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THE DRUG WAR

Observations on Counternarcotics Programs in Colombia and Peru

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SUMMARY

The use of cocaine has become a major U.S. concern. In 1989, President Bush approved the Andean Strategy, which included an increase in military, law enforcement, and economic aid to Bolivia, Colombia, and Peru. These three countries account for almost all of the cocaine entering the United States. In response to the Chairman and Ranking Minority Member, House Committee on Government Operations, and the Chairman, Permanent Subcommittee on Investigations, Senate Committee on Governmental Affairs GAO evaluated the effectiveness and management of antidrug programs in Colombia and Peru.

COLOMBIA

U.S. legislation and policy allow the Andean countries to use U.S. aid against both drug traffickers and insurgents involved in the drug trade. GAO agrees with U.S. and Colombian officials that the situation in Colombia requires such flexibility and that such use is consistent with Congressional intent. Although U.S. officials are working to improve program management, oversight of U.S. aid was not sufficient. Thus, there is little assurance that the aid is being used effectively and as intended. Further, although human rights continue to be abused, the U.S. and the Colombian governments are taking actions to improve human rights performance of the military and police.

PERU

U.S. counternarcotics programs in Peru have not been effective, and it is unlikely that they will be until Peru overcomes serious obstacles beyond U.S. control. These obstacles include Peru's inability to maintain effective government control over military and police units, a lack of coordination and cooperation between military and police, failure to control airports, political instability caused by active insurgent groups, extensive corruption, widespread human rights abuses, and an economy heavily dependent on coca leaf production. In order to seek the release of 1991 U.S. aid, the Department of State, under Presidential authority, reported that Peru is establishing antidrug programs to reduce the flow of cocaine into the United States, improving its human rights situation, and instituting effective governmental control over the military and police. Although our work raises questions about this determination, the fiscal year 1991 aid can provide an opportunity to ascertain Peru's willingness and ability to continue and expand its efforts on the drug war.

Further, the executive branch has not established the management oversight needed to execute large counternarcotics aid programs. No reliable criteria exist to measure Peru's progress in meeting U.S. antidrug objectives and no end-use monitoring system has been established to ensure that the military aid will be used as intended. Also, the U.S. Embassy was training police and other units who did not have a primary mission of counternarcotics.

Mr. Chairman and Members of the Subcommittee:

I am here today to summarize the results of two recently issued reports on counternarcotics programs in Colombia and Peru. Specifically, I will discuss the management and effectiveness of U.S. military and law enforcement aid provided in support of the administration's Andean Strategy in those countries. We did not review economic aid to these countries.

RESULTS IN BRIEF

In summary, we believe that the United States is further along in implementing the Andean Strategy in Colombia than in Peru because of the Colombian government's commitment to combat drug trafficking. Peru must overcome serious difficulties in fighting the drug war before the strategy can be effective. In addition, the United States needs to strengthen its oversight in both countries to ensure that military and law enforcement aid is used efficiently, effectively, and as intended. Finally, human rights abuses remain a major concern in Colombia and Peru.

HISTORICAL BACKGROUND

The United States has aided Colombia and Peru in their counternarcotics operations since the 1970s. Because these efforts were ineffective in reducing the amount of cocaine entering the United States, in August 1989, President Bush implemented the Andean Strategy as part of the overall U.S. policy on national drug control. The strategy called for an increase in military, law enforcement, and economic aid to help the Andean countries improve their counternarcotics operations. Between August 1989 and September 1990, the United States provided or programmed to Colombia \$236 million in counternarcotics aid for military and law enforcement agencies--\$65 million in emergency aid, about \$122 million in grant aid, and \$84 million in loan guarantees. According to the State Department, the Andean Strategy did not include economic aid for Colombia in fiscal year 1990. The United States provided Peru with \$19 million in law enforcement aid in 1990. The United States did not provide Peru military or economic aid for counternarcotics purposes in 1990. However, it did provide about \$1.5 million in military aid to the police and training under the International Military Education and Training Program.

Colombia will have about \$49 million in military aid, \$20 million in law enforcement aid, and \$50 million in economic aid available for fiscal year 1991. According to the Office of National Drug Control Policy, the executive branch would like to make about \$60 million in military aid, \$20 million in law enforcement aid, and \$50 million in economic aid available to Colombia for fiscal year 1992. For fiscal year 1991, Peru will have about \$25 million in military aid, \$19 million in law enforcement aid, and \$60 million in economic aid available. According to the Office of National

Drug Control Policy, the executive branch would like to make about \$40 million in military aid, \$19 million in law enforcement aid, and about \$100 million in economic aid available to Peru in fiscal year 1992.

Although the Congress expressed its intent that the counternarcotics aid could not be used as a new funding source to fight insurgencies, the legislative history indicates that the Congress was aware that it may be necessary for the executive branch to use the aid against narcotics traffickers and insurgents who are denying the Andean Governments' capability to control drug producing areas.

Congress linked the provision of aid to, among other things, the countries' progress in reducing human rights abuses.

I will briefly summarize the results of our work for each country.

COLOMBIA

U.S. Policy Provides Flexibility for Using Aid

We believe that the administration's flexible policy on the use of counternarcotics aid against insurgents involved in drug activities is reasonable. The Defense and State Departments have sufficient evidence that insurgent groups are linked to the drug trade. In addition, Colombian and U.S. officials believe that it would be difficult to achieve U.S. counternarcotics objectives if they could not use the aid to stop insurgents' drug-related activities. Colombian police told us that they had frequently used U.S. aid against insurgents during drug raids.

Lack of Control Reduces Assurance That Aid Is Being Used as Intended

Even though we concur with the administration that counternarcotics aid can be used against insurgents in certain situations, we believe that the executive branch has not instituted the controls necessary to ensure that the aid is used as intended.

First, although the executive branch approved a general plan for implementing the Andean Strategy in April 1990, the U.S. Embassy did not finalize a detailed, integrated plan for using U.S. counternarcotics aid until November 1990. In December 1990, at the direction of the State Department, the U.S. Embassy developed specific ground, air, and river counternarcotics operations plans for Colombian forces. U.S. officials stated that these plans are being revised to improve control over U.S. aid to the military and to ensure that the Colombian military can better conduct counternarcotics operations. However, State and Defense did not know when the plans would be approved.

Second, U.S. officials have not begun to monitor the Colombian military's use of aid and, as a result, cannot ensure it is being used primarily for counternarcotics purposes. At the time of our review, the Embassy had policies and procedures in place for monitoring law enforcement aid, but the U.S. military did not have similar procedures for monitoring military aid. On April 30, 1991, the U.S. Embassy and Colombian military officials agreed that the inspectors general of the Colombian military services would regularly monitor the aid and U.S. military personnel would conduct periodic monitoring. In July 1991, an official from the Defense Security Assistance Agency stated that U.S. military personnel in Colombia had developed monitoring procedures but that eight additional military personnel were needed to fully implement the system.

Finally, there is no reliable system for evaluating the success of the counternarcotics programs in Colombia. Performance criteria in the implementation plan were too general because they lacked specific time frames and quantitative goals. Further, other measures used by U.S. officials, such as the amount of cocaine seized, the number of arrests made, and the number of laboratories destroyed, are, as we have previously reported, unreliable indicators of antidrug program effectiveness.¹ Although State and Defense are developing criteria for measuring effectiveness, they have not decided which criteria to use.

Human Rights Remain A Concern

Although Colombia has a democratic government, the abuse of civilians' human rights has increased, reportedly at the hands of groups associated with drug traffickers, insurgents, and the government, including the military and police. The International Narcotics Control Acts of 1989 and 1990 state that to qualify for counternarcotics aid, Colombia's law enforcement agencies and armed forces must not consistently violate human rights. U.S. officials acknowledged that improving the human rights performance of the military and police would take time but they and Colombian officials are taking action to reduce abuses. For example, in courses offered in Colombia and the United States, U.S. military trainers are discussing human rights issues with Colombian officials. And Colombia has established an agency to investigate human rights abuses and is implementing policies requiring the military to improve their human rights performance.

¹Drug Control: Issues Surrounding Increased Use of the Military in Drug Interdiction (GAO/NSIAD-88-156, Apr. 29, 1988) and Drug Interdiction: Funding Continues to Increase but Program Effectiveness Is Unknown (GAO/GGD-91-10, Dec. 11, 1990).

PERU

I would now like to discuss our findings in Peru.

Little Progress Has Been Made in Implementing the Strategy

The United States has just begun to implement the Andean Strategy in Peru and thus far has made little progress in stopping drug activities. In fiscal year 1990, the United States made \$19 million in law enforcement aid available for Peru, primarily for counternarcotics activities in the Upper Huallaga Valley where most of the coca leaf is grown. Like Colombia, Peru must counter drug trafficking organizations and violent insurgent groups that participate in the drug trade.

As an example of the minimal impact that has been made, the amount of cocaine base seized throughout Peru in 1990 was about 4 metric tons, or about 1 week's production from one town in the Upper Huallaga Valley. Further, in May 1991, the Drug Enforcement Administration reported that for the first 3 months of 1991 chemicals used to process cocaine were in abundant supply in the Valley.

The United States had planned to provide about \$36 million in military aid in fiscal year 1990 to train and equip Peruvian military units in the Upper Huallaga Valley to conduct counternarcotics operations. Although Peru refused this aid, the Peruvian government agreed to accept about \$35 million in fiscal year 1991 military aid. State and Defense Department officials informed us that, as a result of discussions with congressional committees, the State Department had reduced this amount to about \$25 million. We understand that the executive branch is attempting to clarify with the committees on how to implement this reduction. State and Defense Department officials are concerned that the reduction will adversely affect counternarcotics programs. They also noted that they will have to negotiate program changes with Peruvian government and military officials.

Determination That Peru Has Made Progress Is Questionable

In July 1991 the State Department, under presidential authority, made a determination that Peru had made progress in implementing counternarcotics programs to reduce the flow of cocaine into the United States, improving the protection of human rights, and establishing effective control over the military and law enforcement agencies. The determination was required by legislation before the military and economic portions of fiscal year 1991 counternarcotics aid could be released to Peru. We found significant problems, particularly in the areas of human rights and control over the military and police, that raise questions about

the determination. For example, the State Department's February 1991 report on human rights in Peru indicated that military personnel were responsible for widespread, deplorable human rights violations and that these abuses had increased between 1989 and 1990. In addition, the Peruvian police are reportedly responsible for human rights violations in the Upper Huallaga Valley.

State Department officials recognized that Peru needed to make substantial progress in each area covered by the determination. However, they believed that providing the aid would demonstrate U.S. commitment to the Andean Strategy, increase Peru's resolve and capability to improve antidrug programs, and reinforce the positive actions of Peru that were cited in the State Department's determination.

Obstacles in Peru Impede Effectiveness of U.S. Programs

U.S. counternarcotics programs in Peru will likely not become effective until Peru makes significant progress in overcoming serious obstacles. These obstacles include the Peruvian government's inability to maintain effective control over military and police units involved in counternarcotics operations, a lack of coordination and cooperation between military and police, pervasive corruption throughout the government, failure to control airports, political instability caused by insurgent groups, widespread human rights abuses, and an economy heavily dependent on coca leaf production.

Our report contains numerous examples that demonstrate Peru's problems in trying to create a climate favorable to accomplishing U.S. objectives to stop the flow of drugs. I will cite a few for you.

1. Although Peru's President announced in November 1990 that he would form an agency to establish control over military and police units involved in counternarcotics, as of June 1991, the agency had no budget and existed only on paper. Constitutional problems, the lack of resources, and the lack of competent management personnel who are not corrupt are obstacles to instituting this agency.
2. Although the military has been ordered to become involved in counternarcotics operations, it has not demonstrated a continued commitment to coordinate operations with the police, particularly in the Upper Huallaga Valley. U.S. officials have observed some recent improvements in coordination and cooperation but recognize that more improvements are needed for future operations to be effective.
3. Corruption is pervasive throughout all levels of the civilian government, the military, and law enforcement agencies. A

Peruvian official in one major city said it would be impossible to conduct a successful major narcotics investigation or prosecute drug traffickers because the mayor and judges are corrupt.

In addition, one Army unit allowed a drug trafficker to land his plane, load his drugs, and take off without interfering, seizing drugs, or arresting anyone. Other reports indicate that Peruvian police have set up roadblocks to harass civilians, operated a stolen auto parts ring, and engaged in other types of illegal activities.

Although Peru's President has replaced mid- and senior-level police officials suspected of corruption, the State Department concluded in March 1991 that this action did not reduce corruption. As recently as May 1991, various administration officials stated that the Peruvian government had done little to investigate or prosecute military and police officials for corruption in the Upper Huallaga Valley.

4. Human rights abuses by the insurgents as well as by military and law enforcement units is a great concern to both the U.S. and Peruvian governments. The State Department reported in February 1991 that military personnel were responsible for widespread and egregious human rights violations. An April 1991 report by the Organization of American States identified 86 cases of documented human rights abuses by the military in South America, 50 of which occurred in Peru. U.S. Embassy officials confirmed that police also violate human rights in the Upper Huallaga Valley.

On July 30, 1991 the State Department reported that Peru's President has made progress in improving human rights during his first year in office. One example cited in the report is that the government has granted the International Committee of the Red Cross access to all police detention facilities nationwide. However, an official from one human rights organization we interviewed in Peru stated that while international organizations have been granted access to prisons, they have frequently been barred by the wardens from visiting prisoners or reviewing living conditions.

We believe that because of the obstacles I already discussed, close monitoring and oversight of the counternarcotics programs in Peru is required.

Oversight of U.S. Program Needs Improvement

The executive branch has no reliable system in Peru for evaluating the effectiveness of U.S. counternarcotics aid or for monitoring

U.S. military aid. Thus, U.S. officials cannot ensure that objectives are being met or that funds are being used as intended. However, U.S. officials noted that they are making progress in developing criteria for evaluating program effectiveness and procedures for monitoring military aid.

Although the State Department appears to be establishing effective control over U.S.-provided equipment used by the police, a substantial amount of training is being provided to police special operations units that do not have a primary counternarcotics mission. Although the State Department told the Embassy in December 1990 that it could not fund this training with counternarcotics funds, the Embassy continued to do so because it believed that these police units could be encouraged in the future to perform antidrug operations. We believe that the State Department instruction does not provide for future possibilities and explicitly prohibits such use.

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In our Peru report, we recommend that the State Department establish reliable criteria for measuring program effectiveness, develop a plan for monitoring military aid, and ensure that U.S.-funded police training is restricted to units that are primarily involved in counternarcotics operations.

Mr. Chairman, this concludes my statement. I will be happy to answer any questions you or members of the Subcommittee may have.

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