforcement in producing and transit nations, INM attempts to raise the priority of narcotics control as a bilateral and regional issue.

The major drug producing and trafficking nations are parties to conventions which obligate them to control the production and distribution of illicit drugs. The Department's international strategy is to encourage and, where necessary, assist these countries in meeting their responsibilities for reducing the cultivation and production of and trafficking in illicit drugs within their borders. The international strategy is implemented by the Department of State through the following activities:

- diplomatic efforts to develop international support for joint drug control activities;
- bilateral assistance for crop control and interdiction programs;
- participation in international organizations to increase drug control efforts in producing countries, especially in those where U.S. bilateral influence is less effective;
- training of foreign personnel in drug control functions to strengthen interdiction and enforcement efforts;
- guidance, coordination, and support of the work of all U.S. government agencies involved in illicit drug control abroad; and
- public awareness program development and technical assistance for international demand reduction.

Recipients of International Narcotics Control Assistance

The Department of State currently provides bilateral and multilateral narcotics control assistance to 10 narcotic producing and transit countries and two international organizations. Bilateral assistance is also provided on a more limited, short-term basis through INM's regional activities. INM's assistance takes many forms, including grants, training, the provision of commodities and equipment, and consultants and advisors. INM funding can be categorized as follows:

1. Country programs - Bilateral assistance (i.e., funding, commodities, training, and other services) to specific countries and regions to support drug eradication, interdiction, and education efforts.
2. International organizations - Grants for multilateral activities that complement U.S. bilateral narcotics control programs (e.g., the Colombo Plan, the United Nations Fund for Drug Abuse Control).
3. Interregional programs - Funds provided to other federal agencies to reimburse them for the training of foreign government officials in the United States and in host countries. Primary federal agencies involved in this program are DEA and the U.S. Customs Service.
4. Program development and support - Technical and administrative support for the overall program.

The provisions of bilateral assistance to narcotic producing and transit countries accounted for approximately 80 percent of the INM effort between fiscal years 1981 and 1986. During this period, INM has annually funded activities in 10 countries--6 in Latin America, 2 in Southeast Asia, and 2 in Southwest Asia. As shown in table II.1, INM funding for country programs doubled between fiscal years 1981 and 1986 with the primary beneficiary being Latin America. The major recipients of INM funding since fiscal year 1981 have been Mexico (\$70.6 million), Colombia (\$48.4 million), and Burma (\$39.5 million). Appendix V provides additional details on the funding levels for the specific recipients.

Types of Narcotic Control Programs

INM's ultimate objective is to simultaneously control the cultivation and production of illicit narcotics in those regions that primarily export to the United States, resulting in significant and lasting reductions in availability. INM believes that a program including crop control and enforcement components will accomplish this goal. INM has therefore placed its highest priority on crop control in source countries through eradication and national bans on the production of narcotics. Its second priority has been placed on the interdiction of drugs as they are transported from producing countries to the United States. INM has allocated approximately 75 percent of all international narcotic control funds for these two activities since fiscal year 1981. Table II.2 provides a more detailed summary, by functional activity, of INM funding since fiscal year 1981.

Table II.1: International Narcotics Control Program of the Department of State, Summary of Appropriations

	Fiscal year						
	1981	1982	1983	1984	1985	1986	1987 (planned)
	----- (thousands) -----						
Country Programs							
Latin America	\$17,095	\$14,557	\$16,082	\$22,385	\$28,014	\$39,760	\$ 64,900
East Asia	7,541	9,257	8,526	5,622	8,219	10,127	14,500
Southwest Asia	1,520	3,700	4,000	4,435	4,218	3,503	7,245
Aviation Support	0	0	0	0	0	0	16,500
Subtotal	<u>\$26,156</u>	<u>\$27,514</u>	<u>\$28,608</u>	<u>\$32,442</u>	<u>\$40,451</u>	<u>\$53,390</u>	<u>\$103,145</u>
International Organizations	\$ 2,300	\$ 2,125	\$ 2,150	\$ 2,575	\$ 2,807	\$ 70	\$ 4,000
Interregional Programs	3,925	3,169	3,349	3,600	4,050	3,925	6,500
Program Development and Support	<u>2,349</u>	<u>2,245</u>	<u>2,427</u>	<u>2,524</u>	<u>2,731</u>	<u>2,618</u>	<u>4,800</u>
Total	<u>\$34,730</u>	<u>\$35,053</u>	<u>\$36,534</u>	<u>\$41,141</u>	<u>\$50,039</u>	<u>\$60,003</u>	<u>\$118,445</u>

Source: Department of State.

To control the cultivation and production of narcotic producing plants in foreign countries, the United States must rely upon agreements with and effective enforcement actions of the host governments. Once the foreign government has offered its cooperation, narcotic crop control can be accomplished through

- chemical eradication (which has been used by Mexico in its opium and marijuana control programs, by Colombia, Panama, and Belize to control marijuana, and by Burma to control opium);
- manual eradication (which has been used to control opium poppies in Burma and Thailand, marijuana in Mexico, and coca in Peru, Bolivia, Ecuador, Brazil, and Colombia); and
- government bans on cultivation (which are enforced in Turkey and Pakistan--the latter supported by eradication).

Table II.2: International Narcotics Control Program of the Department of State, by Functional Activity

	Fiscal year						
	1981	1982	1983	1984	1985	1986	1987 (planned)
	----- (thousands) -----						
Crop Control/ Eradication	\$ 9,294	\$10,674	\$12,375	\$15,950	\$14,437	\$24,690	\$ 39,150
Enforcement Assistance and Interdiction	17,452	17,778	19,232	10,935	19,800	22,670	54,770
Income Replacement/ Development Assistance	2,460	1,350	--	2,180	2,500	1,610	3,150
International Organizations	2,300	2,125	2,150	2,575	2,807	70	4,000
Drug Demand Reduction	875	881	350	620	677	710	1,305
Training	--	--	--	3,200	3,673	3,540	4,695
Program Development and Support ^a	<u>2,349</u>	<u>2,245</u>	<u>2,427</u>	<u>5,681</u>	<u>6,145</u>	<u>6,713</u>	<u>11,375</u>
Total	\$34,730	\$35,053	\$36,534	\$41,141	\$50,039	\$60,003	\$118,445
	=====	=====	=====	=====	=====	=====	=====

^aFigures for fiscal years 1981 through 1983 reflect technical and administrative costs for INM's Washington-based staff only. Similar costs for fiscal years 1984 through 1987 are shown in table II.1.

Source. Department of State.

The National Drug Enforcement Policy Board reports that in negotiations with producer countries, the United States assigns its highest priority to crop control, recognizing that comprehensive crop control agreements may not be possible in all areas of the producer country. This is particularly true of the opium-producing border regions of Burma. Crop control efforts can also be frustrated by a poor bilateral relationship between the producing country and the United States. In countries such as Laos, Iran, and Afghanistan, the existing political situation makes it difficult for the United States to work with these countries.

The U.S. strategy for controlling narcotic crop production involves two basic steps. First, the United States pursues

diplomatic means to heighten the awareness of the producer country's government as to the domestic and international effects of narcotic cultivation and production. The United States then encourages the concerned government to demonstrate its commitment to crop control through scheduled reductions in cultivation and production. The United States may enhance this effort through bilateral assistance or assistance programs of international organizations. These U.S. efforts may include developmental and other forms of economic assistance, such as income replacement programs. However, the primary responsibility for action rests with the producer country.

The United States believes that to be effective, crop control must be supplemented by an enforcement program. Consequently, a major goal of the international narcotics control program is to encourage concurrent, strong enforcement and control measures by the host government in all source and transit countries. In this regard, the National Strategy includes

- cooperation with foreign drug control agencies, including the collection and sharing of intelligence on illicit drug production and trafficking;
- bilateral assistance for equipment, training, and technical services designed to strengthen the foreign drug control program; and
- participation in and support for international and regional organizations concerned with drug control.

Organization and Staffing

INM's operational activities are geographically divided. A staff of 79, including 61 American personnel and 18 foreign nationals, and approximately 40 contract personnel administer INM activities. The American contingent includes 15 staff members serving overseas in 8 countries--Bolivia, Colombia, Ecuador, Mexico, Peru, Burma, Thailand, and Pakistan.

DRUG ENFORCEMENT ADMINISTRATION

Prior to 1973, federal drug control enforcement responsibilities were divided among several bureaus within the Department of Justice (Bureau of Narcotics and Dangerous Drugs, Office of Drug Abuse and Law Enforcement, and Office of National Narcotics Intelligence) and the U.S. Customs Service. President Nixon's Reorganization Plan No. 2 of 1973 created a lead agency approach to drug enforcement. The plan abolished the aforementioned bureaus within the Department of Justice and vested lead responsibility for federal drug law enforcement in a new agency,

DEA, in the Department of Justice. The functions and resources of the abolished agencies, and most of the functions and resources of the Customs Service relating to drug law enforcement, were transferred to DEA. The Customs Service's anti-drug role was limited to investigation, intelligence gathering, and law enforcement relating to the interdiction of illicit drugs at U.S. borders and ports of entry.

As the designated lead agency for drug law enforcement, DEA provides central leadership, management, and coordination for intelligence and investigative activities relating to the suppression of illicit drugs. Although most of DEA's enforcement activities are conducted in the United States, DEA works with foreign governments and plays an important role in the international narcotics control program. DEA provides consultation, technical assistance, and training to drug law enforcement officials in foreign countries; participates in collecting and sharing international narcotics data; and, where authorized, assists in investigations. DEA maintains 63 offices in 42 foreign countries. These offices are manned by 242 special agents.

Under the policy guidance of the Secretary of State and U.S. ambassadors, DEA shares responsibility for all programs associated with its drug law enforcement counterparts in foreign countries. DEA coordinates its activities with INM, the Federal Bureau of Investigation, the Customs Service, and several other federal agencies on matters involving international narcotics control.

DEA's International Narcotics Control Program

DEA's international narcotics control efforts are implemented through its Foreign Cooperative Investigations Program. Funded at a level of \$42.3 million for fiscal year 1986, this program has three major objectives:

- to participate in collecting and sharing drug related intelligence;
- to conduct investigations aimed at eliminating the supply of narcotics and disrupt or eliminate organizations trafficking drugs; and
- to provide technical assistance and training to drug law enforcement officials in foreign countries.

The major goal of DEA's overseas missions is to develop foreign drug law enforcement capabilities in reducing the supply of narcotics produced, processed, and prepared for delivery to the

United States. DEA focuses its international narcotics operations (i.e., investigations, intelligence gathering, and training assistance) to those overseas areas considered most critical to the reduction of narcotics destined for the United States. These areas primarily include Latin America, Southeast Asia, and Southwest Asia.

Most DEA overseas efforts are directed at gathering drug intelligence information. DEA, in coordination with INM, assists host countries in identifying areas in which narcotics crops are being cultivated, smuggling routes and trafficking trends, and organizations involved in trafficking. This intelligence can subsequently be used by host-country law officials to support enforcement operations. In Latin America, DEA intelligence assistance has led to the seizure of several clandestine cocaine laboratories. For example, over the last year 22 cocaine laboratories were seized in Peru.

DEA investigations also target narcotics traffickers and monitor the distribution of raw materials used to manufacture narcotics. In fiscal year 1985, DEA cooperation with host governments led to the arrests of 1,213 international drug traffickers. DEA frequently assists host countries in extraditing drug traffickers to and from the United States. For example, since Colombia ratified an extradition treaty with the United States in 1982, seven persons have been extradited from Colombia and two have been extradited to Colombia for prosecution as of February 1986.

One of DEA's most recent programs involves monitoring and controlling the distribution of chemicals used to process narcotics crops. The program began with DEA efforts to control ether, a chemical needed to produce cocaine from coca leaves. Through the cooperation of international ether distributors and enforcement efforts by officials in other countries, DEA was able to seize approximately 143,000 gallons of ether in the United States and other countries in 1985. According to DEA, this amount would have produced more than 30,000 kilograms of cocaine hydrochloride, worth nearly \$1 billion.

During 1985 DEA received Department of State funding for the provision of basic, advanced, and specialized training to 1,414 foreign law enforcement officials. In addition, 513 drug enforcement and drug policy officials from 80 countries were trained by DEA in the United States. These programs are intended to improve bilateral cooperation and drug control programs.

DEA's International Narcotics Control Organization and Structure

Prior to fiscal year 1982, DEA's foreign operations were directed and administered through regional offices located in Paris, Bangkok, Mexico City, and Ankara. In June 1982, DEA was reorganized and the four regional offices were abolished. DEA then established a direct reporting link between the 63 overseas field offices and DEA's Washington, D.C., headquarters. DEA also maintains a headquarters staff whose major responsibility is to direct and supervise the noninvestigative activities of the foreign offices and provide necessary headquarters coordination.

Internationalization of Narcotics Issues

A major role of DEA during the last several years has been to increase regional and international cooperation in narcotics control. This has been accomplished through DEA's participation in a number of meetings and conferences. An example of DEA's regional effort is the International Drug Enforcement Conference. Formed in 1983 at the recommendation of DEA, the Conference is comprised of the policy-level directors of the national police agencies of the Western Hemisphere. According to DEA, the Conference has facilitated cooperation and communication among the Latin American countries and the United States. DEA further reports that there had been no nation-to-nation, face-to-face dialogue by narcotics law enforcement agencies from these countries prior to the establishment of the Conference. The third International Drug Enforcement Conference met in June 1985 with 13 Latin American nations and the United States participating and 5 European countries observing. DEA believes this was the most successful of the three Conferences because all countries displayed a willingness to work together and develop practical solutions to several mutual narcotics problems.

DEA has also participated in numerous other international drug law enforcement meetings and conferences. For example, in September 1985 the United States and 121 other nations met in Italy for the Seventh United Nations Congress on the Prevention of Crime and the Treatment of Offenders. DEA stated that in the past, developing countries blamed industrial countries for their drug addiction problems. This year, however, all of the countries admitted to having drug abuse problems and expressed a solidarity on the issue. In April 1987, a conference is scheduled in Kuala Lumpur, Malaysia which will bring Asian nations together to discuss issues pertaining to drug diversion and to develop goals for identifying and dealing with worldwide drug trafficking.

AGENCY FOR INTERNATIONAL DEVELOPMENT

AID's current involvement in narcotics production control originates from section 126 of the Foreign Assistance Act of 1961, as amended, which instructs AID to "give priority consideration to programs which would help reduce illicit narcotics cultivation by stimulating broader development opportunities." AID has responded to this mandate by committing over \$80 million in direct support of U.S. narcotics control objectives in developing countries since the beginning of fiscal year 1981. Major recipients during this period include Bolivia, Pakistan, Peru, and Thailand. This assistance has been targeted for people living in drug producing regions and has attempted to provide them with alternative sources of income and employment and to improve their standard of living. AID's policy is based on the premise that (1) narcotics production is, in part, a developmental problem since narcotic farmers are usually poor with few viable alternatives and (2) interdiction and the enforcement of a ban or controls on narcotic production are essential conditions for the success of a narcotics related development effort.

At present, none of the ongoing AID development projects can be clearly classified as solely "narcotics control" in nature. However, elements of several AID projects, which are designed to reduce the production of illicit narcotics, are located in narcotic producing regions. In addition, AID has recently undertaken a program to inform the populace of narcotic producing countries about the adverse affects of such production.

AID's international narcotics control program consists of the following three types of activities:

- area development projects;
- narcotic awareness activities; and
- the inclusion of poppy and coca clauses into AID project agreements.

During fiscal year 1986, area development and narcotic awareness projects were responsible for 22 percent of the AID effort² in Peru, 10 percent of the effort in Bolivia and Thailand, and less than 2 percent of the effort in Pakistan. Table II.3 summarizes AID's narcotic-related development assistance activities during fiscal years 1985 through 1987.

²This includes development assistance and economic support funds.

As discussed below, area development projects are extremely large in scope and only certain elements of these projects are directed toward narcotics control. Also, certain elements of an area development project may indirectly assist in narcotics control (e.g., a new road may help in the marketing of crops grown as an alternative to narcotic plants). Therefore, because of the comprehensive scope and multiple objectives of the area development projects, AID was unable to readily break out the narcotic-related portions of these projects. The amounts shown for these projects in table II.3 represent the entire project funding amounts for the fiscal year.

Table II.3: AID Narcotic Related Projects

	Fiscal year			Life of project
	1985	1986 (est.)	1987 (est.)	
	--- (disbursements in thousands) ---			
Area Development Projects				
Bolivia	\$ 0	\$ 2,100	\$ 6,400	\$16,900
Pakistan	0	4,000	5,500	30,000
Peru	600	5,773	4,457	23,430
Thailand	3,461	2,482	3,057	9,000
Subtotal, Area Development	<u>\$4,061</u>	<u>\$14,355</u>	<u>\$19,414</u>	<u>\$79,330</u>
Drug Awareness Programs				
Belize	\$ 0	\$ 300	\$ 50	\$ 350
Bolivia	35	315	400	500
Colombia	0	60	75	a
Ecuador	91	159	0	250
Jamaica	0	100	150	250
Pakistan	0	92	300	500
Peru	0	274	876	4,000
Subtotal, Drug Awareness	<u>\$ 126</u>	<u>\$ 1,300</u>	<u>\$ 1,851</u>	<u>\$ 5,850^b</u>
Total, AID Narcotics Control	<u>\$4,187</u>	<u>\$15,655</u>	<u>\$21,265</u>	<u>\$85,180^b</u>

^aLife of project funding amounts are not available.

^bTotals exclude Colombian drug awareness program amounts.

Source: Agency for International Development.

Area Development Projects

AID's area development projects are broad rural development activities designed to improve the overall quality of life of the population living within the confines of the project. Unlike INM's crop control and eradication activities, these projects are not strictly targeted toward narcotic control. However, when located within a narcotic producing region, area development projects take on an added dimension in that they attempt to replace the highly lucrative and relatively successful income producing activity of narcotics production with a legitimate and probably less lucrative alternative activity. Typically, narcotic producing farmers in developing countries are extremely poor, and narcotics are often one of the few cash crops with a continuing demand and developed marketing system. AID believes that since few, if any, crops or combination of crops will provide farmers with an income equivalent to what they can earn from narcotic production, crop substitution cannot be the sole component of a narcotics control effort. In such instances, an overall rural development effort that links the provision of development benefits with the progressive elimination of illicitly produced narcotic crops is believed to be required.

AID's area development strategy is built upon the premise that alternative crops, accompanied by rural development, free market incentives, and appropriate host country pricing and marketing policies, will provide the incentives needed to convince the narcotic producing farmer to adopt non-narcotic crops. This strategy provides for a wide mix of activities and services to improve the quality of rural life, which may include

- income replacement activities (e.g., improved grain and vegetable varieties, introduction of new farming practices, improved livestock, and promotion of off-farm employment);
- infrastructure development (e.g., farm-to-market roads, electricity, irrigation canals and wells, and storage facilities); and
- public services (e.g., extension and farm credit services, public schools, health clinics, and drinking water facilities).

AID currently has four area development projects located in the narcotic-producing regions of Bolivia, Peru, Pakistan, and Thailand. These projects are summarized in table II.4.

Table II.4: AID Area Development Projects

<u>Country</u>	<u>Project</u>	<u>Year Initiated</u>	<u>Total Funding (millions)</u>	<u>Development Objectives/Status</u>
Bolivia	Chapare Regional Development Project	1984	\$16.9	To reduce farmer dependence on coca production by providing direct assistance and expanding markets for agricultural products. The project also includes rural electrification, road repair, farm credit, and community self-help elements.
Peru	Upper Huallaga Area Development Project	1981	\$23.4	To reduce farmer dependence on coca production by increasing farmers' incomes through agricultural research, extension, and marketing services.
Pakistan	Northwest Frontier Province Area Development Project	1983	\$ 9.0	To transform the area's poppy-based economy to a more diversified agricultural economy by providing technical assistance and financing, and introducing new crops, training, new roads, and rural electrification.
Thailand	Mae Chaem Watershed Development Project	1980	\$ 9.0	To achieve self-sufficiency in rice production and increase the farmers' average income so they do not have to rely on drug production. Project elements are designed to increase crop productivity by providing irrigation works, agricultural extension, credit, and research. The project is being expanded into three new provinces.

Narcotic Awareness Programs

Since fiscal year 1985, AID has initiated narcotics awareness programs in Pakistan as well as six Latin American and Caribbean countries. These programs are designed to change existing attitudes of host country officials and the general public that narcotics are no longer just a U.S. problem; they affect their societies as well through growing crime rates, increased government spending for the care of addicts, and the overall decline in family values. AID believes this change in attitudes is one of the principal conditions necessary for successful

enforcement of narcotic production bans and effective interdiction. Furthermore, according to AID, recognition of the problem will facilitate future enforcement actions and promote greater cooperation with AID as it undertakes development efforts.

The International Narcotics Control Act of 1986 (Public Law 99-570) authorizes an additional \$3 million for AID drug education programs in fiscal year 1987. According to AID, these funds will be used to initiate new narcotic awareness programs in Latin America and Asia.

Poppy/Coca Clauses

One of the problems associated with development activities in narcotic producing regions is that such activities may benefit narcotic producing as well as non-narcotic producing farmers. For example, roads constructed in remote areas can be used to market opium or coca, and programs to provide agricultural production input (i.e., fertilizer) and construct irrigation canals can improve existing poppy and coca yields.

AID has tried to address this problem by including so-called "poppy/coca clauses" in either its project agreements or through side letters to the agreements. These clauses terminate U.S. assistance if poppy/coca cultivation begins in areas which are receiving AID funds. These clauses are usually attached to projects that are not concerned with reducing existing narcotics production, but that are physically located in narcotic producing regions of a country. An example of this type of project is AID's Energy Commodities and Equipment project in Pakistan. While this project is not necessarily designed to reduce opium production, the benefits of the project will be realized, in part, by the populace living in a narcotic producing region. In this instance, a poppy clause is attached to the project agreement. The poppy/coca clauses have validity only during the life of the project, although it is possible that if narcotics are found growing again in the completed project site, AID may exert pressure on host government officials to comply with the spirit of the clause.

In those instances when a project is specifically designed to reduce and eventually eliminate the cultivation of narcotic crops, project funding and/or progress is linked to predetermined host government efforts to control narcotic production. This practice of requiring the recipient to progressively increase its enforcement effort is discussed in more detail on page 39.

In addition to denying project benefits, the poppy/coca clause has two other implicit objectives: (1) it encourages local government authorities or village communities to exert pressure

on narcotic cultivators to cease production so that they can be eligible to receive AID assistance and (2) it strengthens the will of the host government to maintain its ban on poppy/coca cultivation for the duration of the project. Using a poppy/coca clause to gain increased recipient involvement in narcotics control and eradication is discussed on page 39.

DEPARTMENT OF AGRICULTURE/
AGRICULTURAL RESEARCH SERVICE

The U.S. Department of Agriculture, through the Agricultural Research Service (ARS), conducts research and provides technical information on plant eradication and substitute crops for farmers involved in the cultivation of narcotic producing plants. ARS scientists also provide expert advice to the Department of State and cooperating foreign countries on the potential environmental impacts of proposed eradication programs. Scientists from ARS have been involved in drug-related research since 1972 and have assisted control authorities in several drug producing countries.

The principal thrust of ARS involvement in narcotics control has been in Thailand, where it maintained an overseas presence from 1973 through the summer of 1986. Located in the opium producing region of northern Thailand, the ARS program was staffed with a U.S. scientist and was tasked with developing crops and farming technologies that would provide local farmers with an alternative to opium poppy production. During the 13 years of its existence, the program funded 66 research projects costing approximately \$5 million. These projects were implemented by local universities and Thai government agencies and complemented ongoing Thai government efforts.

The ARS research projects in northern Thailand examined the suitability of both basic food crops (e.g., rice and kidney beans) and cash crops (e.g., coffee, tea, potatoes, and strawberries) as possible alternatives to opium poppy cultivation. ARS identified numerous crops that would provide the Thai farmer with far greater incomes than he would normally receive from growing opium poppies. For example, with low opium prices, ARS estimated that vegetables such as lettuce, white potatoes, and broccoli could provide the farmer with up to 10 times the income of opium poppies, and miscellaneous crops, such as strawberries and gladiolus, could produce 15 to 20 times as much income. ARS stated that the major problems associated with these high income substitute crops include (1) the high level of technology and training needed, (2) the high cost of farming inputs, and (3) the large risks associated with plant protection to prevent insects and diseases. Another constraint to the use of alternative crops is the elaborate marketing system required to transport these perishable commodities to market.

ARS data shows that since the initiation of various crop substitution activities in northern Thailand during the late 1960's, total opium production has been reduced by about 75 percent--from an initial production level of about 120 tons per year to a current annual level of about 35 tons. ARS stated that it has been successful in persuading the Thai population located in areas covered by its extension projects to reduce poppy cultivation by about one-half since the initiation of its extension program.

In June 1986 ARS completed a review of the research it had sponsored in Thailand. The review team concluded that the major goals and objectives of the ARS crop substitution program had been met and recommended the immediate termination of ARS activities in the region. The ARS facility in northern Thailand was closed during the summer of 1986.

COORDINATION OF INTERNATIONAL NARCOTIC CONTROL ACTIVITIES

In an effort to strengthen the central direction of U.S. antidrug policy, Congress, through the National Narcotics Act of 1984, established the National Drug Enforcement Policy Board. The Board is tasked with overseeing and coordinating all federal drug law enforcement efforts, including drug interdiction. The Board's responsibilities include

- reviewing and developing U.S. drug law enforcement policy, strategy, and resources;
- facilitating the coordination of all federal drug law enforcement operations; and
- coordinating the collection and evaluation of information necessary to implement U.S. drug law enforcement policy.

This Cabinet-level Board is chaired by the Attorney General, and its members include the Secretaries of State, Treasury, Defense, Transportation, and Health and Human Services, and the Directors of Central Intelligence and the Office of Management and Budget. The Attorney General, in consultation with the other Board members, is responsible for developing and prioritizing initiatives for consideration. The issues developed by the Board are then referred to its Coordinating Group for study. The Coordinating Group's major responsibility is to develop recommendations for resolving drug enforcement issues and appropriate federal policy.

The Board and the Coordinating Group usually meet monthly to discuss national and international narcotics policy and program issues. The Board has conducted studies on U.S. interdiction

programs, revised and updated the national and international drug law enforcement strategy, and reported to Congress on information sharing agreements among the Department of State, DEA, U.S. Customs Service, and the Immigration and Naturalization Service.

Some U.S. narcotic control efforts are also coordinated through the National Narcotics Border Interdiction System (NNBIS). Created in 1983, NNBIS coordinates the work of federal agencies responsible for the interdiction of seaborne, airborne, and other cross-border importation of illegal drugs. Established as an informal body, NNBIS recommends, but does not direct, actions by agencies involved in drug interdiction. NNBIS is directed by the Vice President, and its activities are carried out by a Washington, D.C., headquarters staff and regional centers located in Miami, New Orleans, El Paso, Long Beach, Chicago, and New York City.

The Drug Abuse Policy Office within the White House provides the President with a center for coordination and oversight of both national and international drug abuse functions of all Executive Branch agencies. The Office publishes the National Strategy, which provides policy direction for all agencies involved in anti-drug efforts (see p. 12).

At U.S. missions overseas, narcotic program officers of the Department of State and DEA are part of the country team directed by the Ambassador, with the Deputy Chief of Mission usually acting as the principal advisor on narcotics-related matters. INM has established Narcotics Assistance Units at embassies in key producer and transit countries, which, under the direction of the Deputy Chief of Mission, include one or more INM specialists and/or country employees who direct INM-funded projects.

The Deputy Chief of Mission coordinates the activities of the mission components involved in attaining the goals of the post's international narcotics control program. In countries where there are INM-funded narcotics projects, or where there are significant narcotics production and/or trafficking problems, the Ambassador or the Deputy Chief of Mission chairs an interagency Narcotics Coordinating Committee, which sets mission policy on narcotics control issues. The Committee, including INM, DEA, AID, and other appropriate officials, collaborates on assessing narcotics problems, developing control strategies, coordinating with host government agencies, analyzing and submitting narcotics strategy reports, and evaluating the effectiveness of control programs.

LINKING FOREIGN ASSISTANCE LEVELS
TO NARCOTIC CONTROL EFFORTS

The U.S. international narcotics control program is based on convincing foreign governments to control the cultivation, production, and refinement of illicit drugs. To assist and encourage foreign governments in this area, the United States provides aid for crop control and other law enforcement activities. However, when additional leverage is necessary and appropriate, the 1984 National Strategy for Prevention of Drug Abuse and Drug Trafficking calls for U.S. decisions on foreign aid and other matters to be tied to the willingness of the recipient country to execute a narcotics enforcement program. As shown in table III.1, the United States will provide about \$1.5 billion in economic and military assistance to the 12 major producers of opium, coca, and marijuana during fiscal year 1987.

Foreign assistance levels are linked to narcotics control in the following ways: annual decisions by the executive branch that foreign aid recipients are taking adequate steps to control illicit narcotics production and trafficking, legislative restrictions on foreign aid levels to producing and/or transit countries, and the inclusion of various narcotic-related precedents or conditions in foreign aid project agreements.

As illustrated by table III.1, there is no consistent trend between a country's level of narcotics production and the level of foreign assistance received. Furthermore, INM officials were unaware of any formal or informal arrangements that would reward or penalize a country for decreases or increases in production levels, except for legislatively imposed restrictions on aid to certain countries (see next section). INM officials went on to state, however, that the progress made by a narcotic producing country may be informally considered when foreign assistance levels are being planned.

The concept of rewarding those countries that are responsive to U.S. narcotic control concerns was recently enacted with the passage of the 1987 Foreign Assistance and Related Programs Appropriation Act (Public Law 99-591). This act earmarks up to \$20 million in economic support funds for those countries that receive narcotics control assistance and that have made "substantial progress" in efforts to control illicit drugs. (See page 16.)

Table III.1: Narcotic Production and Foreign Assistance Levels for Major Narcotic Producing Countries

	Net narcotic production in hectares			Foreign assistance ^a		
	Calendar year			Fiscal year		
	1984	1985	1986 (est)	1985	1986 (est)	1987 (request)
				--(thousands)--		
Opium						
Burma	63,000	61,449	56,000	\$ 15,154	\$ 10,239	\$ 11,350
Mexico	2,048	3,162	n.a.	200	191	250
Pakistan	2,680	1,788	4,534	634,970	625,160	666,400
Thailand	7,725	9,137	3,525	137,606	114,301	137,804
Coca						
Bolivia	35,800	34,220	n.a.	\$ 42,598	\$ 55,332	\$ 63,969
Colombia	9,500	13,500	4,000	826	10,407	20,950
Ecuador	895	2,422	1,422	58,190	55,621	49,445
Peru	56,820	95,177	90,831	67,621	56,155	100,664
Marijuana						
Belize	1,159	711	193	\$ 24,730	\$ 11,405	\$ 14,108
Colombia	2,000	2,000	500	b	b	b
Costa Rica	505	91	93	216,049	160,130	190,508
Mexico	5,159	2,918	n.a.	b	b	b
Panama	35	290	100	79,411	31,172	60,650
Jamaica	1,705	1,410	1,300	164,624	120,072	163,574
Total				<u>\$1,441,979</u>	<u>\$1,250,185</u>	<u>\$1,479,672</u>

^aIncludes all economic and military assistance, and excludes narcotic control assistance.

^bForeign assistance amounts for Mexico and Colombia appear under the heading of opium and coca, respectively.

n.a. - no production estimates provided by the Department of State.

Source: Department of State/INM International Narcotics Control Strategy Reports and the Agency for International Development Congressional Presentations.

LINKAGE TO EFFORTS BY
THE RECIPIENT COUNTRY

Actions by the executive branch and/or through legislative sanctions imposed by the Congress link foreign assistance to the narcotic control efforts of a recipient country.

In 1972, the Foreign Assistance Act of 1961 was amended to include international narcotics control assistance (section 481). Among other things, the new section directed the President to suspend all economic and military assistance to countries that, in his determination, were failing to take adequate steps to prevent illicit narcotics from entering this country.

Section 481 was amended in 1981 by Public Law 97-113, which established the annual requirement for a report by the President on the status of U.S. policy to establish and encourage an international strategy to prevent the illicit cultivation and production of, and traffic in, narcotics. Section 481 was further strengthened in 1983 with the passage of Public Law 98-164, which made U.S. assistance to any country that is a major producer of opium, coca, or marijuana partly contingent on reducing levels of such production by that country. This act also clarified the annual reporting requirement by mandating that the report identify narcotic source countries and determine the "maximum reductions in illicit drug production which are achievable" in primary source countries. The Department of State notes that while section 481 does not provide for the automatic suspension of U.S. assistance, it does provide the President with the option of suspending assistance to any country that he determines is not taking adequate steps to prevent the flow of illicit narcotics into the United States. As most recently amended by the International Narcotics Control Act of 1986, section 481 of the Foreign Assistance Act of 1961 generally requires the withholding of 50 percent of the economic and military assistance allocated to major illicit drug producing countries. This reduction is automatic unless the President certifies to the Congress that a country has cooperated with the United States or has taken adequate steps on its own to control illicit narcotics distribution into the United States.

According to the Department of State, section 481 has been invoked in only one instance. This occurred in 1980 when, for numerous reasons, assistance to Bolivia was suspended. One of the reasons cited was a coup by a military group with identified links to cocaine traffickers. After several changes in the Bolivian government, U.S. assistance was resumed in late 1982. While this represents the only formal invoking of section 481, the Department of State has stated that the government of every source and transit nation is fully aware of the conditions

presented in section 481, and these governments know they could lose all U.S. assistance if they fail to take adequate drug control measures.

Another method used by the United States to encourage countries to curb the production of illicit narcotics is through country specific legislative sanctions. According to INM officials, such legislative sanctions were first used to promote international narcotics control in 1985 when Congress placed conditions on the provision of U.S. assistance to Bolivia and Peru for fiscal years 1986 and 1987. Also during 1985 Congress outlined a series of marijuana-related considerations to be addressed in the fiscal year 1986 allocation of economic support fund assistance for Jamaica.

In August 1983, Bolivia signed four agreements with the United States that tied \$30 million in narcotics control aid and \$58 million in development aid over 5 years to meaningful narcotics control action by the Bolivian government. These agreements committed the Bolivian government to gradually reduce coca production in the Chapare region to what is required for legitimate purposes and to phase out and eradicate all other cultivation. Among other things, these agreements specifically required the Bolivian government to establish an effective police presence in coca-growing areas and to eradicate 4,000 hectares of illicit coca by 1985.

In an April 1985 report, the House Foreign Affairs Committee noted that during the 19 months after the agreements were signed, Bolivia did not comply with one of these agreements, nor did it enact a law that would make at least part of the coca production illegal. The report further states that not one hectare of coca leaf was eradicated during this period. In response to this lack of action, the International Narcotics Control Act of 1985 (Public Law 99-83) and the 1986 Foreign Assistance and Related Programs Appropriation Act (Public Law 99-190) made fiscal year 1986 economic support fund and military assistance to Bolivia contingent on the President certifying that the Bolivian government had initiated a series of predetermined narcotic control actions. Up to 50 percent of the economic support funds and military assistance allocated to Bolivia for fiscal year 1986 was conditioned on the government of Bolivia enacting legislation that would establish its legal coca requirements, provide for the licensing of the number of hectares necessary to produce the legal requirement, and make unlicensed coca production illegal. The remaining amount of fiscal year 1986 assistance was conditioned on the government of Bolivia's achievement of eradication targets for calendar year 1985 contained in its 1983 narcotics agreements with the United States. Bolivia received half of its fiscal year 1986

allocation as the President certified that Bolivia had met the first set of conditions in December 1985.

As a result of recent Bolivian cooperation with the United States in "Operation Blast Furnace," the International Narcotics Control Act of 1986 authorizes half of the foreign assistance appropriated to Bolivia to be allocated upon presidential certification that Bolivia has engaged in certain narcotics interdiction operations. It also provides that the remainder is to be allocated when the President certifies that Bolivia either has met its previously agreed to eradication targets or has entered into a new agreement with the United States for 1987.

Also during 1985, Congress had similar concerns over the pace of narcotics control progress being made by Peru. These concerns led Congress to place conditions on approximately \$90 million of the total fiscal year 1986 assistance scheduled for Peru. Specifically, U.S. assistance was contingent on the President certifying that the government of Peru had shown "substantial progress" in developing a plan that established its legal coca requirements, licensed the number of hectares necessary to produce the legal requirement, and eliminated illicit and unlicensed coca production. In addition, to receive full assistance in fiscal year 1987, Peru must put the aforementioned plan into operation. Peru was certified for full fiscal year 1986 funding in May 1986.

Other Means of Encouraging Foreign Government Cooperation

In addition to linking U.S. foreign assistance levels to the narcotics control efforts of major drug producing and transit countries, several recently enacted drug laws provide the United States with a number of other tools for encouraging foreign government support for U.S. drug control efforts. These include the denial of trade benefits, the denial of U.S. votes in multilateral development banks, and the denial of access to U.S. ports to vessels of uncooperative countries.

The most notable of these additional tools is the denial of trade benefits. The Narcotics Control Trade Act (Public Law 99-570) provides for the President to submit an annual certification to the Congress that major drug producing or transit countries either have cooperated fully with the United States or have taken adequate actions on their own to control illicit narcotics and the laundering of drug-related monies and profits. If a country is not certified, the act allows the President to deny preferential tariff treatment to the subject country and increase duties by up to 50 percent. The act also prohibits the President from allocating quotas for the sale of sugar in the United States to any country whose government is

involved in the trade of illicit narcotics or is failing to cooperate with the United States in narcotics enforcement.

NARCOTICS CONTROL LEVERAGE
AT THE PROJECT LEVEL

At the foreign aid project level, the United States attempts to encourage host countries to curb the cultivation and production of narcotics by including various requirements or conditions in the project agreements. The most well known such condition is the poppy/coca clause. (See p. 30.) First used in Afghanistan, the poppy/coca clause is viewed by AID as both a demonstration of its commitment to controlling narcotics cultivation and a means of providing leverage in dealing with the host government. The majority of AID projects that contain a poppy/coca clause are in Pakistan where 12 of AID's 19 projects contain such restrictive language. These clauses are also a part of AID projects in Thailand and Peru.

According to AID, the poppy clauses contained in its Pakistani projects have been invoked only once. This occurred in April 1984 and resulted in 14-1/2 acres of opium poppies being plowed under in the Bara irrigation area of AID's Tribal Area Project.

In addition to using poppy/coca clauses, the United States may also tie project funding and/or progress to predetermined host government efforts to control narcotics production. Unlike the poppy/coca clause, which is used to prevent the cultivation and production of narcotics, the tying of U.S. assistance to host-government efforts is used in narcotic producing regions when the United States is attempting to reduce and subsequently eliminate the production of illicit drugs. AID believes this type of conditionality is advantageous because it (1) assures AID that project resources are fully accounted for and (2) provides the incentive necessary for the host country to make politically risky policy changes.

One example of project conditions being used to encourage reductions in narcotics production can be found in AID's Chapare Regional Development Project in Bolivia. Initiated in August 1984, this \$16.9 million project is attempting to stimulate economic development and enhance the standard of living for 12,000 farm families in the coca producing region of central Bolivia. According to AID, narcotics related conditionality is applied at several stages of the project cycle:

1. Conditions precedent to signature. AID requires that certain conditions be met by the receiving government prior to cosigning a project agreement. For example, the establishment of a special law enforcement body for the Chapare region was a precondition to AID's signing the Chapare project. This condition was met in August 1983.

2. Conditions precedent to disbursement. By its signature, the receiving government commits itself to meeting certain conditions on the use of project funds before funds are released. For example, the Chapare project agreement provided that AID would not disburse funds until the government of Bolivia fulfilled such obligations as (1) establishment of the two Bolivian agencies responsible for project implementation and (2) deployment of DEA-trained Bolivian forces in the Chapare region. This condition was met in August 1984.
3. Conditions precedent to disbursement for specific project activities. For example, the Chapare project agreement required AID approval of a Bolivian government coca eradication plan that established farmer eligibility for technical and financial assistance. The Bolivian government met this condition in May 1985 by issuing a plan requiring farmers' compliance with coca eradication.
4. Informal agreements. For example, AID agreed to rehabilitate 1.5 kilometers of road in the Chapare for every 25 hectares of coca eradicated.

In some instances, invoking the conditions attached to a project agreement can result in violence and cause the host government to curtail existing eradication and enforcement efforts. An example of this is AID's ongoing Northwest Frontier Development Project in Pakistan. Initiated in 1983, this 5-year, \$30 million project links AID's area development efforts with Pakistani enforcement and calls for the elimination of all poppies in the project target area by 1988. AID reports that the government of Pakistan carried out the first enforcement actions required during the 1984-85 growing season. During this past winter, however, government enforcement efforts met armed resistance, led by a member of Pakistan's National Assembly, which resulted in bloodshed and loss of life. Pakistani law enforcement officials made over 100 arrests, including the leader of the resistance. Many members of Pakistan's National Assembly protested the leader's arrest and denounced the enforcement action (see page 46). AID reports that the government of Pakistan eventually destroyed from 500 to 600 acres of poppies but left 2,000 to 2,400 acres untouched. AID and the Department of State have reportedly communicated their concerns about the incomplete enforcement actions to the government of Pakistan. Furthermore, AID reported in July 1986 that it is considering deobligating the project if this lack of enforcement continues.

REPORTED STATUS OF
INTERNATIONAL NARCOTICS CONTROL

PAST GAO REPORTS AND
A CURRENT OVERVIEW

During the past decade, GAO has reported on a wide range of issues related to international narcotics control. Many of the reports focused on U.S. efforts to develop, manage, and coordinate international narcotics control programs while others discussed U.S. domestic law enforcement efforts and issues relating to U.S. regional and country specific narcotics programs. Appendix VI lists international narcotics related reports issued by GAO since January 1, 1972.

Prior GAO reports have identified a number of problems concerning U.S. international narcotics control efforts, many of which still remain. These problems include

- the need for stronger host country commitment to the narcotics problem;
- the lack of host country resources to devote to narcotics control programs;
- the need for increased intelligence gathering, sharing, and cooperation among U.S. agencies involved in drug interdiction; and
- the long-term nature of crop substitution programs and the need to consider the long-standing economic and social conditions existing in producing countries.

The concept and problems surrounding crop substitution as an alternative to narcotics production were discussed in three GAO reports¹ during the mid- and late 1970's. These reports examined crop substitution efforts in the opium growing regions of Southeast Asia and the coca growing regions of South America and highlighted the long-standing economic and social conditions in producing countries that would have to be changed if crop

¹If The United States Is To Develop An Effective International Narcotics Control Program, Much More Must Be Done (ID-75-77) July 29, 1975.

Drug Control in South America Having Limited Success--Some Progress But Problems Are Formidable (GGD-78-45) Mar. 29, 1978.

Gains Made in Controlling Illegal Drugs, Yet the Drug Trade Flourishes (GGD-80-4) Oct. 25, 1979.

substitution programs were to be successful. Other constraints to a successful program included the lack of government control over the producing regions of several countries, the lack of commitment to the program by the producing country, the difficulties encountered in finding suitable alternative crops to substitute for narcotic plants, and the large amount of financial support required by such a program. In 1979 we reported that if the crop substitution program were ever to be successful, it would be only in the very distant future. We further reported that as long as economic imbalances exist, drug production could easily shift to other countries where crop substitution and income replacement had not been tried.

Many of the problems that we have previously reported continue to be major hindrances to the program. For example, as in 1975, INM reports that the government of Burma does not have effective control over most of the primary opium growing areas within its borders. Burma continues to be one of the world's largest producers of opium poppies.

Our previous reports on crop substitution efforts noted that numerous socioeconomic factors must be considered in developing these programs and that any program success would not be immediate but would be achieved in the long run. Similar observations were made in a 1986 AID evaluation² of its international narcotics control program. The evaluation recommended that (1) greater attention be paid to a series of sociocultural factors in the design of narcotics control efforts and (2) narcotics control area development initiatives (large projects which contain crop substitution and replacement elements) be designed as 10- to 15-year endeavors. It should be noted that AID and INM currently emphasize development assistance, rather than crop substitution, to control narcotics. This change in policy, according to the Department of State, reflects the discovery that, under substitution programs, farmers grew new crops but did not abandon opium poppy production.

The overall impact that AID efforts could have on the cultivation and production of opium poppy and coca has been discussed on many occasions and was highlighted in the 1986 AID evaluation. The report notes that while most opium poppies are produced by Afghanistan, Burma, Iran, Laos, Mexico, and Pakistan, AID provides assistance only to Pakistan and Thailand. The evaluation went on to state that "...even if AID efforts in these countries are totally successful and the source governments are somehow able to prevent illicit production,

²A Review of AID's Narcotic Control Development Assistance Program, Agency for International Development, March 1986.

world production of opium based on the 1984 estimates would fall by no more than 6.25 percent."

The evaluation report states that efforts to control coca leaf production are more encouraging as three countries--Bolivia, Peru and Colombia--produce about 99 percent of the world's total output. The report theorizes that if AID projects in Peru and Bolivia succeed, and if production remains constant in other source countries, there would be a perceptible reduction in the world output of coca. The AID evaluation report states that this will not occur in the near future because "...historically neither Bolivia nor Peru have shown the capability for effectively implementing comprehensive illicit coca eradication efforts."

Narcotic eradication efforts by producing countries have greatly increased since we reported on the situation in 1979. At that time, only two of the nine countries viewed as the major sources of narcotics in the United States were using eradication to reduce drug production--Mexico and Burma. In August 1986 the Department of State reported that of the 18 countries considered the primary sources of illicit narcotics entering the United States, 15 received some form of U.S. economic, military, or narcotics control assistance. Fourteen of the 15 conducted eradication programs in 1985; the other, Morocco, relied on interdiction to control hashish production. The remaining three--Iran, Afghanistan, and Laos--are politically inaccessible to the United States.

Although some countries have demonstrated an increasing commitment to the control of illicit narcotics, production remains high. As in the past, source country efforts to reduce and/or control the production of illicit drugs continue to be hampered by such constraints as the lack of a strong commitment to curb production, corruption within the law enforcement sectors, the lack of resources within the criminal justice system, and a failure to enforce existing laws. For example, according to a February 1986 Department of State report, the narcotics situation in Mexico is among the most serious challenges facing U.S. narcotics officials as that country continues to be the largest supplier of heroin to the United States. Once viewed as highly successful, Mexican efforts to eradicate marijuana and opium poppies declined in 1984 and 1985 as production levels increased. According to the National Drug Enforcement Policy Board and INM, the primary causes of this reversal were inefficiencies in the Mexican eradication program and corruption. (See page 45.)

THE CURRENT STATUS OF THE
INTERNATIONAL NARCOTICS CONTROL EFFORT

The following overview has been excerpted from INM's 1986 International Narcotics Control Strategy Report, its October 1986 mid-year update, and recent INM testimony before Congress. We have not verified this information.

In 1986, INM set goals to improve worldwide narcotics control. Some of these goals have yet to be met, though progress has been made. INM's most significant goals include identifying and using an effective herbicide against coca, increasing the "regionalization" of Latin America's response to the narcotics problem, regaining lost ground in the Mexican eradication program, and reversing the recent increases in Pakistan's opium crop.

In April 1986 the President signed a National Security Decision Directive, which identified narcotics trafficking as a threat to national security. This directive reportedly improved the U.S. response capability by increasing the use of military and intelligence assets in the fight against drugs.

"Operation Blast Furnace," a joint DEA-Bolivian operation against cocaine laboratories, was initiated in July 1986. At the Bolivian government's request, the United States provided six helicopters and support personnel to transport Bolivian narcotic troops to raid sites. As of October 1986 this activity had resulted in the dismantling of 16 coca paste or hydrochloride laboratories and had forced a segment of the Bolivian population to seek means other than coca cultivation for generating income.

Another major narcotics control initiative identified by INM has been the joint U.S.-Mexican eradication campaign against opium poppies and marijuana. Initiated in September 1986, this operation attempted to eliminate 70 percent or more of the fall opium poppy crop before it can be harvested. To expand Mexico's eradication capability, this campaign used several INM fixed-wing spray aircraft, flown by Mexicans with assistance from American pilots, and a number of Mexican spray and support aircraft. INM reports that gradual improvements in the program, brought about in part by the dialogue between senior government officials of both countries, have begun to be realized. Eradication verification percentages have increased, and improvements have been made in the effectiveness of the aerial spraying program.

Marijuana Production in Latin America and the Caribbean

INM reports that eradication programs have been successful in reducing the supply of marijuana from Belize, Colombia, Jamaica, and Panama. Once the supplier of almost 80 percent of the marijuana imported into the United States, Colombia has reduced its share of the U.S. market to about one-third. This has been accomplished through aerial eradication and interdiction campaigns, which, according to INM, have reduced marijuana production from as much as 11,000 metric tons in 1981 to a range of 2,600 to 4,000 metric tons in 1985. Aerial surveys confirm that the 1985 Colombian marijuana crop in the traditional northern growing areas was 85 percent smaller than the 1983 crop.

Another country reportedly showing progress is Jamaica. Once a major producer of marijuana for the U.S. market, Jamaica reduced its production from a range of 1,500 to 2,250 metric tons in 1984 to 350 to 850 metric tons in 1985. Jamaica continues to be a significant transshipment point for narcotics bound for the United States from South America.

The progress made in curbing marijuana production in Colombia and Jamaica has been offset by the increased production levels in Mexico--the largest source of marijuana and heroin imported into the United States during 1985. Mexican marijuana production has increased from a range of 300 to 500 metric tons in 1981 to a range of 3,000 to 4,000 metric tons in 1985.

Coca and Cocaine Production in South America

Some progress has been noted by INM in the control of coca leaf and the production of cocaine. Colombia remains the major refining source for cocaine, while Bolivia and Peru are the major sources for coca leaf. Cocaine refining sites are shifting because of Colombia's campaign against cocaine laboratories and improved methods for controlling the flow of refining chemicals. According to INM, Peru addressed the cocaine problem during 1986 by attacking refining and production facilities. Through a series of military operations, the Peruvian Air Force bombed air strips associated with cocaine laboratories. Because of political pressures, Bolivia continues to postpone wide-scale coca eradication, preferring instead to emphasize interdiction and cocaine lab destruction.

A major constraint to successful coca leaf eradication is the absence of an effective herbicide. Until such a herbicide is identified and used on a large scale, manual eradication will continue to eliminate only a small portion of the total crop.

Colombia and Peru eradicate their coca crops manually, despite the dangers facing law enforcement officials and workers. The most recent violence in Peru involved the murder of five policemen and a district attorney in April and the July murder of six eradication workers. The Colombian government is working to identify an environmentally safe herbicide that can be reproduced on a large scale. Furthermore, the International Narcotics Control Act of 1986 earmarked \$1 million to develop herbicides for coca eradication.

Opium Production in Southeast and Southwest Asia

INM reports that Burma and Thailand continue to make progress in controlling opium production; however, production has increased in Mexico, Pakistan, Laos, and Afghanistan. During 1986 Burma's aerial eradication program destroyed nearly 25,000 acres of opium poppies, which, combined with manual eradication, tripled the best previous effort of that country. Burma, however, continues to be the world's largest producer of illicit opium and was expected to produce about 600 metric tons or more of poppy during 1986. In Thailand, the government initiated a forced manual eradication policy during the 1984-85 growing season. Combined with development assistance incentives to discourage opium production, the new policy resulted in a 50 percent drop in opium poppy acreage planted in late 1985. Although good weather improved yields per acre, total opium production fell to a range of 16 to 27 metric tons in 1985-86, down from 35.7 tons in 1984-85.

INM reports that the campaign to suppress opium cultivation in Pakistan suffered a severe setback in the spring of 1986 when production increased from a range of 40 to 50 metric tons to a range of 100 to 150 metric tons. INM further reports that in the face of violent protests by local farmers, the Pakistan government halted efforts to enforce the ban on growing opium poppies (see page 40). This lack of action by the government of Pakistan has been cited as one of the major causes of the increased opium production levels. Other factors noted by INM as contributing to this increase include increasing prices for raw opium, which led to the cultivation of additional acreage; highly favorable weather conditions, which increased yields; and accelerating demand within the region for opium and heroin. The United States has stressed the importance of an early eradication effort to the Pakistan government, which has reaffirmed its commitment to opium poppy eradication.

INTERNATIONAL NARCOTICS CONTROL PROGRAM
OF THE DEPARTMENT OF STATE
(APPROPRIATIONS BY TYPE OF PROGRAM)

	Fiscal year						
	1981	1982	1983	1984	1985	1986	1987 (planned)
	----- (thousands) -----						
<u>Country Programs</u>							
Latin America							
Bolivia	\$ 200	\$ 240	\$ 1,720	\$ 2,670	\$ 1,537	\$ 3,875	\$ 12,200
Brazil	200	300	250	0	750	690	1,500
Columbia	3,640	2,720	3,490	6,765	10,650	10,600	10,500
Ecuador	330	356	75	72	414	1,315	2,600
Jamaica	0	0	0	0	0	0	2,500
Mexico	9,294	8,389	7,835	8,318	9,696	11,600	15,500
Peru	3,014	2,252	1,824	2,805	2,414	3,741	9,700
NNBIS	0	0	0	0	0	0	4,500
Regional	417	300	888	1,755	2,553	7,939	5,900
Subtotal	\$17,095	\$14,557	\$16,082	\$22,385	\$28,014	\$39,760	\$ 64,900
East Asia							
Burma	\$ 4,600	\$ 6,140	\$ 4,995	\$ 2,447	\$ 5,515	\$ 6,285	\$ 9,500
Thailand	2,490	2,943	3,410	3,005	2,704	3,600	5,000
Regional	451	174	121	170	0	242	0
Subtotal	\$ 7,541	\$ 9,257	\$ 8,526	\$ 5,622	\$ 8,219	\$10,127	\$ 14,500
Southwest Asia							
Pakistan	\$ 520	\$ 2,700	\$ 2,900	\$ 3,350	\$ 3,043	\$ 3,430	\$ 5,500
Turkey	1,000	1,000	1,000	1,000	900	0	745
Regional	0	0	100	85	275	73	1,000
Subtotal	\$ 1,520	\$ 3,700	\$ 4,000	\$ 4,435	\$ 4,218	\$ 3,503	\$ 7,245
Inter-regional							
Aviation							
Support	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 16,500
Total	\$26,156	\$27,514	\$28,608	\$32,442	\$40,451	\$53,390	\$103,145
	=====	=====	=====	=====	=====	=====	=====

	1981	1982	1983	1984	1985	1986	1987 (planned)
	----- (thousands) -----						
<u>International Organizations</u>							
U.N. Fund for Drug Abuse Control	\$ 2,150	\$ 2,000	\$ 2,000	\$ 2,500	\$ 2,732	\$ 0	\$ 3,900
Colombo Plan	150	125	150	75	75	70	100
Total	\$ 2,300	\$ 2,125	\$ 2,150	\$ 2,575	\$ 2,807	\$ 70	\$ 4,000
	=====	=====	=====	=====	=====	=====	=====
<u>Inter-regional Programs</u>							
Demand Reduction	\$ 200	\$ 246	\$ 200	\$ 400	\$ 377	\$ 385	\$ 605
Coca Herbicide Research	0	0	0	0	0	0	1,200
Training							
--General training	3,725	2,923					
--DEA training			2,019	1,990	2,223	2,130	2,420
--Customs training			1,010	1,020	1,150	1,180	1,895
--INM EOP training			120	190	300	95	100
--Coast Guard training						45	160
--Dog training						90	120
Total	\$ 3,925	\$ 3,169	\$ 3,349	\$ 3,600	\$ 4,050	\$ 3,925	\$ 6,500
	=====	=====	=====	=====	=====	=====	=====
<u>Program Development and Support</u>							
	\$ 2,349	\$ 2,245	\$ 2,427	\$ 2,524	\$ 2,731	\$ 2,618	\$ 4,800
	=====	=====	=====	=====	=====	=====	=====
Total	\$34,730	\$35,053	\$36,534	\$41,141	\$50,039	\$60,003	\$118,445
	=====	=====	=====	=====	=====	=====	=====

Source: Department of State.

REPORTS BY THE U.S. GENERAL ACCOUNTING OFFICE
RELATING TO INTERNATIONAL NARCOTICS CONTROL
JANUARY 1, 1972, THROUGH JANUARY 1, 1987

<u>Date</u>	<u>Report Number</u>	<u>Title</u>
Aug. 14, 1972	B-164031(2)	Federal Efforts to Combat Drug Abuse
Oct. 4, 1972	B-176625	United States Efforts to Increase International Cooperation in Narcotic Control Trafficking (Classified)
Oct. 20, 1972	B-164031(2)	Efforts to Prevent Heroin from Illicitly Reaching the United States
Aug. 15, 1973	B-176095	Cut-Off of Foreign Aid and Loans to Nations Involved in Narcotics Trafficking
Dec. 21, 1973	B-175425	Difficulties in Immobilizing Major Narcotics Traffickers
Jun. 7, 1974	B-175425	Identifying and Eliminating Sources of Dangerous Drugs: Efforts Being Made, But Not Enough
Jul. 23, 1974	B-173123	Issues Relating to the Supply and Demand for Crude Opium and Opium Derivatives
Sep. 9, 1974	B-173123	Recision of the Opium Poppy Growing Ban by Turkey
Sep. 16, 1974	B-125085	U.S. Economic Assistance to Turkey
Nov. 21, 1974	B-173123	Supply and Demand for Crude Opium and Opium Derivatives
Dec. 31, 1974	GGD-75-44	Efforts to Stop Narcotics and Dangerous Drugs Coming From and Through Mexico and Central America
May 30, 1975	GGD-75-80	Problems in Slowing the Flow of Cocaine and Heroin From and Through South America (Classified)
Jul. 29, 1975	ID-75-77	If the United States Is to Develop an Effective International Narcotics Control Program, Much More Must Be Done

<u>Date</u>	<u>Report Number</u>	<u>Title</u>
Dec. 18, 1975	GGD-76-32	Federal Drug Enforcement: Strong Guidance Needed
Feb. 19, 1976	ID-76-5	Stopping U.S. Assistance to Foreign Police and Prisons
Feb. 18, 1977	GGD-77-06	Opium Eradication Efforts in Mexico: Cautions Optimism Advised (Classified)
Dec. 2, 1977	GGD-78-17	Illegal Entry at United States-Mexico Border-- Multiagency Enforcement Efforts Have Not Been Effective in Stemming the Flow of Drugs and People
Mar. 29, 1978	GGD-78-45	Drug Control in South America Having Limited Success: Some Progress but Problems are Formidable
Feb. 12, 1979	CED-79-40	The Coast Guard's Role in Drug Interception-- How Much is Enough
Oct. 25, 1979	GGD-80-04	Gains Made in Controlling Illegal Drugs, Yet the Drug Trade Flourishes
Jul. 30, 1980	GGD-80-84	Heroin Statistics Can Be Made More Reliable
Nov. 13, 1980	ID-81-13	Suggested Improvements in the Management of the International Narcotics Control Program
Jun. 13, 1983	GGD-83-52	Federal Drug Interdiction Efforts Need Strong Central Oversight
Mar. 5, 1984	GGD-84-36	Investigations of Major Drug Trafficking Organizations
Jun. 3, 1985	GGD-85-61	Reported Federal Drug Abuse Expenditures-- Fiscal Years 1981 to 1985
Jul. 15, 1985	GGD-85-67	Coordination of Federal Drug Interdiction Efforts
Jul. 18, 1985	NSIAD-85-10	U.S. Assistance to the Islamic Republic of Pakistan (Classified)

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