

# Countering the Hemisphere's Drug/Crime Challenge

## A Billion-Dollar Business

Testimony of

Stephen Johnson  
Senior Fellow and Director, Americas Program  
Center for Strategic and International Studies

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Chairman Menendez, Ranking Member Rubio, distinguished members of the committee:

Thank you for inviting me to testify on this crucial subject of the shared responsibility the countries of the western hemisphere faces in counternarcotics and securing citizen safety. I honored to do so, mindful of the deep experience on this topic among the committee members and staff, as well as the expertise of my colleagues on this panel. For the record, I would like to state that the views I express are entirely my own and do not represent the Center for Strategic and International Studies, the U.S. Government, or any entities or individuals with whom I may consult.

As a foreign policy analyst and former Defense Department official, I've come to know the Americas as a complex region, with governments of different sizes and capabilities, a lot of them overwhelmed by the challenges they face. Drug trafficking and transnational crime is a global multibillion-dollar enterprise that is hard to offset, even when countries like the United States have resources and trained personnel. With tiny budgets and limited ability to collect taxes, most neighbors in the hemisphere are challenged by the task. Some deny they are impacted by the threat. So the problems multiply.

Popularly dubbed a "war on drugs," it is not a war anyone can win, but a condition that requires control. No one has ever been able to stamp out crime, and we are not about to disband our police anytime soon. Likewise, drug trafficking has been around a long time, and will remain so. The question is how badly it will impact most American's lives. Libertarians say legalization is the right approach. Narcotics production and distribution would not be a crime, violent criminals would not be involved in distribution, and it would thus not be a problem. Users would be responsible for their own health and safety. Yet, in today's society in which so many of us are coming to rely on government benefits and healthcare, such indulgences would cost taxpayers plenty. And as we all know, espousing that view at a local elementary school PTA meeting is a political dead letter.

If we are serious about pursuing drug trafficking and the attendant ills of other forms of trafficking and violence, then strategy and cooperation are the keys to successful mediation. Currently, it is not clear that the United States has what could be called a strategy. And it most assuredly does not have all its neighbors' cooperation. That has not stopped the United States from responding to drug trafficking and attendant ills in the past. But efforts are likely to be more effective if guided by a strategy and if more countries in the hemisphere are encouraged to cooperate in ways that make sense for them.

A strategy is a plan of action to achieve policy goals in a competitive global environment, using instruments at hand, taking advantage of opportunities and using available resources to maximum effect to defeat threats or adversaries. As the definition suggests, a strategy requires considerable analysis. Most plans touting themselves as strategies, including the President's own National Security Strategy, are not so much strategies, *per se*, as lists of objectives. The Office of National Drug Control Policy's National Drug Control Strategy belongs in that category, in that it presents a guide to actions but offers little consideration of the trafficking environment or how best to prioritize scarce resources.

This is not to blame responsible authorities in present or past administrations for trying to be all things to all people. But Executive Branch strategies are often political statements that reflect what bureaucracies would like to do or show that they are doing. Moreover, strategic thinking is made difficult by the lack of planning cultures outside of the U.S. Armed Forces. Add to that a national budgeting process that funnels agency requests through the White House to Congress, then back again for consultation before budgets are passed, it is no wonder that original requests are often sliced and diced, mixed and paired with other programs such that appropriations bear little resemblance to agency desires.

Given that strategies are conceptual exercises at best, the United States has tended to react episodically to perceived threats. During the late 1970s, illicit drug use in the United States rose dramatically. It was in that climate that the State Department created the International Narcotics Matters bureau, the forerunner of the Bureau of International Narcotics and Law Enforcement Affairs. It was then that policymakers began thinking seriously about drug crop eradication on foreign soil and narcotics interdiction. The first International Narcotics Control Strategy Report came out in 1987. The White House stood up its Office of National Drug Control Policy (ONDCP) in 1988. Yet by then, hard drug use had leveled off and started to come down.

In 1993, the Clinton Administration cut the ONDCP staff and reduced budgets for drug interdiction in the hemisphere. In 1994, Ernesto Samper was elected president of Colombia, allegedly with the aid of campaign contributions from drug traffickers. Colombia was decertified as cooperating in counternarcotics, and barred from receiving U.S. security assistance. In 1999, after assistance had been restored, ONDCP Director Barry McCaffrey described Colombia as a near failing narco-state. Coca cultivation had tripled, Marxist guerrillas and right-wing paramilitaries controlled more than half of the countryside, murders, kidnappings, and massacres were all up, and some 3.5 million people had left the country. The U.S. response was a \$1.3 billion emergency aid package and collaboration on a ten-point agenda known as Plan Colombia.

Initially, Plan Colombia looked like it was going nowhere. Then, under the inspired leadership of President Alvaro Uribe, Colombians developed the political will to make it work. Most of all, the plan combined institutional reforms with the professionalization of security forces that started to roll back decades of rural lawlessness. President Uribe collected a \$780 million war tax to finance security sector reforms that increased the size and improved the training of the armed forces and police. From 2002 to 2007, homicides dropped 40 percent, kidnappings went down 83 percent, and terror attacks diminished by 76 percent. In the past 11 years, the United States has contributed \$7 billion to that effort.

According to the United Nations Office on Drugs and Crime, coca cultivation fell by half from 2001 to 2008,<sup>1</sup> but hardly put a dent in cocaine going to some 20 million U.S. users from Colombia and other countries. As Colombia's Attorney General told me in 2005, the drug lords

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<sup>1</sup> The United Nations Office on Drugs and Crime (UNODC), *Colombia Coca Cultivation Survey*, Government of Colombia, Bogotá, June 2009. The Department of State's Bureau of International Narcotics and Law Enforcement Affairs International Narcotics Control Strategy Report 2009 disputes this. However in 2005, U.S. areas surveyed by U.S. aerial imagery were enlarged to measure a much greater area than before.

and trafficking arms of the illegal armed groups learned a lesson from the coffee industry—they warehoused their product for later sale, hiding it in underground *huacas* or pits.

In a similar situation to Colombia, the United States had been helping Mexico with low to moderate levels of counternarcotics training and surplus equipment since the 1990s.<sup>2</sup> Coming into office in 2006, President Felipe Calderón decided to take on drug trafficking organizations that had operated with alleged tacit acknowledgement of the government during the seven decades Mexico was under one-party rule. Alarm bells rang when these organizations started fighting back. Meeting in the city of Mérida at the end of a whirlwind tour of Latin America in March 2007, U.S. President George Bush listened as Calderón asked for help combating crime levels that had started to spike.

The outcome was the \$1.4 million multiyear assistance package for Mexico, Central America, the Dominican Republic, and Haiti called the Mérida Initiative. As the project was unexpected on the U.S. side, requirements had to be drawn up and funding cobbled together from existing authorities and accounts. Coupled with Congressional certifications and lead times for the development of some technical equipment to be transferred, some two thirds of the funds appropriated had yet to be spent as of 2011—a less than nimble response that became an irritant in the bilateral relationship.

As Mérida was conceived as a U.S.-Mexico counternarcotics effort, enhancing existing support to combat transnational crime in Central America and the Caribbean was an afterthought. Initially, the Bush administration asked for \$950 million for Mexico and \$150 million for Central America in its FY2008 supplemental and FY2009 requests. Congress then carved out \$5 million of the supplemental funding for the Dominican Republic and Haiti—two major drug transit countries. However, it became clear that Mexico’s problems with drugs and crime were related to Central American shipping networks that account for nearly 90 percent of the cocaine destined for the United States.

In December 2009, Congress split off Central America counternarcotics and anticrime funding from Mérida into what is known as the Central America Regional Security Initiative (CARSI). Once sleepy countries during the 1960s, the northern triangle states of Central America (El Salvador, Guatemala, and Honduras) now have the highest murder rates in the world according to United Nations Office on Drugs and Crime statistics, and are home to most of the region’s gang members. Estimated at between 69,000 and 100,000 strong, they are described by Honduran Security Minister Oscar Alvarez as the “reserve army for organized crime.”<sup>3</sup> Some \$260 million in CARSI funds have been committed to support law enforcement and justice sector reforms, as well as security force training, gang prevention, and social programs.

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<sup>2</sup> At the time, equipment transfers reflected an “off-the-shelf” approach. The Department of Defense transferred 72 Vietnam-era UH-1H Huey helicopters to Mexico in 1997, that were returned when safety of flight issues grounded the fleet.

<sup>3</sup> Danilo Valladares, “Central America: Youth Gangs—Reserve Army for Organized Crime,” Inter Press Service, September 21, 2010.

In the 1980s, the Caribbean had been the favored route for South American drugs to reach the United States. As U.S. interdiction efforts picked up there, traffickers moved west. So, in perhaps the only proactive move by U.S. policymakers against narcotics trafficking and crime, the State Department led an interagency effort to develop a Caribbean regional security effort as a complement to Mérida, assuming that gathering interdiction capabilities in Mexico and Central America might shift trafficking back to the east. That was at the end of the Bush era. The Obama administration developed it into the \$124 million Caribbean Basin Security Initiative (CBSI) to strengthen maritime border control over a million square miles of ocean among 13 island nations and 3 European territories. Also included were projects to train police, improve information sharing, and social programs for at-risk-youth.

As it is, the Caribbean could be a smuggler's paradise, located between North and South America and consisting of mostly open water. Haiti and the Dominican Republic are the most heavily countries impacted. Traffickers like Haiti because of rudimentary law enforcement and plentiful volunteers who will set out in small boats to pick up floating packets in open waters. The Dominican Republic has its hands full with illegal Haitian migrants, a difficult coastline, and drug money that promotes corruption. Both governments cooperate with U.S. authorities, but have limited resources. The "good" news is that only about 10 percent of the flow now moves through the Caribbean. However, if Mexican and Central American interdiction capabilities improve under Merida, the routes will shift.

If CBSI represents an advance toward strategic thinking, it is only partial. Further evolution is needed in U.S. expectations of just how cooperative neighbors might be in stemming narcotics flows and implementing security reforms. Political will has always been an important measure. Some countries have it, as Colombia and Mexico have demonstrated. Others are less interested. Venezuela, for example, reportedly has maintained an unofficial friendship with Colombia's FARC guerrillas who have sustained their struggle to overthrow the Colombian government mostly through drug trafficking. In 2010, much of the suspect air activity departing South America to Central America and the Caribbean came from Venezuela's southwest border with Colombia, as tracked by the U.S. Joint Interagency Task Force South. Currently, a Venezuelan businessman is being held in Colombia in connection with 5.5 tons of cocaine that turned up in Campeche, Mexico in 2006.

For years, Congress required the President to annually certify the willingness of major drug producing or transiting countries to cooperate in order for them to receive foreign assistance. That process was made less rigid in 2002, as a result of what happened when Washington denied assistance to Colombia in the 1990s. However, other, more practical factors can affect levels of cooperation:

- Available resources—How much can a partner nation contribute on its own? For example, one Caribbean nation has a population of 72,000 and a gross domestic product of \$377 million. Its 2011 government budget will run close to US\$181 million. If it needs a helicopter for coastal patrol aircraft that costs \$15 million, it will eat up about 8 percent of the budget. That may be a tough choice for its leaders, but not so hard for transnational criminals who want a similarly priced jet and participate in a \$394 billion a year global enterprise.

- Public opinion—Is counternarcotics/anticrime assistance positively viewed, are any aspects negative? Following the election of President Rafael Correa in Ecuador, new sensitivities came into play with the U.S. forward operating location for drug monitoring flights at Manta. Despite millions of U.S. dollars spent upgrading the airfield, public opinion was divided as it was seen (rightly or wrongly) as mostly a U.S. operation in which Ecuador got little benefit. The U.S. lease on ramp space ran out in November 2009. This could have cast a cloud on Ecuadoran counternarcotics cooperation, except that, in other aspects, cooperation improved.
- Law enforcement and justice systems—Are the police properly trained, equipped and deployed in sufficient numbers? Is the criminal justice system under-resourced and backlogged? In the 1990s following civil conflicts in Central America, the international community and the United States advised Central American governments to separate their police forces from their armies and link them more closely to their justice systems. As levels of drug trafficking and violent crime increased, soldiers had to be brought back in to reinforce the police, especially in rural patrols. In Haiti, finding recruits with adequate levels of education has been a challenge. In Colombia, criminal cases were backlogged several years in some cases, until the justice system itself adopted oral, adversarial trials and invested in adequate infrastructure. That process is still a work in progress.
- Environmental challenges—Are there isolated borders or large swaths of ungoverned territory? Many countries in South and Central America have large, undeveloped regions that lack infrastructure and representatives of state authority such as police. Colombia's illegal armed groups controlled such areas until security forces began to rout them and encourage demobilizations. Now, authorities are trying to find a way to occupy these areas to keep traffickers and criminals out. A similar scenario is repeating itself in Guatemala's mountains and northern marshlands. And,
- The capacity to absorb—Is equipment easy to use, maintain; are needed skills easily learned? From 1999 to 2006, U.S. Southern Command's \$67 million Operation Enduring Friendship program provided a package of 60-mile-per-hour fast boats and maintenance training to Caribbean and Central American states to improve maritime drug interdiction capabilities. However, in some countries, the required maintenance was beyond the skill levels of available mechanics.

As evidenced by the President's annual determinations, almost all countries in the hemisphere are cooperative on some level. But some are much less so than others. Cooperation is limited in Central America, the Caribbean, and some of South America because of micro-budgets, environmental hurdles, and sometimes the capacity to absorb. Bolivia and Venezuela are marginally cooperative for current lack of political will.

In conclusion, U.S. policies toward drug trafficking and transnational crime in the western hemisphere could be more effective if policymakers thought more strategically: considering trends, strengths and weaknesses in our abilities to build multilateral cooperation, and technological advantages that the United States might have. As we develop sensing and surveillance capabilities for defense missions in other parts of the world, we have yet to apply many of them to our transnational crime monitoring efforts. The development of a true planning culture in the U.S. agencies that combat transnational crime would encourage that kind of

integration and perhaps help us to meet future challenges head on, as opposed to lurching from one crisis to the next.

The other key to success is to address cooperative deficits. One way is to plan on some partners needing more help than others in resolving their security situations, and then finding a way to get it to them before their security situations become acute and expensive. ONDCP and the Bureau of International Narcotics and Law Enforcement Affairs at the Department of State could do more analysis in that regard. Another is to leverage the accomplishments of some partners. This has already begun to happen. Colombia has been providing advice to Mexico and to El Salvador in police and justice sector reforms. Meanwhile the International Commission Against Impunity Agreement in Guatemala (CICIG) is being examined by other countries as a way to invite international involvement in strengthening local prosecutions against corrupt officials—needed where justice systems are extremely weak.

Finally, the good news is that with the forward-looking Caribbean Basin Security Initiative, U.S. policymakers are beginning to think proactively. It is a start. The flip side is that they can't stop there.

Again, Mr. Chairman, thank you for this opportunity to testify before this distinguished committee.