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TO Dennis Burke	Take necessary action ☐
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	See remarks below ☐
FROM Annette Rooney	DATE 2/26

REMARKS

Attached are copies of the 3 Justice statements from Tuesdays hearing. I also noticed in the Congressional Monitor that State (Gelbard) was to testify at this hearing. However we never received State's testimony. I have asked for it & will send ~~to~~ you.

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
Washington, D.C. 20503-0001

Monday, February 24, 1997

LEGISLATIVE REFERRAL MEMORANDUM

TO:	~~Legislative Liaison Officer - See~~ Distribution below
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FROM:	Ronald K. Peterson (for) Assistant Director for Legislative Reference
OMB CONTACT:	Julie J. Song
	PHONE: (202)395-3589 **FAX:** (202)395-0850
SUBJECT:	JUSTICE Oversight Testimony on Counternarcotics Efforts and Mexico (DEA)
DEADLINE:	**4:30 Friday, February 14, 1997**

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Statement
Thomas A. Constantine
Administrator, Drug Enforcement Administration
before The Subcommittee on National Security,
International Affairs and Criminal Justice
February 25, 1997

Mr. Chairman, Members of the Subcommittee: I appreciate the opportunity to appear before the Subcommittee today on the subject of Mexico and the Southwest Border Initiative. My comments today will be limited to an objective assessment of the law enforcement issues involving organized crime and drug trafficking problems with specific attention on Mexico and the Southwest border. This hearing is extremely timely, and during my testimony I will provide the subcommittee with a full picture of how organized crime groups from Mexico operate and affect so many aspects of life in America today. I am not exaggerating when I say that these sophisticated drug syndicate groups from Mexico have eclipsed organized crime groups from Colombia as the premier law enforcement threat facing the United States today.

Many phrases have been used to describe the complex and sophisticated international drug trafficking groups operating out of Colombia and Mexico, and frankly, the somewhat respectable titles of "cartel" or " federation" mask the true identity of these vicious, destructive entities. The Cali organization, and the four largest drug trafficking organizations in Mexico --- operating out of Juarez, Tijuana, Sonora and the Gulf region --- are simply organized crime groups whose leaders are not in Brooklyn or Queens, but are safely ensconced on foreign soil. They are not legitimate businessmen as the word "cartel" implies, nor are they "federated" into a legitimate conglomerate. These syndicate leaders --- the Rodriguez Orejuela brothers in Colombia to Amado Carrillo Fuentes, Juan Garcia Abrego, Miguel Caro Quintero, and the Arellano Felix Brothers --- are simply the 1990's versions of the mob leaders U.S. law enforcement has fought since shortly after the turn of this century.

But these mafia leaders are far more dangerous, far more influential and have a great deal more impact on our day to day lives than their domestic predecessors. While organized crime in the United States during the 1950's through the 1970's affected certain aspects of American life, their influence pales in comparison to the violence, corruption and power that today's drug syndicates wield. These individuals, from their headquarters locations absolutely influence the choices that too many Americans make about where to live, when to venture out of their homes, or which schools they send their children to. The drugs —and the attendant violence which accompanies the drug trade —have reached into every American community and have robbed many Americans of the dreams they once cherished.

Organized crime in the United States was addressed over time, but only after Americans recognized the dangers that the mafia posed to our way of life. But it did not happen overnight. The American mafia was exposed to the light of day systematically, stripping away the pretense that mob leaders were anonymous businessmen. The Appalachian raid of 1957 forced law enforcement to acknowledge that the mafia did indeed exist, and strong measures were taken to go after the mafia's top leadership, a strategy used effectively throughout our national campaign against the mob. During the 1960's, Attorney General Bobby Kennedy was unequivocal in his approach to ending the mafia's reign, and consistent law enforcement policies were enacted which resulted in real gains. Today, the mafia, as we knew it in the United States, has been eviscerated, a fragment of what it once was.

At the height of its power, organized crime in this nation was consolidated in the hands of few major families whose key players live in this nation, and were within reach of our criminal justice system. All decisions made by the mafia were made within the United States. Orders were carried out on U.S. soil. While it was not easy to build cases against the mafia leaders, law enforcement knew that once a good case was made against a boss, he could be located within the U.S., arrested and sent to jail.

That is not the case with today's mafias. They are strong, sophisticated and destructive organizations operating on a global scale. Their decisions are made in sanctuaries in Cali, Colombia, and Guadalajara, Mexico, even day -to- day operational decisions such as where to ship cocaine, which cars their workers in the United States should rent, which apartments should be leased, which markings should be on each cocaine package, which contract murders should be ordered, which official should be bribed, and how much. They are shadowy figures whose armies of workers in Colombia, Mexico and the United States answer to them via daily faxes, cellular phone, or pagers. Their armies carry out killings within the United States ---one day an outspoken journalist, one day a courier who had lost a load, the next, an innocent bystander caught in the line of fire--- on orders of the top leadership. They operate from the safety of protected locations, and are free to come and go as they please within their home countries. These syndicate bosses have at their disposal airplanes, boats, vehicles, radar, communications equipment, and weapons in quantities which rival the capabilities of some legitimate governments. Whereas previous mafia leaders were millionaires, the Cali drug traffickers and their counterparts from Mexico are billionaires.

It is difficult --- sometimes nearly impossible — for U.S. law enforcement to locate and arrest the mafia leaders without the assistance of law enforcement in other countries. Their communications are coded , they are protected by corrupt law enforcement officials, despite pledges from the Government of Mexico to apprehend the syndicate leaders, law enforcement authorities have been unable to locate them and even if they are located, the government is not obligated to extradite them to the U.S. to stand trial.

In Mexico, as is the case wherever mafias flourish, corruption and intimidation allow the leaders to maintain control. Mafias cannot thrive unless law enforcement officials have been paid bribes, and witnesses fear for their lives. Later in my testimony I will discuss some of these problems in greater detail.

It is frustrating to all of us in law enforcement that major traffickers, who flaunt their power and wealth cannot be located and arrested in Mexico, despite the fact that they are easily accessible to reporters and to government officials receiving their bribes.

The Cali Mafia and Traffickers from Mexico

We cannot discuss the situation in Mexico today without looking at the evolution of the groups from Colombia --- how they began, what their status is today, and how the groups from Mexico have learned important lessons from them, becoming major trafficking organizations in their own right.

During the late 1980's the Cali mafia assumed greater and greater power as their predecessors from the Medellin cartel self-destructed. Where the Medellin cartel was brash and publicly violent in their activities, the Cali mafia labored behind the pretense of legitimacy, posing as businessmen, just carrying out their professional obligations. The Cali leaders --- the Rodriguez Orejuela brothers, Santa Cruz Londono, Pacho Herrera --- amassed fortunes and ran their multi-billion dollar cocaine businesses from high-rises and ranches in Colombia. The Colombian mafia, until then, the most powerful international organized crime group in history, employed 727 aircraft to ferry drugs to Mexico, from where they were smuggled into the United States, and then return to Colombia with the money from U.S. drug sales. Using landing areas in Mexico, they were able to evade U.S. law enforcement officials and make important alliances with transportation and distribution experts in Mexico.

With intense law enforcement pressure focused on the Cali leadership by brave men and women in the Colombian National Police during 1995 and 1996, all of the top leadership of the Cali mafia are either in jail, or dead. The fine work done by General Serrano, who appeared before your subcommittee only two weeks ago, and other CNP officers is a testament to the commitment and dedication of Colombia's law enforcement officials in the face of great personal danger, and a government whose leadership is riddled with drug corruption.

Since the Cali leaders' imprisonment, on sentences which were ridiculously short and inadequate, traffickers from Mexico took on greater prominence. The alliance between the Colombian traffickers and the organizations from Mexico had benefits for both sides. Traditionally, the traffickers from Mexico have long been involved in smuggling marijuana, heroin, cocaine into the United States, and had established solid distribution routes throughout the nation. Because the Cali mafia was concerned about the security of their loads, they brokered a commercial deal with the traffickers from Mexico, which reduced their potential losses.

This agreement entailed the Colombians moving cocaine from the Andean region to the Mexican organizations, who then assumed the responsibility of delivering the cocaine into the United States. In 1989, U.S. law enforcement officials seized 21 metric tons of cocaine in Sylmar, California; this record seizure demonstrated the extent and magnitude of the Mexican groups' capabilities to transport Colombian-produced cocaine into the United States. This huge shipment was driven across the Mexican/U.S. border in small shipments and stored in the warehouse until all transportation fees had been paid by the Cali and Medellin cartels, to the transporters from Mexico. Now,trafficking groups from Mexico are primarily paid in multi-ton quantities of cocaine, not dollars, making them formidable cocaine traffickers in their own right.

The majority of cocaine entering the United States continues to come from Colombia through Mexico and across U.S. border points of entry. Most of the cocaine enters the United States in privately owned vehicles and commercial trucks. There is new evidence that indicates traffickers in Mexico have gone directly to the sources of cocaine in Bolivia and Peru in order to circumvent Colombian middlemen. In addition to the inexhaustible supply of cocaine entering the U.S., trafficking organizations from Mexico are responsible for producing and trafficking thousands of pounds of methamphetamine, and have been major distributors of heroin and marijuana in the U.S. since the 1970's.

Major Traffickers from Mexico

Five major trafficking organizations represent the highest echelons of organized crime in Mexico: Their leaders are under indictment in the United States on numerous charges. The Department of Justice has submitted Provisional Warrants for their arrests to the Government of Mexico, and only one, Juan Garcia Abrego, because he was a U.S. citizen has been sent to the U.S. to face justice. The other leaders are living freely in Mexico, and have so far escaped the attention of Mexican law enforcement, and have suffered little, if any inconvenience resulting from their notorious status. I believe that in order to fully expose these mafia leaders, it is more beneficial to refer to them by their personal names than by the names of their organizations.

Amado Carrillo Fuentes

The most powerful drug trafficker in Mexico at the current time is Amado Carrillo Fuentes, who, as recently reported, has ties to the former Commissioner of the INCD, Guitierrez-Rebello. His organized crime group, based in Juarez, is associated with the Rodriguez Orejuela organization and the Ochoa brothers, from Medellin, as well. This organization, which is also involved in heroin and marijuana trafficking, handles large cocaine shipments from Colombia. Their regional bases in Guadalajara, Hermosillo and Torreon serve as storage locations where later, the drugs are moved closer to the border for eventual shipment into the United States.

The scope of the Carrillo Fuentes network is staggering; he reportedly forwards $20-30 million to Colombia for each major operation, and his illegal activities generate over $200 million a week. He was a pioneer in the use of large aircraft to transport cocaine from Colombia to Mexico and became known as "Lord of the Skies." Carillo Fuentes reportedly owns a fleet of aircraft and has major real estate holdings.

Like his Colombian counterparts, Carillo Fuentes is sophisticated in the use of technology and counter surveillance methods. His network employs state of the art communications devices to conduct business. His organization has become so powerful he is even seeking to expand his markets into traditional Colombian strongholds on the east coast of the United States.

Presently, Carrillo Fuentes is attempting to consolidate control over drug trafficking along the entire Mexican northern border, and he plans to continue to bribe border officials to ensure that his attempts are successful. Carrillo-Fuentes, who is the subject of numerous separate U.S. law enforcement investigations has been indicted in Florida and Texas and remains a fugitive on heroin and cocaine charges.

Miguel Caro Quintero

Miguel Caro Quintero's organization is based in Sonora, Mexico and focuses its attention on trafficking cocaine and marijuana. His brother, Rafael, is in prison in Mexico for his role in killing Special Agent Kiki Camarena in 1985.

Miguel, along with two of his other brothers--Jorge and Genaro--run the organization. Miguel himself was arrested in 1992~~, and the USG and GOM cooperated in a bilateral prosecution under the Mutual Legal Assistance Treaty~~. Unfortunately, that effort was thwarted when Miguel was able to use a combination of threats and bribes to have his charges dismissed by a federal judge in Hermosillo. He has operated freely since that time.

The Caro-Quintero organization specializes primarily in the cultivation, production and distribution of marijuana, a major cash-crop for drug groups from Mexico. The organization is believed to own many ranches in the northern border state of Sonora, where drugs are stored, and from which drug operations into the United States are staged. Despite its specialization in marijuana cultivation and distribution , like the other major drug organizations in Mexico, this group is polydrug in nature, also transporting and distributing cocaine and methamphetamine.

Miquel Caro-Quintero is the subject of several indictments in the United States and is currently the subject of provisional arrest warrants issued by the United States government, yet in an act of astonishing arrogance he called a radio station in Hermosillo Mexico last May indicating that he was an innocent rancher and charges made against him by DEA were untrue. He then had the audacity to give his address and invite law enforcement officials from Mexico and the United States to visit him--yet he remains at large.

The Arellano Felix Brothers

The ARELLANO-Felix Organization (AFO), often referred to as the Tijuana Cartel, is one of the most powerful and aggressive drug trafficking organizations operating from Mexico; it is undeniably the most violent. More than any other major trafficking organization from Mexico, it extends its tentacles directly from high-echelon figures in the law enforcement and judicial systems in Mexico, to street-level individuals in United States cities. The AFO is responsible for the transportation, importation and distribution of multi-ton quantities of cocaine, marijuana, as well as large quantities of heroin and methamphetamine, into the United States from Mexico. The AFO operates primarily in the Mexican states of Sinaloa (their birth place), Jalisco, Michoacan, Chiapas, and Baja California South and North. From Baja, the drugs enter California, the primary point of embarkation into the United States distribution network.

The AFO does not operate without the complicity of Mexican law enforcement officials and their subordinates. Key family members reportedly dispense an estimated one million dollars weekly in bribes to Mexican federal, state and local officials, who assure that the movement of drugs continues to flow unimpeded to the gateway cities along the southwestern border of the United States.

The ARELLANO family, composed of seven brothers and four sisters, inherited the organization from Miguel Angel FELIX-Gallardo upon his incarceration in Mexico in 1989 for his complicity in the murder of DEA Special Agent Enrique Camarena. Alberto Benjamin ARELLANO-Felix assumed leadership of the family structured criminal enterprise and provides a businessman's approach to the management of drug trafficking operations.

Ramon Eduardo ARELLANO-Felix, considered the most violent brother, organizes and coordinates protection details over which he exerts absolute control. The AFO maintains well-armed and well-trained security forces, described by Mexican enforcement officials as paramilitary in nature, which include international mercenaries as advisors, trainers and members. Ramon ARELLANO's responsibilities consist of the planning of murders of rival drug leaders and those Mexican law enforcement officials not on their payroll. Also targeted for assassination are those AFO members who fall out of favor with the AFO leadership or simply are suspected of collaborating with law enforcement officials. Enforcers are often hired from violent street gangs in cities and towns in both Mexico and the United States in the belief that these gang members are expendable. They are dispatched to assassinate targeted individuals and to send a clear message to those who attempt to utilize the Mexicali/Tijuana corridor without paying the area transit tax demanded by the AFO trafficking domain.

The AFO also maintains complex communications centers in several major cities in Mexico to conduct electronic espionage and counter surveillance measures against law enforcement entities. The organization employs radio scanners and equipment capable of intercepting both hard line and cellular phones to ensure the security of AFO operations. In addition to technical equipment, the AFO maintains caches of sophisticated automatic weaponry secured from a variety of international sources.

A Joint Task Force composed of the Drug Enforcement Administration and the Federal Bureau of Investigation has been established in San Diego, California to target the AFO; the Task Force is investigating AFO operations in southern California and related regional investigations which track drug transportation, distribution and money laundering activities of the AFO throughout the United States.

Jesus Amezcua

The AMEZCUA Contreras brothers operating out of Guadalajara, Mexico head up a methamphetamine production and trafficking organization with global dimensions. Directed by Jesus AMEZCUA, and supported by his brothers, Adan and Luis, the AMEZCUA drug trafficking organization today is probably the world's largest smuggler of ephedrine and clandestine producer of methamphetamine. With a growing methamphetamine abuse problem in the United States, this organization's activities impact on all of the major population centers in the U.S. The AMEZCUA organization obtains large quantities of the precursor ephedrine, utilizing contacts in Thailand and India, which they supply to methamphetamine labs in Mexico and the United States. This organization has placed trusted associates in the United States to move ephedrine to Mexican methamphetamine traffickers operating in the U.S. Jose OSORIO-Cabrera, a fugitive from a Los Angeles investigation until his arrest in Bangkok, was a major ephedrine purchaser for the AMEZCUA organization.

Joaquin GUZMAN-LOERA

Joaquin GUZMAN-Loera began to make a name from himself as a trafficker and air logistics expert for the powerful Miguel FELIX-Gallardo organization. GUZMAN-Loera broke away from FELIX-Gallardo and rose to patron level among the major Mexican trafficking organizations. Presently, he is incarcerated in Mexico; however, Mexican and United States authorities still consider him to be a major international drug trafficker. The organization has not been dismantled or seriously affected by GUZMAN-Loera's imprisonment because his brother, Arturo GUZMAN-Loera, has assumed the leadership role. The GUZMAN-Loera organization transports cocaine from Colombia through Mexico to the United States for the Medellin and Cali mafia's and is also involved in the movement, storage, and distribution of marijuana, and Mexican and Southeast Asian heroin. This organization controlled the drug smuggling tunnel between Agua Prieta, Sonora, Mexico and Douglas, Arizona through which tons of cocaine were smuggled.

GUZMAN-Loera, who has been named in several U.S. indictments, was arrested on June 9, 1993 in Talisman, Mexico for narcotics, homicide, and cocaine trafficking and is presently incarcerated at the Almoloya de Juarez Maximum Security Prison in Toluca, Mexico.

Effect of Mexican Organized Crime on United States

Unfortunately, the violence that is attendant to the drug trade in Mexico is spilling over the Border into U.S. towns, like San Diego, California and Eagle Pass, Texas. Last summer, ranchers along the Texas/Mexico Border reported they were besieged by drug organizations smuggling cocaine and marijuana across their property-- fences were torn down, livestock butchered and shots were fired at the ranchers' homes at night. Ranchers reported seeing armed Mexican patrols with night vision equipment, hand-held radios and assault rifles that protected a steady stream of smugglers back packing marijuana and cocaine into the United States. The problem became so acute that the State of Texas and the Federal government sent support in the form of additional U.S. Border Patrol Officers, DEA Special Agents, Officers from the Texas Department of Public Safety and the Texas National Guard. Life has returned somewhat to normal in that area, as the drug gangs reacted to law enforcement pressure and have moved their operations elsewhere.

DEA information supports widely reported press accounts that the Arellano-Felix organization relies on a San Diego California gang known as "Logan Heights Calle 30" to carry out executions and conduct security for their distribution operations. Six members of "Calle 30" were arrested by DEA's violent crime task force and the San Diego Police Department for the murder of a man and his son in San Diego. Since that time 49 members of "Calle 30" have been arrested by the Narcotics Task "Force in San Diego on a variety of charges from trafficking to violent crimes.

On December 11, 1996 Fernando Jesus Gutierrez was shot five times in the face during rush hour in then exclusive neighborhood the Silver Strand in Coronado California after his death was ordered by the Arellano--Felix organization. In 1993 a turf battle over the methamphetamine market between rival drug gangs from Mexico resulted in 26 individuals being murdered in one summer in the San Diego area.

U.S. Law Enforcement Strategy vs Organized Crime in Mexico

The Southwest Border Initiative (SWI) is federal law enforcement's joint response to the substantial threat posed by Mexican groups operating along the Southwest Border. The SWI, now in its third year of operation, is an integrated, coordinated strategy that focuses the resources of DEA, FBI, the United States Attorney's Offices (Criminal Division), the U.S. Border Patrol, the U. S. Customs Service and state and local authorities on the sophisticated Mexican drug trafficking organizations operating on both sides of the U.S./Mexican border.

the

Through this initiative we have identified the sophisticated Mexican drug trafficking organizations operating along the entire U.S. border. These groups are transporting multi-ton shipments of cocaine for the Colombian groups, as well as heroin, methamphetamine and marijuana. Imitating the Colombian groups, the Mexican organizations are highly compartmentalized, using numerous workers to accomplish very specific tasks, such as driving load cars, renting houses for storage sites, distributing cocaine and collecting profits. Through the compartmentalization process each worker performs a distinct task and has no knowledge of the other members of the organization.

USCS, U.S. Attorneys' Offices, And

We are attacking the organizations by targeting the communication systems of their command and control centers. Working in concert, DEA, ~~and~~ FBI offices around the country conduct wiretaps, that ultimately identify their U.S. based organization from top to bottom. This strategy allows us to track the seamless continuum of cocaine traffic as it flows from Colombia through Mexico, to its eventual street distribution in the United States. However, even though this strategy is extremely effective in dismantling the U.S. based portions of the organizations, we are frustrated by not being able to use this same information to reach the organization's bosses in Mexico and Colombia. Criminals, such as Carillo, ~~[illegible]~~ and Arellano-Felix, personally direct their organizations from safehavens in Mexico and until we garner the complete cooperation of law enforcement officials in Mexico, we will never be truly effective in stopping the

Fuentes

flow of drugs from their country.

The Southwest Border Strategy is anchored in our belief that the only way of successfully attacking any organized crime syndicate is to build strong cases on the leadership and their command and control functions. The long term incarceration of key members of these organization's command and control will cause a steady degradation of their ability conduct business in the United States and with the assistance of foreign governments, the long term incarceration of the leadership will leave the entire organizations in disarray. The Cali mafia once controlled cocaine traffic in the world from a highly organized corporate structure, with the incarceration of the Cali leaders we see the cocaine trade in Colombia has become far less monolithic and several independent unrelated organizations are controlling the exportation of cocaine to the U.S. and Mexico. This change is a direct result of the incarceration of the Cali leaders and their inability to fully control their organizations from prison.

We spoke to you last year about the successes of Zorro II, conducted under the auspices of the SWI, during which both a Colombian distribution organization and a Mexican smuggling organization were dismantled and the infrastructure of both organizations were destroyed. Ninety court authorized wire taps resulted in the arrest of 156 people and the seizure of $17 million dollars and 5,600 kilograms of cocaine. Most importantly, neither the Colombian or Mexican organizations have been able to reconstitute these distribution organizations. Zorro II confirmed our belief that cocaine distribution in the United States is controlled by the foreign syndicates located in Colombia and Mexico.

Since Zorro II, we have continued to focus on the command and control function of other transportation and distribution cells operating along the Southwest Border and throughout the U.S. These investigations are time and resource intensive, but yield significant results. Additional investigations, of similar significance and importance as Zorro II, have been developed since that time, however due to the sensitive nature of the investigations. I am precluded from discussing them at this time.

Corruption and Intimidation: Tools of the Trade

Traditionally, organized crime has depended on the corruption of officials, and the intimidation of potential or actual witnesses, as well as violence against anyone who stands in the way of business. The Medellin and Cali mafias were masters of corruption, intimidation and violence, and used these tools effectively to silence and coerce.

Organized crime figures in Mexico routinely use these tools as well. The recent arrest of the Commissioner of the INCD in Mexico last week is the latest illustration of how deeply rooted corruption is in Mexican anti-narcotics organizations. A good illustration of the extent of corruption in Mexico was revealed when officials, seeking the extradition of two of Arellano -Felix's contract killers, who are currently incarcerated in the United States, submitted papers indicating that the State Attorney General and almost 90 % of the law enforcement officers, prosecutors, and judges in Tijuana and the State of Baja California have been compromised and are on the payroll of the Arellano Felix brothers. In addition, several high ranking police officers regularly provide the names of witnesses who give statements against the Arellano -Felixes and have even provided information that assisted in locating targets for assassination. Just recently, the Federal Police in Baja California Norte were replaced with military troops, a tacit admission of the level of corruption in that area. Yet, as we observed with the arrest of Gutierrez-Rebollo, the military is not immune from corruption either.

Historically, corruption has been a central problem in DEA's relationship with Mexican counterparts. In short, there is not one single law enforcement institution in Mexico with whom DEA has an entirely trusting relationship. Such as relationship is ~~absolutely essential~~ to the conduct of business in that, or any other nation where organized crime syndicates traffic in narcotics.

Important

In the brief time we have allotted to us today, I would like to provide you with some recent examples of the corruption which we encounter all too frequently in Mexico.

- This January, the Mexican Army raided the wedding party of Amado Carillo FUENTES ~~Faintest'~~ sister. When they arrived at the scene, Mexican Federal Judicial Police were guarding the party. The MFJP had alerted Carillo ~~Fainteset~~ FUENTES about the planned raid, and he was able to escape. The commander in charge of the January raid was General

Guitierrez Rebollo, the Commisioner of the INCD, fired by President Zedillo last week.

- The Arellano Felix organization routinely bribes government officials to obtain information from prosecutors' offices including information on potential witnesses.

- Despite the firing of 1250 government officials for corruption charges by President Zedillo, no successful prosecutions of these individuals has taken place, And many have returned to their jobs.

- In March, 1996, DEA Task Force Agents arrested two individuals who identified themselves as police officers from Sonora, Mexico. Eleven hundred pounds of marijuana were found on the scene, and the police admitted they worked at the stash house.

- In July a Mexican Army Division arrested nine Mexican Federal Judicial Police Officer and seized 50 kilograms of cocaine and $578,000 in U.S. currency. The defendants were acting under the direction of the Commandante for Culican, Sinaloa at the time.

While A great deal of the corruption plagues the law enforcement agencies in Mexico, the Mexican military and other institutions are also vulnerable to the corrupting influences of the narcotics trade. The Mexican Government has replaced police with military officials, who are not fully trained in all of the aspects of narcotics investigations. This situation is far from ideal. Political officials are also not immune to narcotics corruption; DEA has documented instances where Governors have allowed drug traffickers to freely operate in areas under their control. Corruption is the most serious, most pervasive obstacle to progress in addressing the drug trade in Mexico.

In addition to the serious corruption problems plaguing anti-narcotics enforcement efforts in Mexico, murders and violence are commonplace methods of silencing witnesses or rivals. Since 1993, twenty-four major drug-related assassinations have taken place in Mexico. Virtually all of these murders remain unsolved. Many of them have occurred in Tijuana or have involved victims from Tijuana. In the last year, 12 law enforcement officials or former officials have been gunned down in Tijuana and the vast majority of the 200 murders in that city are believed to have been drug-related.

A number of these incidents involving law enforcement officials are a serious indication of the depth and breadth of the power of the traffickers in Mexico.

- The Arellano-Felix organization was responsible for setting off a bomb at the Camino Real Hotel in Guadalajara, where they intended to kill a rival trafficker, hosting a party for his daughter. Two men were killed and fifteen people wounded.

- In September on 1996, Jorge Garcia Vargas, Sub-Director of the Tijuana office of the Institute for the Combat of Drugs (INCD), and former Commandante Miguel Angel Silva-Caballero were found shot to death in their car in Mexico City. The bodies showed signs of torture, similar to those on the bodies of Hector Gonzalez-Baecenas, Garcia-Vargas' assistant in Tijuana, and three body guards who were tortured and killed five days earlier in Mexico City. Garcia-Argas death came only one year after he took the job in Tijuana.

- Ernest ~~Iberia~~ Ibarra-Sanies, the Director of Federal Police Force in Tijuana, and two police officers were executed by machine-gun fire as they drove along a main street in Mexico City. ~~Iberia~~ Ibarra Sanies was executed just 29 days after he became Director and two days after he reprimanded his own force stating "The Police had become so corrupt they weren't just friends with the traffickers, they were their servants" A Mexican Army officer has been implicated in this murder.

- Baja State Prosecutor Odin Gutierrez-Rico was assassinated in front of his residence in Tijuana on January 3, 1997, Gulterrez, a supervisory state attorney and former head of a special enforcement unit that investigated high profile homicides in Tijuana, had assisted DEA in identifying several assassins for the Arellano-Felix organization. Information strongly links the Arellano-Felix's to this murder which was particularly vicious; Guiterrez-Rico was shot over 100 times, after which his body was repeatedly run over by an automobile.

It is hard to imagine that in our own nation, we would stand for such killings and for government inaction in solving the murders. The assassinations in Mexico are akin to three Assistant United States Attorneys, the Special Agent in Charge of the DEA office in San Diego, the Special Agent in Charge of the FBI office in Houston and the Chief of Police in San Diego being murdered callously by drug dealers.Americans would not accept these murders going unsolved, an no arrests being made. For any country's law enforcement agencies to be viable partners in the international law enforcement arena, they must apprehend and incarcerate those criminals who murder with such impunity.

Cooperation with Mexico

The primary program for cooperative law enforcement efforts with the Government of Mexico is a proposed series of Bi-Lateral Task Forces(BTF). The U.S. and Mexico signed a memorandum of understanding in 1996, outlining the framework for the United States Government and the government of Mexico to conduct joint investigations against targeted drug organizations. These Bi-Lateral Task Forces (BTF's) were established in Juarez, Tijuana and Monterrey. The task forces in Tijuana and Juarez have been limited in their ability to collect intelligence and seize drugs and they have not met their most important objectives of arresting the leaders of the major syndicates and dismantling their organizations.

(from [illegible] seized assets the U.S. had shared with Mexico)

During bilateral plenary meetings, Mexican officials promised they would allocate $2.4 million towards the financing of the BTF's; however, Francisco Molina Ruiz, the former head of the INCD, advised DEA that he had been unable to obtain the financial support necessary to make these Task Forces operational. The BTF's for the most part are staffed with enthusiastic young officers, however, they have neither received the training or the equipment necessary to build cases on and arrest these sophisticated and wealthy drug traffickers.

The most significant shortcoming of the B.T.F.'s, however, lies in its leadership. On at least two occasions, after having been advised of pending enforcement actions by their subordinates, corrupt command officers in Mexico City compromised the investigations. One involved the seizure of sixteen tons of cocaine belonging to the Are llano-Felix family. To be successful in Mexico, we must be able to share intelligence with the B.T.F.'s with the confidence that it will be promptly acted on and not be compromised by corrupt officials that is not the condition that we are currently faced with in our relationship with the bi-lateral groups.

Unfortunately, I was recently forced to limit DEA participation in these B.T.F.'s, because of a decision by the Government of Mexico that would no longer allow us to guarantee the safety of our Special Agents while they were working in Mexico. The atmosphere in Mexico is volatile and threats against DEA Special Agents, along the border, have increased substantially; therefore I have rescinded travel authority for all DEA Special Agents to Mexico, to participate in counter-drug investigations, until they are given consular immunity and authorized to carry weapons in Mexico.

Prospects for Progress

Since coming to office, President Zedillo has promised that he would take action against organized criminal groups ion Mexico. In that time period he has moved to make significant changes to the law enforcement process by sponsoring the Organized Crime Bill to provide the tools needed to successfully attack the criminal syndicates and formed the Organized Crime Task Force and the Bi-Lateral Task Forces. However, even with the improved ~~process~~ the infrastructure of the mechanism, itself, is so decimated by corruption that short term results are very doubtful. LAW

The real test is in the mid and long term. Unless some meaningful reforms are made in the law enforcement systems responsible for targeting and apprehending major organized crime figures in Mexico, that nation, and unfortunately our own, will continue to fight an uphill battle as drugs will continue to flow into cities and towns across the United States. To date, our inability to successfully attack the major organized crime groups in Mexico, as we have in the United States and Colombia, is a direct result of our inability to arrest the leadership of these groups.

President Zedillo has acted against corrupt officials, and has stated that he is committed to professionalizing Mexican law enforcement. Yet the bottom line remains: until the major organized crime figures operating in Mexico are targeted, investigated, arrested, sentenced appropriately and jailed, both Mexico and the United States are in grave danger.

What law enforcement steps are necessary for long-lasting progress against organized crime leaders in Mexico? We faced the same questions in our mutual struggle against the Colombian mafia during the past decade. What it took was an all-out effort by the Colombian National Police to target and incarcerate the top leaders of the Cali mafia. Until the Government of Colombia was put on notice that their lack of commitment to this goal was unacceptable, the CNP did not have the moral backing it needed to move out aggressively. In Mexico's case, it appears that the political will to rid the country of the its narco-trafficking reputation is there; however, what is lacking are clean, committed law enforcement agencies willing to take on the most powerful and influential organized crime figures operating on a global scale.

We hope that efforts towards this end will bear fruit. In November, 1996, the Government of Mexico passed an Organized Crime Law which provides Law Enforcement officials with many of the tools needed to successfully attack the sophisticated drug syndicates in their country. Included as part of the Law were: authorization to conduct electronic surveillance; a witness protection program; plea bargaining;conspiracy laws; undercover operations; the use of informants by police. Also passed were asset forfeiture statutes.

For these new law enforcement tools to be utilized effectively, the new law mandated the Government of Mexico to form Organized Crime Units to conduct the investigations and further stipulated that the laws could not be enforced until the unit was formed and properly trained. The Organized Crime Units are now in place and consist of 60 officers to investigate crimes specified under the law. The Government of Mexico has agreed to insure the integrity of the Organized Crime Unit through the use of polygraphs and regular background investigations. However, like the Binational Task Forces, these units will not be successful and

DEA might not be able to share sensitive information with them as long as their supervisors or managers are corrupt.

It is important to remember that law enforcement in the United States did not have wiretap authority and wide ranging organized crime laws such as RICO and Continuing Criminal Enterprise until the late 1960's. The Government of Mexico is effectively 35 years behind us in establishing laws that were critical in our successful dismantling of organized criminal syndicates. If they work properly, the bi-lateral task forces and our Southwest Border Initiative can be favorably compared to the Strike Forces established by Bobby Kennedy in the 1960's. This 1990's version of the Strike Force is international in scope and pools the resources, expertise and laws of several federal and state institutions in the United States with those in Mexico.

It is absolutely essential that the Organized Crime group and the Bi-Lateral Task forces have integrity insurance programs as part of their charter. Unless these units are trustworthy, informants who cooperate will not be safe, undercover investigations will be compromised and the intelligence sharing process will not function at all. Last week we saw that a trustworthy unit from the Mexican Military conducted the investigation and arrest of Gutierrez-Rebello without their efforts being compromised. As we have seen recently, both the Military and Law Enforcement have been grievously compromised by these criminal groups and this brings into question the ability of any program in Mexico to remain corruption free.

The problems of establishing a corruption free law enforcement infrastructure are not insurmountable. However, to become credible in the Law Enforcement arena the Government of Mexico must insure the integrity of the units that have the responsibility of tracking down and arresting the syndicate leaders, insuring these individuals are either prosecuted in Mexico and receive meaningful sentence commensurate with their crimes or agree to extradite them to the United States where they will receive similar punishment to Juan Garcia -Abrego.

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Total Pages: ~~4~~ 9 8

LRM ID: AER28

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
Washington, D.C. 20503-0001

Monday, February 24, 1997

LEGISLATIVE REFERRAL MEMORANDUM

TO: Legislative Liaison Officer - See Distribution below

Kim Peterson

FROM: Ronald K. Peterson (for) Assistant Director for Legislative Reference

OMB CONTACT: John E. Thompson
PHONE: (202)395-3730 **FAX:** (202)395-0850

SUBJECT: JUSTICE/Criminal Div Oversight Testimony on Counternarcotics Efforts in Mexico

DEADLINE: **4:00 P.M. Monday, February 24, 1997**

In accordance with OMB Circular A-19, OMB requests the views of your agency on the above subject before advising on its relationship to the program of the President. **Please advise us if this item will affect direct spending or receipts for purposes of the "Pay-As-You-Go" provisions of Title XIII of the Omnibus Budget Reconciliation Act of 1990.**

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EOP:
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Antonio E. Chavez
Kevin P. Cichetti

LRM ID: AER28 **SUBJECT:** JUSTICE/Criminal Div Oversight Testimony on Counternarcotics Efforts in Mexico

RESPONSE TO
LEGISLATIVE REFERRAL
MEMORANDUM

If your response to this request for views is short (e.g., concur/no comment), we prefer that you respond by e-mail or by faxing us this response sheet. If the response is short and you prefer to call, please call the branch-wide line shown below (NOT the analyst's line) to leave a message with a legislative assistant.

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(2) sending us a memo or letter
Please include the LRM number shown above, and the subject shown below.

TO: John E. Thompson Phone: 395-3730 Fax: 395-0850
Office of Management and Budget
Branch-Wide Line (to reach legislative assistant): 395-5090

FROM: ______________________ **(Date)**

______________________ **(Name)**

______________________ **(Agency)**

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_____ **Concur**

_____ **No Objection**

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_____ **See proposed edits on pages** _________

_____ **Other:** ______________________

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2/24 9 AM

DRAFT

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT
SUBCOMMITTEE ON NATIONAL SECURITY, INTERNATIONAL AFFAIRS, AND CRIMINAL JUSTICE

Proposed Testimony of Mary Lee Warren
Deputy Assistant Attorney General
United States Department of Justice, Criminal Division

February 25, 1997

Thank you, Mr. Chairman and members of the Subcommittee, for the opportunity to address you at this critical and difficult time. The events of last week -- the arrest and firing of Mexico's chief drug enforcement official amidst allegations of accepting bribes to assist and protect the notorious Amado Carrillo Fuentes trafficking organization -- remind us of the sobering realities of the power and reach of the major drug trafficking organizations. Anyone who has scanned the papers in the last six months realizes the extraordinary levels of violence and corruption wielded by these groups not only in Mexico but in the U.S. towns along the border. Yet, we at the Department of Justice also understand that the option of <u>not</u> working with our neighbor, Mexico, does not serve the interests of either of our countries. We must proceed in cautious, measured steps, with an aim at achieving tangible results born of cooperation against a shared threat.

Drug trafficking and its offspring of corruption and violence are among the greatest threats facing each of our countries. I would like to take the opportunity you have given me today to describe our initiatives in working with Mexico, the obstacles to progress and how we are addressing them, and the road ahead. In particular, I will discuss the Southwest Border Initiative, the Bilateral Task Forces, U.S./Mexico coordination mechanisms, and something of our response to the corrosive influence of corruption.

I. <u>Southwest Border Initiative (SWBI)</u>

The Southwest Border Initiative (SWBI) was launched in October 1994, to develop a regional strategy to investigate, prosecute and dismantle the most significant narcotics traffickers operating from Mexico -- the Mexican Federation. These traffickers -- including Amado Carrillo Fuentes -- are responsible for the importation of vast amounts of cocaine, methamphetamine and other drugs into the U.S.. They protect their illegal activities through related incidents of public corruption and violence not only in Mexico but in the U.S.

The implementation of the SWBI is overseen by the Southwest Border Council. The Council is made up of the United States Attorneys in the Central and Southern Districts of California, the Western and Southern Districts of Texas, and the Districts of Arizona and New Mexico. These United States Attorneys are joined on the Council by representatives from the Justice Department's Criminal Division, headquarters components of the DEA, FBI, and U.S. Customs, as well as the INS/Border Patrol. The Council serves to assure we are implementing a unified regional investigative strategy to disrupt, dismantle and destroy the Mexican Federation.

In a process that is ongoing as the Initiative achieves successes against the traffickers, investigators and prosecutors identify and target the major Mexican criminal organizations for investigation, share resources and information, and coordinate the methods and scope of our investigative efforts. Day-to-day coordination of the investigations, operations, and prosecutions is assisted by the Special Operations Division, a joint DEA, FBI, and USCS investigative unit, working in close coordination with the Criminal Division's Narcotic and Dangerous Drug Section -- in consultation with the Division's Public Integrity Section.

The SWBI can point to several accomplishments to date:

- On January 14, 1996, Juan Garcia-Abrego, the leader of the Gulf Coast Cartel and an FBI "Top Ten" fugitive, was arrested in Mexico and expelled to the United States the next day to face criminal prosecution in the Southern District of Texas at Houston. Abrego was charged under the drug kingpin (continuing criminal enterprise) statute, with conspiracy to distribute narcotics, money laundering, and related offenses. He was convicted and a forfeiture verdict of $350 million entered. In January, Abrego was sentenced to 11 life terms and fined more than $128 million.

- In February and May 1996, "Operation Zorro II," a SWBI investigation involving 14 judicial districts, concluded with the arrest of more than 130 persons and the seizure of approximately 5,600 kilograms of cocaine and more than $17 million in currency and assets. Zorro II simultaneously dismantled the group from Colombia that owned the cocaine and the organization from Mexico that smuggled the drugs into the United States and distributed them to wholesale and retail buyers in major cities nationwide. This eight-month investigation combined ten federal agencies, over 100 state and local agencies, and ten U.S. Attorneys' offices, who were assisted by shared information from more than 90 court-authorized wiretaps. At least 21 of the Zorro II defendants have pleaded guilty, and prosecution of the remaining defendants continues.

- On October 10, 1996, the final defendant on trial in the "Tunnel case," Enrique Avalos-Barriga, was convicted under the drug kingpin statute, which carries a mandatory life sentence. Avalos-Barriga was the primary lieutenant for the Mexican trafficking organization headed by Joaquin Guzman-Loera, which specialized in transporting cocaine into the U.S. by various means -- including a 1,450 foot secret tunnel under the border from Mexico to Otay Mesa, California and other evil, but ingenious, methods -- and transporting currency from the U.S. to Mexico.

The key to success in these and other SWBI cases has been the increased interagency cooperation among the prosecutors offices, the DEA, FBI, USCS, and other federal, state, and local law enforcement agencies. This cooperation has become particularly evident in the sharing and analysis of evidence, investigative law enforcement intelligence and information, and the pooling of investigative expertise among the respective agencies.

The SWBI also has been instrumental in training federal, state, and local law enforcement officers and prosecutors in innovative tactics found to be particularly effective in investigating and prosecuting the various Mexican drug cartels. The training program, developed and staffed by the Special Operations Division and the Criminal Division's Narcotic and Dangerous Drug Section, has trained over 1,100 officers and prosecutors, and expects to train another 1,500 in 10 seminars by the end of FY-97. In addition the course material, including forms and reference materials on innovative investigative methods, has been shared with each United States Attorney's Office.

II. US/Mexican Bilateral Task Forces (BTFs)

In operational terms, perhaps one of the best ways we have to make inroads against the Mexican-based criminal drug organizations that distribute poison on our streets is through the US/Mexican Bilateral Task Forces. The concept of these coordinated bilateral border task forces was developed in a series of meetings in 1994 and 1995 between former Mexican Attorney General Lozano, Attorney General Reno, and their respective drug law enforcement components. The mission of the BTFs is to target and dismantle the most significant drug trafficking organizations operating within their respective assigned geographic areas, through the collection of law enforcement intelligence and development of focused investigations.

A fair assessment of the performance of the Bilateral Task Forces to date would be "mixed," at best. There are real success stories. The Monterrey task force was responsible for the arrest and capture of 14 upper echelon traffickers in the Gulf Cartel. The Tijuana BTF provided information helpful to the arrest of major traffickers Pedro and Gerardo Lupercio-Serratos.

With focused missions to investigate and dismantle specified target criminal organizations, the presence of U.S. enforcement agents working in collaboration with their Mexican counterparts, and the dedication of better equipment and training, these Task Forces should serve as a model for an effective counternarcotics effort in Mexico. However, obstacles posed by Mexico's failing adequately to fund the task forces and the failing to provide appropriate immunities and weapons permission for the U.S. participants, as well as a lack of training and continuity of the Mexican staffing have stymied progress of the Bilateral Task Force effort to date.

III. Hierarchy of U.S./Mexico Coordination Mechanisms

A multi-tiered structure for cooperation on law enforcement matters exists between the U.S. and Mexico. First, at the cabinet level, in May 1996, the XIII U.S.-Mexico Binational Commission met in Mexico City; the two nations' Attorneys General, along with ONDCP Director McCaffrey, co-chaired a working group on Legal Affairs and Anti-Narcotics Cooperation. Second, the High-Level Contact Group on Drug Control, created in 1996, and led by ONDCP Director McCaffrey and the Mexican Foreign Secretary and Attorney General, provides a policy framework for joint counter-narcotics efforts. Third, the Senior Law Enforcement Plenary Group, which I co-chair with the Mexican Deputy Attorney General, focuses in detail on the resolution of a range of law enforcement issues -- primarily drug-related -- between the two countries. Much of the substantive work and progress overseen by these groups is done by subject-specific working groups, which cover topics such as counternarcotics, chemical control, money laundering, demand reduction, and more.

These several levels of US/Mexican coordinating groups, which meet several times a year, have each served as a forum for discussion and, at times, criticism by each side. These groups allow the two countries to plan joint strategies, continue the dialogue, educate their counterparts, and, where necessary, remind each other of commitments made and deadlines agreed upon. Speaking from the U.S. side, our internal actions with respect to Mexico have moved forward more swiftly than they might otherwise have progressed because of the timetables imposed by the High-Level Contact Group, the Plenary Group, and subordinate working groups.

The Plenary Group -- on which I am best able to comment -- covers many crucial bilateral drug and law enforcement issues. For example:

- <u>Fugitives and Mutual Legal Assistance</u>. This is an area where, with the constant work and urging of the Criminal Division's Office of International Affairs, we have made considerable progress. In 1996, Mexico extradited 13 persons, including six for narcotics offenses, as opposed to only five total in 1995. Of special note is that one of these fugitives was a Mexican national and another was a dual U.S.-Mexico national. The US/Mexican extradition relationship has improved enormously. We are currently seeking extradition of numerous individuals from Mexico on a wide range of different crimes including major narcotics trafficking charges, murders of law enforcement officers and others, sexual abuse of children, and other violent criminal activity. Among the individuals we will press for the return of are, for example, the remaining defendants in the "Tunnel case" I mentioned moments ago.

  A related area of past frustration, but one of some recent progress, is in the execution of requests for mutual legal assistance. There have been recent examples of swift handling of urgent matters; however, we are still experiencing difficulties in obtaining Mexican bank and business records necessary to our investigations and prosecutions.

- <u>Counternarcotics Cooperation</u>. Counternarcotics cooperation takes several forms. First, we have stepped-up cooperation with Mexico on interdiction and are sharing real-time information on suspect shipments of chemicals needed to manufacture and process drugs. Second, the Plenary Group oversees the structure of and support for the Bilateral Task Forces, discussed earlier.

  It should be noted that in the last year Mexico passed an organized crime law -- which we had urged them to do -- which gives Mexican prosecutors and investigators the authority they will need to combat sophisticated criminal organizations. This includes the ability to perform court-ordered electronic surveillance (wiretaps), engage in undercover operations, grant witnesses immunity, enter into plea bargains, and other evidence gathering authorities. We have committed to work with the Mexicans to assist them in the training of both investigators and prosecutors in their ongoing efforts to implement these new tools.

- <u>Chemical Control</u>. The bilateral chemical control working group has been among the most active in the past year. The group developed a Practical Strategy and Action Plan and is working to implement its elements. Most recently, the DEA has presented two training sessions in Mexico: one covering chemical identification and investigation of chemical diversion; and another addressing how chemicals are used in clandestine methamphetamine labs and how to investigate, search, and secure those labs.

- Money Laundering. There is also a bilateral working group on money laundering issues, led on the U.S. side by the Treasury Department. Mexico has provided good cooperation, including testimony, in a number of money laundering investigations conducted by our government. Mexico reformed its penal code in May 1996, adding a new section making money laundering a crime. Disappointingly, the necessary, promised implementing regulations have not yet been published and put into effect.

- Other Matters. The Plenary Group's mandate is broad and reaches beyond the issue of narcotics trafficking from an enforcement perspective. For example, under the Plenary Group's rubric are: arms trafficking, white collar crime and fraud; stolen cars; and prisoner transfers.

IV. Corruption

Insidious corruption has the potential to undermine the well-meaning efforts of both governments. We are dismayed by recent revelations of corruption at very high levels in Mexico. INCD chief Jesus Gutierrez Rebollo, the top drug enforcement official in Mexico, was arrested and fired after 10 weeks in his position amidst charges that he has received bribes for years to protect the organization led by Amado Carrillo Fuentes, the notorious leader of the Juarez Cartel.

At the same time, we would do well to remember that corruption exists on both sides of the border, albeit in a more pervasive form to the south. In the last four years a number of U.S. law enforcement agents have been convicted of corruption-related crime along the Southwest border. Five of these agents were convicted in Arizona, Southern California and South Texas in cases stemming from drug trafficking for which they received substantial periods of incarceration. These officials either consciously allowed or actively assisted traffickers to smuggle illegal drugs across our southern border. We are committed to a course of vigorous anti-corruption efforts in the U.S.

The solution to endemic corruption in Mexico is not to cordon ourselves off from Mexico. Mexico is an indispensable partner in combatting drug trafficking, which President Zedillo has identified as the principal threat to Mexico's national security. The best approach is, in simple words: to work with people we feel we can trust, based on the best information we have at the time; and to design safeguards in our operations should they later be compromised by the corrupting influences of the traffickers.

A good example of operational safeguards is the U.S. model for the Bilateral Task Forces. We urge that members of the task forces be subject to "vetting." By our definition, this process includes, for example: (1) security questionnaires and background interviews; (2) medical and psychological screening (records review and aptitude/profile testing); (3) initial and random urinalysis; and (4) polygraph examination. This vetting process, combined with enhanced training, a minimum time commitment (we have suggested three years), and perhaps higher pay to reflect the additional training, would go a long way to increase our confidence that the BTFs are substantially free of corruption and have the personnel to carry out their difficult task of tackling highly sophisticated and violent drug trafficking cartels.

Ultimately, of course, we support the efforts of President Zedillo, as manifest by his many public statements, to root out corruption from Mexican society. However, he and other observers concede that this will be a long-term process. The extent of corruption in Mexico is not fully known. Until that process is well along the way to uprooting the influence of the traffickers, the best approach is to work with Mexico forthrightly, on agreed upon action items, and with adequate safeguards.

We acknowledge that it will take time for Mexico to build fully professional, competent, corruption-free law enforcement and judicial institutions. We are committed to doing everything we can to support their work to achieve those goals. In the meantime, we will press the Mexican government to extradite significant criminals who are wanted in the U.S. to this country where our law enforcement and judicial infrastructure is today better able to prosecute, convict, and incarcerate them.

Thank you for the opportunity to address the Subcommittee and present the Department's initiatives and their progress. I would be pleased to answer any questions from the panel at this time.

U.S. DEPARTMENT OF JUSTICE

OFFICE OF LEGISLATIVE AFFAIRS

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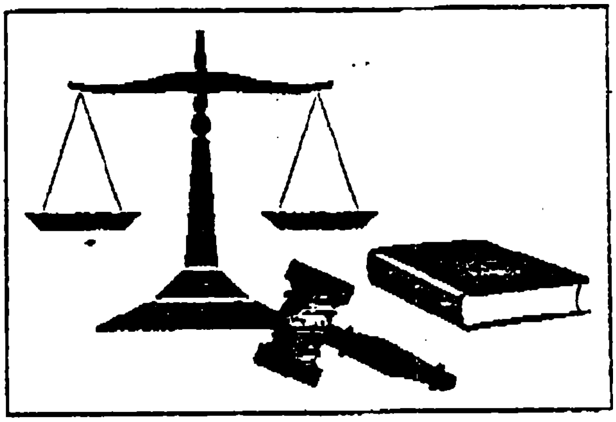

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TO: Annette

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
Washington, D.C. 20503-0001

Monday, February 24, 1997

LEGISLATIVE REFERRAL MEMORANDUM

TO:	Legislative Liaison Officer - See Distribution below
	Ron Peterson
FROM:	Ronald K. Peterson (for) Assistant Director for Legislative Reference
OMB CONTACT:	Steven M. Mertens
	PHONE: (202)395-4935 **FAX:** (202)395-0850
SUBJECT:	JUSTICE/INS Oversight Testimony on Counternarcotics Efforts in Mexico
DEADLINE:	**4:00 P.M. Monday, February 24, 1997**

In accordance with OMB Circular A-19, OMB requests the views of your agency on the above subject before advising on its relationship to the program of the President. **Please advise us if this item will affect direct spending or receipts for purposes of the "Pay-As-You-Go" provisions of Title XIII of the Omnibus Budget Reconciliation Act of 1990.**

COMMENTS: If you do not respond by the deadline, we will presume that your agency has no comment.

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John E. Thompson

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RESPONSE TO
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Office of Management and Budget
Branch-Wide Line (to reach legislative assistant): 395-5090

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______________________ (Name)

______________________ (Agency)

______________________ (Telephone)

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_____ Concur

_____ No Objection

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_____ See proposed edits on pages _________

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_____ FAX RETURN of ____ pages, attached to this reponse sheet

U.S. Department of Justice
Immigration and Naturalization Service

Office of the Commissioner

425 I Street NW.
Washington, DC 20536

2/24/97 draft

STATEMENT OF

DOUGLAS KRUHM
ASSISTANT COMMISSIONER FOR BORDER PATROL
IMMIGRATION AND NATURALIZATION SERVICE
U.S. DEPARTMENT OF JUSTICE

before the

HOUSE COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT
SUBCOMMITTEE ON NATIONAL SECURITY, INTERNATIONAL AFFAIRS AND CRIMINAL JUSTICE

concerning

INTERDICTION OF DRUG SMUGGLING FROM MEXICO

February 25, 1997

Mr. Chairman and members of the Committee, I am very pleased to be here to address you concerning the United States Border Patrol's role in the Administration's anti-narcotics initiative.

The United States Border Patrol, the mobile, uniformed law enforcement division of the Immigration and Naturalization Service (INS), is the primary federal agency for drug interdiction **between** ports of entry with support from U.S. Customs Service officers. Customs officers are responsible for interdiction at the ports themselves with support from INS inspectors.

The Border Patrol maintains a direct presence on the border along 8,000 miles of land and water boundary. Nearly 2,000 miles lie along the Southwest border where the Patrol is staffed by more than 5,400 agents.

Congress and the Clinton Administration have made control of illegal immigration a top priority and have worked to provide INS with the resources necessary to support an enforcement strategy that is making a difference now, and that will continue to make a difference in the future. The strategy restores the rule of law to the Southwest border. Our goals are clear: deter illegal immigration, drug trafficking, and alien smuggling between the ports of entry, and facilitate legal immigration through the ports of entry. We appreciate the resources and policy support which Congress and the Administration have provided in the last three years toward achieving this goal.

The INS border control plan has several key objectives:

--to provide the Border Patrol and other INS enforcement divisions with the personnel, equipment, and technology to deter, detect and apprehend unauthorized aliens, illicit drugs, and other contraband.

--to regain control of major entry corridors along the border that have been controlled by illegal migrants and smugglers; and

--to close off the routes most frequently used by smugglers and illegal aliens and to shift traffic to areas that are more remote and difficult to cross, giving us the tactical advantage.

Intelligence reports and actual experience indicate that drug smuggling and alien smuggling are often linked. Many smuggling rings are involved in both alien and drug smuggling. Illegal migrants seeking assistance from alien smugglers--sometimes called coyotes--often become mules carrying narcotics as part of the price of passage to interior points in the United States.

The Border Patrol employs a multi-faceted strategy in executing its enforcement activities to deter and/or apprehend narcotics and alien smugglers along the border. At the immediate border we deploy agents and utilize fences, high powered lights, sensor systems, low-light TV cameras, night vision scopes, canine teams, and, in some locations, horse patrols.

We also employ a system of traffic checkpoints situated along major roads and highways leading away from the border. These checkpoints are highly effective in the interdiction of both aliens and drugs. Specially trained Border Patrol Agents have been delegated limited authority under Title 21 by the DEA. Border Patrol Agents have also been given limited Title 19 authority by the U.S. Customs Service. These grants of authority allow the agents to enforce federal criminal laws related to the illicit trafficking and importation of contraband, including illegal drugs.

In the past 3 years, the Border Patrol has undergone unprecedented growth nationwide. We increased the number of agents from 3,965 in 1993 to 6,878 by the end of Fiscal Year 1996, and our goal is to have almost 7,400 agents by the end of 1998. This will represent an 85 percent increase in Border Patrol Agents since the end of Fiscal Year 1993. Beginning in 1994, we concentrated new Border Patrol Agents in those sectors which have historically apprehended the largest numbers of illegal aliens plus sectors which have experienced the greatest increase in illegal migrant flows. (See attached chart of Border Patrol Staffing and Apprehensions by Sector.) We also initiated strategies in the El Paso, San Diego, Tucson, and McAllen (Texas) sectors that are designed specifically for those geographical areas.

Operation Hold the Line, begun in September 1993 in El Paso, was the first example of our deterrent strategy. It was designed to maximize the visibility of Border Patrol Agents along a 20 mile stretch of the border formed by the Rio Grande River. The goal was to preclude unauthorized entries into the city and environs of El Paso. Once in the city, it was much easier for the aliens to obtain unauthorized employment or move further into the interior of Texas, New Mexico and the rest of the United States.

Operation Gatekeeper applied a similar deterrent strategy beginning in October 1994 in San Diego. Given the different terrain and makeup of the border-crossers, this operation combines immediate border visibility with an expanded support infrastructure including stadium-style lighting, portable lighting, fencing, night vision scopes, and sensors. It also involves applying pressure on smugglers at their drophouses, and at checkpoints on the major roads leading north to Los Angeles and the interior of California.

In February 1995, we began tactical operations in Arizona with Operation Safeguard in Nogales and, later, Douglas. Safeguard combines the presence and visibility of the agent patrols in the most populated areas with additional strategically located traffic checkpoints on roads leading away from the border.

In the fall of 1996, McAllen Sector increased its anti-smuggling efforts by targeting staging areas, drop houses, and citizen complaints. At the same time, McAllen is increasing enforcement activities at the immediate border by conducting joint operations with the U.S. Customs Service, Department of Defense, and State and local law enforcement agencies.

We've seen dramatic success in each of these areas. The daily migration from Juarez to El Paso was cut by approximately 75 percent in the first months of Operation Hold the Line. Even with the effect of peso devaluation, apprehensions in El Paso have remained low. Since Operation Gatekeeper began, illegal entries into San Diego's Imperial Beach area, historically the most heavily trafficked illegal corridor, have dropped approximately 60 percent (186,894 in Fiscal Year 1994 to 74,979 in Fiscal Year 1996). Operation Safeguard in Nogales has had similar results. Consistent with the beginning of a new tactical strategy, apprehensions in the McAllen Sector are up 34 percent from January 1996 to January 1997. Local law enforcement officials attribute a decrease in crime in those communities--at least in part --to Border Patrol initiatives.

We have continued to expand the use of technology in support of our agents in all of our southwest border sectors. We have installed 146 IDENT terminals in 78 locations. IDENT enables agents to fingerprint, photograph, and collect biographical data on the aliens we arrest. The system also provides agents with a real time look-out system for known criminals. The cumulative database tracks repeat offenders and will help us follow alien migration patterns, so we can anticipate necessary tactical and strategic changes.

We have found night vision equipment to be an extremely effective tool. Since 1993, the Border Patrol has procured 164 long-range, infra-red night vision scopes. During Fiscal Year 1996, the Border Patrol has deployed a total of 96 new night vision scopes. This does not include excess equipment obtained from military sources. Today, all sectors have long-range infrared night vision equipment.

A large proportion of Border Patrol drug seizures and a tremendous amount of real-time intelligence are a direct result of electronic sensors placed along remote or inaccessible smuggling routes. Since 1993, 4,321 sensors have been procured. That brings our current total quantity of sensors to 9,206.

The Border Patrol Canine Program is another example of our commitment to controlling the flow of narcotics and aliens across our borders. We have 139 dogs trained to locate people and drugs. Ten more dogs and dog handlers are in training. The dog teams operate throughout the Border Patrol with concentrations in those Sectors that operate traffic checkpoints. During Fiscal Year 1996, Border Patrol dog teams located 25,534 people, and made 3,036 drug seizures valued at $425.8 million. As part of our interagency initiatives, our dogs have responded to 1,736 requests for canine assistance from other law enforcement agencies.

Although investigation of narcotics cases is not a function per se of the INS or the Border Patrol, we are well situated for border interdiction of narcotics and it is a primary part of our mission. The volume of Border Patrol drug seizures has climbed steadily: from 150 tons of marijuana in Fiscal Year 1991, to 330 tons of marijuana in 1996. Since 1991, we have seized 84 tons of cocaine. These interdictions have provided critical leads to the investigative agencies, contributing to the disruption of drug trafficking organizations and independent smugglers. The combined value of our drug seizures is nearly two billion dollars. There is no dollar value that can be attached to the problems associated with these drugs, if they had been allowed on our streets and in our schools.

These seizures were made as part of our primary mission of controlling the border through deterrence and interdiction. To give a further indication of the magnitude of our workload, we made 1,507,020 arrests of illegal immigrants along the Southwest border during 1996.

In performing all these tasks, the Border Patrol has formed effective, lasting partnerships with the DEA, the Federal Bureau of Investigations, Customs, the Department of Defense, the Department of State and a number of foreign governments, including the government of Mexico.

INS has received significant support from the United States military and National Guard units based on Presidential directives and Congressional legislative provisions that the Department of Defense should provide counter-drug intelligence, training, and direct tactical support to the combined efforts to curb drug trafficking. Military and National Guard personnel are currently serving as listening post/observation post monitors, intelligence analysts, electronic technicians, helicopter pilots, vehicle and aircraft mechanics, bus drivers, sensor board monitors, low-light television operators, and firing range officers.

Over the past several years, military and National Guard personnel have built over 41 miles of border fencing and barriers in California and Arizona. This year, various military and National Guard units will complete another 14.2 miles in California and Arizona. Military construction units have also built roads to access the border in areas where they have built border fences and barriers. These roads significantly enhance our effectiveness by giving us access to areas that we could not easily patrol before they were built.

The Border Patrol works with Mexican law enforcement along the border to stem border robbers preying on migrants, drug smuggling, and other criminal activity. We have created procedures and structures for a more rapid and coordinated response to specific criminal activity.

The Mexican Government has designated formal organizations called Grupo Beta in the San Diego-Tijuana area and the Nogales, Arizona-Nogales, Mexico area that focus on combating crime and drug smuggling at the border. In addition to Grupo Beta, the other sectors also have cross-border quick response activities that are closely coordinated with Mexican law enforcement agencies.

Another positive stride we have made with Mexico concerns lane runners, large groups of aliens that ran through vehicle inspection lanes at the San Ysidro port of entry into oncoming traffic on Interstate Route 5. Some of these lane runners were smuggling packets of heroin attached to their bodies. Border Patrol and Grupo Beta, working cooperatively, share success in eliminating this type of drug smuggling and border running.

In summary, let me say that the mission of the INS and its Border Patrol are committed and equipped to work, in cooperation with other agencies, to secure the external borders of the United States.

Our approach emphasizes:

- Prevention through deterrence
- Flexibility to address vulnerable areas via a comprehensive strategy
- Technology as a force multiplier
- Redeployment of personnel and resources to key border areas.

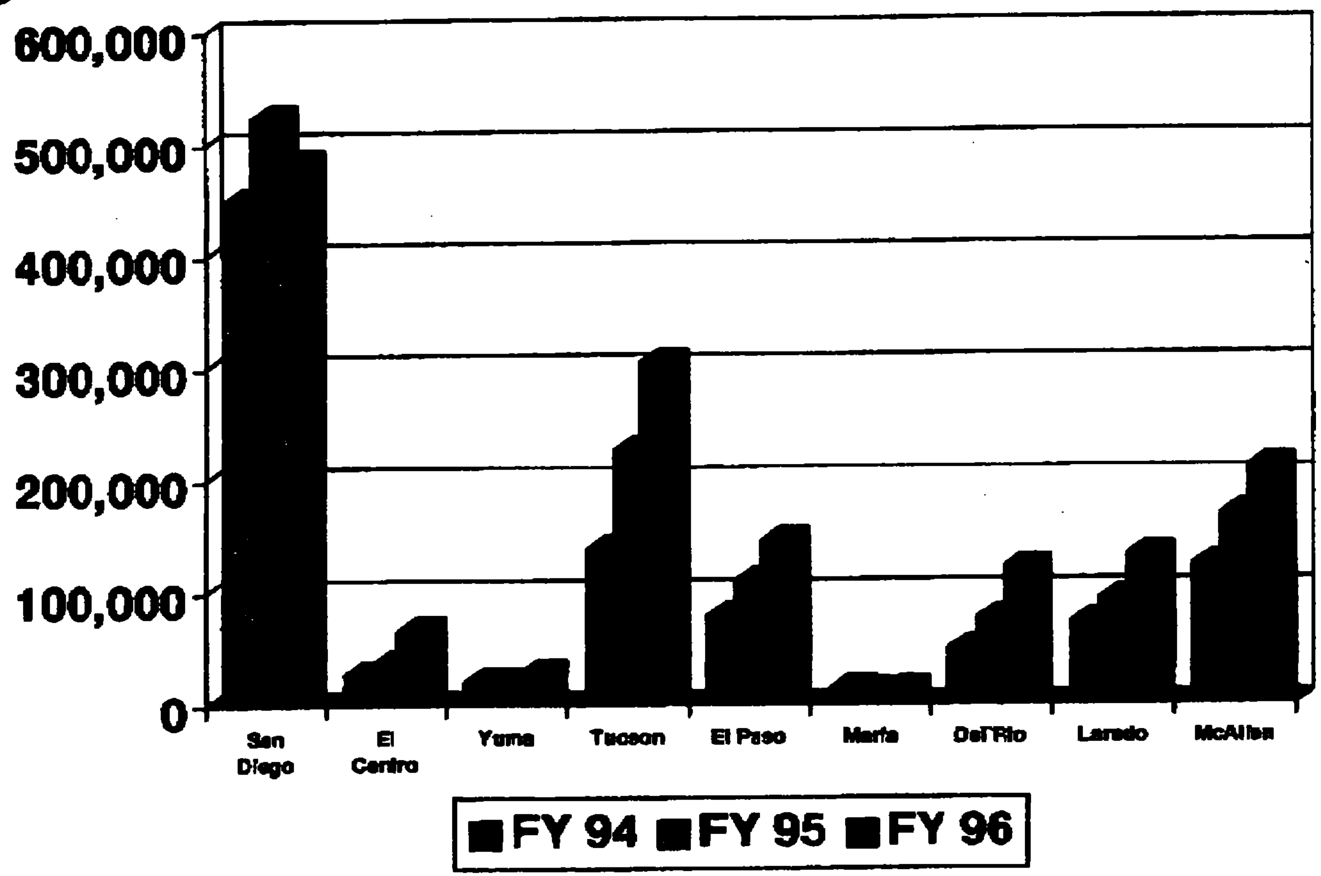
The U. S. Government has made clear progress in regaining control along the Southwest border. The INS is advancing each of the key objectives of the border control strategy. It has secured areas of the border where just two years ago aliens crossed with impunity. We have closed off traditional traffic routes, forcing illegal crossers to remote regions, thus using longer and more arduous routes while subjecting themselves to greater risk of apprehension. In short, INS is successfully raising the cost and difficulty of entering the United States illegally.

These efforts have also disrupted former routes for bringing in illicit drugs. They have forced smugglers and port-runners to use ports of entry and untraditional routes (e.g. tunnels) to further their illegal activities. Moreover, Operation Hard Line, a Customs program aimed at such activities, complements the Border Patrol tactical operations along the border, all of which support the Administration's anti-drug efforts on the Southwest border.

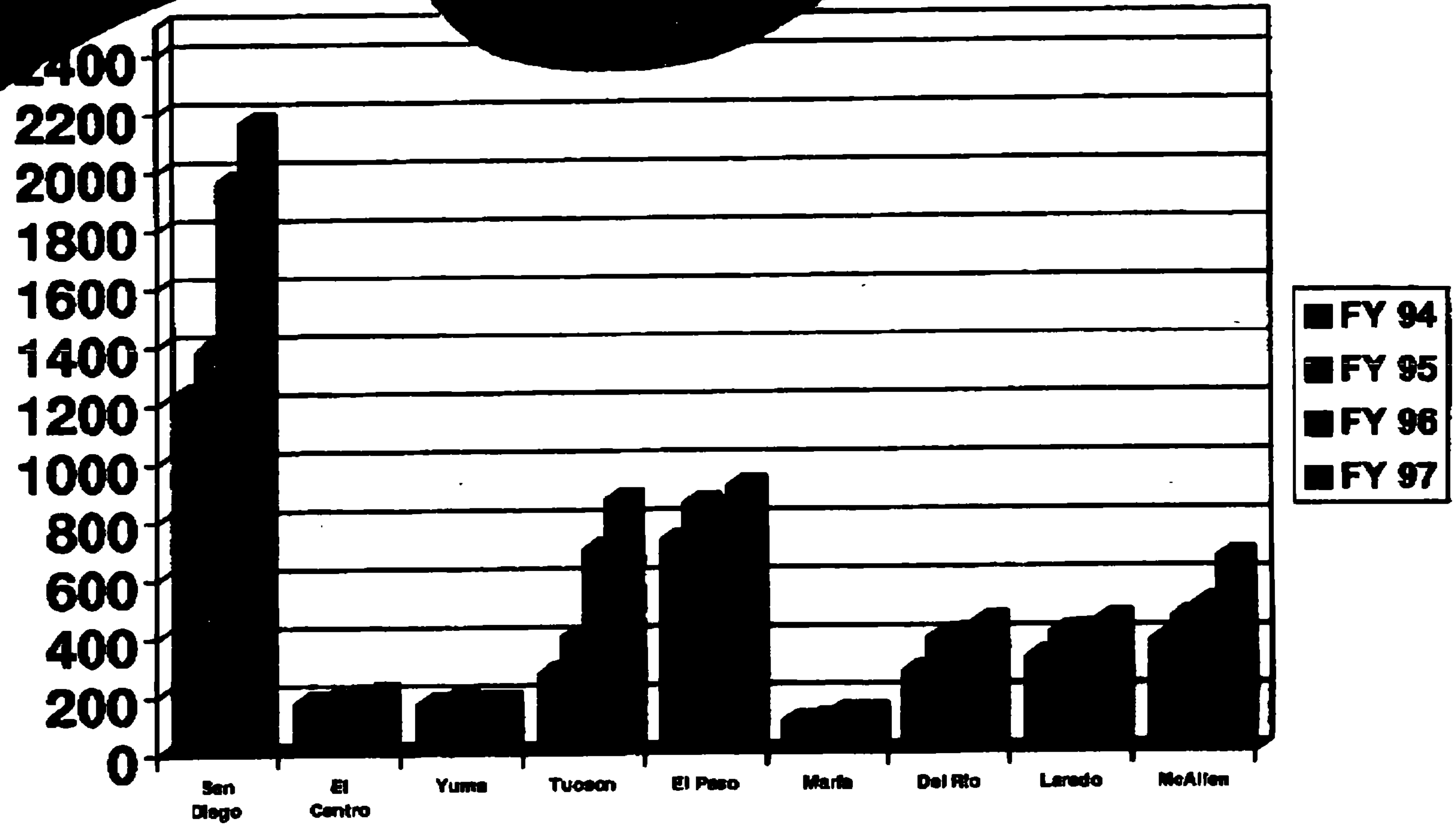
Regaining control of our borders is an on-going task. We appreciate the attention of this Committee to the problems we face, and, again, thank the Congress for its support of our endeavor.

This concludes my written testimony and I will now answer any questions you may have.

INS BORDER PATROL
Southwest Border Apprehension Levels



INS BORDER PATROL
Southwest Border Staffing Levels



*FY 97 numbers are an estimate

COVER SHEET

FAX

To: Annette Rooney, OMB

Fax #: 395-5691

Subject: INS Testimony for Feb. 25 H. Govt Reform Subcom on Natl Securty Hearing on Narcotics across SW Border

Date: February 24, 1997

Pages: 14, including this cover sheet.

COMMENTS:

John Trasvina asked me to send this testimony directly to you. If you have any questions, please call me at 514-4643 or 514-5231.

From the desk of...

Ralph B. Thomas
Special Assistant to the Director
Congressional & Intergovernmental Relations
425 I Street, N.W., Room 7018
Washington, D. C. 20536

202-514-4643
Fax: 202-514-117

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Total Pages: 13 pgs

LRM ID: AER21

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
Washington, D.C. 20503-0001

Wednesday, February 12, 1997

LEGISLATIVE REFERRAL MEMORANDUM

TO:	Legislative Liaison Officer - See Distribution below
	Ron Peterson
FROM:	Ronald K. Peterson (for) Assistant Director for Legislative Reference
OMB CONTACT:	Annette E. Rooney
	PHONE: (202)395-7300 **FAX:** (202)395-5691
SUBJECT:	STATE Oversight Testimony on Counternarcotics Policy Toward Colombia
DEADLINE:	**4:30 P.M. Wednesday, February 12, 1997**

In accordance with OMB Circular A-19, OMB requests the views of your agency on the above subject before advising on its relationship to the program of the President. **Please advise us if this item will affect direct spending or receipts for purposes of the "Pay-As-You-Go" provisions of Title XIII of the Omnibus Budget Reconciliation Act of 1990.**

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117 and 340-TRANSPORTATION - Tom Herlihy - (202) 366-4687 — ntf Jane DeCell

EOP:
Antonio E. Chavez — See p. 8 be sensitive
Kevin P. Cichetti — NC
Mary Jo Siclari / Tom Hawkins - see p. 9

Cleared

February 12, 1997

Note for Annette Rooney, OMB

From: Greg Jones, OLA

Re: Mr. Gelbard's testimony

Generally no comment.

Here are our changes:

1. at p. 2 -- mid-page "objectives included the enactment and implementation of tough asset forfeiture ....."

2. at p. 4 -- first para, first line "such as extradition of nationals....."

p 4, second par, insert after "good behavior", and will receive credit for time already served in detention.

at p. 6, carryover para, last sentence:

"Rodriguez Orejuela brothers, [delete "one of"] Helmer "Pacho" Herrera Buitrago, and Juan Carlos "Chupeta" Ramirez Abadia, have gone unanswered."

at p. 6, 1st para., add sentence at end:

"Let me note in passing, however, that the first attempts at implementation of the law have failed utterly. For example, the hold on assets placed in the names of family and friends of the Rodriquez Orejuela brothers was lifted at the time of their sentencings, and these assets are now available to them once more."

A

STATEMENT
TO THE
SUBCOMMITTEE ON NATIONAL SECURITY, INTERNATIONAL AFFAIRS,
AND CRIMINAL JUSTICE
OF THE
HOUSE COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT
BY

Robert S. Gelbard
Assistant Secretary of State for
International Narcotics and Law Enforcement Affairs
February 14, 1997

Good afternoon, Mr. Chairman and distinguished members of the Committee. I am pleased to have the opportunity today to discuss with you U.S. counternarcotics policy toward Colombia. Before I begin my remarks today, however, I would like to thank the Committee for its strong backing for the Department's counternarcotics programs. In particular, Chairman Hastert, your support helped ensure that the International Narcotics Control budget would be sufficient to carry out critical anti-drug and crime initiatives throughout the world, top among which are our programs in the major cocaine and opium source countries.

President Clinton denied certification to Colombia March 1, 1996, because the efforts of Colombia's honest police, military, prosecutors and government officials were being undermined by corruption at the highest levels of the Colombian Government and Congress. The challenge we confronted was to find a way to deny credibility to a president we believe to be corrupt and keep the pressure on for anti-drug progress, without turning our backs on honest

[illegible] 2/13/97 [illegible]

Colombians. To deny the Colombian police, justice system and military desperately-needed resources and technical assistance would have amounted to handing some of the world's leading criminals a victory by default.

Our strategy to meet that challenge over the past year has been to maintain support for essential counternarcotics programs and institutions in Colombia -- in fact, from 1996 to 1997, we have almost doubled our assistance program for the Colombian National Police (CNP) and elements of the justice sector -- while pressing the Government to take specific policy and legislative actions that would strengthen the hand of the law enforcement and judicial sectors. Our objectives included the enactment of tough asset forfeiture and implementation and sentencing laws; the strengthening of Colombia's inadequate 1995 money laundering statute; reconsideration of Colombia's policy of not extraditing its nationals; support for investigations and prosecutions targetting corrupt public officials; stepped up eradication of coca and opium poppy fields; and the signing of a bilateral maritime interdiction agreement. We also sought continued law enforcement and judicial action against traffickers; their prosecution, conviction, and sentencing to prison terms commensurate with their crimes; the dismantling of their organizations; and the forfeiture of their front companies and ill-gotten proceeds.

This list did not come as a surprise to the Samper Government. In fact, in July 1994, he promised, in a letter sent to many of the members of both this House and of the Senate, to undertake many of these same initiatives immediately upon taking office. He said he would "accelerate the reform of Colombia's penal code, increasing the penalties for drug traffickers and removing the loopholes in our plea-bargaining system." He committed as well to send to the Colombian Congress stringent anti-corruption legislation and strengthened laws against money laundering. Finally, and perhaps most cynically, Samper promised to create an "elite corps of investigators ... to track down corruption and send the political cronies of the cartels to jail." Rather than jailing the political cronies of the drug traffickers, Ernesto Samper apparently reached an accord with them that assured his exoneration by the Colombian Congress through ~~an~~ a patently flawed and corrupt process.

Progress on some of this agenda has been made -- largely due to the denial of certification, international pressure, and the inherent threat of broader economic sanctions -- but President Ernesto Samper took almost no concrete steps to demonstrate that he is committed to confronting the drug interests that funded his Presidential campaign. To the contrary, we believe that through inaction on key items on of nationals

the agenda, such as extradition or strengthened sentencing legislation, he continued to honor the commitments he made to the kingpins when he accepted their money to fund his presidential campaign. The evidence that President Samper has aided and abetted drug traffickers was sufficient to warrant the revocation of his U.S. tourist visa last year.

In concrete terms, the Cali mafia kingpins were allowed to continue to operate from prison, and in late January 1997 were granted extremely short prison terms. Top drug lords Gilberto and Miguel Rodriguez Orejuela were sentenced to 10.5 and 9 years in prison respectively, and were fined just over 12 million dollars combined, for their conviction on drug trafficking and illicit enrichment charges. The judge reduced the gross sentences by one half, as mandated by Colombia's weak sentencing laws, and they will be eligible for further reductions for "good behavior." These international criminals ultimately may serve as little as four to five more years in prison apiece.

and will receive credit for time already served in detention

If President Samper had been serious about his 1994 promise to revamp Colombia's sentencing laws, and had taken immediate action, these sentences might have been more in keeping with international standards. Draft legislation to toughen sentences for drug trafficking and money laundering was not introduced by the government until late last year.

The bills have not passed, but the congress is meeting in extraordinary session now to consider key legislation. Despite the Government's protestations that new sentencing laws could not have been applied to these men, the prosecutors who managed the cases have stated publicly that the Rodriguez Orejuelas were convicted for offenses which they committed up until mid-1995. A tougher sentencing law, passed in 1994 or early 1995, would have applied to those crimes. In stark contrast to the Colombian sentences, a U.S. federal judge sentenced Mexican drug lord Juan Garcia Abrego -- a long-time associate of the Rodriguez Orejuelas -- to 11 life terms and a fine of 128 million dollars on January 31, on charges of trafficking some 15 tons of cocaine and of money laundering. Much of that cocaine probably was supplied by the Cali drug mafia.

The Samper Administration took no concerted action to reexamine extradition of these traffickers, despite the inadequacy of Colombia's laws to deal with their criminal enterprise. Other sectors of Colombian public opinion have begun to openly discuss the need for extradition, but the government has made no serious effort to launch a constitutional reform initiative. In fact, Colombia's constitutional court must issue a decision very soon on a case which argues that the 1979 U.S.-Colombia extradition treaty is still in force despite Colombia's 1991 constitutional prohibition on the extradition of its nationals. This decision is central to the debate in Colombia, yet the government has not pressed the case for reinstatement of extradition. Perhaps more germane is the lack of any evidence of Government support, or commitment to provide protection for, those magistrates who might vote to reinstate extradition -- literally a life-or-death decision for a Colombian judge. Meanwhile, our formal requests for the extradition of the Rodriguez Orejuela brothers, ~~and of~~ Helmer "Pacho" Herrera Buitrago, and Juan Carlos "Chupeta" Ramirez Abadia have gone unanswered.

See Insert A att.

Asset forfeiture legislation, for which Samper personally lobbied near the end of the 1996 congressional session, passed in late December. The law, as approved by the legislature, is a good one and could prove to be a very significant development. Before we can evaluate the Government's commitment to implement it, however, the legislation must stand the review of the constitutional court -- a test which some Colombian observers believe the law was designed to fail.

While we continue to hope for the best, we can judge the Colombian Government on the basis of concrete action alone. President Ernesto Samper has forfeited the right to the benefit of the doubt. The revelation that as recently as late 1996, while the investigation and trial of the Cali kingpins was well underway, Samper and Interior Minister Serpa were actively trying to engage the German Government as an interlocutor in a negotiation with the Cali mafia kingpins was merely another indication that Samper does not share U.S. priorities or our approach to combatting the drug trade. The incident should serve as a reminder that we must continue to insist upon specific results.

While critical issues were not addressed, the Samper Administration, seeking to garner some measure of international legitimacy, improved its cooperation on a number of other issues on the agenda. In late 1996, the government agreed to a USG-funded enhancement of the coca and opium crop eradication program, supported by U.S. pilots. It also negotiated and initialed, in early 1997, a maritime agreement. Perhaps more significantly, the denial of certification served to mobilize the private sector in Colombia. Leading segments of the private sector have begun to recognize that they have a very significant stake in ensuring that Colombia's interests, rather than those of its top drug mafias, are served by the elected Government. Colombian industries have sought more direct cooperation with the U.S., and the application in late 1995 of the International Emergency Economic Powers Act (IEEPA) against Cali mafia front companies served as a wake-up call for the Colombian banking industry. Independent banking associations have begun to take steps to implement tighter controls over their own industry, recognizing the potentially devastating implications for Colombia should key banks lose their access to the U.S. banking system.

At the operational level, our direct cooperation with the Colombian National Police (CNP), the Prosecutor General's Office and the armed forces remains good. Members of all of these organizations live day to day with the very real threat that they may die for their convictions. They nonetheless have continued to distinguish themselves for their courage and valiant efforts against narcotics trafficking, despite the shadow of corruption at the heart of their own government.

As I noted earlier, we have substantially increased our assistance to the CNP in the past year. We have doubled our direct assistance, from 16 million dollars last year to 30 million dollars in 1997, the vast majority of which supports the eradication and interdiction operations of the Anti-Narcotics Police. Part of this increase will be devoted to purchasing military-issue equipment and spare parts which previously have been funded with counternarcotics Foreign Military Financing monies, inaccessible now due to the denial of certification. We also have dramatically increased our

Okay to use but Be sensitive # difference in Budget aviation support to the CNP, including the provision of 12 additional UH-1H helicopters and deployment of additional INL spray aircraft and support aircraft. We will be providing increased support to the CNP in connection with the new assets, as well as with the pending delivery of 12 more helicopters associated with the President's 506(a) drawdown package.

Interdiction operations and seizures of drug trafficking aircraft, cocaine, heroin and opium were all down from last year, but those of precursor chemicals and destruction of labs increased significantly. We have worked more closely than ever with the CNP in support of a much-enhanced aerial eradication program. Colombian and U.S. pilots are operating side by side, at great risk to all involved, to eradicate an increasing coca crop in Colombia. Our efforts to rapidly expand the program have presented significant challenges which the CNP has accepted without hesitation. The continued expansion of Colombia's coca crop -- though extremely troubling -- is not the result of a lack of will or effort on the part of the Colombian National Police. Moreover, cooperation between the police and the military -- particularly in terms of military support for the eradication program -- has improved substantially.

Not true for DOD (in total $) = Constant level of effort

No per TC

The tremendous expansion in the Colombian coca crop -- cultivation jumped over 30 percent last year, from almost 51,000 hectares to over 67,000 hectares -- despite an aggressive aerial eradication program, points to one of the greatest challenges we face in Colombia and the region. I expect there will be a tendency in the coming months to view this expansion as the direct effect of a shrinking Peruvian supply of cocaine products. Law enforcement and interdiction pressure in Peru have helped produce an impressive 18 percent reduction in the Peruvian coca crop. I believe this is part of the explanation. However, we must also recognize the decisive role played by elements of Colombia's insurgent groups in identifying an economic opportunity -- the insatiable desire of the traffickers for a reliable source of cocaine products -- and in making a clear decision in the early 1990s to carve out a significant portion of that market for themselves.

This dynamic, which implies increased self-sufficiency for the Colombian drug industry, has significant implications for our efforts to eliminate this scourge. Colombian insurgent groups now have a proven source of income, and a vested interest in expanding and protecting the trade. In the regions of the country where they are cultivating massive coca fields and protecting laboratories -- areas where the

Colombian Government often has no presence or control -- the guerrillas constitute a very real threat to Colombian and U.S. anti-drug forces.

In this environment, counternarcotics cooperation from Colombia's government, and that government's clear support of the efforts of its own police and military, prosecutors, judges and other government officials on the front lines of this struggle, are more important than ever. We have implemented a strategy that is producing some results. We must continue to provide a high level of direct support, assistance and encouragement to those in Colombia dedicated to ending the drug scourge and the corruption it has engendered. And most importantly, we must continue to hold the Samper Administration's feet to the fire to produce results. Now is not the time walk away from this challenge.

Now is no time to take the pressure off of the Colombian Government.

LRM ID: AER21 **SUBJECT:** STATE Oversight Testimony on Counternarcotics Policy Toward Colombia

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Office of Management and Budget
Branch-Wide Line (to reach legislative assistant): 395-6194

FROM: 2/12/97 (Date)
John Carnevale (Name)
ONDCP (Agency)
395-6736 (Telephone)

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_____ Concur

_____ No Objection

X No Comment

_____ See proposed edits on pages _____

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Kevin P. Cichetti
02/12/97 12:16:28 PM

Record Type: Record

To: Ronald K. Peterson/OMB/EOP

cc:
Subject: LRM AER21

I have no comment.

Thanks.
KPC

LRM ID: AER21 SUBJECT: STATE Oversight Testimony on Counternarcotics Policy Toward Colombia

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Office of Management and Budget
Branch-Wide Line (to reach legislative assistant): 395-6194

FROM: February 12 1997 (Date)
Janc B. Decell (Name)
Transportation (Agency)
366-9299 (Telephone)

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✓ No Objection

____ No Comment

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Please clear by c.o.b. 2/12

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Wednesday, February 12, 1997

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TO: Legislative Liaison Officer - See Distribution below

Ron Peterson

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PHONE: (202)395-7300 **FAX:** (202)395-5691
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DATE: 2/13 **TIME** 11:30

 # OF PAGES TO FOLLOW 6 **FROM:** Annette
LEGISLATIVE REFERENCE DIV.

TO: Kaye

COMMENT: Pg 2, 3, 4, 6, 8 + Justice Cmts

ACTION: **FYI**_____ **RESPOND BY:**__________

Q+A's

QUESTION: WHAT'S NEW IN THIS STRATEGY?

A: * TEN YEAR NATIONAL COMMITMENT TO SUBSTANTIAL REDUCTION OF DRUG ABUSE, AND DEVELOPMENT OF MEASURES OF EFFECTIVENESS

* DECLARATION OF ELIMINATION OF ELIMINATION OF COCA CULTIVATION DESTINED FOR ILLICIT CONSUMPTION IN NEXT DECADE AS OBJECTIVE

* INCLUSION OF PREVENTION OF UNDERAGE DRINKING AND SMOKING IN NATIONAL DRUG STRATEGY AND ONDCP MISSION

* DEMAND REDUCTION AT CENTER OF NATIONAL ANTI-DRUG EFFORT

* IDENTIFICATION OF PREVENTION OF DRUG ABUSE BY YOUTH AS TOP PRIORITY

* 500 NEW BORDER PATROL AGENTS AT SW BORDER AS PART OF STRONG INTERDICTION EFFORT

Q+A'S

- **Why should we certify Mexico's counterdrug efforts?**

  - First of all, the President has not yet made a decision on certification of Mexico. His decision will be based on whether they've met the criteria established by the law. Here are some facts though. Mexican drug seizures and arrests increased in 1996. They have passed serious laws to counter money laundering, chemical diversion, and organized crime. Bilateral law enforcement cooperation continued to improve. Record numbers of fugitives were turned over to us. They are facing up to the serious problem of corruption.

  - Secondly, their Government recognizes the severe threat to national security that drug trafficking and drug-related corruption poses and are acting on that conclusion. That's why we should be encouraged by the arrest of their top anti-drug official.

  - Finally, its in the long-term interest of the American people. The best way to keep drugs out of America is to support the efforts of cooperating foreign governments..

Needle Exchange

Question: Secretary Shalala last week released a study on needle exchange programs that concluded they were effective in reducing the spread of AIDS. Do you support these programs?

Answer:

Currently there is a statutory ban on using Federal funds for needle exchange. To lift ban, Shalala must find needle exchange: (1) reduces AIDS; and (2) doesn't increase drug use. She said first condition was met but not second, so the ban stands.

Needle exchange is <u>not</u> part of the Strategy -- i.e, not a part of the drug control effort.

Strategy recognizes that drug use is a major contributor to spread of AIDS. But it says the best way to address that problem is to get hard core users into treatment (including use of criminal justice system), and make that treatment more effective and more available.

Local communities can experiment with needle exchange if they wish. But at Federal level, we'll continue to concentrate our resources on getting drug users to stop their drug use -- not prolong it.

Drug-Free Schools/RTI Study

Question: How does the administration respond to the recent evaluation of the Drug-Free Schools program by Research Triangle Institute?

Answer:

Drug-Free Schools program is a cornerstone of drug prevention in the schools. Schools must be even more involved if we are to succeed in reversing the increase in drug use by teens.

President's budget requests $620 million, an increase of $64 million.

The RTI study shows us that the program can and must be strengthened. ONDCP is working with Education to develop new research- and science-based standards of effectiveness for the program.

Legislation will be drafted that will require states to spend federal funds only on programs of demonstrated effectiveness.

DARE

Question: In view of recent criticism and negative research findings, do you support DARE?

Answer:

DARE is a valuable program. I've seen it work. But neither DARE nor any other single program along is the answer. Schools need comprehensive drug prevention, sustained over time K-12.

Research says youth need refusal skills to resist drug use. That is what DARE teaches.

Hope that the DARE will look carefully at the negative research, and use it to strengthen their program.

Remember: DARE is a private, not a federal program. Local schools make the decision to adopt DARE or any other program. We support their flexibility to do this.

$175 Million Public Media Campaign

Question: How will the $175 Million Public Media Campaign work?

Answer:

- **We are asking Congress to appropriate $175 M for FY 98 to direct a public media campaign.**
- **Campaign will target children in the 9-17 age range.**
- **Hope to see the allocated $175M matched by another pro-bono $175M worth of air time.**
- **Idea is to ensure target audience is reached a minimum of 4 times a week.**
- **Contract will be let to an appropriate agency that will manage the public campaign: air time, message content, attitudinal measurement.**
- **ONDCP will retain oversight of campaign. PDFA and Ad Council will advise ONDCP on effectiveness of campaign.**
- **As with all objectives in the Strategy, progress will be gauged by a performance measurement system.**

- **What does the strategy say about marijuana?**

  - We continue to oppose the legalization of substances that have a high potential for abuse and no accepted medical use. We have not shut the door on medical use of marijuana. We will hold it to the same standard that all medicines are held to – it must pass the muster of our world-class medical-scientific process.

- **Why were resources for interdiction cut?**

  - Resources for international drug control programs increased by 8.4 percent over the enacted FY 1997 counterdrug budget. A $37.9M increase.

  - 22 percent of the budget is allocated against the goal of reducing domestic and foreign drug sources of supply. 10 percent is being committed to shielding our borders.

  - The apparent drop reflects the fact that last year's budget was distorted by one-time, non-recurring costs such as the purchase of radars and surveillance aircraft ($165M).

To: Jim McDonough
Don Maple

From: Alan Levitt
re: $175 million

Started to put this together yesterday, got sidetracked. Need your comments, changes, additions. Will this be useful?

Q: **Why is the $175 million paid ad campaign needed?**
Teen drug use is an emergency situation, especially with regard to marijuana. We must halt and reverse this trend. Media play strong role in shaping perception that children have about what is normal or risky behavior. Network media coverage of drug issue and anti-drug public service messages have dropped markedly since 1989. At same time, there has been an increase in music, TV, film, internet web sites, fashion, humor, and other forms of communication received by children that normalize or glamorize illegal drugs. #1 goal of strategy is to educate and enable youth to reject illegal drugs. Targeted paid media ads are quickest, most effective means of changing drug use behavior through adolescent's perception of harmfulness and social disapproval of drugs.

Q. Why can't you rely on public service which has been the mainstay of many public health awareness efforts for decades?
Public service time has been decreasing for several years, in part due to economic changes in the media industry and competition among networks and between cable and broadcast television. Within currently available public service time, networks are increasingly linking public service announcements to formats and in time slots that are associated with network programing. This makes it increasingly difficult to target specific drug related messages in PSA formats to time slots watched by the specific ages and demographics of our target audiences. In addition, targeting 12-17 year old youth through PSAs has always been extremely difficult through PSAs.

Q. What will a paid campaign enable the government to do?
Paid multi-media ad campaign enables the purchase of time in selected media, primarily television. It will make it possible to target specific programs or time blocks which attract youth viewers..

Q. How was the $175 million figure determined.
Based on estimate by advertising agencies, the Ad Council and the partnership for a Drug Free America that a minimum of four ad exposures per week that reach 90% of the target audience is necessary to move attitudes.

Q. Won't the paid ads dry up the public service time?
We will be working with the media industry to find a formula in which they will match the paid advertising effort with commensurate pro-bono public service announcement efforts. We are exploring these issues with the broadcast and cable television industries, Partnership for a Drug Free America, Ad Council, and other organizations. It could result in an addition of public

service time for some drug-related issues. We will bring in the best and brightest in the communications industry to help us shape an initiative that can be measured and not undermine other public service efforts.

Q: How long will this take?
ONDCP is exploring procurement process to determine how best to facilitate the expeditious obligation of funds to an advertising agency, consortia of agencies or other organization in order to have the messages seen as soon as possible.

Q. Will campaign be used for partisan purposes?
No, paid ad campaign will be non partisan. All messages will be reviewed and approved by

Q. Is this only effort to communicate with youth about dangers of drugs?
In addition to traditional parent, school, and community based programs aimed at helping youth learn the dangers of drugs, we have embarked on a number of other initiatives:

o Entertainment Industry: to harness the power and creativity of entertainment industries to accurately portray drug use and its consequences in film, music and television. Can play a greater role in area of depiction of what is "normalized" and "glamorized" behavior.

o NIDA spotlight awards to recognize entertainment industry for accurate depiction of drug issues in media.

o Working to enlist high profile "role models" with responsible-

o Pediatricians initiative/parent empowerment campaign to help children deal with media images and messages that normalize drugs, alcohol and tobacco.

o Media literacy/critical thinking

Other:
Q. How will we measure success? How long will we carry on campaign

Q. Who will get the money?

Q. Who will produce the spots?

Date: 02/25/97 Time: 13:39
CClinton unwraps anti-drug plan amid questions over Mexico

WASHINGTON (AP) President Clinton outlined a massive, $16 billion anti-drug strategy today amid signs that his administration would give Mexico a slap on the wrist for its government's ties to drug traffickers.

``We have to become angry whenever any child one single child becomes prey for drug and violence,'' Clinton said at a morning ceremony formally unveiling his drug-fighting budget, which the White House touted as the largest in history. It represents an $800 million increase over the fiscal 1997 drug budget.

In his remarks, the president did not directly address the pressing question of Mexico's re-certification for anti-drug aid, which must be decided by March 1. He said generally that decisions would be made after Secretary of State Madeleine Albright returned today from her overseas trip.

``We are committed to cooperating with our friends in Latin America,'' the president said. ``We want to cooperate with them, but we want them to cooperate with us as well.''

Mexico was embarrassed earlier this month by the arrest of its top anti-drug official on charges he had links to drug traffickers. The arrest came as Clinton administration officials were ready to rubber stamp Mexico's re-certification for the State Department aid program that assists foreign governments in fighting drugs.

Gen. Barry McCaffrey, Clinton's drug czar, called the scandal ``a serious blow to our partnership'' with Mexico, but also signaled the administration's eagneress to get around it.

``The United States and Mexico are trapped economically, culturally, politically and because of drug crime, in the same continent and we'd better figure out a way to work on it together,'' McCaffrey said.

Since the scandal complicated re-certification, White House officials have dodged speculation on the outcome, saying they await Albright's recommendation. She said this weekend that the administration could fail to certify Mexico as a cooperating ally in the war against drugs, but then grant a waiver to permit continued aid on grounds of U.S. national security interests.

On the domestic front, Vice President Al Gore, who joined Clinton for the morning event, noted that drug use among teens has doubled over the past five years, and one-third of new AIDS cases are linked to intravenous drug use. McCaffrey added that 3.6 million Americans are addicted to illegal drugs.

The president's drug-control plan relies heavily on an unprecedented $350-million ad campaign that would if the private sector antes up half of the money bombard young people with anti-drug messages during prime-time television.

Otherwise, the package outlined today contained no new initiatives; they were first proposed last month as part of the president's fiscal 1998 budget. It includes a 150 percent increase, to $75 million, for ``drug courts'' that offer nonviolent drug criminals voluntary alternatives to jail.

Another $42 million would help pay for drug-testing those arrested on federal, state and local charges.

Clinton also announced the release of $16 million in previously appropriated Justice Department funds to 115 communities planning drug courts.

Rosalind Brannigan, vice president of Drug Strategies, said her non-profit research institute was disappointed that the lion's share of the new money would pay for television ads and the ``Safe and Drug-Free Schools'' program that uses slogans and activities to teach kids the dangers of drugs.

``They are not enough. The majority of programs that are funded are not the programs that research has shown are efficacious,'' said Brannigan. ``You have to have a skill-building campaign along with an information campaign.''

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