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THE DRUG WAR

Counternarcotics Programs in
Colombia and Peru

Statement of Joseph E. Kelley, Director, Security and
International Relations Issues, National Security and
International Affairs Division



SUMMARY

The use of cocaine is 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. I am here today to discuss our 1991 reviews of U.S. military and law enforcement counternarcotics 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 was being used effectively and as intended. Further, although human rights continued to be abused, the U.S. and Colombian governments said they were 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 was establishing antidrug programs to reduce the flow of cocaine into the United States, was improving its human rights situation, and was instituting effective governmental control over the military and police. Although our work raised 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 in the drug war.

Further, the executive branch had not established the management oversight needed to execute large counternarcotics aid programs. No reliable criteria existed to measure Peru's progress in meeting U.S. antidrug objectives and no end-use monitoring system had been established to ensure that the military aid would 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 pleased to be here today to discuss the results of our work on U.S. counternarcotics programs in Colombia and Peru.

This testimony summarizes the results of two reports we issued in September and October 1991 on these programs.¹ I would like to preface my remarks by stating that since the time of our reviews, changes in the amounts of aid and the management of the aid have probably occurred, but to date we have not done any additional audit work. The House Committee on Government Operations has requested that GAO conduct a detailed follow-up review on the Andean Strategy in Colombia and Peru beginning in March 1992. Today I will discuss the management and effectiveness of U.S. military and law enforcement aid, but not economic assistance, provided in support of the administration's Andean Strategy in those countries.

RESULTS IN BRIEF

In summary, our work indicated that the United States was 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 are a major concern in both countries.

BACKGROUND

The United States has aided both countries 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 his overall drug control policy. 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 \$271 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.

¹DRUG WAR: Observations on Counternarcotics Aid to Colombia (GAO/NSIAD-91-296, Sep. 30, 1991) and THE DRUG WAR: U.S. Programs in Peru Face Serious Obstacles (GAO/NSIAD-92-36, Oct. 21, 1991).

The United States provided Peru with \$19 million in law enforcement aid in 1990. The United States did not provide Peru with 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.

The United States made available to Colombia about \$49 million in military aid, \$20 million in law enforcement aid, and \$50 million in economic aid in 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 had available about \$25 million in military aid, \$19 million in law enforcement aid, and \$60 million in U.S. economic aid. 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 also linked the provision of aid to, among other things, the countries' progress in reducing human rights abuses.

COLOMBIA

U.S. Policy Provides Flexibility for Using Aid

Concerning Colombia, we believe the executive branch's flexible policy of using counternarcotics aid against the insurgents involved in drug trafficking activities has been 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 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 executive branch that counternarcotics aid can be used against insurgents in certain

situations, our review indicated that the executive branch had not instituted the controls needed to ensure that the aid was used as intended.

First, although the executive branch approved a general plan for implementing the Andean Strategy in April 1990, the U.S. Embassy in Colombia did not finalize a detailed, integrated plan for using U.S. counternarcotics aid until November 1990. In December 1990, at the State Department's direction, the U.S. Embassy developed specific ground, air, and river counternarcotics operations plans for Colombian forces. At the time of our 1991 review, U.S. officials stated that these plans were being revised to improve control over U.S. aid to the military and to ensure that the Colombian military can better conduct counternarcotics operations.

Second, U.S. officials had 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 U.S. 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. and Colombian militaries 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 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, we found that 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 were unreliable indicators of antidrug program effectiveness. Although State and Defense were developing criteria for measuring effectiveness, they had not yet decided which criteria to use at the time of our review.

Human Rights Remain A Concern

Although Colombia has a democratic government, the abuse of civilians' human rights had 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 human rights performance of the military and police would take time but said they and Colombian officials were taking actions to reduce abuses. For example, in

courses offered in Colombia and the United States, U.S. military trainers are discussing human rights with Colombian officials. Colombia established an agency to investigate human rights abuses and was implementing policies requiring the military to improve their human rights performance.

PERU

Little Progress Has Been Made in Implementing the Strategy

The United States had just begun to implement the Andean Strategy in Peru and thus far had 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 equip and train 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 said that, as a result of discussions with congressional committees, the State Department had reduced this amount to about \$25 million. State and Defense officials were concerned that the reduction would adversely affect counternarcotics programs. They also noted that they would have to negotiate program changes with the Peruvian government and military officials.

Determination That Peru Has Made Progress Is Questionable

In July 1991, the State Department, under presidential authority, determined that Peru was implementing counternarcotics programs to reduce the flow of cocaine into the United States, was improving the protection of human rights, and was establishing effective control over the military and law enforcement agencies. The determination was required by legislation before the military and economic portions of the fiscal year 1991 counternarcotics aid could be released to Peru. At the time of our review, we found

significant problems, particularly in the areas of human rights and control over military and police, that raised 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 were reportedly responsible for recent murders 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, would increase Peru's resolve and capability to improve antidrug programs, and would 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 (1) the Peruvian government's inability to maintain effective control over military and police units involved in counternarcotics operations, (2) a lack of coordination and cooperation between military and police, (3) pervasive corruption throughout the government, (4) failure to control airports, (5) political instability caused by insurgent groups, (6) widespread human rights abuses, and (7) an economy heavily dependent on coca leaf production.

Our 1991 report provided numerous examples that demonstrated 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 were obstacles to instituting this agency.
2. Although the military had been ordered to become involved in counternarcotics operations, it had not demonstrated a continued commitment to coordinate operations with the police, particularly in the Upper Huallaga Valley. U.S. officials pointed to some improvements in coordination and cooperation but recognized that more improvements were needed for future operations to be effective.

3. Corruption has been 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 were 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 indicated that Peruvian police set up roadblocks to harass civilians, operated a stolen auto parts ring, and engaged in other types of illegal activities.

Although Peru's President replaced mid- and senior-level officials suspected of corruption, the State Department concluded in March 1991 that this action did not reduce corruption. On May 1991, U.S. officials told us 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 has been 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 violated 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 although international organizations had been granted access to prisons, they had frequently been barred by the wardens from visiting prisoners or reviewing living conditions.

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

Oversight of U.S. Programs
Needs Improvements

The executive branch did not have a reliable system in Peru for evaluating the effectiveness of U.S. counternarcotics aid or for monitoring U.S. military aid. Thus, U.S. officials could not ensure that objectives are being met or that funds are being used as intended. However, they said 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. The State Department told the Embassy in December 1990 that it could not fund this training with counternarcotics funds. However, 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 did not provide for future possibilities and explicitly prohibited such use of funds.

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In our 1991 Peru report, we recommended 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. State has still not responded to these recommendations.

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

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